HOTEL PROPERTY INVESTMENTS

Acquisitions and Equity Raising Presentation

26 February 2020

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Contents

Transaction Overview

Acquisitions	• Hotel Property Investments ("HPI") has entered into agreements to acquire two hotel properties (the "Acquisitions") for total consideration of $60m[1]: – Gregory Hills Hotel: HPI's first entry into the metropolitan Sydney market, for a consideration of $40m[1] – Acacia Ridge Hotel: a large format suburban hotel in metropolitan Brisbane, for a consideration of $20m[1] • The Acquisitions are located in attractive markets and are leased to experienced pub operators with strong track records
Acquisition funding	• HPI will undertake a fully underwritten institutional placement ("Placement") of $30m to partially fund the Acquisitions and associated transaction costs • The balance will be funded from debt facilities
Equity raising	• The issue price for the Placement has been set at $3.23 per security ("Issue Price") • HPI will be supplementing the Placement with a non-underwritten Security Purchase Plan ("SPP") to eligible securityholders[2] to raise up to $5m – the offer price under the SPP will be $3.23 per new security, being the issue price under the Placement • Further information in relation to the SPP will be dispatched to eligible securityholders on or around 5 March 2020
Financial impact	• Including the impact of the Acquisitions and the Placement, and barring any unforeseen events and no material change in market conditions, HPI reaffirms guidance previously provided to the market: – FY20 DPS of 20.7c • Following the Acquisitions and the Placement, HPI's pro-forma metrics as at 31 December 2019 are: – Balance sheet gearing of 38.3% – NTA per security of $2.95

1. Excludes transaction costs
2. Eligible securityholders are holders of existing HPI securities as at 7:00pm (AEDT) on 25 February 2020 with a registered address in Australia or New Zealand. The SPP is subject to a cap of $5m and is subject to scaleback at HPI's absolute discretion

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Acquisitions Overview

The acquisitions meet HPI's investment criteria

Attractive locations/ markets	✓ High growth corridors ✓ Metropolitan locations ✓ Gregory Hills Hotel represents HPI's first entry into the Sydney metropolitan market
Quality operators	✓ Quality operators with proven track record ✓ Properties with diversified income streams (i.e. a mix of F&B, bar, gaming and accommodation)
Long term leases	✓ Long lease terms (12 years) with further options to extend
Attractive lease terms	✓ Rent set at sustainable levels

Acquisition summary

Acquisitions	State	Purchase price[1]	Cap rate	GLA (sqm)	WALE (years)	Occupancy
Gregory Hills Hotel	NSW	$40.0m	5.5%	~9,800	12.0	100%
Acacia Ridge Hotel	QLD	$20.0m	5.5%	~15,800	12.0	100%
Total/average		**$60.0m**	**5.5%**	**~25,600**	**12.0**	**100%**

Portfolio impact	1H FY2020	Acquisitions	Pro forma
Investment properties value	$714.3m	$60.0m[1]	$774.3m
Number of properties	43	2	45
Weighted average capitalisation rate	6.1%	5.5%	6.1%
Weighted average lease expiry	11.8 years	12.0 years	11.8 years
Average option periods	15.1 years	23.2 years	16.7 years
Hotel occupancy	100%	100%	100%

1. Excludes transaction costs

Acquisition Overview - Gregory Hills Hotel

KEY LEASE TERMS	
Tenant	Royal Hotels Group
Purchase Price[1]	$40.0m
Yield	5.5%
Commencing rent (p.a.)	$2.2m
Lease and option terms	12 years (3x12 year options)
Rent review mechanisms	Years 1-5: 1.5% 3.0% thereafter
Outgoings	Tenant responsibility
Land area	Approx. 9,800 sqm
Refurbishments	Every 7 years, paid by lessee
Gaming/liquor licence ownership	Reverts back to HPI at lease expiry

- The hotel is a new single level structure with bistro bar, sports bar, 30 electronic gaming machines ("EGMs") and a walk in bottle shop
  - The property was purpose built in 2016
  - Modern contemporary design
- Located in Gregory Hills in the South Western Sydney growth corridor
  - Area expected to experience major population growth attributed to major infrastructure initiatives (e.g. Western Sydney Airport, Western Sydney Aerotropolis, South West Rail Link)
- Diverse income streams across bar, F&B and gaming and is designed to cater to the family market
  - Gregory Hills Hotel is within the top 30 gaming pubs in NSW (by revenue)
- Tenanted by Royal Hotels Group, a highly experienced operator with a 25-year history of successfully owning and managing pubs in Sydney
  - Family run and operated business
  - Well regarded pub operator in the Sydney market, owning 4 hotels in Sydney

