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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

7 June 2019

RECOMMENDED PRE-CONDITIONAL FINAL CASH OFFER

for

Millennium & Cophthorne Hotels plc (“M&C”)

by

Agapier Investments Limited (“Bidco”)

(a company indirectly and wholly-owned by City Developments Limited (“CDL”))

Summary

- The boards of CDL and Bidco and the independent non-executive directors of M&C (the “**M&C Independent Directors**”) are pleased to announce that they have reached agreement on the terms of a recommended pre-conditional cash offer pursuant to which Bidco will acquire the entire issued and to be issued ordinary share capital of M&C not already held by CDL and its subsidiaries (the “**CDL Group**”) (and persons acting in concert with them), which is final and will not be increased (the “**Final Offer**”).
- CDL has received irrevocable undertakings to accept the Final Offer from JNE Partners LLP and MSD Capital, L.P. (“**JNE/MSD**”), International Value Advisers, LLC (“**IVA**”), Classic Fund Management AG (“**Classic**”) and BWM AG (together with Classic, “**Classic/BWM**”) in respect of a total of 49,268,604 M&C Shares representing, in aggregate, approximately 43.58 per cent. of the M&C Shares not already owned by the CDL Parties. Further details of these irrevocable undertakings are set out in Appendix III to this announcement.
- Under the terms of the Final Offer, M&C Shareholders will be entitled to receive a cash amount (the “**Final Offer Consideration**”):

for each M&C Share

685 pence in cash

- The Final Offer Consideration represents:
 - a premium of approximately 37.0 per cent. to the Closing Price of 500 pence per M&C Share on 6 June 2019 (being the last Business Day prior to the start of the Offer Period);
 - a premium of approximately 46.2 per cent. to the volume weighted average price of a M&C Share for the period of 30 days prior to 6 June 2019 (being the last Business Day prior to the start of the Offer Period) of 469 pence;
 - an increase of 65 pence per M&C Share from the previously recommended final cash offer of 620 pence per M&C Share (which included a special dividend of 20 pence per ordinary share) made to M&C shareholders on 21 December 2017; and
 - a premium of approximately 47.0 per cent. to the Closing Price of 466 pence per M&C Share on 23 May 2019 (being the last Business Day prior to the date on which an initial proposal was received by M&C from CDL).

- The Final Offer values the entire issued and to be issued ordinary share capital of M&C as at the date of this announcement at approximately £2,227 million.
- If any dividend, distribution or other return of value is declared, made, paid or becomes payable by M&C on or after the date of this announcement, the Final Offer Consideration shall be reduced by the amount of any such dividend, distribution or other return of value. In such circumstances, M&C Shareholders would be entitled to retain any such dividend, distribution or other return of value declared, made or paid.
- The M&C Independent Directors, who have been so advised by Credit Suisse as to the terms of the Final Offer, consider the terms of the Final Offer to be fair and reasonable. In providing advice to the M&C Independent Directors, Credit Suisse has taken into account the commercial assessments of the M&C Independent Directors. Accordingly, the M&C Independent Directors intend unanimously to recommend that M&C Shareholders accept the Final Offer.
- The background to and reasons for the Final Offer by Bidco are described in detail in paragraph 4 of the full announcement, below. The background to and reasons for the M&C Independent Directors' recommendation are described in detail in paragraph 7 of the full announcement, below.
- The Offer is subject to the OIO Pre-Condition set out in paragraph 1 of Appendix I to this announcement relating to consent under the New Zealand Overseas Investment Act 2005 and the Overseas Investment Regulations for the indirect acquisition of interests in sensitive land and significant business assets in New Zealand that would occur if the Final Offer is made and is successful. CDL and Bidco will seek consent shortly after the date of this announcement.
- In addition to the OIO Pre-Condition, the Final Offer is conditional on, amongst other things, Bidco securing valid acceptances of the Final Offer in respect of more than 50 per cent. in nominal value of the M&C Shares not already owned by the CDL Parties and of the voting rights attached to those shares. This Acceptance Condition is not waivable by Bidco. The Final Offer is also conditional on, amongst other things, the granting by the Takeovers Panel of New Zealand of an unconditional exemption from the requirements of rule 6(1) of the New Zealand Takeovers Code.
- Upon the Final Offer becoming or being declared wholly unconditional, M&C will apply for de-listing from the Official List of the FCA.
- CDL is a Singapore-based leading global real estate operating company with a network spanning 103 locations in 29 countries and regions. The CDL Group's geographically-diverse portfolio comprises residences, offices, hotels, serviced apartments, integrated developments and shopping malls. Shares in CDL are admitted to trading on the SGX. Bidco is an indirect, wholly-owned subsidiary of CDL.
- M&C is an international hotel group which owns, leases, manages, franchises, invests in and/or operates 140 hotels in over 26 countries around the world. The M&C Shares are listed on the premium segment of the Official List of the FCA and are admitted to trading on the Main Market of the London Stock Exchange.
- As at 6 June 2019 (being the Last Practicable Date), the CDL Parties hold 211,749,487 M&C Shares representing approximately 65.2 per cent. of the issued ordinary share capital of M&C.

- The making of the Final Offer by the publication of the Offer Document shall take place as soon as reasonably practicable and in any event within 28 days following either (i) the satisfaction of or, (ii) to the extent permitted by the Panel, waiver by Bidco of, the OIO Pre-Condition.
- Sherman Kwek, Group CEO of CDL, commented:

“Taking M&C private is in line with CDL’s strong focus on boosting recurring income and enhancing underperforming assets. We are pleased to have garnered the support of M&C’s Independent Directors and key minority shareholders. The offer enables shareholders to exit an illiquid stock at a significant premium. We believe that a privatised M&C will be in the best position to navigate the increasingly challenging and competitive global hospitality landscape with agility and nimbleness. M&C will be able to leverage CDL’s significant resources, comprehensive real estate capabilities and global network to reposition its assets and drive sustainable hotel performance.”
- The M&C Independent Directors commented:

"The Final Offer represents a 37.0 per cent. premium to the closing share price prior to commencement of the Offer Period and has the M&C Independent Directors' unanimous support. This Final Offer provides M&C Independent Shareholders with the ability to realise their investments in cash at a valuation which has not been seen since 2007."

This summary should be read in conjunction with the full text of this announcement, including the Appendices. The Final Offer will be subject to the Conditions and further terms set out in Appendix I to this announcement and to the full terms and conditions which shall be set out in the Offer Document. Appendix II to this announcement contains the sources of information and bases of calculations of certain information contained in this announcement, Appendix III contains details of the irrevocable undertakings received in relation to the Final Offer and Appendix IV contains definitions of certain expressions used in this summary and in this announcement.

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Linklaters LLP is retained as legal adviser to CDL. Herbert Smith Freehills LLP is retained as legal adviser to M&C.

Important Notices

Barclays, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for CDL and Bidco and no one else in connection with the Offer and will not be responsible to anyone other than CDL and Bidco for providing the protections afforded to clients of Barclays nor for providing advice in relation to the Offer or any other matter referred to in this announcement.

BofA Merrill Lynch, a subsidiary of Bank of America Corporation, is acting exclusively for CDL in connection with the Final Offer and for no one else and will not be responsible to anyone other than CDL for providing the protections afforded to its clients or for providing advice in relation to the Final Offer or any other matter referred to in this announcement.

In accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, each of Barclays and BofA Merrill Lynch and their respective affiliates will continue to act as exempt principal trader in M&C securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Credit Suisse is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Credit Suisse is acting exclusively for the Independent Committee and for no-one else in connection with the Final Offer, the content of

this announcement and other matters described in this announcement. Credit Suisse will not regard any other person as its client in relation to the Final Offer, the content of this announcement and other matters described in this announcement and will not be responsible to anyone other than the Independent Committee for providing the protections afforded to its clients, nor for providing advice to any other person in relation to the Final Offer, the content of this announcement or any other matters described in this announcement.

Save for the responsibilities and liabilities, if any, of Credit Suisse under FSMA or the regulatory regime established thereunder, Credit Suisse does not assume any responsibility whatsoever and makes no representations or warranties, express or implied, in relation to the content of this announcement, including its accuracy, completeness or verification or for any other statement made or purported to be made by the Independent Committee, or on the Independent Committee's behalf, or by Credit Suisse, or on its behalf, and nothing contained in this announcement is, or shall be, relied on as a promise or representation in this respect, whether as to the past or the future, in connection with the Independent Committee or the Final Offer. Credit Suisse disclaims to the fullest extent permitted by law all and any responsibility and liability whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of this announcement or any such statement.

This announcement is for information purposes only. It is not intended to and does not constitute, or form part of, an offer to sell or an invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities or the solicitation of any vote or approval in any jurisdiction in contravention of applicable law.

The Final Offer will be made solely by means of an Offer Document and the Form of Acceptance accompanying the Offer Document which will contain the full terms and conditions of the Final Offer, including details of how the Final Offer may be accepted.

Any acceptance or other response in relation to the Final Offer should be made only on the basis of the information contained in the Offer Document. Each M&C Shareholder is urged to consult its independent professional adviser immediately regarding the tax consequences to it (or its beneficial owners) of the Final Offer.

The Final Offer will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

This announcement does not constitute a prospectus or prospectus equivalent document.

Overseas Shareholders

The release, publication or distribution of this announcement in certain jurisdictions other than the United Kingdom may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to the laws and/or regulations of any jurisdictions other than the United Kingdom should inform themselves of, and observe, any applicable requirements. Any failure to comply with the applicable legal and/or regulatory requirements may constitute a violation of the laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Final Offer disclaim any responsibility or liability for the violation of such restrictions by any person.

This announcement has been prepared for the purposes of complying with English law, the Listing Rules, the rules of the London Stock Exchange and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and/or regulations of jurisdiction outside the United Kingdom.

Unless otherwise determined by Bidco or required by the Code, and permitted by applicable law and regulation, the Final Offer shall not be made, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and the Final Offer shall not be capable of acceptance from or within a Restricted Jurisdiction. Accordingly, copies of this announcement and all documents relating to the Final Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Final Offer (including agents, custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such Restricted Jurisdiction as doing so may invalidate any purported acceptance of the Final Offer. Any person (including, without limitation, any agent, custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this announcement and/or the Offer Document and/or any other related document to any jurisdiction outside the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

The availability of the Final Offer to M&C Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

If you are a Resident of the United States, please read the following

The Final Offer is being made for the securities of M&C, a company incorporated under the laws of England and Wales, and is being made in the United States in compliance with, and reliance on, Section 14(e) of the Exchange Act, Regulation 14E thereunder and the exemption therefrom provided by Rule 14d-1(d) under the Exchange Act. The Final Offer will be made in the United States by Bidco and no-one else.

