

GENERAL ANNOUNCEMENT::ACQUISITION OF SOFITEL BRISBANE CENTRAL AUSTRALIA

Issuer & Securities

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CITY DEVELOPMENTS LIMITED

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Submitted By (Co./ Ind. Name)

Enid Ling Peek Fong

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the following documents released on 22 March 2023 relating to the acquisition of Sofitel Brisbane Central, Australia:

1. News release titled "CDL To Acquire Sofitel Brisbane Central - Marks the Group's Expanding Hospitality Footprint in Australia"; and
2. Announcement released by Millennium & Copthorne Hotels New Zealand Limited titled "MCK and Millennium & Copthorne Hotels Limited Sign Purchase Agreements For Sofitel Brisbane Central Hotel".

Attachments

[CDL News Release - Sofitel Brisbane.pdf](#)

[MCK NZ announcement - Sofitel Brisbane.pdf](#)

Total size = 969K MB



News Release

22 March 2023

CDL TO ACQUIRE SOFITEL BRISBANE CENTRAL – MARKS THE GROUP’S EXPANDING HOSPITALITY FOOTPRINT IN AUSTRALIA

- **The landmark 5-star hotel with 416 rooms and extensive facilities will be the Group’s third hotel in Australia**
- **Brisbane’s largest single branded hotel by room inventory and largest hotel conference facilities in the heart of the CBD with direct access to Central Station**
- **Strong investment potential due to the robust fundamentals of Brisbane’s hotel market, limited room supply, pipeline of infrastructure projects and large-scale sporting and business events, which will fuel sustained demand**

City Developments Limited (CDL), through its wholly-owned hotel subsidiary Millennium & Copthorne Hotels Limited (M&C) and in a 50:50 Joint Venture (JV) with its New Zealand-listed subsidiary Millennium & Copthorne Hotels New Zealand Limited (NZX:MCK), has entered into a Purchase Sale Agreement and Business Asset Sale Agreement on 22 March 2023 to acquire the Sofitel Brisbane Central hotel in Australia from Brookfield Asset Management at a purchase price of A\$177.7 million (approximately S\$159.2 million¹), or A\$427,000 (approximately S\$383,000¹) per key.

Located in the heart of Brisbane’s vibrant Central Business District (CBD), the 5-star luxury hotel is directly linked to the Central Station, a major transportation hub, and offers unparalleled connectivity to the city’s commercial and retail areas, the Brisbane Airport, Brisbane Entertainment Centre, Gold Coast and rest of Queensland. The hotel is also within walking distance of the city’s key attractions such as the Queen Street Mall, Eagle Street Pier beside the Brisbane River, South Bank Parklands and the Convention Centre.

Comprising 416 rooms and suites, the landmark hotel boasts exceptional views overlooking the iconic ANZAC Square, the city’s exquisite skyline, and the famed Sunshine Coast. The 30-storey hotel is home to the city’s largest hotel event and meeting facility with nine meeting and conference rooms that can accommodate up to 1,100 people.

Mr Kwek Leng Beng, CDL Executive Chairman, said, “The proposed acquisition marks the Group’s entry into Brisbane’s hospitality sector. Brisbane is amongst the key hospitality markets in Australia that have enjoyed the strongest RevPAR recovery in 2022, significantly exceeding pre-pandemic levels. Brisbane’s pipeline of over A\$20 billion in infrastructure projects will further enhance the city’s position as a world-class sporting, tourism and business events destination. With Brisbane being the host city for the 2032 Olympic and Paralympic Games and the Rugby World Cup in Australia in 2027 and 2029, the acquisition presents an attractive opportunity for the Group to enlarge our presence in Australia and enhance our recurring income stream. The Group remains focused on optimising our hospitality portfolio.”

Following the expected completion of the acquisition in the second half of this year, Sofitel Brisbane Central will continue to be managed by the Accor Group under its Sofitel brand.

¹ Based on the exchange rate of A\$1.00 = S\$0.896.

The acquisition of Sofitel Brisbane Central aligns with the Group's diversification strategy, with Australia being one of its key markets. The Group has several development projects, including Fitzroy Fitzroy and The Marker in Melbourne, and Brickworks Park and Treetops at Kenmore in Brisbane. In 2018, it completed Ivy and Eve, an iconic 472-unit luxury residential project in Brisbane. The Group's REIT associate CDL Hospitality Trusts also owns two hotels in Australia – Mercure Perth and Ibis Perth.

Refer to Annex A for more details on Sofitel Brisbane Central.