1. Excluding transaction costs

Acquisition Overview - Acacia Ridge Hotel

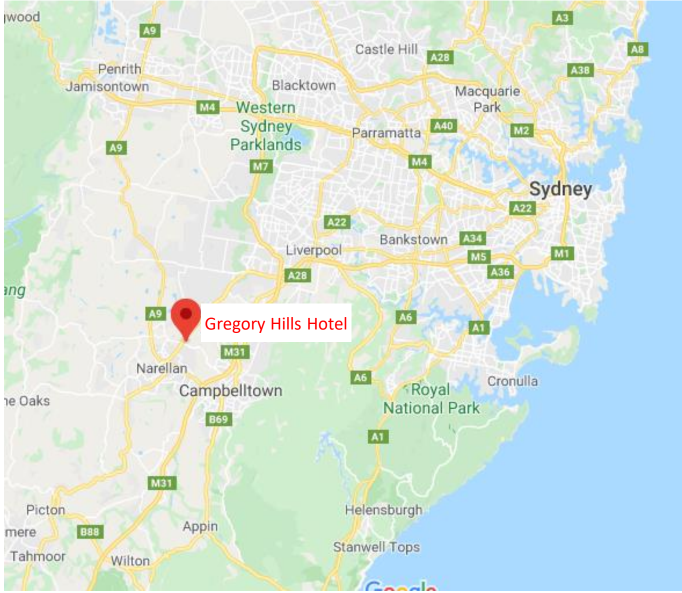
KEY LEASE TERMS	
Tenant	Monarch Hotel Management
Purchase Price[1]	$20.0m
Yield	5.5%
Commencing rent (p.a.)	$1.1m
Lease and option terms	12 years (5x10 year options)
Rent review mechanisms	Year 1: 1% 2.5% thereafter
Outgoings	Tenant responsibility
Land area	Approx. 15,800 sqm
Refurbishments	Every 7 years, paid by lessee
Gaming liquor licence ownership	Reverts back to HPI at lease expiry

- The hotel is a large format suburban hotel with a drive through and walk in bottle shop, main bar, TAB, bistro bar and gaming lounge with 45 EGM's
  - The property was refurbished in 2019
  - 42 motel rooms over two levels with a dedicated reception area
- Located on Brisbane's southside, near an industrial hub and approximately 17km from Brisbane's CBD
  - The Hotel occupies land fronting Beaudesert Road, a major arterial road connecting Brisbane with the southern growth corridor
  - The Rocklea – Acacia Ridge area exhibited population growth of 33% over the past 10 years, compared to Greater Brisbane population growth of 18%
- Diverse income streams across bar, F&B, gaming and accommodation
  - Acacia Ridge Hotel is among the top 10 gaming hotels in Queensland
- Tenanted by Monarch Hotel Management who operates several pubs across Australia including the Macquarie Hotel Liverpool and the Engadine Tavern

1. Excluding transaction costs

Acquisition Overview - Locations

Gregory Hills Hotel

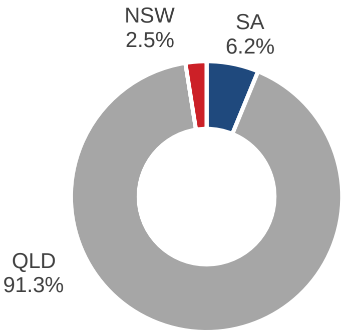


Acacia Ridge Hotel

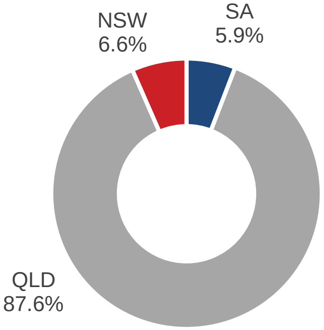
Portfolio impact

Geographic profile (by annual rent)