The Final Offer is subject to the disclosure and procedural requirements of the United Kingdom which are different from those in the United States. In addition, the payment and settlement procedures with respect to the Final Offer will comply with the relevant UK rules, which differ from US payment and settlement procedures. Neither the SEC, nor any securities commission of any state of the United States has approved the Final Offer, passed upon the fairness of the Final Offer or passed upon the adequacy or accuracy of this announcement. Any representation to the contrary is a criminal offence in the United States.

It may be difficult for US holders of shares in CDL or M&C to enforce their rights and claims arising out of the US federal securities laws, since CDL, Bidco and M&C are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. Holders in the United States may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

In accordance with normal UK practice, CDL, Bidco, or their respective nominees, or their respective brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of M&C outside of the United States, other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases shall be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the

extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.

Forward Looking Statements

This announcement, including any information included or incorporated by reference in this announcement, contains statements about Bidco, CDL and M&C that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “estimates”, “projects” or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Bidco’s or CDL’s or M&C’s operations; and (iii) the anticipated effects of the Final Offer on the Wider CDL Group and the business and operations of M&C.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Much of the risk and uncertainty relates to factors that are beyond the companies’ abilities to control or estimate precisely, such as future events, future market conditions and the behaviours of other market participants. Other unknown or unpredictable factors could affect future operations and/or cause actual results to differ materially from those in the forward looking statements. Such forward looking statements should be construed in the light of such factors, and therefore undue reliance should not be placed on such statements.

Each forward looking statement speaks only as at the date of this announcement. None of Bidco, nor CDL nor M&C, nor any of their respective associates or directors, officers, employees, managers, agents, representatives, partners, members, consultants or advisers: (i) provide any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements will actually occur; nor (ii) assume any obligation to, and do not intend to, revise or update these forward looking statements, except as required pursuant to applicable law. Bidco and CDL disclaim any obligation to update any forward looking or other statements contained herein, except as required by applicable law. All forward looking statements contained in this announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

No Profit Forecasts or Estimates

No statement in this announcement is intended as a profit forecast or profit estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Bidco, M&C or CDL, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Bidco, M&C or CDL, as appropriate.

Disclosure Requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the

Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company, and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

Electronic Communications

Please be aware that addresses, electronic addresses and certain information provided by M&C Shareholders, persons with information rights and other relevant persons for the receipt of communications from M&C may be provided to Bidco during the Offer Period as requested under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Publication on Website and Availability of Hard Copies

In accordance with Rule 26.1 of the Code, a copy of this announcement, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, shall be made available on the website of CDL at: <http://www.cdl.com.sg/Millennium-Offer> and M&C at: <https://investors.millenniumhotels.com/regulatory-announcements-and-news/city-developments-ltd-offer-documents> promptly and by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, the contents of these websites referred to in this announcement are not incorporated into and do not form part of this announcement.

You may request a hard copy of this announcement by contacting Equiniti Limited on 0371-384-2343 (if calling within the UK) or +44 (0)121-415-7047 (if calling from outside the UK). Lines are open Monday to Friday 8.30 a.m. to 5.30 p.m., excluding UK Bank Holidays. You may also request that all future documents, announcements and information to be sent to you in relation to the Final Offer should be in hard copy form.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, M&C confirms that as at the date of this announcement, it has in issue and admitted to trading on the Main Market of the London Stock Exchange 324,793,808 ordinary shares of 30 pence each. Each ordinary share carries the right to one vote. M&C does not hold any ordinary shares in treasury. The International Securities Identification Number (ISIN) of the ordinary shares is GB0005622542.

The M&C Independent Directors, who have been so advised by Credit Suisse as to the terms of the Final Offer, consider the terms of the Final Offer to be fair and reasonable. In providing advice to the M&C Independent Directors, Credit Suisse has taken into account the commercial assessments of the M&C Independent Directors. Accordingly, the M&C Independent Directors intend unanimously to recommend that M&C Shareholders accept the Final Offer.

The Final Offer is subject to the OIO Pre-Condition set out in paragraph 1 of Appendix I to this announcement relating to the consent under the New Zealand Overseas Investment Act 2005 and the Overseas Investment Regulations 2005 for the indirect acquisition of interests in sensitive land and significant business assets in New Zealand that would occur if the Final Offer takes place and is successful. CDL and Bidco will seek consent shortly after the date of this announcement.

In addition to the OIO Pre-Condition, the Final Offer is conditional on, amongst other things, Bidco securing valid acceptances of the Final Offer in respect of more than 50 per cent. in nominal value of the M&C Shares not already owned by the CDL Parties and of the voting rights attached to those shares. This Acceptance Condition is not waivable by Bidco. The Final Offer is also conditional on, amongst other things, the granting by the Takeovers Panel of New Zealand of an unconditional exemption from the requirements of rule 6(1) of the New Zealand Takeovers Code.

The making of the Final Offer by the publication of the Offer Document shall take place as soon as reasonably practicable and in any event within 28 days following either (i) the satisfaction of or, (ii) to the extent permitted by the Panel, waiver by Bidco of, the OIO Pre-Condition.

Upon the Final Offer becoming or being declared wholly unconditional, M&C will apply for de-listing from the Official List of the FCA.

If any dividend, distribution or other return of value is declared, made, paid or becomes payable by M&C in respect of M&C Shares on or after the date of this announcement, the Final Offer Consideration will be reduced by the amount of any such dividend, distribution or other return of value. In such circumstances, M&C Shareholders would be entitled to retain any such dividend, distribution or other return of value declared, made or paid.

The M&C Shares will be acquired under the Final Offer fully paid and free from all liens, charges, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights now and hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made, on or after the date of this announcement.

As at 6 June 2019 (being the Last Practicable Date), the CDL Parties hold 211,749,487 M&C Shares representing approximately 65.2 per cent. of the issued ordinary share capital of M&C.

3 M&C Independent Directors

The M&C Independent Directors, which excludes the appointees of CDL to the M&C board (such appointees being Kwek Leng Beng, Kwek Leng Peck and Kwek Eik Sheng), form an

Independent Committee to which has been delegated the exercise of all powers of the M&C board in relation to the Final Offer.

4 Background to and reasons for the Final Offer

CDL has been a highly supportive shareholder since M&C's initial public offering on the London Stock Exchange in 1996. CDL believes that taking M&C private is in the best interests of all M&C Shareholders.

CDL holds the view that:

- A.** the M&C Group faces a number of challenges and a highly competitive landscape;
- B.** a long-term strategy with significant but targeted capital investment to reposition assets is required; and
- C.** taking M&C private will make it a more nimble, flexible and efficient organisation and will provide it with the ability to further leverage CDL's significant infrastructure and resources.

Further detail on bullets A – C is provided below.

As the CDL Parties own approximately 65.2 per cent. of M&C, CDL holds the view that there is little possibility of any third-party offeror emerging and hence the Final Offer is likely to be the only liquidity event that M&C Shareholders will have to benefit from in the near to medium term. Moreover, setting the Acceptance Condition at more than 50 per cent. of the M&C Shares not already owned by the CDL Parties maximises the prospect of the Offer being declared unconditional and, if successful, would facilitate a de-listing of M&C. CDL's intention would be for M&C to de-list as soon as practicable after the Final Offer is declared wholly unconditional.

A. *The M&C Group faces a number of challenges and a highly competitive landscape*

CDL believes that the M&C Group currently faces a number of challenges despite a supportive lodging cycle, including: (i) pressure on profit margins principally caused by increasing repair and maintenance costs; (ii) rising dependency on Online Travel Agents ("**OTA**"); (iii) rising labour costs caused by structural factors such as unionised labour and national minimum wage legislation; and (iv) intensifying competition from large-scale asset-light hotel conglomerates and consolidation of large hotel brands globally such as Marriott with Starwood, building pressure on other hotel brands.

In addition to this, in the UK, the business faces a challenging business outlook given the uncertainties presented by Brexit, where many experienced European employees in the hotel and catering industries are expected to relocate to other European Union countries, resulting in a shortage of skilled labour and more competitive bidding for existing labour that stays in the UK.

In the US, the business faces challenges of: (i) potential declines in UK and EU tourist travel due to the weakened GBP/Euro rates against USD; and (ii) excess hotel supply in key locations such as New York.

In Asia, M&C faces multiple issues including escalating geopolitical tensions, resulting in a dampening of demand in Seoul, Tokyo and mainland China.

B. *A long-term strategy with significant but targeted capital investment to reposition assets is required*

CDL believes that significant expenditure is required across many of the M&C Group's properties as part of a long-term strategy focussed on unlocking value. A well-structured refurbishment programme with specialist teams focused on enhancing core infrastructure and customer service levels will be required. Accordingly, whilst a programme of material capital investment may adversely impact M&C's earnings and cashflows in the near term, there can be no guarantee that it would necessarily deliver improved returns in the medium term.

C. *Taking M&C private will make it a more nimble, flexible and efficient organisation and will provide it with the ability to further leverage CDL's significant infrastructure and resources*

To meet M&C's challenges and long-term financial requirements, CDL believes that M&C's hotel business can be best navigated if the company becomes a private entity.

If M&C is taken private, CDL could provide M&C with direct access to CDL's larger infrastructure as a diversified, global real estate operating company. CDL believes that M&C can leverage on CDL's network, financial resources and its execution capabilities to effect a more efficient turnaround. M&C could also benefit from CDL's long-standing track record and experienced in-house team of project experts who can execute a well-structured refurbishment programme with lower cost and at a quicker pace. Taking M&C private would promote nimbleness and flexibility to address the most important issues affecting M&C's operating performance, thereby providing the company with a distinct advantage in a highly competitive lodging operating environment.

5 Recommendation

The M&C Independent Directors, who have been so advised by Credit Suisse as to the terms of the Final Offer, consider the terms of the Final Offer to be fair and reasonable. In providing advice to the M&C Independent Directors, Credit Suisse has taken into account the commercial assessments of the M&C Independent Directors. Accordingly, the M&C Independent Directors intend unanimously to recommend that M&C Shareholders accept the Final Offer.

6 Irrevocable undertakings

CDL has received irrevocable undertakings to accept the Final Offer from JNE/MSD, IVA and Classic/BWM in respect of a total of 49,268,604 M&C Shares representing, in aggregate, approximately 43.58 per cent. of the M&C Shares not already owned by the CDL Parties.

