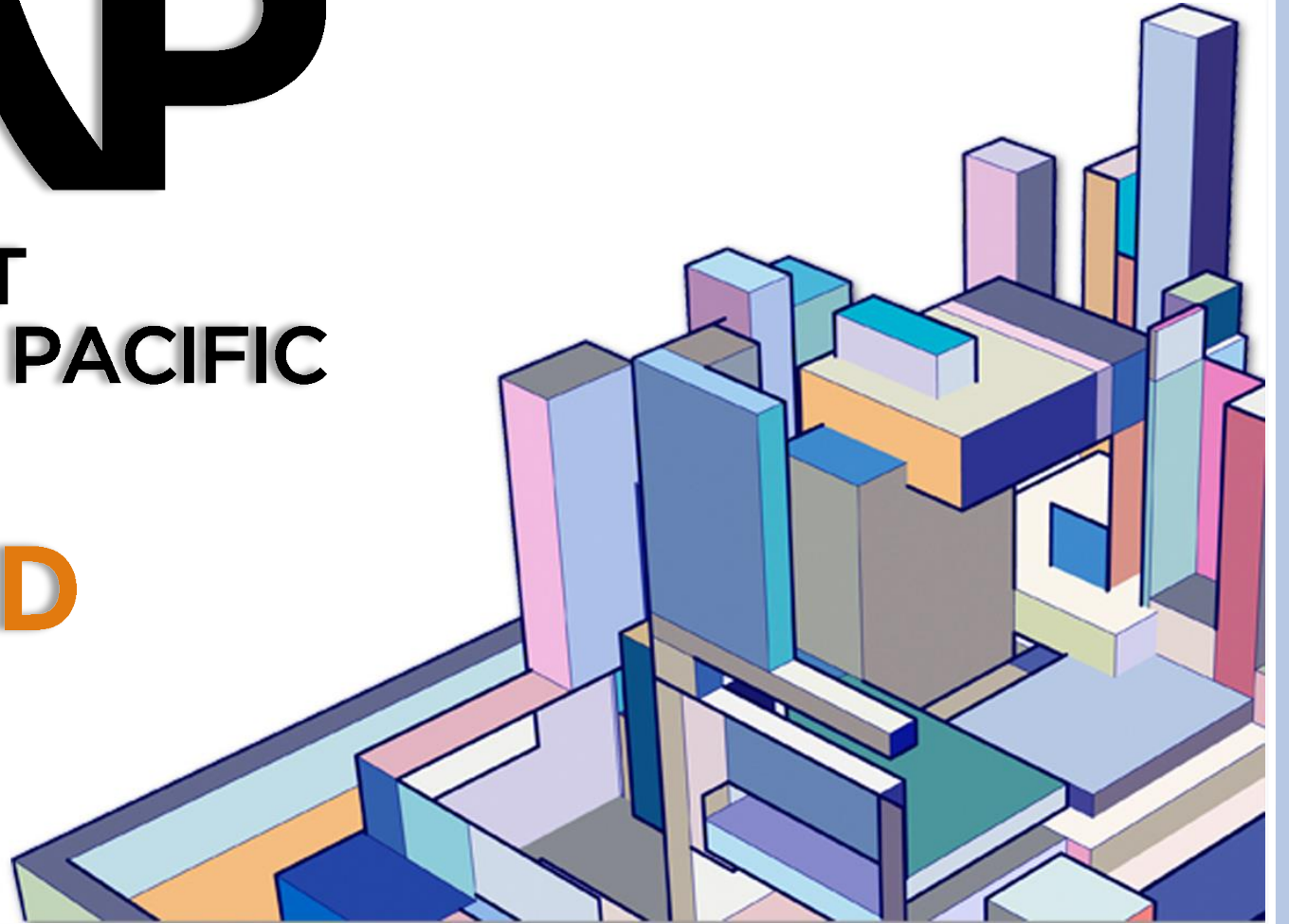


HICP

HOTEL INVESTMENT
CONFERENCE ASIA PACIFIC

AUSTRALIA
NEW ZEALAND





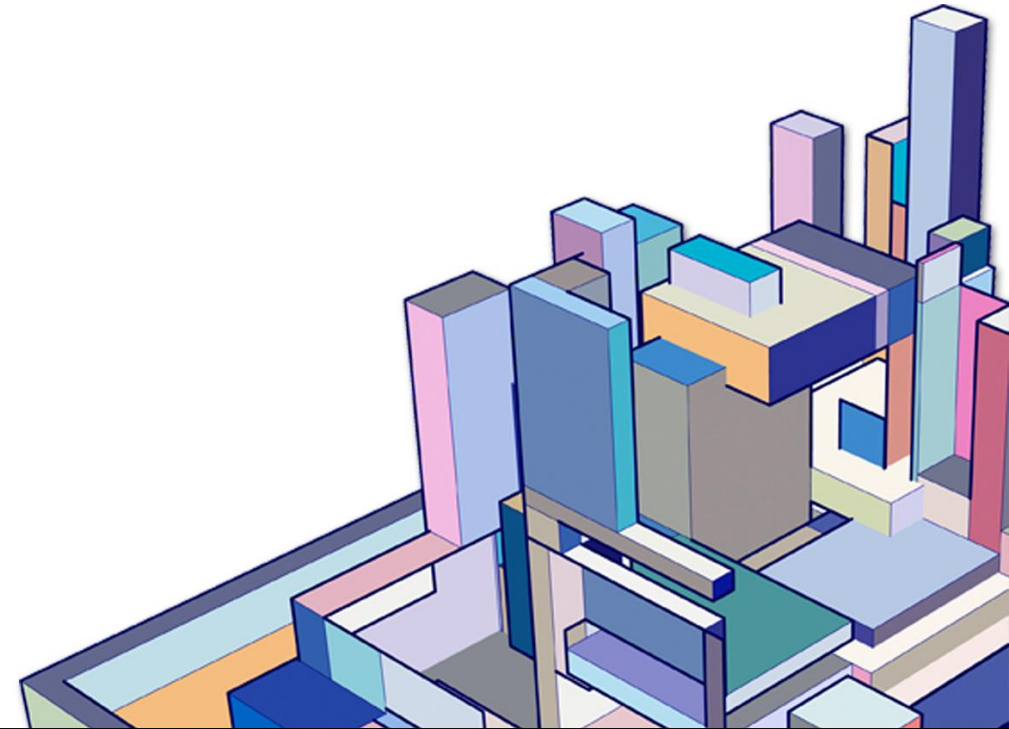
HOTEL INVESTMENT
CONFERENCE ASIA PACIFIC

AUSTRALIA
NEW ZEALAND

REVENUE FORECASTS & OUTLOOK



Dean DRANSFIELD
Managing Director
Dransfield Hotels & Resorts



ABOUT DRANSFIELD

DRANSFIELD is a specialist professional services organisation advising the tourism, finance and property industries.

Our experience includes a wide range of property and business related projects involving over 75,000 hotel rooms and numerous food and beverage outlets in more than 700 hospitality enterprises throughout Australia and Asia.

For further information on the range of services we provide, and the ways in which we can assist you, please visit our website www.dransfield.com.au or contact us.

DEAN DRANSFIELD

Director & Owner

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DRANSFIELD

Our core offering is the ability to integrate our service lines and skill sets into a cohesive solution for development, operations and overarching advice. Service streams include:

TRANSACTIONS

- Agency
- Operator Selection
- Due Diligence
- Vendor Representation
- Bid Advisory
- Transaction Management
- Leasing

DEVELOPMENT

- Development Management
- Commercialisation of Design
- Integration of Development & Operations
- Feasibility Assessment
- Planning
- Design

SHARED OWNERSHIP

- Scheme Concept
- Responsible Entity
- Marketing & Sales
- Feasibility
- Advisory

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STRATA/COMMUNITY TITLE

- Scheme Concepts
- PDS & Prospectus (AFS Licensed)
- Offer Structure
- Project Design and Commercialisation
- Operator Selection
- Project Marketing

EXPERT'S REPORTS

- Independent Expert Reports
 - Prospectus
 - PDS
- Expert Witness
 - Independent Court Reports
 - Litigation Support & Management

ASSET MANAGEMENT

- Total Asset Management
- Strategy Development & Implementation
- Operations Implementation
- Financial & Operational Reporting
- Stakeholder Management
- Refurbishment