1H FY2020

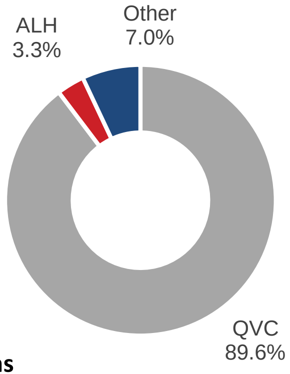


Post Acquisitions



Tenant mix (by annual rent)

1H FY2020



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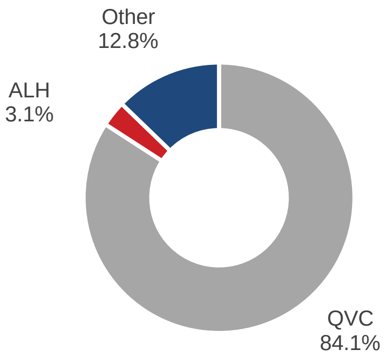

Sources and Uses of funds

- HPI will undertake a fully underwritten Placement of $30m to partially fund the Acquisitions and associated transaction costs
- The balance of the funding for the Acquisitions will be sourced from debt facilities

Sources of funds	$m
Placement[1]	30.0
Debt	34.1
Total sources	**64.1**

Uses of funds	$m
Acquisitions	60.0
Transaction costs	4.1
Total uses	**64.1**

Key metrics	
Issue price under the Placement	$3.23 per security
Discount to last close	4.7%
Discount to 5-day VWAP	5.8%
Pro forma Gearing	38.3%

1. Includes the impact of the fully underwritten Placement of $30m but does not include any impact attributable to the SPP (see page 12 for further details in relation to the Placement and the SPP)

Equity raising

Equity raising	• HPI will undertake a fully underwritten Placement of $30m to partially fund the Acquisitions and associated transaction costs • The issue price for the Placement has been set at $3.23 per Security (“Issue Price”)
Use of proceeds	• Proceeds of the Placement and SPP are to be used to partly fund the Acquisitions and associated transaction costs for a total consideration of $60m[1]
Pricing	• Issue Price under the Placement of $3.23 per Security represents a: – 4.7% discount to the last close of $3.39 on 25 February 2020 – 5.8% discount to the 5 day VWAP of $3.43 on 25 February 2020
Ranking	• New Securities issued under the Placement and SPP will rank pari passu with existing securities
Underwriting	• The Placement is fully underwritten by J.P. Morgan Securities Australia Limited and E&P Corporate Advisory Pty Ltd
Security Purchase Plan	• Eligible securityholders in Australia and New Zealand will be invited to subscribe for up to $30,000 of new Securities at the Placement price, free of any brokerage or transaction costs – the SPP is capped at $5m and will not be underwritten[2] • The offer price under the SPP will be $3.23 per new Security, being the Issue Price under the Placement • Further information in relation to the SPP will be dispatched to eligible securityholders on or around 5 March 2020

1. Excluding transaction costs
2. If demand for the SPP exceeds $5m, HPI reserves the right to scale back the maximum number of New Securities issued to each securityholder at its absolute discretion

Indicative Timetable

	Date 2020
Record date for SPP	Tuesday, February 25
Trading halt and announcement of the Placement, SPP and Acquisitions	Wednesday, February 26
Trading halt lifted – trading of Securities recommences on the ASX	Thursday, February 27
Settlement of New Securities issued under the Placement	Monday, March 2
Allotment and normal trading of New Securities issued under the Placement	Tuesday, March 3
SPP offer opens and booklet is dispatched	Thursday, March 5
SPP offer closing date	Thursday, March 26
SPP allotment date	Thursday, April 2
Despatch of holding statements and normal trading of New Securities issued under the SPP	Friday, April 3

All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to AEDT.