The irrevocable undertakings given by JNE/MSD and Classic/BWM prevent such M&C Shareholders from selling all or any part of their M&C Shares. The irrevocable undertaking given by IVA prevents it from selling all or any part of their M&C Shares, except for any M&C

Shares held by IVA as professional trustee or agent for any of IVA's clients for which the professional trusteeship or agency agreement in respect of such M&C Shares has been terminated in writing by such clients of IVA.

Under the terms of the irrevocable undertakings, IVA and Classic/BWM are restricted from acquiring any M&C Shares or other securities of M&C or any interest (as defined in the Code) in any such M&C Shares or securities. JNE/MSD are also subject to such restriction to acquire, unless the Panel confirms that JNE/MSD and any such person holding the M&C Shares are not "acting in concert" with CDL.

Further details of these irrevocable undertakings are set out in Appendix III to this announcement.

7 Background to and reasons for the M&C Independent Directors' recommendation

Context

On 8 December 2017, CDL announced a final offer (the "**2017 Offer**") to acquire the shares in M&C not already held by CDL and its subsidiaries (and persons acting in concert with them) (the "**2017 CDL Parties**"). Under the terms of the 2017 Offer, M&C Shareholders would have been entitled to receive a cash amount of 600 pence per M&C Share together with a special dividend of 20 pence in cash per M&C Share payable to all M&C Shareholders upon the 2017 Offer becoming or being declared wholly unconditional. The 2017 Offer was conditional on, amongst other things, CDL securing valid acceptances in respect of more than 50 per cent. of the M&C Shares not already owned by the 2017 CDL Parties (the "**2017 Acceptance Condition**").

At the time of the 2017 Offer, the independent non-executive directors of M&C received a wide range of feedback from Independent M&C Shareholders, including a public letter from IVA, MSD and Classic (the "**Shareholder Letter**"), who at the time held M&C Shares which represented, in aggregate, approximately 12.7 per cent. of the issued M&C Shares and approximately 36.6 per cent. of the M&C Shares not already owned by the 2017 CDL Parties. The Shareholder Letter stated that IVA, MSD and Classic did not intend to tender their M&C Shares into the 2017 Offer.

On 26 January 2018 (being the final closing date of the 2017 Offer), CDL announced that it had received valid acceptances in respect of M&C Shares representing approximately 47.1 per cent. of M&C's issued share capital not already owned by the 2017 CDL Parties as at 8 December 2017. The 2017 Acceptance Condition was, as a consequence, not satisfied and the 2017 Offer lapsed.

Final Offer received from CDL

In considering the Final Offer, the M&C Independent Directors have taken into account both the potential growth in the business and the risks inherent in the continued execution of M&C's strategy, as well as the value of the underlying assets of M&C. These factors have been considered against the certainty of a cash offer at a level that the M&C Independent Directors believe is unlikely to be realised under the current ownership structure at least in the medium term. The M&C Independent Directors have also taken into account that M&C continues to undergo significant management change at the Executive level with the Chief Executive Officer acting only on an interim basis.

In forming its view on the Final Offer, the M&C Independent Directors have had regard to a number of valuation methodologies to assess a fair market value of M&C. The M&C Independent Directors note the following:

- A.** The Final Offer represents a premium of approximately:
- 37.0 per cent. to the Closing Price of 500 pence per M&C Share on 6 June 2019 (being the last Business Day prior to the start of the Offer Period); and
 - 46.2 per cent. to the volume weighted average price of a M&C Share for the period of 30 days prior to 6 June 2019 (being the last Business Day prior to the start of the Offer Period) of 469 pence; and
 - 10.0 per cent. to the 2017 Offer of 620 pence per M&C Share (which included a special dividend of 20 pence per M&C Share); and
 - 9.5 per cent. to 626 pence per M&C Share, being the highest price that the M&C Shares have traded in the last ten years inclusive of the 2017 offer period which was impacted by significant bid speculation.
- B.** The Final Offer premium of 37.0 per cent. is in line with the average of premia paid in other UK take private transactions undertaken by controlling shareholders.
- C.** M&C has historically traded at a sizeable discount to reported net book value (defined as total assets less total liabilities and minority interests, as set out in the M&C annual and quarterly reports) since the financial crisis of 2008 and for most of its 23 year history as a listed company.

In addition, the M&C Independent Directors have had regard to the statements by CDL that it intends that the M&C Group will continue to generate profit through its hotel assets, through employing complementary business models and that it intends that the M&C Group will continue to own, lease, manage, franchise, invest in and/or operate hotel assets across a wide geographical landscape. However, the M&C Independent Directors also note that CDL has stated that it will continue to evaluate opportunities and may make changes to individual hotels within M&C's portfolio and that such changes to specific hotel assets may include engaging third party operators on a selective basis to manage hotel assets that M&C owns, or by operating through a licensing model, through joint ventures or other arrangements where M&C manages hotel assets on behalf of third parties.

As an owner and operator of hotels, it has not been M&C's strategy to realise value by selling or repurposing its assets, and the M&C Independent Directors would highlight that CDL may oppose such a strategy in the future if M&C were to remain a listed company, by exercising its rights as a controlling shareholder. In light of this and CDL's statements regarding its intentions post acquisition, the M&C Independent Directors are of the view that a listed M&C would most likely continue to trade as a hotel owner and operator. The M&C Independent Directors would also note that, as a listed entity, there may well not be opportunity for the Independent M&C Shareholders to benefit from any potential value upside resulting from a sale of a significant portion of the assets of M&C in the medium term.

Conclusion

Whilst the M&C Independent Directors continue to believe in the prospects for the business, the Final Offer represents an opportunity for Independent M&C Shareholders to realise their

investment in cash today at a valuation higher than the price at which the M&C Shares have closed on any day in the ten years prior to the commencement of the Offer Period and provides the certainty of a cash offer at a level that the M&C Independent Directors believe is unlikely to be realised under the current ownership structure at least in the medium term.

Given the factors highlighted above, the M&C Independent Directors believe the Final Offer represents fair and reasonable value and intend unanimously to recommend the Final Offer to M&C Shareholders.

The M&C Independent Directors note that CDL has received irrevocable undertakings to accept the Final Offer from JNE/MSD, IVA and Classic/BWM in respect of M&C Shares representing, in aggregate, approximately 43.58 per cent. of the M&C Shares not already owned by the CDL Parties.

8 Information on CDL

CDL is a leading global real estate operating company headquartered in Singapore. CDL is one of the largest companies by market capitalisation listed on the Singapore Exchange (SGX). The CDL Group's network spans 103 locations in 29 countries and regions. It currently owns and manages a geographically-diverse portfolio comprising residences, offices, hotels, serviced apartments, integrated developments and shopping malls.

With over 55 years of experience in real estate development and management, CDL has developed over 43,000 homes and owns over 18 million square feet of lettable office, industrial, retail, residential and hotel space globally. In 2018, CDL achieved revenue of S\$4.2 billion (£2.4 billion) and net profit before tax of S\$875.5 million (£500.3 million) with a net asset value of approximately S\$10.1 billion (£5.8 billion) as at 31 December 2018.

CDL is a limited company registered in Singapore.

Further information in relation to the financial effects of the Final Offer prepared for the purposes of an announcement required under the SGX regulations is set out in Part B of Appendix II to this announcement.

9 Information on Bidco

Bidco is a limited company registered in the British Virgin Islands. It is an indirect, wholly-owned subsidiary of CDL.

10 Information on M&C

M&C is an international hotel group which owns, leases, manages, franchises, invests in and/or operates 140 hotels in over 26 countries around the world.

M&C is a public limited company registered in England and Wales. M&C Shares are listed on the premium segment of the Official List of the FCA and admitted to trading on the Main Market of the London Stock Exchange.

11 Management, employees and locations

CDL's strategic plans for M&C

Following completion of the Final Offer, CDL will consider and evaluate the impact of the M&C Group's integration into the CDL Group. CDL intends to work with the management

team and employees of M&C to meet the operational challenges faced by M&C and to identify opportunities to improve the operating and financing efficiency of its hotels by leveraging on CDL's infrastructure, network, financial resources and execution capabilities. However, given these operational challenges, CDL believes that the CDL Group will have to become increasingly involved in the operational and financial management of the M&C Group.

CDL intends that the M&C Group will continue to generate profit through its hotel assets, through employing complementary business models. Following completion of the Final Offer CDL intends that the M&C Group will continue to own, lease, manage, franchise, invest in and/or operate hotel assets across a wide geographical landscape. CDL will continue to evaluate opportunities and may make changes to individual hotels within M&C's portfolio in order to meet the challenges facing its business, once it has finalised its plans. Such changes to specific hotel assets may include engaging third party operators on a selective basis to manage hotel assets that M&C owns, as M&C announced in January 2019 that it had done with The Biltmore, Mayfair, or by operating through a licensing model, through joint ventures or other arrangements where M&C manages hotel assets on behalf of third parties.

Employees and management

CDL has no intention to make material changes to the balance of skills and functions of the management and employees of the M&C Group or to the continued employment of, or the conditions of employment of, M&C's employees, unless otherwise agreed with the relevant employee.

No proposals have yet been made on the terms of any incentivisation arrangements for relevant employees or management and no discussions have taken place regarding the terms of any such arrangements. Any such discussions and the implementation of any incentive arrangements would occur only following completion of the Final Offer.

Separately, the M&C Independent Directors have confirmed that they intend to resign as M&C directors following the de-listing of M&C from the Official List of the FCA and cancellation of M&C Shares' admission to trading on the London Stock Exchange's main market for listed securities.

Existing rights and pension schemes

Following the Final Offer becoming or being declared unconditional in all respects, CDL intends that the existing employment rights, including pension rights, of the management and employees of M&C shall be fully safeguarded in accordance with contractual and statutory requirements.

The Wider M&C Group operates defined benefit pension plans in Indonesia, Malaysia, Philippines, South Korea, Taiwan and the UK (the "**DB Plans**"), which are all open to the future accrual of benefits. The M&C Annual Report and Accounts 2018 contains further information in respect of the funding position of the DB Plans in South Korea, Taiwan and the UK.

The DB Plan in Taiwan was closed to new entrants from 1 July 2005. The other DB Plans are not closed to new entrants.

The pension plan operated by M&C in the UK is the 'M&C Pension Plan' (the "**UK Plan**"), which was established in 1993. The UK Plan provides both a funded defined benefit

arrangement together with a defined contribution plan (with an underpin in respect of any rights to guaranteed minimum pensions accrued before 6 April 1997), both with different categories of membership. The UK Plan was closed to new entrants from 1 November 2013.

