

**CDL Hotels Holdings New Zealand Limited**

Floor 7, 23 Customs Street East

Auckland Central

Auckland 1010

New Zealand

Millennium & Copthorne Hotels New Zealand Limited  
Floor 7, 23 Customs Street East,  
Auckland Central,  
Auckland, 1010,  
New Zealand

**NOTICE OF INTENTION TO MAKE AN OFFER FOR ORDINARY SHARES IN MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED UNDER THE TAKEOVERS CODE**

CDL Hotels Holdings New Zealand Limited ("**CDLHH NZ**") advises pursuant to rule 41 of the Takeovers Code that it intends to make a full offer under the Takeovers Code to purchase all of the fully paid ordinary shares in Millennium & Copthorne Hotels New Zealand Limited ("**MCK**") not already held by CDLHH NZ.

Attached is the form of offer document proposed to be sent pursuant to rule 43 of the Takeovers Code. It includes the information specified in Schedule 1 to the Takeovers Code which is required to be contained in, or to accompany, this notice (stated as at the date of this notice).

The offer will be made in the form of the attached offer document, with any variations, amendments and additional information permitted or required by the Takeovers Code.

This notice is dated this 20<sup>th</sup> day of January 2025.

For and on behalf of CDL Hotels Holdings New Zealand Limited by:



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**Eik Sheng Kwek**  
Director

cc                   **The Takeovers Panel**  
Level 3, Solnet House  
70 The Terrace  
PO Box 1171  
Wellington 6011  
By email: [takeovers.panel@takeovers.govt.nz](mailto:takeovers.panel@takeovers.govt.nz)

cc                   **NZX Limited**  
NZX Centre, Level 2  
11 Cable Street  
PO Box 2959  
Wellington 6140  
By email: [announce@nzx.com](mailto:announce@nzx.com)

# **FULL TAKEOVER OFFER BY CDL HOTELS HOLDINGS NEW ZEALAND LIMITED FOR MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED**

## **IMPORTANT**

If you are in doubt as to any aspect of this offer, you should consult your financial or legal adviser.

If you have sold all your shares in Millennium & Copthorne Hotels New Zealand Limited to which this offer applies, you should immediately hand this offer document and the accompanying acceptance form to the purchaser or the agent (eg the broker) through whom the sale was made, to be passed to the purchaser.

Millennium & Copthorne Hotels New Zealand Limited's target company statement, together with an independent adviser's report on the merits of this offer either accompanies this offer or will be sent to you within 10 working days and should be read in conjunction with this offer.

## OVERVIEW OF THE OFFER

CDL Hotels Holdings New Zealand Limited ("**CDLHH NZ**") is offering to acquire all of the fully paid ordinary shares ("**Shares**") in Millennium & Copthorne Hotels New Zealand Limited ("**MCK**") not already held by CDLHH NZ ("**Offer**").

MCK also has on issue redeemable preference shares listed on the NZX Main Board under the ticker 'MCKPA' (the "**Preference Shares**"). The Preference Shares are not covered under the Takeovers Code and are accordingly not included in the Offer. Independently of the Offer, CDLHH NZ is willing to acquire the Preference Shares at \$1.70 per share via its broker, Craigs Investment Partners, through buying on the NZX Main Board. CDLHH NZ may also elect to seek to have the Preference Shares issued by MCK redeemed, if CDLHH NZ is successful in acquiring all of the outstanding Shares.

The key terms of the Offer are:

<b>OFFER PRICE</b>	<b>\$2.25 for each Share, payable in cash.</b>
<b>FULL OFFER</b>	The Offer is for 100% of the Shares not already held by CDLHH NZ.
<b>HOW TO ACCEPT</b>	If you wish to <b>ACCEPT</b> the Offer in respect of your Shares, please refer to the section " <b>How to accept this Offer</b> " on pages [7] and [8] of this Offer Document.
<b>CONDITIONS</b>	<p>The Offer is conditional on:</p> <ul style="list-style-type: none"> <li>• <b>Minimum acceptance condition:</b> CDLHH NZ receiving acceptances by no later than 5:00pm on the Closing Date in respect of Shares that would, when taken together with Shares already held or controlled by CDLHH NZ, confer on CDLHH NZ 90% or more of the voting rights in MCK;</li> <li>• <b>OIO condition:</b> CDLHH NZ obtaining consent under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005 for CDLHH NZ to own and control all of the Shares; and</li> <li>• <b>Other conditions:</b> none of the events set out in paragraph 6.2 of the Offer Terms and Conditions occurring in the period from (and including) the 20<sup>th</sup> day of January 2025 until the Offer is declared unconditional by CDLHH NZ.<sup>1</sup></li> </ul>
<b>OFFER PERIOD</b>	The Offer is open for acceptance from [ <i>insert offer date:</i> 3 February 2025] and remains open for acceptance until 5:00pm on [ <i>insert end of offer period:</i> 2 May 2025] (unless extended in accordance with the Takeovers Code).

<sup>1</sup> As detailed further in paragraph 6.6, CDLHH NZ intends to waive the conditions in paragraph 6.2 and declare the Offer unconditional as soon as practicable following (and in any case within two working days of) satisfaction (or waiver) of the last to be satisfied (or waived) of the minimum acceptance and OIO conditions, provided that no event or circumstance has occurred which results in any of the conditions in paragraph 6.2 not being satisfied or fulfilled (and which has not been waived by CDLHH NZ) and provided that CDLHH NZ is not investigating on reasonable grounds whether any such event or circumstance has occurred.

<b>PAYMENT DATE</b>	<p>If you accept the Offer you will be paid for your Shares taken up under the Offer no later than five working days after the latest of:</p> <ul style="list-style-type: none"> <li>• the date on which the Offer becomes unconditional;</li> <li>• the date on which CDLHH NZ receives your acceptance of the Offer; or</li> <li>• the date of the end of the offer period (being the Initial Closing Date specified at paragraph 1.4(a)).</li> </ul>
<b>BROKERAGE COSTS</b>	<p>You will not pay any brokerage costs if you accept the Offer.</p>
<b>IMPORTANT CONTACTS</b>	<p>If you have any questions about the Offer or you require further copies of this Offer Document and its enclosures (including the Acceptance Form), you should contact the share registrar for the Offer, MUFG Corporate Markets:</p> <p>Telephone:           +64 9 375 5998  Email:                 <a href="mailto:applications@linkmarketservices.co.nz">applications@linkmarketservices.co.nz</a></p> <p>Alternatively, you should contact your financial or legal adviser.</p>

**THIS IS ONLY A SUMMARY OF THE OFFER. DETAILED TERMS AND CONDITIONS OF THIS OFFER ARE SET OUT ON THE FOLLOWING PAGES. YOU SHOULD READ THOSE TERMS AND CONDITIONS CAREFULLY AND IN FULL.**

