

EVENT

HOSPITALITY & ENTERTAINMENT



27 April 2017

ASX ANNOUNCEMENT

EVENT ACQUIRES 458-472 GEORGE STREET, SYDNEY

Major entertainment, hospitality and leisure operator EVENT Hospitality & Entertainment Limited (“EVENT”) today announced that it has entered into a contract with Moss Nominees Pty Limited for the purchase of the properties located at 458-472 George Street, Sydney, adjacent to EVENT’s existing QT Sydney, State Theatre and 478 George Street properties. The purchase price is \$116 million.

The freehold properties comprise of a three-storey building at 458-466 George Street, and a seven-storey building known as Dudley House at 468-472 George Street. The buildings were offered for sale for the first time in over 30 years and are currently leased to several retail and commercial tenants with net rental revenues of approximately \$2.45 million per annum.

The EVENT Group Managing Director, Mr David Seargeant, commented: “We are delighted to have secured these properties in a highly competitive sale process. We have long sought to acquire these buildings to ensure control of the south-eastern corner of George and Market Streets in Sydney and to crystallise the value that can be delivered through a future redevelopment of the properties owned by the EVENT Group.”

The EVENT Chairman, Mr Alan Rydge, commented: “The acquisition of 458-472 George Street is a significant milestone in the history of the EVENT Group and the properties will complement EVENT’s extensive property holdings.”

Subject to Council approval, EVENT plans to utilise existing undeveloped floor space above the EVENT owned State Theatre building to undertake a mixed use redevelopment of the sites, including a potential expansion of the adjoining QT Sydney hotel.

The acquisition will increase EVENT’s contiguous footprint of Sydney’s central business district to approximately 4,700 m² and an 88 metre frontage on a prime section of George Street that is currently being converted to a pedestrian zone as part of the light rail development. The acquisition, prior to any operational improvements or redevelopment, will provide an annualised incremental EBITDA uplift of around 1.5 cents per share, and will be funded from a combination of cash and the utilisation of current borrowing facilities.

The purchase is expected to settle on 31 May 2017.

Further information

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