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Appendix

Appendix 1 - Pro-Forma Balance Sheet

	31 December 2019	Acquisitions and Placement[1]	31 December 2019 pro forma
Cash and cash equivalents	0.5		0.5
Receivables	1.7		1.7
Investment properties	714.3	60.0	774.3
Other assets	3.2		3.2
Total assets	**719.7**	**60.0**	**779.7**
Creditors and payables	6.9		6.9
Provisions	15.1		15.1
Loans and borrowings	264.7	34.1	298.8
Borrowing costs	(1.4)		(1.4)
Other liabilities	0.2		0.2
Total liabilities	**285.5**	**34.1**	**319.6**
Net assets	**434.2**	**25.9**	**460.1**
NAV per security	**$2.96**		**$2.95**
Gearing[2]	**36.7%**		**38.3%**

1. Includes the impact of the fully underwritten Placement of $30m but does not include any impact attributable to the SPP (see page 12 for further details in relation to the Placement and the SPP)
2. Gearing is calculated as (Drawn Debt minus Cash)/(Total Assets minus Cash)

Appendix 2 – Key Risks

HPI's business activities are subject to risks, specific to its investment in property, as well as of a general nature. Many of these risks are outside of the control of HPI and, if they were to eventuate, either individually or in combination, these risks may affect the future operating performance of HPI and the value of an investment in HPI.

Prospective investors should note that this section identifies the HPI Directors' current views on the key risks of an investment in HPI and is not intended to be exhaustive. Prospective investors should carefully consider the risk factors identified, in addition to the other information in this presentation, before deciding to invest in securities. Prospective investors should ensure they have sufficient awareness of the risks and have regard to their own investment objectives, financial circumstances and taxation position before deciding to invest.

If you do not understand any part of this presentation, or are in doubt as to whether to invest in securities or not, it is recommended that you seek professional guidance from your broker, solicitor, accountant or other qualified professional adviser before deciding whether to invest.

Risks specific to the Placement	
Acquisitions risk	HPI expects the Acquisitions to proceed as advised in this presentation. If an acquisition in fact fails to complete or completion is delayed, the expected financial performance of HPI could be adversely affected. There is a risk that the Acquisitions will not perform as expected and will not enhance the returns for securityholders. While HPI's policy is to conduct a thorough due diligence process in relation to any acquisitions, risks remain that are inherent in all acquisitions. For example, if any of the data or information provided to and relied upon by HPI in its due diligence process and its preparation of this presentation provides to be incomplete, inaccurate or misleading, there is a risk that the financial position and performance of the Acquisitions may be materially different to that expected by HPI as reflected in this presentation.
Underwriting risk	HPI has entered into an underwriting agreement with the Joint Lead Managers for the Placement (**Underwriting Agreement**). The Joint Lead Managers' obligations to underwrite the equity raising are subject to customary terms and conditions, including termination rights for the Underwriters in specific circumstances. If either or both of the Joint Lead Managers are entitled to, and do, terminate the Underwriting Agreement, HPI may not otherwise be able to raise sufficient equity capital to meet its obligations and commitments in respect of the Acquisitions and for all of the intended purposes as set out in this presentation, which may materially and adversely affect HPI's financial position and the market price for HPI securities.
Industry specific risks	
Property valuations	Valuations ascribed to each property and any properties held by HPI in the future will be influenced by a number of on-going factors including: • supply and demand for pubs and liquor store freehold assets as investor preferences for particular sectors and asset classes change; • general property market conditions; • changes to gaming and/or liquor licensing laws and regulations • the ability to attract and implement economically viable rental arrangements; • re-leasing of the properties; • capitalisation rates (the rate of return from an investment); • future planning zone changes; and • general economic factors such as the level of inflation, interest rates and economic growth.

Appendix 2 – Key Risks (continued)