Following the Final Offer being declared unconditional in all respects, CDL intends that Wider M&C Group will continue to comply with all of its pensions obligations under the DB Plans, including its commitment to make employer contributions (and does not intend to change the level of such contributions) and to fund any DB Plan deficit. It is not intended that (a) the defined benefit section of the UK Plan or the DB Plan in Taiwan will be reopened to new entrants or (b) the DB Plans in Indonesia, Malaysia, Philippines, South Korea or Taiwan will be closed to new entrants or (c) the accrual of benefits for existing members of any of the DB Plans will cease.

Further information in respect of the effect of the Final Offer on participants in the M&C Share Schemes is also set out in paragraph 12 below.

Locations and headquarters

CDL has no plans to move the location of M&C's headquarters or to make material changes to the locations of M&C's places of business.

Given the nature of M&C's business, M&C has no separate research and development function and CDL has no plans in this regard.

Trading facilities

M&C is currently listed on the Official List and, as set out in paragraph 17 below, a request shall be made to the London Stock Exchange to cancel trading in M&C Shares and de-list M&C from the Official List and re-register it as a private company. This shall both save the costs incurred with the listing and give M&C the flexibility to make more significant changes to its strategy, financing and structure than may be possible with the constraints and distractions associated with a listed company. Furthermore, the business requires substantial investment to fully develop its prospects for growth and expansion which can be more easily achieved within the context of private funding arrangements.

The Final Offer shall not have any impact on the existing business of CDL.

No statements in this paragraph 11 constitute "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

12 M&C Share Schemes

Participants in the M&C Share Schemes will be contacted regarding the effect of the Final Offer on their rights under the M&C Share Schemes and appropriate proposals will be made to such participants in due course. Details of such proposals will be set out in the Offer Document and are summarised below.

The Final Offer will extend to any M&C Shares which are unconditionally allotted or issued as a result of the exercise of existing options and vesting of existing awards under the M&C Share Schemes before the date on which the Final Offer closes.

ABP and ESP

Awards under the ABP and ESP will accelerate and vest as to a time pro-rated proportion on the Final Offer becoming or being declared wholly unconditional, and the remaining

proportion of these awards will remain outstanding and capable of vesting on their normal vesting dates.

ABP and ESP awards which vest on or after the Final Offer becomes or is declared wholly unconditional will be settled in cash calculated by reference to the Final Offer Consideration.

Sharesave Plans

Options under the all employee Sharesave Plans will become exercisable in accordance with their terms in the event that M&C Shares become the subject of a compulsory purchase process pursuant to the provisions of Chapter 3 of Part 28 of the Companies Act, as described in paragraph 17 below. Participants will then be entitled to accept the Final Offer in respect of the M&C Shares acquired on exercise. Bidco has also agreed that in such case participants may be compensated in respect of losing the opportunity of being able to continue saving under these arrangements as a result of early exercise.

In the event that M&C Shares do not become the subject of a compulsory purchase process pursuant to the provisions of Chapter 3 of Part 28 of the Companies Act, options under the Sharesave Plans will continue to remain outstanding until their normal maturity dates, subject to their terms.

Any exercise of options under the Sharesave Plans after the Final Offer becomes or is declared wholly unconditional may be satisfied by newly issued M&C Shares. Any M&C Shares issued after the Final Offer ceases to be capable of acceptance would, pursuant to an amendment to the M&C articles of association which Bidco will implement as soon as practicable following the Final Offer becoming or being declared wholly unconditional, be immediately transferred to Bidco in consideration of a cash payment calculated by reference to the Final Offer Consideration.

If required, participants will receive a payment to compensate for any UK income tax or employee national insurance contributions payable in connection with the acquisition of M&C Shares pursuant to the exercise of their options under the Sharesave Plans.

13 Financing

CDL will provide Bidco with the cash consideration payable under the Final Offer from its existing cash resources as well as funds made available to CDL under a credit facility that has been arranged between CDL and Oversea-Chinese Banking Corporation Limited.

CDL entered into a loan facility agreement with Oversea-Chinese Banking Corporation Limited as lender dated 7 June 2019 (the "**Facility Agreement**") pursuant to which a £660,000,000 credit facility is made available to CDL to finance part of the cash consideration payable pursuant to the Final Offer (and to finance fees, costs and expenses in connection with the Final Offer). Further details in respect of the Facility Agreement and financing arrangements will be included in the Offer Document.

Bidco intends to use funds made available to it by CDL from CDL's existing cash resources and pursuant to the Facility Agreement to finance the acquisition of M&C Shares pursuant to the Final Offer.

Barclays and BofA Merrill Lynch are satisfied that resources available to Bidco are sufficient to satisfy in full the cash consideration payable to M&C Shareholders under the terms of the Offer.

14 Offer Document

The making of the Final Offer by the publication of the Offer Document shall take place as soon as reasonably practicable and in any event within 28 days following either (i) the satisfaction of or, (ii) to the extent permitted by the Panel, waiver by Bidco of, the OIO Pre-Condition.

The Offer Document and Form of Acceptance will be made available to all M&C Shareholders and, for information purposes only, to holders of options and awards granted under the M&C Share Schemes, at no charge to them.

M&C Shareholders are urged to read the Offer Document and the accompanying Form of Acceptance when they are sent to them because they will contain important information.

15 The OIO Pre-Condition

The Final Offer is subject to the following OIO Pre-Condition, being the granting of consent and/or receipt of applicable exemptions under the New Zealand Overseas Investment Act 2005 and the New Zealand Overseas Investment Regulations 2005 for the indirect acquisition of interests in sensitive land and significant business assets in New Zealand that would occur if the Final Offer takes place and is successful.

An application to the New Zealand Overseas Investment Office (the “**OIO**”) has not yet been made, although substantive pre-notification discussions with the OIO will commence as soon as possible following the release of this announcement and formal notifications shall follow in due course. CDL believes that satisfactory clearances should be achievable for the OIO Pre-Condition.

The making of the Final Offer by the publication of the Offer Document shall take place as soon as reasonably practicable and in any event within 28 days following either (i) the satisfaction of or, (ii) to the extent permitted by the Panel, waiver by Bidco of, the OIO Pre-Condition as set out in paragraph 1 of Appendix I of this announcement.

16 Conditions to the Final Offer

In addition to the OIO Pre-Condition, the Final Offer will be subject to the Conditions and further terms set out in Appendix I to this announcement and to be set out in the Offer Document, which include:

- (i) valid acceptances of the Final Offer being received in respect of more than 50 per cent. in nominal value of the M&C Shares not already owned by the CDL Parties as at 7 June 2019 and of the voting rights attached to those shares, as set out in Condition 2(a); and
- (ii) the granting by the Takeovers Panel of New Zealand of an unconditional exemption from the requirements of rule 6(1) of the New Zealand Takeovers Code, as set out in Condition 2(c).

Should the Final Offer become or be declared unconditional as to acceptances, any M&C Shareholders who have accepted the Final Offer shall be unable to withdraw their acceptance unless and until the Final Offer subsequently lapses.

17 Compulsory acquisition, de-listing and re-registration

If Bidco receives acceptances under the Final Offer in respect of, and/or otherwise acquires, 90 per cent. or more of the M&C Shares by nominal value and voting rights attaching to such shares to which the Final Offer relates (the expression “shares to which the Final Offer relates” shall be construed in accordance with Chapter 3 of Part 28 of the Companies Act), and assuming that the OIO Pre-Condition and all of the other Conditions of the Final Offer have been satisfied or waived (if capable of being waived), Bidco intends to exercise its rights pursuant to the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily the remaining M&C Shares on the same terms as the Final Offer.

After the Final Offer becomes or is declared wholly unconditional, M&C will make an application for the cancellation of the listing of M&C Shares on the Official List of the FCA and for the cancellation of trading of the M&C Shares on the London Stock Exchange’s Main Market for listed shares.

It is anticipated that cancellation of M&C’s listing on the Official List and admission to trading on the London Stock Exchange’s main market for listed securities shall take effect no earlier than 20 Business Days after either: (i) the date on which Bidco has, by virtue of its shareholdings (and the shareholdings of the CDL Parties) and acceptances of the Final Offer, acquired or agreed to acquire M&C Shares carrying 75 per cent. of the voting rights of M&C and obtained acceptances of the Final Offer or has acquired, or agreed to acquire, M&C Shares from Independent M&C Shareholders that represent a majority of the voting rights held by the Independent M&C Shareholders on the date of this announcement; or (ii) the first date of issue of compulsory acquisition notices under Part 28 of the Companies Act.

Bidco shall notify M&C Shareholders when the required percentages have been attained (or the compulsory acquisition notices served) and confirm that the notice period has commenced and the anticipated date of cancellation.

It is also intended that, following the Final Offer becoming or being declared wholly unconditional and the M&C Shares having been de-listed, M&C will be re-registered as a private company.

Such cancellation and re-registration will significantly reduce the liquidity and marketability of any M&C Shares not assented to the Final Offer and their value may be affected as a consequence. Any remaining M&C Shareholders would become minority shareholders in a privately controlled limited company and may be unable to sell their M&C Shares and there can be no certainty that any dividends or other distributions will be made by M&C or that the M&C Shareholders will again be offered as much for the M&C Shares held by them as under the Final Offer.

18 Termination of Cooperation Agreement

CDL and M&C are party to an amended and restated cooperation agreement dated 14 November 2014 (as may be further amended from time to time) (the “**Cooperation Agreement**”) which currently governs the conduct and relationship between CDL and M&C.

CDL and M&C entered into a deed of termination on 7 June 2019 (the “**Termination Deed**”) pursuant to which each of CDL and M&C has agreed to terminate the Cooperation Agreement, conditional upon the Final Offer becoming or being declared wholly unconditional and with effect from the de-listing of the M&C Shares from the Official List of the FCA.

19 Dividends

If any dividend, distribution or other return of value is declared, made, paid or becomes payable by M&C in respect of M&C Shares on or after the date of this announcement, the Final Offer Consideration will be reduced by the amount of any such dividend, distribution or other return of value. In such circumstances, M&C Shareholders would be entitled to retain any such dividend, distribution or other return of value declared, made or paid.

