CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

OPERATIONAL UPDATE FOR THE QUARTER ENDED 31 MARCH 2025

For the first quarter ended 31 March 2025 (Q1 2025), below are the key highlights of the Group's operating performance.

Property Development

Singapore

In Q1 2025, the Group and its joint venture (JV) associates sold a total of 795 units with sales revenue of $1.9 billion – an increase of 85% in volume and 155% in sales value (Q1 2024: 429 units with total sales value of $736.8 million). The strong sales performance was primarily driven by the successful launch in January of its joint venture (JV) project at Toa Payoh, The Orie, where 668 (86%) of its 777 units were sold on its launch weekend at an average selling price of $2,704 per square foot (psf). To date, 703 units (91%) have been sold.

The Group's other launched projects continued to register good sales. To date, Lumina Grand, its 512-unit Executive Condominium (EC) project in Bukit Batok, is 98% sold. The 638-unit Tembusu Grand JV project at Katong is 93% sold. The 408-unit The Myst at Upper Bukit Timah Road is 82% sold and the 366-unit Union Square Residences at Havelock Road is one-third sold.

Overall, based on URA's data, the Singapore private residential market showed resilience in Q1 2025 with 3,375 units (excluding ECs) sold, comparable to the 3,420 units sold in the previous quarter. Prices increased by 0.8% compared with the 2.3% increase in Q4 2024.

In late April, the fully sold EC project at Tengah, Copen Grand, obtained its Temporary Occupation Permit (TOP). Revenue and profit for this 639-unit JV project will be recognised in Q2 2025.

The Group is preparing to launch the Zion Road (Parcel A) JV project in 2H 2025. The mixed-use integrated development will connect directly to the Havelock MRT station. It will comprise two 62-storey residential towers with 706 units, a retail podium on Level 1 and a 36-storey tower with 376 serviced apartments.

Overseas Markets

UK

In May 2025, after undergoing a decade-long design and planning application process, the Group finally obtained approval for a £1.1 billion residential-led mixed-use scheme on the former Stag Brewery site in Mortlake, South West London, for 1,068 homes, a 1,200 pupil secondary school academy, retail, offices, hotel, cinema and nine acres of green space. The Group will review its plans for the site now that planning consent has been granted.

Australia

In Brisbane, 99% of the 97-unit Treetops at Kenmore JV project has been sold. Construction has completed with settlements for sold units to be progressively completed in 1H 2025. At Brickworks Park, 97% of the 149 launched units have been sold, with Stage 1 (107 units) and Stage 2 (51 units) set to complete in Q2 2025 and Q1 2026, respectively. Stage 3 (18 units) has its town planning lodged, with completion expected in 2H 2026.

In Melbourne, the 57-unit Fitzroy Fitzroy JV project is 61% sold, with completion expected in Q2 2026.

China

In Q1 2025, the Group's wholly-owned subsidiary, CDL China Limited and its JV associates sold 86 residential, office and retail units, with a total sales value of RMB 179.5 million ($33.2 million).

Design work for the new mixed-use JV development site in Shanghai's Xintiandi area is advancing steadily, with construction expected to commence in Q4 2025.

Construction of the mixed-use development in Suzhou's High-Speed Railway New Town is progressing well and the residential component comprising approximately 650 units is targeted for launch in Q1 2026.

Despite macroeconomic headwinds and US-China trade tensions, policy support is expected to stabilise China's property sector, with resilient housing demand concentrated in Tier 1 and leading Tier 2 cities.

Investment Properties

Singapore

As of 31 March 2025, the Group's office portfolio[1] achieved a committed occupancy of 97.2%, outperforming the island-wide office occupancy rate of 88.3%[2]. This strong performance was driven by full occupancy at City House and King's Centre, with the Group's flagship Republic Plaza and its JV project, South Beach, achieving healthy committed occupancies of 97.7% and 92.4% respectively. All three of the Group's wholly-owned office assets recorded positive rental reversions.

As part of the Group's proactive asset management initiatives, the majority of the expiring office leases for the year have been renewed and negotiations for expiring leases in 2026 have commenced.

The Group's retail portfolio[3] registered a committed occupancy of 96.2% as of 31 March 2025, surpassing the island-wide retail occupancy rate of 93.2%[2], reflecting strong tenant retention and the resilience of its assets. City Square Mall reported a committed occupancy of 95.9% with healthy rental reversion of 15.0% on renewed leases. Palais Renaissance maintained full committed occupancy at 100%, while Quayside Isle had a stable committed occupancy of 91.9%.

