

The Manager  
Australian Securities Exchange Limited  
Corporate Announcement Officer  
Level 4, 20 Bridge St  
Sydney NSW 2000

Suite 2, Level 17  
IBM Centre  
60 City Road  
Southbank VIC 3006  
(03) 9038 1774

9 September 2024

**HPI Board Intends to recommend Securityholders**

**REJECT**

ABN 25 010 330 515

**the Proposed Off-Market Takeover Offer from Charter Hall Retail REIT and Hostplus**

Hotel Property Investments Limited (ASX: HPI) (“HPI” or “Company”) refers to the announcement from Charter Hall Wholesale Management Limited, acting on behalf of Charter Hall Retail REIT (ASX: CQR) and Hostplus (collectively the “Bidders”) that they intend to make an off-market takeover offer for all the securities that they do not already own in HPI for \$3.65 per security in cash reduced by the amount or value of distributions or rights to which HPI securityholders receive or become entitled to receive on and from the announcement date (the “Offer”).

The Board has considered the unsolicited and conditional Offer carefully having been verbally briefed on its terms over the weekend.

As a result, the Board has unanimously concluded that the Offer is opportunistic, not compelling and materially undervalues HPI as it represents:

- A minimal 4.9% premium to the last closing price of HPI on 6 September 2024;
- A significant discount of c.10% to Net Tangible Assets (NTA) as at 30 June 2024 (adjusting for current accrued distributions); and
- A significant discount to the premium provided in comparable transactions.

HPI has a unique high quality portfolio of pub assets with long term leases and strong investment fundamentals providing reliable distribution with forecast distribution growth of 2.6% in FY25.

The Board intends to formally recommend that securityholders REJECT the Offer. HPI believes that its existing portfolio and current strategy, including its organic growth initiatives, offer significantly greater value to HPI securityholders.

The Board remains committed to maximising value for all securityholders and will continue to evaluate all strategic options in that context.

The Board will provide a more fulsome response to the Offer in its Target’s Statement expected to be released in due course. Securityholders are advised to TAKE NO ACTION in relation to the Offer, or any correspondence received from the Bidders.

HPI has engaged BofA Securities and Denison Partners as financial advisers and Herbert Smith Freehills as its legal adviser.

*This ASX announcement was authorised by the Hotel Property Investments Limited Board*

*Securityholder contact:*

John White  
Hotel Property Investments Limited  
0409 112 367  
jwhite@hpitrust.com.au

*Media contact:*

Jim Kelly  
Sodali & Co  
0412 549 083  
jim.kelly@sodali.com