

UPDATE ON ACQUISITION OF LE MÉRIDIEN FRANKFURT HOTEL, GERMANY

Unless otherwise expressly specified, capitalised terms used in this announcement shall bear the same meanings as defined in the announcement dated 7 December 2017.

The Board of Directors of City Developments Limited (the "**Company**") refers to the announcement made by the Company on 7 December 2017 in connection with the acquisition by FSCT DE Property 1 GmbH & Co. KG (the "**Purchaser**") of the Property comprising the Le Méridien Frankfurt Hotel which is situated in Frankfurt, Germany, from Art-Invest Real Estate Funds GmbH (the "**Seller**"). The Purchaser is a limited partnership established under the laws of Germany, with three limited partners, namely CDL Properties B.V., an indirect wholly-owned subsidiary of the Company, FS NL Property 18 B.V., a wholly-owned subsidiary of First Sponsor Group Limited, an associate of Millennium & Copthorne Hotels plc which is in turn a subsidiary of the Company, and Tai Tak Frankfurt B.V., a wholly-owned subsidiary within the Tai Tak Estates Sendirian Berhad group.

The Board wishes to announce that full payment for the acquisition of the Property has been made to the Seller in accordance with the terms and conditions of the SPA, and under the SPA, the rights and obligations of ownership and possession of the Property have been transferred to the Purchaser. The registration of transfer of legal title of the Property will be effected in due course following fulfilment of relevant requirements stipulated by German regulations and practice.

BY ORDER OF THE BOARD

Shufen Loh @ Catherine Shufen Loh
Enid Ling Peek Fong
Company Secretaries

11 January 2018