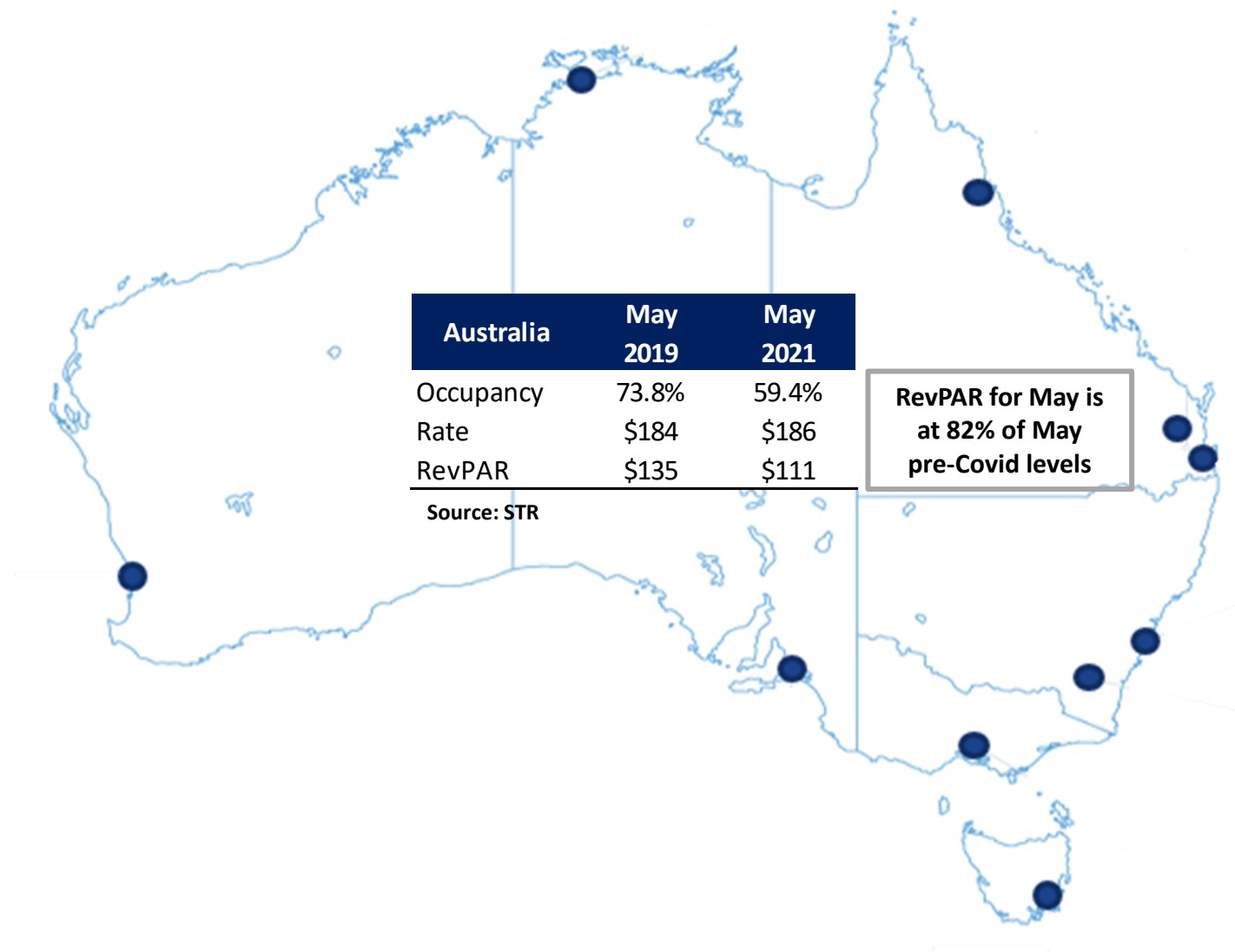
ADVISORY AND FINANCE

- Operations
- Feasibility & Best Use Studies
- Strategic Consulting
- Restructuring Services
- Investment Risk Analysis
- Portfolio Assessment
- Debt & Equity Sourcing
- Refinancing
- Valuation Management
- Joint Venture/Equity Participation
- Independent Advisory
- Debt Restructuring

DISCLAIMER This document contains both qualitative and quantitative statements concerning the future performance of hotel and property markets, which may or may not prove to be correct. Dransfield & Co Pty Ltd (Dransfield) does not make any representation or warranty, express or implied that such statements will prove correct, or that estimates or forecasts contained in this document will be achieved. The projections contained in this document are estimates and represent only one possible result, depending on the assumptions made. Potential users of these forecasts should satisfy themselves as to the current market conditions. Individual hotel performance may differ to market averages. Due to the difficulty in predicting future events, the assumptions we have used may not hold true. Dransfield accepts no responsibility for any action taken or any failure to act, in reliance upon the information contained in this document. No liability for negligence or otherwise is accepted by Dransfield directly or indirectly in relation to the material contained in this document.

Current Performance – How far to go?

May 2021
vs
Pre Covid
May 2019



Current Performance – How far to go?

Variable Recovery:

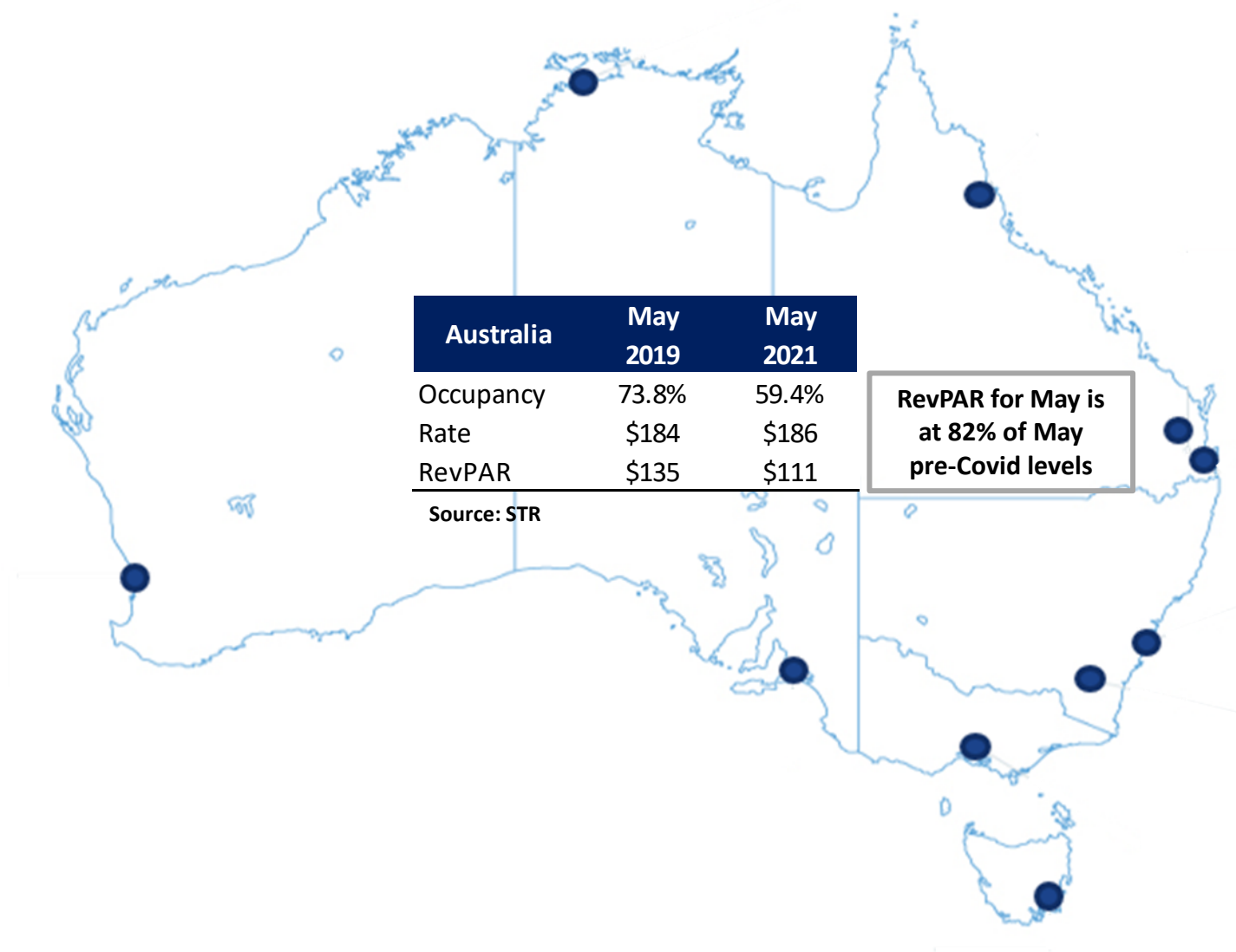
Leisure

VS

Early Recovery
Markets

VS

Core CBD



Australian Major Cities – Supply Outlook

ROOMS

8,000

6,000

4,000

2,000

0

FY2016*

FY2018

FY2020

FY2022

FY2024

FY2026

Completed

Construction

Proposals

Market Response

HF2019 Supply Expectations

Lower

Later and
at Risk

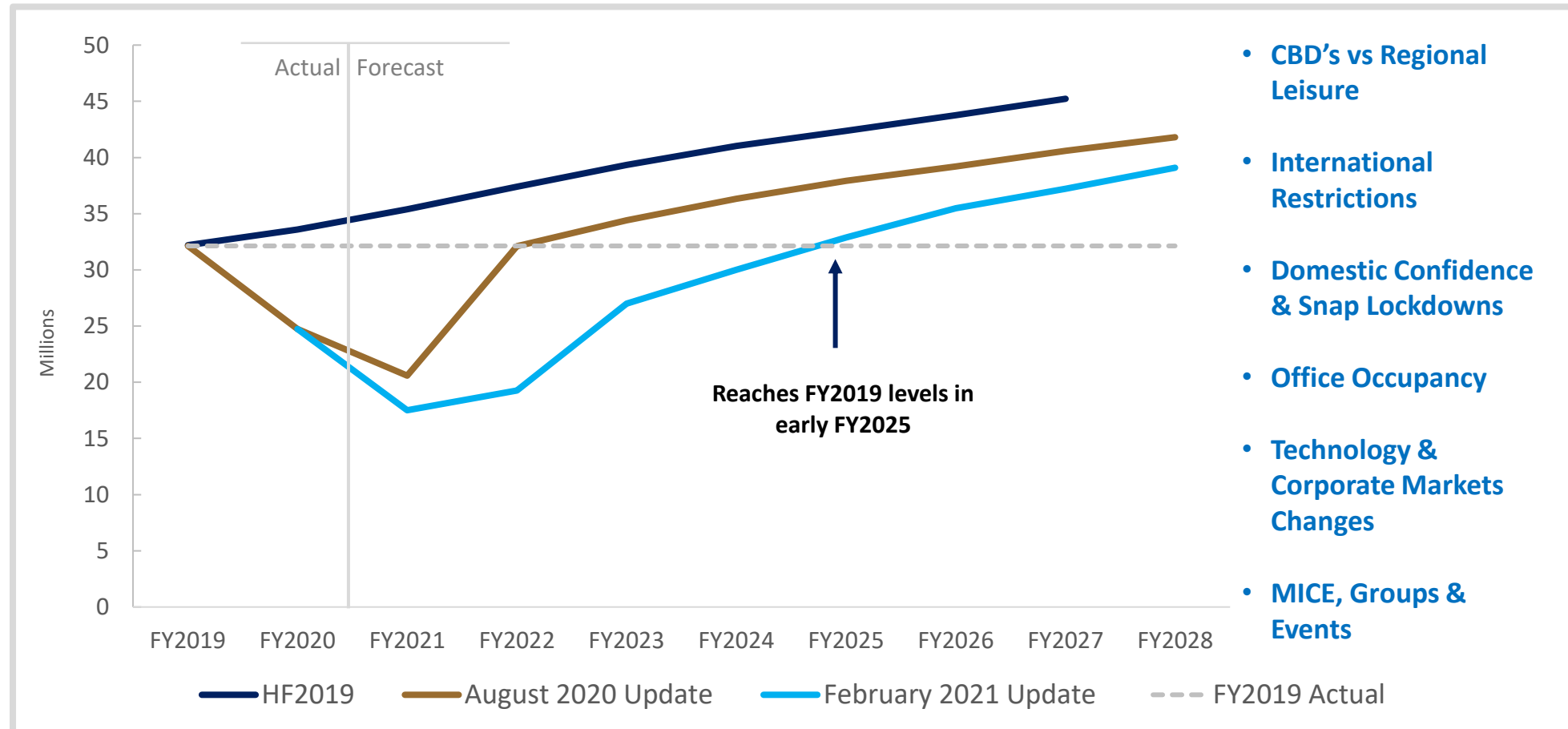
Pipeline Rooms to FY2027

HF2019 Outlook	38,260
Current Outlook	27,200
Variance	-11,060

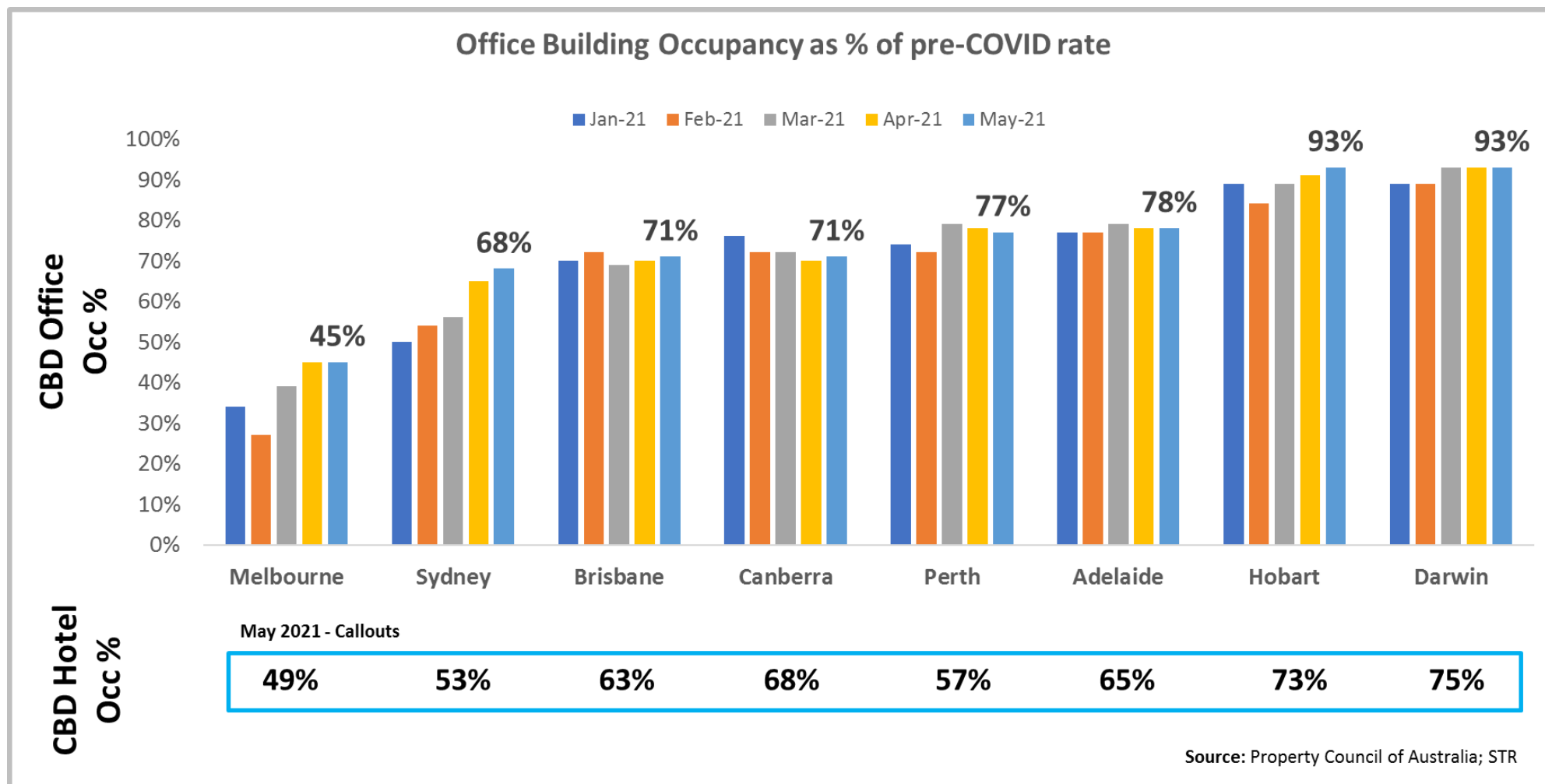
Australian Major Cities – Demand Outlook

Nights in Hotels

Factors:

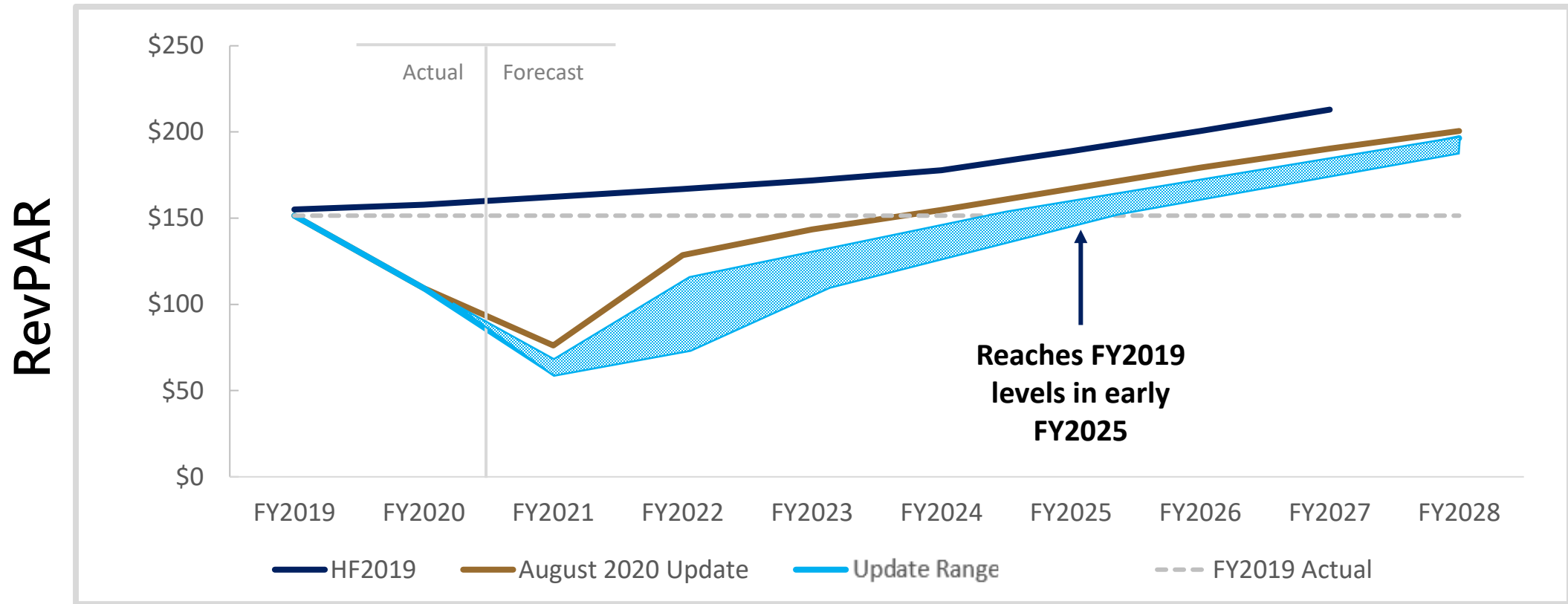


Demand Indicators



Australian Major Cities – RevPAR Outlook

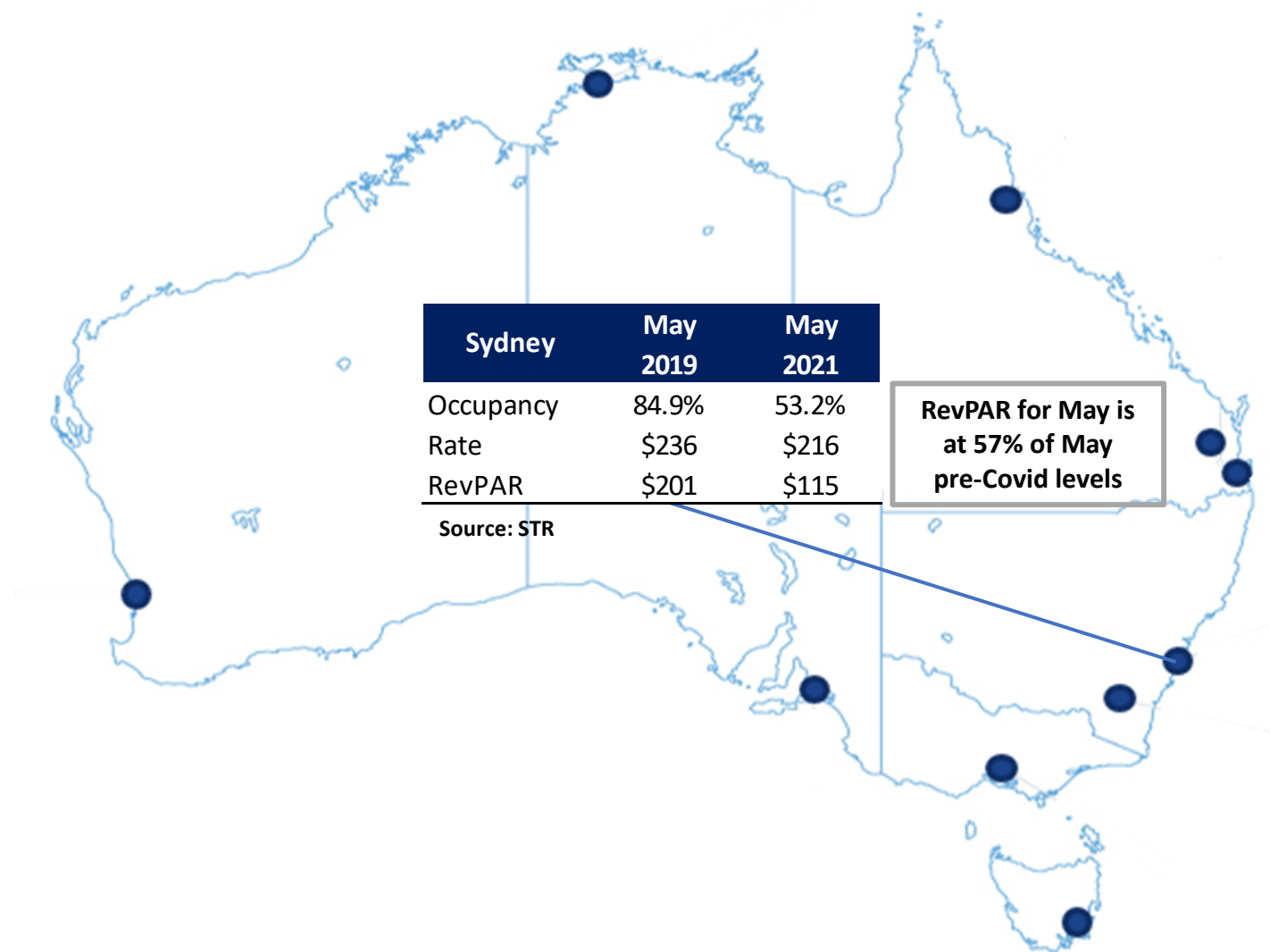
Australian Major Cities



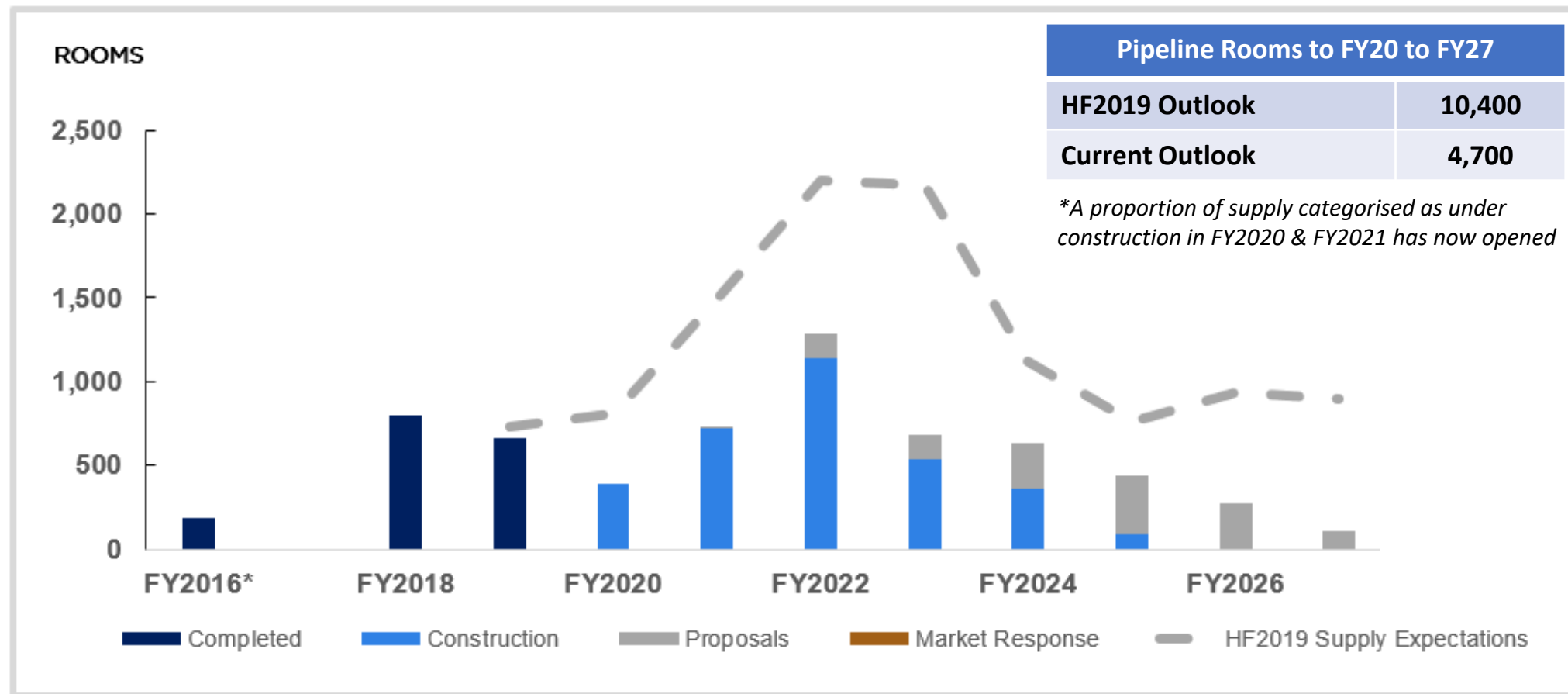
Source: Dransfield Hotel Futures Research

