

11 February 2025

### **Update on takeover offer from CDLHH NZ**

Dear Millennium & Copthorne shareholder

**Your Independent Directors believe the CDLHH NZ offer is too low and inadequate. Shareholders are advised to take no action and ignore the offer documents until you receive the Target Company Statement from MCK.**

As you may be aware, CDL Hotels Holdings New Zealand Limited (CDLHH NZ), the majority shareholder in MCK, is offering to buy all of the ordinary shares in Millennium & Copthorne Hotels New Zealand Limited that it does not already own. On 10 February 2025, CDLHH NZ sent its takeover offer to MCK shareholders.

The view of your Independent Directors is that **THE CDLHH NZ OFFER IS TOO LOW AND IS INADEQUATE.**

The Independent Directors believe that the Offer does not sufficiently reflect the value of MCK's hotel and property net assets, and the benefits that MCK can expect as the hotel and property markets recover.

Shareholders are advised to **TAKE NO ACTION AND IGNORE THE OFFER DOCUMENTS** until they have received the Target Company Statement from MCK. This will be sent to shareholders on 24 February 2025 and will include the recommendation from the Independent Directors and the Independent Adviser's Report.

A copy of today's announcement from MCK is attached. You can stay up to date on the latest company announcements here: <https://www.nzx.com/companies/MCK/announcements?year=2025>

### **Receive shareholder communications by email**

Shareholders are encouraged to receive communications electronically (by email) rather than in the post. This enables fast and timely communication. Details on how to register are on the company website here <https://mckhotels.co.nz/investors/contact/>.

We will keep you updated as the offer progresses. On behalf of your Independent Directors, thank you for your support.

Leslie Preston  
Chair, Independent Directors Committee  
Millennium & Copthorne Hotels New Zealand Limited

## **Company Announcement:**

### **MCK INDEPENDENT DIRECTORS SAY TAKEOVER OFFER IS “TOO LOW AND INADEQUATE”**

10 February 2025: Millennium & Copthorne Hotels New Zealand Limited (NZX: MCK) advises that it has received notice that CDL Hotels Holdings New Zealand Limited (CDLHH NZ) has sent its takeover offer (Offer) to holders of MCK’s ordinary shares (Shares). The Offer price is \$2.25 per share for all of the Shares in MCK not already held by CDLHH NZ and follows the Takeover Notice that MCK received from CDLHH NZ on 20 January 2025. CDLHH NZ currently holds 75.8% of MCK’s Shares.

#### **Too low and inadequate**

The view of the MCK Independent Directors is that the CDLHH NZ offer is too low and is inadequate.

The Independent Directors believe that the Offer does not sufficiently reflect the value of MCK’s hotel and property net assets, and the benefits that MCK can expect as the hotel and property markets recover.

Chair of the Independent Directors Committee, Leslie Preston, said: “Our view is that the Offer is too low and does not provide adequate value to minority shareholders. We will provide shareholders with a Target Company Statement within the next two weeks that will include more detail, but we are advising shareholders to take no action at this time”.

Northington Partners Limited has been appointed by MCK to act as the Independent Adviser to provide an independent assessment for shareholders of the merits of the CDLHH NZ offer. The Target Company Statement will include the recommendation from the Independent Directors and the Independent Adviser’s Report, and will be published on the NZX and sent to shareholders on 24 February 2025.

#### **Take no action**

Shareholders are advised to **TAKE NO ACTION AND IGNORE THE OFFER DOCUMENTS** until they have received the Target Company Statement from MCK. Shareholders and other persons who may be considering buying or selling MCK Shares before then should seek their own professional advice.

The Offer is conditional on several matters (including approval under the Overseas Investment Act) and must be held open until at least 5.00pm on 8 May 2025. The Offer cannot be closed early or withdrawn (except with the consent of the Takeovers Panel) and the offer price cannot be reduced.

There is no benefit or advantage to MCK shareholders in accepting CDLHH NZ’s Offer early and once given, your acceptance cannot be withdrawn. MCK shareholders who accept the Offer will not be paid unless and until the offer becomes unconditional. This could be several months from now, if ever.

#### **Independent Directors Committee**

As previously advised to the market, the Company has formed a committee comprising Independent Directors Leslie Preston (Chair of the Independent Committee), Graham McKenzie and Colin Sim to consider the Company’s response to the Offer from CDLHH NZ (the Independent Committee).

The Independent Committee has appointed financial advisers, Cameron Partners Limited, and legal advisers, Bell Gully, to assist it in respect of the Offer.

## **Preference Shares**

The Offer does not apply to the listed redeemable preference shares in MCK (Preference Shares) because these are not equity securities for the purposes of the Takeovers Code. However, the Offer document states that 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 states it 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 ordinary shares of MCK.

Shareholders and other persons who may be considering buying or selling Preference Shares are recommended to seek their own professional advice.

## **FY24 Results Release**

MCK will announce its results for the year ended 31 December 2024 (FY24) on 24 February 2025. The results announcement, investor presentation and audited financial statements will be available at:

<https://www.nzx.com/companies/MCK/announcements?year=2025>.

## **Shareholder enquiries**

Shareholders with queries on the Offer can contact the Independent Directors at [enquiries@mckhotels.co.nz](mailto:enquiries@mckhotels.co.nz).

Shareholders are encouraged to receive communications electronically (by email) rather than in the post. This enables fast and timely communication. Details on how to register are on the company website here <https://mckhotels.co.nz/investors/contact/>.

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Issued by Millennium & Copthorne Hotels New Zealand Limited

## **About Millennium & Copthorne Hotels New Zealand Limited**

Millennium & Copthorne Hotels New Zealand Limited (NZX:MCK) is the only NZX listed hotel owner-operator with 19 owned/leased/franchised hotels based in New Zealand under the Millennium, Grand Millennium, M Social, Copthorne and Kingsgate brands. As part of the Millennium & Copthorne Hotels group, we are proud to be part of a global network of over 120 properties in gateway cities across Asia, Europe, North America, the Middle East and New Zealand. MCK also has property interests in Australia through its Kingsgate Group subsidiaries including a 50% ownership interest in the Sofitel Hotel Brisbane Central through a joint venture. MCK is the majority shareholder in land developer CDL Investments New Zealand Limited (NZX:CDI). For more information, visit our website: [www.millenniumhotels.co.nz](http://www.millenniumhotels.co.nz)