



**MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED**  
**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

Notice is given that the Annual Meeting of Millennium & Copthorne Hotels New Zealand Limited ("the Company") will be held at the Catalyst 4 Room, M Social Auckland, 196-200 Quay Street, Auckland, New Zealand, on Tuesday 28 May 2019 commencing at 2.00pm.

**BUSINESS**

**Chairman's Welcome & Introduction**

**Managing Director's Review**

**Resolutions**

**1 To re-elect director**

**Kian Seng TAN**, retires by rotation and, being eligible, offers himself for re-election.

(See Explanatory Notes for more information and profile)

**2 To re-elect director**

**Graham MCKENZIE**, retires by rotation and, being eligible, offers himself for re-election.

(See Explanatory Notes for more information and profile)

**3 Changes to the Company's Constitution**

To consider, and if thought fit, to pass the following special resolution:

*"That the existing Constitution of the Company be revoked and the Company adopt a new Constitution in the form tabled at the meeting and signed by the Chairman for the purpose of identification."*

(See Explanatory Notes for more information)

**4 Auditor's remuneration**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That the Board of Directors be authorised to fix the auditor's fees and expenses".*

(See Explanatory Notes for more information)

**General Business**

**By Order of the Board**

Takeshi Ito  
Vice President Legal & Company Secretary  
29 April 2019

## PROCEDURAL NOTES

### Voting in person

You are entitled to vote at the Annual Meeting if you have a shareholding at 2.00pm on 28 May 2019. Please bring the enclosed proxy form with you to the Annual Meeting, as the barcode will assist with your registration.

### Proxies and Corporate Representatives

Shareholders entitled to attend and vote at the Annual Meeting may appoint a proxy (or representative, in the case of a corporate shareholder) to attend and vote on their behalf. A proxy need not be a shareholder of the Company.

The Chairman of the meeting, or any other director, is willing to act as proxy for any shareholder who wishes to appoint him or her to vote on their behalf. If you appoint the Chairman of the meeting, or any other director, as your proxy and do not direct him or her how to vote in the proxy form, the Chairman of the meeting, or that other director, will vote in favour of resolutions 1, 2, 3 and 4. To appoint the Chairman of the meeting or another director as your proxy, enter 'the Chairman' or the name of that other director you wish to appoint in the space allocated in 'Step 1' of the proxy form enclosed with this Notice.

If you do not name a person as your proxy but otherwise complete the proxy form in full, or you appoint a proxy but your named proxy does not attend the meeting, the Chairman of the meeting will be appointed your proxy. When acting as proxy in these circumstances, the Chairman of the meeting will:

- vote in accordance with your express direction; and
- for any resolutions where you have selected "discretion", vote in accordance with his or her discretion (subject to any applicable voting restrictions).

Proxy forms must be received by the Company's share registrar, Computershare Investor Services Limited (contact details for which are set out on the proxy form), by **2.00pm on Sunday 26 May 2019**. A proxy form is enclosed with this Notice.

Resolution 3 is a special resolution and must be passed by a majority of 75% of the votes of those shareholders entitled to vote and voting on the resolution. Resolutions 1, 2 and 4 are ordinary resolutions and must be passed by a simple majority of the votes of those shareholders entitled to vote and voting on the resolutions.

## EXPLANATORY NOTES

### Resolutions 1 and 2 – Re-election of directors:

On 1 January 2019, NZX introduced new Listing Rules (the "New Rules"). Each listed company is entitled to select a time between 1 January 2019 and 1 July 2019 at which it will transition to be governed by the New Rules, rather than by the rules previously in force (the "Previous Rules"). The Company transitioned to the New Rules on 1 March 2019.

Under the New Rules, no Directors are required to retire by rotation at this 2019 Annual Meeting. However, the Company has decided that as a transitional measure it would be appropriate to apply the Previous Rules to this 2019 Annual Meeting. Accordingly, Mr. Tan and Mr. McKenzie each retire by rotation, and being eligible, offer himself for re-election.

Mr. Tan's and Mr. McKenzie's profiles are set out below.

### **Kian Seng TAN**

Mr. Tan is a Non-Executive Director of MCK.

He is currently the Interim Group CEO of Millennium & Copthorne Hotels plc. Mr. Tan's management background includes over 30 years of senior executive level experience managing SGX-listed businesses and US multinational corporations. His diverse experience incorporates operations, financial management, legal and investor relations, purchasing, business development, human resources, and information technology functions. He started his career as an accountant in the UK and as an audit manager in Malaysia with the audit firms currently known as Deloitte and PricewaterhouseCoopers respectively. Mr. Tan is an associate of the Institute of Chartered Accountants in England and Wales.