## HOW TO ACCEPT THIS OFFER

<b>CLOSING DATE</b>	<p>The Offer closes at 5:00pm on [<i>insert end of offer period:</i> <b>2 May 2025</b>] (unless extended in accordance with the Takeovers Code) ("<b>Closing Date</b>").</p> <p>If you wish to <b>ACCEPT</b> the Offer, you must ensure that you accept the Offer online or complete the Acceptance Form and send it so that it is received by CDLHH NZ before 5:00pm on the Closing Date.</p>
<b>HOW TO ACCEPT</b>	<p>To <b>ACCEPT</b> the Offer, you should either:</p> <ul style="list-style-type: none"> <li>• accept the Offer online at <a href="https://mck.takeovers.co.nz">https://mck.takeovers.co.nz</a> prior to 5:00pm on the Closing Date; or</li> <li>• complete and sign the Acceptance Form enclosed with this Offer Document in accordance with the instructions set out on that form and return that form in one of the ways described below prior to 5:00pm on the Closing Date.</li> </ul>
<b>ADDRESS FOR ACCEPTANCE</b>	<p>If you choose to accept the Offer by completing the Acceptance Form, you should email, post or hand deliver your completed and signed Acceptance Form to CDLHH NZ at one of the following addresses (if mailing from overseas please affix the required postage stamp):</p> <p><b>By email</b>  <a href="mailto:applications@linkmarketservices.co.nz">applications@linkmarketservices.co.nz</a>          (Please type "Millennium &amp; Copthorne Hotels New Zealand Limited Acceptance" in the subject line for easy identification)</p> <p><b>By post</b>          CDL Hotels Holdings New Zealand Limited          C/o MUFG Corporate Markets          PO Box 91976          Auckland 1142          New Zealand</p> <p><b>By hand delivery</b>          CDL Hotels Holdings New Zealand Limited          C/o MUFG Corporate Markets          Level 30, PWC Tower          15 Customs Street West          Auckland 1010</p>
<b>IF YOU HAVE SOLD ALL YOUR SHARES</b>	<p>If you have sold all of your Shares, please send this document immediately to the relevant purchaser or agent (eg broker) through whom the sale was made, to be passed to the purchaser.</p>

<p><b>IF YOU HAVE SOLD SOME OF YOUR SHARES</b></p>	<p>If you have sold some of your Shares and wish to <b>ACCEPT</b> the Offer in respect of all or some of the Shares you have retained, please:</p> <ul style="list-style-type: none"> <li>• if you wish to accept online, alter the holding displayed on the acceptance screen (if not updated) to the number of Shares which you have retained and wish to accept the Offer for; or</li> <li>• if you wish to accept using the Acceptance Form, alter the total holding printed on the Acceptance Form to the number of Shares which you have retained and wish to accept the Offer for, initial the change and return such amended Acceptance Form in any way as instructed above.</li> </ul> <p>Upon receipt of your amended online acceptance or Acceptance Form, CDLHH NZ will re-calculate the consideration to which you are entitled to reflect the number of Shares for which you have accepted the Offer.</p> <p>Please also advise the purchaser(s) of your Shares, or request the broker through whom you made the sale to advise the purchaser(s) of your Shares, of the Offer and that information in respect of the Offer is available from MUFG Corporate Markets.</p>
<p><b>IF YOU HAVE LOST YOUR ONLINE OFFER DETAILS OR ACCEPTANCE FORM</b></p>	<p>If you have lost your online Offer details or the Acceptance Form, please contact the share registrar for the Offer, MUFG Corporate Markets, on +64 9 375 5998 or email <a href="mailto:applications@linkmarketservices.co.nz">applications@linkmarketservices.co.nz</a>.</p>

## TERMS AND CONDITIONS OF THE OFFER

### FULL TAKEOVER OFFER BY CDL HOTELS HOLDINGS NEW ZEALAND LIMITED TO PURCHASE ALL OF THE SHARES OF MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED NOT ALREADY HELD

#### 1. THIS OFFER

- 1.1 CDL Hotels Holdings New Zealand Limited ("**CDLHH NZ**") offers to purchase all of the fully paid ordinary shares ("**Shares**") in Millennium & Copthorne Hotels New Zealand Limited ("**MCK**") not already held by CDLHH NZ on the terms, and subject to the conditions, set out in this Offer Document ("**Offer**").
- 1.2 The Offer to purchase your Shares includes the purchase of all rights, benefits and entitlements (such as entitlements to dividends, bonus issues and other payments and distributions of any nature) which attach to your Shares on, after, or by reference to the 20<sup>th</sup> day of January 2025. ("**Entitlements**"). 20 January 2025 is the "**Notice Date**" for the purposes of the Offer.
- 1.3 The Offer is dated [*insert offer date:* 3 February 2025] ("**Offer Date**").
- 1.4 The Offer will remain open for acceptance until 5:00pm on the "**Closing Date**", which is:
- (a) [*insert end of initial offer period of 60 working days as latest date permitted by rule 24(2)(b):* 2 May 2025] ("**Initial Closing Date**"); or
  - (b) if the Offer is extended to a later date in accordance with the Takeovers Code, that later date.

#### 2. CONSIDERATION

- 2.1 The consideration offered by CDLHH NZ for each Share is \$2.25 in cash.
- 2.2 The consideration paid for Shares may be adjusted by CDLHH NZ in accordance with paragraphs 8.1, 8.4 and 8.6. If CDLHH NZ adjusts the consideration, references to the consideration in paragraph 2.1 will be to the consideration as adjusted.

#### 3. PAYMENT

- 3.1 CDLHH NZ will pay you the consideration for your Shares taken up under the Offer no later than five working days after the latest of:
- (a) the date on which CDLHH NZ receives your acceptance of the Offer;
  - (b) the date on which the Offer becomes unconditional; or
  - (c) the date of the end of the offer period (being the Initial Closing Date specified at paragraph 1.4(a)).
- 3.2 If the Offer becomes unconditional prior to the end of the offer period, CDLHH NZ intends to make payment of the consideration in respect of Acceptances received prior to the Offer becoming unconditional and will continue to make payment of the consideration in respect of subsequent Acceptances received.

3.3 If CDLHH NZ does not send you payment for your Shares within the period specified in paragraph 3.1 you may withdraw your acceptance of the Offer by notice in writing to CDLHH NZ, but only:

- (a) after the expiration of five working days written notice to CDLHH NZ of your intention to do so; and
- (b) if you do not receive the price for your Shares during the five working day period referred to in paragraph 3.3(a).