Overseas Markets

China

As of 31 March 2025, the Group's China office portfolio recorded a committed occupancy of 52.7%, reflecting ongoing market challenges in the office market. The Group is actively pursuing opportunities to optimise its portfolio and exploring alignment with government-supported sectors.

Thailand

As of 31 March 2025, the Group's Jungceylon Shopping Center in Phuket had a committed occupancy of 91.3%, with a positive rental reversion of 28.2%, due to a lower outgoing base over the pandemic period. Tourist arrivals in Phuket rose by 11% year-on-year (y-o-y), driven by increased visitors from Japan, Europe and the Middle East.

UK

Despite a subdued start to 2025 in the Central London office market, demand indicators point to continued resilience. As of 31 March 2025, the Group's UK commercial portfolio achieved an

[1] Includes South Beach (in accordance with CDL's proportionate ownership). Excludes assets planned for redevelopment and divestment (ceased leasing activities).
[2] Based on URA real estate statistics for Q1 2025.
[3] Includes South Beach and Sengkang Grand Mall (in accordance with CDL's proportionate ownership). Excludes assets planned for redevelopment, divestment (ceased leasing activities).

occupancy rate of 82.1%, up 2.6 percentage points from the previous quarter, primarily driven by new leases at 125 Old Broad Street. Occupancy is expected to increase further with a pre-commitment of around 15,000 sq ft of space at International House, St Katharine Docks and approximately 5,000 sq ft at 125 Old Broad Street. All new leases recorded positive rental reversions, underscoring the strength of the Group's UK commercial portfolio.

With less than 10% of leases (by rent) due to expire in FY 2025, occupancy levels are likely to remain stable.

The Living Sector

Private Rented Sector (PRS)

UK: The Junction, a 665-unit PRS project in Leeds, reached 67% committed occupancy in Q1 2025 and the Group is enhancing its leasing and marketing efforts.

Japan: The Group's Japan PRS portfolio, comprising 40 operational assets and 2,246 units, maintained a strong 95% average occupancy rate and achieved strong rental reversions in Q1 2025. This positive performance underscores Japan's multifamily market as a stable asset class, supporting the Group's focus on key cities with significant residential rental demand.

Australia: The 237-unit Southbank development in Melbourne is 78% complete and on track for Q1 2026 delivery. The 326-unit Toowong development in Brisbane is currently on hold pending stabilisation of construction costs, which the Group is closely monitoring.

Purpose-Built Student Accommodation (PBSA)

UK: As of 31 March 2025, the Group's PBSA portfolio of six assets with around 2,400 beds have achieved an average occupancy rate of 90% for the current Academic Year 2024/2025. Letting efforts for the Academic Year 2025/2026 are in full swing.

Hotel Operations

In Q1 2025, the Group's hotels achieved a global Revenue Per Available Room (RevPAR) growth of 1.2%, reaching $139.7 (Q1 2024: $138.0), primarily supported by higher Room Occupancy and Average Room Rate (ARR) in Australasia and Rest of UK and Europe.

Key Operating Statistics for Hotels Owned by the Group:

	Room Occupancy			**Average Room Rate**			**RevPAR**			**GOP Margin**		
	Q1 2025 %	**Q1 2024** %	**Incr/ (Decr)** %pts	**Q1 2025** $	**Q1 2024*** $	**Incr/ (Decr)** %	**Q1 2025** $	**Q1 2024*** $	**Incr/ (Decr)** %	**Q1 2025** %	**Q1 2024** %	**Incr/ (Decr)** %pts
Singapore	74.9	83.1	(8.2)	205.0	222.2	(7.7)	153.7	184.6	(16.7)	38.5	41.9	(3.4)
Rest of Asia	68.9	64.3	4.6	165.4	164.5	0.5	114.0	105.7	7.9	38.6	39.9	(1.3)
Total Asia	**71.3**	**71.8**	**(0.5)**	**182.2**	**190.9**	**(4.6)**	**129.9**	**137.0**	**(5.2)**	**38.5**	**41.0**	**(2.5)**
Australasia	**80.0**	**77.2**	**2.8**	**184.1**	**172.1**	**7.0**	**147.3**	**132.8**	**10.9**	**39.9**	**37.6**	**2.3**
London	66.2	66.3	(0.1)	239.6	242.1	(1.0)	158.7	160.5	(1.1)	32.6	32.6	-
Rest of UK and Europe	71.8	71.6	0.2	178.9	144.3	24.0	128.4	103.3	24.3	19.8	13.0	6.8
Total Europe	**69.0**	**68.8**	**0.2**	**208.2**	**194.6**	**7.0**	**143.7**	**133.8**	**7.4**	**26.7**	**24.1**	**2.6**
New York	77.1	83.1	(6.0)	270.1	256.3	5.4	208.1	213.1	(2.3)	(11.2)	(3.2)	(8.0)
Regional US	50.4	52.1	(1.7)	184.7	179.5	2.9	93.1	93.4	(0.3)	(0.6)	5.5	(6.1)
Total US	**62.6**	**66.2**	**(3.6)**	**232.7**	**223.5**	**4.1**	**145.5**	**148.0**	**(1.7)**	**(7.1)**	**0.2**	**(7.3)**
Total Group	**69.4**	**70.1**	**(0.7)**	**201.4**	**197.9**	**1.8**	**139.7**	**138.0**	**1.2**	**24.8**	**26.6**	**(1.8)**