20 Disclosure of Interests in M&C

Save in respect of the irrevocable undertakings referred to in paragraph 6 above or as discussed below, as at the close of business on 6 June 2019 (being the Last Practicable Date), neither Bidco, nor any of its directors, nor any member of the CDL Parties nor any director of CDL has: (i) any interest in or right to subscribe for any relevant securities of M&C; nor (ii) any short positions in respect of relevant M&C Shares (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; nor (iii) any dealing arrangement of the kind referred to in Note 11 of the definition of acting in concert in Takeover Code, in relation to M&C Shares or in relation to any securities convertible into M&C Shares; nor (iv) borrowed or lent any relevant M&C Shares (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code), save for any borrowed shares which had been either on-lent or sold, save as set out in the following table:

Name	Nature of Interest	Number of M&C Shares
CDL ¹	Holder of ordinary shares	211,749,487

“Interests in securities” for these purposes arise, in summary, when a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person will be treated as having an “interest” by virtue of the ownership, voting rights or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities.

It has not been practicable for CDL to make enquiries of all of its concert parties in advance of the release of this announcement. Therefore, all relevant details in respect of CDL’s concert parties shall be included in the Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Code.

21 General

The Final Offer will be made subject to the Conditions and further terms set out in Appendix I to this announcement and to be set out in the Offer Document. The bases and sources of certain financial information contained in this announcement are set out in Appendix II to this announcement. Details of all the irrevocable undertakings given by M&C Shareholders

¹ CDL holds ordinary shares through its wholly-owned subsidiary, Singapura Developments (Private) Limited and Reach Across International Limited.

in relation to the Final Offer is contained in Appendix III to this announcement. Certain terms used in this announcement are defined in Appendix IV to this announcement.

Barclays, BofA Merrill Lynch and Credit Suisse have each given and not withdrawn their consent to the publication of this announcement with the inclusion herein of the references to their names in the form and context in which they appear.

22 Documents available on website

Copies of the following documents shall be made available on CDL's website at: www.cdl.com.sg/Millennium-Offer and M&C's website at: <https://investors.millenniumhotels.com/regulatory-announcements-and-news/city-developments-ltd-offer-documents> until the end of the Final Offer:

- this announcement;
- the irrevocable undertakings referred to in paragraph 6 above, details of which are set out in Appendix III to this announcement;
- the Facility Agreement (and any documents relating to the financing of the Final Offer) referred to in paragraph 13 above; and
- the Termination Deed referred to in paragraph 18 above.

Enquiries:

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Linklaters LLP is retained as legal adviser to CDL. Herbert Smith Freehills LLP is retained as legal adviser to M&C.

Important Notices

Barclays, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for CDL and Bidco and no

one else in connection with the Offer and will not be responsible to anyone other than CDL and Bidco for providing the protections afforded to clients of Barclays nor for providing advice in relation to the Offer or any other matter referred to in this announcement.

BofA Merrill Lynch, a subsidiary of Bank of America Corporation, is acting exclusively for CDL in connection with the Final Offer and for no one else and will not be responsible to anyone other than CDL for providing the protections afforded to its clients or for providing advice in relation to the Final Offer or any other matter referred to in this announcement.

In accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, each of Barclays and BofA Merrill Lynch and their respective affiliates will continue to act as exempt principal trader in M&C securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Credit Suisse is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Credit Suisse is acting exclusively for the Independent Committee and for no-one else in connection with the Final Offer, the content of this announcement and other matters described in this announcement. Credit Suisse will not regard any other person as its client in relation to the Final Offer, the content of this announcement and other matters described in this announcement and will not be responsible to anyone other than the Independent Committee for providing the protections afforded to its clients, nor for providing advice to any other person in relation to the Final Offer, the content of this announcement or any other matters described in this announcement.

Save for the responsibilities and liabilities, if any, of Credit Suisse under FSMA or the regulatory regime established thereunder, Credit Suisse does not assume any responsibility whatsoever and makes no representations or warranties, express or implied, in relation to the content of this announcement, including its accuracy, completeness or verification or for any other statement made or purported to be made by the Independent Committee, or on the Independent Committee's behalf, or by Credit Suisse, or on its behalf, and nothing contained in this announcement is, or shall be, relied on as a promise or representation in this respect, whether as to the past or the future, in connection with the Independent Committee or the Final Offer. Credit Suisse disclaims to the fullest extent permitted by law all and any responsibility and liability whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of this announcement or any such statement.

This announcement is for information purposes only. It is not intended to and does not constitute, or form part of, an offer to sell or an invitation or the solicitation of an offer to

purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities or the solicitation of any vote or approval in any jurisdiction in contravention of applicable law.

The Final Offer will be made solely by means of an Offer Document and the Form of Acceptance accompanying the Offer Document which will contain the full terms and conditions of the Final Offer, including details of how the Final Offer may be accepted.

The Final Offer will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

This announcement does not constitute a prospectus or prospectus equivalent document.

Overseas Shareholders

The release, publication or distribution of this announcement in certain jurisdictions other than the United Kingdom may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to the laws and/or regulations of any jurisdictions other than the United Kingdom should inform themselves of, and observe, any applicable requirements. Any failure to comply with the applicable legal and/or regulatory requirements may constitute a violation of the laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Final Offer disclaim any responsibility or liability for the violation of such restrictions by any person.

This announcement has been prepared for the purposes of complying with English law, the Listing Rules, the rules of the London Stock Exchange and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and/or regulations of jurisdiction outside the United Kingdom.

Unless otherwise determined by Bidco or required by the Code, and permitted by applicable law and regulation, the Final Offer shall not be made, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and the Final Offer shall not be capable of acceptance from or within a Restricted Jurisdiction. Accordingly, copies of this announcement and all documents relating to the Final Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Final Offer (including agents, custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such Restricted Jurisdiction as doing so may invalidate any purported acceptance of the Final Offer. Any person (including, without limitation, any agent, custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this announcement and/or the Offer Document and/or any other related document to any jurisdiction outside the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

The availability of the Final Offer to M&C Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

If you are a Resident of the United States, please read the following:

The Final Offer is being made for the securities of M&C, a company incorporated under the laws of England and Wales, and is being made in the United States in compliance with, and reliance on, Section 14(e) of the Exchange Act. Regulation 14E thereunder and the exemption therefrom provided by Rule 14d-1(d) under the Exchange Act. The Final Offer will be made in the United States by Bidco and no-one else.

The Final Offer is subject to the disclosure and procedural requirements of the United Kingdom which are different from those in the United States. In addition, the payment and settlement procedures with respect to the Final Offer will comply with the relevant UK rules, which differ from US payment and settlement procedures. Neither the SEC, nor any securities commission of any state of the United States has approved the Final Offer, passed upon the fairness of the Final Offer or passed upon the adequacy or accuracy of this announcement. Any representation to the contrary is a criminal offence in the United States.

It may be difficult for US holders of shares in CDL or M&C to enforce their rights and claims arising out of the US federal securities laws, since CDL, Bidco and M&C are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. Holders in the United States may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

In accordance with normal UK practice, CDL, Bidco, or their respective nominees, or their respective brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of M&C outside of the United States, other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases shall be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.

Forward Looking Statements

This announcement, including any information included or incorporated by reference in this announcement, contains statements about Bidco, CDL and M&C that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Bidco's or CDL's or M&C's operations; and (iii) the anticipated effects of the Final Offer on the Wider CDL Group and the business and operations of M&C.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Much of the risk and uncertainty relates to factors that are beyond the companies' abilities to control or estimate precisely, such as future events, future market conditions and the behaviours of other market participants. Other unknown or unpredictable factors could affect future operations and/or cause actual results to differ materially from those in the forward looking statements. Such forward looking statements should be construed in the light of such factors, and therefore undue reliance should not be placed on such statements.

Each forward looking statement speaks only as at the date of this announcement. None of Bidco, CDL nor M&C, nor any of their respective associates or directors, officers, employees, managers, agents, representatives, partners, members, consultants or advisers: (i) provide any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements will actually occur; nor (ii) assume any obligation to, and do not intend to, revise or update these forward looking statements, except as required pursuant to applicable law. Bidco and CDL disclaim any obligation to update any forward looking or other statements contained herein, except as required by applicable law. All forward looking statements contained in this announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

No Profit Forecasts or Estimates

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Bidco, M&C or CDL, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Bidco, M&C or CDL, as appropriate.

Disclosure Requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the

offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company, and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129.

Electronic Communications

Please be aware that addresses, electronic addresses and certain information provided by M&C Shareholders, persons with information rights and other relevant persons for the receipt of communications from M&C may be provided to Bidco during the Offer Period as requested under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Publication on Website and Availability of Hard Copies

In accordance with Rule 26.1 of the Code, a copy of this announcement, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, will be available on the website of CDL at: www.cdl.com.sg/Millennium-Offer and M&C at: <https://investors.millenniumhotels.com/regulatory-announcements-and-news/city-developments-ltd-offer-documents> promptly and by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, the contents of these websites referred to in this announcement are not incorporated into and do not form part of this announcement.

You may request a hard copy of this announcement by contacting Equiniti Limited on 0371-384-2343 (if calling within the UK) or +44 (0)121-415-7047 (if calling from outside the UK). Lines are open Monday to Friday 8.30 a.m. to 5.30 p.m., excluding UK Bank Holidays. You may also request that all future documents, announcements and information to be sent to you in relation to the Final Offer should be in hard copy form.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables

may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, M&C confirms that as at the date of this announcement, it has in issue and admitted to trading on the Main Market of the London Stock Exchange 324,793,808 ordinary shares of 30 pence each. Each ordinary share carries the right to one vote. M&C does not hold any ordinary shares in treasury. The International Securities Identification Number (ISIN) of the ordinary shares is GB0005622542.

APPENDIX I
OIO PRE-CONDITION, CONDITIONS AND FURTHER TERMS
OF THE FINAL OFFER

1 The OIO Pre-Condition to the Final Offer

The making of the Final Offer by the publication of the Offer Document shall take place as soon as reasonably practicable and in any event within 28 days following the granting of consent and/or receipt of applicable exemptions under the New Zealand Overseas Investment Act 2005 and the New Zealand Overseas Investment Regulations 2005 for the indirect acquisition of interests in sensitive land and significant business assets in New Zealand that would occur if the Final Offer takes place and is successful (the “**OIO Pre-Condition**”).

Bidco shall be entitled, to the extent permitted by the Panel, to waive the OIO Pre-Condition in whole or in part.

Under Rule 13.5(a) of the Code, Bidco may not invoke the OIO Pre-Condition to the Final Offer so as to cause the Final Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the OIO Pre-Condition are of material significance to Bidco in the context of the Final Offer.

