

HOSPITALITY PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2005/014211/06)

Company code: HPAI

(Approved as a REIT by the JSE)

JSE share code: HPB

ISIN: ZAE000214656

(“**Hospitality**” or the “**Company**”)

UPDATE IN RESPECT OF THE SCHEME OF ARRANGEMENT

*Unless otherwise defined, all capitalised terms have the same meanings as defined in the joint offer circular issued by the Company and Tsogo Sun Hotels, dated 21 October 2020 (“**Circular**”).*

Hospitality shareholders (“**Hospitality Shareholders**”) are referred to Circular containing details of the offer by Tsogo Sun Hotels to acquire all of the issued Hospitality shares other than those held by Tsogo Sun Hotels and its subsidiaries and treasury shares, by way of:

- a scheme of arrangement in terms of section 114(1) read with section 115 of the Companies Act, proposed by the board of directors of Hospitality to the shareholders of Hospitality (“**Scheme**”); or
- if the Scheme fails to be implemented in accordance with its terms, a general offer by Tsogo Sun Hotels to the Hospitality Shareholders in terms of sections 117(1)(c)(v) of the Companies Act and paragraphs 1.15(c) of section 1 of the Listings Requirements (“**General Offer**”); and
- the delisting of all Hospitality shares from the main board of the JSE pursuant to the implementation of the Scheme or, if the Scheme fails, pursuant to the General Offer being implemented,

(collectively, the “**Offer**”).

Hospitality Shareholders are furthermore referred to the announcement published on SENS on 19 November 2020, regarding the results of the shareholders meeting (“**General Meeting**”), in which it was noted that the special resolution to approve the Scheme was passed by the requisite majority of votes of Hospitality Shareholders present in person or represented by proxy at the General Meeting.

The Scheme remains subject to the fulfilment of waiver, as the case may be, of the following Scheme Conditions Precedent set out in the Circular:

- no Valid Demands are received by Hospitality or, if any Valid Demands are received by Hospitality, such Valid Demands are received from Hospitality Shareholders who, in aggregate, hold less than the aggregate number of Hospitality Shares as Tsogo Sun Hotels and Hospitality may determine by agreement; and
- the TRP having issued a compliance certificate in respect of the Scheme in terms of section 119(4)(b) of the Companies Act.

Hospitality Shareholders are further advised that the General Offer can only be implemented if the Scheme fails to be implemented.

A further announcement will be released on SENS notifying Hospitality Shareholders once (i) the aforementioned Scheme Conditions Precedent have been fulfilled or waived; or (ii) the Scheme has failed. Such announcement will, to the extent necessary, provide Hospitality Shareholders with the updated salient dates and times pertaining to the implementation of the Scheme or the General Offer, as the case may be.

The Independent Board accepts responsibility for the information contained in this announcement and confirm that to the best of their respective knowledge and belief, the information set out herein is true and this announcement does not omit anything likely to affect the importance of the information included.

Fourways

8 December 2020

Legal adviser to Tsogo Sun Hotels and Hospitality

Edward Nathan Sonnenbergs Incorporated

Sponsor to Tsogo Sun Hotels and Transaction Sponsor to Hospitality

Investec Bank Limited