

HOTEL PROPERTY INVESTMENTS

All hotel leases expiring in CY2021 extended

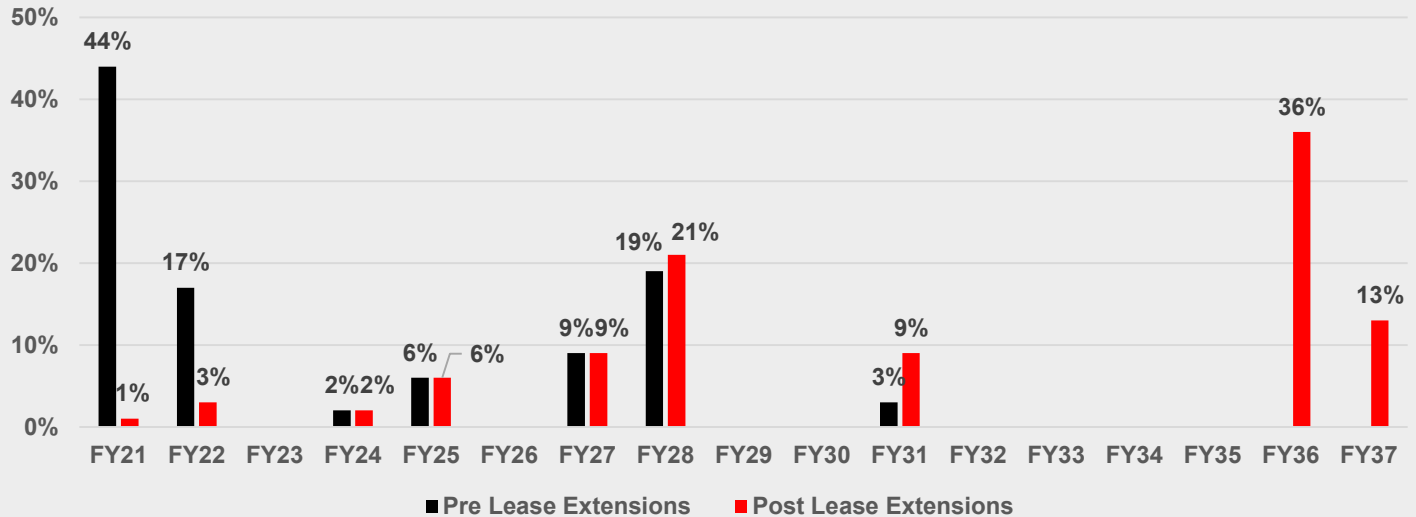


All hotel leases expiring in CY2021 extended

- HPI have agreed with QVC to exercise multiple options for hotels where the initial term expires in CY2021 (28 pubs)
- The extended pubs represent 57% of HPI's current passing income
- WALE by income has increased from 3.8 years to 11.8 years (measured from Dec 19)
- Independent valuations of the properties are underway

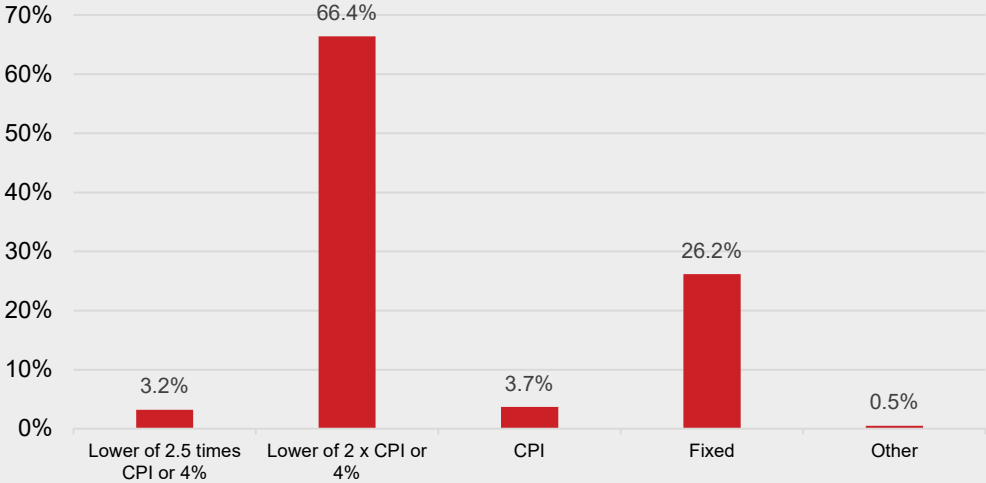
	20 Pubs	8 Pubs
Options exercised	3 x 5 years	2 x 5 years
Rent	Remains unchanged	Reset \$3m lower than June 2020 passing rent
New rent commences	N/A	1 July 2020
Rent review mechanism	Remains unchanged	Remains unchanged

Lease expiry profile by percentage of income



Notes: Based on rental income at 31 December 2019
Includes lease expiries of specialty retail tenancies

Annual rent review profile by income (unchanged)



Capital Works Program

- HPI will undertake a \$30m refurbishment program across its portfolio
- The program has been agreed between HPI and QVC to improve the asset quality and operational performance of the hotels
- AVC will manage the capital works program
- The program will commence in early 2020 and is scheduled to be completed by December 2021
- The program will be funded predominantly from HPI's existing debt facilities

HPI Investment Portfolio

- HPI are the owner of 43 pub and accommodation assets, 41 leased to Queensland Venue Co (QVC)
- QVC is a joint venture between Coles Ltd and Australian Venue Co (AVC) established in March 2019
- AVC operate more than 150 venues across Australia and New Zealand employing over 4,500 employees
- AVC manage the pub and hotel business and Coles the packaged liquor business
- Secure income underpinned by long term lease arrangements
- HPI owns the majority of the liquor and gaming licences which revert to the landlord at lease expiry
- Prudently managed balance sheet which provides flexibility
- Attractive risk-return profile

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