

# Scheme Meetings

Proposal from Charter Hall Long WALE REIT and Hostplus  
Thursday 2 December 2021

# Asking questions online

## Asking questions

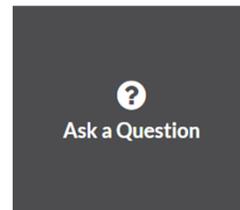
Only Securityholders and Proxyholders are able to ask questions

Click on **“Ask a Question”**

Select **“General Business”** or a specific resolution

Type in your question and click **“Submit”**

**Comments** on resolutions can also be submitted through **“Ask a Question”**



HELP NUMBER

**1800 990 363**

## Ask a Question

We welcome any questions that you may have and will endeavour to answer all questions during the Meeting. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

Regarding

Question

Type your question here...

Characters left: 532

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Submit Question

## Asking questions by phone

Securityholders must [register for a unique PIN](#) to ask live questions during Scheme Meetings

If you don't have a PIN, call [Link's 1800 990 363 Helpline](#)

Only questions or comments pertaining to the Scheme Meetings and specific resolutions will be addressed



Call '**Questions Line**' on 1800 719 665 or +61 9189 2032

The moderator will request your unique **PIN** 



On your keypad to ask a question

A teleconference moderator will introduce you at the **right time**



When your line is unmuted **ask your question** or **make a comment**

## Overview of the Schemes

- **On 20 September 2021, ALE Property Group announced entry into a scheme implementation deed with a consortium managed by Charter Hall Group, comprising Charter Hall Long WALE REIT and Hostplus**
  - Charter Hall Holdings Pty Limited will acquire the shares of Australian Leisure and Entertainment Property Management Limited (“ALE” or “Company”)
  - Bieson Pty Limited as trustee for the CH LEP Investment Trust will acquire the units of Australian Leisure and Entertainment Property Trust (“ALE Trust”)
- **Securityholders have been offered three consideration alternatives: mixed, maximum cash or maximum scrip**
- As announced on 26 November 2021, the indicative election results suggest that the scaleback mechanism will apply to the maximum cash consideration alternative

### Scheme Consideration Alternatives (based on indicative elections)

	Cash per security	Scrip per security	Value of consideration <sup>2</sup>
<b>Mixed consideration</b>	\$3.673	0.4080 CLW securities	\$5.701
<b>Maximum cash consideration<sup>1</sup></b>	\$5.681	-	\$5.681
<b>Maximum scrip consideration<sup>1</sup></b>	-	1.1546 CLW securities	\$5.738

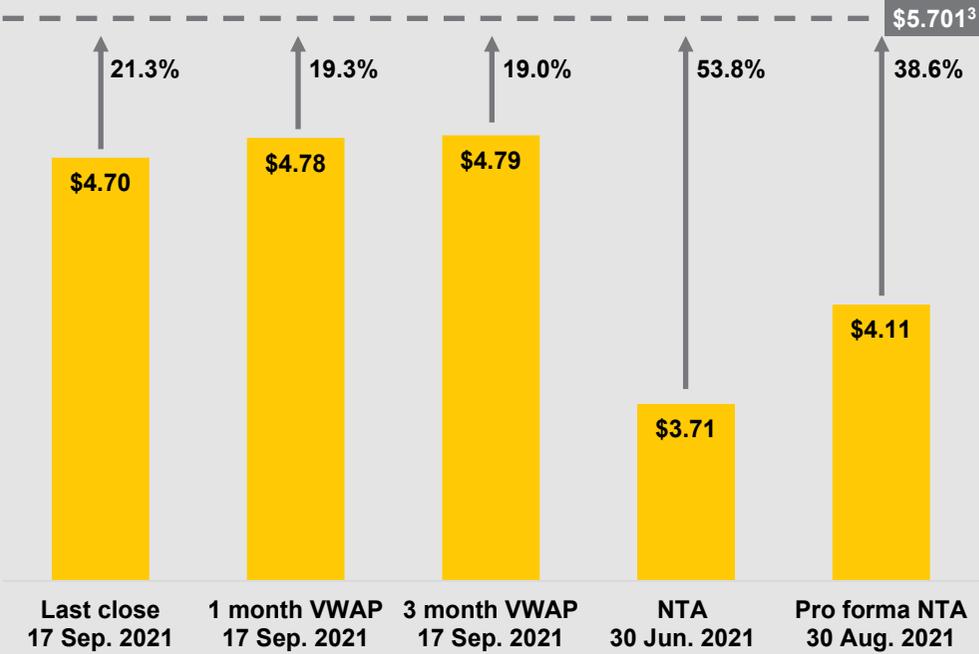
1. If the alternate is oversubscribed, will be subject to scaleback arrangements

2. Based on a closing price of CLW securities of \$4.97 on 26 October 2021, being the last practicable trading day before the date of the Scheme Booklet