3.4 Further information about how CDLHH NZ will pay you is set out in paragraph 7.

#### 4. HOW TO ACCEPT THIS OFFER

4.1 This Offer Document is accompanied by an Acceptance Form for you to use to accept the Offer for your Shares.

4.2 To accept the Offer, you only need to:

##### **Online Acceptance**

- (a) accept the Offer in respect of your Shares online at <https://mck.takeovers.co.nz>;  
or

##### **Paper form Acceptance**

- (b) complete the enclosed Acceptance Form for the Offer in accordance with the instructions on that Acceptance Form; and
- (c) return that completed Acceptance Form to CDLHH NZ by email, post or hand delivery so that it is received by CDLHH NZ by no later than 5:00pm on the Closing Date, by:

##### **Email**

[applications@linkmarketservices.co.nz](mailto:applications@linkmarketservices.co.nz)

(Please type "Millennium & Copthorne Hotels New Zealand Limited Acceptance" in the subject line for easy identification)

##### **Post**

CDL Hotels Holdings New Zealand Limited  
C/o MUFG Corporate Markets  
PO Box 91976  
Auckland 1142  
New Zealand

##### **Hand delivery**

CDL Hotels Holdings New Zealand Limited  
C/o MUFG Corporate Markets  
Level 30, PWC Tower  
15 Customs Street West  
Auckland 1010

4.3 If you lose your online Offer details or lose or damage your Acceptance Form, please request another one from the share registrar for the Offer, MUFG Corporate Markets, at the contact details set out above, or by calling +64 9 375 5998.



- 4.4 If CDLHH NZ receives an Acceptance after 5:00pm on the Closing Date which bears a postmark or other evidence of postage or despatch on or prior to 5:00pm on the Closing Date, that Acceptance will be deemed to have been received by CDLHH NZ prior to 5:00pm on the Closing Date (including for the purposes of the condition in paragraph 6.1(a)).
- 4.5 CDLHH NZ may, in its discretion:
- (a) treat any Acceptance as valid even if that Acceptance does not comply with any instructions on that Acceptance Form or provided online at <https://mck.takeovers.co.nz>; and
  - (b) rectify any errors in, or omissions from, any Acceptance to enable that form to constitute a valid acceptance of this Offer and to facilitate registration of the transfer of the relevant Shares to CDLHH NZ.
- 4.6 CDLHH NZ will determine, in its discretion, all questions about Acceptances and related documents, including the validity, eligibility, time of receipt, and effectiveness, of an acceptance of the Offer. CDLHH NZ's determination will be final and will bind you and all other persons.
- 4.7 CDLHH NZ may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms ("**Brokers**") to contact holders of Shares and receive Acceptance Forms for the Shares. If CDLHH NZ chooses to do this, the key terms of engagement will be as follows:
- (a) for each completed and valid Acceptance Form procured by a Broker, CDLHH NZ may pay to that Broker a handling or procurement fee in respect of the Shares which are the subject of the Acceptance Form ("**Procurement Fee**"). The amount of the Procurement Fee will be 0.75% of the consideration payable by CDLHH NZ under this Offer in respect of the Acceptance Form received. The Procurement Fee will be subject to a minimum amount of \$50 and a maximum amount of \$750 for a single Acceptance Form inclusive of GST, if any;
  - (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to CDLHH NZ and must not, directly or indirectly, pass any or all of the Procurement Fee on to you, or share the Procurement Fee with you;
  - (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is in all respects conditional on the Shares, which are the subject of that Acceptance Form, being validly transferred to CDLHH NZ. No Procurement Fees will be payable if this Offer is not declared unconditional by CDLHH NZ. In addition, the Acceptance Form must be delivered to CDLHH NZ in accordance with paragraph 4.2 and, unless CDLHH NZ in its sole discretion determines otherwise, must be stamped by the Broker (and only that Broker). A Procurement Fee will not be paid in respect of Shares acquired by CDLHH NZ through the compulsory acquisition provisions set out in Part 7 of the Takeovers Code;
  - (d) Brokers are precluded from receiving any Procurement Fee in respect of Shares in which they or their associates have a relevant interest (as defined in Part 5 of the Financial Markets Conduct Act 2013);
  - (e) CDLHH NZ may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptance of this Offer procured by that Broker if CDLHH NZ believes that a party has structured holdings of Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 4.7;

- (f) CDLHH NZ will determine, in its sole discretion, any disputes relating to the payment of a Procurement Fee. The determination of CDLHH NZ will be final and binding on all parties; and
- (g) no Procurement Fees will be payable in respect of Shares for which an online Acceptance is used.

## 5. KEY TERMS OF THIS OFFER

### Acceptance of this Offer and your agreement to sell your Shares

- 5.1 This Offer is made to all holders of Shares in MCK and is open for acceptance in accordance with its terms by each such person, whether or not you acquired Shares before, on or after the date of the Offer.
- 5.2 You may accept the Offer for some or all of your Shares.
- 5.3 If you accept the Offer you create a binding contract with CDLHH NZ. You agree to sell, and CDLHH NZ agrees to purchase, the Shares for which you accept the Offer and all Entitlements attaching to those Shares on the terms, and subject to the conditions, of this Offer and the provisions of the Takeovers Code.
- 5.4 Your acceptance of the Offer is irrevocable. You may not withdraw your acceptance, whether or not CDLHH NZ has varied the Offer in accordance with the Takeovers Code, except in accordance with paragraph 3.2 (which allows you to withdraw your acceptance in the event that CDLHH NZ does not pay you within a specified period). You may, however, be released from the obligations arising from acceptance of the Offer in the limited circumstances set out in paragraph 5.15.
- 5.5 Your acceptance of the Offer must be free of any and all amendments, restrictions, or conditions of any nature whatsoever not permitted by this Offer ("**Condition of Acceptance**"). If you attempt or purport to impose any Condition of Acceptance, it will be void and of no effect and CDLHH NZ will be entitled to treat your acceptance as a valid and binding acceptance of the Offer free and clear of any Condition of Acceptance.

### Conditions of this Offer

- 5.6 The Offer is subject to the conditions set out in paragraphs 6.1 and 6.2.
- 5.7 The latest date on which CDLHH NZ can declare the Offer unconditional ("**Condition Date**") is [*insert latest date permitted by rule 25(3A)*]: 30 May 2025, being 20 working days after the Initial Closing Date.
- 5.8 CDLHH NZ may, subject to paragraphs 6.4, 6.6, 6.7 and the Takeovers Code, invoke a condition of the Offer at any time prior to 5:00pm on the Condition Date. If this Offer is not declared unconditional, or the outstanding conditions to it are not waived, by CDLHH NZ by 5:00pm on the Condition Date, then this Offer will lapse and CDLHH NZ and you will be released from any and all obligations under this Offer (and any contract arising from acceptance of it).

