UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2021

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____to_____

Commission File Number: 001-35883

SeaWorld Entertainment, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**27-1220297**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
6240 Sea Harbor Drive	
Orlando, Florida	**32821**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (407) 226-5011

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	SEAS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The registrant had outstanding 79,062,182 shares of Common Stock, par value $0.01 per share as of May 3, 2021.

SEAWORLD ENTERTAINMENT, INC. AND SUBSIDIARIES

FORM 10-Q

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to historical information, this Quarterly Report on Form 10-Q may contain "forward-looking statements" within the meaning of the federal securities laws. All statements, other than statements of historical facts, including statements concerning our plans, objectives, goals, beliefs, business strategies, future events, business conditions, our results of operations, financial position and our business outlook, business trends and other information, may be forward-looking statements. Words such as "might," "will," "may," "should," "estimates," "expects," "continues," "contemplates," "anticipates," "projects," "plans," "potential," "predicts," "intends," "believes," "forecasts," "future," "targeted," "goal" and variations of such words or similar expressions are intended to identify forward-looking statements. The forward-looking statements are not historical facts, and are based upon our current expectations, beliefs, estimates and projections, and various assumptions, many of which, by their nature, are inherently uncertain and beyond our control. Our expectations, beliefs, estimates and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management's expectations, beliefs, estimates and projections will result or be achieved and actual results may vary materially from what is expressed in or indicated by the forward-looking statements.

There are a number of risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking statements contained in this Quarterly Report on Form 10-Q. Such risks, uncertainties and other important factors that could cause actual results to differ materially include, among others, the risks, uncertainties and factors set forth under "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 (the "Annual Report on Form 10-K"), filed with the Securities and Exchange Commission (the "SEC"), and under "Part II, Item 1A., Risk Factors" in this Quarterly Report on Form 10-Q, as such risk factors may be updated from time to time in our periodic filings with the SEC, including this report, and are accessible on the SEC's website at *www.sec.gov,* including the following:

- the effects of the global Coronavirus ("COVID-19") pandemic, or any related mutations of the virus, on our business and the economy in general;
- complex federal and state regulations governing the treatment of animals, which can change, and claims and lawsuits by activist groups before government regulators and in the courts;
- activist and other third-party groups and/or media can pressure governmental agencies, vendors, partners, and/or regulators, bring action in the courts or create negative publicity about us;
- various factors beyond our control adversely affecting attendance and guest spending at our theme parks, including, but not limited to, weather, natural disasters, foreign exchange rates, consumer confidence, the potential spread of travel-related health concerns including pandemics and epidemics, travel related concerns, and governmental actions;
- incidents or adverse publicity concerning our theme parks, the theme park industry and/or zoological facilities;
- a decline in discretionary consumer spending or consumer confidence;
- a significant portion of our revenues have historically been generated in the States of Florida, California and Virginia, and any risks affecting such markets, such as natural disasters, closures due to pandemics, severe weather and travel-related disruptions or incidents;
- seasonal fluctuations in operating results;
- inability to compete effectively in the highly competitive theme park industry;
- interactions between animals and our employees and our guests at attractions at our theme parks;
- animal exposure to infectious disease;
- high fixed cost structure of theme park operations;
- changing consumer tastes and preferences;
- cyber security risks and failure to maintain the integrity of internal or guest data;
- technology interruptions or failures that impair access to our websites and/or information technology systems;
- increased labor costs, including minimum wage increases, and employee health and welfare benefits;
- inability to grow our business or fund theme park capital expenditures;
- adverse litigation judgments or settlements;
- inability to protect our intellectual property or the infringement on intellectual property rights of others;
- the loss of licenses and permits required to exhibit animals or the violation of laws and regulations;
- loss of key personnel;
- unionization activities and/or labor disputes;
- inability to meet workforce needs;
- inability to realize the benefits of developments, restructurings, acquisitions or other strategic initiatives, and the impact of the costs associated with such activities;
- inability to maintain certain commercial licenses;

- restrictions in our debt agreements limiting flexibility in operating our business;
- changes in the method for determining LIBOR and the potential replacement of LIBOR may affect our cost of capital;
- inability to retain our current credit ratings;
- our substantial leverage;
- inadequate insurance coverage;
- inability to purchase or contract with third party manufacturers for rides and attractions or construction delays;
- environmental regulations, expenditures and liabilities;
- suspension or termination of any of our business licenses, including by legislation at federal, state or local levels;
- delays, restrictions or inability to obtain or maintain permits;
- financial distress of strategic partners or other counterparties;
- changes to immigration, foreign trade, investments and/or other policies;
- inability to realize the full value of our intangible assets;
- changes in tax laws;
- tariffs or other trade restrictions;
- actions of activist stockholders;
- the ability of Hill Path Capital LP to significantly influence our decisions;
- changes or declines in our stock price, as well as the risk that securities analysts could downgrade our stock or our sector; and
- risks associated with our capital allocation plans and share repurchases, including the risk that our share repurchase program could increase volatility and fail to enhance stockholder value.

We caution you that the risks, uncertainties and other factors referenced above may not contain all of the risks, uncertainties and other factors that are important to you. In addition, we cannot assure you that we will realize the results, benefits or developments that we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our business in the way expected. There can be no assurance that (i) we have correctly measured or identified all of the factors affecting our business or the extent of these factors' likely impact, (ii) the available information with respect to these factors on which such analysis is based is complete or accurate, (iii) such analysis is correct or (iv) our strategy, which is based in part on this analysis, will be successful. All forward-looking statements in this Quarterly Report on Form 10-Q apply only as of the date of this Quarterly Report on Form 10-Q or as of the date they were made or as otherwise specified herein and, except as required by applicable law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise.

All references to "we," "us," "our," "Company" or "SeaWorld" in this Quarterly Report on Form 10-Q mean SeaWorld Entertainment, Inc., its subsidiaries and affiliates.

Website and Social Media Disclosure

We use our websites (*www.seaworldentertainment.com* and *www.seaworldinvestors.com*) and our corporate Twitter account *(@SeaWorld)* as channels of distribution of Company information. The information we post through these channels may be deemed material. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive e-mail alerts and other information about SeaWorld when you enroll your e-mail address by visiting the "E-mail Alerts" section of our website at *www.seaworldinvestors.com*. The contents of our website and social media channels are not, however, a part of this Quarterly Report on Form 10-Q.

Trademarks, Service Marks and Trade Names

We own or have rights to use a number of registered and common law trademarks, service marks and trade names in connection with our business in the United States and in certain foreign jurisdictions, including SeaWorld Entertainment, SeaWorld Parks & Entertainment, SeaWorld®, Shamu®, Busch Gardens®, Aquatica®, Discovery Cove®, Sea Rescue® and other names and marks that identify our theme parks, characters, rides, attractions and other businesses. In addition, we have certain rights to use Sesame Street® marks, characters and related indicia through our license agreement with Sesame Workshop.

Solely for convenience, the trademarks, service marks, and trade names referred to hereafter in this Quarterly Report on Form 10-Q are without the ® and ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, service marks, and trade names. This Quarterly Report on Form 10-Q may contain additional trademarks, service marks and trade names of others, which are the property of their respective owners. All trademarks, service marks and trade names appearing in this Quarterly Report on Form 10-Q are, to our knowledge, the property of their respective owners.

PART I — FINANCIAL INFORMATION

Item 1. Unaudited Condensed Consolidated Financial Statements

SEAWORLD ENTERTAINMENT, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)

	March 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 430,567	$ 433,909
Accounts receivable, net	52,978	30,410
Inventories	28,850	30,700
Prepaid expenses and other current assets	19,908	12,418
Total current assets	532,303	507,437
Property and equipment, at cost	3,289,307	3,272,705
Accumulated depreciation	(1,646,260)	(1,611,745)
Property and equipment, net	1,643,047	1,660,960
Goodwill	66,278	66,278
Trade names/trademarks, net	157,000	157,000
Right of use assets-operating leases	134,846	136,572
Deferred tax assets, net	24,442	22,847
Other assets, net	15,451	15,264
Total assets	$ 2,573,367	$ 2,566,358
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable and accrued expenses	$ 102,803	$ 105,369
Current maturities of long-term debt	15,505	15,505
Operating lease liabilities	3,287	3,757
Accrued salaries, wages and benefits	15,027	10,781
Deferred revenue	193,374	130,759
Other accrued liabilities	41,348	50,950
Total current liabilities	371,344	317,121
Long-term debt, net	2,174,978	2,177,137
Long-term operating lease liabilities	119,003	120,144
Deferred tax liabilities, net	11,595	15,772
Other liabilities	42,239	41,987
Total liabilities	2,719,159	2,672,161
Commitments and contingencies (Note 9)		
Stockholders' Deficit:		
Preferred stock, $0.01 par value—authorized, 100,000,000 shares, no shares issued or outstanding at March 31, 2021 and December 31, 2020	—	—
Common stock, $0.01 par value—authorized, 1,000,000,000 shares; 94,858,445 and 94,652,248 shares issued at March 31, 2021 and December 31, 2020, respectively	948	946
Additional paid-in capital	685,253	680,360
Accumulated deficit	(416,684)	(371,800)
Treasury stock, at cost (16,260,248 shares at March 31, 2021 and December 31, 2020)	(415,309)	(415,309)
Total stockholders' deficit	(145,792)	(105,803)
Total liabilities and stockholders' deficit	$ 2,573,367	$ 2,566,358

See accompanying notes to unaudited condensed consolidated financial statements.

SEAWORLD ENTERTAINMENT, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands, except per share amounts)

	For the Three Months Ended March 31,	
	2021	**2020**
Net revenues:		
Admissions	$ 95,780	$ 90,506
Food, merchandise and other	76,140	63,055
Total revenues	171,920	153,561
Costs and expenses:		
Cost of food, merchandise and other revenues	14,942	13,104
Operating expenses (exclusive of depreciation and amortization shown separately below)	107,772	132,999
Selling, general and administrative expenses	31,464	26,954
Severance and other separation costs	86	65
Depreciation and amortization	36,558	38,013
Total costs and expenses	190,822	211,135
Operating loss	(18,902)	(57,574)
Other expense (income), net	174	(12)
Interest expense	30,956	19,153
Loss before income taxes	(50,032)	(76,715)
Benefit from income taxes	(5,148)	(20,196)
Net loss	$ (44,884)	$ (56,519)
Other comprehensive income:		
Unrealized income on derivatives, net of tax	—	704
Comprehensive loss	$ (44,884)	$ (55,815)
Loss per share:		
Net loss per share, basic	$ (0.57)	$ (0.72)
Net loss per share, diluted	$ (0.57)	$ (0.72)
Weighted average common shares outstanding:		
Basic	78,458	78,213
Diluted	78,458	78,213

See accompanying notes to unaudited condensed consolidated financial statements.

SEAWORLD ENTERTAINMENT, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' (DEFICIT) EQUITY
(In thousands, except share amounts)

	Shares of Common Stock	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Treasury Stock, at Cost	Total Stockholders' Deficit
Balance at December 31, 2020	94,652,248	$ 946	$ 680,360	$ (371,800)	$ —	$ (415,309)	$ (105,803)
Equity-based compensation	—	—	4,473	—	—	—	4,473
Vesting of restricted shares	130,834	1	(1)	—	—	—	—
Shares withheld for tax withholdings	(41,271)	—	(1,971)	—	—	—	(1,971)
Exercise of stock options	116,634	1	2,392	—	—	—	2,393
Net loss	—	—	—	(44,884)	—	—	(44,884)
Balance at March 31, 2021	94,858,445	$ 948	$ 685,253	$ (416,684)	$ —	$ (415,309)	$ (145,792)

	Shares of Common Stock	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Treasury Stock, at Cost	Total Stockholders' Equity
Balance at December 31, 2019	94,044,203	$ 940	$ 673,893	$ (59,479)	$ (1,559)	$ (402,903)	$ 210,892
Equity-based compensation	—	—	(3,601)	—	—	—	(3,601)
Unrealized gain on derivatives, net of tax expense of $254	—	—	—	—	704	—	704
Vesting of restricted shares	410,807	4	(4)	—	—	—	—
Shares withheld for tax withholdings	(121,089)	(1)	(3,159)	—	—	—	(3,160)
Exercise of stock options	11,096	—	203	—	—	—	203
Adjustments to previous dividend declarations	—	—	1	—	—	—	1
Repurchase of 469,785 shares of treasury stock, at cost	—	—	—	—	—	(12,406)	(12,406)
Net loss	—	—	—	(56,519)	—	—	(56,519)
Balance at March 31, 2020	94,345,017	$ 943	$ 667,333	$ (115,998)	$ (855)	$ (415,309)	$ 136,114

See accompanying notes to unaudited condensed consolidated financial statements.

SEAWORLD ENTERTAINMENT, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	For the Three Months Ended March 31,	
	2021	**2020**
Cash Flows From Operating Activities:		
Net loss	$ (44,884)	$ (56,519)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	36,558	38,013
Amortization of debt issuance costs and discounts	1,717	822
Deferred income tax benefit	(5,773)	(20,805)
Equity-based compensation	4,473	(3,601)
Other, including loss on sale or disposal of assets, net	487	(594)
Changes in assets and liabilities:		
Accounts receivable	(28,548)	7,005
Inventories	1,854	(1,459)
Prepaid expenses and other current assets	(2,533)	(9,586)
Accounts payable and accrued expenses	(2,226)	13,720
Accrued salaries, wages and benefits	4,246	(3,156)
Deferred revenue	66,386	25,875
Other accrued liabilities	(11,887)	(28,349)
Right of use assets and operating lease liabilities	115	133
Other assets and liabilities	(1,592)	(2,266)
Net cash provided by (used in) operating activities	18,393	(40,767)
Cash Flows From Investing Activities:		
Capital expenditures	(15,298)	(49,249)
Net cash used in investing activities	(15,298)	(49,249)
Cash Flows From Financing Activities:		
Repayments of long-term debt	(3,876)	(3,876)
Proceeds from draws on revolving credit facility	—	272,500
Repayments of revolving credit facility	—	(10,000)
Purchase of treasury stock	—	(12,406)
Payment of tax withholdings on equity-based compensation through shares withheld	(1,971)	(3,160)
Exercise of stock options	2,393	203
Debt issuance costs	—	(234)
Other financing activities	(2,158)	(208)
Net cash (used in) provided by financing activities	(5,612)	242,819
Change in Cash and Cash Equivalents, including Restricted Cash	(2,517)	152,803
Cash and Cash Equivalents, including Restricted Cash—Beginning of period	435,225	40,925
Cash and Cash Equivalents, including Restricted Cash—End of period	$ 432,708	$ 193,728
Supplemental Disclosure of Noncash Investing and Financing Activities		
Capital expenditures in accounts payable	$ 15,763	$ 41,208
Other financing arrangements	$ 4,239	$ —

See accompanying notes to unaudited condensed consolidated financial statements.

1. DESCRIPTION OF THE BUSINESS AND BASIS OF PRESENTATION

Description of the Business

SeaWorld Entertainment, Inc., through its wholly-owned subsidiary, SeaWorld Parks & Entertainment, Inc. ("SEA") (collectively, the "Company"), owns and operates twelve theme parks within the United States. The Company operates SeaWorld theme parks in Orlando, Florida; San Antonio, Texas; and San Diego, California; and Busch Gardens theme parks in Tampa, Florida; and Williamsburg, Virginia. The Company operates water park attractions in Orlando, Florida (Aquatica); San Antonio, Texas (Aquatica); San Diego, California (Aquatica); Tampa, Florida (Adventure Island); and Williamsburg, Virginia (Water Country USA). The Company also operates a reservations-only theme park in Orlando, Florida (Discovery Cove) and a seasonal park in Langhorne, Pennsylvania (Sesame Place).

Impact of Global COVID-19 Pandemic

In response to the global COVID-19 pandemic, and in compliance with government restrictions, the Company temporarily closed all of its theme parks effective March 16, 2020. Beginning in June 2020, the Company began the phased reopening of some of its parks with enhanced health, safety and cleaning measures, capacity limitations and modified/limited operations, which at times included reduced hours and/or reduced operating days. By August 2020, the Company had reopened 10 of its 12 parks on a limited basis. The Company was unable to reopen its Aquatica water park in California and its Water Country USA water park in Virginia for the 2020 operating season but currently expects to open both parks for their 2021 operating season.

The Company's SeaWorld park in California initially reopened in August 2020 on a limited basis, following the State of California's guidance for reopening zoos. In compliance with revised guidance issued late in the fourth quarter of 2020, the Company once again had to close this park effective December 7, 2020. On January 15, 2021, the Company introduced a limited time drive-through only experience for guests at this park. Based on updated State of California guidance, the Company reopened this park on February 6, 2021 on a limited basis, once again following California guidance for reopening zoos. Subsequently, on April 12, 2021, in accordance with California guidance, this park resumed operations as a theme park with restricted capacity.

Attendance for the Company's Busch Gardens park in Virginia has also been significantly impacted by state restrictions. Initially the State of Virginia had a state mandated capacity restriction of 1,000 guests at a time. On October 29, 2020, the state revised its theme park guidance and modified the methodology for calculating capacity at theme parks. As a result, capacity at this park increased from 1,000 guests to approximately 4,000 guests at a time. On February 1, 2021, in consultation with the State of Virginia, the Company further increased capacity to approximately 6,000 guests at a time based on further revisions to the methodology for calculating restricted capacity at theme parks. The Company was able to further increase capacity for this park on April 1, 2021 to approximately 13,000 guests.

The Company continues to operate all of its open parks with capacity limitations and modified/limited operations in accordance with local laws applicable to each park. The Company continuously monitors guidance from federal, state and local authorities and engages with governmental authorities as well as medical/scientific consultants. The Company may adjust its plans accordingly as laws change and new information and guidance becomes available. The COVID-19 pandemic, resulting park closures and limited park reopenings have had, and are likely to continue to have, a material impact on the Company's financial results.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Therefore, these unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes for the year ended December 31, 2020 included in the Company's Annual Report on Form 10-K filed with the SEC. The unaudited condensed consolidated balance sheet as of December 31, 2020 was derived from the audited consolidated financial statements included in the Company's Annual Report on Form 10-K.

In the opinion of management, such unaudited condensed consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods, but are not necessarily indicative of the results of operations for the year ending December 31, 2021 or any future period due to the seasonal nature of the Company's operations. Based upon historical results, the Company typically generates its highest revenues in the second and third quarters of each year and incurs a net loss in the first and fourth quarters, in part because seven of its theme parks were historically only open for a portion of the year. However, during the first quarter of 2021, the Company added additional operating days for three of these parks. In particular, the Company began year-round operations at its SeaWorld park in Texas and began to operate on select days at its Busch Gardens park in Virginia and its Sesame Place park in Pennsylvania.

The Company's results of operations for the three months ended March 31, 2020 were materially impacted by the COVID-19 pandemic which ultimately led to temporary park closures effective on March 16, 2020. The timing of these park closures fell during historically high-volume spring break weeks for most of the Company's parks. The Company's results of operations for the three months ended March 31, 2021 continue to be impacted by the COVID-19 pandemic due in part to capacity limitations and modified/limited operations.

The unaudited condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, including SEA. All intercompany accounts have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant estimates and assumptions include, but are not limited to, the accounting for self-insurance, deferred tax assets and liabilities, deferred revenue, equity compensation, and the valuation of goodwill and other indefinite-lived intangible assets. Estimates are based on various factors including current and historical trends, as well as other pertinent industry data. The Company regularly evaluates this information to determine if it is necessary to update the basis for its estimates and to adjust for known changes. Actual results could differ from those estimates. Based on the uncertainty relating to the COVID-19 pandemic, including but not limited to the extent, duration and impact of government restrictions, capacity limitations due to social distancing guidelines, public sentiment on social gatherings, travel and attendance patterns, travel restrictions, effectiveness and adoption of vaccines, potential supply chain disruptions and additional actions which could be taken by government authorities to manage the pandemic, the Company is not certain of the ultimate impact the COVID-19 pandemic could have on its estimates, business or results of operations.

Segment Reporting

The Company maintains discrete financial information for each of its twelve theme parks, which is used by the Chief Operating Decision Maker ("CODM"), identified as the Chief Executive Officer, or equivalent role, as a basis for allocating resources and assessing performance. Each theme park has been identified as an operating segment and meets the criteria for aggregation due to similar economic characteristics. In addition, all of the Company's theme parks provide similar products and services and share similar processes for delivering services. The theme parks have a high degree of similarity in the workforces and target similar consumer groups. Accordingly, based on these economic and operational similarities and the way the CODM monitors and makes decisions affecting the operations, the Company has concluded that its operating segments may be aggregated and that it has one reportable segment.

Restricted Cash

Restricted cash is recorded in prepaid expenses and other current assets in the accompanying unaudited condensed consolidated balance sheets. Restricted cash consists primarily of funds received from strategic partners for use in approved marketing and promotional activities.

	March 31, 2021	December 31, 2020
	(In thousands)	
Cash and cash equivalents	$ 430,567	$ 433,909
Restricted cash, included in prepaid expenses and other current assets	2,141	1,316
Total cash, cash equivalents and restricted cash	$ 432,708	$ 435,225

Revenue Recognition

Admissions revenue primarily consists of single-day tickets, annual or season passes or other multi-day or multi-park admission products. For single-day tickets, the Company recognizes revenue at a point in time, upon admission to the park. Annual passes, season passes, or other multi-day or multi-park passes allow guests access to specific parks over a specified time period. For these pass and multi-use products, revenue is deferred and recognized over the terms of the admission product based on estimated redemption rates for similar products and is adjusted periodically. For pass products purchased on an installment plan that have met their initial commitment period and have transitioned to a month-to-month basis, monthly charges are recognized as revenue as payments are received each month, with the exception of payments received during the temporary park closures (see further discussion which follows).

The Company estimates future redemption and recognition patterns for admission pass products, which impacts the timing of when revenue is recognized on these products. Actual results could materially differ from these estimates depending on the ultimate extent of the effects of the COVID-19 pandemic. As a result of the temporary park closures due to the global COVID-19 pandemic, in 2020, the Company upgraded some of its pass products and extended pass expiration dates for at least the equivalent period the related parks were closed. As a result, the Company adjusted its estimated redemption and recognition patterns on these products to reflect the fact that there was no attendance during the park closures and accordingly the Company did not recognize revenue from these admission products while the parks were closed. For passes under installment plans that had transitioned to a month-to-month basis, the Company temporarily paused monthly charges when the related parks reopened for the equivalent period the respective parks were closed. Accordingly, payments received during the closure period were recorded as deferred revenue and recognized as revenue once the respective parks reopened, which may not necessarily reflect attendance patterns for these guests.

