

Third supplementary target's statement

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 (the **Bidder**), for all the securities in HPI.

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

Attached is a letter from the HPI Chairman to securityholders in response to the Bidders' fourth supplementary bidder's statement dated 6 December 2024.

HPI Directors recommend that you REJECT the Offer

2 Authorisation

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

Signed for and on behalf of HPI:



Giselle Collins
Chairman

Dated: 6 December 2024

Your HPI Directors unanimously recommend that you

REJECT

the opportunistic and unsolicited
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).

6 December 2024

ABN 25 010 330 515

Dear fellow securityholder,

Today, the Bidders declared their opportunistic Offer unconditional, without any change to its terms. This means that they will retain a security holding in HPI of at least 31.37%¹ following the close of the Offer.

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

The Directors remain of the view 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, its ongoing stream of distributions or the strength and outlook for the business.

The Directors also make the following observations:

- Since the Offer was announced, the holders of less than 13%² of HPI securities have accepted the Offer. Our feedback from securityholders indicates that the low acceptance levels reflect a strong view from the majority of our investors that the Offer undervalues our portfolio and our business.
- Whilst the Bidders may decide to continue to hold a significant investment in HPI, our intention is to continue to manage our unique high-quality portfolio and execute our growth strategy that was articulated at the AGM, in the interests of all securityholders.
- We continue to progress the key growth initiatives articulated by our CEO and Managing Director at our AGM, including:
 - actively progressing a pipeline of acquisition opportunities with AVC and other operators that would further enhance the HPI portfolio; and
 - advancing initiatives to invest in our venues to improve their performance (and market rent) and develop ancillary income streams on our properties.
- Our valuers have confirmed the carrying values continue to be a fair reflection of the value of the portfolio. The Bidders are seeking to buy your assets at a discount to market value – the Offer represents a c.6% discount to NTA (as at 30 June 2024).
- We intend to declare the remaining distribution for the 2 months ending 31 December 2024 in mid-December, as outlined in our announcement on 18 October 2024. The Offer price will further reduce by any declared distributions.

¹ Aggregate interest of the Bidder as at 7:30pm (Sydney time) on 5 December 2024.

² Bidders have aggregate interest of 31.37% of HPI (as at 7:30pm (Sydney time) on 5 December 2024), having increased from their initial interest of 18.56% (as of 9 September 2024 when the Offer was announced).

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

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

Should you need assistance, please refer to HPI's Target's Statement and supplementary statements 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,

A handwritten signature in blue ink, appearing to read 'Giselle Collins', with a stylized flourish extending to the right.

Giselle Collins
Chairman
Hotel Property Investments