Current Performance – Sydney

May 2021
vs
Pre Covid
May 2019

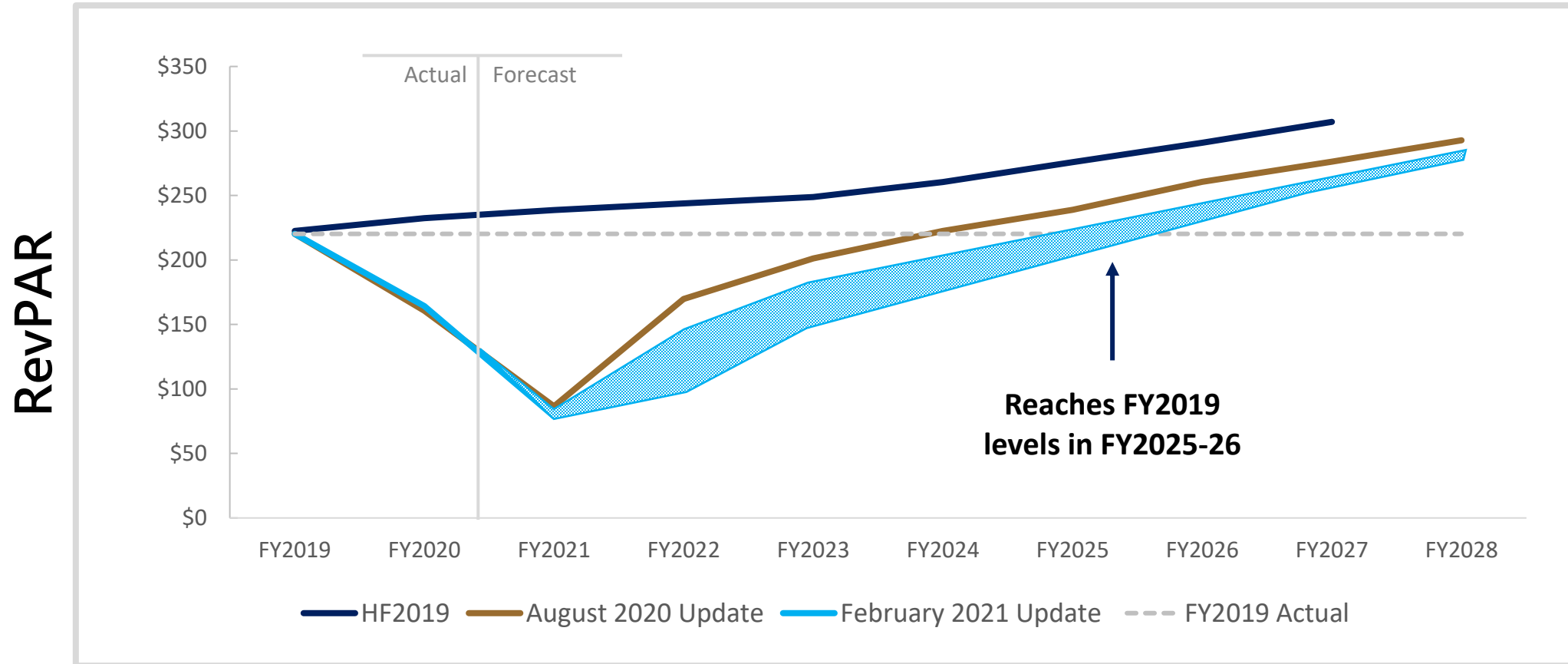


Sydney Supply Outlook



Sydney RevPAR Outlook

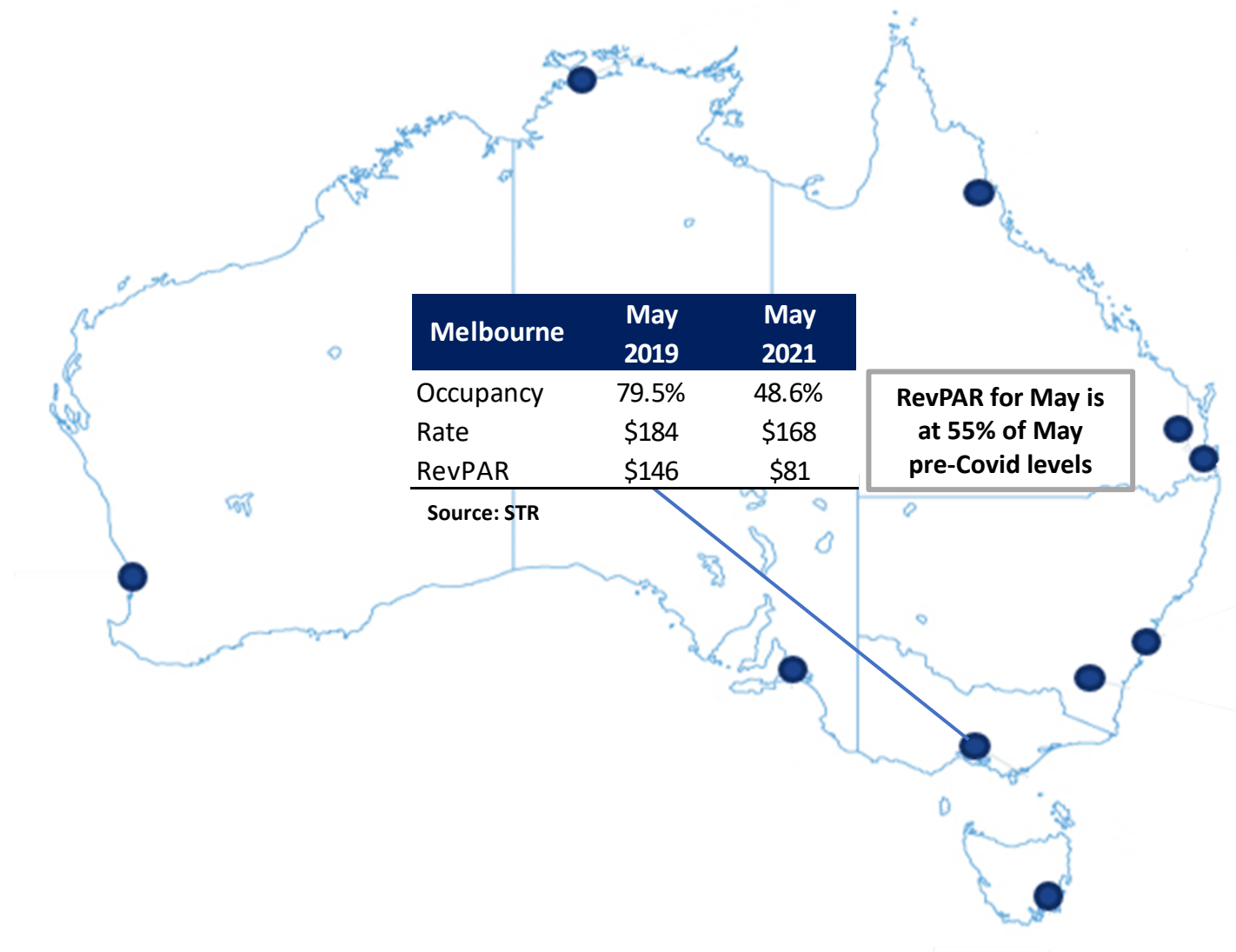
Sydney



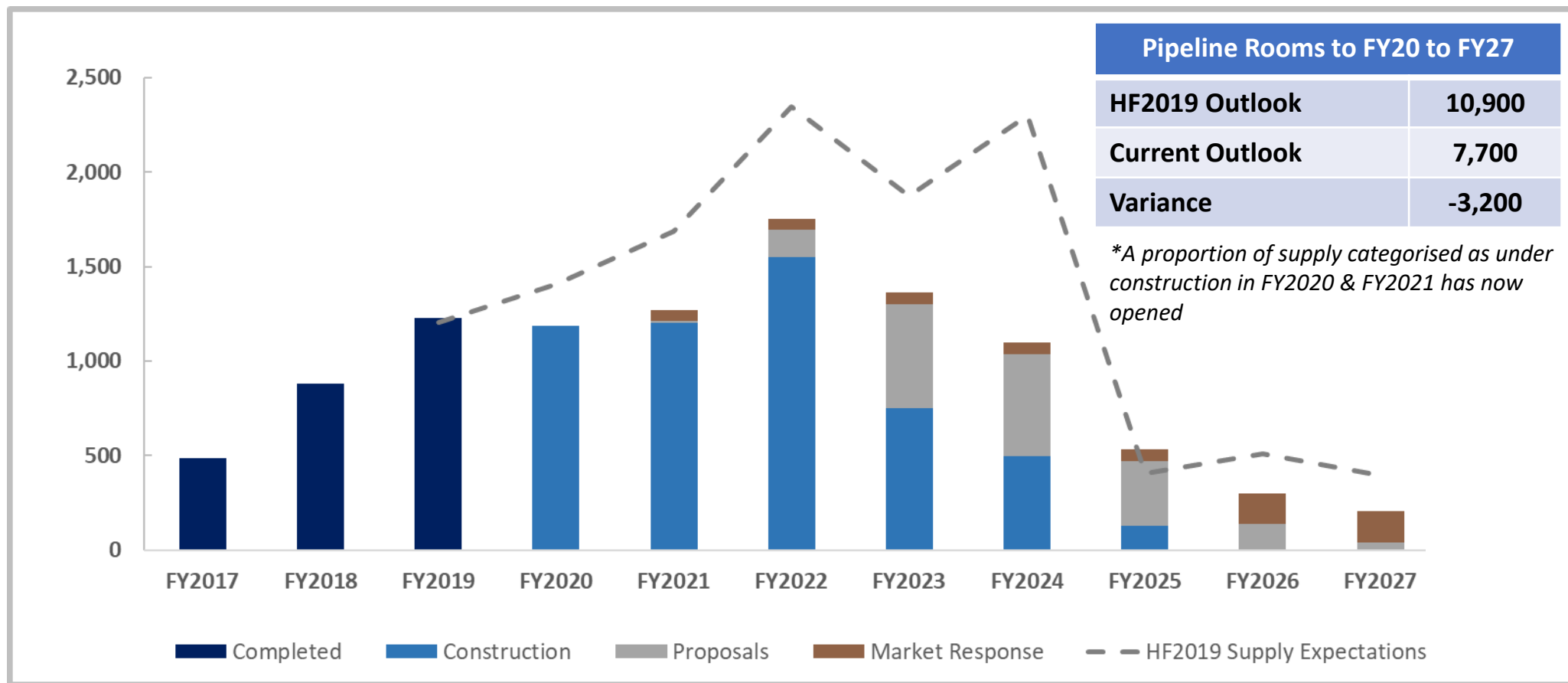
Source: Dransfield Hotel Futures Research