Food, merchandise and other revenue primarily consists of culinary, merchandise and other in-park products and also includes other miscellaneous revenue which is not significant in the periods presented. The Company recognizes revenue for food, merchandise and other in-park products when the related products or services are received by the guests.

At March 31, 2021 and December 31, 2020, the long-term portion of deferred revenue included in other liabilities in the accompanying unaudited condensed consolidated balance sheets primarily relates to the Company's international agreement, as discussed in the following section.

The following table reflects the Company's deferred revenue balance as of March 31, 2021 and December 31, 2020:

	March 31, 2021	December 31, 2020
	(In thousands)	
Deferred revenue, including long-term portion	$ 208,157	$ 144,187
Less: Deferred revenue, long-term portion, included in other liabilities	14,783	13,428
Deferred revenue, short-term portion	$ 193,374	$ 130,759

International Agreements

The Company has received $10.0 million in deferred revenue recorded in other liabilities related to a nonrefundable payment received from a partner in connection with a project in the Middle East to provide certain services pertaining to the planning and design of SeaWorld Abu Dhabi, a marine life themed park on Yas Island ("the Middle East Project"), with funding received expected to offset internal expenses. The Company receives additional funds from its partner related to agreed-upon services and reimbursements of costs incurred by the Company on behalf of the Middle East Project. Approximately $6.6 million and $5.9 million of costs incurred related to the Middle East Project are recorded in other assets in the accompanying unaudited condensed consolidated balance sheets as of March 31, 2021 and December 31, 2020, respectively. The Company has recognized an asset for the costs incurred to fulfill the contract as the costs are specifically identifiable, enhance resources that will be used to satisfy performance obligations in the future and are expected to be recovered. The related deferred revenue and expense will begin to be recognized when substantially all of the services have been performed. The Company continually monitors performance on the contract and will make adjustments, if necessary. Construction for the Middle East Project is on track and scheduled to be completed by the end of 2022. There is no assurance that the Middle East Project will be completed or open to the public.

2. RECENT ACCOUNTING PRONOUNCEMENTS

The Company reviews new accounting pronouncements as they are issued or proposed by the Financial Accounting Standards Board ("FASB").

Recently Implemented Accounting Standards

On January 1, 2021, the Company adopted the following Accounting Standards Updates ("ASUs") which had no material impact on its unaudited condensed consolidated financial statements or disclosures:

- ASU 2020-04, *Reference Rate Reform (Topic 848)*, provides optional transition guidance to ease the potential accounting burden associated with transitioning away from the London Interbank Offered Rate ("LIBOR"), with optional expedients related to the application of GAAP to contracts, hedging relationships and other transactions affected by reference rate reform. The provisions of this ASU are effective upon issuance and can be applied prospectively through December 31, 2022. The adoption of this ASU did not have a material impact on the Company's unaudited condensed consolidated financial statements or disclosure.

- ASU 2019-12, *Simplifying the Accounting for Income Taxes*, simplifies various aspects related to accounting for income taxes by removing certain exceptions to the general principles in Topic 740 and clarifying certain aspects of the current guidance to promote consistency among reporting entities. ASU 2019-12 is effective for the Company beginning January 1, 2021. Most amendments within this ASU are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The adoption of this ASU did not have a material impact on the Company's unaudited condensed consolidated financial statements or disclosures.

3. LOSS PER SHARE

Loss per share is computed as follows:

	For the Three Months Ended March 31,					
	2021			2020		
	Net Loss	Shares	Per Share Amount	Net Loss	Shares	Per Share Amount
	(In thousands, except per share amounts)					
Basic loss per share	$ (44,884)	78,458	$ (0.57)	$ (56,519)	78,213	$ (0.72)
Effect of dilutive incentive-based awards		—			—	
Diluted loss per share	$ (44,884)	78,458	$ (0.57)	$ (56,519)	78,213	$ (0.72)

In accordance with the *Earnings Per Share* Topic of the ASC, basic loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period (excluding treasury stock and unvested restricted stock awards). Unvested restricted stock awards are eligible to receive dividends; if any, however, dividend rights will be forfeited if the award does not vest. Accordingly, only vested shares of formerly restricted stock are included in the calculation of basic loss per share. The weighted average number of repurchased shares during the period, if any, which are held as treasury stock, are excluded from shares of common stock outstanding.

Diluted loss per share is determined using the treasury stock method based on the dilutive effect of unvested restricted stock and certain shares of common stock that are issuable upon exercise of stock options. There were approximately 2,366,000 and 1,700,000 potentially dilutive shares excluded from the computation of diluted loss per share during the three months ended March 31, 2021 and 2020, respectively, as their effect would have been anti-dilutive due to the Company's net loss in those periods. Approximately 1,240,000 and 1,696,000 of the Company's outstanding performance-vesting restricted awards as of March 31, 2021 and 2020, respectively, are considered contingently issuable shares and are excluded from the calculation of diluted loss per share until the performance measure criteria is met as of the end of the reporting period.

4. INCOME TAXES

Income tax expense or benefit is recognized based on the Company's estimated annual effective tax rate which is based upon the tax rate expected for the full calendar year applied to the pretax income or loss of the interim period. The Company's consolidated effective tax rate for the three months ended March 31, 2021 and 2020 was 10.3% and 26.3%, respectively, and differs from the effective statutory federal income tax rate of 21.0% primarily due to state income taxes, valuation allowance adjustments on federal and state net operating loss carryforwards, a valuation adjustment on certain federal tax credits and charitable contributions, changes in state tax rates, and other permanent items including equity-based compensation.

Due to the uncertainty of realizing the benefit from deferred tax assets, tax positions are reviewed at least quarterly by assessing future expected taxable income from all sources. Realization of deferred tax assets, primarily arising from net operating loss carryforwards and charitable contribution carryforwards, is dependent upon generating sufficient taxable income prior to expiration of the carryforwards, which may include the reversal of deferred tax liability components. Based on its analysis, the Company believes that some of its deferred tax assets may not be realized. Therefore, as of March 31, 2021 and December 31, 2020, respectively, the Company recorded valuation allowances of approximately $24.5 million and $39.5 million for federal net operating loss carryforwards, approximately $12.9 million and $15.0 million, net of federal tax benefit, for certain state net operating loss carryforwards, approximately $7.3 million and $7.1 million for federal tax credits, and approximately $4.6 million and $4.0 million for charitable contributions.

The Company has determined that there are no positions currently taken that would rise to a level requiring an amount to be recorded or disclosed as an unrecognized tax benefit. If such positions do arise, it is the Company's intent that any interest or penalty amount related to such positions will be recorded as a component of the income tax provision (benefit) in the applicable period.

The computation of the estimated annual effective tax rate at each interim period requires certain estimates and assumptions including, but not limited to, the forecasted pre-tax income or loss for the year, projections of the proportion of income and/or loss earned and taxed in respective jurisdictions, permanent and temporary differences, and the likelihood of the realizability of deferred tax assets generated in the current year. The volatile global economic conditions resulting from the COVID-19 pandemic, the impacts of which are difficult to predict, may cause fluctuations in the Company's forecasted pre-tax income or loss for the year, which could create volatility in its estimated annual effective tax rate. The estimates used to compute the provision or benefit for income taxes may change as new events occur, additional information is obtained or as the Company's tax environment changes. To the extent that the estimated annual effective tax rate changes, the effect of the change on prior interim periods is included in the income tax provision in the period in which the change in estimate occurs. The Company's valuation allowances, in part, also rely on estimates and assumptions related to future financial performance. Given the macroeconomic environment related to the COVID-19 pandemic and the uncertainties regarding the related impact on financial performance, the Company's valuation allowances may need to be further adjusted in the future.

5. OTHER ACCRUED LIABILITIES

Other accrued liabilities at March 31, 2021 and December 31, 2020, consisted of the following:

	March 31, 2021	December 31, 2020
	(In thousands)	
Accrued interest	$ 16,906	$ 23,422
Accrued taxes	6,633	10,518
Self-insurance reserve	7,540	7,540
Other	10,269	9,470
Total other accrued liabilities	$ 41,348	$ 50,950

6. LONG-TERM DEBT

Long-term debt, net, as of March 31, 2021 and December 31, 2020 consisted of the following:

	March 31, 2021	December 31, 2020
	(In thousands)	
Term B-5 Loans (effective interest rate of 3.75% at March 31, 2021 and December 31, 2020)	$ 1,488,502	$ 1,492,378
Second-Priority Senior Notes (interest rate of 9.50%)	500,000	500,000
Senior Notes (interest rate of 8.75%)	227,500	227,500
Total long-term debt	2,216,002	2,219,878
Less: unamortized discounts and debt issuance costs	(25,519)	(27,236)
Less: current maturities	(15,505)	(15,505)
Total long-term debt, net	$ 2,174,978	$ 2,177,137

Senior Secured Credit Facilities

SEA is the borrower under the senior secured credit facilities, as amended pursuant to a credit agreement (the "Amended Credit Agreement") dated as of December 1, 2009, as the same may be amended, restated, supplemented or modified from time to time (the "Senior Secured Credit Facilities").

On March 10, 2020, SEA entered into an amendment, Amendment No. 10 (the "Amendment No. 10") to its Amended Credit Agreement. Pursuant to Amendment No. 10, SEA increased the revolving credit commitments available under the Amended Credit Agreement from $210.0 million to an aggregate of $332.5 million. On April 19, 2020 and on July 29, 2020, respectively, SEA entered into Amendment No. 11, (the "Amendment No. 11") and Amendment No. 12, (the "Amendment No. 12") to its Amended Credit Agreement to amend certain provisions therein. See further discussion in the *Restrictive Covenants* section which follows.

As of March 31, 2021, the Senior Secured Credit Facilities consisted of $1.489 billion in Term B-5 Loans which will mature on March 31, 2024 and a $332.5 million revolving credit facility (the "Revolving Credit Facility"), which was not drawn upon as of March 31, 2021 and will mature on October 31, 2023.

The Term B-5 Loans amortize in equal quarterly installments in aggregate annual amounts equal to 1.015% of the original principal amount of the Term B-5 Loans outstanding on October 31, 2018, with the balance payable on the final maturity date. SEA may voluntarily repay amounts outstanding under the Senior Secured Credit Facilities at any time without premium or penalty, other than customary "breakage" costs with respect to LIBOR loans. SEA is also required to prepay the outstanding Term B-5 Loans, subject to certain exceptions, under certain circumstances, as defined in the Senior Secured Credit Facilities.

As of March 31, 2021, SEA had approximately $20.5 million of outstanding letters of credit, leaving approximately $312.0 million available for borrowing under the Revolving Credit Facility.

First-Priority Senior Secured Notes

On April 30, 2020, SEA closed on a private offering of $227.5 million aggregate principal amount of 8.750% first-priority senior secured notes due 2025 (the "Senior Notes").

The Senior Notes mature on May 1, 2025 and have interest payment dates of May 1 and November 1 with the first interest payment paid on November 2, 2020. On or after May 1, 2022, SEA may redeem the Senior Notes at its option, in whole at any time or in part from time to time, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, if redeemed during the 12-month period commencing on May 1 of the years as follows: (i) in 2022 at 104.375%; (ii) in 2023 at 102.188%; and (iii) in 2024 and thereafter at 100%. SEA may also redeem in the aggregate (at a redemption price expressed as a percentage of principal amount thereof): (i) 100% of the Senior Notes after certain events constituting a change of control at a redemption price of 101%, plus accrued and unpaid interest, if any, to, but excluding, the redemption date and (ii) up to 40% of the original aggregate principal amount of the Senior Notes with amounts equal to the net cash proceeds of certain equity offerings at a redemption price of 108.750%, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

The Senior Notes are fully and unconditionally guaranteed by the Company, any subsidiary of the Company that directly or indirectly owns 100% of the issued and outstanding equity interests of SEA, and subject to certain exceptions, each of SEA's subsidiaries that guarantees SEA's existing senior secured credit facilities.

Second-Priority Senior Secured Notes

On August 5, 2020, SEA closed on a private offering of $500.0 million aggregate principal amount of 9.500% second-priority senior secured notes due 2025 (the "Second-Priority Senior Notes"). Net of expenses related to the offering of the Second-Priority Senior Notes and Amendment No. 12 to the Amended Credit Agreement, the Company used a portion of the proceeds from the issuance of the Second-Priority Senior Notes to repay the then outstanding borrowings of $311.0 million under the Revolving Credit Facility.

The Second-Priority Senior Notes mature on August 1, 2025 and have interest payment dates of February 1 and August 1 with the first interest payment paid on February 1, 2021.

On or after February 1, 2022, SEA may redeem the Second-Priority Senior Notes at its option, in whole at any time or in part from time to time, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, if redeemed during the 12-month period commencing on February 1 of the years as follows: (i) in 2022 at 104.75%; (ii) in 2023 at 102.375%; and (iii) in 2024 and thereafter at 100%. SEA may also redeem in the aggregate (at a redemption price expressed as a percentage of principal amount thereof): (i) 100% of the Second-Priority Senior Notes after certain events constituting a change of control at a redemption price of 101%, plus accrued and unpaid interest, if any, to, but excluding, the redemption date and (ii) up to 40% of the original aggregate principal amount of the Second-Priority Senior Notes with amounts equal to the net cash proceeds of certain equity offerings at a redemption price of 109.50%, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

At any time prior to February 1, 2022, SEA may, (i) during the twelve month period commencing on the issue date and (ii) during the period subsequent to such twelve month period and prior to February 1, 2022, redeem in each period up to 10.0% of the initial aggregate principal amount of the Second-Priority Senior Notes at a redemption price equal to 103% of the aggregate principal amount of the Second-Priority Senior Notes to be redeemed plus accrued and unpaid interest, if any, to but excluding the redemption date; provided, that if SEA does not redeem 10.0% of the initial aggregate principal amount of Second-Priority Senior Notes during the twelve month period commencing on the issue date, SEA may, in the subsequent period prior to February 1, 2022, redeem the Second-Priority Senior Notes in an amount that does not exceed 10.0% of the initial aggregate principal amount plus the difference between (x) 10.0% of the initial aggregate principal amount and (y) the aggregate principal amount of Second-Priority Senior Notes that were redeemed in such twelve month period.

The Second-Priority Senior Notes are fully and unconditionally guaranteed by the Company, any subsidiary of the Company that directly or indirectly owns 100% of the issued and outstanding equity interests of SEA, and subject to certain exceptions, each of SEA's subsidiaries that guarantees SEA's existing senior secured credit facilities.

Restrictive Covenants

The Senior Secured Credit Facilities contain a number of customary negative covenants. Such covenants, among other things, restrict, subject to certain exceptions, the ability of SEA and its restricted subsidiaries to incur additional indebtedness; make guarantees; create liens on assets; enter into sale and leaseback transactions; engage in mergers or consolidations; sell assets; make fundamental changes; pay dividends and distributions or repurchase SEA's capital stock; make investments, loans and advances, including acquisitions; engage in certain transactions with affiliates; make changes in the nature of the business; and make prepayments of junior debt. All of the net assets of SEA and its consolidated subsidiaries are restricted and there are no unconsolidated subsidiaries of SEA.

The Revolving Credit Facility requires that the Company comply with a springing maximum first lien secured leverage ratio of 6.25x to be tested as of the last day of any fiscal quarter, solely to the extent that on such date the aggregate amount of funded loans and letters of credit (excluding undrawn letters of credit in an amount not to exceed $30.0 million and cash collateralized letters of credit) under the Revolving Credit Facility exceeds an amount equal to 35% of the then outstanding commitments under the Revolving Credit Facility. Pursuant to Amendment No. 12, among other terms, SEA is exempt from complying with its first lien secured leverage ratio covenant through the end of 2021, after which SEA will be required to comply with such covenant starting in the first quarter of 2022. For purposes of calculating compliance with such covenant, unless a Triggering Event occurs (as defined in Amendment No. 12), beginning with the first quarter of 2022, to the extent trailing Adjusted EBITDA (as defined in Amendment No. 12) for the second, third or fourth quarters of 2021 would have otherwise been included in the calculation of such covenant, in lieu of using actual Adjusted EBITDA for such periods, Adjusted EBITDA (as defined in Amendment No. 12) for such applicable periods will be deemed to be actual Adjusted EBITDA for the corresponding quarter of 2019. In addition, SEA will be required to comply with a quarterly minimum liquidity test (defined as unrestricted cash and cash equivalents and available commitments under the Revolving Credit Facility) of not less than $75.0 million until the earlier of September 30, 2022 or the date on which the Company elects to use the actual Adjusted EBITDA for purposes of calculating its financial maintenance covenant. SEA will also be restricted from paying any dividends or making other restricted payments through the third quarter of 2022 unless certain conditions are met.

Long-term debt at March 31, 2021 is repayable as follows and does not include the impact of any future voluntary prepayments:

Years Ending December 31,	*(In thousands)*
Remainder of 2021	$ 11,629
2022	15,505
2023	15,505
2024	1,445,863
2025	727,500
Total	$ 2,216,002

Interest Rate Swap Agreements

The Company previously had five interest rate swap agreements (the "Interest Rate Swap Agreements") which effectively fixed the interest rate on the LIBOR-indexed interest payments associated with $1.0 billion of SEA's outstanding long-term debt. The Interest Rate Swap Agreements expired on May 14, 2020.

SEA designated the Interest Rate Swap Agreements above as qualifying cash flow hedge accounting relationships as further discussed in Note 7–Derivative Instruments and Hedging Activities which follows.

Cash paid for interest relating to the Senior Secured Credit Facilities, Senior Notes, Second-Priority Senior Notes and the Interest Rate Swap Agreements, net of amounts capitalized, as applicable, was $35.8 million and $18.3 million in the three months ended March 31, 2021 and 2020, respectively.

7. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Risk Management Objective of Using Derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity and credit risk primarily by managing the amount, sources and duration of its debt funding and at times through the use of derivative financial instruments. Specifically, the Company previously entered into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. The Company's derivative financial instruments were used to manage differences in the amount, timing and duration of the Company's known or expected cash receipts and its known or expected cash payments principally related to the Company's borrowings. The Company does not speculate using derivative instruments.

In May 2020, the Company's Interest Rate Swap Agreements expired. As such, the Company did not have any derivative instruments outstanding as of March 31, 2021 and December 31, 2020.

Cash Flow Hedges of Interest Rate Risk

The Company's objectives in using interest rate derivatives were to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily used interest rate swaps at times as part of its interest rate risk management strategy. During the three months ended March 31, 2020, such derivatives were used to hedge a portion of the variable cash flows associated with existing variable-rate debt.

The Interest Rate Swap Agreements were designated as cash flow hedges of interest rate risk. The changes in the fair value of derivatives designated and that qualify as cash flow hedges are recorded in accumulated other comprehensive income and were subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. Amounts reported in accumulated other comprehensive income related to derivatives were reclassified to interest expense as interest payments are made on the Company's variable-rate debt.

Tabular Disclosure of the Effect of Derivative Instruments on the Statements of Comprehensive Loss

The table below presents the pretax effect of the Company's derivative financial instruments in the unaudited condensed consolidated statements of comprehensive loss for the three months ended March 31, 2020:

	Three Months Ended March 31, 2020
Derivatives in Cash Flow Hedging Relationships:	*(In thousands)*
Loss recognized in accumulated other comprehensive loss	$ (344)
Amounts reclassified from accumulated other comprehensive loss to interest expense	$ 1,302

8. FAIR VALUE MEASUREMENTS

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement is required to be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.

Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

Of the Company's long-term obligations, the Term B-5 Loans are classified in Level 2 of the fair value hierarchy as of March 31, 2021 and December 31, 2020, and the Senior Notes and Second-Priority Senior Notes are classified in Level 1 of the fair value hierarchy as of March 31, 2021 and December 31, 2020. The fair value of the Term B-5 Loans approximate their carrying value, excluding unamortized debt issuance costs and discounts, due in part to the variable nature of the underlying interest rates and the frequent intervals at which such interest rates are reset. The fair value of the Senior Notes and Second-Priority Senior Notes was determined using quoted prices in active markets for identical instruments.

The Company did not have any assets measured on a recurring basis at fair value at March 31, 2021 and December 31, 2020. The Company maintains its long-term liabilities at carrying value, net of unamortized debt issuance costs and discounts in the unaudited condensed consolidated balance sheet

The following table presents the Company's estimated fair value measurements and related classifications for liabilities measured on a recurring basis as of March 31, 2021.

	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at March 31, 2021
Liabilities:		*(In thousands)*		
Long-term obligations [a]	$ 786,269	$ 1,488,502	$ —	$ 2,274,771

(a) Reflected at carrying value, net of unamortized debt issuance costs and discounts, in the unaudited condensed consolidated balance sheet as current maturities of long-term debt of $15.5 million and long-term debt, net of $2.175 billion as of March 31, 2021.

The following table presents the Company's estimated fair value measurements and related classifications for liabilities measured on a recurring basis as of December 31, 2020:

	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2020
Liabilities:		*(In thousands)*		
Long-term obligations [a]	$ 787,975	$ 1,492,378	$ —	$ 2,280,353

(a) Reflected at carrying value, net of unamortized debt issuance costs and discounts, in the unaudited condensed consolidated balance sheet as current maturities of long-term debt of $15.5 million and long-term debt, net of $2.177 billion as of December 31, 2020.

9. COMMITMENTS AND CONTINGENCIES

2020 Settled Matters

In 2020, the Company received final court approval of a settlement for a previously disclosed stockholder class action lawsuit, captioned Baker v. SeaWorld Entertainment, Inc., et al. The settlement required the Company to pay $65.0 million and did not include or constitute an admission, concession, or finding of any fault, liability, or wrongdoing by the Company or any defendant. During the year ended December 31, 2019, the Company recorded $32.1 million of legal settlement charges, net of insurance recoveries, related to this case. The full settlement amount was funded during the three months ended March 31, 2020.

In 2020, the Company received final court approval of a settlement for a previously disclosed putative derivative lawsuit captioned Kistenmacher v. Atchison, et al. Pursuant to the settlement, the Company received $12.5 million of insurance proceeds from its insurers and adopted certain corporate governance modifications. During the three months ended March 31, 2020, the Company recorded a legal settlement gain of $12.5 million related to insurance proceeds received in selling, general and administrative expenses in the accompanying unaudited condensed consolidated statements of comprehensive loss.

