

Announcement on the incorporation and acquisition of subsidiaries in connection with the acquisition of a freehold site located at Monk Bridge in Leeds, United Kingdom

The Board of Directors of City Developments Limited ("CDL" or the "Company") wishes to announce that Alphagate Holdings Limited ("Alphagate"), an indirect wholly-owned subsidiary of CDL, has incorporated two wholly-owned subsidiaries known as Highline Holdings Limited ("Highline") and Whitehall Holdings Limited ("Whitehall") in Guernsey.

Information relating to Highline and Whitehall are as follows:

Name of company	:	Highline Holdings Limited
Date of acquisition	:	28 December 2018
Country of incorporation	:	Guernsey
Issued share capital	:	£1.00 comprising 1 ordinary share
Principal activity	:	Investment holding
Name of company	:	Whitehall Holdings Limited
Date of acquisition	:	28 December 2018
Country of incorporation	:	Guernsey
Issued share capital	:	£1.00 comprising 1 ordinary share
Principal activity	:	Investment holding

Highline and Whitehall have completed the acquisition of a freehold site located at Monk Bridge in Leeds, United Kingdom (the "Property"). The acquisition is made via (a) the purchase by Highline and Whitehall of all units in ART Resi Unit Trust (the "Unit Trust") which will be renamed Highline Resi Unit Trust, and (b) the acquisition by Alphagate of the entire issued share capital comprising 1,000 ordinary shares of £1 each in ART PRS Leeds GP Ltd (the "GP"), a company incorporated in United Kingdom, which will be renamed Highline Investments GP Limited.

The Unit Trust (a Guernsey unit trust) holds 100% interest in ART Investments 2 LP (the "Partnership"), which will be renamed Highline Investments LP, and the Partnership is in turn the sole beneficial owner of the Property and owns the beneficial title to the Property. The GP is the general partner of the Partnership.

The total transaction value of £15.4 million (approximately S\$27.5 million) for the equity (including the units) as well as the loan, which may be subject to further adjustment, was arrived at on a willing buyer and willing seller basis. This acquisition is funded via internal resources.

The acquisition of the Property is not expected to have any material impact on the net tangible assets or earnings per share of CDL Group for the financial year ending 31 December 2019.

None of the Directors or the controlling shareholders of CDL has any interest, direct or indirect in the above transaction.

Further information on the acquisition of the Property can be found in the Company's news release titled "CDL Expands into rapidly-growing UK private rented sector - Acquires prime freehold site in Leeds" issued on 1 March 2019, a copy of which is attached to this announcement.

By Order of the Board

Shufen Loh @ Catherine Shufen Loh
Enid Ling Peek Fong
Company Secretaries
Date: 1 March 2019