**The Board unanimously recommends shareholders vote in favour of the re-election of Mr. Tan.**

### **Graham MCKENZIE**

Mr. McKenzie is an Independent Non-Executive Director of MCK and is a Member of the Audit Committee.

Mr. McKenzie is a Barrister and Solicitor with over thirty years experience in corporate and commercial law and is a former Partner and Consultant to Bell Gully, a leading New Zealand law firm. He is currently a member of the New Zealand Law Society Disciplinary Tribunal.

Mr. McKenzie is a member of the New Zealand Law Society and the Queensland Law Society, Australia and holds a Bachelor of Laws degree from Victoria University, Wellington and a Master of Laws degree from Warwick University, England.

**The Board unanimously recommends shareholders vote in favour of the re-election of Mr McKenzie.**

**Resolution 3 – Changes to the Company’s Constitution:**

As mentioned in the Explanatory Notes to Resolutions 1 and 2, the Company transitioned to the New Rules on 1 March 2019.

To comply with the New Rules, the Company needs to amend its constitution. In addition to the amendments required under the New Rules, the Company has taken this opportunity to update provisions of the constitution for changes to legislation and market practice since the constitution was last amended in 2004.

A marked up copy of the Company’s existing constitution showing all of the proposed changes and a clean copy of the proposed new constitution can be viewed on the Company’s website: <https://mckhotels.co.nz/investors/>. The New Rules may be viewed on the NZX website: [www.nzx.com](http://www.nzx.com).

The most significant proposed changes to the constitution are summarised in the table below.

Clause reference	Topic	Summary of proposed change
1.1	<i>New defined terms</i>	In addition to various minor changes, the term “Securities” has been updated to reflect the new defined term used in the New Rules. The New Rules no longer use the defined term “Securities” and instead use the term “Financial Products” for consistency with the terminology under the Financial Markets Conduct Act 2013. Accordingly, the constitution has been updated to replace references to “Securities” with “Financial Products”.
2.3	<i>Listing Rules prevail</i>	An additional sentence has been added to this clause to clarify that no provision in the constitution will prohibit or restrict any action which is, or may be, permitted by the Listing Rules or the NZX to be taken.
7.1	<i>Lien on unpaid and partly paid shares</i>	This clause has been updated to reflect the wording in the New Rules. There has been no change in substance to this clause.
8.2	<i>Forfeiture</i>	An additional sentence has been added to provide clarity that where shares are forfeited (following a call on a share not being paid when due and the expiration of the relevant notice period), any dividends and distributions declared on unpaid shares will also be forfeited.
9.2	<i>Transfer of shares</i>	Clause 9.2 has been updated to reflect the repeal of the Securities Transfer Act 1991 by the applicable provisions in the Financial Markets Conduct Act 2013 and the Reserve Bank of New Zealand Act 1989. There is no change to shareholders’ ability to transfer shares on the Main Board of NZX.
11.1	<i>Methods of holding meetings</i>	This clause has been updated to provide more up-to-date wording in relation to holding meetings by electronic means (i.e., “hybrid meetings” or “virtual meetings”). The Company is not required to hold either “hybrid meetings” or “virtual meetings”, but this change provides flexibility for using technology as part of shareholder meetings.
Previous clause 12.2	<i>Right of Equity Security holders and Directors</i>	This clause has been deleted because, unlike under the Previous Rules, it is not required to be incorporated in the constitution under the New Rules. However, the New Rules still provide that equity security holders of all classes are entitled to: <ul style="list-style-type: none"> <li>attend meetings of shareholders; and</li> <li>receive copies (or have access to electronic copies) of all notices, reports and financial statements issued generally to holders of financial products carrying voting rights.</li> </ul>
12.2	<i>Contents of notice</i>	Clause 12.2 has been updated to reflect: <ul style="list-style-type: none"> <li>in the case of clause 12.2(c), the change made to the Companies Act 1993 (the “Companies Act”) in 2008 to require that a notice of meeting (which contains resolutions relating to certain amendments to the constitution or the approval of a major transaction) contain a statement regarding shareholders’ minority buy-out rights; and</li> <li>in the case of clause 12.2(d), the wording of the New Rules – which requires a notice of meeting to contain or be accompanied by sufficient explanation, reports, valuations and other information, as to enable a reasonable person entitled to vote to understand the effect of each resolution proposed.</li> </ul>
12.3	<i>Proxy form must be sent with notice</i>	Clause 12.3 has been added to reflect common market practice of including a requirement in the notice of meeting section of the constitution that a proxy form must be sent by mail or electronically with each notice of meeting.
15	<i>Voting at meetings of shareholders</i>	<ul style="list-style-type: none"> <li>Clause 15.2 has been updated to reflect changes made to the Companies Act in 2012 to provide greater flexibility in relation to the permitted methods for holding meetings by electronic means. This is to allow greater flexibility to deal with changes in technology.</li> <li>Clause 15.3 provides that the Company may (to the extent permitted by the Act and the Listing Rules) allow shareholders to vote by signifying their assent or dissent by electronic means (including voting on a personal computer or other electronic device, with such vote</li> </ul>

