News Release

1 November 2024

CDL JOINTLY ACQUIRES RARE MIXED-USE DEVELOPMENT SITE IN DOWNTOWN SHANGHAI FOR RMB 8.94 BILLION WITH PRC PARTNER LIANFA GROUP

- **Equity interest of 51% amounting to RMB 4.56 billion in a rare mixed-use development site with up to 77% residential GFA in Shanghai's iconic Xintiandi area**
- **Limited future land supply in Huangpu District, coupled with strong demand and the highest residential sales prices in Shanghai**
- **Excellent opportunity to develop an iconic project with low-density villas, luxury high-rise residential apartments, a boutique hotel and ancillary retail spaces**
- **Acquisition reflects the Group's strategic focus in expanding its presence in China**

City Developments Limited (CDL), through its wholly-owned subsidiary, Chenghong (Shanghai) Investment Co., Ltd. (城泓(上海)投资有限公司; Chenghong Shanghai), along with its People's Republic of China (PRC) partner Lianfa Group Co., Ltd. (联发集团有限公司; Lianfa Group), have been awarded the tender for a mixed-use development site in the core and mature Xintiandi area in Shanghai's Huangpu District (黄浦区) for RMB 8.94 billion (approximately S$1.66 billion)[1] or RMB 117,542 (approximately S$21,827)[1] per square metre per plot ratio (psm ppr). The tender for the mixed-use development site spanning 27,994 square metres (sqm) was awarded on 1 November 2024, following a government land tender which closed on 28 October 2024. As an important urban renewal project, a rigorous government selection process was implemented to evaluate each tender submission based on the design proposal, developer's overall profile and bid price, which accounts for a different weightage in the government's rating.

CDL's subsidiary Chenghong Shanghai holds a 51% controlling stake in the joint venture (JV) acquisition, which amounts to RMB 4.56 billion (approximately S$846 million)[1]. The remaining 49% equity interest in this JV is held by a wholly-owned subsidiary of Lianfa Group. Founded in 1983 in Xiamen, Lianfa Group is among China's Top 30 developers, with contracted sales revenue of RMB 40.3 billion (approximately S$7.49 billion)[1] in 2023. It has a strong track record in diverse developments across China, and its ultimate controlling shareholder is Xiamen C&D Group Co., Ltd (厦门建发集团有限公司; Xiamen C&D Group), a state-owned enterprise (SOE) with its core business in the supply chain and real estate sectors, ranked 85th on the 2024 Fortune Global 500 list.

Mr Sherman Kwek, CDL's Group Chief Executive Officer, said, "The acquisition of this rare development site in Shanghai's famous Xintiandi area represents the Group's confidence in China's long-term growth prospects. We are enhancing our presence in this dynamic and populous nation by targeting iconic placemaking opportunities in key Tier 1 and Tier 2 cities. On the back of our acquisition in Suzhou last year, securing this prime plot of land in Shanghai helps to further replenish our residential land bank in China. We are honoured to partner with Lianfa Group and together, we look forward to delivering an iconic landmark that will redefine the landscape."

The mixed-use development site, comprising two plots of land separated by a public road in the middle, has a total permissible gross floor area (GFA) of 76,027 sqm (approximately 820,000 square feet). The future development on the site will be integrated via a basement that runs under the public road. It can yield up to 77% of the GFA for residential use, with at least 19% allocated for commercial

[1] Based on the exchange rate of RMB 1 = S$0.1857.

purposes and 4% designated for public amenities. Given its prime location, the site is earmarked for upscale development and will comprise low-density villas, luxury high-rise residential apartments, a boutique hotel and ancillary retail spaces. All residents have moved out and the site will be handed over with vacant possession. To the north of one of the plots sits a Buddhist temple (法藏讲寺), which is a cultural heritage site of Huangpu District and will continue operating as usual.

The site is within walking distance to Xintiandi (新天地) and Taipingqiao Park (太平桥公园). It is about 1 km from the Huaihai Road commercial belt and is close to several of Shanghai's well-known shopping centres. Nestled in a mature residential community surrounded by high-end residential developments, it offers excellent connectivity, being about 200 metres from Laoximen metro station, an interchange station for Lines 8 and 10.