Current Performance – Melbourne

May 2021
vs
Pre Covid
May 2019



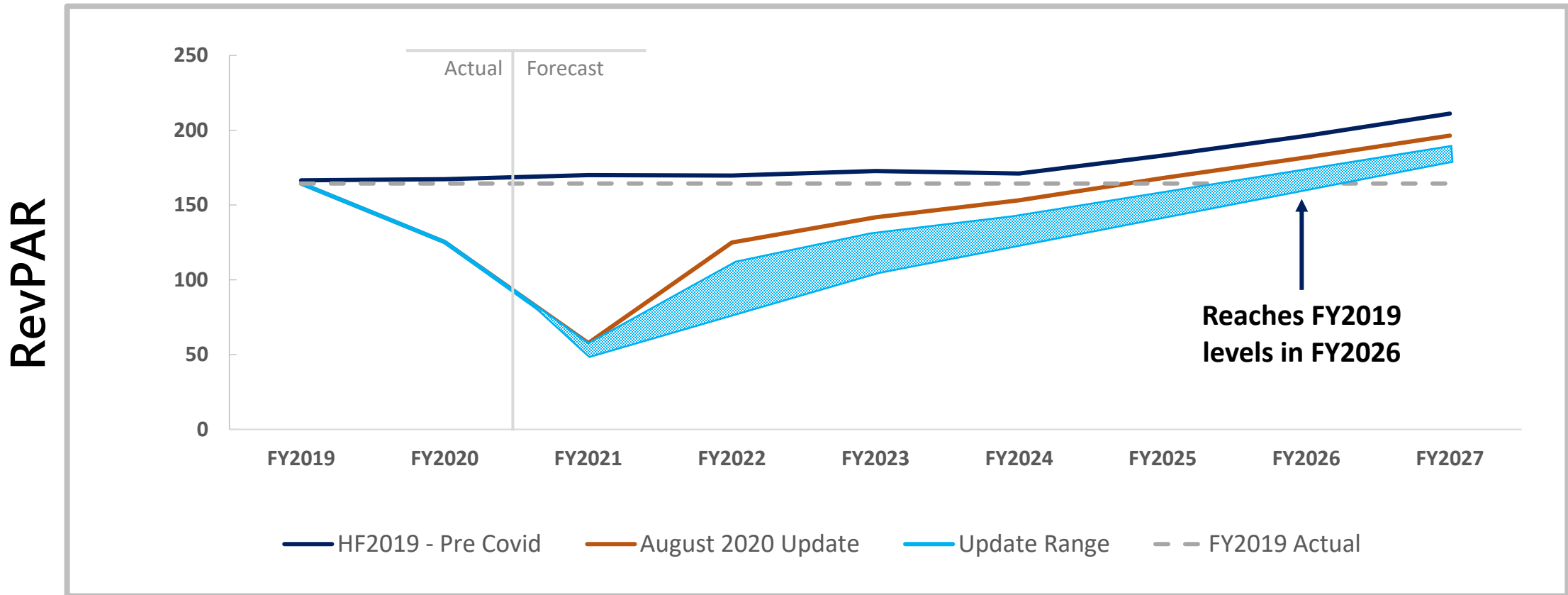
Melbourne Supply Outlook



Source: Dransfield Hotel Futures Research

Melbourne RevPAR Outlook

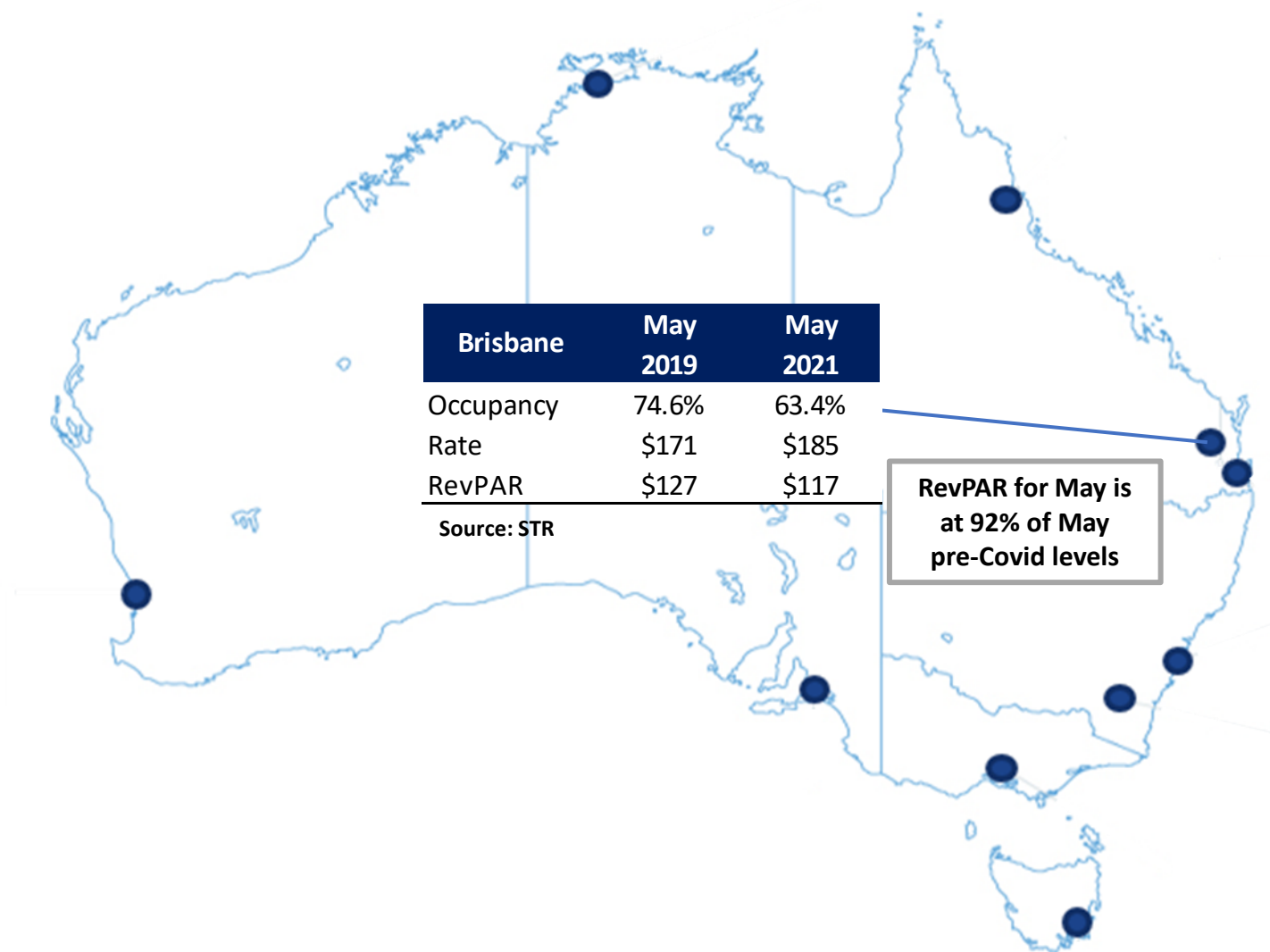
Melbourne



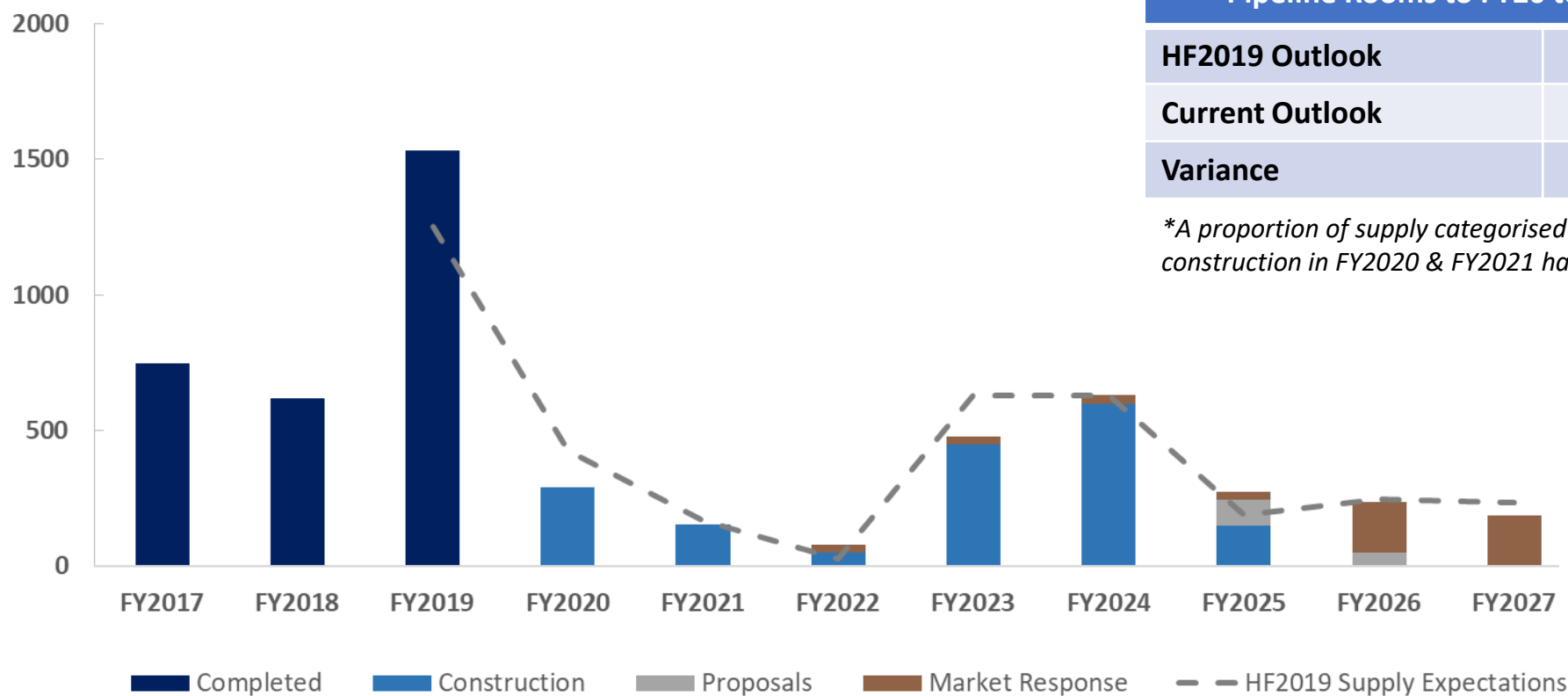
Source: Dransfield Hotel Futures Research