### Your obligations on acceptance of this Offer

- 5.9 Legal and beneficial ownership of, and title to, the Shares (and all other securities referred to in paragraphs 8.4 to 8.6) for which you accept the Offer and the Entitlements attaching to those Shares will pass and transfer to CDLHH NZ free of any security interests, mortgages, options, liens, charges, encumbrances or other adverse interests of any

nature ("**Encumbrances**") on payment of the price for your Shares in accordance with paragraphs 3.1 and 7.

- 5.10 You must, on request by CDLHH NZ, provide to CDLHH NZ or MCK's share registrar satisfactory evidence of your entitlement to the Shares for which you have, or wish to, accept the Offer and the full and immediately effective release and discharge of any and all Encumbrances over those Shares. CDLHH NZ may treat your acceptance as invalid if you do not comply with your obligations under this paragraph 5.10, and CDLHH NZ is not obliged to notify you that CDLHH NZ has done so.
- 5.11 You will not, and will not attempt or agree to, sell, transfer, grant an Encumbrance over or otherwise dispose of any interest in or control over any or all of the Shares for which you accept the Offer, except for acceptance of the Offer.
- 5.12 You irrevocably authorise and instruct MCK and MCK's share registrar to refuse to register any transfer of any or all of the Shares for which you accept the Offer, except for transfers of Shares to CDLHH NZ in accordance with the terms of the Offer. You agree that MCK and MCK's share registrar may rely on the authorisation set out in this paragraph 5.12, even if you attempt to revoke your authorisation. This paragraph will cease to apply if you are released from your obligations under paragraph 5.15.

**Your warranties to CDLHH NZ**

- 5.13 By accepting the Offer (either by using your online Offer details or by returning the completed Acceptance Form) you will be deemed to represent and warrant to CDLHH NZ that:
- (a) you are:
    - (i) the sole legal and beneficial owner of the Shares (and all other securities referred to in paragraphs 8.4 to 8.6) for which you accept the Offer; or
    - (ii) the sole legal owner of the Shares (and all other securities referred to in paragraphs 8.4 to 8.6) for which you accept the Offer and you are entitled to deal with those Shares,and, in either case, you have all necessary power, capacity and authority to sell those Shares (and all other securities referred to in paragraphs 8.4 to 8.6) and accept the Offer;
  - (b) your Acceptance has been duly completed and executed and is binding on you in accordance with its terms and the terms of the Offer; and
  - (c) legal and beneficial title and ownership of the Shares (and all other securities referred to in paragraphs 8.4 to 8.6) for which you accept the Offer will pass to CDLHH NZ free from Encumbrances and in accordance with paragraph 5.9.
- 5.14 Despite anything to the contrary in your Acceptance, if you are a joint holder of Shares (whether or not as a trustee of a trust) and the relevant Acceptance is signed or otherwise completed by one or some, but not all, joint holders, then you represent and warrant to CDLHH NZ, jointly and severally if signed by more than one person, that:
- (a) the holder(s) who has/have signed or otherwise completed the Acceptance do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed or otherwise completed the Acceptance, that such authority has not been revoked, and that the Acceptance is binding on the joint holder(s) who has/have not signed or otherwise completed such Acceptance; and

- (b) if you hold the relevant Shares as a trustee of a trust, the instrument constituting the trust permits the execution or completion of the Acceptance in the manner in which it was executed or completed.

**All obligations will be released in certain circumstances**

- 5.15 You will be, and CDLHH NZ will be, released from any and all obligations arising from the Offer and/or from your acceptance of the Offer if CDLHH NZ withdraws the Offer with the consent of the Takeovers Panel or if the Offer lapses as a result of any condition in paragraph 6.1 or 6.2 not being satisfied or waived by 5:00pm on the Condition Date. If the Offer is withdrawn or lapses, CDLHH NZ may destroy all Acceptances.

**6. CONDITIONS OF THIS OFFER**

- 6.1 The Offer and any contract arising from acceptance of it are conditional on:

- (a) CDLHH NZ receiving acceptances by no later than 5:00pm on the Closing Date in respect of Shares that would, when taken together with Shares already held or controlled by CDLHH NZ, confer on CDLHH NZ 90% or more of the voting rights in MCK; and
- (b) CDLHH NZ obtaining consent under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005 for CDLHH NZ to own and control all of the Shares on terms and conditions which are of a kind commonly imposed in respect of such consents, or on terms and conditions proposed by CDLHH NZ in its application for consent, or are otherwise on terms and conditions which are reasonable.

- 6.2 The Offer and any contract arising from acceptance of it are also subject to the conditions that, except as otherwise agreed in writing by CDLHH NZ, during the period from (and including) the Notice Date until the time the Offer is declared unconditional by CDLHH NZ:

- (a) no dividends or other payments or distributions (within the meaning of the Companies Act 1993) of any nature (including, without limitation, any share buybacks, redemptions or other form of capital reduction) have been or will be announced, authorised, declared, paid, or made, on or in respect of, any of the Shares or any other securities in any member of the MCK Group other than a dividend or distribution from one wholly-owned member of the MCK Group to MCK or to another wholly-owned member of the MCK Group;
- (b) no shares, convertible securities, other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in any ordinary shares) of any member of the MCK Group have been, or will be, issued, agreed to be issued or made the subject of any option or right to subscribe by any member of the MCK Group other than pursuant to an Intra-Group Transaction;
- (c) there has not been and there will not be any alteration of the rights, privileges, benefits, entitlements or restrictions attaching to any of the Shares or other securities or financial products (if any) of any member of the MCK Group;
- (d) no action, claim, litigation, prosecution or other form of proceeding that, as at the Notice Date was not publicly announced to NZX, is notified or commenced against, or by, any member of the MCK Group that is material to the MCK Group, taken as a whole;