Legal Proceedings

Securities Class Action Lawsuit

On June 14, 2018, a lawsuit captioned Highfields Capital I LP et al v. SeaWorld Entertainment, Inc. et al, was filed in the United States District Court in the Southern District of California against the Company and certain of the Company's former and present executive officers. The plaintiffs allege, among other things, that the defendants made false and misleading statements in violation of the federal securities laws and Florida common law, regarding the impact of the film *Blackfish* on SeaWorld's business. The complaint further alleges that such statements were made to induce plaintiffs to purchase common stock of the Company at artificially-inflated prices and that plaintiffs suffered investment losses as a result. The plaintiffs have indicated to the Company they believe the damages are in the range of $30 million to $35 million before considering interest. In 2018, defendants moved for partial dismissal of the complaint. In 2019, the Court granted defendants' motion and dismissed plaintiffs' Florida state law claims as well as federal securities law claims based on the Company's second quarter 2013 earnings statements. The parties are in the process of completing discovery and will then have the opportunity to file any summary judgment motions per a scheduling order the Court issued which contemplates briefing into the summer and the fall. The Company believes that the lawsuit is without merit and intends to defend the lawsuit vigorously. While there can be no assurance regarding the ultimate outcome of this lawsuit, the Company believes that any potential loss would not be material.

Other Lawsuits

In October 2018, the Company received a demand letter from attorneys representing certain former employees who claim that the terms of their respective separation agreements entitle them to certain favorable modifications made to certain performance vesting restricted shares issued under the Company's 2013 Omnibus Incentive Plan (the "Plan").

In November 2020, the Company filed in the Court of Chancery of the State of Delaware an action for declaratory judgment seeking a declaration that the threatened claims of the former employees are time-barred and without merit. In response, the defendant former employees filed a motion to dismiss or in the alternative to stay and compel arbitration. The parties are currently discussing participation in an arbitration. In terms of potential exposure, the value of the total shares at issue for these certain former employees depends largely upon the Company's current share price, which fluctuates daily. Approximately 300,000 shares are at issue. The Company believes that the former employees' claims are without merit and intends to defend vigorously its positions. While there can be no assurance regarding the ultimate outcome of this matter, the Company believes that any potential loss would not be material.

Other Matters

The Company is a party to various other claims and legal proceedings arising in the normal course of business. In addition, from time to time the Company is subject to audits, inspections and investigations by, or receives requests for information from, various federal and state regulatory agencies, including, but not limited to, the U.S. Department of Agriculture's Animal and Plant Health Inspection Service ("APHIS"), the U.S. Department of Labor's Occupational Safety and Health Administration ("OSHA"), the California Occupational Safety and Health Administration ("Cal-OSHA"), the Florida Fish & Wildlife Commission ("FWC"), the Equal Employment Opportunity Commission ("EEOC"), the Internal Revenue Service ("IRS") the U.S. Department of Justice ("DOJ") and the Securities and Exchange Commission ("SEC").

Other than those matters discussed above, from time to time, various parties also bring other lawsuits against the Company. Matters where an unfavorable outcome to the Company is probable and which can be reasonably estimated are accrued. Such accruals, which are not material for any period presented, are based on information known about the matters, the Company's estimate of the outcomes of such matters, and the Company's experience in contesting, litigating and settling similar matters. Matters that are considered reasonably possible to result in a material loss are not accrued for, but an estimate of the possible loss or range of loss is disclosed, if such amount or range can be determined. At this time, management does not expect any such known claims, legal proceedings or regulatory matters to have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

License Commitments

Pursuant to a license agreement ("License Agreement") with Sesame Workshop, the Company pays a specified annual license fee, as well as a specified royalty based on revenues earned in connection with sales of licensed products, all food and beverage items utilizing the licensed elements and any events utilizing such elements if a separate fee is paid for such event. The Company's principal commitments pursuant to the License Agreement include, among other items, the opening of a second standalone park ("Standalone Park") no later than mid-2021 and minimum annual capital and marketing thresholds. The Company is currently in discussion with Sesame Workshop regarding the License Agreement as a result of the impacts of the COVID-19 pandemic. After the opening of the second Standalone Park (counting the existing Sesame Place Standalone Park in Langhorne, Pennsylvania), SEA will have the option to build additional Standalone Parks in the Sesame Territory within agreed upon timelines. The License Agreement has an initial term through December 31, 2031, with an automatic additional 15-year extension plus a five-year option added to the term of the License Agreement from December 31st of the year of each new Standalone Park opening. As of March 31, 2021, the Company estimates the combined remaining obligations for these commitments could be up to approximately $40.0 million over the remaining term of the agreement. In October 2019, the Company announced that it planned to convert Aquatica San Diego into its second Sesame Place Standalone Park in the spring of 2021. While construction began in the fall of 2019, it was temporarily paused due to the COVID-19 pandemic. As a result, depending on governmental restrictions in the state of California, the Company expects to reopen its Aquatica San Diego park in 2021 for its operating season and currently expects to open this park rebranded as its second Sesame Place Standalone Park in 2022.

Anheuser-Busch, Incorporated has granted the Company a perpetual, exclusive, worldwide, royalty-free license to use the Busch Gardens trademark and certain related domain names in connection with the operation, marketing, promotion and advertising of certain of the Company's theme parks, as well as in connection with the production, use, distribution and sale of merchandise sold in connection with such theme parks. Under the license, the Company is required to indemnify ABI against losses related to the use of the marks.

10. EQUITY-BASED COMPENSATION

In accordance with ASC 718, *Compensation-Stock Compensation*, the Company measures the cost of employee services rendered in exchange for share-based compensation based upon the grant date fair market value. The cost is recognized over the requisite service period, which is generally the vesting period unless service or performance conditions require otherwise. The Company recognizes the impact of forfeitures as they occur.

Equity compensation expense is included in operating expenses and in selling, general and administrative expenses in the accompanying unaudited condensed consolidated statements of comprehensive loss as follows:

	For the Three Months Ended March 31,	
	2021	2020
	(In thousands)	
Equity compensation included in operating expenses	$ 938	$ (1,751)
Equity compensation included in selling, general and administrative expenses	3,535	(1,850)
Total equity compensation expense	$ 4,473	$ (3,601)

The credit in equity compensation expense for the three months ended March 31, 2020 was primarily due to the reversal of expense related to certain performance vesting restricted units which were no longer considered probable of vesting and also included the reversal of expense related to outstanding unvested equity awards previously held by the Company's former chief executive officer which were forfeited in connection with his departure. See *Long-term Incentive Performance Restricted Awards* section which follows for further details.

Omnibus Incentive Plan

The Company has reserved 15.0 million shares of common stock for issuance under its Omnibus Incentive Plan (the "Omnibus Incentive Plan"), of which approximately 7.7 million shares are available for future issuance as of March 31, 2021. The Company has outstanding time restricted awards, performance restricted awards and incentive stock options.

Bonus Performance Restricted Units

During the three months ended March 31, 2021, the Company granted approximately 120,000 performance-vesting restricted units (the "Bonus Performance Restricted Units") in accordance with its annual bonus plan for 2021 (the "2021 Bonus Plan"). The 2021 Bonus Plan provides for bonus awards payable 50% in cash and 50% in performance-vesting restricted units (the "Bonus Performance Restricted Units") and is based upon the Company's achievement of specified performance goals, as defined by the 2021 Bonus Plan, with respect to the year ended December 31, 2021 (the "Fiscal 2021"). The total number of units eligible to vest into shares of stock is based on the level of achievement of the targets for Fiscal 2021 which ranges from 0% (if below threshold performance), to 125% (if at maximum performance) with opportunities to earn above 110% when achievement is above the maximum performance for certain metrics.

Due to the impact of the COVID-19 pandemic, the Company did not have an annual bonus plan for the fiscal year ended December 31, 2020 ("Fiscal 2020"); however, based on a discretionary review of performance in light of the negative impact of the COVID-19 pandemic on the Company's business, the Compensation Committee determined to make discretionary equity awards to the Company's bonus eligible employees during the three months ended March 31, 2020. These awards were paid entirely in restricted stock units that vest 50% each on the first and second anniversaries of the date of grant.

Long-term Incentive Performance Restricted Awards

During the three months ended March 31, 2021, the Company granted long-term incentive plan awards for 2021 (the "2021 Long-Term Incentive Grant") which were comprised of approximately 120,000 nonqualified stock options (the "Long-Term Incentive Options") and approximately 120,000 performance-vesting restricted units (the "Long-Term Incentive Performance Restricted Units") (collectively, the "Long-Term Incentive Awards").

Long-Term Incentive Options

The Long-Term Incentive Options vest over three years, with 20% vesting on each of the first two anniversaries of the grant date and 60% vesting on the third anniversary of the grant date, subject to continued employment through the applicable vesting date. Equity compensation expense for these options is recognized for each tranche over the vesting period using the straight-line method. Upon stock option exercises, authorized but unissued shares are issued by the Company.

Long-Term Incentive Performance Restricted Units

The Long-Term Incentive Performance Restricted Units are expected to vest following the end of the three-year performance period beginning on January 1, 2021 and ending on December 31, 2023 (the "Performance Period") based upon the Company's achievement of specified performance goals during the Performance Period. The total number of Long-Term Incentive Performance Restricted Units eligible to vest will be based on the level of achievement of the performance goals and ranges from 0% (if below threshold performance) up to 100% (for target or above performance). Upon achievement of at least the threshold performance goals, only 25% to 50% of the award for a given level of performance will vest, with the remaining 50% subject to a one-year performance test period. Performance for the test period must meet or exceed at least 95% of the prior year's performance before up to the remaining 50% of the units can be earned.

The Company recognizes equity compensation expense for its performance-vesting restricted awards ratably over the related performance period, if the performance condition is probable of being achieved. Based on the Company's progress towards its respective performance goals, a portion of its performance-vesting restricted awards are not considered probable of vesting as of March 31, 2021; therefore, equity compensation expense has not yet been recorded related to these awards. If the probability of vesting related to these awards changes in a subsequent period, all equity compensation expense related to those awards that would have been recorded over the requisite service period had the awards been considered probable at the new percentage from inception, will be recorded as a cumulative catch-up at such subsequent date.

11. STOCKHOLDERS' DEFICIT

As of March 31, 2021, 94,858,445 shares of common stock were issued in the accompanying unaudited condensed consolidated balance sheet, which includes 16,260,248 shares of treasury stock held by the Company and excludes 57,124 unvested shares of common stock and 2,872,287 unvested restricted stock units or deferred stock units held by certain participants in the Company's equity compensation plans or members of the Board (see Note 10–Equity-Based Compensation).

Share Repurchase Program

The Board had previously authorized a share repurchase program of up to $250.0 million of the Company's common stock (the "Share Repurchase Program"). Under the Share Repurchase Program, the Company is authorized to repurchase shares through open market purchases, privately-negotiated transactions or otherwise in accordance with applicable federal securities laws, including through Rule 10b5-1 trading plans and under Rule 10b-18 of the Exchange Act.

During the three months ended March 31, 2020, prior to the COVID-19 temporary park closures, the Company completed a share repurchase of 469,785 shares for an aggregate total of approximately $12.4 million. As of March 31, 2021, the Company has approximately $237.6 million available under the Share Repurchase Program. In connection with Amendment No. 12 to the Company's Amended Credit Agreement, the Company is restricted from paying any dividends or making restricted payments, including share repurchases, through the third quarter of 2022 unless certain conditions are met (see Note 6–Long-Term Debt).

The Share Repurchase Program has no time limit and may be suspended or discontinued completely at any time. The number of shares to be purchased and the timing of purchases will be based on the Company's trading windows and available liquidity, general business and market conditions, and other factors, including legal requirements, debt covenant restrictions and alternative investment opportunities.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

References to our "theme parks" or "parks" in the discussion that follows includes all of our separately gated parks. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs and involve numerous risks and uncertainties, including, but not limited to, those described in the "Risk Factors" section of our Annual Report on Form 10-K, as such risk factors may be updated from time to time in our periodic filings with the SEC. Actual results may differ materially from those contained in any forward-looking statements. You should carefully read "Special Note Regarding Forward-Looking Statements" in this Quarterly Report on Form 10-Q.

Introduction

The following discussion and analysis is intended to facilitate an understanding of our business and results of operations and should be read in conjunction with our unaudited condensed consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q. This discussion should also be read in conjunction with our consolidated financial statements and related notes thereto, and the "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section of our Annual Report on Form 10-K for the year ended December 31, 2020.

Business Overview

We are a leading theme park and entertainment company providing experiences that matter and inspiring guests to protect animals and the wild wonders of our world. We own or license a portfolio of recognized brands, including SeaWorld, Busch Gardens, Aquatica, Discovery Cove and Sesame Place. Over our more than 60-year history, we have developed a diversified portfolio of 12 differentiated theme parks that are grouped in key markets across the United States. Many of our theme parks showcase our one-of-a-kind zoological collection and feature a diverse array of both thrill and family-friendly rides, educational presentations, shows and/or other attractions with broad demographic appeal which deliver memorable experiences and a strong value proposition for our guests.

Recent Developments

Impact of Global COVID-19 Pandemic

Since the global COVID-19 pandemic began we have taken proactive measures for the safety of our guests, employees and animals, to manage costs and expenditures, and to provide liquidity. In compliance with government restrictions, we temporarily closed all of our theme parks effective March 16, 2020. Beginning in June 2020, we began the phased reopening of some of our parks with capacity limitations and modified/limited operations. By August 2020, we had reopened 10 of our 12 parks on a limited basis. See further discussion relating to the capacity limitations for some of our parks in Note 1–Description of the Business and Basis of Presentation to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

At the start of the first quarter of 2021, seven of our 12 parks were open, compared to eight of our 12 parks at the start of 2020. At the end of the first quarter of 2021, 10 of our 12 parks were open, compared to all of our parks temporarily closed at the end of the first quarter of 2020. We continue to operate all of our open parks with capacity limitations and modified/limited operations.

In response to the COVID-19 pandemic, we have implemented enhanced health and safety protocols for our parks including capacity limitations, increased cleaning measures, physical distancing practices, face covering requirements and temperature screening of both guests and employees. Additionally, we have managed the number of operating days and operating hours by park to optimize cash flow. We also continue our focus on reducing costs, improving operating margins and streamlining our labor structure to better align with our strategic business objectives. Since the start of the COVID-19 pandemic, we have spent significant time reviewing our operations and have identified meaningful cost savings opportunities which we believe will further strengthen our business as we return to normalized operations.

With approved vaccines being distributed, we anticipate public health conditions, the operating environment and capacity limitations to improve; however, there can be no certainty of the extent and effectiveness of the vaccines or how they will impact these factors and others, including domestic or international travel, public opinion concerning social gatherings, consumer behavior or federal, state and local regulations related to health protocols, capacity limitations and social gatherings.

We have also experienced recent challenges in meeting our seasonal staffing goals due in part to COVID-19 related and other factors.

For further discussion relating to strategic measures we have taken to operate in the current environment, see the *"Results of Operations"* section which follows. For other factors concerning the global COVID-19 pandemic, see the "*Risk Factors*" section of our Annual Report on Form 10-K, as such risk factors may be updated from time to time in our periodic filings with the SEC.

Leadership Changes

On May 6, 2021, we announced our Board of Directors (the "Board") appointed Marc G. Swanson, who had been serving as the Company's Interim Chief Executive Officer, to serve as Chief Executive Officer and Elizabeth C. Gulacsy, who had been serving as the Company's Interim Chief Financial Officer and Treasurer, to serve as our Chief Financial Officer and Treasurer. Both roles are effective immediately. Separately, on April 26, 2021, we announced the appointment of Christopher Yarris as Chief Accounting Officer of the Company effective on such date.

Principal Factors and Trends Affecting Our Results of Operations

Revenues

Our revenues are driven primarily by attendance in our theme parks and the level of per capita spending for admission and per capita spending for culinary, merchandise and other in-park products. We define attendance as the number of guest visits. Attendance drives admissions revenue as well as total in-park spending. Admissions revenue primarily consists of single-day tickets, annual passes (which generally expire after a 12-month term), season passes (including our fun card products and, collectively with annual passes, referred to as "passes" or "season passes") or other multi-day or multi-park admission products.

Total revenue per capita, defined as total revenue divided by total attendance, consists of admission per capita and in-park per capita spending:

- *Admission Per Capita.* We calculate admission per capita as total admissions revenue divided by total attendance. Admission per capita is primarily driven by ticket pricing, the admissions product mix and the park attendance mix, among other factors. The admissions product mix, also referred to as the attendance or visitation mix, is defined as the mix of attendance by ticket category such as single day, multi-day, annual/season passes or complimentary tickets and can be impacted by the mix of guests as domestic and international guests generally purchase higher admission per capita ticket products than our local guests. A higher mix of complimentary tickets will lower our admissions per capita. The park attendance mix is defined as the mix of theme parks visited and can impact admission per capita based on the theme park's respective pricing which, on average, is lower for our water parks compared to our other theme parks.
- *In-Park Per Capita Spending.* We calculate in-park per capita spending as total food, merchandise and other revenue divided by total attendance. Food, merchandise and other revenue primarily consists of culinary, merchandise, parking and other in-park products and also includes other miscellaneous revenue, including online transaction fees, not necessarily generated in our parks, which is not significant in the periods presented. In-park per capita spending is primarily driven by pricing changes, new product offerings, the mix of guests (such as local, domestic or international guests), penetration levels (percentage of guests purchasing) and the mix of in-park spending, among other factors.

See further discussion in the "*Results of Operations*" section which follows and in Note 1–Description of the Business and Basis of Presentation to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. For other factors affecting our revenues, see the "*Risk Factors*" section of our Annual Report on Form 10-K, as such risk factors may be updated from time to time in our periodic filings with the SEC.

Attendance

The level of attendance in our theme parks is generally a function of many factors, including affordability, the opening of new attractions and shows, competitive offerings, weather, marketing and sales efforts, awareness and type of ticket and park offerings, travel patterns of both our domestic and international guests, fluctuations in foreign exchange rates and global and regional economic conditions, consumer confidence, the external perceptions of our brands and reputation, industry best practices and perceptions as to safety. The external perceptions of our brands and reputation have at times impacted relationships with some of our business partners, including certain ticket resellers that have terminated relationships with us and other zoological-themed attractions.

As a result of the COVID-19 pandemic, we believe the level of attendance in our theme parks, including the mix of attendance from certain markets, has been and will continue to be impacted by public concerns over the COVID-19 pandemic, the number of reported local cases of COVID-19, domestic and international travel restrictions, federal, state and local regulations related to public places, limits on social gatherings, the availability and/or effectiveness of vaccines for adults and children, and overall public safety sentiment. We continuously monitor factors impacting our attendance, making strategic operations, marketing and sales adjustments as necessary.

Costs and Expenses

Historically, the principal costs of our operations are employee wages and benefits, driven partly by staffing levels, advertising, maintenance, animal care, utilities and insurance. Factors that affect our costs and expenses include fixed operating costs, competitive wage pressures including minimum wage legislation, commodity prices, costs for construction, repairs and maintenance, other inflationary pressures and attendance levels, among other factors. The mix of products sold compared to the prior year period can also impact our costs as generally retail products have a higher cost of sales component than our culinary or other in-park offerings.

As a result of the impact of the COVID-19 pandemic on our business, costs and expenses as a percent of revenue for the three months ended March 31, 2021 and 2020, are not necessarily indicative of costs and expenses as a percent of revenue for any future period, due in part to the impact of fixed operating costs and certain other costs which are not dependent on attendance levels, as well as certain costs associated with the COVID-19 pandemic.

See the "*Impact of Global COVID-19 Pandemic*" section for further details. For other factors affecting our costs and expenses, see the "*Risk Factors*" section of our Annual Report on Form 10-K, as such risk factors may be updated from time to time in our periodic filings with the SEC.

Seasonality

The theme park industry is seasonal in nature. Historically, we generate the highest revenues in the second and third quarters of each year, in part because seven of our theme parks were historically only open for a portion of the year. As a result, approximately two-thirds of our attendance and revenues were historically generated in the second and third quarters of the year and we generally incurred net losses in the first and fourth quarters. The percent mix of revenues by quarter is relatively constant each year, but revenues can shift between the first and second quarters due to the timing of Easter and spring break holidays and between the first and fourth quarters due to the timing of holiday breaks around Christmas and New Year. Even for our five theme parks which have historically been open year-round, attendance patterns have significant seasonality, driven by holidays, school vacations and weather conditions. Changes in school calendars that impact traditional school vacation breaks could also impact attendance patterns. Due in part to the temporary park closures, capacity limitations and modified/limited operations, the COVID-19 pandemic has impacted the seasonality of our business and it is difficult to estimate how the COVID-19 pandemic will impact seasonality in the future. Furthermore, any changes to the operating schedule of a park such as increasing operating days for our seasonal parks, could impact seasonality in the future. During the first quarter of 2021, we began year-round operations at our SeaWorld park in Texas and began to operate on select days at both our Busch Gardens park in Virginia and our Sesame Place park in Pennsylvania. See ""*Risk Factors*" section of our Annual Report on Form 10-K, as such risk factors may be updated from time to time in our periodic filings with the SEC.

Results of Operations

Our results for the three months ended March 31, 2021 are not directly comparable to the three months ended March 31, 2020 primarily due to temporary park closures, effective on March 16, 2020, capacity limitations, and modified/limited operations associated with the COVID-19 pandemic. Our business continues to be impacted by the COVID-19 pandemic; however, we have seen improvement in operating results during the three months ended March 31, 2021 due in part to strategic measures we have taken both before and during the COVID-19 pandemic.

See *"Attendance"* for further discussion of the adverse impacts of the COVID-19 pandemic on our business. The following data should be read in conjunction with our unaudited condensed consolidated financial statements and the notes thereto included elsewhere in this Quarterly Report on Form 10-Q.

Comparison of the Three Months Ended March 31, 2021 to the Three Months Ended March 31, 2020

The following table presents key operating and financial information for the three months ended March 31, 2021 and 2020:

	For the Three Months Ended March 31,		Variance	
	2021	2020	$	%
Summary Financial Data:	*(In thousands, except per capita data and %)*			
Net revenues:				
Admissions	$ 95,780	$ 90,506	$ 5,274	5.8%
Food, merchandise and other	76,140	63,055	13,085	20.8%
Total revenues	171,920	153,561	18,359	12.0%
Costs and expenses:				
Cost of food, merchandise and other revenues	14,942	13,104	1,838	14.0%
Operating expenses (exclusive of depreciation and amortization shown separately below)	107,772	132,999	(25,227)	(19.0%)
Selling, general and administrative expenses	31,464	26,954	4,510	16.7%
Severance and other separation costs	86	65	21	32.3%
Depreciation and amortization	36,558	38,013	(1,455)	(3.8%)
Total costs and expenses	190,822	211,135	(20,313)	(9.6%)
Operating loss	(18,902)	(57,574)	38,672	67.2%
Other (income) expense, net	174	(12)	186	NM
Interest expense	30,956	19,153	11,803	61.6%
Loss before income taxes	(50,032)	(76,715)	26,683	34.8%
Benefit from income taxes	(5,148)	(20,196)	15,048	74.5%
Net Loss	$ (44,884)	$ (56,519)	$ 11,635	20.6%
Other data:				
Attendance	2,214	2,318	(104)	(4.5%)
Total revenue per capita	$ 77.63	$ 66.25	$ 11.39	17.2%
Admission per capita	$ 43.25	$ 39.05	$ 4.20	10.8%
In-park per capita spending	$ 34.38	$ 27.20	$ 7.18	26.4%

NM-Not Meaningful.

