



Authorised for release by the Board of Directors  
Redcape Hotel Group Management Ltd

**FOR IMMEDIATE RELEASE**

**ASX Markets Announcement Platform – 22 June 2020**

**Trading Update**

Redcape Hotel Group Management Ltd, as responsible entity of Redcape Hotel Group (ASX: RDC) (“Redcape” or the “Group”), announced that trading for June is expected to be EBITDA positive for the Group. Management considers this to be the early signs of a recovery in earnings following the easing of restrictions and the reopening of hotels.

Following the decision by the NSW government to relax COVID-19 restrictions, Redcape was able to open 18 of its 26 NSW venues from 1 June 2020. It has subsequently opened the remaining NSW pubs and all but one<sup>1</sup> of its six Queensland venues. Trading in the first two weeks of June has provided Management with the confidence that under current conditions, June 2020 will make a positive EBITDA contribution.

Redcape operates 32 pubs and owns the freehold real estate on 30 of them. This structure has helped its return to profitability as it has only minimal rent to pay on the two leasehold pubs. In addition, the reopening of its venues has been assisted by a high level of communication with its digital customer base which has ensured strong community support as restrictions have eased.

The impact of trading restrictions brought about by Government regulation in response to COVID-19 resulted in Redcape withdrawing its earnings guidance and suspending its third quarter distribution. The return of customers and positive trading trends allows Management to prioritise its yield focussed strategy and target reinstating meaningful distributions in FY21 that are reflective of the Group’s profitability. As part of closing out the financial year, Redcape has today announced that its fourth quarter Distribution will be 0.31 cents per security taking its FY20 Distributions to 4.72 cents per security<sup>2</sup>.

Redcape CEO, Dan Brady, said, “We have emerged from the shutdown and generated profitability early in the re-opening of the economy. Our deliberate and differentiated business model (as both owner and operator), supported by our platform capability has provided the resilience required to take care of business and our people through the shutdown.”

CEO Dan Brady discusses this announcement in the attached video.

<https://www.redcape.com.au/redcape-ceo-dan-brady-provides-a-june-trading-update/>

**-ENDS-**

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<sup>1</sup> Hermit Park (QLD) has not yet opened

<sup>2</sup> This distribution is expected to be sufficient to meet the withholding tax liabilities of non-resident security holders

**Redcape**  
HOTEL GROUP

About Redcape Hotel Group (Redcape)

Redcape is one of Australia’s leading pub and hotel operators. The Redcape portfolio comprises 32 quality hotels (30 Freehold Going Concerns and 2 Leasehold Going Concerns) strategically located across New South Wales and Queensland and has a clear focus on delivering excellent and responsible service, maintaining high quality facilities, advancing the training and development of its people and contributing positively to the communities in which it operates. [www.redcape.com.au](http://www.redcape.com.au)

*Redcape Hotel Group Management Ltd (ACN 610 990 004) (AFSL 505932) is the responsible entity of Redcape Hotel Trust I (ARSN 629 354 614) and Redcape Hotel Trust II (ARSN 629 354 696) (together “Redcape” or “Redcape Hotel Group”). MA Hotel Management Pty Ltd (ACN 619 297 228) is the appointed investment manager and hotel operator of Redcape.*

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