Re-leasing	There is a risk that if the Tenants do not exercise any options to extend the lease terms, HPI may not be able to negotiate suitable lease extensions with existing Tenants or replace outgoing Tenants with new Tenants on substantially the same terms. HPI could also incur additional costs associated with re-leasing the Properties. Re-leasing the Properties would depend on market conditions and financial considerations prevalent at that time. Should replacement or existing Tenants lease a Property on less favourable terms, this may have an adverse impact on the value of the Property and the overall performance of HPI and may lower the rental return to HPI.
Property liquidity	HPI may not be able to realise its property assets within a short period of time or may not be able to realise its property assets at book valuation. As a result, the realisable value of those property assets may be less than the full value of those property assets currently included in the balance sheet.
Environmental	As with any property, there is a risk that one or more of the properties may be contaminated now or in the future. Government environmental authorities may require such contamination be remediated. There is always a residual risk that HPI may be required to undertake any such remediation at its own cost. Such an event would adversely impact upon HPI's financial performance. Environmental laws impose penalties for environmental damage and contamination which can be material in size.
Specific risks relating to HPI's portfolio	
Rental income and inflation	HPI's income is generated through the leasing arrangements on its portfolio. Therefore, HPI's financial performance and ability to fund distributions is dependent, in part, on rents received from those assets. There is a risk that tenants may default on their obligations under their Leases. The ability of the tenants to meet their obligations may be adversely affected by a number of factors including overall macroeconomic conditions, property market conditions, competition from other pub / liquor properties, financial condition of tenants, increase in rental arrears and vacancies and additional expenses associated with re-leasing or enforcement actions.
Sector concentration	The portfolio is predominantly comprised of pubs and specialty shops. As a result of this exposure, adverse events to these property sectors may impact the value of the portfolio and the future growth prospects of the current portfolio.
Tenant concentration	HPI are the owner of 43 pub and accommodation assets, of which 41 is currently leased to Queensland Venue Co (**QVC**). QVC is a joint venture between Coles Ltd and Australian Venue Co, established in March 2019. Therefore the performance of HPI is materially dependent on the leasing arrangements in place with QVC and the ability of QVC to continue to meet its obligations under the leases. Further, there is a risk that if QVC does not exercise its options to extend the lease terms (and therefore ceases to be a tenant), HPI may not be able to find replacement tenants prepared to lease those properties on a basis which would result in the same return to HPI.
Geographic concentration	The portfolio comprises properties located predominately in Queensland, as well as New South Wales and South Australia, which may involve a greater geographic concentration risk than an investment in a more geographically diverse portfolio of properties. If the property markets in Queensland, New South Wales or South Australia or their economies experience a downturn in activity, HPI's performance and the valuation of its properties may be adversely impacted.
Occupational health and safety	There is a risk that liability arising from occupational health and safety matters at a property may be attributable to HPI as the landlord instead of, or as well as, the tenants. To the extent that any liabilities may be borne by HPI, this may impact upon the financial performance of HPI (to the extent not covered by insurance). In addition, penalties may be imposed upon HPI which may have an adverse impact on HPI.

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Appendix 2 – Key Risks (continued)

Operator risk	While HPI is not an operator of pubs, bottle shops or speciality stores, HPI's performance, the valuation of its properties and the ability of HPI to fund distributions could be materially adversely affected by a number of operational risks of its tenants. In particular, HPI may be affected by: • (**competition**) increased competition in the pub, gaming, retail liquor markets and other speciality stores in the regions of Australia in which its tenants operate; • (**regulation of operators**) changes in legislation and government policies that regulate liquor and gaming venues or gaming laws may adversely impact on the profitability of the tenants; and • (**actions of a tenant**) the actions of a tenant (including by omission), which cause conditions to be placed on a liquor, gaming or other licence, or for that licence to be revoked.
Capital expenditure and development risk	HPI is responsible for structural repairs to the properties, repair of the roof and exterior of the building and the car parks. HPI must also replace major parts of plant and equipment where repair is not economical or practical. Capital expenditure to be incurred or supported by HPI may exceed the current forecasts which could have an adverse impact on the value of the portfolio and could lead to either or both increased funding costs and lower distributions. There is a risk that future developments or re-developments of the properties, could be delayed. Completion of a development may be delayed for a number of reasons, including industrial disputes, dealings with counterparties, inclement weather, permitted variations to the works, changes to legislative requirements, delays in authority inspections or approvals or a builder experiencing financial difficulties. As a result, HPI may suffer loss of rent in respect of a delay in completion of the relevant development. This may negatively impact the financial performance of HPI and/or potentially lower distributions.
Other risks relating to HPI	
Funding	HPI's ability to raise funds from either debt or equity markets on favourable terms for future corporate activity is dependent on a number of factors including: • the general economic and political climate; • the state of debt and equity capital markets; • the performance, reputation and financial strength of HPI; and • the value of the Properties. Changes to any one of these underlying factors could lead to an increased cost of funding, limited access to capital, increased refinancing risk for HPI and/or an inability to expand operations or purchase assets in a manner that may benefit HPI and its Securityholders.