Current Performance – Brisbane

May 2021
vs
Pre Covid
May 2019



Brisbane Supply Outlook



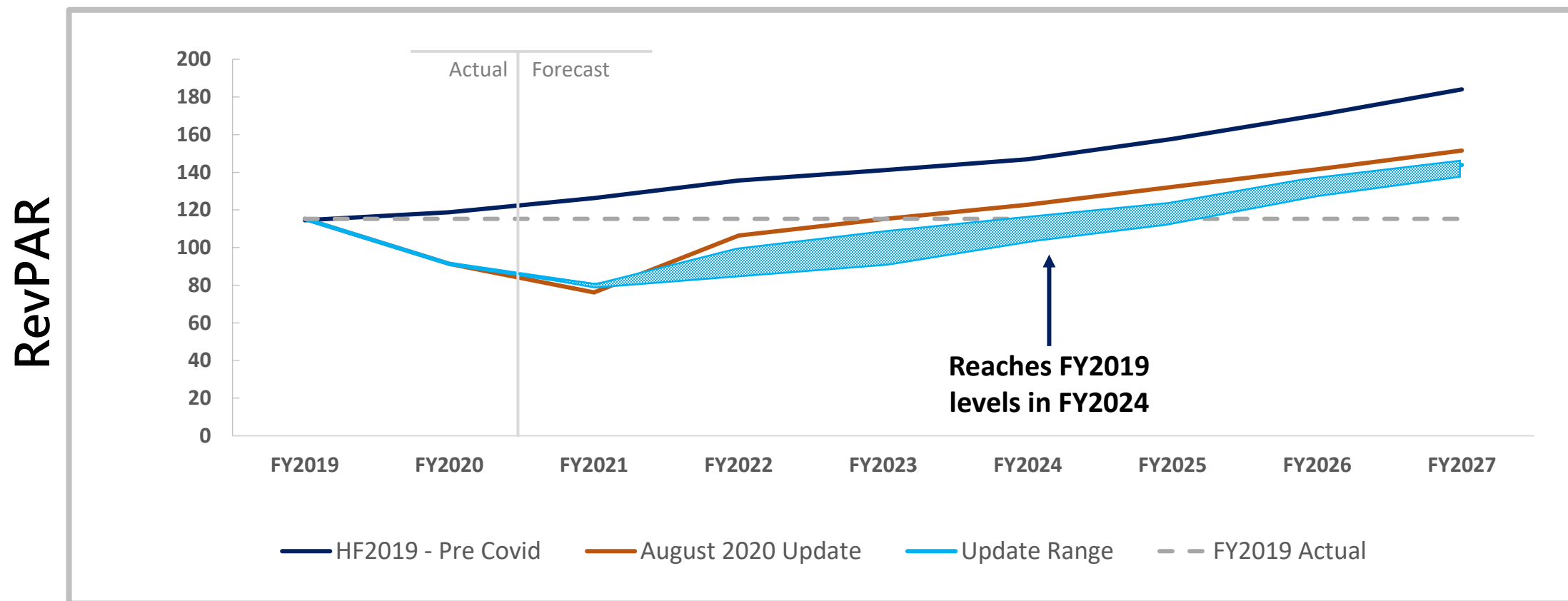
Pipeline Rooms to FY20 to FY27

HF2019 Outlook	2,550
Current Outlook	2,300
Variance	-250

**A proportion of supply categorised as under construction in FY2020 & FY2021 has now opened*

Brisbane RevPAR Outlook

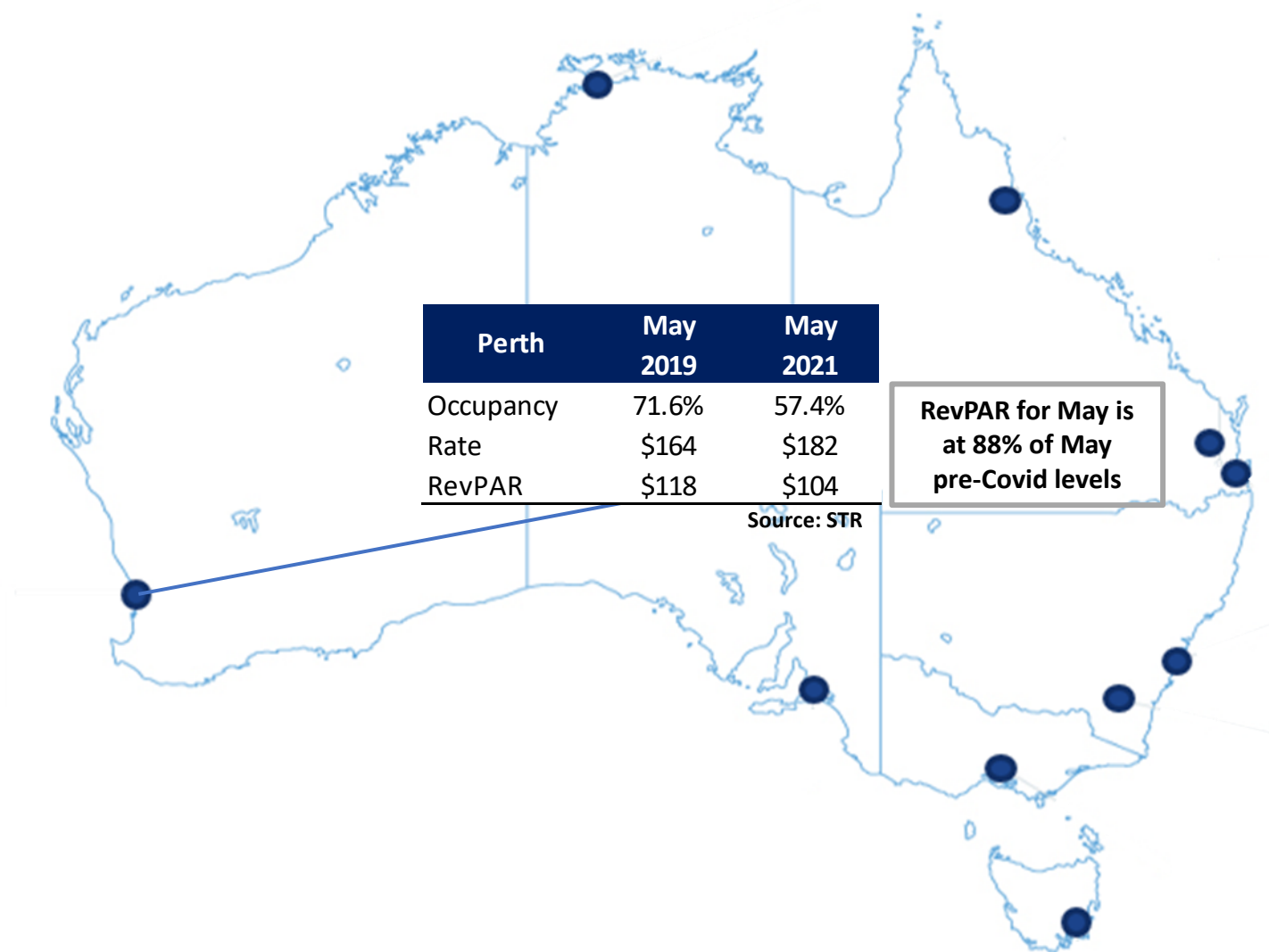
Brisbane



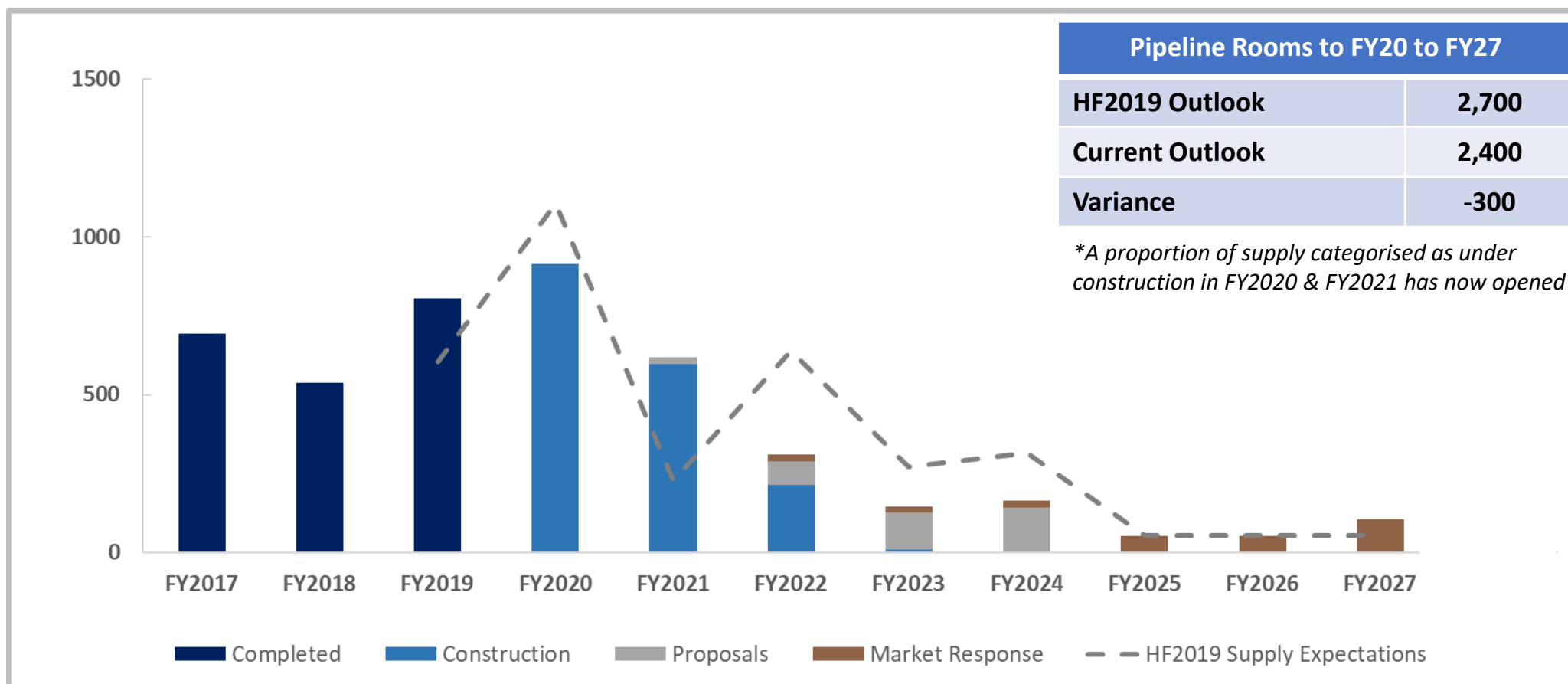
Source: Dransfield Hotel Futures Research