2 Conditions of the Final Offer

The Final Offer shall be subject to the following Conditions:

Acceptance Condition

- (a) valid acceptances of the Final Offer being received (and not, where permitted, withdrawn) by no later than 1.00 p.m. (London time) on the first closing date (or such later time(s) and/or date(s) as Bidco may, subject to the rules of the Code or with the consent of the Panel and in accordance with the applicable provisions of the Exchange Act, decide) in respect of more than 50 per cent. in nominal value of the M&C Shares not already owned by the CDL Parties as at 7 June 2019 and of the voting rights attached to those shares.

For the purposes of this Condition, valid acceptances will be deemed to have been received in respect of M&C Shares which are treated for the purposes of Part 28 of the Companies Act as having been acquired or contracted to be acquired by Bidco by virtue of acceptances of the Final Offer;

New Zealand Overseas Investment Office exemption

- (b) the granting of consent and/or receipt of applicable exemptions under the New Zealand Overseas Investment Act 2005 and the New Zealand Overseas Investment Regulations 2005 for the indirect acquisition of interests in sensitive land and significant business assets in New Zealand that would occur if the Final Offer takes place and is successful;

New Zealand Takeovers Panel exemption

- (c) the granting by the Takeovers Panel of New Zealand of an unconditional exemption from the requirements of rule 6(1) of the New Zealand Takeovers Code;

Notifications, waiting periods and Authorisations

- (d) all notifications, filings or applications which are necessary or considered appropriate or desirable by Bidco having been made in connection with the Final Offer and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in each case in respect of the Final Offer and all Authorisations deemed reasonably necessary or appropriate by Bidco in any jurisdiction for or in respect of the Final Offer and, except pursuant to Chapter 3 of Part 28 of the Companies Act, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, M&C or any other member of the Wider M&C Group by any member of the Wider CDL Group having been obtained in terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider M&C Group or the Wider CDL Group has entered into contractual arrangements and all such Authorisations necessary, appropriate or desirable to carry on the business of any member of the Wider M&C Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Final Offer becomes otherwise wholly unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

General antitrust and regulatory

- (e) no antitrust regulator or Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and, in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
 - (i) require, prevent or delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider CDL Group or by any member of the Wider M&C Group of all or any material part of its businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof);
 - (ii) except pursuant to Chapter 3 of Part 28 of the Companies Act, require any member of the Wider CDL Group or the Wider M&C Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider M&C Group or any asset owned by any third party (other than in the implementation of the Final Offer);
 - (iii) impose any limitation on, or result in a delay in, the ability of any member of the Wider CDL Group, directly or indirectly, to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in M&C or on the ability of any member of the Wider M&C Group or any member of the Wider CDL Group, directly or indirectly, to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in,

or to exercise voting or management control over, any member of the Wider M&C Group;

- (iv) otherwise adversely affect any or all of the business, assets, profits or prospects of any member of the Wider M&C Group or any member of the Wider CDL Group;
- (v) result in any member of the Wider M&C Group or any member of the Wider CDL Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vi) make the Final Offer, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, M&C by any member of the Wider CDL Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, prevent or prohibit, restrict, restrain, or delay or otherwise interfere with the implementation of, or impose additional conditions or obligations with respect to, or otherwise materially challenge, impede, interfere or require material amendment of the Final Offer or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, M&C by any member of the Wider CDL Group;
- (vii) require, prevent or delay a divestiture by any member of the Wider CDL Group of any shares or other securities (or the equivalent) in any member of the Wider M&C Group or any member of the Wider CDL Group; or
- (viii) impose any material limitation on the ability of any member of the Wider CDL Group or any member of the Wider M&C Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider CDL Group and/or the Wider M&C Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Final Offer or the acquisition or proposed acquisition of any M&C Shares or otherwise intervene having expired, lapsed or been terminated;

Certain matters arising as a result of any arrangement, agreement, etc.

- (f) there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider M&C Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Final Offer or the acquisition or the proposed acquisition by any member of the Wider CDL Group of any shares or other securities (or the equivalent) in M&C or because of a change in the control or management of any member of the Wider M&C Group or otherwise, could or might reasonably be expect to result in:
 - (i) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider M&C Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;

- (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider M&C Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests of any member of the Wider M&C Group being adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
- (iv) any liability of any member of the Wider M&C Group to make any severance, termination, bonus or other payment to any of its directors, or other officers;
- (v) the rights, liabilities, obligations, interests or business of any member of the Wider M&C Group or any member of the Wider CDL Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider M&C Group or any member of the Wider CDL Group in or with any other person or body or firm or company (or any arrangement or arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected, or any onerous obligation or liability arising or any adverse action being taken thereunder;
- (vi) any member of the Wider M&C Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vii) the value of, or the financial or trading position or prospects of, any member of the Wider M&C Group being prejudiced or adversely affected; or
- (viii) the creation or acceleration of any liability (actual or contingent) by any member of the Wider M&C Group other than trade creditors or other liabilities incurred in the ordinary course of business,

and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider M&C Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might result in any of the events or circumstances as are referred to in sub-paragraphs (i) to (viii) above;

Certain events occurring since 31 December 2018

- (g) except as Disclosed, no member of the Wider M&C Group having since 31 December 2018:
 - (i) issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of M&C Shares out of treasury (except, where relevant, as between M&C and wholly-owned subsidiaries of M&C or between the wholly-owned subsidiaries of M&C and except for the issue or transfer out of treasury

- of M&C Shares on the exercise of employee share options or vesting of employee share awards in the ordinary course under the M&C Share Schemes);
- (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend, distribution or other return of value (whether payable in cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiaries of M&C to M&C or any of its wholly-owned subsidiaries;
 - (iii) other than pursuant to the Final Offer (and except for transactions between M&C and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of M&C and transactions in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Wider M&C Group taken as a whole;
 - (iv) except for transactions between M&C and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of M&C, and for transactions in the ordinary course of business, disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised, proposed or announced any intention to do so;
 - (v) except for transactions between M&C and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of M&C, issued, authorised or proposed or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness in each case which is material in the context of the Wider M&C Group taken as a whole;
 - (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature or magnitude or which is or which involves or could involve an obligation of a nature or magnitude which is likely to be restrictive on the business of any member of the Wider M&C Group and in each case which is material in the context of the Wider M&C Group taken as a whole;
 - (vii) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary the terms of any contract, service agreement, commitment or arrangement with any director or, except for salary increases, bonuses or variations of terms in the ordinary course, senior executive of any member of the Wider M&C Group;
 - (viii) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider M&C Group which are material in the context of the Wider M&C Group taken as a whole;
 - (ix) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect

of the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;

- (x) waived, compromised or settled any claim which is material in the context of the Wider M&C Group as a whole;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Wider M&C Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider M&C Group taken as a whole;
- (xii) made any material alteration to its memorandum or articles of association or other incorporation documents;
- (xiii) except in relation to changes made or agreed as a result of, or arising from, changes to legislation, made or agreed or consented to any change to:
 - (a) the terms of the trust deeds and rules constituting the pension scheme(s) established by any member of the Wider M&C Group for its directors, employees or their dependants;
 - (b) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
 - (c) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (d) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued, made, agreed or consented to;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- (xv) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xvi) except for transactions between M&C and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of M&C, made, authorised, proposed or announced an intention to propose any change in its loan capital;
- (xvii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities which is material in the context of the Wider M&C Group as a whole;
- (xviii) having taken (or agreed or proposed to take) any action which requires or would require, the consent of the Panel or the approval of M&C Shareholders in general

meeting in accordance with, or as contemplated by, Rule 21.2 of the Takeover Code; or

- (xix) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (g);

No adverse change, litigation, regulatory enquiry or similar

- (h) except as Disclosed, since 31 December 2018 there having been:
 - (i) no adverse change in, and no circumstance having arisen which would or might be expected to result in any adverse change in, the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider M&C Group;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider M&C Group or to which any member of the Wider M&C Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider M&C Group which in any such case is material in the context of the Wider M&C Group taken as a whole;
 - (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider M&C Group having been threatened, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider M&C Group which in any such case is material in the context of the Wider M&C Group taken as a whole;
 - (iv) no contingent or other liability having arisen or become apparent to Bidco or increased other than in the ordinary course of business which is reasonably likely to materially adversely affect the business, assets, financial or trading position or profits or prospects of any member of the Wider M&C Group; and
 - (v) no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider M&C Group which is necessary for the proper carrying on of its business;

No discovery of certain matters regarding information, liabilities and environmental issues

- (i) Bidco not having discovered:
 - (i) that any financial, business or other information concerning the Wider M&C Group publicly announced prior to the date of the announcement or disclosed at any time to any member of the Wider CDL Group by or on behalf of any member of the Wider M&C Group prior to the date of the announcement is materially misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not materially misleading;

- (ii) that any member of the Wider M&C Group is subject to any liability, contingent or otherwise, and which is material in the context of the Wider M&C Group taken as a whole;
- (iii) that any past or present member of the Wider M&C Group has not complied with all applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human or animal health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider M&C Group;
- (iv) that there has been a disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human or animal health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any material liability (whether actual or contingent) on the part of any member of the Wider M&C Group;
- (v) that there is or is reasonably likely to be any obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property, asset or any controlled waters currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider M&C Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, common law, regulation, notice, circular, Authorisation or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto; or
- (vi) that circumstances exist (whether as a result of making the Final Offer or otherwise) which would be reasonably likely to lead to any Third Party instituting (or whereby any member of the Wider M&C Group would be likely to be required to institute) an environment audit or take any steps which would in any such case be reasonably likely to result in any actual or contingent liability to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property of any description or any asset now or previously owned, occupied or made use of by any past or present member of the Wider M&C Group (or on its behalf) or by any person for which a member of the Wider M&C Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest;

Anti-corruption and sanctions

- (vii) any member of the Wider M&C Group or any person that performs or has performed services for or on behalf of any such company is or has engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010 or any other applicable anti-corruption legislation;

- (viii) any member of the Wider M&C Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations (2006) (each as amended); or
- (ix) any member of the Wider M&C Group has engaged in any transaction which would cause any member of the Wider M&C Group to be in breach of applicable law or regulation upon the closing of the Final Offer, including the economic sanctions of the United States Office of Foreign Assets Control or HM Treasury & Customs, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states, save that this shall not apply if and to the extent that it is or would be unenforceable by reason of breach of any applicable Blocking Law; or

No criminal property

- (x) any asset of any member of the Wider M&C Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

