



HUNTER HALL INTERNATIONAL LIMITED

ABN 43 059 300 426

27 February 2017

Market Announcements Office
ASX Limited
Level 5, 20 Bridge Street
Sydney NSW 2000

Market update on offers from WH Soul Pattinson and Pinnacle Investment Management

Update on Pinnacle Revised Takeover Offer

On 20 February 2017, Pinnacle Investment Management Group Limited (**Pinnacle**), through its wholly owned subsidiary Pinnacle Ethical Investment Holdings Limited ACN 616 932 711 (**Pinnacle Bidder**), announced the intention to vary its takeover offer to acquire all of the shares in Hunter Hall International Limited (**HHL**) (**Pinnacle Revised Takeover Offer**).

The Pinnacle Revised Takeover Offer consideration comprises a conditional and unconditional offer price whereby:

- the unconditional offer price is \$2.00 cash per HHL share; and
- the conditional offer price will be \$2.40 cash per HHL share, provided that the Pinnacle Bidder reaches a relevant interest in at least 24% of HHL shares prior to the scheduled offer closing (being 7.00pm on Wednesday 15 March 2017 unless extended).

Update on WHSP Revised Takeover Offer

Also on 20 February 2017, WHSP Hunter Hall Pty Ltd ACN 616 648 241 (**WHSP Bidder**), a directly wholly owned subsidiary of Washington H. Soul Pattinson and Company Limited ACN 000 002 728 (**WHSP**), lodged a third Supplementary Bidder's Statement in relation to its takeover offer to acquire all of the shares in HHL which are not already owned by WHSP. On 24 February 2017, WHSP lodged a fourth Supplementary Bidder's Statement extending the offer period (**WHSP Revised Takeover Offer**).

Under the WHSP Revised Takeover Offer:

- the offer period has been extended to 7.00pm on Friday 3 March 2017 (unless extended); and
- the offer consideration now comprises an unconditional offer price of \$2.00 cash per HHL share (as the previously announced offer price of \$2.20 per HHL share, conditional on WHSP Bidder acquiring 44% of HHL shares, expired at 7pm on 24 February 2017).

Recommendation In Relation to Off-Market Takeover Offers

The Independent Directors of HHL have carefully considered the WHSP Revised Takeover Offer and recommend that you **REJECT** the WHSP Revised Takeover Offer as they consider that it significantly undervalues your HHL shares.

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The Independent Directors have also carefully considered the Pinnacle Revised Takeover Offer and recommend that you **REJECT** the Pinnacle Revised Takeover Offer as they consider that it significantly undervalues your HHL shares.

Both the WHSP Revised Takeover Offer and the Pinnacle Revised Takeover Offer represent a material discount to the estimated fair market value of HHL shares which has been assessed by the independent expert (as set out in the Target's Statements which have previously been sent to HHL shareholders) to be \$2.75 to \$3.20.

The closing price of HHL shares on 24 February 2017 was \$2.51 per HHL share.

To reject the takeover offers, HHL shareholders do not need to do anything. As such, **NO ACTION** is required by HHL shareholders at this time.

Other Important Information for HHL Shareholders

On 17 February 2017, John Bridgeman Limited and its associates (**JBL**) (who already hold 6.55% of Hunter Hall Shares) announced it had amended its instructions to brokers and removed the price cap of \$2.40 previously announced. JBL's brokers will now seek to acquire shares in HHL in the market up to the aggregate of 20% permitted under the Corporations Act, at prices authorised by JBL from time to time.

The Independent Directors, in conjunction with their advisors, continue to explore all strategic options in the best interests of all HHL shareholders and are currently in discussions with a number of strategic parties.

The independent board committee is being advised by K&L Gates as legal advisor and Moelis & Company as financial advisor.



Kevin Eley
Chairman

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