**For comparability, Q1 2024 Average Room Rate and RevPAR had been translated at constant exchange rates (31 Mar 2025).*

Asia

In Q1 2025, Singapore hotels experienced a 16.7% y-o-y decline in RevPAR to $153.7, due to lower ARR and occupancy. The softer performance was partly attributed to a high base effect from several major events last year, such as the Taylor Swift concert in March 2024 which boosted visitor arrivals.

In contrast, the Rest of Asia saw a 7.9% y-o-y increase in RevPAR to $114.0, led by Taipei's strong performance in ARR and occupancy, and improved occupancy at other Southeast Asia hotels such as Manila and Jakarta.

Asia's GOP margin decreased 2.5 percentage points to 38.5%, mainly due to lower ARR in Singapore and rising operational costs.

Australasia

Australasia hotels continued strong growth in Q1 2025, with RevPAR up 10.9% y-o-y to $147.3, boosted by higher occupancy and ARR. The Group acquired the 67-room freehold The Mayfair Hotel Christchurch in January 2025 for NZ$31.9 million (approximately $24.5 million). Excluding this new acquisition, RevPAR still rose by 8.7% y-o-y on a like-for-like basis.

Europe

Europe hotels achieved a RevPAR of $143.7, up 7.4% y-o-y. London saw a 1.1% RevPAR decline due to softening room rates. In contrast, the Rest of UK and Europe region surged 24.3% in RevPAR, mainly fuelled by the acquisition of Hilton Paris Opéra, which was completed in May 2024. Excluding this newly acquired hotel, on a like-for-like basis, Europe RevPAR was 1.0% lower than last year.

Europe's GOP margin improved 2.6 percentage points y-o-y mainly due to the addition of Hilton Paris Opéra.

US

The Group's US hotels recorded a RevPAR of $145.5 in Q1 2025, down 1.7% y-o-y, due to a 3.6 percentage points drop in occupancy. New York hotels saw a 5.4% increase in ARR, but RevPAR declined 2.3% due to the ongoing renovations at Millennium Downtown New York. Excluding this hotel, New York's RevPAR would have risen 2.5% y-o-y. Regional US hotels saw a marginal 0.3% decline in RevPAR, despite a 2.9% improvement in ARR.

GOP margin for US hotels declined 7.3 percentage points, with New York hotels declining by 8.0 percentage points, partly impacted by renovation-related disruptions at Millennium Downtown New York. Excluding this hotel, the US GOP margin would have decreased by 4.9 percentage points.

Hotel Refurbishments and Developments

To enhance guest experience and maintain competitiveness, the Group continues to invest in refurbishments and new developments.

Asia:
- M Social Resort Penang (318 rooms) completed its first phase of renovation with 145 rooms now operational. The final phase (173 rooms) is projected to be completed by the end of 1H 2025. The total renovation cost is expected to be MYR99 million ($30 million).

Europe:
- Millennium Hotel London Knightsbridge (222 rooms) will begin a major asset enhancement initiative (AEI) starting 2H 2025 and is expected to complete in 2026.

US:

- Millennium Downtown New York (569 rooms) commenced a US$49 million ($66 million) renovation in Q3 2024 and will be reflagged as M Social Downtown New York upon completion by 2H 2025.

- M Social Hotel Sunnyvale (263 rooms) is currently under construction at a cost of US$118 million ($159 million). The new development is expected to be completed in 2H 2026.