The preliminary design factors in 102 high-rise residential units, 92 luxury villas, a 100-room boutique hotel and over 5,000 sqm of retail space. Construction is targeted to commence in Q4 2025, with estimated project completion by 2030. The sales launch for the residential component is expected in 2026 and the project aims to secure China's Three Star green building rating.

Despite challenges in China's real estate sector, residential sales in central Shanghai have remained strong in 2024. Several projects launched this year in Huangpu, Xuhui and Pudong Districts were oversubscribed and fully or nearly sold out within one day, including the high-rise residential units of two projects in the vicinity launched in March and September 2024, which have average prices ranging from around RMB 172,000 to RMB 210,000 psm (approximately S$2,967 to S$3,623 per square foot (psf))[1]. One of these projects also featured villa units sold at an average price of around RMB 298,000 psm (approximately S$5,141 psf)[1] in June 2024. These two developments are directly adjacent to the Group's newly acquired site.

Since 2H 2023, the PRC government eased policies in the real estate sector. In 2024, Shanghai introduced two major rounds of policy easing, including relaxing purchase restrictions, lowering down payment requirements and reducing mortgage interest rates in end May and September, respectively. These measures have led to improved sentiment and a stabilisation of resale prices.

The newly acquired development site is in Huangpu District, the heart of Shanghai, known for having the highest average residential new sales prices among all Shanghai districts. The site is close to various amenities such as Xintiandi, K11 Shopping Mall, Shanghai Experimental Primary School (上海市实验小学), Shanghai Jiao Tong University School of Medicine (上海交通大学医学院), Ruijin Hospital (瑞金医院) and Taipingqiao Park (太平桥公园).

This acquisition aligns with the Group's focus on key cities in China. Given the prime location and the rarity of villa products in central Shanghai, the Group is confident in the demand for residential units in this project. In addition, the boutique hotel and ancillary retail spaces to be developed in this prime site are expected to become valuable core assets.

CDL remains a long-term investor in China, confident in the fundamentals, resilience and growth of the economy. Since CDL entered China in 2010, the Group has amassed over 5,500 residential and commercial units for sale. It has also grown its leasing portfolio, having developed and acquired over 350,000 sqm of commercial space.

The Group reported net gearing (including fair value of investment properties) of 69.2% as at 30 June 2024, and this investment is expected to raise its proforma net gearing by 3.3% to 72.5%. As at 1H 2024, the Group's total assets (including fair value of investment properties and hotels) stood at S$33 billion, with China accounting for 10%. The pro forma segmentation will increase to 14%.

Refer to Annex A for more details on the acquisition.

