

December 2019 half year results



Waratah Hotel Group improved its performance, delivering a 38% uplift in EBITDA, from HY2018 to HY2019. Operational initiatives and continued investment in our existing portfolio drove sales.

Audited financial statements are now available on our [website](#).

Portfolio update

Hotels are capital intensive investments. Increased cash flow from the venues and new equity contributions were used to fund capital expenditure throughout the portfolio over the six months to December 2019.

Stumps Café opened in late August at The Diplomat Motel, Alice Springs. The café has already gained traction with the resident population and visitors alike, delivering a pleasing sales performance in its opening four months.

The Victoria Hotel, Wagga Wagga, continues with its ground floor refurbishment project, having completed the front bar renovation in December.

Tandara Hotel Motel has completed renovations to the main trading area including an upgrade to the kitchen facilities, resulting in growth for both food and beverage revenue.

\$'000	HY2019	HY2018	Change
Portfolio value	46,800	46,800	-
Revenue	20,750	19,531	6%
EBITDA⁽¹⁾	2,263	1,640	38%

Finance

Gearing as at 31 December 2019 was 41.9%, with all debt held as a current liability given its expiry in September 2020. We have commenced discussions regarding renewal of the debt facilities and the Directors are confident of securing new facilities on acceptable terms.

Outlook

With respect to the current COVID-19 pandemic and the restrictions announced by the Prime Minister today, we are working with our onsite venue managers to minimise the effect though trade will be disrupted. We will continue to monitor and act in accordance with the advice and recommendations from Federal and State Departments.

(1) Excludes impact of applying AASB 16 Leases in the reporting period ended 31 December 2019. For more information refer to the Waratah Hotel Group Financial Statements for the period ended 31 December 2019