- (e) the businesses of each member of the MCK Group are carried on in the normal and ordinary course, consistent with past practices, including without limitation:
  - (i) no member of the MCK Group makes or agrees to make any unusual or abnormal payment or enters into, or agrees to enter into, any new contract, commitment, liability, arrangement or agreement, or alters, or agrees to alter, the terms of any existing contract, commitment, liability, arrangement or agreement providing for any payments by a member of the MCK Group over its term, of more than \$500,000, otherwise than in the ordinary course of business or pursuant to any transaction which has been publicly announced to NZX before the Notice Date or pursuant to an Intra-Group Transaction;
  - (ii) no member of the MCK Group disposes of, purchases, offers, announces a bid or tender for, transfers, leases, grants or permits any Encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in, an asset, business, operation, property, share, interest in a joint venture, entity, undertaking or subsidiary (or agrees, including agreeing to vary any agreement, to do any of these things), in each case having a value of an amount of more than \$500,000, otherwise than in the ordinary course of business or pursuant to any transaction which has been publicly announced to NZX before the Notice Date or pursuant to an Intra-Group Transaction;
  - (iii) no member of the MCK Group (separately or together), undertakes or commits to any capital expenditure or divestment having a value of more than \$1,000,000 in aggregate (either by a single act or a series of related acts), other than in the ordinary course of business or the completion of transactions entered into prior to the Notice Date or pursuant to any transaction which has been publicly announced to NZX before the Notice Date;
  - (iv) no major transactions (as defined in section 129(2) of the Companies Act 1993), are entered into, terminated or materially varied, by any member of the MCK Group other than pursuant to a solely Intra-Group Transaction; and
  - (v) there is no announcement to do any of the actions set out in subparagraphs (i) to (iv) above;
- (f) there is no alteration to the constitutional documents of any member of the MCK Group, or to any agreement under which any securities or financial products have been issued by any member of the MCK Group, other than amendments that are of a formal or technical (and not substantive) nature, or amendments required to comply with the NZX Listing Rules;
- (g) no member of the MCK Group changes, or agrees to change, the remuneration or any other material terms of employment of any director, officer, employee or consultant (except for ordinary wage or salary increases in accordance with any established review policy), or commences the employment of any person (except where such commencement is for the purposes of filling a vacant position) at a rate of remuneration in excess of \$250,000 per annum;
- (h) no liquidator, receiver, receiver and manager, statutory manager, administrator (voluntary or otherwise) or similar official is appointed in respect of any member of the MCK Group or any of its assets, and no proceeding or other action to appoint such a person is commenced or taken;

- (i) no resolution is passed for any amalgamation of any member of the MCK Group, and none of them is involved in any merger or scheme of arrangement, and no agreement or proposal relating to any merger or scheme of arrangement is announced in respect of any of them;
- (j) no member of the MCK Group enters into or contracts to enter into or completes any transaction or arrangement to which NZX Listing Rule 5.1 (*Disposal or Acquisition of Assets*) and/or NZX Listing Rule 5.2 (*Transactions with Related Parties*) applies (or would apply but for the granting of a waiver or exemption);
- (k) there is no person exercising or stating an intention to exercise any rights or refusing to give any required waiver or consent under any provision of any agreement or other arrangement to which any member of the MCK Group is a party, or by or to which any member of the MCK Group or any of its assets may be bound or be subject, as a consequence of MCK or any of its subsidiaries becoming wholly-owned by CDLHH NZ, which results, or could reasonably be expected to result, to an extent which is materially adverse in the context of the MCK Group taken as a whole, in:
  - (i) any moneys borrowed by any member of the MCK Group becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other arrangement; or
  - (ii) any property leased or licensed by any member of the MCK Group, or any agreement to lease or license, being terminated or modified or any action being taken or arising thereunder (including any rental increase); or
  - (iii) any agreement or arrangement for the supply by any member of the MCK Group to a customer being terminated or modified or any action being taken or arising thereunder; or
  - (iv) any agreement or arrangement for the supply to any member of the MCK Group by a supplier being terminated or modified or any action being taken or arising thereunder;
- (l) there not having occurred:
  - (i) a natural disaster, accident, change of law or regulation, financial crisis or act of terrorism the impact of which; or
  - (ii) any events, changes, circumstances or conditions of the nature referred to in paragraphs 6.2(a) to 6.2(l)(i) (ignoring, for this purpose, any dollar thresholds, materiality or similar qualifications therein), which (whether or not causing a failure of any of the conditions set out in any such paragraphs), when aggregated with all other events, changes, circumstances or conditions of any of the nature referred to in such paragraphs (ignoring, for this purpose, any dollar thresholds, materiality or similar qualifications therein) that have occurred, mean that the overall impact of all such aggregated events, changes, circumstances or conditions taken as a whole,
 

has, or could reasonably be expected to have, a Material Adverse Effect;
- (m) no board resolution or shareholders' resolution of any member of the MCK Group is passed (i) to do or authorise the doing of any act or matter referred to in any

of paragraphs 6.2(a) to 6.2(j), or (ii) which could be reasonably expected to give rise to any act or matter referred to in any of paragraphs 6.2(a) to 6.2(j);

- (n) the S&P/NZX 50 Index or The Straits Times Index STI does not fall to a level that is 10% or more below the level of that index at the close of the relevant market on the working day immediately prior to the Notice Date; and
- (o) there is no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction in New Zealand or elsewhere or other legal restraint or prohibition making implementation of the Offer, or any aspect of it, void, unenforceable or illegal.

#### **Nature of the conditions of this Offer**

- 6.3 Each condition in paragraphs 6.1 and 6.2 is a separate and independent condition and is solely for CDLHH NZ's benefit. CDLHH NZ may waive any or all of those conditions, in whole or in part, and on any terms in its discretion. If CDLHH NZ waives a condition, in whole or in part, the waiver will apply only in accordance with its terms and will not operate as a waiver of or consent to any similar matter or thing. No other person has any right to waive any condition.
- 6.4 Where any condition set out in paragraph 6.1 or 6.2 requires a determination as to whether a matter is or could reasonably be expected to be material or not (including whether a matter will have, or could reasonably be expected to have, a Material Adverse Effect or not), is adverse or not, is reasonable or not, is onerous or not, is long term or not, is normal or not, is abnormal or not, is usual or not, is unusual or not, is in the ordinary course of business or not, is consistent or not, is of a formal or technical (and not substantive) nature or not, or any similar determination required in relation to any such condition, before the condition may be invoked, such determination must (unless the determination does not depend on the judgement of CDLHH NZ or any associate of CDLHH NZ (excluding any member of the MCK Group or the CDI Group)) be made by a suitably qualified expert nominated by CDLHH NZ who is independent of, and not an associate of, CDLHH NZ.

#### **This Offer will only proceed if it becomes unconditional in all respects**

- 6.5 The Offer will only proceed, and you will only be paid for your Shares to be taken up under this Offer, if each of the conditions set out in paragraphs 6.1 and 6.2 is satisfied or waived by CDLHH NZ and CDLHH NZ declares the Offer unconditional. If this does not occur, the Offer will lapse and paragraph 5.15 will apply.
- 6.6 CDLHH NZ agrees that it will as soon as practicable following (and in any case within two working days of) satisfaction (or waiver) of the last to be satisfied (or waived) of the conditions in paragraph 6.1, and provided that no event or circumstance has occurred which results in any of the conditions in paragraph 6.2 not being satisfied or fulfilled (and which has not been waived by CDLHH NZ) and provided that CDLHH NZ is not investigating on reasonable grounds whether any such event or circumstance has occurred, waive the conditions in paragraph 6.2 and declare the Offer unconditional and provide written notice of that fact to MCK, the Takeovers Panel and NZX. If CDLHH NZ is investigating whether any such event or circumstance has occurred then, if on completion of that investigation no such event or circumstance has occurred, CDLHH NZ will waive the conditions in paragraph 6.2 and declare the Offer unconditional and provide written notice of that fact to MCK, the Takeovers Panel and NZX.