Admissions revenue. Admissions revenue for the three months ended March 31, 2021 increased $5.3 million, or 5.8%, to $95.8 million as compared to $90.5 million for the three months ended March 31, 2020. The improvement was a result of an increase in admissions per capita partially offset by a decline in attendance. Admission per capita increased by 10.8% to $43.25 for the first quarter of 2021 compared to $39.05 in the prior year quarter, primarily due to the realization of higher prices in our admission products resulting from our strategic pricing efforts when compared to the prior year quarter. Total attendance for the first quarter of 2021 decreased by approximately 0.1 million guests, or 4.5%, when compared to the prior year quarter. Attendance declined due to COVID-19 related impacts including capacity limitations and modified/limited operations, partially offset by an increase of 34% more operating days in the first quarter of 2021 compared to the first quarter of 2020 due in part to the temporary park closures which fell during the spring break period in 2020 at most of our parks.

Food, merchandise and other revenue. Food, merchandise and other revenue for the three months ended March 31, 2021 increased $13.1 million, or 20.8%, to $76.1 million as compared to $63.1 million for the three months ended March 31, 2020, primarily as a result of an increase in in-park per capita spending, partially offset by the decline in attendance as discussed above. In-park per capita spending increased by 26.4% to $34.38 in the first quarter of 2021 compared to $27.20 in the first quarter of 2020, primarily due to increased guest spending, an improved product mix and higher realized prices and fees during the quarter.

Costs of food, merchandise and other revenues. Costs of food, merchandise and other revenues for the three months ended March 31, 2021 increased $1.8 million, or 14.0%, to $14.9 million as compared to $13.1 million for the three months ended March 31, 2020, primarily due to the increase in related revenue. These costs represent 19.6% and 20.8% of the related revenue earned for the three months ended March 31, 2021 and 2020, respectively. The decrease as a percent of related revenue partly relates to the impact of higher realized prices on some of our in-park products.

Operating expenses. Operating expenses for the three months ended March 31, 2021 decreased $25.2 million, or 19.0%, to $107.8 million as compared to $133.0 million for the three months ended March 31, 2020. The decrease primarily relates to a net reduction in labor-related costs and other operating costs resulting from structural cost savings initiatives and the impact of COVID-19 modified/limited operations, which more than offset the impact of additional operating days during the first quarter of 2021 and incremental operating expenses associated with our response to the COVID-19 pandemic. Due in part to the impact of fixed operating costs and certain other costs which are not dependent on attendance levels, operating expenses as a percent of revenue are not comparable to the prior year period primarily due to the impact of the temporary park closures in 2020.

Selling, general and administrative expenses. Selling, general and administrative expenses for the three months ended March 31, 2021 increased $4.5 million, or 16.7%, to $31.5 million as compared to $27.0 million for the three months ended March 31, 2020. Excluding the impact of certain legal settlement proceeds in the prior year period, selling, general and administrative expenses decreased by approximately $8.0 million primarily related to a reduction in marketing related costs due in part to cost savings initiatives and the impact of COVID-19 modified/limited operations and a decrease in legal costs. The legal settlement proceeds in the prior year period related to approximately $12.5 million received related to a legal matter. See Note 9–Commitments and Contingencies to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details.

Depreciation and amortization. Depreciation and amortization expense for the three months ended March 31, 2021 decreased $1.5 million, or 3.8%, to $36.6 million as compared to $38.0 million for the three months ended March 31, 2020. The decrease primarily relates to a decline in new asset additions in 2020 along with the impact of asset retirements and fully depreciated assets.

Interest expense. Interest expense for the three months ended March 31, 2021 increased $11.8 million, or 61.6%, to $31.0 million as compared to $19.2 million for the three months ended March 31, 2020. The increase primarily relates to interest related to the Senior Notes issued in April 2020 and the Second-Priority Senior Secured Notes issued in August 2020, partially offset by the impact of decreased LIBOR rates. See Note 6–Long-Term Debt in our notes to the unaudited condensed consolidated financial statements and the "*Our Indebtedness*" section which follows for further details.

Benefit from income taxes. Benefit from income taxes in the three months ended March 31, 2021 was $5.1 million compared to $20.2 million for the three months ended March 31, 2020. Our consolidated effective tax rate was 10.3% for the three months ended March 31, 2021 compared to 26.3% for the three months ended March 31, 2020. The effective tax rate decreased primarily due to non-cash valuation allowance adjustments on federal and state net operating loss carryforwards, a valuation allowance adjustment on federal tax credits and charitable contributions, changes in state tax rates, and other permanent items including equity-based compensation.

Supplemental Comparison of the Three Months Ended March 31, 2021 to the Three Months Ended March 31, 2019

We believe a comparison of selected financial results for the three months ended March 31, 2021 to the three months ended March 31, 2019 may provide additional insight regarding the current impact of the COVID-19 pandemic on our business. As such, the following supplemental discussion provides an analysis of selected operating results for the three months ended March 31, 2021 compared to the three months ended March 31, 2019. The selected summary financial data for the first quarter of 2019 was derived from the Company's Quarterly Report on Form 10-Q for three months ended March 31, 2019. The following table presents selected key operating and financial information for the three months ended March 31, 2021 and 2019:

	For the Three Months Ended March 31,		Variance	
	2021	2019	$	%
Selected Summary Financial Data:	*(In thousands, except per capita data and %)*			
Net revenues:				
Admissions	$ 95,780	$ 128,913	$ (33,133)	(25.7%)
Food, merchandise and other	76,140	91,662	(15,522)	(16.9%)
Total revenues	$ 171,920	$ 220,575	$ (48,655)	(22.1%)
Selected costs and expenses:				
Cost of food, merchandise and other revenues	$ 14,942	$ 17,213	$ (2,271)	(13.2%)
Operating expenses (exclusive of depreciation and amortization)	$ 107,772	$ 149,885	$ (42,113)	(28.1%)
Selling, general and administrative expenses	$ 31,464	$ 42,764	$ (11,300)	(26.4%)
Other data:				
Attendance	2,214	3,340	(1,126)	(33.7%)
Total revenue per capita	$ 77.63	$ 66.04	$ 11.59	17.6%
Admission per capita	$ 43.25	$ 38.60	$ 4.65	12.0%
In-park per capita spending	$ 34.38	$ 27.44	$ 6.94	25.3%

Admissions revenue. Admissions revenue for the three months ended March 31, 2021 decreased $33.1 million, or 25.7%, to $95.8 million as compared to $128.9 million for the three months ended March 31, 2019. The decline in admissions revenue was primarily a result of a decrease in attendance of approximately 1.1 million guests, or 33.7%, partially offset by an increase in admission per capita. Attendance declined when compared to 2019 due to COVID-19 related impacts including capacity limitations and modified/limited operations at all of our open parks. Admission per capita increased by 12.0% to $43.25 in 2021 compared to $38.60 in 2019. Admission per capita increased primarily due to the realization of higher prices in our admission products resulting from our strategic pricing efforts when compared to the first quarter of 2019.

Food, merchandise and other revenue. Food, merchandise and other revenue for the three months ended March 31, 2021 decreased $15.5 million, or 16.9%, to $76.1 million as compared to $91.7 million for the three months ended March 31, 2019, primarily as a result of a decrease in attendance as discussed above, partially offset by an increase in in-park per capita spending. In-park per capita spending increased by 25.3% to $34.38 in the first quarter of 2021 compared to $27.44 in the first quarter of 2019. In-park per capita spending improved primarily due to increased guest spending, an improved product mix and higher realized prices and fees during the quarter.

Costs of food, merchandise and other revenues. Costs of food, merchandise and other revenues for the three months ended March 31, 2021 decreased $2.3 million, or 13.2%, to $14.9 million as compared to $17.2 million for the three months ended March 31, 2019, primarily due to the decrease in volume. These costs represent 19.6% and 18.8% of the related revenue earned for the three months ended March 31, 2021 and 2019, respectively. The increase as a percent of related revenue partly relates to a higher mix of retail products sold, which generally have a higher cost of sales component than our culinary or other in park products.

Operating expenses. Operating expenses for the three months ended March 31, 2021 decreased $42.1 million, or 28.1%, to $107.8 million as compared to $149.9 million for the three months ended March 31, 2019. The decrease largely results from a reduction in labor-related costs and other operating costs primarily resulting from structural cost savings initiatives and the impact of COVID-19 modified/limited operations, partially offset by incremental operating expenses associated with our response to the COVID-19 pandemic.

Selling, general and administrative expenses. Selling, general and administrative expenses for the three months ended March 31, 2021 decreased $11.3 million, or 26.4%, to $31.5 million as compared to $42.8 million for the three months ended March 31, 2019. The decrease primarily relates to a reduction in marketing related costs and the impact of cost savings and efficiency initiatives.

Liquidity and Capital Resources

Overview

Generally, our principal sources of liquidity are cash generated from operations, funds from borrowings and existing cash on hand. Our principal uses of cash include the funding of working capital obligations, debt service, investments in theme parks (including capital projects), and could include share repurchases, when permitted. As of March 31, 2021, we had a working capital ratio (defined as current assets divided by current liabilities) of 1.4, due in part to our outstanding cash balance at March 31, 2021. Historically, we typically operate with a working capital ratio less than 1 due to significant deferred revenue balance from revenues paid in advance for our theme park admissions products and high turnover of in-park products that result in limited inventory balances. Our cash flow from operations, along with our revolving credit facilities, have historically allowed us to meet our liquidity needs. See the "*Impact of Global COVID-19 Pandemic*" section and the "*Our Indebtedness*" section for further details concerning the proactive measures we have taken to address liquidity in response to the COVID-19 pandemic.

As market conditions warrant and subject to our contractual restrictions and liquidity position, we or our affiliates, may from time to time purchase our outstanding equity and/or debt securities, including our outstanding bank loans in privately negotiated or open market transactions, by tender offer or otherwise. Any such purchases may be funded by incurring new debt, including additional borrowings under the Senior Secured Credit Facilities. Any new debt may also be secured debt. We may also use available cash on our balance sheet. The amounts involved in any such transactions, individually or in the aggregate, may be material. Further, since some of our debt may trade at a discount to the face amount among current or future syndicate members, any such purchases may result in our acquiring and retiring a substantial amount of any particular series, with the attendant reduction in the trading liquidity of any such series. Depending on conditions in the credit and capital markets and other factors, we will, from time to time, consider other financing transactions, the proceeds of which could be used to refinance our indebtedness or for other purposes.

Share Repurchases

See Note 11–Stockholders' Deficit in our notes to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further information on the Share Repurchase Program.

Other

We believe that existing cash and cash equivalents, cash flow from operations, and available borrowings under our revolving credit facility will be adequate to meet the capital expenditures and working capital requirements of our operations for at least the next 12 months.

The following table presents a summary of our cash flows provided by (used in) operating, investing, and financing activities for the periods indicated:

	For the Three Months Ended March 31,	
	2021	2020
	(In thousands)	
Net cash provided by (used in) operating activities	$ 18,393	$ (40,767)
Net cash used in investing activities	(15,298)	(49,249)
Net cash (used in) provided by financing activities	(5,612)	242,819
Net (decrease) increase in cash and cash equivalents, including restricted cash	$ (2,517)	$ 152,803

Cash Flows from Operating Activities

Net cash provided by operating activities was $18.4 million during the three months ended March 31, 2021 as compared to net cash used in operating activities of $40.8 million during the three months ended March 31, 2020. The change in net cash provided by (used in) operating activities was primarily impacted by improved operating performance including increased sales of admission products, partially offset by the impact of increased interest payments and deferred vendor payments in the first quarter of 2021 when compared to the first quarter of 2020, which was impacted by the temporary park closures. The deferred vendor payments in the first quarter of 2021 relate to certain vendor payments during the period, which were previously deferred in order to manage liquidity in response to the temporary park closures and limited re-openings related to the COVID-19 pandemic.

Cash Flows from Investing Activities

Investing activities consist principally of capital investments we make in our theme parks for future attractions and infrastructure. Net cash used in investing activities during the three months ended March 31, 2021 consisted of capital expenditures of $15.3 million largely related to future attractions. Net cash used in investing activities during the three months ended March 31, 2020 consisted of $49.2 million of capital expenditures.

The following table presents detail of our capital expenditures for the periods indicated:

	For the Three Months Ended March 31,	
	2021	2020
Capital Expenditures:	*(Unaudited, in thousands)*	
Core[a]	$ 10,883	$ 44,518
Expansion/ROI projects[b]	4,415	4,731
Capital expenditures, total	$ 15,298	$ 49,249

[a] Reflects capital expenditures for park rides, attractions and maintenance activities.
[b] Reflects capital expenditures for park expansion, new properties, and revenue and/or expense return on investment ("ROI") projects.

The amount of our capital expenditures may be affected by general economic and financial conditions, among other things, including restrictions imposed by our borrowing arrangements. Historically, we generally expect to fund our capital expenditures through our operating cash flow. See the "*Impact of Global COVID-19 Pandemic*" section for further details regarding proactive measures we have taken starting in March 2020 relating to our capital expenditures including delaying the opening of certain new rides.

Cash Flows from Financing Activities

Net cash used in financing activities during the three months ended March 31, 2021 results primarily repayments on long-term debt of $3.9 million. Net cash used in financing activities during the three months ended March 31, 2020 results primarily from net draws of $262.5 million on our revolving credit facility, partially offset by share repurchases of $12.4 million and net repayments on long-term debt of $3.9 million. See Note 6–Long-term Debt in our notes to the unaudited condensed consolidated financial statements for further details.

Our Indebtedness

We are a holding company and conduct our operations through our subsidiaries, which have incurred or guaranteed indebtedness as described below. As of March 31, 2021, our indebtedness consisted of senior secured credit facilities, first-priority senior secured notes ("Senior Notes") and second-priority senior secured notes ("Second-Priority Senior Notes").

See discussion which follows and Note 6–Long-Term Debt in our notes to the unaudited condensed consolidated financial statements for further details concerning our long-term debt.

Senior Secured Credit Facilities

SeaWorld Parks & Entertainment, Inc. ("SEA") is the borrower under the senior secured credit facilities, as amended pursuant to a credit agreement (the "Amended Credit Agreement") dated as of December 1, 2009, as the same may be amended, restated, supplemented or modified from time to time (the "Senior Secured Credit Facilities").

As of March 31, 2021, our Senior Secured Credit Facilities consisted of $1.489 billion in Term B-5 Loans which will mature on March 31, 2024, along with a $332.5 million Revolving Credit Facility, which had no amounts outstanding as of March 31, 2021. As of March 31, 2021, SEA had approximately $20.5 million of outstanding letters of credit, leaving approximately $312.0 million available for borrowing under the Revolving Credit Facility. See *"Covenant Compliance"* discussion which follows for information regarding our required quarterly liquidity test which could impact amounts available for borrowing.

Senior Secured Notes

On April 30, 2020, SEA closed on a private offering of $227.5 million aggregate principal amount of 8.750% Senior Notes and on August 5, 2020, SEA closed on a private offering of $500.0 million aggregate principal amount of 9.500% Second-Priority Senior Notes.

Covenant Compliance

As of March 31, 2021, we were in compliance with all covenants in the credit agreement governing the Senior Secured Credit Facilities.

The Revolving Credit Facility requires that we comply with a springing maximum first lien secured leverage ratio of 6.25x to be tested as of the last day of any fiscal quarter, solely to the extent that on such date the aggregate amount of funded loans and letters of credit (excluding undrawn letters of credit in an amount not to exceed $30.0 million and cash collateralized letters of credit) under the Revolving Credit Facility exceeds an amount equal to 35% of the then outstanding commitments under the Revolving Credit Facility. Pursuant to Amendment No. 12, among other terms, SEA is exempt from complying with its first lien secured leverage ratio covenant through the end of 2021, after which SEA will be required to comply with such covenants starting at the first quarter of 2022. See Note 6– Long-Term Debt to our unaudited condensed consolidated financial statements for further details relating to the calculation beginning in the first quarter of 2022. In addition, SEA will be required to comply with a quarterly minimum liquidity test (defined as unrestricted cash and cash equivalents and available commitments under the Revolving Credit Facility) of not less than $75.0 million until the earlier of September 30, 2022 or the date on which we elect to use actual Adjusted EBITDA for purposes of calculating our financial maintenance covenant.

Adjusted EBITDA

Under the credit agreement governing the Senior Secured Credit Facilities, our ability to engage in activities such as incurring additional indebtedness, making investments, refinancing certain indebtedness, paying dividends and entering into certain merger transactions is governed, in part, by our ability to satisfy tests based on "Adjusted EBITDA". The Senior Secured Credit Facilities defines "Adjusted EBITDA" as net income or loss before interest expense, income tax expense, depreciation and amortization, as further adjusted to exclude certain unusual, non-cash, and other items permitted in calculating covenant compliance under the Senior Secured Credit Facilities, subject to certain limitations. Adjusted EBITDA as defined in the Senior Secured Credit Facilities is consistent with our reported Adjusted EBITDA.

We believe that the presentation of Adjusted EBITDA is appropriate as it eliminates the effect of certain non-cash and other items not necessarily indicative of a company's underlying operating performance. We use Adjusted EBITDA in connection with certain components of our executive compensation program. In addition, investors, lenders, financial analysts and rating agencies have historically used EBITDA related measures in our industry, along with other measures, to estimate the value of a company, to make informed investment decisions and to evaluate companies in the industry. In addition, the presentation of Adjusted EBITDA for the last twelve months provides additional information to investors about the calculation of, and compliance with, certain financial covenants in the Senior Secured Credit Facilities. See the *"Our Indebtedness-Covenant Compliance"* section for further details.

Adjusted EBITDA is not a recognized term under accounting principles generally accepted in the United States of America ("GAAP"), should not be considered in isolation or as a substitute for a measure of our financial performance prepared in accordance with GAAP and is not indicative of income or loss from operations as determined under GAAP. Adjusted EBITDA and other non-GAAP financial measures have limitations which should be considered before using these measures to evaluate our financial performance. Adjusted EBITDA, as presented by us, may not be comparable to similarly titled measures of other companies due to varying methods of calculation.

The following table reconciles Adjusted EBITDA, as defined in the Amended Credit Agreement, to net loss for the periods indicated:

SEAWORLD ENTERTAINMENT, INC. AND SUBSIDIARIES
UNAUDITED RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

	For the Three Months Ended March 31,		Last Twelve Months Ended March 31,
	2021	2020	2021
	(Unaudited, in thousands)		
Net loss	$ (44,884)	$ (56,519)	$ (300,686)
Benefit from income taxes	(5,148)	(20,196)	(15,477)
Interest expense	30,956	19,153	112,710
Depreciation and amortization	36,558	38,013	149,091
Equity-based compensation expense (a)	4,473	(3,601)	15,541
Loss on impairment or disposal of assets and certain non-cash expenses (b)	608	385	7,410
Business optimization, development and strategic initiative costs (c)	512	2,035	5,745
Certain investment costs and other taxes(d)	87	102	1,029
Other adjusting items (e)	2,027	(10,225)	7,493
Adjusted EBITDA(f)	$ 25,189	$ (30,853)	$ (17,144)
Items added back to Adjusted EBITDA, after cost savings, as defined in the Amended Credit Agreement:			
Estimated cost savings (g)			—
Adjusted EBITDA, after cost savings (h)			$ (17,144)

(a) Reflects non-cash equity compensation expenses associated with the grants of equity compensation. For the three months ended March 31, 2020, includes a reversal of equity compensation for certain performance vesting restricted units which were no longer considered probable of vesting. See Note 10–Equity-Based Compensation in our notes to the unaudited condensed consolidated financial statements for further details.

(b) Reflects primarily non-cash expenses related to miscellaneous fixed asset disposals. For the twelve months ended March 31, 2021, reflects asset write-offs primarily related to certain rides and equipment which were removed from service.

(c) For the three months ended March 31, 2020, reflects business optimization, development and other strategic initiative costs primarily related to $1.8 million of third party consulting costs. For the twelve months ended March 31, 2021, reflects business optimization, development and other strategic initiative costs primarily related to $2.8 million of severance and other employment costs and $1.4 million of third party consulting costs.

(d) For the twelve months ended March 31, 2021, includes costs associated with a Registration Statement on Form S-3 filed in 2020.

(e) Reflects the impact of expenses, net of insurance recoveries and adjustments, incurred primarily related to certain matters, which we are permitted to exclude under the credit agreement governing our Senior Secured Credit Facilities due to the unusual nature of the items. For the three months ended March 31, 2021, primarily relates to incremental non-recurring costs associated with the COVID-19 pandemic, primarily associated with incremental labor-related costs to prepare, staff and operate the parks with enhanced safety measures.

For the three months ended March 31, 2020, includes $12.5 million of insurance proceeds related to a legal settlement gain as previously disclosed.

For the twelve months ended March 31, 2021, includes approximately $11.0 million of incremental non-recurring costs associated with the COVID-19 pandemic, partially offset by approximately $4.4 million related to the return of funds previously paid for a legal settlement. See Note 9–Commitments and Contingencies in our notes to the unaudited condensed consolidated financial statements for further details. The costs associated with the COVID-19 pandemic primarily relate to incremental labor-related costs to prepare, staff and operate the parks with enhanced safety measures, incremental third-party consulting costs primarily related to our COVID-19 response and safety communication strategies, contract termination or modification costs related to impacts from the temporary COVID-19 park closures, legal costs related to COVID-19 related matters, and temporary or initial purchases of safety monitoring and personal protective equipment.

(f) Adjusted EBITDA is defined as net loss before income tax expense, interest expense, depreciation and amortization, as further adjusted to exclude certain non-cash, and other items permitted in calculating covenant compliance under the credit agreement governing our Senior Secured Credit Facilities.

(g) The Senior Secured Credit Facilities permits the calculation of certain covenants to be based on Adjusted EBITDA, as defined above, for the last twelve month period further adjusted for net annualized estimated savings we expect to realize over the following 18 month period related to certain specified actions, including restructurings and cost savings initiatives. These estimated savings are calculated net of the amount of actual benefits realized during such period. These estimated savings are a non-GAAP Adjusted EBITDA add-back item only as defined in the Amended Credit Agreement and does not impact our reported GAAP net (loss) income. The Amended Credit Agreement limits the amount of such estimated savings which may be reflected to 25% of Adjusted EBITDA, calculated for the last twelve months before the impact of these estimated cost savings.