Capital Position

As of 31 March 2025, the Group's net gearing ratio (after factoring in fair value on investment properties) stands at 72%, following the full payment for the Group's 51% stake in the acquisition of a mixed-use development site in the Xintiandi area of Shanghai's Huangpu District. Its interest cover is at 1.4 times and the debt expiry profile remains healthy. The Group maintains strong cash reserves of $2.0 billion and a robust liquidity position with $3.8 billion in cash and available undrawn committed bank facilities, while maintaining a substantial natural hedge for its overseas investments.

There are no material concerns over the Group's ability to fulfil its near-term debt obligations.

As part of its capital management focus, the Group continually reviews and optimises its portfolio structures for efficiency. Since the start of 2025, it has embarked on two portfolio restructuring initiatives, which include a privatisation offer for a listed subsidiary in New Zealand and an off-market equal access scheme for its Preference Shares.

On 20 January 2025, the Group's wholly-owned subsidiary, CDL Hotels Holdings New Zealand Limited, announced its offer to purchase all the fully paid ordinary shares in Millennium & Copthorne Hotels New Zealand Limited (MCK) that it does not already own at NZ$2.25 a share. The offer was revised to NZ$2.80 a share on 22 April 2025. MCK, listed on the New Zealand Stock Exchange (NZX), owns, leases or has under franchise 18 hotels in New Zealand. The offer aims to delist and privatise MCK, streamline CDL's investment entities in NZ, and save on listing fees and other associated costs, which can be reinvested into MCK's asset portfolio and operational needs. The offer will also provide a liquidity event to the minority shareholders as the trading volume of MCK shares has historically been low.

Following the close of the revised offer on 8 May 2025, the Group holds about 83.923% of all MCK shares, having received acceptance totalling 8.062% of the total outstanding shares. As the Group did not reach the 90% threshold that would have allowed it to compulsorily acquire the remaining ordinary shares, MCK remains listed, and its ordinary shares (and preference shares) will continue to be traded on the NZX. The Group will not make another takeover offer under the Takeovers Code for the MCK ordinary shares for at least nine months from 22 April 2025, as stated in its announcement on the revised offer.

On 13 May 2025, the Group announced an off-market equal access scheme to buy back up to 26,800,814 Preference Shares, representing 10% of total number of 268,008,149 Preference Shares in issue at the offer price of $0.78 in cash for each Preference Share. The offer enables the Group to exercise greater control over its share capital structure in relation to the Preference Shares. The Group saw strong demand during its previous off-market equal access scheme completed in May 2024, with acceptances received of approximately four times the maximum allowable buyback amount from Preference Shareholders. Given the relative illiquidity of the Preference Shares, the current offer will provide Preference Shareholders with another exit opportunity to partially monetise their holdings.

Fund Management

Amid heightened market volatility from the global trade war, the Group remains committed to its fund management initiatives and is actively exploring opportunities with strategic partners to recycle capital and unlock value in its global portfolio.

Divestments

The key focus for FY 2025 is on capital recycling, with the Group lining up significant divestments to reduce gearing and redeploy the capital. Aside from paying down debt, the sales proceeds can also be used to fund dividends, share buybacks and new acquisitions. Going forward, divestments will remain a key pillar of the Group's multifaceted strategy.

Board Dispute

On 26 February 2025, the Group called for a trading halt due to a disagreement within the Board in relation to the composition and constitution of the Board and the Board committees, amongst other matters. An Originating Application arising from this disagreement was filed with the Singapore High Court on 25 February. Trading resumed on 3 March, and on 12 March, the Company announced the matter settled and the court application discontinued.

Outlook and Prospects

The Group remains vigilant amid persistent macroeconomic uncertainties, including inflation, US tariffs, trade tensions, geopolitical conflicts and rising recessionary risks. Despite these broad-based concerns, the Group is cautiously optimistic on the resilience of the property sector, given its diversified portfolio across geographies and asset classes.

In Singapore, the Group continues to adopt a disciplined approach to land replenishment. Following the May 2025 general elections, Singapore's political stability and status as a global business hub are expected to bolster investor confidence, attract capital inflows and support sustained demand for the residential, commercial and hospitality sectors.

The Group remains focused on strong execution and prudent capital management while remaining nimble to seize good opportunities, with the goal of maximising shareholder value.

BY ORDER OF THE BOARD

Yeo Swee Gim, Joanne
Enid Ling Peek Fong
Company Secretaries

20 May 2025