#### **When CDLHH NZ will not rely on a condition**

- 6.7 CDLHH NZ will not allow the Offer to lapse:
  - (a) in unreasonable reliance on a condition of the Offer; or

- (b) in reliance on a condition of the Offer that restricts MCK or the MCK Group's activities in the ordinary course of MCK or the MCK Group's business during the period commencing on the Notice Date and ending on the Condition Date.

## **7. HOW CDLHH NZ WILL SETTLE THIS OFFER AND PAY YOU**

7.1 CDLHH NZ will pay you for your Shares taken up under this Offer in accordance with paragraph 3 and this paragraph 7 if:

- (a) the Offer becomes unconditional; and
- (b) your Acceptance is in order (or CDLHH NZ rectifies any errors in or omissions from your Acceptance or otherwise accepts your Acceptance as valid under paragraph 4.5).

7.2 CDLHH NZ will pay you for your Shares by making an electronic funds transfer to a New Zealand dollar account with a New Zealand registered bank specified by you in the Acceptance.

7.3 However, if:

- (a) your desired account is not a New Zealand dollar account with a New Zealand registered bank; or
- (b) the details that you provide to CDLHH NZ are not sufficient for CDLHH NZ to make an electronic funds transfer to your desired account,

CDLHH NZ may choose to pay you by electronic funds transfer to any existing New Zealand dollar account that you have advised to MCK's share registrar (such as for dividend payments) which is known by CDLHH NZ.

7.4 If CDLHH NZ chooses to make payment to you in accordance with paragraph 7.3:

- (a) CDLHH NZ is not obliged to notify you that CDLHH NZ has done so; and
- (b) CDLHH NZ will have no liability to you for its choice to do so.

7.5 In no circumstances will CDLHH NZ be liable to you for interest on any payment due to you.

## **8. CHANGE IN CIRCUMSTANCES**

### **Dividends and distributions**

8.1 If, on or after the Notice Date, MCK authorises, declares, makes, or pays any dividend or other payment or distribution of any nature whatsoever on Shares and the condition in paragraph 6.2(a) is waived by CDLHH NZ and the Offer otherwise becomes unconditional, then, at the option of CDLHH NZ (and subject to the terms of any waiver), either:

- (a) you will be bound to pay to CDLHH NZ on demand an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident shareholder, ignoring any supplementary dividend paid to that non-resident shareholder) that is received by, or is properly payable to, you and relates to the Shares for which



you accept or have accepted the Offer and which are transferred to CDLHH NZ;  
or

- (b) the consideration which would otherwise have been paid to you for the Shares for which you accept or have accepted the Offer and which are transferred to CDLHH NZ will be reduced by an amount equivalent to the dividend, other payment or the value of the distribution prior to the deduction of any withholding taxes (in each case exclusive of any imputation credits attached to the dividend, if applicable, and in relation to a non-resident shareholder, ignoring any supplementary dividend paid to that non-resident shareholder) that is received by, or is properly payable to, you and relates to the Shares for which you accept or have accepted the Offer and which are transferred to CDLHH NZ.

8.2 If you are required to make a payment to CDLHH NZ under paragraph 8.1(a) you must make that payment:

- (a) immediately on demand, to the bank account stated in CDLHH NZ's demand;
- (b) in cleared and irreversible funds; and
- (c) free of deduction, set off, withholding or condition.

8.3 If a dividend or distribution referred to in paragraph 8.1 is not in cash in New Zealand dollars then CDLHH NZ may determine the New Zealand dollar value of that dividend or distribution. CDLHH NZ's determination will be final and will bind you and all other persons. You may not challenge or appeal that determination, absent any manifest error or lack of good faith in making such determination.

#### **Bonus issues of securities**

8.4 If, on or after the Notice Date, MCK authorises or makes any issue of shares, convertible securities, or other securities or financial products of any nature (including warrants, options, convertible notes, entitlements, rights or interests in its ordinary shares) ("**Additional Securities**"), by way of bonus issue and the condition in paragraph 6.2(b) is waived by CDLHH NZ and the Offer otherwise becomes unconditional, then, at the option of CDLHH NZ (and subject to the terms of any waiver), either:

- (a) you must transfer to CDLHH NZ, in respect of the Shares for which you have accepted the Offer and which are transferred to CDLHH NZ, any Additional Securities, without any additional payment or consideration; or
- (b) if the Additional Securities are Shares in MCK, the Offer will extend to those Additional Securities, the consideration payable for each Share as set out in paragraph 2.1 will be proportionately reduced to take account of the bonus issue, such that the total aggregate consideration payable for all Shares in MCK under the Offer (including the Additional Securities), if accepted in full, remains the same as it would have been had no bonus issue taken place.

#### **Other issues of Shares**

8.5 If, on or after the Notice Date, MCK authorises or makes any issue of Shares to any person other than by way of bonus issue and the condition in paragraph 6.2(b) is waived by CDLHH NZ and the Offer otherwise becomes unconditional, then the Offer will be deemed to be extended to and include those Shares and the price payable for them will be the price set out in paragraph 2.1.

## **Subdivisions and consolidations**

- 8.6 If, on or after the Notice Date, all or any of the Shares are subdivided or consolidated by MCK then:
- (a) the Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Shares resulting from that subdivision or consolidation;
  - (b) the consideration per Share offered under the Offer set out in paragraph 2.1 will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
  - (c) you must transfer those subdivided or consolidated Shares for which you have accepted the Offer to CDLHH NZ on the basis of the price so increased or reduced.

## **9. NOTICES**

9.1 Notices that CDLHH NZ gives to MCK, the Takeovers Panel and NZX:

- (a) declaring this Offer unconditional; or
- (b) advising that the Offer is withdrawn in accordance with the Takeovers Code; or
- (c) advising that the Offer has lapsed in accordance with its terms or the Takeovers Code,

will, in each case, be deemed to be notice to you and all other offerees when so given.

9.2 Notice of any variation of the Offer will be sent to MCK, the Takeovers Panel, NZX and, except where not required in accordance with the Takeovers Code, to you and each other offeree under the Offer.

## **10. FURTHER INFORMATION, INTERPRETATION AND GENERAL TERMS**

### **Further information**

10.1 Further information relating to the Offer, as required by Schedule 1 to the Takeovers Code, is set out in Schedule 1 and forms part of this Offer Document.

