

THIS LETTER IS IMPORTANT

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000 or, if you are in a territory outside the United Kingdom, is an appropriately authorised independent financial adviser.

15 August 2019

To: holders of unvested awards under the Millennium & Copthorne Hotels plc Annual Bonus Plan and the Millennium & Copthorne Hotels plc 2016 Executive Share Plan

No action is required by you as a result of this letter.

Dear Participant

1. BACKGROUND

On 7 June 2019, the Boards of City Developments Limited ("**CDL**") and Agapier Investments Limited and the independent directors of Millennium & Copthorne Hotels plc ("**M&C**") announced that they had reached agreement on the terms of a recommended pre-conditional final cash offer for all of the shares in M&C ("**M&C Shares**") which are not already held by CDL and its subsidiaries (the "**Final Offer**") (and persons acting in concert with them) (together the "**CDL Parties**").

You are receiving this letter because you hold an unvested award under the M&C Annual Bonus Plan and/or the M&C 2016 Executive Share Plan (the "**Share Plans**"), and this letter explains the effect of the Final Offer on these awards. The effect of the Final Offer on these types of awards is the same, and so in this letter all of these types of awards are referred to as your "**Award**".

2. ABOUT THE FINAL OFFER

Under the Final Offer, shareholders will be entitled to receive a price of 685 pence per M&C Share (the "**Final Offer Price**").

The Final Offer is subject to certain conditions, including that it needs to be accepted in respect of at least 50% of the M&C Shares which are not already held by the CDL Parties as at 7 June 2019. Once (and if) these conditions are met (or, to the extent possible, are waived), the Final Offer will become (or be declared) "wholly unconditional".

Full details of the Final Offer are set out in the offer document dated 15 August 2019 (the "**Offer Document**"). Copies of the Offer Document and this letter are available on CDL's website at <http://www.cdl.com.sg/Millennium-Offer> and on M&C's website at <https://investors.millenniumhotels.com/regulatory-announcements-and-news/city-developments-ltd-offer-documents>. For the avoidance of doubt, the contents of CDL's website and M&C's website are not incorporated into, and do not form part of, this letter.

3. EFFECT OF THE FINAL OFFER ON YOUR UNVESTED AWARD

The effect of the Final Offer on your Award depends on whether the Final Offer becomes (or is declared) wholly unconditional.

If the Final Offer becomes (or is declared) wholly unconditional then:

- part of your Award will vest early. The part that vests will be calculated based on how long you have held the Award. This part of the Award will then be paid out in cash shortly after the Final Offer becomes (or is declared) wholly unconditional, so that you will receive 685 pence for each M&C Share over which the award would have vested; and
- the rest of your Award will not vest early, but you will continue to hold this part of the Award on its existing terms, so that it will still be capable of vesting on its normal vesting dates. Then, when this part

of the Award vests (on its normal vesting dates), it will be paid out in cash so that you will receive 685 pence for each M&C Share over which the award would have vested.

This is explained in further detail in the attached Frequently Asked Questions, which you should review.

If the Final Offer does not become (or is not declared) wholly unconditional then the Final Offer will have no effect on your Award, which will continue on its existing terms (and on vesting you would receive M&C Shares or their cash equivalent as normal).

No action is required by you as a result of this letter.

Any payments that become due to you as explained in this letter will be made to you without you needing to take any action.

The independent directors of M&C, who have been so advised by Credit Suisse International as to the terms of the proposal, consider the proposal set out in this letter to be fair and reasonable in the context of the Final Offer. In providing its advice to the independent directors of M&C, Credit Suisse International has taken into account the commercial assessments of the independent directors of M&C.

Sent on behalf of

**The independent directors of
Millennium & Copthorne Hotels plc**

Agapier Investments Limited

FREQUENTLY ASKED QUESTIONS

How will M&C calculate what part of an Award will vest early?

In the normal course Awards are due to vest as to 25% after one year, 25% after two years and the final 50% after three years. For the purpose of this calculation, we will treat each part of the Award separately, and calculate the proportion of that part that will vest based on the proportion of its normal vesting period (of either one, two or three years) that has elapsed to the date on which the Final Offer becomes (or is declared) wholly unconditional. Of course, this is only relevant to any part of your Award which has not yet vested (as you will already have received the M&C Shares or cash equivalent under the parts of your Award which have already vested).

For example, if the Final Offer becomes (or is declared) wholly unconditional 18 months after the grant date of an Award, the first 25% of the Award would previously have vested and so is no longer relevant. When the Final Offer becomes (or is declared) wholly unconditional, 75% of the second part of the Award would vest early (i.e. 18 months out of the normal 2 year vesting period = 75%) and 50% of the third part of the Award would vest early (i.e. 18 months out of 3 years = 50%).

If the Final Offer becomes (or is declared) wholly unconditional how and when do I receive payment for the part of the Award that vests early?

The payment, of 685 pence per M&C Share, would be made to you as soon as is reasonably practicable following the Final Offer becoming (or being declared) wholly unconditional. The payment would be made to you through payroll, in the same way as your salary.

For the part of my Award which continues, when and how do I receive payment?

The part of your Award that does not vest early will continue on its existing terms, so that it will still be capable of vesting in accordance with its normal terms. If it subsequently vests after the Final Offer becomes (or is declared) wholly unconditional, payment of 685 pence per M&C Share would be made to you as soon as is reasonably practicable following that subsequent vesting. The payment would be made to you through payroll, in the same way as your salary.

What happens if the Final Offer neither becomes (nor is declared) wholly unconditional?

In this event the Final Offer will have no effect on your Award. Instead your Award will continue on its existing terms, remain capable of vesting on its normal vesting dates and you will receive M&C Shares or cash equivalent on vesting as normal, subject to any other election you make at the time of vesting.

