CITY DEVELOPMENTS LIMITED

(REG. NO. 196300316Z)

OPERATIONAL UPDATE FOR THE QUARTER ENDED 30 SEPTEMBER 2026

For the third quarter ended 30 September 2026 (Q3 2026), below are the key highlights of the Group's operating performance.

Property Development

Singapore

In Q3 2026, the Group and its joint venture (JV) associates sold 124 units with a total sales value of $322.6 million (Q3 2025: 88 units, $313.2 million). With no new launches during this quarter, sales were primarily from existing projects.

For the first nine months ended 30 September 2026 (9M 2026), the Group and its JV associates sold 476 units with a total sales value of $1.2 billion. Sales were largely driven by the Group's 246-unit freehold Newport Residences at Anson Road in the Central Business District (CBD), launched in January, which is now 83% sold.

Other launched projects continued to record steady sales. Union Square Residences (366 units) at Havelock Road is now 80% sold, while JV projects Tembusu Grand (638 units) is fully sold, The Orie (777 units) is 96% sold and Zyon Grand (706 units) is 91% sold.

In Q3 2026, the Group's Norwood Grand (348 units) and The Myst (408 units), which are 96% and 99% sold respectively, obtained their Temporary Occupation Permits (TOPs) and handover is in progress.

Post Q3 2026, the Group's JV project CanningHill Piers (696 units) has also obtained its TOP and the Group has launched the 570-unit Lucerne Grand at Lakeside Drive near Jurong Lake Gardens and Jurong Lake District, achieving 61% of units sold over its launch weekend. The project is priced at an average of $2,480 per square foot (psf). Directly linked to Lakeside MRT station, the development is complemented by Lucerne Galleria on Level 1, which offers a supermarket and F&B and Retail options. To date, 73% of the units have been sold.

The Group is preparing to launch two Executive Condominium (EC) projects in Q1 2027 – the 430-unit Wynwood Grand at Woodlands Drive 17 and the 300-unit Solano Grand at Senja Close. Acquired before the May 2026 EC policy changes, both projects will be sold under the previous framework, including the five-year Minimum Occupation Period (MOP) and the Deferred Payment Scheme (DPS) option.

Australia

Australia's residential market continues to face pressure from higher borrowing costs, inflation and broader economic and geopolitical uncertainties, which are weighing on buyer sentiment and apartment prices.

The 56-unit Fitzroy Fitzroy JV project in Melbourne, which is 73% sold, achieved practical completion in Q3 2026.

China

For 9M 2026, the Group's wholly-owned subsidiary, CDL China Limited, and its JV associates sold 67 residential, office and retail units, with a total sales value of RMB 286.9 million ($53.6 million).

Construction of AURA, the Group's landmark mixed-use JV development on one of the last remaining prime sites in Shanghai's core Xintiandi area, is progressing well, with its 70-unit, 40-storey ultra-luxury residential tower targeted for launch in December 2026. The development also comprises 75 luxury villas which will be progressively launched from 2027 onwards, a 78-room boutique hotel and retail space.

Despite recent policy adjustments in China's residential market, Shanghai's ultra-luxury segment continues to be supported by demand for high-quality residences in prime locations. AURA's prestigious location and distinctive positioning are expected to appeal to discerning buyers seeking exclusive properties in Shanghai.

Investment Properties

Singapore

As of 30 September 2026, the Group's office portfolio[1] continues to outperform, recording 97.4% committed occupancy, above the islandwide rate of 90.0%[2]. Key assets Republic Plaza and City House achieved 98.0% and 96.8%, respectively. The portfolio sustained positive rental reversions for three quarters in 2026.

The Group's Grade A office developments, Newport Tower and Union Square Central, remain on track for completion in 2027 and 2028, respectively. Both continue to attract leasing interest from cybersecurity, fintech, financial and professional services firms seeking high-quality, well-connected and sustainable spaces. The anticipated tightening in Grace A office supply over the coming years is expected to provide a supportive backdrop for leasing activities.

As of 30 September 2026, the Group's retail portfolio[3] recorded 97.1% committed occupancy, above the islandwide rate of 93.5%[2]. City Square Mall achieved 97.3%, while Palais Renaissance reached 100%, up from 98.6% as of 30 June 2026.

Tenant sales at Palais Renaissance increased by 71.3% year-on-year (y-o-y), supported by stronger spending among luxury-fashion tenants.

China

As of 30 September 2026, the Group's China office portfolio continued to face market challenges. The Group is actively pursuing divestment initiatives and optimisation opportunities in line with its capital recycling priorities.

UK

Despite a stagnant UK economy, the Central London office market has remained resilient, supported by steady occupier demand and tightening supply of new and refurbished space.

[1] Comprises office only properties and the office component within integrated developments.
[2] Based on URA real estate statistics for Q3 2026.
[3] Comprises retail only properties and the retail component within integrated developments. Includes Sengkang Grand Mall (in accordance with CDL's proportionate ownership).