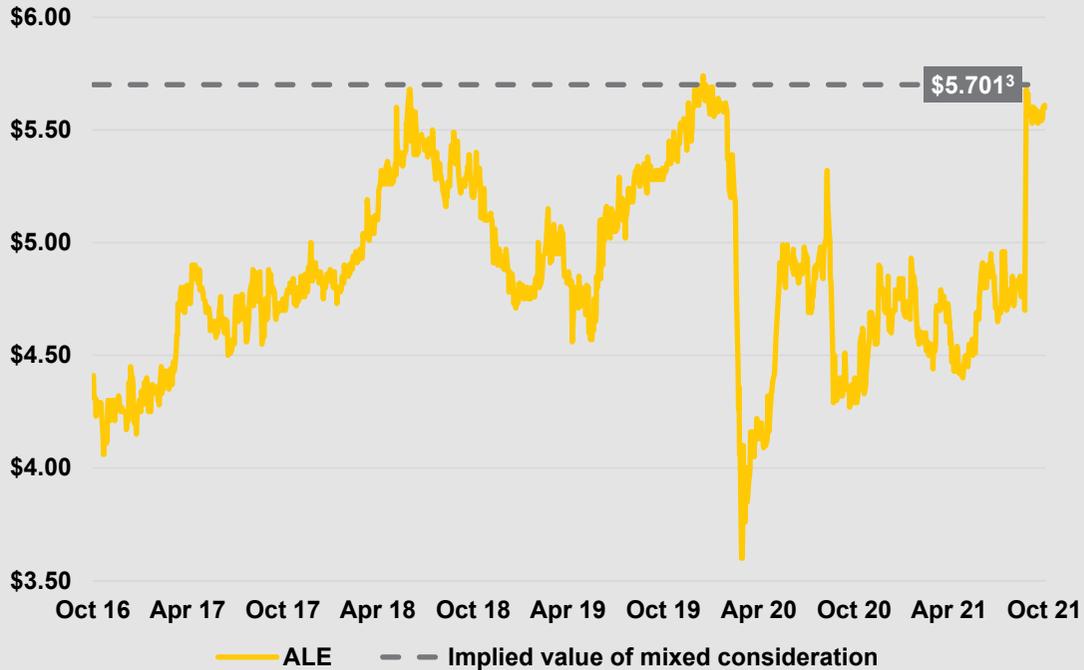
# Scheme Consideration

Mixed consideration represents a significant premium to key recent trading metrics and NTA

Premium analysis<sup>1</sup>



Security price performance<sup>2</sup>



1: Source: IRESS as at 17 September 2021 (being the last trading day prior to announcement of the Scheme Implementation Deed)  
 2: Source: IRESS, 5 years to 26 October 2021  
 3: Based on a closing price of CLW Securities of \$4.97 on 26 October 2021, being the last practicable trading day before the date of the Scheme Booklet

# ALE Directors' Recommendation

The Directors unanimously recommend that ALE Securityholders vote in favour of the Schemes, in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude that the Schemes are in the best interests of ALE Securityholders

*ALE's Board and management, in conjunction with its advisers, have carefully considered the outlook for ALE Group as a standalone entity, having regard to:*

<b>1</b> Structure and terms of the existing lease arrangements with Endeavour Group	<b>2</b> Prospects for future development of ALE's portfolio and the potential value that could accrue to ALE Securityholders	<b>3</b> 2018 rent determination process, including outcomes and implications for the 2028 uncapped rent review as well as the impact on the future prospects of ALE Group
<b>4</b> Result of the Victorian litigation and residual uncertainty in relation to the 2018 rent determination process	<b>5</b> Results of independent desktop assessments for ALE's portfolio as at 30 August 2021, which increased the carrying value of ALE's portfolio by ~ 6% relative to carrying values at 30 June 2021	<b>6</b> Various historic initiatives to seek to restructure the leases and rent review process with ALH that were not progressed to a mutually acceptable outcome

# Independent Expert's Conclusion

Kroll as Independent Expert concluded that the Schemes are in the best interests of ALE Securityholders in the absence of a Superior Proposal

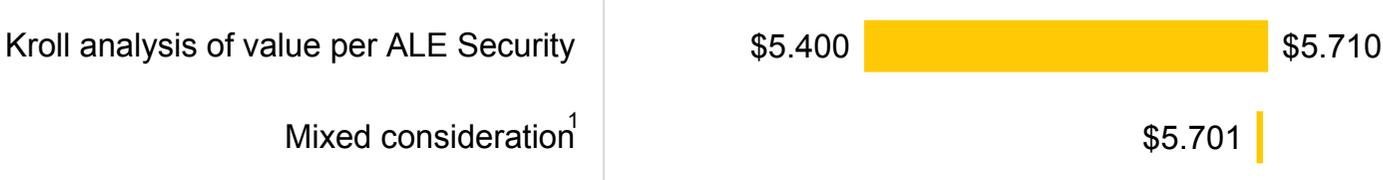
## Independent Expert's conclusions

- In the absence of a superior proposal, the Schemes are in the best interests of ALE Securityholders

## Subsequent to independent expert's report

- No competing proposal has been received since the Schemes were announced on 20 September 2021
- ALE is not in discussions with any other interested parties

### Kroll's assessment of ALE Security value



1: Based on a closing price of CLW Securities of \$4.97 on 26 October 2021, being the last practicable trading day before the date of the Scheme Booklet

## Status of Conditions

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ALE Directors are not aware of any circumstances which would prevent any outstanding conditions from being satisfied

### Securityholder approval

- The Schemes remain subject to ALE Securityholders passing each of the Resolutions during today's Scheme Meetings by the requisite majorities

### Court approval

- The Schemes remain subject to the Supreme Court of New South Wales approving the Schemes in accordance with the Corporations Act and granting the second judicial advice
- The second court hearing is scheduled to be held on Tuesday, 7 December 2021

### Other customary conditions

- The Scheme Implementation Deed outlines a number of other customary conditions that must be satisfied for the Schemes to be implemented

### Conditions likely to be satisfied

- ALE Directors are not currently aware of any circumstances which would prevent any of the outstanding conditions from being satisfied

# Indicative Timetable to Implementation

Indicative timetable suggests that eligible securityholders are entitled to receive the Scheme Consideration on 17 December 2021



# Questions?