

1. Decision Date

6 September 2017

2. Duration of the Exemption

This Exemption comes into force on 6 September 2017, and expires at the close of 5 September 2018, unless varied under regulation 37(3) of the Regulations, or revoked earlier.

3. Interpretation

(1) In this notice, unless the context otherwise requires—

Act means the Overseas Investment Act 2005.

Exemption means the exemption in paragraph 4.

Exemption Holder means CDL Hotels Holdings New Zealand Limited.

OIO means the Overseas Investment Office.

Regulations means the Overseas Investment Regulations 2005.

(2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this Exemption has the same meaning as in the Act or the Regulations (as the case may be).

4. Exemption from the requirement for consent provisions of the Act

(1) An exemption is granted exempting the Exemption Holder's acquisition of 604,000 ordinary shares in Millennium & Copthorne Hotels New Zealand Limited, which has indirect interests in sensitive land and has assets in New Zealand the value of which exceed \$100m, from the requirement for consent.

5. Conditions of the Exemption

(1) The Exemption Holder must notify the OIO in writing as soon as practicable, and no later than twelve months from the date of the Exemption, whether the transaction in paragraph 4(1) took place. If the transaction did take place, the notice must include:

- (a) the date upon which settlement of the transaction occurred;
- (b) final consideration paid (plus GST, if any);
- (c) the structure by which the acquisition was made, and who acquired the property;
- (d) where applicable, copies of transfer documents and settlement statements; and
- (e) any other information that would aid the OIO in its function to monitor the conditions of the Exemption.

(2) If requested in writing by the OIO, the Exemption Holder must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:

- (a) the representations and plans made or submitted in support of the application for the Exemption; or

(b) the conditions of the Exemption.

6. Amendment or revocation of the Exemption

The Exemption and conditions of the Exemption may at any time be amended or revoked by the Overseas Investment Office.

7. Sanctions

The Act provides for civil and criminal sanctions for breaching the Act, failing to comply with conditions of exemption and failing to provide information required by the Overseas Investment Office. The Overseas Investment Office has an obligation to investigate and act upon alleged and suspected breaches of the Act.

8. Explanatory note

The purpose of the Exemption is to allow CDL Hotels Holdings New Zealand Limited to acquire a de minimis increase in shareholding in Millennium & Copthorne Hotels New Zealand Limited, to which they already own a significant shareholding of 70.22%.

The proposed transaction will therefore increase CDL Hotels Holdings New Zealand Limited's shareholding in Millennium & Copthorne Hotels New Zealand Limited from 70.22% to 70.82%.

Consent is required as Millennium & Copthorne Hotels New Zealand Limited owns an indirect interest in sensitive land and has assets in New Zealand the value of which are in excess of \$100 million. The Applicant's increase of 0.6% will therefore be an increase in an existing 25% or more ownership of Millennium & Copthorne Hotels New Zealand Limited.

While the proposed transaction falls outside the scope of the existing exemptions in regulation 33, the Exemption is consistent with the purposes of the Act, particularly in light of the de minimis increase in shareholding and the similarity to regulation 33(1)(p).

Any subsequent transactions relating to the shares of Millennium & Copthorne Hotels New Zealand Limited will remain subject to any applicable requirement for consent under the Act.