### **Interpretation**

10.2 In this Offer Document:

- (a) any reference to the Takeovers Code means the takeovers code approved in the Takeovers Regulations 2000 as amended including by any applicable exemption granted by the Takeovers Panel under the Takeovers Act 1993;
- (b) except if expressly defined in this Offer Document, or where the context requires otherwise, terms defined in the Takeovers Code have the same meaning in this Offer Document;
- (c) references to amounts of money are to New Zealand currency and to times are to New Zealand time;

- (d) headings are for convenience only and do not affect the interpretation of this Offer Document or any Acceptance Form;
- (e) the singular includes the plural and vice versa;
- (f) if you hold your Shares jointly, unless otherwise expressly stated, a reference to you is a reference to all joint holders together; and
- (g) all percentages are rounded to two decimal places.

10.3 In this Offer Document, the following terms have the following meanings unless the context otherwise requires:

- (a) **"Acceptance Form"** means the acceptance form relating to Shares that is enclosed with and forms part of this Offer Document which may be submitted via email or in hard copy (and references to **"Acceptance"** are to such Acceptance Forms and/or online acceptances via <https://mck.takeovers.co.nz> as relevant);
- (b) **"CDI Group"** means CDL Investments New Zealand Limited, a New Zealand incorporated company (Company No. 249046) and each of its subsidiaries;
- (c) **"Intra-Group Transaction"** means a transaction between or among members of the MCK Group;
- (d) **"Material Adverse Effect"** means a material adverse effect on the business, financial or trading position, assets (including contractual rights) or liabilities, profitability or prospects of the MCK Group taken as a whole;
- (e) **"MCK Group"** means MCK and each of its subsidiaries, but excluding members of the CDI Group;
- (f) **"NZX"** means NZX Limited; and
- (g) **"NZX Listing Rules"** means the Main Board and Debt Market Listing Rules made by NZX from time to time.

10.4 If there is an inconsistency between the terms and conditions of the Offer and the provisions of the Takeovers Act 1993 or the Takeovers Code, the provisions of the Takeovers Act 1993 or the Takeovers Code (as the case may be) will prevail to the extent of that inconsistency.

**Documents and transfers are at your risk**

10.5 All electronic funds transfers, Acceptances and other documents to be delivered, sent or transferred by or to you will be delivered, sent or transferred at your own risk.

**Variation of this Offer**

10.6 CDLHH NZ may vary the Offer in accordance with rule 27 of the Takeovers Code.

**Acceptance is part of this Offer**

10.7 The provisions set out in the Acceptance are part of the terms of the Offer.

**Governing law and jurisdiction**

10.8 The Offer and any contract arising from acceptance of it are governed by, and must be construed in accordance with, the laws of New Zealand.

10.9 You submit to the non-exclusive jurisdiction of the Courts of New Zealand.

## SCHEDULE 1

### TAKEOVERS CODE INFORMATION

The information required by Schedule 1 to the Takeovers Code, and not stated elsewhere in this Offer Document, is set out below. Where any information required by Schedule 1 is not applicable, no statement is made regarding that information. The following matters are stated as at [*insert offer date*: 3 February 2025] ("*Offer Date*").

#### 1. DATE

1.1 The Offer is dated [*insert offer date*: 3 February 2025].

#### 2. OFFEROR AND ITS DIRECTORS

2.1 The name, postal address and electronic address of CDLHH NZ (ie, the offeror) is:

CDL Hotels Holdings New Zealand Limited  
Floor 7, 23 Customs Street East,  
Auckland Central,  
Auckland, 1010,  
New Zealand  
Email: [applications@linkmarketservices.co.nz](mailto:applications@linkmarketservices.co.nz)

2.2 The directors of CDLHH NZ are:

Leng Beng Kwek  
Eik Sheng Kwek  
Kevin Hangchi  
Yoon Sin Chong

2.3 CDLHH NZ will become the holder of an increased percentage of voting securities in MCK as a result of the acquisition of Shares under the Offer. CDLHH NZ is an ultimate wholly-owned subsidiary of City Developments Limited (incorporated in Singapore and listed on the Singapore Exchange). Accordingly, City Developments Limited and each of its subsidiaries named below which are holding companies of CDLHH NZ may be considered to become a controller of an increased percentage of voting securities in MCK as a result of the acquisition of Shares under the Offer.

- (a) Singapura Developments (Private) Limited;
- (b) Agapier Investments Limited;
- (c) Reach Across International Limited;
- (d) Millennium & Copthorne Hotels Limited;
- (e) M&C Asia Holdings (UK) Limited;
- (f) M&C Hospitality Holdings (Asia) Limited;
- (g) M&C Hotel Enterprises (Asia) Limited;
- (h) Hong Leong Hotels Pte. Ltd.; and
- (i) First 2000 Limited.

### 3. TARGET COMPANY

3.1 The name of the target company is Millennium & Copthorne Hotels New Zealand Limited ("MCK").

### 4. OWNERSHIP OF EQUITY SECURITIES OF MCK

4.1 The table below sets out the number, designation and percentage of equity securities of any class of MCK held or controlled by:

- (a) CDLHH NZ (as offeror);
- (b) any related company of CDLHH NZ;
- (c) any person acting jointly or in concert with CDLHH NZ;
- (d) any director of any of the persons described in paragraphs (a) to (c) above; and
- (e) any other person holding or controlling 5% or more of the class, to the knowledge of CDLHH NZ.

Name	Description	Number of Equity Securities Held or Controlled	Type of Equity Security	Percentage of Class (excluding treasury stock)
CDL Hotels Holdings New Zealand Limited	The offeror	80,017,014	Ordinary shares	75.86%
City Developments Limited	Ultimate parent of the offeror	80,017,014	Ordinary shares	75.86%
Leng Beng Kwek	Director of the offeror	906,000	Ordinary shares	0.86%

Notes:

- 1. The percentage numbers are rounded to two decimal places.
- 2. The information in the table above is information known at 6:00pm on 17 January 2025 (being close of business on the last business day before the Notice Date).
- 3. City Developments Limited is the ultimate holding company of CDLHH NZ. It ultimately controls the Shares held by CDLHH NZ, through wholly-owned subsidiaries, listed in paragraph 2.3 of this Schedule.

4.2 Except for those persons who are specified in paragraph 4.1 as holding or controlling equity securities of MCK, no person referred to in paragraphs 4.1(a) to (d) of this Schedule holds or controls equity securities of MCK.

## 5. TRADING IN MCK EQUITY SECURITIES

5.1 The table below details acquisitions of equity securities of MCK, by the persons referred to in paragraphs 4.1(a) to (d) of this Schedule, during the 6-month period before the Notice Date.

