

CITY DEVELOPMENTS LIMITED

(Co. Reg. No. 196300316Z)

(Incorporated in the Republic of Singapore)

ANNOUNCEMENT RELATING TO MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED (“MCK”) AND CDL INVESTMENTS NEW ZEALAND LIMITED (“CDI”)

1. Regulatory findings against MCK and CDI

MCK, a subsidiary of City Developments Limited (“**CDL**” or the “**Company**”), is a New Zealand incorporated company, with its ordinary shares quoted on the NZX Main Board. CDI is a subsidiary of MCK and is also a New Zealand incorporated company, whose ordinary shares are quoted on the NZX Main Board.

The Board of Directors of CDL (the “**Board**”) have been informed that the NZ Markets Disciplinary Tribunal (the “**Tribunal**”) has found that MCK breached NZX listing rules in relation to two categories:

- (1) the MCK audit committee not having the requisite number of members in 2018 which was self-remedied in 2020. The Tribunal acknowledged that MCK had good intentions with respect to its audit committee’s composition by removing a third member in a good faith attempt to have the audit committee comprise solely of independent directors but overlooked the NZX listing rule requirement for the audit committee to have at least three members; and
- (2) failure to meet the disclosure requirements of the “comply or explain” regime in MCK’s annual reports for the financial years 2017 to 2022 and did not include MCK’s board evaluation on its performance with respect to its diversity policy in MCK’s annual reports for the financial years 2018 to 2022.

As a result, MCK has been fined and publicly censured by the Tribunal. MCK will also have to pay the costs and expenses incurred by the NZX Regulation Limited and the Tribunal in considering the matter. The Tribunal mentioned that MCK admitted the breaches at the earliest opportunity and co-operated fully with NZX Regulation Limited’s investigation.

The Tribunal has also found that CDI had committed the same breaches mentioned above and the Tribunal has made the same decision against CDI.

MCK and CDI have today released their respective statements regarding this matter and the Company has released the same on SGXNET.

2. No impact to the Board or to the operations of the Company

Mr Tan Kian Seng, a Director on the Board, served as a non-executive director on the boards of MCK and CDI for the period of 28 February 2017 to 31 December 2019.

The Board has noted that Mr Tan was a non-executive director of MCK and CDI and was not involved in their respective day to day operations. In addition, the Board notes that the breaches by MCK and CDI relate to compliance with NZX listing rules and corporate governance code annual report requirements which are matters within the remit of the executive management teams of MCK and CDI respectively and are therefore not directly attributable to Mr Tan. Accordingly, the Board is of the view that the regulatory findings do not affect the ability or suitability of Mr Tan to continue to serve as a Director of the Company.

The Board does not expect the breaches or the regulatory actions taken by the Tribunal against MCK and CDI to have any impact on the Company's business or operations.

By Order of the Board

Yeo Swee Gim, Joanne
Enid Ling Peek Fong
Company Secretaries

16 November 2023