(h) The Senior Secured Credit Facilities permits our calculation of certain covenants to be based on Adjusted EBITDA, as defined above, for the last twelve month period further adjusted for net annualized estimated savings as described in footnote (g) above.

Contractual Obligations

There have been no material changes to our contractual obligations as March 31, 2021 from those previously disclosed in our Annual Report on Form 10-K.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities, revenues and expenses, and disclosure of contingencies during the reporting period. Significant estimates and assumptions include the valuation and useful lives of long-lived tangible and intangible assets, the valuation of goodwill and other indefinite-lived intangible assets, the accounting for income taxes, the accounting for self-insurance and revenue recognition. Actual results could differ from those estimates. The critical accounting estimates associated with these policies are described in our Annual Report on Form 10-K under "*Management's Discussion and Analysis of Financial Condition and Results of Operations."* There have been no material changes to our significant accounting policies as compared to the significant accounting policies described in our Annual Report on Form 10-K, filed on February 26, 2021.

Off-Balance Sheet Arrangements

We had no material off-balance sheet arrangements as of March 31, 2021.

Recently Issued Financial Accounting Standards

Refer to Note 2–Recent Accounting Pronouncements in our notes to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Inflation

The impact of inflation has affected, and will continue to affect, our operations significantly. Our costs of food, merchandise and other revenues are influenced by inflation and fluctuations in global commodity prices. In addition, costs for construction, repairs and maintenance are all subject to inflationary pressures.

Interest Rate Risk

We are exposed to market risks from fluctuations in interest rates, and to a lesser extent on currency exchange rates, from time to time, on imported rides and equipment. The objective of our financial risk management is to reduce the potential negative impact of interest rate and foreign currency exchange rate fluctuations to acceptable levels. We do not acquire market risk sensitive instruments for trading purposes.

We previously managed interest rate risk through the use of a combination of fixed-rate long-term debt and interest rate swaps that fixed a portion of our variable-rate long-term debt. In May 2020, our interest rate swap agreements expired, as such, we did not have any derivative instruments outstanding as of March 31, 2021. We presently manage interest rate risk primarily by managing the amount, sources and duration of our debt funding. At March 31, 2021, approximately $1.5 billion of our outstanding long-term debt represents variable-rate debt. Assuming an average balance on our revolving credit borrowings of approximately $312.0 million, a hypothetical 100 bps increase in LIBOR would increase our annual interest expense by approximately $8.5 million. Assuming no revolving credit borrowings, a hypothetical 100 bps increase in LIBOR would increase our annual interest expense by approximately $5.4 million.

COVID-19 Risks and Uncertainties

For further discussion of the adverse impacts of the COVID-19 pandemic on our business and financial performance, see the "*Risk Factors*" section of our Annual Report on Form 10-K, as such risk factors may be updated from time to time in our periodic filings with the SEC.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Regulations under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), require public companies, including us, to maintain "disclosure controls and procedures," which are defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act to mean a company's controls and other procedures that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required or necessary disclosures. In designing and evaluating our disclosure controls and procedures, management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. Our principal executive officer and principal financial officer have concluded, based on the evaluation of the effectiveness of the disclosure controls and procedures by our management as of the end of the fiscal quarter covered by this Quarterly Report, that our disclosure controls and procedures were effective to accomplish their objectives at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

Regulations under the Exchange Act require public companies, including our Company, to evaluate any change in our "internal control over financial reporting" as such term is defined in Rule 13a-15(f) and Rule 15d-15(f) of the Exchange Act. We have not experienced any material impact to our internal controls over financial reporting despite the fact that some of our employees are working remotely due to the COVID-19 pandemic. We are continually monitoring and assessing the COVID-19 situation on our internal controls to minimize the impact on their design and operating effectiveness. There have been no changes in our internal control over financial reporting during the fiscal quarter covered by this Quarterly Report that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

See Note 9–Commitments and Contingencies under the caption *"Legal Proceedings"* in our notes to the unaudited condensed consolidated financial statements for further details concerning our other legal proceedings.

Item 1A. Risk Factors

There have been no material changes to the risk factors set forth in Item 1A.to Part I of our Annual Report on Form 10-K, as filed on February 26, 2021, except to the extent factual information disclosed elsewhere in this Quarterly Report on Form 10-Q relates to such risk factors, which is incorporated herein by reference.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The Company had no unregistered sales of equity securities during the first quarter of 2021. The following table sets forth information with respect to shares of our common stock purchased by the Company during the periods indicated:

Period Beginning	Period Ended	Total Number of Shares Purchased[1][2]	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs[2]	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs[2]
January 1, 2021	January 31, 2021	—	$ —	—	$ 237,594,184
February 1, 2021	February 28, 2021	4,126	$ 39.43	—	237,594,184
March 1, 2021	March 31, 2021	37,145	$ 48.69	—	237,594,184
		41,271		—	$ 237,594,184

(1) All purchases were made pursuant to the Company's Omnibus Incentive Plan, under which participants may satisfy tax withholding obligations incurred upon the vesting of restricted stock by requesting the Company to withhold shares with a value equal to the amount of the withholding obligation.

(2) The Company's Board of Directors had previously authorized a share repurchase program of up to $250.0 million of the Company's common stock (the "Share Repurchase Program"). Under the Share Repurchase Program, the Company is authorized to repurchase shares through open market purchases, privately-negotiated transactions or otherwise in accordance with applicable federal securities laws, including through Rule 10b5-1 trading plans and under Rule 10b-18 of the Exchange Act. As of March 31, 2021, the Company had approximately $237.6 million available under the Share Repurchase Program In connection with Amendment No. 12 to our Amended Credit Agreement, the Company is restricted from making restricted payments, including share repurchases, through the third quarter of 2022 unless certain conditions are met. See Note 6–Long-Term Debt and Note 11–Stockholders' Deficit in the notes to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Plans

Our policy governing transactions in our securities by our directors, officers and employees permits such persons to adopt stock trading plans pursuant to Rule 10b5-1 promulgated by the SEC under the Exchange Act. Our directors, officers and employees have in the past and may from time to time establish such stock trading plans. We do not undertake any obligation to disclose, or to update or revise any disclosure regarding, any such plans and specifically do not undertake to disclose the adoption, amendment, termination or expiration of any such plans.

Item 6. Exhibits

The following is a list of all exhibits filed or furnished as part of this report:

Exhibit No.	Description
4.1*	First Supplemental Indenture, dated as of April 26, 2021, among SeaWorld Parks & Entertainment, Inc., SeaWorld Entertainment, Inc., the other guarantors from time to time party thereto and Wilmington Trust, National Association, as trustee for the 8.750% First-Priority Senior Secured Notes Due 2025
4.2*	First Supplemental Indenture, dated as of April 26, 2021, among SeaWorld Parks & Entertainment, Inc., SeaWorld Entertainment, Inc., the other guarantors from time to time party thereto and Wilmington Trust, National Association, as trustee for the 9.500% Second-Priority Senior Secured Notes Due 2025
10.1*†	Form of Option Grant Notice and Option Agreement (Employees—Time-Based Options)
10.2*†	Form of Restricted Stock Unit Grant Notice and Restricted Stock Unit Agreement (Employees—Time-Based Restricted Stock Units)
10.3*†	Form of Performance Stock Unit Grant Notice and Performance Stock Unit Agreement (Employees—Performance-Based Restricted Stock Units)
31.1*	Certification of Periodic Report by Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Periodic Report by Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, formatted in Inline XBRL

* Filed herewith
† Identifies exhibits that consist of a management contract or compensatory plan or arrangement

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SEAWORLD ENTERTAINMENT, INC.
(Registrant)

Date: May 7, 2021

By: /s/ Elizabeth C. Gulacsy
Elizabeth C. Gulacsy
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Exhibit 4.1

FIRST SUPPLEMENTAL INDENTURE

dated as of April 26, 2021

among

SEAWORLD PARKS & ENTERTAINMENT, INC.,

The Guarantor(s) Party Hereto

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

8.750% First-Priority Senior Secured Notes Due 2025

THIS FIRST SUPPLEMENTAL INDENTURE (this "Supplemental Indenture"), entered into as of April 26, 2021 among SeaWorld Parks & Entertainment, Inc., a Delaware corporation (the "Company"), the guarantors listed on the signature pages hereto (the "Guarantors") and Wilmington Trust, National Association, as trustee (the "Trustee").

RECITALS

WHEREAS, the Company, the Guarantors and the Trustee entered into the Indenture, dated as of April 30, 2020 (the "Indenture"), relating to the Company's 8.750% First-Priority Senior Secured Notes due 2025 (the "Notes");

WHEREAS, Section 9.01(a)(vii) of the Indenture provides that the Indenture may be amended without consent of holders of the Notes to, among other things, conform any provision of the Indenture with the "Description of the Notes" in the offering memorandum relating to the Notes (the "Description of Notes") to the extent that such provision in the Indenture was intended to be a verbatim recitation of a provision in the Description of Notes; and

WHEREAS, an amendment to the Indenture is necessary to conform Section 4.04(b)(viii)(a) to the Description of the Notes.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties to this Supplemental Indenture hereby agree as follows:

Section 1. Amendments. Subject to Section 2 hereof, the Indenture is hereby amended by modifying Section 4.04(b)(viii)(a) in its entirety as follows:

> *(a) Restricted Payments of up to the greater of (i) 7.0% of the Market Capitalization in any calendar year and (ii) $200.0 million in any calendar year; provided, that Restricted Payments made pursuant to this clause (viii)(a)(ii) shall not exceed $50.0 million in any calendar quarter or*

Section 2. Effect of Supplemental Indenture. Except as amended hereby, all of the terms of the Indenture shall remain and continue in full force and effect and are hereby confirmed in all respects. From and after the date of this Supplemental Indenture, all references to the Indenture (whether in the Indenture or in any other agreements, documents or instruments) shall be deemed to be references to the Indenture as amended and supplemented by this Supplemental Indenture. Capitalized terms used herein and not otherwise defined are used as defined in the Indenture.

Section 3. Effectiveness. The provisions of this Supplemental Indenture shall be effective only upon execution and delivery of this instrument by the parties hereto.

Section 4. Governing Law. THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SUPPLEMENTAL INDENTURE.

Section 5. No Representations by Trustee. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture. The recitals contained herein shall be taken as the statement of the Company, and the Trustee assumes no responsibility for the correctness or completeness of the same.

Section 6. Counterparts. This Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

SEAWORLD PARKS & ENTERTAINMENT, INC., as Issuer

By: /s/ Elizabeth C. Gulacsy
Name:Elizabeth C. Gulacsy
Title:Interim CFO and Treasurer

SEAWORLD ENTERTAINMENT, INC.

By: /s/ Elizabeth C. Gulacsy
Name:Elizabeth C. Gulacsy
Title:Interim CFO and Treasurer

SEAWORLD PARKS & ENTERTAINMENT LLC

SEA WORLD OF TEXAS LLC

SEAWORLD PARKS & ENTERTAINMENT INTERNATIONAL, INC.

LANGHORNE FOOD SERVICES LLC

SEA WORLD OF FLORIDA LLC

SWBG ORLANDO CORPORATE OPERATIONS GROUP, LLC

SEA HOLDINGS I, LLC

By: /s/ Harold Herman
Name: Harold Herman
Title: Assistant Secretary

SEA WORLD LLC

By: /s/ Harold Herman
Name: Harold Herman
Title: Assistant Secretary

SEAWORLD OF TEXAS HOLDINGS, LLC
SEAWORLD OF TEXAS MANAGEMENT, LLC
SEAWORLD OF TEXAS BEVERAGE, LLC

By: /s/ Genaro Castro
Name: Genaro Castro
Title: Manager

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By: /s/ Jane Schweiger
Name:Jane Schweiger
Title: Vice President

Exhibit 4.2

FIRST SUPPLEMENTAL INDENTURE

dated as of April 26, 2021

among

SEAWORLD PARKS & ENTERTAINMENT, INC.,

The Guarantor(s) Party Hereto

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

9.500% Second-Priority Senior Secured Notes Due 2025

THIS FIRST SUPPLEMENTAL INDENTURE (this "Supplemental Indenture"), entered into as of April 26, 2021 among SeaWorld Parks & Entertainment, Inc., a Delaware corporation (the "Company"), the guarantors listed on the signature pages hereto (the "Guarantors") and Wilmington Trust, National Association, as trustee (the "Trustee").

RECITALS

WHEREAS, the Company, the Guarantors and the Trustee entered into the Indenture, dated as of August 5, 2020 (the "Indenture"), relating to the Company's 9.500% Second-Priority Senior Secured Notes due 2025 (the "Notes");

WHEREAS, Section 9.01(a)(vii) of the Indenture provides that the Indenture may be amended without consent of holders of the Notes to, among other things, conform any provision of the Indenture with the "Description of the Notes" in the offering memorandum relating to the Notes (the "Description of Notes") to the extent that such provision in the Indenture was intended to be a verbatim recitation of a provision in the Description of Notes; and

WHEREAS, an amendment to the Indenture is necessary to conform Section 4.04(b)(viii)(a) to the Description of the Notes.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties to this Supplemental Indenture hereby agree as follows:

Section 1. Amendments. Subject to Section 2 hereof, the Indenture is hereby amended by modifying Section 4.04(b)(viii)(a) in its entirety as follows:

> *(a) Restricted Payments of up to the greater of (i) 7.0% of the Market Capitalization in any calendar year and (ii) $200.0 million in any calendar year; provided, that Restricted Payments made pursuant to this clause (viii)(a)(ii) shall not exceed $50.0 million in any calendar quarter or*

Section 2. Effect of Supplemental Indenture. Except as amended hereby, all of the terms of the Indenture shall remain and continue in full force and effect and are hereby confirmed in all respects. From and after the date of this Supplemental Indenture, all references to the Indenture (whether in the Indenture or in any other agreements, documents or instruments) shall be deemed to be references to the Indenture as amended and supplemented by this Supplemental Indenture. Capitalized terms used herein and not otherwise defined are used as defined in the Indenture.

Section 3. Effectiveness. The provisions of this Supplemental Indenture shall be effective only upon execution and delivery of this instrument by the parties hereto.

Section 4. Governing Law. THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SUPPLEMENTAL INDENTURE.

Section 5. No Representations by Trustee. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture. The recitals contained herein shall be taken as the statement of the Company, and the Trustee assumes no responsibility for the correctness or completeness of the same.

Section 6. Counterparts. This Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

SEAWORLD PARKS & ENTERTAINMENT, INC., as Issuer

By: /s/ Elizabeth C. Gulacsy
Name:Elizabeth C. Gulacsy
Title:Interim CFO and Treasurer

SEAWORLD ENTERTAINMENT, INC.

By: /s/ Elizabeth C. Gulacsy
Name:Elizabeth C. Gulacsy
Title:Interim CFO and Treasurer

SEAWORLD PARKS & ENTERTAINMENT LLC

SEA WORLD OF TEXAS LLC

SEAWORLD PARKS & ENTERTAINMENT INTERNATIONAL, INC.

LANGHORNE FOOD SERVICES LLC

SEA WORLD OF FLORIDA LLC

SWBG ORLANDO CORPORATE OPERATIONS GROUP, LLC

SEA HOLDINGS I, LLC

By: /s/ Harold Herman
Name: Harold Herman
Title: Assistant Secretary

SEA WORLD LLC

By: /s/ Harold Herman
Name: Harold Herman
Title: Assistant Secretary

SEAWORLD OF TEXAS HOLDINGS, LLC
SEAWORLD OF TEXAS MANAGEMENT, LLC
SEAWORLD OF TEXAS BEVERAGE, LLC

By: /s/ Genaro Castro
Name: Genaro Castro
Title: Manager

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By: /s/ Jane Schweiger
Name:Jane Schweiger
Title: Vice President

Exhibit 10.1

FORM OF
OPTION GRANT NOTICE
UNDER THE
SEAWORLD ENTERTAINMENT, INC.
2017 OMNIBUS INCENTIVE PLAN
(Time-Based Options)

SeaWorld Entertainment, Inc., a Delaware corporation (the "Company"), pursuant to its 2017 Omnibus Incentive Plan (the "Plan"), hereby grants to the Participant set forth below the number of Options (each Option representing the right to purchase one share of Common Stock) set forth below, at an Exercise Price per share as set forth below. The Options are subject to all of the terms and conditions as set forth herein, in the Option Agreement (attached hereto or previously provided to the Participant in connection with a prior grant), and in the Plan, all of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Plan.

Participant:	[*Insert Name of Participant*]
Date of Grant:	[*Insert date of grant*], 202_
Number of Options:	[*Insert number of shares subject to the Option*]
Exercise Price:	[*Insert Exercise Price per share*]
Option Period Expiration Date:	Ten (10) years from the Date of Grant.
Type of Option:	Nonqualified Stock Option
Vesting Schedule:	Provided the Participant has not undergone a Termination at the time of the applicable vesting date (or event), ___ of the Options will vest on each of the ___ anniversary(ies) of the Date of Grant, and ___ will vest on the ___ anniversary of the Date of Grant and ___ will vest on the ___ anniversary of the Date of Grant. Notwithstanding the foregoing, upon a Change in Control, all unvested Options shall remain outstanding and shall vest upon the one year anniversary of the date of the Change in Control, provided the Participant has not undergone a Termination prior to such vesting date. Further, upon a Termination [(i)] by the Company without Cause (other than due to death or Disability) [or (ii) by the Participant, for Good Reason, in each case,] within the twelve (12) months immediately following a Change in Control, all unvested Options shall vest immediately upon such Termination. [For purposes of this Option Grant Notice "Good Reason" shall mean without Participant's consent, (i) a material diminution in Participant's title, duties, or responsibilities, (ii) a material reduction in Participant's base salary (other than an across

the board reduction, applicable to other senior executives of the Company), or (iii) the relocation of Participant's principal place of employment by more than fifty (50) miles from the Participant's current location; provided that the Participant must provide the Company fifteen (15) days' written notice setting forth in reasonable specificity the event that constitutes Good Reason, which written notice, to be effective, must be provided to the Company within sixty (60) days of the Participant's knowledge (whether actual or constructive, including, without limitation, knowledge that Executive would have reasonably obtained after making due and appropriate inquiry) of such event. During such fifteen (15) day notice period, the Company shall have a cure right (if curable), and if not cured within such period, the Participant's termination will be effective upon the expiration of such cure period.]

* **

THE UNDERSIGNED PARTICIPANT ACKNOWLEDGES RECEIPT OF THIS OPTION GRANT NOTICE, THE OPTION AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OF OPTIONS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS OPTION GRANT NOTICE, THE OPTION AGREEMENT AND THE PLAN.

SEAWORLD ENTERTAINMENT, INC. PARTICIPANT[1]

_____ _____

By: [*Insert Name Participant*]
Title:

1 To the extent that the Company has established, either itself or through a third-party plan administrator, the ability to accept this award electronically, such acceptance shall constitute the Participant's signature hereof.

OPTION AGREEMENT
UNDER THE
SEAWORLD ENTERTAINMENT, INC.
2017 OMNIBUS INCENTIVE PLAN

Pursuant to the Option Grant Notice (the "Grant Notice") delivered to the Participant (as defined in the Grant Notice), and subject to the terms of this Option Agreement (this "Option Agreement") and the SeaWorld Entertainment, Inc. 2017 Omnibus Incentive Plan, as it may be amended and restated from time to time (the "Plan"), SeaWorld Entertainment, Inc., a Delaware corporation (the "Company"), and the Participant agree as follows. Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Plan.

1. **Grant of Option.** Subject to the terms and conditions set forth herein and in the Plan, the Company hereby grants to the Participant the number of Options provided in the Grant Notice (with each Option representing the right to purchase one share of Common Stock), at an Exercise Price per share as provided in the Grant Notice. The Company may make one or more additional grants of Options to the Participant under this Option Agreement by providing the Participant with a new Grant Notice, which may also include any terms and conditions differing from this Option Agreement to the extent provided therein. The Company reserves all rights with respect to the granting of additional Options hereunder and makes no implied promise to grant additional Options.

2. **Vesting**. Subject to the conditions contained herein and in the Plan, the Options shall vest as provided in the Grant Notice.

3. **Exercise of Options Following Termination**. The provisions of Section 7(c)(ii) of the Plan are incorporated herein by reference and made a part hereof. In the event of (A) the Participant's Termination by the Company for Cause, all outstanding Options shall immediately terminate and expire, (B) the Participant's Termination due to death or Disability a number of Options equal to (x) the number of Options subject to the Grant Notice that would have vested on the next vesting date as if there was no Termination multiplied by (y) a fraction (i) the numerator of which is the number of days elapsed from the last vesting date (or Date of Grant, if no vesting date has occurred) through the date of such Termination and (ii) the denominator of which is 365 (or 366, as applicable) (rounded up to the nearest whole number), shall vest, and each outstanding vested Option shall remain exercisable for one (1) year thereafter (but in no event beyond the expiration of the Option Period) and (C) the Participant's Termination for any other reason each outstanding unvested Option shall immediately terminate and expire, and each outstanding vested Option shall remain exercisable for ninety (90) days thereafter (but in no event beyond the expiration of the Option Period).

4. **Method of Exercising Options**. The Options may not be exercised until such Options become vested. The vested Options may be exercised by the delivery of notice of the number of Options that are being exercised accompanied by payment in full of the Exercise Price applicable to the Options so exercised. Such notice shall be delivered either (x) in writing to the Company at its principal office or at such other address as may be established by the Committee, to the attention of the Corporate Secretary; or (y) to a third-party plan administrator as may be arranged for by the Company or the Committee from time to time for purposes of the

administration of outstanding Options under the Plan, in the case of either (x) or (y), as communicated to the Participant by the Company from time to time. Payment of the aggregate Exercise Price may be made using any of the methods described in Section 7(d)(i) or (ii) of the Plan; provided, that the Participant shall obtain written consent from the Committee prior to the use of the method described in Section 7(d)(ii)(A) of the Plan.

5. **Issuance of Shares.** Following the exercise of an Option hereunder, as promptly as practical after receipt of such notification and full payment of such Exercise Price and any required income or other tax withholding amount (as provided in Section 9 hereof), the Company shall issue or transfer, or cause such issue or transfer, to the Participant the number of shares with respect to which the Options have been so exercised, and shall either (a) deliver, or cause to be delivered, to the Participant a certificate or certificates therefor, registered in the Participant's name or (b) cause such shares to be credited to the Participant's account at the third-party plan administrator.

6. **Company; Participant**.

(a) The term "Company" as used in this Option Agreement with reference to employment shall include the Company and its Subsidiaries.

(b) Whenever the word "Participant" is used in any provision of this Option Agreement under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom the Options may be transferred by will or by the laws of descent and distribution, the word "Participant" shall be deemed to include such person or persons.

