



## Second supplementary target's statement

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This document is a supplementary target's statement issued by Hotel Property Investments Limited (ASX: HPI) (ABN 25 010 330 515) as responsible entity for the Hotel Property Investments Trust (together, **HPI**) in relation to the off-market takeover bid by Charter Hall Wholesale Management Limited (ACN 006 765 206), acting on behalf of Charter Hall Retail REIT and Hostplus, for all the securities in HPI (collectively, the **Bidders**).

This document supplements, and should be read together with, HPI's target's statement dated 2 October 2024 (**Target's Statement**) and HPI's first supplementary Target's statement dated 22 October 2024 (**First Supplementary Target's Statement**).

Unless otherwise specified, capitalised terms used but not defined in this document have the same meaning given to them in the Target's Statement. This document prevails to the extent of any inconsistency with the Target's Statement or the First Supplementary Target's Statement.

A copy of this document has been lodged with ASIC. Neither ASIC nor any of its officers take any responsibility for its contents.

### 1 Update on the Offer

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Attached is a letter from the HPI Chairman to securityholders in response to the Bidders' third supplementary bidder's statement dated 21 November 2024.

### 2 Authorisation

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This supplementary target's statement has been approved by a resolution passed by HPI's directors.

Signed for and on behalf of HPI:

A handwritten signature in blue ink, appearing to read 'Giselle Collins', is written over a light blue horizontal line.

**Giselle Collins**  
Chairman

Dated: 22 November 2024

**Attachment 1 – Letter from the Chairman**



## Second Supplementary Target's Statement

issued in response to the off-market best and final takeover offer made on behalf of Charter Hall Retail REIT and Hostplus for all of the stapled securities in Hotel Property Investments.

**Your HPI Directors unanimously recommend that you**

# REJECT

the opportunistic, unsolicited and conditional **best and final** takeover offer from **Charter Hall Retail REIT** and **Hostplus**.

To reject the offer  
**DO NOTHING** and **TAKE NO ACTION**  
in relation to all correspondence  
from Charter Hall Retail REIT and Hostplus.

This is an important document and requires your immediate attention.

If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser, legal adviser or other professional adviser.

If you have any questions in relation to this document, you should call the HPI securityholder information line on 1300 255 218 (within Australia) or +61 2 9066 4084 (outside Australia) between 9.00am and 5.00pm (Sydney time), Monday to Friday (excluding public holidays).

Dear fellow securityholder,

On 21 November 2024, the Bidders announced the Offer will be declared unconditional if the Bidders hold or have received acceptances for at least 35% of HPI Securities, provided this occurs by 5.00pm (Sydney time) on Monday 9 December 2024 (subject to extension). The Offer currently remains conditional and there has been no increase in the offer price.

The Offer has been open for acceptance by HPI Securityholders since 25 September 2024. The Bidders have stated they have an aggregate interest of 26.94% of HPI Securities<sup>1</sup> having **only increased their interest by 8.38%** from their initial interest of 18.56% (as of 9 September 2024 when the Offer was announced).

**HPI Directors continue to recommend that you REJECT the Offer**

Following the payment of your distribution for the period to 31 October 2024, the Offer is **\$3.785 per security**, less any additional distributions that HPI Securityholders become entitled to.

**The Directors of HPI continue to conclude that the Offer is not compelling, materially undervalues HPI's portfolio and does not compensate HPI Securityholders for the value of HPI's unique pub portfolio, or the strength and outlook for the business.**

The Directors of HPI unanimously recommend that you **REJECT** the opportunistic, unsolicited and conditional, best and final takeover Offer from Charter Hall Retail REIT and Hostplus, given;

1. HPI owns a high-quality pub portfolio that is well positioned for future growth;
2. HPI's business is in a strong position and delivering growing returns;
3. The Offer, which is best and final, is not compelling and materially undervalues HPI; and
4. The timing of the Charter Hall Retail REIT and Hostplus Offer is opportunistic.

In coming to this conclusion, the Directors of HPI have had regard to the strong, liquid market for freehold pubs, the valuation of HPI's portfolio, the premium paid in other REIT takeovers and the future growth prospects for HPI.

To reject the Offer **DO NOTHING** and **TAKE NO ACTION** in relation to all correspondence from Charter Hall Retail REIT and Hostplus.

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<sup>1</sup> As at 7:30pm (Sydney time) on 20 November 2024.

## Strategy Update

Last week at our Annual General Meeting (AGM), our Chief Executive Officer and Managing Director, John White, provided a strategy update for HPI and reconfirmed HPI's vision – **to be Australia's premium ASX-listed owner of pub assets**.

I encourage all securityholders to view John's presentation in full, which has been recorded and is available on the HPI website ([www.hpitrust.com.au/annual-general-meeting/](http://www.hpitrust.com.au/annual-general-meeting/)). The full presentation is also available on the ASX or the HPI website (<https://www.hpitrust.com.au/wp-content/uploads/2024/11/2809716.pdf>).

John highlighted HPI's investment proposition to provide our securityholders with secure income from important community assets run by sector-leading operators, with significant scope for distribution and capital growth.

HPI's strategy to deliver attractive growth to securityholders over the medium to long term, is underpinned by its:

1. **Existing portfolio** – highly secure income profile with an attractive lease structure that provides strong organic growth;
2. **Growth levers** – multiple additional growth levers across venue enhancement, acquisition pipeline and site intensification; and
3. **Optimisation** – continual refinement of our portfolio and capital structure.

The HPI Board believes that its existing pub portfolio and strategy offers significantly greater value to HPI securityholders than accepting the Offer.

Should you need assistance, please refer to HPI's Target's Statement, First Supplementary Target's Statement or contact your financial or professional adviser. If you have any questions about the Offer, call the HPI securityholder information line on 1300 255 218 (within Australia) or +61 2 9066 4084 (outside Australia) between 9.00am and 5.00pm (Sydney time), Monday to Friday (excluding public holidays).

Thank you for your ongoing support of, and investment in, HPI.

Yours faithfully



Giselle Collins  
Chairman  
Hotel Property Investments