Issued by City Developments Limited (Co. Regn. No. 196300316Z)

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ANNEX A

SOFITEL BRISBANE CENTRAL



Location	249 Turbot Street, Brisbane City QLD 4000, Australia
The Hotel	A 5-star landmark hotel prominently located in the heart of Brisbane CBD, overlooking ANZAC Square and Post Office Square, with direct access to Central Railway Station, the city's main transport hub.
Rooms	416 (379 rooms and 37 suites)
Restaurants & Bars	6 restaurants, bars and lounges: <ul style="list-style-type: none"> • Suzette Restaurant • Privé Restaurant/Private Dining Room • Cuvée Lounge Bar • Chouchou Pâtisserie • Bistro Jacques • Club Millésime Executive Lounge
Meetings & Conferences	Ballroom Le Grand and 8 meeting rooms
Facilities	<ul style="list-style-type: none"> • Heated outdoor swimming pool and sundeck, plus an Elite high-performance gym • Spa, hair salon and medical clinic • Undercover parking for 220 vehicles • Rooftop helicopter pad
Land Tenure	99-year from 25 May 2021
Consideration	A\$177.7 million (A\$427,000 per key)
Effective Group Interest	87.9%

MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED

NZX ANNOUNCEMENT**22 March 2023****MCK and Millennium & Copthorne Hotels Limited Sign Purchase Agreements
For Sofitel Brisbane Central Hotel**

Millennium & Copthorne Hotels New Zealand Limited (NZX:MCK) and its parent company Millennium & Copthorne Hotels Limited (**M&C**), subsidiaries of Singapore-listed City Developments Limited (**CDL**), are pleased to announce that they have, through a 50:50 joint venture, entered into a conditional sale and purchase agreement to acquire the Sofitel Brisbane Central hotel in Australia from Brookfield Asset Management at a purchase price of A\$177.7 million (approximately NZ\$189.0 million*), or A\$427,000 (approximately NZ\$454,255*) per key (the **Acquisition**).

Speaking for MCK, Managing Director Stuart Harrison said that this was a strategic acquisition that would enable MCK to further diversify and broaden its asset base in Australia.

“We are delighted to have entered into the sale agreement for the Acquisition and to be partnering on the Acquisition with our parent company M&C. MCK has wanted a foothold in Australia for a very long time and the acquisition of this well-known and well-located hotel would allow us to participate in the Australian hospitality market in a meaningful way”, he said.

Mr. Harrison said that the acquisition, if completed, will represent an important milestone for MCK.

“This is a landmark property in a location which is very popular and well known to Australians and New Zealanders and will benefit from significant sporting and cultural events, which include the 2032 Olympic and Paralympic Games, as well as the 2027 and 2029 Rugby World Cup to take place in Australia. MCK looks forward to adding this interest in the Brisbane hotel to our hospitality portfolio after a competitive tender process”.

The Acquisition is subject to various conditions, including Australian Foreign Investment Review Board approval, liquor licence transfer and landlord’s consent. Completion is expected to occur in the second half of this year.

Sofitel Brisbane Central will continue to be managed by the Accor Group under its Sofitel brand.

MCK will be using a combination of its existing cash resources as well as external borrowing to complete its 50% share (A\$88.85 million) of the purchase price. It will not be undertaking a capital raising to complete the Acquisition.

(*: NZD / AUD exchange rates used are 1 / 0.94 as at 20 March 2023)



Sofitel Brisbane Central at a glance:

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Land Tenure	<ul style="list-style-type: none"> • 99-year from 25 May 2021

MCK applied for, and has been granted, a waiver from the requirement under Rule 5.2.1 of the NZX Main Board Listing Rules to obtain the prior approval of MCK shareholders in relation to the Acquisition. NZRegCo will announce that waiver decision today. A waiver was required because:

- MCK's share of the purchase price is greater than 10% of MCK's Average Market Capitalisation (as defined in the NZX Listing Rules (the **Listing Rules**). As such, the Acquisition will be a "Material Transaction" under the Listing Rules; and
- M&C is a "Related Party" of MCK for the purposes of the Listing Rules.

-ENDS-

Issued by Millennium & Copthorne Hotels New Zealand Limited

About Millennium & Copthorne Hotels New Zealand Limited

Millennium & Copthorne Hotels New Zealand Limited (NZX:MCK) is the only NZX listed hotel owner – operator with 18 owned / leased / franchised hotels based in New Zealand under the Millennium, Grand Millennium, M Social, Copthorne and Kingsgate brands. As part of the Millennium & Copthorne Hotels group, we are proud to be part of a global network of over 120 properties in gateway cities across Asia, Europe, North America, the Middle East and New Zealand. MCK is also the majority shareholder in land developer CDL Investments New Zealand Limited (NZX:CDI) and also has property interests in Australia through its Kingsgate Group subsidiaries.

For more information, visit our website: www.millenniumhotels.co.nz