7. **Non-Transferability.** The Options are not transferable by the Participant except to Permitted Transferees in accordance with Section 15(b) of the Plan. Except as otherwise provided herein, no assignment or transfer of the Options, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise, shall vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon such assignment or transfer the Options shall terminate and become of no further effect.

8. **Rights as Stockholder.** The Participant or a Permitted Transferee of the Options shall have no rights as a stockholder with respect to any share of Common Stock covered by an Option until the Participant shall have become the holder of record or the beneficial owner of such Common Stock, and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Common Stock for which the record date is prior to the date upon which the Participant shall become the holder of record or the beneficial owner thereof.

9. **Tax Withholding**. The provisions of Section 15(d) of the Plan are incorporated herein by reference and made a part hereof.

10. **Notice.** Every notice or other communication relating to this Option Agreement between the Company and the Participant shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by such party in a notice mailed or delivered to the other party as herein provided;

provided that, unless and until some other address be so designated, all notices or communications by the Participant to the Company shall be mailed or delivered to the Company at its principal executive office, to the attention of the Corporate Secretary, and all notices or communications by the Company to the Participant may be given to the Participant personally or may be mailed to the Participant at the Participant's last known address, as reflected in the Company's records. Notwithstanding the above, all notices and communications between the Participant and any third-party plan administrator shall be mailed, delivered, transmitted or sent in accordance with the procedures established by such third-party plan administrator and communicated to the Participant from time to time.

11. **No Right to Continued Service**. This Option Agreement does not confer upon the Participant any right to continue as an employee or service provider to the Company.

12. **Binding Effect.** This Option Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

13. **Waiver and Amendments**. Except as otherwise set forth in Section 13 of the Plan, any waiver, alteration, amendment or modification of any of the terms of this Option Agreement shall be valid only if made in writing and signed by the parties hereto; provided, however, that any such waiver, alteration, amendment or modification is consented to on the Company's behalf by the Committee. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

14. **Clawback/Repayment**. This Option Agreement shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any clawback, forfeiture or other similar policy adopted by the Board or the Committee and as in effect from time to time; and (ii) applicable law. In addition, if the Participant receives any amount in excess of what the Participant should have received under the terms of this Option Agreement for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), then the Participant shall be required to repay any such excess amount to the Company.

15. **Restrictive Covenants; Clawback/Forfeiture**.

(a) Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company and its Affiliates and accordingly agrees, in Participant's capacity as an equity (and/or equity-based Award) holder in the Company, to the provisions of Appendix A to this Option Agreement (the "Restrictive Covenants"). Participant acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 1 of Appendix A (or a material breach or material threatened breach of any of the provisions of Section 2 of Appendix A of this Option Agreement) would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Participant agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond, shall be entitled to cease making any payments or providing any benefit otherwise required by this

Option Agreement and obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available. Notwithstanding the foregoing and Appendix A, the provisions of Section 1(a)(i), (ii), (iii) and (iv)(B) of Appendix A shall not apply to the Participant if Participant's principal place of employment is located in the State of California. The Options granted (and the shares that may be issued upon exercise of the Options) hereunder shall be subject to Participant's continued compliance with such restrictions. For the avoidance of doubt, the Restrictive Covenants contained in this Option Agreement are in addition to, and not in lieu of, any other restrictive covenants or similar covenants or agreements between the Participant and the Company or any of its Affiliates.

(b) Notwithstanding anything to the contrary contained herein or in the Plan, if the Participant has engaged in or engages in any Detrimental Activity, as determined by the Committee (including, without limitation, a breach of any of the covenants contained in Appendix A to this Option Agreement), then the Committee may, in its sole discretion, take actions permitted under the Plan, including: (i) cancel the Options, or (ii) require that the Participant forfeit any gain realized on the exercise of the Options, and repay such gain to the Company.

16. **Right to Offset**. The provisions of Section 15(x) of the Plan are incorporated herein by reference and made a part hereof.

17. **Governing Law.** This Option Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Notwithstanding anything contained in this Option Agreement, the Grant Notice or the Plan to the contrary, if any suit or claim is instituted by the Participant or the Company relating to this Option Agreement, the Grant Notice or the Plan, the Participant hereby submits to the exclusive jurisdiction of and venue in the courts of Delaware. THE PARTICIPANT IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY SUIT, ACTION OR OTHER PROCEEDING INSTITUTED BY OR AGAINST SUCH PARTICIPANT IN RESPECT OF THE PARTICIPANT'S RIGHTS OR OBLIGATIONS HEREUNDER.

18. **Plan.** The terms and provisions of the Plan are incorporated herein by reference. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Option Agreement (including the Grant Notice), the Plan shall govern and control.

Appendix A

Restrictive Covenants

1. Non-Competition; Non-Solicitation; Non-Disparagement.

(a) Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company and its Affiliates and accordingly agrees as follows:

(i) During Participant's employment with the Company or its Subsidiaries (the "Employment Term") and for a period of two years following the date Participant ceases to be employed by the Company or its Subsidiaries (the "Restricted Period"), Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever ("Person"), directly or indirectly solicit or assist in soliciting in competition with the Restricted Group in the Business, the business of any then current or prospective client or customer with whom (A) Participant (or Participant's direct reports) had personal contact or dealings on behalf of the Company or (B) Participant had knowledge of the Company's dealings with, in each case, during the one-year period preceding Participant's termination of employment.

(ii) During the Restricted Period, Participant will not directly or indirectly:

(A) engage in the Business in any geographical area that is within 300 miles of any geographical area where the Restricted Group engages in the Business, including the greater metropolitan areas of Orlando, Florida, Tampa, Florida, San Diego, California, Chula Vista, California, San Antonio, Texas, Williamsburg, Virginia and Philadelphia/Langhorne, Pennsylvania;

(B) enter the employ of, or render any services to, a Core Competitor;

(C) acquire a financial interest in, or otherwise become actively involved with, any Person engaged in the Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(D) adversely interfere with, or attempt to adversely interfere with, business relationships between the members of the Restricted Group and any of their clients, customers, suppliers, partners, members or investors.

(iii) Notwithstanding anything to the contrary in this Appendix A, Participant may, directly or indirectly own, solely as an investment, securities of any Person engaged in a Business (including, without limitation, a Core Competitor) which are publicly traded on a national or regional stock exchange or on the over-the-counter market if Participant (i) is not a controlling person of, or a member of a group which controls, such person and (ii) does not, directly or indirectly, own 2% or more of any class of securities of such Person.

(iv) During the Restricted Period, Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any Person, directly or indirectly:

(A) solicit or encourage any employee of the Restricted Group to leave the employment of the Restricted Group;

(B) hire any Executive-Level Employee who was employed by the Restricted Group as of the date of Participant's termination of employment with the Company or who left the employment of the Restricted Group coincident with, or within one year prior to or after, the termination of Participant's employment with the Company; or

(C) encourage any Material Consultant of the Restricted Group to cease working with the Restricted Group.

(ii) For purposes of this Appendix A:

(A) "Restricted Group" shall mean, collectively, the Company and its Subsidiaries and, to the extent engaged in the Business, their respective Affiliates.

(B) "Business" shall mean, collectively, the leisure, recreation and entertainment business, including, but not limited to, theme parks, amusement parks, water parks, cruises, facilities with rides and games, and entertainment (and venues associated therewith) or any other business engaged in or being developed (including production of materials used in the Company and its Subsidiaries' businesses) by the Company and its Subsidiaries, or being considered by the Company and its Subsidiaries, at the time of Participant's termination of employment.

(C) "Core Competitor" shall mean Walt Disney Parks and Resorts, Universal Parks and Resorts, Six Flags, Inc., Cedar Fair Entertainment Company and Merlin Entertainments Group Ltd., Herschend Family Entertainment, Parques Reunidos and each of their respective Affiliates.

(D) "Executive Level Employee" shall mean the Chief Executive officer, his/her director reports and their direct reports.

(E) "Material Consultant" shall mean any Person providing services to any member of the Restricted Group with a contract value (payable in cash and/or equity) for any given year equal to or greater than $200,000.

(b) Non-Disparagement. Participant will not at any time (whether during or after Participant's Employment Term) make public or private statements or public or private comments intended to be (or having the effect of being) of defamatory or disparaging nature regarding (including, without limitation, any statements or comments, whether in person, radio, television, film, social media or otherwise, that are (i) likely to be harmful to the business, business reputation or personal reputation of and (ii) for, on behalf of or in association with any trade, industry, activist or other advocacy group that has, at any time, made adverse or critical statements in relation to) the Company or any of its Subsidiaries or Affiliates or any of their respective businesses, shareholders, members, partners, employees, agents, officers, directors or contractors (it being understood that comments made in Participant's good faith performance of Participant's duties hereunder shall not be deemed disparaging or defamatory for purposes of this paragraph). Notwithstanding anything in this section 1(b), the Participant shall be permitted to (x) provide a reasonable and truthful response to or statement to defend Participant against any public statement made by the Company that is incorrect or disparages such person, to the extent necessary to correct or refute such public statement and (y) provide truthful testimony in any legal proceeding or process.

(c) It is expressly understood and agreed that although Participant and the Company consider the restrictions contained in this Section 1 to be reasonable, if a final judicial determination is made by a

court of competent jurisdiction that the time or territory or any other restriction contained in this Appendix A is an unenforceable restriction against Participant, the provisions of this Appendix A shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Appendix A is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein.

(d) The period of time during which the provisions of this Section 1 shall be in effect shall be extended by the length of time during which Participant is in breach of the terms hereof as determined by any court of competent jurisdiction on the Company's application for injunctive relief.

(e) The provisions of Section 1 hereof shall survive the termination of Participant's employment for any reason, including but not limited to, any termination other than for Cause (except as otherwise set forth in Section 1 hereof).

(f) The provisions of Section 1(a)(i), (ii), (iii) and (iv)(B) hereof shall not apply if Participant's principal place of employment is in the state of California.

2. Confidentiality; Intellectual Property.

(a) Confidentiality.

(i) Participant will not at any time (whether during or after Participant's Employment Term) (x) retain or use for the benefit, purposes or account of Participant or any other Person; or (y) disclose, divulge, reveal, communicate, share, transfer or provide access to any Person outside the Company (other than its professional advisers who are bound by confidentiality obligations or otherwise in performance of Participant's duties under Participant's employment and pursuant to customary industry practice), any non-public, proprietary or confidential information —including without limitation trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals, safety, zoological and/or animal training or care practices, protocols, policies or procedures — concerning the past, current or future business, activities and operations of the Company, its Subsidiaries or Affiliates and/or any third party that has disclosed or provided any of same to the Company on a confidential basis ("Confidential Information") without the prior written authorization of the Board.

(ii) "Confidential Information" shall not include any information that is (a) generally known to the industry or the public other than as a result of Participant's breach of this covenant; (b) made legitimately available to Participant by a third party without breach of any confidentiality obligation of which Participant has knowledge; or (c) required by law to be disclosed; provided that with respect to subsection (c) Participant shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and reasonably cooperate with any attempts by the Company to obtain a protective order or similar treatment.

(iii) Except as required by law, Participant will not disclose to anyone, other than Participant's family (it being understood that, in this Option Agreement, the term "family" refers

to Participant, Participant's spouse, children, parents and spouse's parents) and advisors, the existence or contents of this Option Agreement; provided that Participant may disclose to any prospective future employer the provisions of this Appendix A. This Section 2(a)(iii) shall terminate if the Company publicly discloses a copy of this Option Agreement (or, if the Company publicly discloses summaries or excerpts of this Option Agreement, to the extent so disclosed).

(iv) Upon termination of Participant's employment with the Company for any reason, Participant shall (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Company, its Subsidiaries or Affiliates; and (y) immediately destroy, delete, or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in Participant's possession or control (including any of the foregoing stored or located in Participant's office, home, laptop or other computer, whether or not Company property) that contain Confidential Information, except that Participant may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information.

(v) Nothing in this Option Agreement shall prohibit or impede Participant from communicating, cooperating, or filing a complaint with any U.S. federal, state, or local governmental or law enforcement branch, agency, or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state, or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Participant understands and acknowledges that an individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made (i) in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Participant understands and acknowledges further that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. Moreover, Participant is not required to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Notwithstanding the foregoing, under no circumstance will Participant be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of Company's General Counsel or other officer designated by the Company.

(b) Intellectual Property.

(i) If Participant has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to Participant's employment by the Company, that are relevant to or implicated by such employment ("Prior Works"), Participant hereby grants the Company a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property,

copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company's current and future business.

(ii) If Participant creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during Participant's employment by the Company and within the scope of such employment and with the use of any the Company resources ("Company Works"), Participant shall promptly and fully disclose same to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company to the extent ownership of any such rights does not vest originally in the Company.

(iii) Participant shall take all reasonably requested actions and execute all reasonably requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's rights in the Prior Works and Company Works. If the Company is unable for any other reason, after reasonable attempt, to secure Participant's signature on any document for this purpose, then Participant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Participant's agent and attorney in fact, to act for and in Participant's behalf and stead to execute any documents and to do all other lawfully permitted acts required in connection with the foregoing.

(iv) Participant shall not improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with the Company any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without the prior written permission of such third party. Participant shall comply with all relevant policies and guidelines of the Company that are from time to time previously disclosed to Participant, including regarding the protection of Confidential Information and intellectual property and potential conflicts of interest. Participant acknowledges that the Company may amend any such policies and guidelines from time to time, and that Participant remains at all times bound by their most current version from time to time previously disclosed to Participant.

(v) The provisions of Section 2 hereof shall survive the termination of Participant's employment for any reason (except as otherwise set forth in Section 2(a)(iii) hereof).

3. Permitted Disclosure. Nothing in this Appendix A shall prohibit or impede a Participant from communicating, cooperating or filing a complaint with any United States federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any United States federal, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Each Participant understands and acknowledges that (i) an individual shall not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made (A) in confidence to a U.S. federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (B) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (ii) an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret

information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. A Participant does not need to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Except as otherwise provided in this paragraph or under applicable law, under no circumstance is a Participant authorized to disclose any information covered by attorney-client privilege or attorney work product or trade secrets of any member of the Company Group without prior written consent of the Company's Board of Directors or other officer designed by the Company's Board of Directors.

Exhibit 10.2

RESTRICTED STOCK UNIT GRANT NOTICE
UNDER THE
SEAWORLD ENTERTAINMENT, INC.
2017 OMNIBUS INCENTIVE PLAN
(Time-Based Restricted Stock Units)

SeaWorld Entertainment, Inc., a Delaware corporation (the "Company"), pursuant to its 2017 Omnibus Incentive Plan, as it may be amended and restated from time to time (the "Plan"), hereby grants to the Participant set forth below, the number of Restricted Stock Units set forth below. The Restricted Stock Units are subject to all of the terms and conditions as set forth herein, in the Restricted Stock Unit Agreement (attached hereto or previously provided to the Participant in connection with a prior grant), and in the Plan, all of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Plan.

Participant:	[*Participant Name*]
Date of Grant:	[*Date of Grant*], 202_
Number of Restricted Stock Units:	[*Number of RSUs*]
Vesting Schedule:	Provided the Participant has not undergone a Termination prior to each applicable vesting date, __% of the Restricted Stock Units shall vest immediately on the ___ anniversary of the Date of Grant [and] __% will vest on the second anniversary of the Date of Grant [and __% of the Restricted Stock Units shall vest immediately on the ___ anniversary of the Date of Grant.

THE UNDERSIGNED PARTICIPANT ACKNOWLEDGES RECEIPT OF THIS RESTRICTED STOCK UNIT GRANT NOTICE, THE RESTRICTED STOCK UNIT AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OF RESTRICTED STOCK UNITS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS RESTRICTED STOCK UNIT GRANT NOTICE, THE RESTRICTED STOCK UNIT AGREEMENT AND THE PLAN.

SEAWORLD ENTERTAINMENT, INC. PARTICIPANT[1]

_____ _____

By: Sherri Nadeau
Title: Chief Human Resources Officer

1 To the extent that the Company has established, either itself or through a third-party plan administrator, the ability to accept this award electronically, such acceptance shall constitute the Participant's signature hereof.

RESTRICTED STOCK UNIT AGREEMENT
UNDER THE
SEAWORLD ENTERTAINMENT, INC.
2017 OMNIBUS INCENTIVE PLAN

Pursuant to the Restricted Stock Unit Grant Notice (the "Grant Notice") delivered to the Participant (as defined in the Grant Notice), and subject to the terms of this Restricted Stock Unit Agreement (this "Restricted Stock Unit Agreement") and the SeaWorld Entertainment, Inc. 2017 Omnibus Incentive Plan, as it may be amended and restated from time to time (the "Plan"), SeaWorld Entertainment, Inc., a Delaware corporation, (the "Company") and the Participant agree as follows. Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Plan.

1. **Grant of Restricted Stock Units**. Subject to the terms and conditions set forth herein and in the Plan, the Company hereby grants to the Participant the number of Restricted Stock Units provided in the Grant Notice (with each Restricted Stock Unit representing an unfunded, unsecured right to receive one share of Common Stock). The Company may make one or more additional grants of Restricted Stock Units to the Participant under this Restricted Stock Unit Agreement by providing the Participant with a new Grant Notice, which may also include any terms and conditions differing from this Restricted Stock Unit Agreement to the extent provided therein. The Company reserves all rights with respect to the granting of additional Restricted Stock Units hereunder and makes no implied promise to grant additional Restricted Stock Units.

2. **Vesting**. Subject to the conditions contained herein and in the Plan, the Restricted Stock Units shall vest as provided in the Grant Notice.

3. **Settlement of Restricted Stock Units**. The provisions of Section 9(d)(ii) of the Plan are incorporated herein by reference and made a part hereof and, in accordance therewith, any vested Restricted Stock Units shall be settled in shares of Common Stock as soon as reasonably practicable (and, in any event, by the fifteenth day of the third month following the expiration of the applicable Restricted Period). With respect to any Restricted Stock Unit, the period of time on and prior to the applicable vesting date in which such Restricted Stock Unit is subject to vesting shall be its Restricted Period. Notwithstanding anything in this Restricted Stock Unit Agreement to the contrary, the Company shall have no obligation to issue or transfer any shares of Common Stock as contemplated by this Restricted Stock Unit Agreement unless and until such issuance or transfer complies with all relevant provisions of law and the requirements of any stock exchange on which the Company's shares of Common Stock are listed for trading.

4. **Treatment of Restricted Stock Units Upon Termination**.

(a) The provisions of Section 9(b) of the Plan are incorporated herein by reference and made a part hereof. In the event of the Participant's Termination (A) by the Company other than for Cause [or by the Participant for Good Reason (as defined below), in each case,] within the twelve (12) months immediately following a Change in Control the outstanding Restricted Stock Units shall become fully vested and the restrictions thereon shall immediately lapse as of the date of such Termination or (B) due to death or Disability a number of Restricted Stock Units equal to (x) the number of Restricted Stock Units subject to the Grant Notice that would have vested on the next vesting date as if there was no Termination *multiplied by* fraction (x) the numerator of which is equal to the number of completed months that have elapsed from the last vesting date (or Date of Grant, if no vesting date has occurred) through the date of such Termination and (y) the denominator of which is equal to 12.

(b) If the Participant undergoes a Termination other than under circumstances described in Section 4(a), then all unvested shares of Restricted Stock Units shall be forfeited to the Company by the Participant for no consideration as of the date of such Termination.

[(c) "Good Reason" shall mean without Participant's consent, (i) a material diminution in Participant's title, duties, or responsibilities, (ii) a material reduction in Participant's base salary (other than an across the board reduction, applicable to other senior executives of the Company), or (iii) the relocation of Participant's principal place of employment by more than fifty (50) miles from the Participant's current location; provided that the Participant must provide the Company fifteen (15) days' written notice setting forth in reasonable specificity the event that constitutes Good Reason, which written notice, to be effective, must be provided to the Company within sixty (60) days of the Participant's knowledge (whether actual or constructive, including, without limitation, knowledge that Executive would have reasonably obtained after making due and appropriate inquiry) of such event. During such fifteen (15) day notice period, the Company shall have a cure right (if curable), and if not cured within such period, the Participant's termination will be effective upon the expiration of such cure period.]

5. **Company; Participant**.

(a) The term "Company" as used in this Restricted Stock Unit Agreement with reference to employment shall include the Company and its Subsidiaries.

(b) Whenever the word "Participant" is used in any provision of this Restricted Stock Unit Agreement under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom the Restricted Stock Units may be transferred by will or by the laws of descent and distribution, the word "Participant" shall be deemed to include such person or persons.

6. **Non-Transferability**. The Restricted Stock Units are not transferable by the Participant (unless such transfer is specifically required pursuant to a domestic relations order or by applicable law) except to Permitted Transferees in accordance with Section 15(b) of the Plan. Except as otherwise provided herein, no assignment or transfer of the Restricted Stock Units, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise, shall vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon such assignment or transfer the Restricted Stock Units shall terminate and become of no further effect.

7. **Rights as Stockholder; Dividend Equivalents**. The Participant shall have no rights as a stockholder with respect to any share of Common Stock underlying a Restricted Stock Unit (including no rights with respect to voting or to receive dividends or dividend equivalents) unless and until the Participant shall have become the holder of record or the beneficial owner of such Common Stock, and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Common Stock for which the record date is prior to the date upon which the Participant shall become the holder of record or the beneficial owner thereof. The Restricted Stock Units shall be entitled to be credited with dividend equivalent payments upon the payment by the Company of dividends on shares of Common Stock. Such dividend equivalents will be provided in shares of Common Stock having a Fair Market Value on the date that the Restricted Stock Units are settled equal to the amount of such applicable dividends, and shall be payable at the same time as the Restricted Stock Units are settled in accordance with Section 3 above. In the event that any Restricted Stock Unit is forfeited by its terms, the Participant shall have no right to dividend equivalent payments in respect of such forfeited Restricted Stock Units.

8. **Tax Withholding**. The provisions of Section 15(d) of the Plan are incorporated herein by reference and made a part hereof.

9. **Notice**. Every notice or other communication relating to this Restricted Stock Unit Agreement between the Company and the Participant shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by such party in a notice mailed or delivered to the other party as herein provided; *provided* that, unless and until some other address be so designated, all notices or communications by the Participant to the Company shall be mailed or delivered to the Company at its principal executive office, to the attention of the Corporate Secretary, and all notices or communications by the Company to the Participant may be given to the Participant personally or may be mailed to the Participant at the Participant's last known address, as reflected in the Company's records. Notwithstanding the above, all notices and communications between the Participant and any third-party plan administrator shall be mailed, delivered, transmitted or sent in accordance with the procedures established by such third-party plan administrator and communicated to the Participant from time to time.