3 Certain further terms of the Final Offer

- 3.1** Bidco reserves the right to waive, in whole or in part, to the extent permitted by the Panel, the OIO Pre-Condition as set out in paragraph 1 of this Appendix I. If the OIO Pre-Condition is waived pursuant to this paragraph 3.1, Condition 2(b) shall remain a Condition to the Final Offer.
- 3.2** Bidco also reserves the right to waive, in whole or in part, all or any of the above Conditions 2(b) to 2(x) (inclusive).
- 3.3** Save as specified by the Panel, the Final Offer will lapse unless the OIO Pre-Condition and all the above Conditions have been fulfilled or, where permitted, waived or, where appropriate, have been determined by Bidco to be or remain satisfied, by midnight (London time) on the twenty-first day after the later of the first closing date of the Final Offer and the date on which the Acceptance Condition is fulfilled (or, in each case, such later date as Bidco may determine, in accordance with the Code and the applicable provisions of the Exchange Act).
- 3.4** Bidco will be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of Conditions 2(b) to 2(x) (inclusive) by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.
- 3.5** The Final Offer will lapse if:
 - (a) in so far as the Final Offer or any matter arising from or relating to the Final Offer constitutes a concentration with a Community dimension within the scope of the Regulation, the European Commission either initiates proceedings under Article 6(1)(c) of the Regulation or makes a referral to a competent authority in the United Kingdom under Article 9(1) of the Regulation and there is then a CMA Phase 2 Reference; or

- (b) in so far as the Final Offer or any matter arising from the Final Offer does not constitute a concentration with a Community dimension within the scope of the Regulation, the Final Offer or any matter arising from or relating to the Final Offer becomes subject to a CMA Phase 2 Reference,

in each case before the later of 1.00 p.m. (London time) on the first closing date of the Final Offer and the date when the Final Offer becomes or is declared unconditional as to acceptances.

- 3.6** The M&C Shares acquired under the Final Offer will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made, on or after the date of this announcement.

- 3.7** If, after the date of this announcement but prior to all the Conditions having been fulfilled or (if capable of waiver) waived and for so long as the Final Offer remains open for acceptance, any dividend, distribution or other return of value is declared, made, paid or becomes payable by M&C, Bidco reserves the right (without prejudice to any other right Bidco may have), with the consent of the Panel, to invoke Condition 2(g)(ii) above to reduce the amount of consideration payable under the Final Offer by the same amount as such dividend, distribution or other return of value, and accordingly reduce the Final Offer Consideration (excluding associated tax credit). Furthermore, Bidco reserves the right to reduce the consideration payable under the Final Offer in respect of a M&C Share in such circumstances as are, and by such amount as is, permitted by the Panel.

If and to the extent that any such dividend, distribution or other return of value is declared, paid or made or becomes payable by M&C and Bidco exercises its right under this paragraph 3.7 to reduce the consideration payable under the Final Offer, any reference in this announcement to the consideration payable under the terms of the Final Offer shall be deemed to be a reference to the consideration as so reduced.

If any such dividend, distribution or return of value occurs, any reference in this announcement to the consideration payable or the Final Offer Consideration will be deemed to be a reference to the consideration or Final Offer Consideration as so reduced. If such reduction occurs, notwithstanding the terms on which the M&C Shares are expressed to be acquired by Bidco pursuant to the Final Offer in this Appendix I, the M&C Shares will be acquired by or on behalf of Bidco pursuant to the Final Offer together with all rights now and hereafter attaching to such shares including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made, on or after the date of this announcement if applicable.

If and to the extent that such a dividend, distribution or other return of value has been declared, made, paid or becomes payable by M&C is or will be (i) transferred pursuant to the Final Offer on a basis which entitles Bidco to receive the dividend,

distribution or return of value and to retain it or (ii) cancelled, the consideration payable under the terms of the Final Offer will not be subject to change in accordance with this paragraph 3.7.

Bidco also reserves the right to reduce the consideration payable under the Final Offer in respect of a M&C Share in such circumstances as are, and by such amount as is, permitted by the Panel.

Any exercise by Bidco of its rights referred to in this paragraph will be the subject of an announcement and, for the avoidance of doubt, will not be regarded as constituting any revision or variation of the Final Offer.

- 3.8** If the Final Offer lapses, the Final Offer will cease to be capable of further acceptance and accepting M&C Shareholders and Bidco will cease to be bound by Forms of Acceptance submitted at or before the time when the Final Offer so lapses.
- 3.9** The availability of the Final Offer to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
- 3.10** The Final Offer is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within such Restricted Jurisdiction (unless otherwise determined by Bidco) and the Final Offer cannot be accepted by any such use, means or instrumentality or otherwise from any Restricted Jurisdiction.
- 3.11** The Final Offer is governed by the law of England and Wales and is subject to the jurisdiction of the English courts and to the Conditions and further terms set out in this Appendix I (and, in the case of certificated M&C Shares, the Form of Acceptance). The Final Offer will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA. The Final Offer will be made in the United States pursuant to applicable US tender offer rules or pursuant to any exemptive relief therefrom.
- 3.12** Under Rule 13.5(a) of the Code, Bidco may not invoke a Condition to the Final Offer so as to cause the Final Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Final Offer. Condition 2(a) of Appendix I is not subject to this provision of the Code.
- 3.13** Each of the Conditions will be regarded as a separate Condition and will not be limited by reference to any other Condition.

APPENDIX II

SOURCES OF INFORMATION AND BASES OF CALCULATION

Part A

- (i) The value placed by the Final Offer on the entire issued and to be issued ordinary share capital of M&C is based on the fully-diluted issued share capital of M&C being 325,077,020 as at 6 June 2019, being the Last Practicable Date.
- (ii) The percentages of M&C Shares in relation to the irrevocable undertakings given by M&C Shareholders referred to in paragraph 6 and Appendix III of this announcement are based on 324,793,808 M&C Shares in issue on 6 June 2019, being the Last Practicable Date.
- (iii) The Closing Prices referenced in this announcement are taken from the Daily Official List.
- (iv) Unless otherwise stated, the financial information relating to M&C is extracted from the audited consolidated financial statements for the financial year to 31 December 2018 (“**FY2018**”) of the M&C Group (the “**M&C FY2018 Results**”), prepared in accordance with IFRS as required by EU law (IAS Regulation EC 1606/2002).
- (v) Unless specified otherwise, the SGD:GBP exchange rates used in this announcement are those set out in paragraph 1.1(v) of Part B of this Appendix II.
- (vi) The market value of the M&C Shares that are the subject of the Final Offer, calculated based on the volume weighted average price of approximately 501.729 pence per M&C Share for all trades executed on 6 June 2019 (being the last full day of trading in M&C Shares on the LSE immediately prior to the date of this announcement), is approximately £569 million.²

Part B

Pro Forma Effects of the Final Offer for CDL

- 1.1 **Bases and Assumptions.** The following pro forma financial effects of the Final Offer have been computed based on the audited consolidated financial statements for FY2018 of the CDL Group (the “**CDL FY2018 Results**”) and the M&C FY2018 Results. The following pro forma financial effects of the Final Offer are for illustrative purposes only, and are neither indicative of the actual financial effects of the Final Offer on the net tangible assets (the “**NTA**”) and/or earnings of the CDL Group, nor represent the actual or future financial position and/or results of the CDL Group immediately after the close of the Final Offer or upon completion of the Final Offer. The pro forma financial effects have also been prepared based on the following bases and assumptions:
- (i) no downstream offer in respect of any listed downstream entities of the M&C Group will be required as a result of the Final Offer;
 - (ii) the Final Offer is accepted in full on the basis of the fully-diluted issued share capital of M&C and as a result of which M&C becomes a wholly-owned indirect subsidiary of CDL;

² Calculated based on the fully-diluted issued share capital of M&C (but excluding M&C Shares held by the CDL Group as at 6 June 2019). The number of M&C Shares subject to existing options and awards granted under the M&C Share Schemes which are capable of being satisfied by the new issue of M&C Shares or the reissue of treasury shares is 283,212 (as at 31 May 2019) and, for the purposes of this announcement, the “fully-diluted issued share capital of M&C” means the total number of M&C Shares which would be in issue if this number of M&C Shares were issued pursuant to the exercise or vesting of such options and awards.

- (iii) the aggregate cash consideration payable pursuant to the Final Offer is the maximum aggregate cash consideration payable by CDL pursuant to the Final Offer, being approximately £776 million (equivalent to approximately S\$1,344 million³), and will be funded through a combination of internal cash resources and external borrowings of the CDL Group (excluding the M&C Group);⁴
- (iv) any synergies or fees and expenses which may be realised or incurred following the completion of the Final Offer or in connection with the Final Offer have not been taken into account; and
- (v) the M&C FY2018 Results are reported in pounds sterling (£) and, accordingly, the figures therein used for the purposes of the computation of the pro forma financial effects of the Final Offer have been converted, where necessary, into Singapore Dollar (S\$) based on the exchange rates adopted by CDL when consolidating the M&C FY2018 Results in the CDL Group FY2018 Results, being:
 - (a) the closing exchange rate of S\$1.7411:£1 as at 31 December 2018 for the translation of the balance sheet items;⁵ and
 - (b) the average exchange rate of S\$1.7986:£1 for FY2018 for the translation of the profit and loss items.⁶

1.2 **Earnings.** For illustrative purposes only and assuming that the Final Offer had been completed on 1 January 2018, being the beginning of FY2018, the pro forma financial effects of the Final Offer on the earnings per CDL Share (the “**EPS**”) are as follows:

	Before the Final Offer	After the Final Offer
Net profit after tax and non-controlling interests (S\$ million)	557	552
EPS – Basic (S\$)⁷	0.60	0.59
EPS – Diluted (S\$)⁸	0.58	0.58

1.3 **NTA.** For illustrative purposes only and assuming that the Final Offer had been completed on 31 December 2018, being the end of FY2018, the pro forma financial effects on the NTA per CDL Share are as follows:

³ The exchange rate of SGD to GBP used in this paragraph is based on the exchange rate of S\$1.7317 as at 6 June 2019, being the Last Practicable Date.

⁴ Assume borrowing incurs cost of debt ranging from 1.925 per cent. to 3.0 per cent.

⁵ Being the exchange rate compiled from the Straits Times adopted by CDL when consolidating the M&C FY2018 Results in the CDL Group FY2018 Results.

⁶ Being average of the exchange rates from December 2017 to December 2018 compiled from the Straits Times adopted by CDL when consolidating the M&C FY2018 Results in the CDL Group FY2018 Results.