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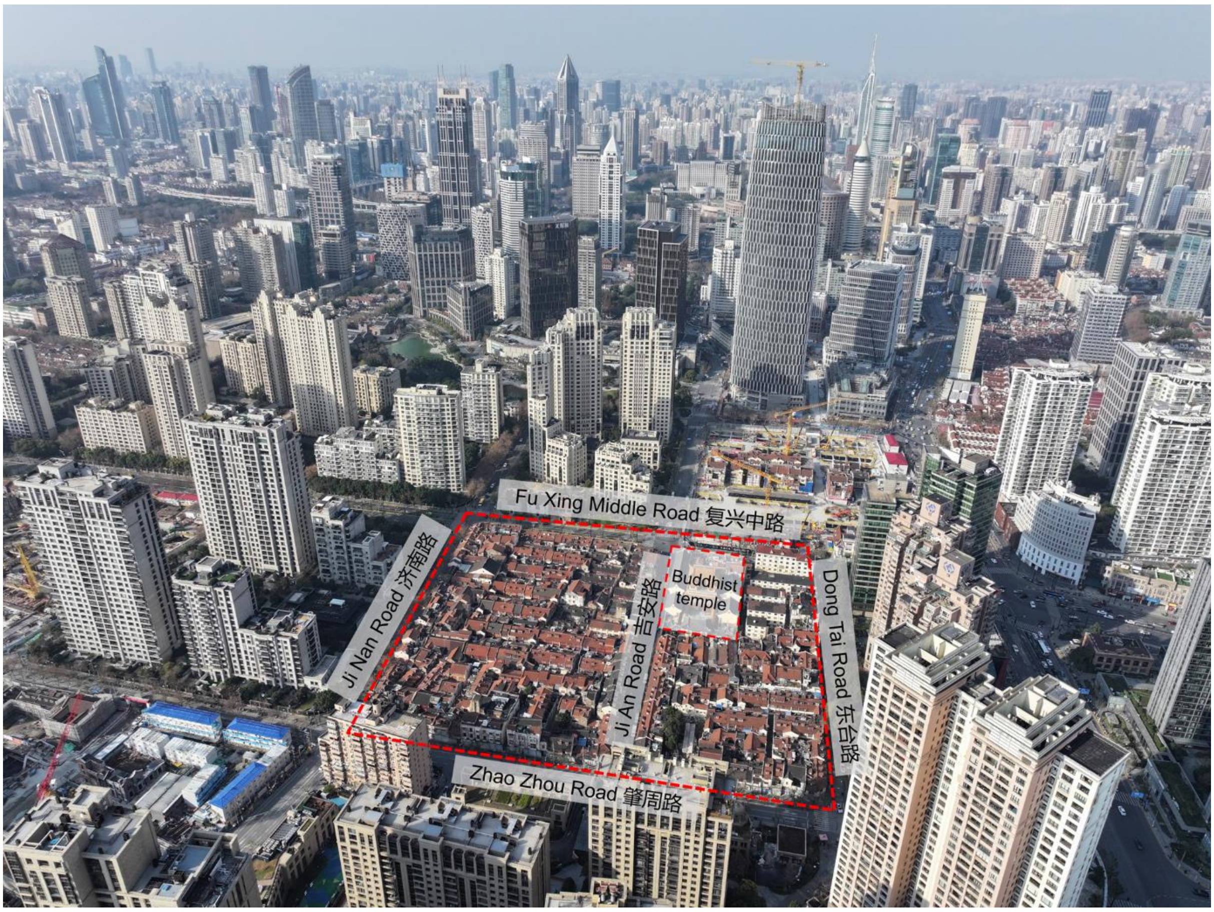
ANNEX A

MIXED-USE DEVELOPMENT SITE IN XINTIANDI AREA, HUANGPU DISTRICT, SHANGHAI



Location	Xintiandi area, Huangpu District, downtown Shanghai
Description	Mixed-use site to be developed into an iconic landmark with low-density villas, luxury residential apartments, a boutique hotel and ancillary retail spaces
Site Area	27,994 sqm
Gross Floor Area	Total aboveground GFA of 76,027 sqm, comprising est.: • Residential – 77% • Commercial – 19% • Public amenities – 4%
Connectivity	• Within walking distance of Xintiandi and Taipingqiao Park • 1 km away from Huaihai Road commercial belt and close to several of Shanghai's well-known shopping centres • Within 3 km of Nanjing Road, People's Square and the Bund • Est. 200 metres away from Laoximen metro station (interchange station of Lines 8 and 10)

Growth and Investment Prospects	• Rare mixed-use development site in central Shanghai • Limited future land supply in Huangpu District, coupled with the strong demand and the highest residential sales prices in Shanghai • Aligned with the Group's renewed strategic focus on selective core markets in China, which continue to provide attractive investment returns • Excellent opportunity to develop an iconic mixed-use project to promote the Group's brand in Shanghai and the broader China market
Land Tenure	70 years leasehold (residential) and 40 years leasehold (commercial)
Total Consideration	RMB 8.94 billion (approximately S$1.66 billion) or RMB 117,542 (S$21,827) psm ppr (Based on the exchange rate of RMB 1 = S$0.1857)
Effective Group Interest	51%

The mixed-use development site comprises two plots of land (096-2 and 097-4, highlighted in yellow above), and has a total permissible GFA of 76,027 sqm (approximately 820,000 square feet). Plots 097-1 and 097-6, which include the existing Buddhist temple and three other historic buildings, are not part of this land tender. Plot 097-5 will be developed into a public park to be built by the developer and handed over to the government.