10. **No Right to Continued Service**. This Restricted Stock Unit Agreement does not confer upon the Participant any right to continue as an employee or service provider to the Service Recipient or any other member of the Company Group.

11. **Binding Effect**. This Restricted Stock Unit Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

12. **Waiver and Amendments**. Except as otherwise set forth in Section 14 of the Plan, any waiver, alteration, amendment or modification of any of the terms of this Restricted Stock Unit Agreement shall be valid only if made in writing and signed by the parties hereto; *provided, however*, that any such waiver, alteration, amendment or modification is consented to on the Company's behalf by the Committee. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

13. **Clawback/Repayment**. This Restricted Stock Unit Agreement shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any clawback, forfeiture or other similar policy adopted by the Board or the Committee and as in effect from time to time; and (ii) applicable law. In addition, if the Participant receives any amount in excess of what the Participant should have received under the terms of this Restricted Stock Unit Agreement for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), then the Participant shall be required to repay any such excess amount to the Company.

14. **Restrictive Covenants; Detrimental Activity**.

(a) Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company and its Affiliates and accordingly agrees, in his or her capacity as an equity (and/or equity-based Award) holder in the Company, to the provisions of Appendix A to this Restricted Stock Unit Agreement (the "Restrictive Covenants"). Participant acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 1 of Appendix A (or a material breach or material threatened breach of any of the provisions of Section 2 of Appendix A of this Restricted Stock Unit Agreement) would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Participant agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond, shall be entitled to cease making any payments or providing any benefit otherwise required by this Restricted Stock Unit Agreement and obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available. Notwithstanding the foregoing and Appendix A, the

provisions of Section 1(a)(i), (ii), (iii) and (iv)(B) of Appendix A shall not apply to the Participant if Participant's principal place of employment is located in the State of California. The Restricted Stock Units granted hereunder shall be subject to Participant's continued compliance with such restrictions. For the avoidance of doubt, the Restrictive Covenants contained in this Restricted Stock Unit Agreement are in addition to, and not in lieu of, any other restrictive covenants or similar covenants or agreements between the Participant and the Company or any of its Affiliates.

(b) Notwithstanding anything to the contrary contained herein or in the Plan, if the Participant has engaged in or engages in any Detrimental Activity, as determined by the Committee (including, without limitation, a breach of any of the covenants contained in Appendix A to this Restricted Stock Unit Agreement), then the Committee may, in its sole discretion, take actions permitted under the Plan, including, but not limited to: (i) cancelling any and all Restricted Stock Units, or (ii) requiring that the Participant forfeit any gain realized on the vesting of the Restricted Stock Units, and repay such gain to the Company.

15. **Right to Offset**. The provisions of Section 15(x) of the Plan are incorporated herein by reference and made a part hereof.

16. **Governing Law**. This Restricted Stock Unit Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Notwithstanding anything contained in this Restricted Stock Unit Agreement, the Grant Notice or the Plan to the contrary, if any suit or claim is instituted by the Participant or the Company relating to this Restricted Stock Unit Agreement, the Grant Notice or the Plan, the Participant hereby submits to the exclusive jurisdiction of and venue in the courts of Delaware. THE PARTICIPANT IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY SUIT, ACTION OR OTHER PROCEEDING INSTITUTED BY OR AGAINST SUCH PARTICIPANT IN RESPECT OF THE PARTICIPANT'S RIGHTS OR OBLIGATIONS HEREUNDER.

17. **Plan**. The terms and provisions of the Plan are incorporated herein by reference. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Restricted Stock Unit Agreement (including the Grant Notice), the Plan shall govern and control.

18. **Section 409A**. It is intended that the Restricted Stock Units granted hereunder shall be exempt from Section 409A of the Code pursuant to the "short-term deferral" rule applicable to such section, as set forth in the regulations or other guidance published by the Internal Revenue Service thereunder.

Appendix A
Restrictive Covenants

1. Non-Competition; Non-Solicitation; Non-Disparagement.

(a) Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company and its Affiliates and accordingly agrees as follows:

(i) During Participant's employment with the Company or its Subsidiaries (the "Employment Term") and for a period of two years following the date Participant ceases to be employed by the Company or its Subsidiaries (the "Restricted Period"), Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever ("Person"), directly or indirectly solicit or assist in soliciting in competition with the Restricted Group in the Business, the business of any then current or prospective client or customer with whom (A) Participant (or Participant's direct reports) had personal contact or dealings on behalf of the Company or (B) Participant had knowledge of the Company's dealings with, in each case, during the one-year period preceding Participant's termination of employment.

(ii) During the Restricted Period, Participant will not directly or indirectly:

(A) engage in the Business in any geographical area that is within 300 miles of any geographical area where the Restricted Group engages in the Business, including the greater metropolitan areas of Orlando, Florida, Tampa, Florida, San Diego, California, Chula Vista, California, San Antonio, Texas, Williamsburg, Virginia and Philadelphia/Langhorne, Pennsylvania;

(B) enter the employ of, or render any services to, a Core Competitor;

(C) acquire a financial interest in, or otherwise become actively involved with, any Person engaged in the Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(D) adversely interfere with, or attempt to adversely interfere with, business relationships between the members of the Restricted Group and any of their clients, customers, suppliers, partners, members or investors.

(iii) Notwithstanding anything to the contrary in this Appendix A, Participant may, directly or indirectly own, solely as an investment, securities of any Person engaged in a Business (including, without limitation, a Core Competitor) which are publicly traded on a national or regional stock exchange or on the over-the-counter market if Participant (i) is not a controlling person of, or a member of a group which controls, such person and (ii) does not, directly or indirectly, own 2% or more of any class of securities of such Person.

(iv) During the Restricted Period, Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any Person, directly or indirectly:

(A) solicit or encourage any employee of the Restricted Group to leave the employment of the Restricted Group;

(B) hire any Executive-Level Employee who was employed by the Restricted Group as of the date of Participant's termination of employment with the Company or who left the employment of the Restricted Group coincident with, or within one year prior to or after, the termination of Participant's employment with the Company; or

(C) encourage any Material Consultant of the Restricted Group to cease working with the Restricted Group.

(ii) For purposes of this Appendix A:

(A) "Restricted Group" shall mean, collectively, the Company and its Subsidiaries and, to the extent engaged in the Business, their respective Affiliates.

(B) "Business" shall mean, collectively, the leisure, recreation and entertainment business, including, but not limited to, theme parks, amusement parks, water parks, cruises, facilities with rides and games, and entertainment (and venues associated therewith) or any other business engaged in or being developed (including production of materials used in the Company and its Subsidiaries' businesses) by the Company and its Subsidiaries, or being considered by the Company and its Subsidiaries, at the time of Participant's termination of employment.

(C) "Core Competitor" shall mean Walt Disney Parks and Resorts, Universal Parks and Resorts, Six Flags, Inc., Cedar Fair Entertainment Company and Merlin Entertainments Group Ltd., Herschend Family Entertainment, Parques Reunidos and each of their respective Affiliates.

(D) "Executive Level Employee" shall mean the Chief Executive officer, his/her director reports and their direct reports.

(E) "Material Consultant" shall mean any Person providing services to any member of the Restricted Group with a contract value (payable in cash and/or equity) for any given year equal to or greater than $200,000.

(b) Non-Disparagement. Participant will not at any time (whether during or after Participant's Employment Term) make public or private statements or public or private comments intended to be (or having the effect of being) of defamatory or disparaging nature regarding (including, without limitation, any statements or comments, whether in person, radio, television, film, social media or otherwise, that are (i) likely to be harmful to the business, business reputation or personal reputation of and (ii) for, on behalf of or in association with any trade, industry, activist or other advocacy group that has, at any time, made adverse or critical statements in relation to) the Company or any of its Subsidiaries or Affiliates or any of their respective businesses, shareholders, members, partners, employees, agents, officers, directors or contractors (it being understood that comments made in Participant's good faith performance of Participant's duties hereunder shall not be deemed disparaging or defamatory for purposes of this paragraph). Notwithstanding anything in this section 1(b), the Participant shall be permitted to (x) provide a reasonable and truthful response to or statement to defend Participant against any public statement made by the Company that is incorrect or disparages such person, to the extent necessary to correct or refute such public statement and (y) provide truthful testimony in any legal proceeding or process.

(c) It is expressly understood and agreed that although Participant and the Company consider the restrictions contained in this Section 1 to be reasonable, if a final judicial determination is made by a

court of competent jurisdiction that the time or territory or any other restriction contained in this Appendix A is an unenforceable restriction against Participant, the provisions of this Appendix A shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Appendix A is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein.

(d) The period of time during which the provisions of this Section 1 shall be in effect shall be extended by the length of time during which Participant is in breach of the terms hereof as determined by any court of competent jurisdiction on the Company's application for injunctive relief.

(e) The provisions of Section 1 hereof shall survive the termination of Participant's employment for any reason, including but not limited to, any termination other than for Cause (except as otherwise set forth in Section 1 hereof).

(f) The provisions of Section 1(a)(i), (ii), (iii) and (iv)(B) hereof shall not apply if Participant's principal place of employment is in the state of California.

2. Confidentiality; Intellectual Property.

(a) Confidentiality.

(i) Participant will not at any time (whether during or after Participant's Employment Term) (x) retain or use for the benefit, purposes or account of Participant or any other Person; or (y) disclose, divulge, reveal, communicate, share, transfer or provide access to any Person outside the Company (other than its professional advisers who are bound by confidentiality obligations or otherwise in performance of Participant's duties under Participant's employment and pursuant to customary industry practice), any non-public, proprietary or confidential information —including without limitation trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals, safety, zoological and/or animal training or care practices, protocols, policies or procedures — concerning the past, current or future business, activities and operations of the Company, its Subsidiaries or Affiliates and/or any third party that has disclosed or provided any of same to the Company on a confidential basis ("Confidential Information") without the prior written authorization of the Board.

(ii) "Confidential Information" shall not include any information that is (a) generally known to the industry or the public other than as a result of Participant's breach of this covenant; (b) made legitimately available to Participant by a third party without breach of any confidentiality obligation of which Participant has knowledge; or (c) required by law to be disclosed; provided that with respect to subsection (c) Participant shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and reasonably cooperate with any attempts by the Company to obtain a protective order or similar treatment.

(iii) Except as required by law, Participant will not disclose to anyone, other than Participant's family (it being understood that, in this Restricted Stock Unit Agreement, the term

"family" refers to Participant, Participant's spouse, children, parents and spouse's parents) and advisors, the existence or contents of this Restricted Stock Unit Agreement; provided that Participant may disclose to any prospective future employer the provisions of this Appendix A. This Section 2(a)(iii) shall terminate if the Company publicly discloses a copy of this Restricted Stock Unit Agreement (or, if the Company publicly discloses summaries or excerpts of this Restricted Stock Unit Agreement, to the extent so disclosed).

(iv) Upon termination of Participant's employment with the Company for any reason, Participant shall (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Company, its Subsidiaries or Affiliates; and (y) immediately destroy, delete, or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in Participant's possession or control (including any of the foregoing stored or located in Participant's office, home, laptop or other computer, whether or not Company property) that contain Confidential Information, except that Participant may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information.

(v) Nothing in this Restricted Stock Unit Agreement shall prohibit or impede Participant from communicating, cooperating, or filing a complaint with any U.S. federal, state, or local governmental or law enforcement branch, agency, or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state, or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Participant understands and acknowledges that an individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made (i) in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Participant understands and acknowledges further that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. Moreover, Participant is not required to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Notwithstanding the foregoing, under no circumstance will Participant be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of Company's General Counsel or other officer designated by the Company.

(b) Intellectual Property.

(i) If Participant has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to Participant's employment by the Company, that are relevant to or implicated by such employment ("Prior Works"), Participant hereby grants the Company a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all

rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company's current and future business.

(ii) If Participant creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during Participant's employment by the Company and within the scope of such employment and with the use of any the Company resources ("Company Works"), Participant shall promptly and fully disclose same to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company to the extent ownership of any such rights does not vest originally in the Company.

(iii) Participant shall take all reasonably requested actions and execute all reasonably requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's rights in the Prior Works and Company Works. If the Company is unable for any other reason, after reasonable attempt, to secure Participant's signature on any document for this purpose, then Participant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Participant's agent and attorney in fact, to act for and in Participant's behalf and stead to execute any documents and to do all other lawfully permitted acts required in connection with the foregoing.

(iv) Participant shall not improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with the Company any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without the prior written permission of such third party. Participant shall comply with all relevant policies and guidelines of the Company that are from time to time previously disclosed to Participant, including regarding the protection of Confidential Information and intellectual property and potential conflicts of interest. Participant acknowledges that the Company may amend any such policies and guidelines from time to time, and that Participant remains at all times bound by their most current version from time to time previously disclosed to Participant.

(v) The provisions of Section 2 hereof shall survive the termination of Participant's employment for any reason (except as otherwise set forth in Section 2(a)(iii) hereof).

3. Permitted Disclosure. Nothing in this Appendix A shall prohibit or impede a Participant from communicating, cooperating or filing a complaint with any United States federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any United States federal, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Each Participant understands and acknowledges that (i) an individual shall not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made (A) in confidence to a U.S. federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (B) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (ii) an individual who files a lawsuit for retaliation by an employer for reporting a suspected

violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. A Participant does not need to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Except as otherwise provided in this paragraph or under applicable law, under no circumstance is a Participant authorized to disclose any information covered by attorney-client privilege or attorney work product or trade secrets of any member of the Company Group without prior written consent of the Company's Board of Directors or other officer designed by the Company's Board of Directors.

Exhibit 10.3

FORM OF
PERFORMANCE STOCK UNIT GRANT NOTICE
UNDER THE
SEAWORLD ENTERTAINMENT, INC.
2017 OMNIBUS INCENTIVE PLAN
(Performance-Based Restricted Stock Units)

SeaWorld Entertainment, Inc., a Delaware corporation (the "Company"), pursuant to its 2017 Omnibus Incentive Plan, as it may be amended and restated from time to time (the "Plan"), hereby grants to the Participant set forth below, the maximum number of Restricted Stock Units set forth below. The Restricted Stock Units are subject to all of the terms and conditions as set forth herein, in the Restricted Stock Unit Agreement (attached hereto or previously provided to the Participant in connection with a prior grant), and in the Plan, all of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Plan.

Participant:	[*Insert Participant Name*]
Date of Grant:	[*Date of Grant*], 202_
Performance Period:	The period commencing on January 1, 20__ and ending on (x) December 31, 20__ (the "Performance Period") [and the period of time commencing on January 1, 20__ and ending on December 31, 20__ (the "Extended Performance Period").]
Number of Restricted Stock Units:	[*Insert No. of Restricted Stock Units Granted*]
Vesting Schedule:	The Restricted Stock Units shall vest at such times and in such amounts as set forth in Exhibit A to the Restricted Stock Unit Agreement.

* **

THE UNDERSIGNED PARTICIPANT ACKNOWLEDGES RECEIPT OF THIS RESTRICTED STOCK UNIT GRANT NOTICE, THE RESTRICTED STOCK UNIT AGREEMENT AND THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OF RESTRICTED STOCK UNITS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS RESTRICTED STOCK UNIT GRANT NOTICE, THE RESTRICTED STOCK UNIT AGREEMENT AND THE PLAN.

SEAWORLD ENTERTAINMENT, INC.	PARTICIPANT[1]
By: [●][*Insert Participant Name*]	
Title: [●]	

[1] To the extent that the Company has established, either itself or through a third-party plan administrator, the ability to accept this award electronically, such acceptance shall constitute the Participant's signature hereof.

RESTRICTED STOCK UNIT AGREEMENT
UNDER THE
SEAWORLD ENTERTAINMENT, INC.
2017 OMNIBUS INCENTIVE PLAN

Pursuant to the Restricted Stock Unit Grant Notice (the "Grant Notice") delivered to the Participant (as defined in the Grant Notice), and subject to the terms of this Restricted Stock Unit Agreement (this "Restricted Stock Unit Agreement") and the SeaWorld Entertainment, Inc. 2017 Omnibus Incentive Plan, as it may be amended and restated from time to time, (the "Plan") SeaWorld Entertainment, Inc., a Delaware corporation, (the "Company") and the Participant agree as follows. Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Plan.

1. **Grant of Restricted Stock Units**. Subject to the terms and conditions set forth herein and in the Plan, the Company hereby grants to the Participant the number of Restricted Stock Units provided in the Grant Notice (with each Restricted Stock Unit representing an unfunded, unsecured right to receive one share of Common Stock). The Company may make one or more additional grants of Restricted Stock Units to the Participant under this Restricted Stock Unit Agreement by providing the Participant with a new Grant Notice, which may also include any terms and conditions differing from this Restricted Stock Unit Agreement to the extent provided therein. The Company reserves all rights with respect to the granting of additional Restricted Stock Units hereunder and makes no implied promise to grant additional Restricted Stock Units.

2. **Vesting**. Subject to the conditions contained herein and in the Plan, the Restricted Stock Units shall vest as provided in Exhibit A attached hereto.

3. **Settlement of Restricted Stock Units**. The provisions of Section 9(d)(ii) of the Plan are incorporated herein by reference and made a part hereof and, in accordance therewith, any vested Restricted Stock Units shall be settled in shares of Common Stock as soon as reasonably practicable (and, in any event, within two and one-half months) following the expiration of the applicable Vesting Restricted Period. With respect to any Restricted Stock Unit, the period of time on and prior to the applicable Vesting Date (as defined in Exhibit A attached hereto) in which such Restricted Stock Unit is subject to vesting shall be its Vesting Restricted Period. Notwithstanding anything in this Restricted Stock Unit Agreement to the contrary, the Company shall have no obligation to issue or transfer any shares of Common Stock as contemplated by this Restricted Stock Unit Agreement unless and until such issuance or transfer complies with all relevant provisions of law and the requirements of any stock exchange on which the Company's shares of Common Stock are listed for trading.

4. **Treatment of Restricted Stock Units Upon Termination**. The provisions of Section 9(b) of the Plan are incorporated herein by reference and made a part hereof. In the event the Participant undergoes a Termination, the treatment of the unvested Restricted Stock Units shall be as set forth in Exhibit A attached hereto.

5. **Company; Participant**.

(a) The term "Company" as used in this Restricted Stock Unit Agreement with reference to employment shall include the Company and its Subsidiaries.

(b) Whenever the word "Participant" is used in any provision of this Restricted Stock Unit Agreement under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom the Restricted Stock Units may be transferred by will

or by the laws of descent and distribution, the word "Participant" shall be deemed to include such person or persons.

6. **Non-Transferability**. The Restricted Stock Units are not transferable by the Participant (unless such transfer is specifically required pursuant to a domestic relations order or by applicable law) except to Permitted Transferees in accordance with Section 15(b) of the Plan. Except as otherwise provided herein, no assignment or transfer of the Restricted Stock Units, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise, shall vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon such assignment or transfer the Restricted Stock Units shall terminate and become of no further effect.

7. **Rights as Stockholder; Dividend Equivalents**. The Participant shall have no rights as a stockholder with respect to any share of Common Stock underlying a Restricted Stock Unit (including no rights with respect to voting or to receive dividends or dividend equivalents) unless and until the Participant shall have become the holder of record or the beneficial owner of such Common Stock, and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Common Stock for which the record date is prior to the date upon which the Participant shall become the holder of record or the beneficial owner thereof. The Restricted Stock Units shall be entitled to be credited with dividend equivalent payments upon the payment by the Company of dividends on shares of Common Stock. Such dividend equivalents will be provided in shares of Common Stock having a Fair Market Value on the date that the Restricted Stock Units are settled equal to the amount of such applicable dividends, and shall be payable at the same time as the Restricted Stock Units are settled in accordance with Section 3 above. In the event that any Restricted Stock Unit is forfeited by its terms, the Participant shall have no right to dividend equivalent payments in respect of such forfeited Restricted Stock Units.

8. **Tax Withholding**. The provisions of Section 15(d) of the Plan are incorporated herein by reference and made a part hereof.

9. **Notice**. Every notice or other communication relating to this Restricted Stock Unit Agreement between the Company and the Participant shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by such party in a notice mailed or delivered to the other party as herein provided; *provided* that, unless and until some other address be so designated, all notices or communications by the Participant to the Company shall be mailed or delivered to the Company at its principal executive office, to the attention of the Corporate Secretary, and all notices or communications by the Company to the Participant may be given to the Participant personally or may be mailed to the Participant at the Participant's last known address, as reflected in the Company's records. Notwithstanding the above, all notices and communications between the Participant and any third-party plan administrator shall be mailed, delivered, transmitted or sent in accordance with the procedures established by such third-party plan administrator and communicated to the Participant from time to time.

10. **No Right to Continued Service**. This Restricted Stock Unit Agreement does not confer upon the Participant any right to continue as an employee or service provider to the Service Recipient or any other member of the Company Group.

11. **Binding Effect**. This Restricted Stock Unit Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

12. **Waiver and Amendments**. Except as otherwise set forth in Section 14 of the Plan, any waiver, alteration, amendment or modification of any of the terms of this Restricted Stock Unit Agreement shall be valid only if made in writing and signed by the parties hereto; *provided, however*, that

any such waiver, alteration, amendment or modification is consented to on the Company's behalf by the Committee. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

13. **Clawback/Repayment**. This Restricted Stock Unit Agreement shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any clawback, forfeiture or other similar policy adopted by the Board or the Committee and as in effect from time to time; and (ii) applicable law. In addition, if the Participant receives any amount in excess of what the Participant should have received under the terms of this Restricted Stock Unit Agreement for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), then the Participant shall be required to repay any such excess amount to the Company.

14. **Restrictive Covenants; Detrimental Activity**.

(a) Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company and its Affiliates and accordingly agrees, in Participant's capacity as an equity (and/or equity-based Award) holder in the Company, to the provisions of Appendix A to this Restricted Stock Unit Agreement (the "Restrictive Covenants"). Participant acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 1 of Appendix A (or a material breach or material threatened breach of any of the provisions of Section 2 of Appendix A of this Restricted Stock Unit Agreement) would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Participant agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond, shall be entitled to cease making any payments or providing any benefit otherwise required by this Restricted Stock Unit Agreement and obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available. Notwithstanding the foregoing and Appendix A, the provisions of Section 1(a)(i), (ii), (iii) and (iv)(B) of Appendix A shall not apply to the Participant if Participant's principal place of employment is located in the State of California. The Restricted Stock Units granted hereunder shall be subject to Participant's continued compliance with such restrictions. For the avoidance of doubt, the Restrictive Covenants contained in this Restricted Stock Unit Agreement are in addition to, and not in lieu of, any other restrictive covenants or similar covenants or agreements between the Participant and the Company or any of its Affiliates.

