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THIS ANNOUNCEMENT IS NOT AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND THERE CAN BE NO CERTAINTY THAT AN OFFER WILL BE MADE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

3 November 2017

Millennium & Cophthorne Hotels plc ("M&C")

EXTENSION OF PUSU DEADLINE

On 19 October 2017, the boards of City Developments Limited ("**CDL**") and Agapier Investments Limited ("**Bidco**") and the independent non-executive directors of M&C (the "**Independent Committee**") announced details of a possible recommended cash offer (the financial terms of which were first announced on 9 October 2017), pursuant to which Bidco would acquire the entire issued and to be issued ordinary share capital of M&C not already held by CDL and its subsidiaries (and persons acting in concert with them) (the "**Proposed Offer**").

The announcement stated that the Proposed Offer would be subject to certain conditions, including the granting of consent by the New Zealand Overseas Investment Office (the "**OIO**") under the New Zealand Overseas Investment Act 2005 and/or receipt of applicable exemptions in accordance with 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 as a result of the Proposed Offer. CDL has filed an application for consent with the OIO, and CDL and Bidco are continuing to work with the OIO in relation to obtaining this consent.

The announcement further stated that, in accordance with Rule 2.6(a) of the Code, Bidco is required, by no later than 5.00 p.m. on 6 November 2017, either to announce a firm intention to make an offer in accordance with Rule 2.7 of the Code or to announce that it does not intend to make an offer for M&C (the "**PUSU Deadline**").

CDL and Bidco have explained to the Independent Committee that they are not willing to announce a firm intention to make an offer in accordance with Rule 2.7 of the Code without further clarity on the timing and likely outcome of the OIO approval due to the potential legal implications on CDL and Bidco (including possible criminal sanctions) if they proceed without OIO consent, and further that they expect that the period until the 8 December 2017 will provide sufficient time for them to gain such clarity. Accordingly, following the receipt of a request from CDL and Bidco, the Independent Committee has sought the consent of the Panel on Takeovers and Mergers (the "**Panel**") for an extension of the PUSU Deadline. The Independent Committee considers that in requesting the extension of the PUSU Deadline, this preserves the opportunity of shareholders to receive, and consider, a formal offer if one is made.

In light of this request, an extension has been granted by the Panel and in accordance with Rule 2.6(a) of the Code, Bidco is required, by no later than 5.00 p.m. on 8 December 2017, either to announce a firm intention to make an offer in accordance with Rule 2.7 of the Code or to announce that it does not intend to make an offer for M&C, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline may be extended with the consent of the Panel in accordance with Rule 2.6(c) of the Code.

This announcement is being made with the prior approval of CDL and Bidco. There can be no certainty that a formal offer will be made. A further statement will be made as appropriate.

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This announcement has been prepared for the purposes of complying with English law and the Code and 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 of jurisdictions outside the United Kingdom.

Overseas Shareholders

*The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law (a “**Restricted Jurisdiction**”). Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.*

Unless otherwise determined by CDL or required by the Code, and permitted by applicable law and regulation, the Proposed 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 Proposed Offer shall not be capable of acceptance from or within a Restricted Jurisdiction. Accordingly, copies of this announcement and all documents relating to the Proposed 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 Proposed Offer (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions as doing so may invalidate any purported acceptance of the Proposed Offer.

The availability of the Proposed Offer to shareholders of M&C 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 Proposed Offer would be made for the securities of M&C, a company incorporated under the laws of England and Wales, and would be made in the United States in compliance with, and reliance on, the applicable provisions of Section 14(e) of the US Securities Exchange Act of 1934 (the "Exchange Act") and Regulation 14E thereunder. The Proposed Offer would be made in the United States by CDL and no one else.

The Proposed Offer would be subject to 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 Proposed Offer would comply with the relevant United Kingdom rules, which differ from United States payment and settlement procedures.

In accordance with normal UK market practice, CDL, certain affiliated companies and its nominees or brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, M&C shares, other than pursuant to the Proposed Offer, before or during the period in which the Proposed Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. If such purchases or arrangements to purchase were to be made they would be made outside the United States and would comply with applicable law, including the Exchange Act.

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 pm (London time) on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm (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 pm (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.

Publication on Website

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 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 content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.