		<p>being transmitted to the meeting). This has been added to reflect current market practice for electronic voting.</p> <ul style="list-style-type: none"> <li>• Clause 15.17 has been added to reflect a change made to the Companies Act in 2012. This provision relates to shareholder participation in meetings by electronic means, as mentioned with respect to clause 11.1 above.</li> </ul>
16	<i>Proxies</i>	<ul style="list-style-type: none"> <li>• Clause 16.2 has been amended to reflect current market practice relating to appointment of proxies by electronic means and to reflect changes to the language used in the New Rules. The changes do not affect the right to appoint a proxy.</li> <li>• Clause 16.3 has been updated to reflect changes to the Companies Act in 2017 relating to lodging proxies.</li> </ul>
20	<i>Appointment and removal of Directors</i>	<ul style="list-style-type: none"> <li>• Clause 20.3 has been added to provide additional clarity on when a person may be appointed a director.</li> <li>• Old clause 20.5 (relating to the appointment of directors needing to be voted on individually) has been deleted because it is no longer required to be incorporated into the constitution under the New Rules. This requirement is still addressed in New Rule 2.3.3.</li> <li>• Old clause 20.6 (relating to the ability for the Managing Director to be excluded from the director rotation requirements) has been deleted because this exception is not permitted under the New Rules. Under the New Rules, all directors will be subject to the same rotation requirements (discussed further below at "New Rules incorporated by reference").</li> </ul>
22.1	<i>Managing Director</i>	<ul style="list-style-type: none"> <li>• The requirement that the term of appointment of a managing director must not exceed five years has been removed because this restriction, which applied under the Previous Rules, no longer applies under the New Rules.</li> </ul>
23.6	<i>Insufficient number of Directors</i>	<p>Clause 23.6 has been updated to reflect the language in the New Rules. There has been no change in substance to this clause.</p>
N/A	<i>New Rules incorporated by reference</i>	<p>A number of New Rules are not expressly set out in the constitution, but are incorporated into the constitution by reference under clause 2.2. The key changes under the New Rules that are incorporated into the constitution by reference are:</p> <ul style="list-style-type: none"> <li>• While the Company is listed, voting at a meetings of shareholders must be conducted by poll. Although this is a new requirement, it does not change the recent practice of the Company.</li> <li>• The rules on director rotation and re-election have been changed as follows: <ul style="list-style-type: none"> <li>○ Under the Previous Rules, one third of the directors, or the number nearest one third, were required to retire at the annual meeting each year, and were eligible for re-election. The directors to retire were those who had been longest in office.</li> <li>○ Under the New Rules, directors are required to stand for re-election on the later of three years and the third annual meeting after their appointment.</li> <li>○ The Previous Rules provided that a managing director was not required to retire by rotation. That exception has been removed – so a managing director is required to retire by rotation in the same manner as all of the other directors. This change is consistent with the Company's historic practice.</li> </ul> </li> </ul>

Pursuant to the Companies Act, the proposed amendments must be approved by a special resolution of shareholders. As the amendments to the Constitution do not impose or remove a restriction on the activities of the Company or affect the rights attaching to shares, the shareholder minority buy-out rights under the Companies Act do not apply.

Bell Gully has provided an opinion to NZX that it considers that these amendments comply with the New Rules.

**The Board unanimously recommends shareholders vote in favour of this resolution.**

**Resolution 4 – Auditor's remuneration:**

KPMG is the existing Auditors of the Company. KPMG is automatically reappointed as Auditor under section 207T of the Companies Act 1993. Section 207S of the Companies Act 1993 provides that the fees and expenses of the auditor are to be fixed in such manner as the Company determines at the Annual Meeting. The Board recommends that, consistent with usual practice, the auditor's fees and expenses be fixed by the Directors.

**The Board unanimously recommends shareholders vote in favour of this resolution.**