⁷ EPS-Basic is calculated based on the weighted average number of CDL Shares of 908,581,604 as at FY2018.

⁸ EPS-Diluted is calculated based on weighted average number of CDL Shares of 953,580,502, after adjusting for potential ordinary shares issuable under preference shares of CDL, as at FY2018.

	Before the Final Offer	After the Final Offer
Net assets (S\$ million)	10,041	10,129
Less: intangibles (S\$ million)	2	2
NTA (S\$ million)	10,039	10,127
Number of CDL Shares	906,901,330	906,901,330
NTA per CDL Share (S\$)	11.07	11.17

1.4 **Share Capital.** The Final Offer will not have any impact on the issued share capital of CDL.

APPENDIX III IRREVOCABLE UNDERTAKINGS

The following M&C Shareholders have given irrevocable undertakings to accept the Final Offer.

Name of M&C Shareholder giving undertaking	Number of M&C Shares in respect of which undertaking is given	Percentage of M&C issued share capital*
JNE Partners LLP	10,758,606	3.31%
MSD Capital, L.P.	10,334,533	3.18%
International Value Advisers, LLC	21,191,890	6.52%
Classic Fund Management AG	6,385,522	1.97%
BWM AG	598,053	0.18%
TOTAL	49,268,604	15.17%

* Figures are rounded up to the nearest two decimal places

The irrevocable undertakings given by the above M&C Shareholders (other than IVA) prevent such M&C Shareholders from selling all or any part of their M&C Shares. The irrevocable undertaking given by IVA prevents it from selling all or any part of their M&C Shares, except for any M&C Shares held by IVA as professional trustee or agent for any of IVA's client(s) for which the professional trusteeship or agency agreement in respect of such M&C Shares has been terminated in writing by such client(s) of IVA.

Under the terms of the irrevocable undertakings, IVA and Classic/BWM are restricted from acquiring any M&C Shares or other securities of M&C or any interest (as defined in the Code) in any such M&C Shares or securities. JNE/MSD are also subject to such restriction to acquire, unless the Panel confirms that JNE/MSD and any such person holding the M&C Shares are not "acting in concert" with CDL.

These irrevocable undertakings will cease to be binding and be of no effect if:

- (i) CDL announces, with the consent of the Panel, and before the offer document for the Final Offer is published, that it does not intend to proceed with the Final Offer and no new, revised or replacement offer is announced by CDL in accordance with Rule 2.7 of the Code; or
- (ii) the Final Offer does not become effective, is withdrawn or lapses in accordance with its terms.

In addition, there are certain conditions to termination of these irrevocable undertakings which have been satisfied by the release of this announcement.

APPENDIX IV DEFINITIONS

The following definitions apply throughout this announcement unless the context requires otherwise.

“ABP”	the Annual Bonus Plan
“Acceptance Condition”	the condition as set out in paragraph 2(a) of Appendix I to this announcement
“Authorisations”	regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals
“Barclays”	Barclays Bank PLC, acting through its Investment Bank
“Bidco”	Agapier Investments Limited, a company incorporated in the British Virgin Islands with British Virgin Islands Company Number 1886128 whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
“Blocking Law”	means (i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union or the United Kingdom); or (ii) any similar blocking or anti-boycott law
“BofA Merrill Lynch”	Merrill Lynch (Singapore) Pte Ltd.
“Business Day”	a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business in the City of London
“CDL”	City Developments Limited, a company incorporated in Singapore with registration number 196300316Z whose registered office is at 9 Raffles Place #12-01 Republic Plaza Singapore 048619
“CDL FY2018 Results”	the audited consolidated financial statements of the CDL Group for the year ended 31 December 2018
“CDL Group”	CDL and its subsidiaries
“CDL Parties”	Bidco, CDL and those persons acting in concert (within the meaning of the term given in the Code) with them
“CDL Shares”	ordinary shares in the capital of CDL
“Classic”	Classic Fund Management AG
“Classic/BWM”	Classic and BWM AG
“Closing Price”	the closing middle market price of a M&C Share on a particular trading day as derived from the Daily Official List

“CMA Phase 2 Reference”	a reference of the Final Offer to the chair of the Competition and Markets Authority for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013
“Code”	the City Code on Takeovers and Mergers
“Companies Act”	the Companies Act 2006, as amended
“Competition and Markets Authority”	a UK statutory body established under the Enterprise and Regulatory Reform Act 2013
“Conditions”	the OIO Pre-Condition and the conditions of the Final Offer, set out in Appendix I to this announcement and to be set out in the Offer Document, and “Condition” means any one of them
“Cooperation Agreement”	an amended and restated cooperation agreement dated 14 November 2014 (as may be further amended from time to time)
“Credit Suisse”	Credit Suisse International
“Daily Official List”	the Daily Official List published by the London Stock Exchange
“DB Plans”	M&C’s defined benefit pension plans in Indonesia, Malaysia, Philippines, South Korea, Taiwan and the UK
“Dealing Disclosure”	has the same meaning as in Rule 8 of the Code
“Disclosed”	the information disclosed by, or on behalf, of M&C in any announcement to a Regulatory Information Service by, or on behalf of, M&C prior to the publication of the announcement
“ESP”	the 2016 Executive Share Plan
“Exchange Act”	the US Securities Exchange Act of 1934
“FCA”	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the UK Financial Services and Markets Act 2000
“Facility Agreement”	the loan facility agreement entered into by CDL with Oversea-Chinese Banking Corporation Limited as lender dated 7 June 2019 pursuant to which a £660,000,000 credit facility is made available to CDL to finance part of the cash consideration payable pursuant to the Final Offer (and, in each case, to finance fees, costs and expenses in connection with the Final Offer)
“Final Offer”	the recommended pre-conditional final cash offer, made by Bidco, which is final and will not be increased, to acquire the entire issued and to be issued ordinary M&C Shares on the terms and subject to the Conditions to be set out in the Offer Document and (in respect of M&C Shares in certificated form) the Form of Acceptance and including, where the

	context permits, any subsequent revision, variation, extension or renewal of such offer)
“Final Offer Consideration”	685 pence per M&C Share
“Form of Acceptance”	the form of acceptance and authority relating to the Final Offer which will accompany the Offer Document for use by M&C Shareholders with shares in certificated form in connection with the Final Offer
“FSMA”	Financial Services and Markets Act 2000
“FY2018”	financial year ended 31 December 2018
“IFRS”	International Financial Reporting Standards
“Independent Committee”	the independent committee of the M&C Independent Directors
“Independent M&C Shareholders”	M&C Shareholders other than the CDL Parties
“IVA”	International Value Advisers, LLC
“JNE/MSD”	JNE Partners LLP and MSD Capital, L.P.
“Last Practicable Date”	6 June 2019, being the last practicable date prior to the date of this announcement
“Listing Rules”	the rules and regulations made by the FCA under the Financial Services and Markets Act 2000, and contained in the FCA’s publication of the same name, as amended from time to time
“London Stock Exchange”	London Stock Exchange plc
“M&C”	Millennium & Copthorne plc, a company incorporated in England and Wales with registration number 03004377 whose registered office is at Victoria House, Victoria Road, Horley, Surrey RH6 7AF, United Kingdom
“M&C FY2018 Results”	the audited consolidated financial statements of the M&C Group for the year ended 31 December 2018
“M&C Group”	M&C and its subsidiary undertakings and, where the context permits, each of them
“M&C Independent Directors”	the independent non-executive 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)
“M&C Shareholders”	the holders of M&C Shares
“M&C Share Schemes”	the ABP, the ESP and the Sharesave Plans
“M&C Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of 30 pence each in the capital of M&C and any further such ordinary shares which are unconditionally allotted or issued while the Final Offer remains open for acceptance or before such earlier date as Bidco (subject to

	the Code) may determine, not, unless the Panel so permits, being earlier than the date on which the Final Offer is declared unconditional as to acceptances or, if later, the first closing date of the Final Offer
"Main Market"	the main market of the London Stock Exchange
"MSD"	MSD Partners, L.P. and its affiliates
"NTA"	net tangible assets
"Offer Document"	the document to be despatched to M&C Shareholders following satisfaction or, if permitted by the Panel, waiver of the OIO Pre-Condition containing the full terms and conditions of the Final Offer
"Offer Period"	the Offer Period (as defined by the Code) relating to M&C, which commenced on 7 June 2019
"OIO"	the New Zealand Overseas Investment Office
"OIO Pre-Condition"	the pre-condition to the publication of the Offer Document which is set out in paragraph 1 of Appendix I to this announcement
"Opening Position Disclosure"	has the same meaning as in Rule 8 of the Code
"Panel"	the Panel on Takeovers and Mergers
"Prudential Regulation Authority"	the Prudential Regulation Authority in the UK
"Registrar"	the Registrar of Companies in England and Wales
"Regulation"	Council Regulation (EC) 139/2004
"Regulatory Information Service"	any of the services set out in Appendix III to the Listing Rules
"Restricted Jurisdiction"	any jurisdiction where, in the opinion of Bidco local laws or regulations may result in significant risk of civil, regulatory or criminal exposure for Bidco or CDL if the Final Offer or information concerning the Final Offer is sent or made available to M&C Shareholders in that jurisdiction
"SEC"	The United States Securities and Exchange Commission
"SGX"	the Singapore Exchange
"Sharesave Plans"	the 2016 Sharesave Plan and the 2006 Sharesave Plan
"Significant Interest"	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking
"Termination Deed"	the deed of termination entered into between M&C and CDL dated 7 June 2019 to terminate the Cooperation Agreement
"Third Party"	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body,

	court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States of America, and the District of Columbia
“Wider CDL Group”	CDL and associated undertakings and any other body corporate, partnership, joint venture or person in which CDL and all such undertakings (aggregating their interests) have a Significant Interest
“Wider M&C Group”	M&C and associated undertakings and any other body corporate, partnership, joint venture or person in which M&C and such undertakings (aggregating their interests) have a Significant Interest

For the purposes of this announcement, **“subsidiary”**, **“subsidiary undertaking”**, **“undertaking”** and **“associated undertaking”** have the respective meanings given thereto by the Companies Act.

All references to **“GBP”**, **“pounds”**, **“pounds Sterling”**, **“Sterling”**, **“£”**, **“pence”**, **“penny”** and **“p”** are to the lawful currency of the United Kingdom.

All references to **“S\$”** and **“Singapore Dollars”** are to the lawful currency of the Republic of Singapore.

All the times referred to in this announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.