

CITY DEVELOPMENTS LIMITED

(Co. Reg. No. 196300316Z)

(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING (“AGM”) TO BE HELD ON 30 APRIL 2021 - RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS FROM SHAREHOLDERS

The Board of Directors of City Developments Limited (the “Company”) refers to its announcement on 15 April 2021 on the alternative arrangements for the AGM, and in particular, the invitation to shareholders to submit questions in advance of the AGM.

The Company has received some questions from shareholders and the Company’s responses to the questions received that are relevant to the AGM resolutions and the business of the Group are set out below.

BUSINESS OPERATIONS AND STRATEGY

No.	Question	Response
1.	What are the plans moving forward for CDL, especially in the aftermath of events in China property market?	<p>Despite the challenges and disruptions in 2020, CDL continues to focus on its path of recovery, building on its G.E.T (Growth, Enhancement and Transformation) strategy to enhance value and drive growth.</p> <p>The Group will continue to accelerate its asset portfolio transformation and business operations. These include <i>inter alia</i>:</p> <ul style="list-style-type: none">(a) growing its development pipeline and recurring income streams in Singapore and overseas through landbank replenishment and strategic acquisitions.(b) enhancing its asset portfolio and driving operational efficiency through asset enhancement initiatives and the redevelopment of existing assets.(c) transforming its business model through new avenues such as fund management and innovation while accelerating a strategic review of its hospitality portfolio. <p>From a financial standpoint, the Group will continue to remain prudent and disciplined.</p>

No.	Question	Response
2.	How does CDL intend to create more value-added return for shareholders in the post-pandemic era?	<p>The Group is focused on creating value via its G.E.T strategy to accelerate growth, drive performance and improve return on equity (ROE). Below are some key priorities across its business segments:</p> <p>(a) Property Development CDL will remain active and disciplined in its land replenishment approach to ensure a stable launch pipeline across a diversified portfolio to achieve optimal returns.</p> <p>In its key markets comprising Singapore, China, UK, Australia, Japan and Vietnam, it will enhance its execution of existing projects while pursuing new investment opportunities.</p> <p>(b) Asset Management CDL is progressing with its plans for asset enhancement and rejuvenating existing assets. In Singapore, this includes tapping on various Government Incentive Schemes to realise a GFA uplift such as the proposed redevelopment of Fuji Xerox Towers and Central Mall.</p> <p>(c) Hotel Operations CDL is reviewing its hospitality portfolio holistically and exploring asset repositioning and divestments while improving operational and cost efficiencies.</p> <p>(d) Fund Management The Group is actively growing its fund management business organically and via mergers and acquisitions to boost recurring income. It targets to unlock value in its asset portfolio through listed and unlisted platforms.</p> <p>The Group will continue to drive innovation and digital transformation to future-proof its business.</p>

No.	Question	Response
3.	<p>Could the board share what specific actions can be taken to unlock the value of M&C hotel assets, bearing in mind the appetite for hospitality assets may be lower given the impact of the COVID-19 on the hospitality industry?</p>	<p>The realisation of value for M&C's assets can take several routes, such as an improvement of operational efficiency, a straight out divestment or repurposing the sites to alternative uses which have better returns.</p> <p>While the Group is under no pressure to divest its hotel assets, unsolicited offers are received from time to time. This can result in a significant gain on disposal due to the Group's generally low book costs.</p> <p>The Group is exploring all options to determine which opportunities provide the best value to the Group in supporting its G.E.T strategy and capital recycling efforts.</p>

By Order of the Board

Enid Ling Peek Fong
Company Secretary
30 April 2021