Current Performance – Perth

May 2021
vs
Pre Covid
May 2019



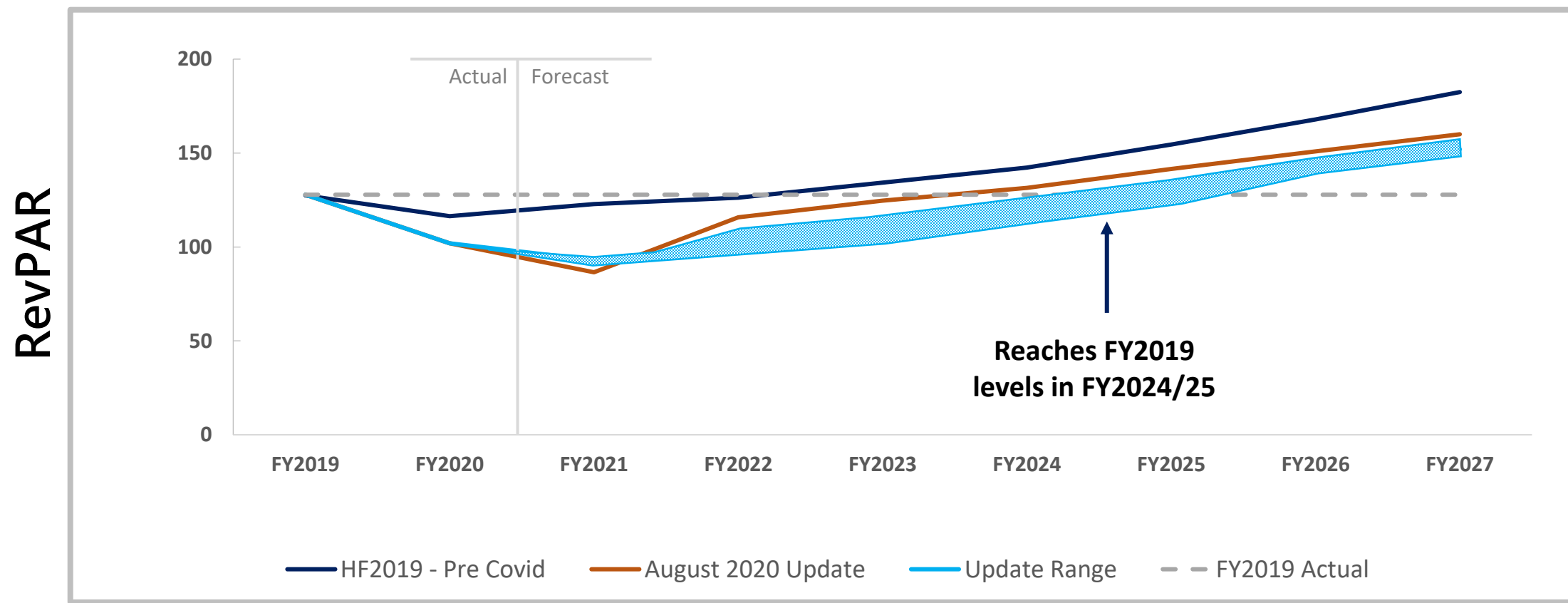
Perth Supply Outlook



Source: Dransfield Hotel Futures Research

Perth RevPAR Outlook

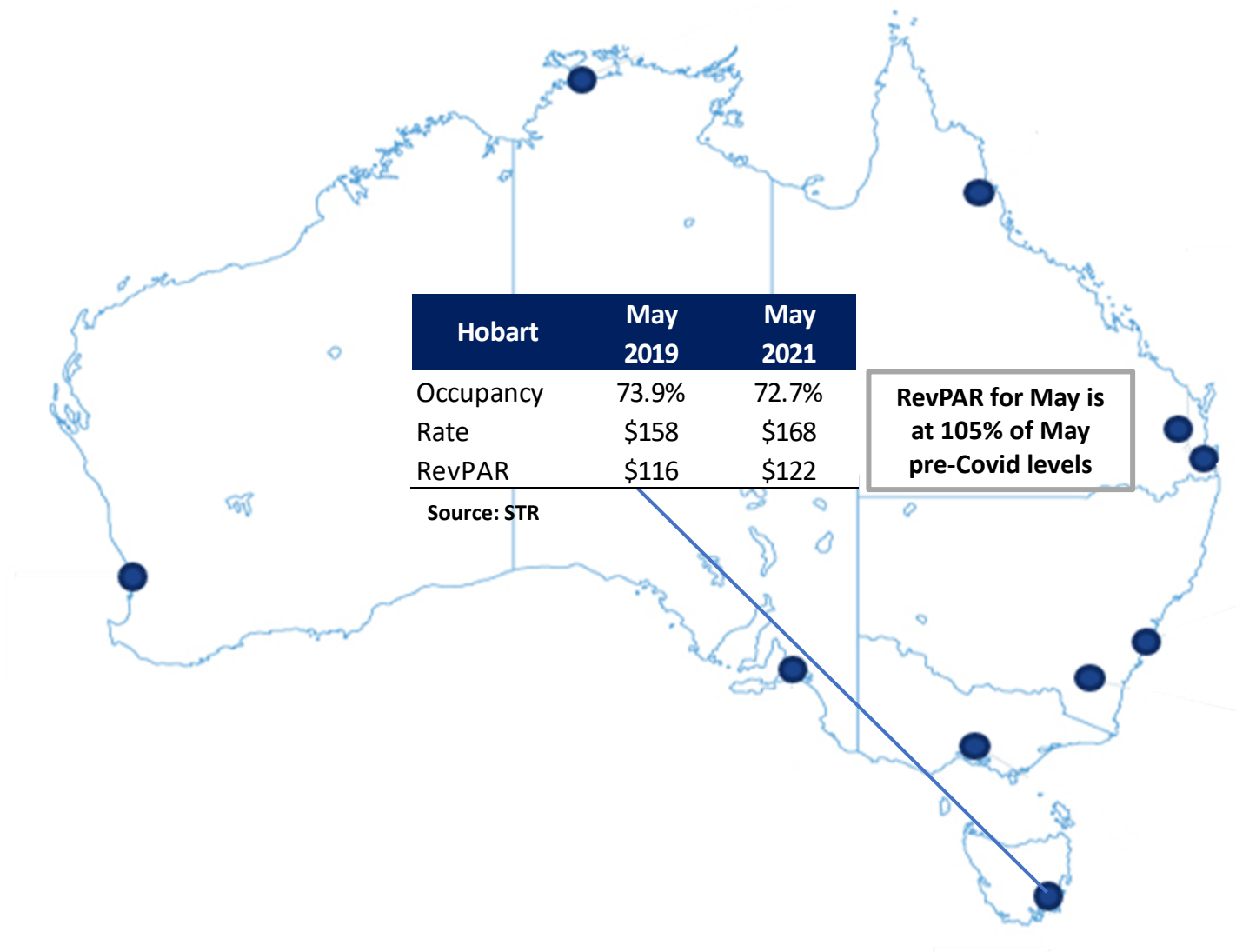
Perth



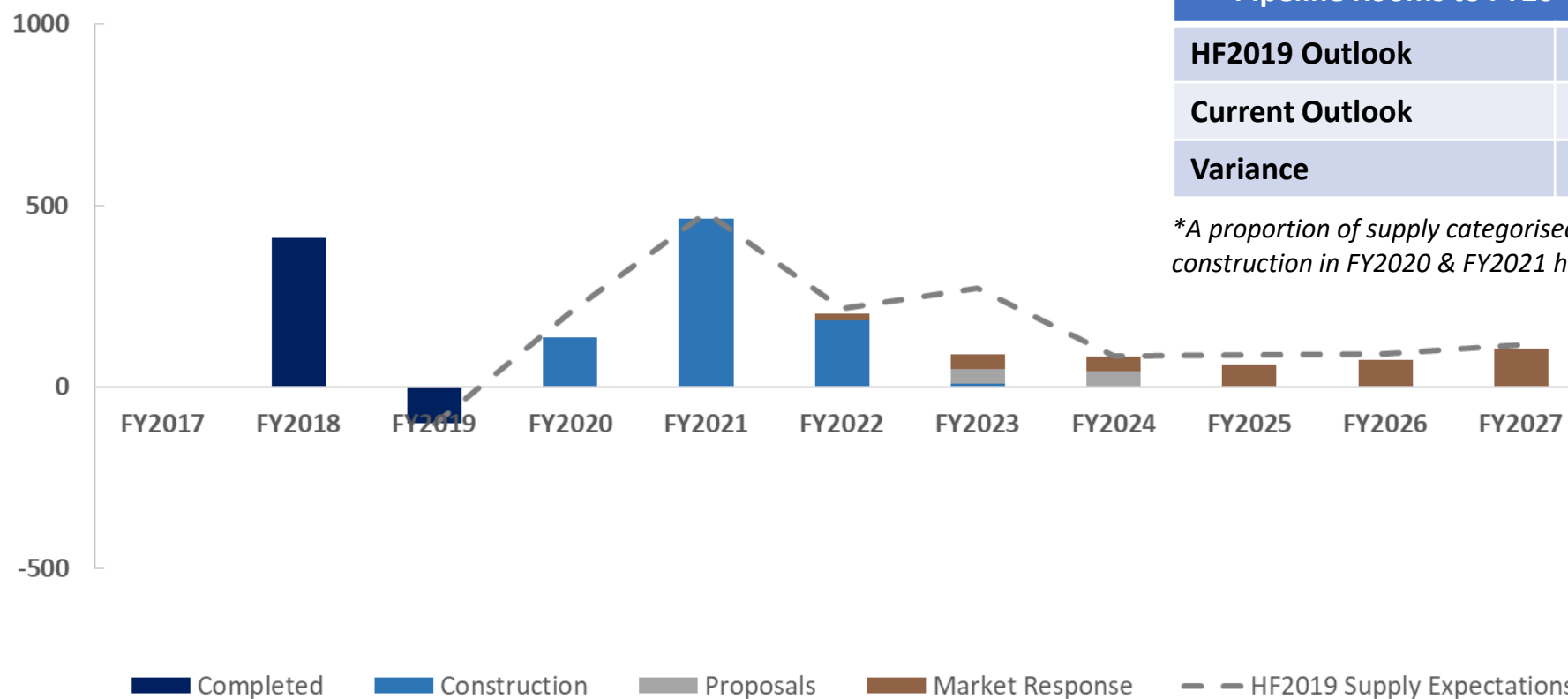
Source: Dransfield Hotel Futures Research

Current Performance – Hobart

May 2021
vs
Pre Covid
May 2019



Hobart Supply Outlook



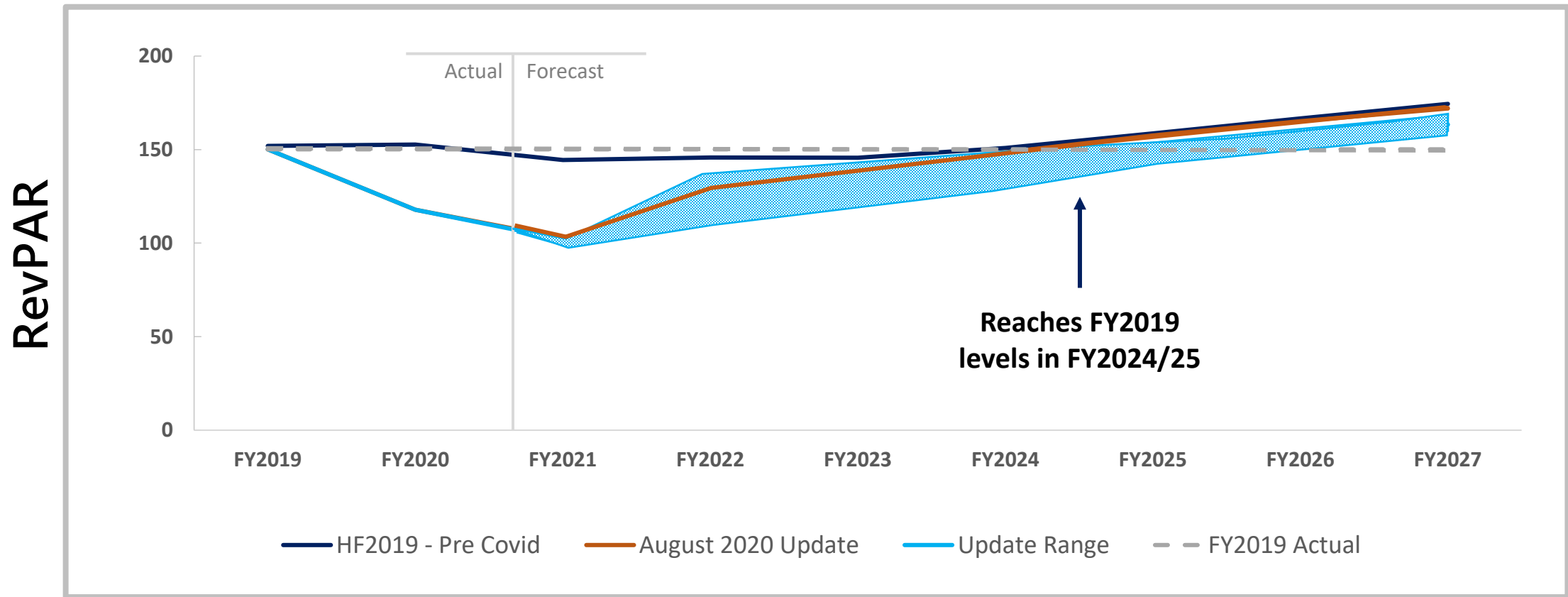
Pipeline Rooms to FY20* to FY27

HF2019 Outlook	1,550
Current Outlook	1,200
Variance	-350

**A proportion of supply categorised as under construction in FY2020 & FY2021 has now opened*

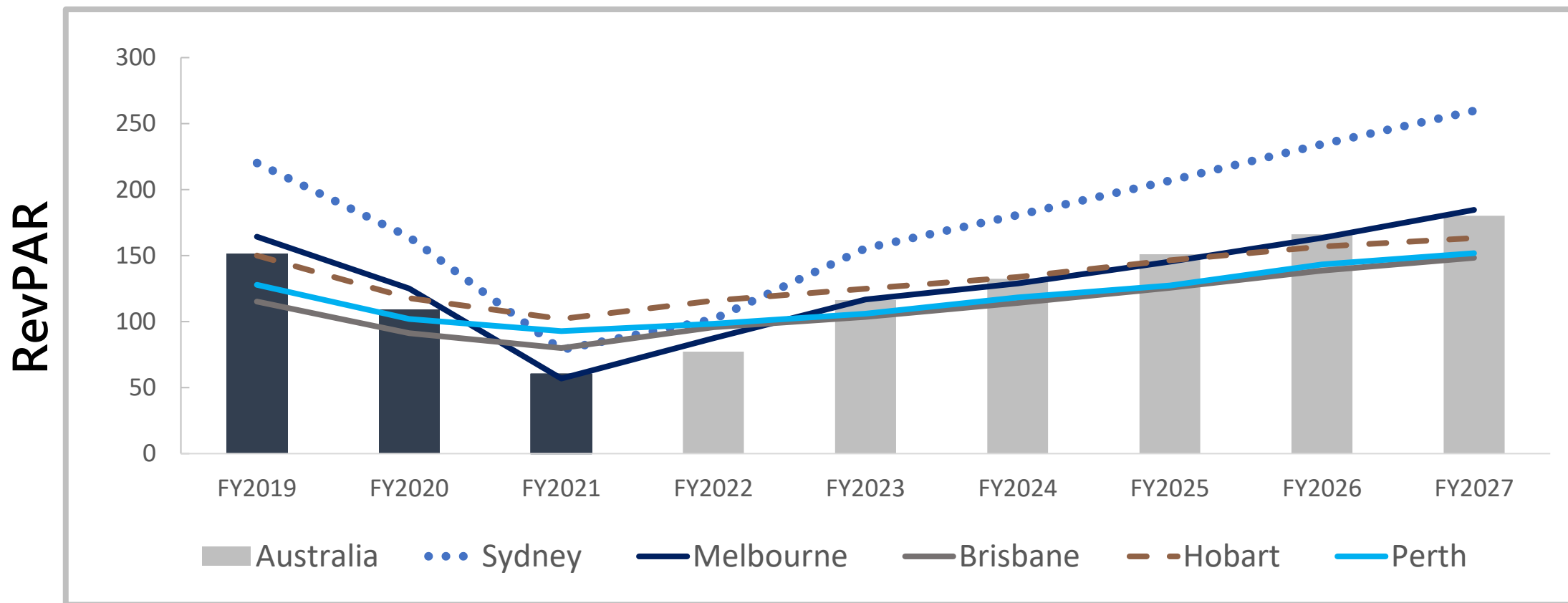
Hobart RevPAR Outlook

Hobart



Source: Dransfield Hotel Futures Research

RevPAR Compare



Source: Dransfield Hotel Futures Research

Key Takeaways

- 3-4 more years until Revenues are back to pre-Covid levels, but not earnings
- The last two layers are problematic, but the last 5% of recovery
- Domestic corporate office market return to work plateauing, and largest drag on CBD hotel recovery, International less so
- Supply in CBD's at risk if not yet started, although many good projects are still stacking up, mostly in areas outside CBD's
- Values haven't dropped as much as expected
- Capital is still available and is on the hunt