Appendix 2 – Key Risks (continued)

Extension and refinancing	HPI's ability to refinance or repay its debts as they fall due will be impacted by market conditions, the financial status of HPI, the value of the properties, and prevailing economic conditions, including interest rates, at the time of maturity or refinancing. There is a risk that HPI may not be able to extend or refinance its debts before expiry, and the terms of such extension or refinancing (if any) may not be on substantially the same or improved terms as the existing facilities. There is also a risk that HPI is unable to hedge future borrowings to mitigate future interest rate risk, or that the terms of such hedging are worse than currently available. Possible increases in the interest rate, the cost of interest rate hedges and the level of financial covenants required by lenders may adversely impact on the operational and financial results of HPI, the level of distributions available to Securityholders, HPI's ability to raise equity and/or enter into new debt facilities. Further, there is a risk that HPI may need to dispose of assets in order to repay its debts or increase its available liquidity and such disposal may be at a lower market value than could otherwise have been realised in a different interest rate environment.
Debt facility undertakings and covenants	HPI is subject to a number of undertakings and covenants in relation to its debt facilities, including in relation to gearing levels and interest cover ratios. An event of default may occur if HPI fails to maintain these financial covenants. This may be caused by unfavourable movements in interest rates (to the extent interest rates are not hedged) or deterioration in the income or the value of the portfolio. In the event that an event of default occurs, the lender may require immediate repayment of the debt facilities. HPI may need to dispose of some or all of its properties for less than their face value, raise additional equity, or reduce or suspend distributions in order to repay the debt facilities.
Change of Responsible Entity or change of control of Responsible Entity	There is a risk that the Responsible Entity may be removed as the responsible entity of the Trust. A change of the Responsible Entity or a change of control may constitute a default under HPI's material agreements, which may result in a right for the counterparty to terminate the agreement. For example, a debt review event is triggered on the change of control of the Responsible Entity. A change of control of the Responsible Entity may affect the Responsible Entity's role or the composition of the Responsible Entity Board.
Counterparties	There is always a risk that, notwithstanding appropriate safeguards, parties with whom HPI has dealings may experience financial or other difficulties which may affect that parties ability to perform its obligations to HPI. This may affect the value of, and returns from, an investment in securities.
Litigation	HPI may in the ordinary course of business be involved in possible litigation and disputes (for example, tenancy disputes, occupational health and safety claims or third party claims). While the extent of any disputes and litigation cannot be ascertained at this time, any dispute or litigation may be costly and may adversely affect the operational and financial results of HPI.
Compliance	The Trust is a managed investment scheme which means the Responsible Entity is subject to strict regulatory and compliance arrangements under the Corporations Act and ASIC policy. If the Responsible Entity fails to comply with the conditions of its Australian Financial Services Licence, then ASIC may take action to suspend or revoke the licence, which in turn could adversely impact HPI.
Insurance and Force majeure	HPI carries insurance coverage in line with industry practice, however no assurance can be given that such insurance will be available in the future on a commercially reasonable basis, or will provide adequate insurance cover against claims made. If HPI incurs uninsured losses or liabilities, its assets, profits and prospects may be materially adversely affected. Further, HPI may not be able to recover under its insurance if the company or companies providing the insurance (or any reinsurance) are under financial distress or fail. Some risks are not able to be insured at acceptable premiums. Examples include where the properties held by HPI may be damaged or destroyed by flood, fire, earthquake or other disaster. Any losses incurred due to uninsured risks, a loss in excess of the insured amounts, or an increase in insurance premiums, may adversely affect the performance of HPI.

Appendix 2 – Key Risks (continued)

General risks relating to the offer and securities	
Payment of distributions	Payment of distributions is at the discretion of the HPI Directors. Securityholders should be aware that HPI will only pay distributions having regard to the financial circumstances of HPI and there is no guarantee that any or all distributions will be paid.
ASX market volatility	The market price of HPI's securities will fluctuate due to various factors, many of which are non-specific to HPI, including recommendations by brokers and analysts, Australian and international general economic conditions, inflation rates, interest rates, exchange rates, changes in government, fiscal and regulatory policies, changes to laws, global geopolitical events and hostilities and other factors that may affect HPI's financial performance and position. In the future, these factors may cause HPI's securities to trade at or below their issue price.
Liquidity and realisation risk	There can be no guarantee that there will be an active market in HPI securities or that their value will increase. There may be relatively few or many buyers or sellers of HPI securities on the ASX at any one time which may lead to increased price volatility and affect the price at which securityholders are able to sell their HPI securities.
Macro-economic	Changes in the general economic outlook both in Australia and globally may impact the performance of HPI and its portfolio. General economic factors such as interest rates, exchange rates, inflation, business and consumer confidence and general market factors may have an adverse impact on HPI's earnings or value of its assets.
Tax and stamp duty	Changes in tax or stamp duty law or changes in the way they are expected to be interpreted in Australia may adversely impact HPI's returns and the distributions made to Securityholders. Future changes in taxation law may also impact the taxation treatment of your investment in HPI securities or the holding and disposal of those securities.
Dilution risk	HPI securityholders who do not participate in the Placement will have their investment in HPI diluted. HPI securityholders may have their investment in HPI diluted by future capital raisings.