What happens if I leave M&C?

This depends on when you leave and for what reason.

The normal rules of the Share Plans in respect of leaving employment continue to apply before Awards vest. This means that if you leave (or a notice of termination is received or provided by you) then your Award will either lapse or vest early, depending on your reason for leaving.

If you leave employment before the Final Offer becomes (or is declared) wholly unconditional and your Award lapses then this letter would stop being relevant to you.

If you leave employment before the Final Offer becomes (or is declared) wholly unconditional and your Award vests then, in respect of your award under the M&C Executive Share Plan, if practicable you will receive M&C Shares as normal and (provided the Final Offer remains open) you would then be able to accept the Final Offer (and receive the Final Offer Price) in respect of those M&C Shares. If it is not practicable to settle your Award in M&C Shares (for example, if this happens shortly before the Final Offer is anticipated to become wholly unconditional) then your Award may instead be settled in cash as described in this letter. Awards under the M&C Annual Bonus Plan will be settled in cash.

If you leave after the Final Offer becomes (or is declared) wholly unconditional, the part of your Award which will have vested early, as explained in this letter, would be unaffected. The part of your Award which continues would be subject to its existing terms, so that part would either lapse or vest depending on the

reason for which you leave. However, notwithstanding the existing rules of the Share Plans, M&C and CDL have agreed that any redundancy after the Final Offer becomes (or is declared) wholly unconditional will automatically be treated as a "good leaver" reason, entitling you to full vesting. If this continuing part of your Award vests before its normal vesting date as a result of you leaving, it would still be settled in cash, by a payment of 685 pence per M&C Share that vests, as explained in this letter.

What are the tax consequences of receiving the cash payments on vesting?

Any payment to you will be subject to tax and social security in the same way as salary, and so will be subject to the ordinary rules applicable in your jurisdiction.

How will I know when the Final Offer has become (or has been declared) wholly unconditional?

This will be announced on the London Stock Exchange, on M&C's website and in the press. It also will be announced via internal employee communications.

If the Final Offer becomes (or is declared) wholly unconditional and my unvested Award subsequently vests can I receive M&C Shares instead of the 685 pence cash payment?

No, this is not possible. In any event, after the Final Offer becomes (or is declared) wholly unconditional CDL has stated it will amend the articles of association of M&C so that any M&C Share that is subsequently issued will be automatically acquired by CDL at the Final Offer Price (of 685 pence). However, if your Award is settled in cash you will receive 685 pence per M&C Share.

CDL has announced that it intends to delist M&C once the Final Offer becomes (or is declared) wholly unconditional. What effect does this have?

This will not affect the treatment of your Award as described in this letter. In particular, if your Award vests you will receive 685 pence per share as payment and this will be still be the case even if M&C has been delisted at the time of vesting. Settling awards in cash means that you will never be disadvantaged by being left with shares in a non-listed company which you may struggle to sell.

Who are Agapier Investments Limited?

Agapier Investments Limited is a company that is indirectly and wholly owned by CDL. This is the company which CDL is using to purchase the M&C Shares which are not already held by the CDL Parties.

How can I find out more information about the Final Offer?

More information on the Final Offer is set out in the Offer Document, which is available at <https://investors.millenniumhotels.com/regulatory-announcements-and-news/city-developments-ltd-offer-documents>.

What about other awards I hold over M&C Shares under other share plans?

Separate letters will be sent in respect of options and awards held under M&C's other share plans.

NOTES

Except as stated in this letter, in the event of any differences between this letter and the rules of the applicable share plan that governs the awards to which this letter relates and the relevant legislation, the rules of such share plan and the legislation will apply. Copies of the rules are available at Victoria House, Victoria Road, Horley, Surrey, RH6 7AF.

The release, publication or distribution of this letter in, into or from jurisdictions other than the United Kingdom or the United States and the availability of the Final Offer to shareholders of M&C who are not resident in the United Kingdom or the United States may be restricted by the laws of those jurisdictions. Therefore persons into whose possession this communication comes should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer to sell or issue, nor the solicitation of an offer to buy or subscribe for, shares in any jurisdiction in which such offer or solicitation is unlawful.

The directors of Agapier Investments Limited, whose names are set out in paragraph 3.1 of Appendix V of the Offer Document, accept responsibility for the information contained in this letter other than that relating to CDL, M&C, the independent directors of M&C and their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the directors of Agapier Investments Limited (who have taken all reasonable care to ensure that such is the case), the information contained in this letter for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of CDL, whose names are set out in paragraph 3.2 of Appendix V of the Offer Document, accept responsibility for the information contained in this letter relating to Agapier Investments Limited, CDL, themselves and their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the directors of CDL (who have taken all reasonable care to ensure that such is the case), the information contained in this letter for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The independent directors of M&C, which excludes the appointees of CDL to the M&C board of directors (such appointees being Kwek Leng Beng, Kwek Leng Peck, and Kwek Eik Sheng), whose names are set out in paragraph 3.3 of Appendix V of the Offer Document, accept responsibility for the information contained in this letter relating to M&C, themselves and their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the independent directors of M&C (who have taken all reasonable care to ensure that such is the case), the information contained in this letter for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Credit Suisse International, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for the independent committee of the M&C board (comprising the independent directors of M&C) and no one else in connection with the Final Offer and will not be responsible to anyone other than the independent committee of the M&C board for providing the protections afforded to its clients or for providing advice in relation to the Final Offer.

Credit Suisse International has given and not withdrawn their written consent to the issue of this letter with the inclusion of the references to their name in the form and context in which they appear.

Accidental omission to dispatch this letter to any person to whom the proposals herein are made or should be made shall not invalidate the proposals in any way.

This letter is governed by and should be construed in accordance with English law.