Name of acquirer	Number and class of equity security	Consideration per security	Date of transaction
CDL Hotels Holdings New Zealand Limited	5,273,937 ordinary shares	\$1.73	29 October 2024

5.2 Except as set out in the table above, no person referred to in paragraphs 4.1(a) to (d) of this Schedule has, during the 6-month period before the Notice Date, acquired or disposed of any equity securities of MCK.

## 6. AGREEMENTS TO ACCEPT OFFER

6.1 No person has agreed conditionally or unconditionally to accept the Offer.

## 7. ARRANGEMENTS TO PAY CONSIDERATION

7.1 CDLHH NZ confirms that resources will be available to it sufficient to meet the consideration to be provided on full acceptance of the Offer and to pay any debts incurred in connection with the Offer (including the debts arising under sections 47 to 53 of the Takeovers Act 1993).

7.2 A statement setting out the rights of each holder of Shares under rule 34 of the Takeovers Code is set out in paragraph 3.2 of the Offer Terms and Conditions.

## 8. ARRANGEMENTS BETWEEN CDLHH NZ AND MCK

8.1 Except as noted in paragraph 10.1 below, no agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between CDLHH NZ or any of its associates, and MCK or any related company of MCK, in connection with, in anticipation of, or in response to, this Offer.

## 9. ARRANGEMENTS BETWEEN CDLHH NZ, AND DIRECTORS AND OFFICERS OF MCK

9.1 No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between CDLHH NZ or any associates of CDLHH NZ, and any of the directors or senior managers of MCK or of any related company of MCK (including any payment or other benefit proposed to be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office) in connection with, in anticipation of, or in response to, this Offer.

## 10. FINANCIAL ASSISTANCE

10.1 No agreement or arrangement has been made, or is proposed to be made, under which MCK or any related company of MCK will give (directly or indirectly) financial assistance for the purpose of, or in connection with, the Offer, save that it should be noted that MCK is a subsidiary of CDLHH NZ, with CDLHH NZ provided funding for the acquisition by way

of intercompany loan from its sole shareholder (First 2000 Limited) which is also a holding company of MCK. The amount of the loan from First 2000 Limited is unknown because the lender will loan the amount required to undertake the offer. There are no formal loan terms because the loan is from a parent (First 2000 Limited) to its subsidiary.

## 11. INTENTIONS ABOUT MATERIAL CHANGES IN MCK

11.1 CDLHH NZ's intentions in respect of the particulars listed below are set out in paragraph 11.2:

- (a) material changes to the business activities of MCK or its subsidiaries;
- (b) material changes to the material assets of MCK or its subsidiaries;
- (c) material changes to the capital structure of MCK (including MCK's dividend policy, raising capital, and taking on debt); and
- (d) any other information about the likelihood of changes to MCK or its subsidiaries that could reasonably be expected to be material to the making of a decision by an offeree to accept or reject the Offer.

11.2 CDLHH NZ's intentions in respect of the particulars listed in paragraph 11.1 are:

- (a) While the Preference Shares are not included in the Offer, CDLHH NZ is willing to acquire the Preference Shares at \$1.70 per share via its broker, Craigs Investment Partners, through buying on the NZX Main Board.
- (b) If CDLHH NZ becomes entitled to invoke the compulsory acquisition provisions of the Takeovers Code, it intends to compulsorily acquire all of the outstanding Shares and CDLHH NZ may also elect to seek to have the Preference Shares redeemed. If as a result MCK is delisted from NZX, MCK will be able to save on listing fees and other associated costs relating to the maintenance of a listed status on the NZX. These savings can be reinvested into MCK's portfolio of assets and operational needs.
- (c) CDLHH NZ already holds over 75% of the Shares of MCK and has representatives on the Board of MCK. It is making the Offer to give a liquidity event for shareholders.
- (d) If the Offer becomes unconditional but CDLHH NZ does not receive sufficient acceptances under the Offer to enable the compulsory acquisition provisions of the Takeovers Code to be invoked, CDLHH NZ does not intend to change the matters set out in paragraphs 11.1(a) to (d).
- (e) CDLHH NZ views the investment in MCK as a long-term, strategically important business to the CDLHH NZ group with no short to medium term intention to exit. As such, CDLHH NZ may evaluate business decisions using criteria that are oriented towards long-term business sustainability.
- (f) The foregoing statements of intention represent CDLHH NZ's current intentions. CDLHH NZ reserves the right to take any other action or pursue any other strategy in relation to the MCK Group's business depending on the business and economic environment and any other relevant circumstances applicable post-Offer.
- (g) CDLHH NZ has not conducted due diligence in relation to the MCK Group for the purposes of this Offer and does not, at this time, have access to the detailed information concerning the MCK Group that would be required to make a final determination regarding its intentions for the MCK Group. Only upon completion of the Offer and a detailed review of the MCK Group, and in light of all material facts



and circumstances, will CDLHH NZ finally determine its intentions for the MCK Group and will take the action it considers desirable to achieve appropriate integration and synergies.

- 11.3 The statements made under paragraph 11.2 are consistent with information that has been given by CDLHH NZ to any regulatory body (in New Zealand or in an overseas jurisdiction) in relation to the Offer.

**12. PRE-EMPTION CLAUSES IN MCK'S CONSTITUTION**

- 12.1 There are no restrictions contained in the constitution of MCK on the right to transfer equity securities to which the Offer relates which has the effect of requiring the holders of such equity securities to offer such equity securities for purchase to members of MCK or to any other person before transferring such equity securities.

**13. ESCALATION CLAUSES**

- 13.1 There is no agreement or arrangement (whether legally enforceable or not) to which CDLHH NZ or any of its holding companies is a party, under which any existing holder of equity securities in MCK will or may receive in relation to, or as a consequence of, the Offer, any additional consideration or other benefit over and above the consideration set out in the Offer, or under which any prior holder of equity securities in MCK will or may receive any consideration or other benefit as a consequence of the Offer.

**14. CLASSES OF FINANCIAL PRODUCTS**

- 14.1 No report is required under rule 22 of the Takeovers Code (which, if the offer is for more than 1 class of financial products, requires a report by an independent adviser on the fairness and reasonableness of the consideration and terms of the offer as between different classes of financial products).

**15. CERTIFICATE**

- 15.1 To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying the takeover notice is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the offeror under the Takeovers Code.



Eik Sheng Kwek  
being the person fulfilling the role of Chief  
Executive Officer of CDL Hotels Holdings  
New Zealand Limited



Eik Sheng Kwek  
being the person fulfilling the role of Chief  
Financial Officer of CDL Hotels Holdings  
New Zealand Limited



Kevin Hangchi  
being a director of CDL Hotels Holdings  
New Zealand Limited



Yoon Sin Chong  
being a director of CDL Hotels Holdings  
New Zealand Limited