Appendix 3 – International Offer Restrictions

THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OF SECURITIES IN ANY JURISDICTION IN WHICH IT WOULD BE UNLAWFUL. IN PARTICULAR, THIS DOCUMENT MAY NOT BE DISTRIBUTED TO ANY PERSON, AND THE SECURITIES MAY NOT BE OFFERED OR SOLE IN ANY COUNTRY OUTSIDE AUSTRALIA, EXCEPT TO THE EXTENT PERMITTED BELOW.

HONG KONG

WARNING: The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Placement. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong) (the "C(WUMP)O"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, (i) the New Securities may not be offered or sold in Hong Kong by means of this document or any other document other than (a) to "professional investors" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the C(WUMP)O or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and (ii) no person shall issue or possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the New Securities which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

No person allotted New Securities may sell, or offer to sell, such Securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such Securities.

NEW ZEALAND

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Securities are not being offered to the public within New Zealand other than to existing securityholders of HPI with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Placement, the New Securities may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Appendix 3 – International Offer Restrictions (continued)

NORWAY

This document has not been, and will not be, registered with or approved by Finanstilsynet (the Financial Supervisory Authority of Norway) and it does not constitute a prospectus under the Prospectus Regulation (Regulation (EU) 2017/1129) or the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document may not be made available, nor may the New Securities be offered for sale, directly or indirectly, in Norway other than under circumstances that are exempted from the prospectus requirements under the Prospectus Regulation and the Norwegian Securities Trading Act. Any offering of New Securities in Norway is limited to persons who are "qualified investors" as defined in the Prospectus Regulation. Only such persons may receive this document and they may not distribute it or the information contained in it to any other person.

SINGAPORE

This document and any other materials relating to the New Securities has not been and will not be registered as a prospectus with the Monetary Authority of Singapore ("MAS"). Accordingly, the New Securities may not be offered or sold or made the subject of an invitation for subscription or purchase, nor may this document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the New Securities be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person under Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the New Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, or

b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

Securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the New Securities pursuant to an offer under Section 275 of the SFA except:

1. to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
2. where no consideration is or will be given for the transfer;
3. where the transfer is by operation of law;
4. pursuant to Section 276(7) of the SFA; or
5. as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Notification under Section 309B(1)(c) of the SFA - In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "CMP Regulations 2018") of Singapore, HPI has determined the classification of the New Securities as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Appendix 4 – Glossary

Defined term	Meaning
AFSL	Australian financial services licence issued under the Corporations Act
Acquisitions	The acquisition of the 2 properties which HPI has contracted to acquire, as outlined on slide 5 of this Presentation
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Corporations Act	Corporations Act 2001 (Cth)
Distribution	A distribution made in relation to the Securities
DPS	Distribution per Security
AFFO	Adjusted funds from operations
Gearing	Total interest bearing liabilities and distribution provision divided by total assets
HPI	Hotel Property Investments
Issue Price	$3.23 per Security
Joint Lead Managers	J.P. Morgan Securities Australia Limited and E&P Corporate Advisory Pty Ltd
NAV	Net asset value
New Securities	The Securities to be offered under the Institutional Placement

Defined term	Meaning
Institutional Placement	Fully underwritten institutional placement to raise $30m at an issue price of $3.23 per Security
Transaction	The Acquisitions and the Institutional Placement
Security	A security in HPI
Securityholder	A holder of a Security
VWAP	Volume weighted average price
WACR	The average capitalisation rate across the portfolio, weighted by property value
WALE	The average lease term remaining to expiry across the portfolio, weighted by gross property income
WARR	The average rent review across the portfolio or a property or a group of properties, weighted by gross property income