(b) Notwithstanding anything to the contrary contained herein or in the Plan, if the Participant has engaged in or engages in any Detrimental Activity, as determined by the Committee (including, without limitation, a breach of any of the covenants contained in Appendix A to this Agreement), then the Committee may, in its sole discretion, take actions permitted under the Plan, including, but not limited to: (i) cancelling any and all Restricted Stock Units, or (ii) requiring that the Participant forfeit any gain realized on the vesting of the Restricted Stock Units, and repay such gain to the Company.

15. **Right to Offset**. The provisions of Section 15(x) of the Plan are incorporated herein by reference and made a part hereof.

16. **Governing Law**. This Restricted Stock Unit Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Notwithstanding anything contained in this Restricted Stock Unit Agreement, the Grant Notice or the Plan to the contrary, if any suit or claim is instituted by the Participant or the Company relating to this Restricted Stock Unit Agreement, the Grant Notice or the Plan, the Participant

hereby submits to the exclusive jurisdiction of and venue in the courts of Delaware. THE PARTICIPANT IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY SUIT, ACTION OR OTHER PROCEEDING INSTITUTED BY OR AGAINST SUCH PARTICIPANT IN RESPECT OF THE PARTICIPANT'S RIGHTS OR OBLIGATIONS HEREUNDER.

17. **Plan**. The terms and provisions of the Plan are incorporated herein by reference. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Restricted Stock Unit Agreement (including the Grant Notice), the Plan shall govern and control.

18. **Section 409A**. It is intended that the Restricted Stock Units granted hereunder shall be exempt from Section 409A of the Code pursuant to the "short-term deferral" rule applicable to such section, as set forth in the regulations or other guidance published by the Internal Revenue Service thereunder.

Exhibit A

1. **Vesting of Restricted Stock Units**.

(a) Definitions.

(i) The "Adjusted EBITDA" shall mean the Adjusted EBITDA which is publicly disclosed in (or otherwise calculated in a manner consistent with) the Company's earnings release for the applicable fiscal year or as otherwise determined by the Compensation Committee of the Board.

(ii) The "Adjusted EBITDA Target" shall mean the Revised Adjusted EBITDA Target for the Performance Period, determined by the Committee on February 25, 2020.

(iii) The "Adjusted EBITDA Threshold" shall mean the Revised Adjusted EBITDA Threshold for the Performance Period, determined by the Committee on February 25, 2020.

(iv) The "Base Period NOPAT" means NOPAT for the year immediately preceding the beginning of the Performance Period.

(v) The "Cumulative Cash CAPEX" means the aggregate "Cash Capital" expenditures as reported on the Company's Statement of Cash Flows during the Performance Period and Extended Performance Period, as applicable.

(vi) The "Cumulative NOPAT" means the aggregate NOPAT during the Performance Period and Extended Performance Period, as applicable.

(vii) The "Depreciation & Amortization" means as defined by U.S. GAAP and reported on the Company's Income Statement (NOPAT components will be adjusted for non-cash gains or losses of an unusual or infrequent type).

(viii) The "NOPAT" means Adjusted EBITDA less Depreciation & Amortization (both NOPAT components will be adjusted for non-cash gains or losses of an unusual or infrequent type).

(ix) The "Number of Restricted Stock Units" provided on the Grant Notice will be eligible to be earned based on the following performance metrics: 75% Adjusted EBITDA Component (as set forth in Section 1(b)(A) below); and 25% ROIC Component and shall herein be referred to as the "Restricted Stock Units".

(x) The "ROIC Multiple" shall mean 100% if the ROIC Target is achieved and 75% if the ROIC Target is not achieved, in each case, for the period beginning on the first day of the Performance Period through the applicable Vesting Date.

(xi) The "ROIC Target" shall mean a projected ROIC target for the Performance Period and Extended Performance Period, as applicable, determined by the Committee in the first 90 days of the Performance Period. For purposes of this Exhibit A, the term "ROIC" means the Company's return on invested capital over the Performance Period and Extended Performance Period, as applicable, calculated as follows:

(Cumulative NOPAT – (Base Period NOPAT * 3))
Cumulative Cash CAPEX

(xii) The "Vesting Date" shall mean each of the dates the Company publicly discloses the Adjusted EBITDA in the Company's earnings release for each of the 2020, 2021, 2022 and 2023 fiscal years, which date shall not be later than March 15 in the year following the end of the applicable fiscal year.

(b) Vesting and EBITDA Targets. Subject to Section 2 of this Exhibit A and provided the Participant has not undergone a Termination on or prior to the applicable Vesting Date:

(A) (x) twenty-five percent (25%) of the Restricted Stock Units *multiplied by* the ROIC Multiple will vest upon the Company's achievement in respect of any fiscal year of at least the Adjusted EBITDA Threshold but less than the Adjusted EBITDA Target on or prior to the end of the Performance Period and (y) an additional twenty-five percent (25%) of the Restricted Stock Units *multiplied by* the ROIC Multiple will vest upon the Company's achievement of at least the Adjusted EBITDA Threshold (i) in the fiscal year immediately following the fiscal year in which clause (x) was achieved and (ii) on or prior to the end of the Extended Performance Period; and

(B) (x) fifty percent (50%) of the Restricted Stock Units *multiplied by* the ROIC Multiple will vest upon the Company's achievement in respect of any fiscal year of at least the Adjusted EBITDA Target on or prior to the end of the Performance Period (less any amounts that vested pursuant to clause (A) above) and (y) one-hundred percent (100%) of the Restricted Stock Units *multiplied by* the ROIC Multiple will vest, to the extent not already vested, upon the Company's achievement of at least the Adjusted EBITDA Target (i) in the fiscal year immediately following a fiscal year in which at least the Adjusted EBITDA Target was achieved and (ii) on or prior to the end of the Extended Performance Period.

Notwithstanding the foregoing:

(i) in no event will the aggregate vesting pursuant to clauses (A)(x), (A)(y) and (B)(x) above result in vesting of more than fifty percent (50%) of the Restricted Stock Units; and

(ii) to the extent the ROIC Multiple changes on a subsequent Vesting Date when Restricted Stock Units actually vest pursuant to this Section 1(b), if any (the "Final ROIC Multiple"), the number of Restricted Stock Units that vest on such subsequent Vesting Date shall be increased or decreased to adjust for the number of Restricted Stock Units that previously vested on prior Vesting Dates at the higher or lower ROIC Multiple, as applicable, such that the aggregate number of Restricted Stock Units vested shall correspond to the Final ROIC Multiple.

In connection with the foregoing, the Company's Chief Financial Officer shall certify in writing to the Committee the Adjusted EBITDA and the ROIC following the end of each applicable fiscal year of the Performance Period and Extended Performance Period, as applicable.

(c) Any remaining unvested Restricted Stock Units that do not become vested in accordance with preceding Section 1(b) (if any) shall immediately be forfeited by the Participant for no consideration as of the Vesting Date(s) in fiscal year 2022 and/or 2023, as applicable.

2. **Treatment of Restricted Stock Units Upon a Change in Control**.

(a) Notwithstanding Section 1 of this Exhibit A, in the event of a Change in Control that occurs during the Participant's employment and prior to the end of the Performance Period or Extended Performance Period, as applicable, the Board shall vest a number of unvested Restricted Stock Units equal to the Specified Number (as defined below) on the date of the first anniversary of the Change in Control, solely based on Participant's continued employment with the Company through such date (and without regard to the conditions set forth in Section 1 of this Exhibit A). Any remaining unvested Restricted Stock Units that remain eligible to vest, after taking this Section 2(a) into account, that do not become vested pursuant to the preceding sentence (if any) shall remain outstanding and eligible to vest in accordance with the terms hereof, subject to adjustments permitted by the Plan; provided, that, to the extent this Award is not assumed or substituted on terms no less favorable than set forth herein the cash value (as of the date of the Change in Control) of any such unvested Restricted Stock Units that would have otherwise been eligible to vest but for the Change in Control shall vest on the first anniversary of the date of the Change in Control (the "Unvested Value"), solely based on Participant's continued employment with the Company through such date. For the avoidance of doubt, except as set forth in Section 2(b) hereof, no Restricted Stock Units shall be eligible to vest on or following a Change in Control until the first anniversary of such Change in Control.

(b) Notwithstanding anything to the contrary in Section 9 of the Plan, in the event of [(i)] Participant's Termination by the Company other than for Cause (or due to death or Disability) [or (ii) Participant's Termination by the Participant for Good Reason, in each case,] in the twelve (12) months immediately following a Change in Control, to the extent outstanding and unvested at such time, the Specified Number set forth in Section 2(c) hereof and/or the Unvested Value, if applicable, shall vest as of such Termination. Any remaining unvested Restricted Stock Units (including any assumed or substituted awards) or the Unvested Value that do not become vested pursuant to the preceding sentence (if any) shall immediately be forfeited by the Participant for no consideration as of the date of such Termination. **[**For purposes of this Exhibit A, "Good Reason" shall mean without Participant's consent, (i) a material diminution in Participant's title, duties, or responsibilities, (ii) a material reduction in Participant's base salary (other than an across the board reduction, applicable to other senior executives of the Company), or (iii) the relocation of Participant's principal place of employment by more than fifty (50) miles from the Participant's current location; provided that the Participant must provide the Company fifteen (15) days' written notice setting forth in reasonable specificity the event that constitutes Good Reason, which written notice, to be effective, must be provided to the Company within sixty (60) days of the Participant's knowledge (whether actual or constructive, including, without limitation, knowledge that Executive would have reasonably obtained after making due and appropriate inquiry) of such event. During such fifteen (15) day notice period, the Company shall have a cure right (if curable), and if not cured within such period, the Participant's termination will be effective upon the expiration of such cure period.]

(c) For purposes of this Exhibit A, the term "Specified Number" shall mean a number of unvested Restricted Stock Units equal to (x) 0% to 100% of the unvested Restricted Stock Units, based on the Committee's determination, and the Board's approval, in good faith, that the Company is on track (as of a date prior to the Change in Control) to achieve (based on the Company's trailing twelve months EBITDA and the price paid per share of Common Stock in connection with the Change in Control) either the Adjusted EBITDA Threshold or the Adjusted EBITDA Target (subject to the ROIC Multiple, as determined by the Committee in good faith) plus (y) the difference between (i) the amount of Restricted Stock Units that would have vested on the next Vesting Date based on actual performance in accordance with Section 1(b) hereof, if any, less (ii) the amount of Restricted Stock Units that the Board vests in accordance with clause (x) hereof, if any; provided that such amount shall not be less than zero. Notwithstanding the foregoing, in the event of Participant's Termination prior to next applicable Vesting

Date following a Change in Control, the Specified Number shall not include the additional vesting of any Restricted Stock Units pursuant to clause (y) immediately above.

3. **Treatment of Restricted Stock Units Upon Certain Termination**.

(a) In the event of Participant's Termination for any reason on or prior to the Vesting Date other than under circumstances described in Sections 2(b) or 3(b) of this Exhibit A, all unvested Restricted Stock Units shall be forfeited by the Participant for no consideration as of the date of such Termination.

(b) Notwithstanding anything to the contrary in Section 9 of the Plan, in the event of the Participant's Termination due to death or Disability on or prior to the last day of the Performance Period or the Extended Performance Period, as applicable, to the extent outstanding and unvested at such time, a number of Restricted Stock Units equal to (i) the product of (x) the D&D Specified Number (as defined below) *multiplied by* (y) a fraction, the numerator of which is equal to the number of completed months that have elapsed in the Performance Period (and Extended Performance Period, as applicable) through and including the date of such Termination and the denominator of which is equal to 36 (or 48, to the extent any Restricted Stock Units are eligible to vest during such Extended Performance Period based on actual performance), (rounded up to the nearest whole number) *less* (ii) the number of Restricted Stock Units vested prior to the Participant's Termination, shall vest as of the last possible Vesting Date, in accordance with Section 1 above. Any remaining unvested Restricted Stock Units that do not become vested pursuant to the preceding sentence (if any) shall immediately be forfeited by the Participant for no consideration as of the last possible Vesting Day, in accordance with Section 1 above. For purposes of this paragraph, the term "D&D Specified Number" shall mean the aggregate number of Restricted Stock Units that would have vested (or did vest prior to the Termination) in accordance with Section 1 of this Exhibit A if the Termination was on or following the end of the Performance Period or Extended Performance Period, as applicable. For the avoidance of doubt, any such award which vests under this Section 3(b) will be settled in accordance with Section 3 of the Restricted Stock Unit Agreement following the last possible Vesting Date.

Appendix A

Restrictive Covenants

1. Non-Competition; Non-Solicitation; Non-Disparagement.

(a) Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company and its Affiliates and accordingly agrees as follows:

(i) During Participant's employment with the Company or its Subsidiaries (the "Employment Term") and for a period of two years following the date Participant ceases to be employed by the Company or its Subsidiaries (the "Restricted Period"), Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever ("Person"), directly or indirectly solicit or assist in soliciting in competition with the Restricted Group in the Business, the business of any then current or prospective client or customer with whom Participant (or Participant's direct reports) had personal contact or dealings on behalf of the Company during the one-year period preceding Participant's termination of employment.

(ii) During the Employment Term and for a period of one year following the date Participant ceases to be employed by the Company or its Subsidiaries (and, solely with respect to subclause (d) below, for the full Restricted Period), Participant will not directly or indirectly:

(A) engage in the Business in any geographical area that is within 300 miles of any geographical area where the Restricted Group engages in the Business, including the greater metropolitan areas of Orlando, Florida, Tampa, Florida, San Diego, California, Chula Vista, California, San Antonio, Texas, Williamsburg, Virginia and Philadelphia/Langhorne, Pennsylvania;

(B) enter the employ of, or render any services to, a Core Competitor, except where such employment or services do not relate in any manner to the Business;

(C) acquire a financial interest in, or otherwise become actively involved with, any Person engaged in the Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(D) intentionally and adversely interfere with, or attempt to adversely interfere with, business relationships between the members of the Restricted Group and any of their clients, customers, suppliers, partners, members or investors.

(iii) Notwithstanding anything to the contrary in this Appendix A, Participant may, directly or indirectly own, solely as an investment, securities of any Person engaged in a Business (including, without limitation, a Core Competitor) which are publicly traded on a national or regional stock exchange or on the over-the-counter market if Participant (i) is not a controlling person of, or a member of a group which controls, such person and (ii) does not, directly or indirectly, own 2% or more of any class of securities of such Person.

(iv) During the Restricted Period, Participant will not, whether on Participant's own behalf or on behalf of or in conjunction with any Person, directly or indirectly:

(A) solicit or encourage any employee of the Restricted Group to leave the employment of the Restricted Group;

(B) hire any executive-level employee who was employed by the Restricted Group as of the date of Participant's termination of employment with the Company or who left the employment of the Restricted Group coincident with, or within one year prior to or after, the termination of Participant's employment with the Company; or

(C) encourage any material consultant of the Restricted Group to cease working with the Restricted Group.

(ii) For purposes of this Appendix A:

(A) "Restricted Group" shall mean, collectively, the Company and its Subsidiaries and, to the extent engaged in the Business, their respective Affiliates.

(B) "Business" shall mean, collectively, the location-based entertainment business and the entertainment and theme park business.

(C) "Core Competitor" shall mean Walt Disney Parks and Resorts, Universal Parks and Resorts, Six Flags, Inc., Cedar Fair Entertainment Company and Merlin Entertainments Group Ltd., Herschend Family Entertainment, Parques Reunidos and each of their respective Affiliates.

(b) Non-Disparagement. Participant will not at any time (whether during or after Participant's Employment Term) make public or private statements or public or private comments intended to be (or having the effect of being) of defamatory or disparaging nature regarding (including, without limitation, any statements or comments, whether in person, radio, television, film, social media or otherwise, that are (i) likely to be harmful to the business, business reputation or personal reputation of and (ii) for, on behalf of or in association with any trade, industry, activist or other advocacy group that has, at any time, made adverse or critical statements in relation to) the Company or any of its Subsidiaries or Affiliates or any of their respective businesses, shareholders, members, partners, employees, agents, officers, directors or contractors (it being understood that comments made in Participant's good faith performance of Participant's duties hereunder shall not be deemed disparaging or defamatory for purposes of this paragraph). Notwithstanding anything in this section 1(b), the Participant shall be permitted to (x) provide a reasonable and truthful response to or statement to defend Participant against any public statement made by the Company that is incorrect or disparages such person, to the extent necessary to correct or refute such public statement and (y) provide truthful testimony in any legal proceeding or process.

(c) It is expressly understood and agreed that although Participant and the Company consider the restrictions contained in this Section 1 to be reasonable, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Appendix A is an unenforceable restriction against Participant, the provisions of this Appendix A shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Appendix A is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein.

(d) The period of time during which the provisions of this Section 1 shall be in effect shall be extended by the length of time during which Participant is in breach of the terms hereof as determined by any court of competent jurisdiction on the Company's application for injunctive relief.

(e) The provisions of Section 1 hereof shall survive the termination of Participant's employment for any reason, including but not limited to, any termination other than for Cause (except as otherwise set forth in Section 1 hereof).

(f) The provisions of Section 1(a)(i), (ii), (iii) and (iv)(B) hereof shall not apply if Participant's principal place of employment is in the state of California.

2. Confidentiality; Intellectual Property.

(a) Confidentiality.

(i) Participant will not at any time (whether during or after Participant's Employment Term) (x) retain or use for the benefit, purposes or account of Participant or any other Person; or (y) disclose, divulge, reveal, communicate, share, transfer or provide access to any Person outside the Company (other than its professional advisers who are bound by confidentiality obligations or otherwise in performance of Participant's duties under Participant's employment and pursuant to customary industry practice), any non-public, proprietary or confidential information —including without limitation trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals, safety, zoological and/or animal training or care practices, protocols, policies or procedures — concerning the past, current or future business, activities and operations of the Company, its Subsidiaries or Affiliates and/or any third party that has disclosed or provided any of same to the Company on a confidential basis ("Confidential Information") without the prior written authorization of the Board.

(ii) "Confidential Information" shall not include any information that is (a) generally known to the industry or the public other than as a result of Participant's breach of this covenant; (b) made legitimately available to Participant by a third party without breach of any confidentiality obligation of which Participant has knowledge; or (c) required by law to be disclosed; provided that with respect to subsection (c) Participant shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and reasonably cooperate with any attempts by the Company to obtain a protective order or similar treatment.

(iii) Except as required by law, Participant will not disclose to anyone, other than Participant's family (it being understood that, in this Restricted Stock Unit Agreement, the term "family" refers to Participant, Participant's spouse, children, parents and spouse's parents) and advisors, the existence or contents of this Restricted Stock Unit Agreement; provided that Participant may disclose to any prospective future employer the provisions of this Appendix A. This Section 2(a)(iii) shall terminate if the Company publicly discloses a copy of this Restricted Stock Unit Agreement (or, if the Company publicly discloses summaries or excerpts of this Restricted Stock Unit Agreement, to the extent so disclosed).

(iv) Upon termination of Participant's employment with the Company for any reason, Participant shall (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Company, its Subsidiaries or Affiliates; and (y) immediately destroy, delete, or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in Participant's possession or control (including any of the foregoing stored or located in Participant's office, home, laptop or other computer, whether or not Company property) that contain Confidential Information, except that Participant may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information.

(v) Nothing in this Restricted Stock Unit Agreement shall prohibit or impede Participant from communicating, cooperating, or filing a complaint with any U.S. federal, state, or local governmental or law enforcement branch, agency, or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state, or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Participant understands and acknowledges that an individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made (i) in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Participant understands and acknowledges further that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. Moreover, Participant is not required to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Notwithstanding the foregoing, under no circumstance will Participant be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of Company's General Counsel or other officer designated by the Company.

(b) Intellectual Property.

(i) If Participant has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to Participant's employment by the Company, that are relevant to or implicated by such employment ("Prior Works"), Participant hereby grants the Company a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company's current and future business.

(ii) If Participant creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during Participant's employment by the Company and within the scope of such employment and with the use of any the Company

resources ("Company Works"), Participant shall promptly and fully disclose same to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company to the extent ownership of any such rights does not vest originally in the Company.

(iii) Participant shall take all reasonably requested actions and execute all reasonably requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's rights in the Prior Works and Company Works. If the Company is unable for any other reason, after reasonable attempt, to secure Participant's signature on any document for this purpose, then Participant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Participant's agent and attorney in fact, to act for and in Participant's behalf and stead to execute any documents and to do all other lawfully permitted acts required in connection with the foregoing.

(iv) Participant shall not improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with the Company any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without the prior written permission of such third party. Participant shall comply with all relevant policies and guidelines of the Company that are from time to time previously disclosed to Participant, including regarding the protection of Confidential Information and intellectual property and potential conflicts of interest. Participant acknowledges that the Company may amend any such policies and guidelines from time to time, and that Participant remains at all times bound by their most current version from time to time previously disclosed to Participant.

(v) The provisions of Section 2 hereof shall survive the termination of Participant's employment for any reason (except as otherwise set forth in Section 2(a)(iii) hereof).

3. Permitted Disclosure. Nothing in this Appendix A shall prohibit or impede a Participant from communicating, cooperating or filing a complaint with any United States federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any United States federal, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Each Participant understands and acknowledges that (i) an individual shall not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made (A) in confidence to a U.S. federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (B) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (ii) an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. A Participant does not need to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Except as otherwise provided in this paragraph or under applicable law, under no circumstance is a Participant authorized to disclose any information covered by attorney-client privilege or attorney

work product or trade secrets of any member of the Company Group without prior written consent of the Company's Board of Directors or other officer designed by the Company's Board of Directors.

Exhibit 31.1

CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Marc G. Swanson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021 of SeaWorld Entertainment, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2021

Signature: /s/ Marc G. Swanson

Marc G. Swanson
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Elizabeth C. Gulacsy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021 of SeaWorld Entertainment, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2021

Signature: /s/ Elizabeth C. Gulacsy

Elizabeth C. Gulacsy
Chief Financial Officer and Treasurer

(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of SeaWorld Entertainment, Inc. (the "Company") on Form 10-Q for the quarterly period ended March 31, 2021 filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Marc G. Swanson, Chief Executive Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: May 7, 2021

/s/ Marc G. Swanson
Marc G. Swanson
Chief Executive Officer
(Principal Executive Officer*)*

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of SeaWorld Entertainment, Inc. (the "Company") on Form 10-Q for the quarterly period ended March 31, 2021 filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Elizabeth C. Gulacsy, Chief Financial Officer and Treasurer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: May 7, 2021

/s/ Elizabeth C. Gulacsy
Elizabeth C. Gulacsy
Chief Financial Officer and Treasurer

(Principal Financial Officer)