The Group's UK commercial portfolio recorded a committed occupancy of 82.8% as of 30 September 2026. Leasing activity has picked up, with a total of 96,680 square feet (sq ft) currently under offer, reflecting the portfolio's prime location and ongoing asset enhancement initiatives (AEIs).

Thailand

Jungceylon Shopping Center in Phuket recorded committed occupancy of 95.8% as of 30 September 2026 and a positive blended rental reversion of 18.7%.

Despite softer tourism conditions in Phuket during Q3 2026, the mall maintained a high committed occupancy and has no significant lease expiries for the remainder of 2026.

The Living Sector

Private Rented Sector (PRS)

UK: The Junction (665 units) in Leeds achieved strong occupancy of 94% as of 30 September 2026, while The Octagon (370 units) in Birmingham, which commenced operations in August 2025, recorded occupancy of 56% with leasing efforts ongoing. The YardHouse (209 units) in London achieved practical completion in October 2026, with initial leasing underway, while The Joinery (261 units) in Manchester is expected to achieve practical completion in Q1 2027.

Japan: The Group's PRS portfolio, comprising 40 assets with 2,246 units, maintained occupancy above 95% as of 30 September 2026, supported by robust leasing demand and proactive asset management. Sustained wage growth and constrained new supply continue to underpin rental growth prospects, while institutional investor interest further reinforces the attractiveness of Japan's multifamily sector.

Australia: The Archive, the Group's first operational PRS asset in Melbourne which opened in November 2025, recorded occupancy of 65%, with leasing ongoing and stabilisation expected in 2027.

Purpose-Built Student Accommodation (PBSA)

UK: The Group's PBSA portfolio, comprising six properties with 2,368 beds across five cities, achieved occupancy of 83% as of 30 September 2026 for the 2026/2027 academic year. Asset management efforts remain focused on improving occupancy and rental performance.

Hotel Operations

For 9M 2026, the Group's hotels recorded a 6.4% increase in global Revenue Per Available Room (RevPAR) to $175.2 (9M 2025: $164.6), driven by a 2.3 percentage-point rise in occupancy to 75.2% and a 3.1% increase in Average Room Rate (ARR) to $232.9. RevPAR grew 3.0% in Singapore, 11.8% in Australasia, 0.9% in Europe and 15.4% in US.

Key Operating Statistics for Hotels Owned by the Group:

	Room Occupancy			Average Room Rate			RevPAR			GOP Margin		
	9M 2026 %	9M 2025 %	Incr/ (Decr) %pts	9M 2026 $	9M 2025* $	Incr/ (Decr) %	9M 2026 $	9M 2025* $	Incr/ (Decr) %	9M 2026 %	9M 2025 %	Incr/ (Decr) %pts
Singapore	81.2	78.5	2.7	201.2	201.9	(0.3)	163.3	158.5	3.0	36.4	38.9	(2.5)
Rest of Asia	66.1	66.7	(0.6)	151.5	149.5	1.3	100.2	99.8	0.4	37.2	35.8	1.4
Total Asia	**71.9**	**71.3**	**0.6**	**172.9**	**172.1**	**0.5**	**124.2**	**122.7**	**1.2**	**36.8**	**37.3**	**(0.5)**
Australasia	**74.8**	**70.5**	**4.3**	**184.6**	**175.1**	**5.4**	**138.1**	**123.5**	**11.8**	**33.6**	**31.3**	**2.3**
London	85.1	80.0	5.1	287.9	312.5	(7.9)	245.0	250.1	(2.0)	46.5	47.4	(0.9)
Rest of UK and Europe	77.9	80.7	(2.8)	220.7	213.0	3.6	172.0	171.9	0.1	28.4	29.0	(0.6)
Total Europe	**82.0**	**80.4**	**1.6**	**260.5**	**263.5**	**(1.1)**	**213.7**	**211.8**	**0.9**	**39.9**	**39.7**	**0.2**
New York	87.3	86.9	0.4	366.2	338.0	8.3	319.8	293.6	8.9	19.9	18.3	1.6
Regional US	57.5	54.1	3.4	226.5	209.3	8.2	130.4	113.3	15.1	15.5	17.5	(2.0)
Total US	**72.5**	**69.0**	**3.5**	**311.1**	**283.1**	**9.9**	**225.6**	**195.5**	**15.4**	**18.5**	**18.1**	**0.4**
Total Group	**75.2**	**72.9**	**2.3**	**232.9**	**225.9**	**3.1**	**175.2**	**164.6**	**6.4**	**32.5**	**32.0**	**0.5**

**For comparability, 9M 2025 Average Room Rate and RevPAR have been translated at constant exchange rates (30 Sep 2026).*

Asia

Singapore hotels' RevPAR rose 3.0% y-o-y to $163.3 as occupancy gained 2.7 percentage points to 81.2%, while ARR remained broadly flat. Singapore benefited from the Singapore Airshow in February, which boosted event-led international visitation. Rest of Asia (ROA) RevPAR grew 0.4% y-o-y.

Asia's Gross Operating Profit (GOP) margin eased 0.5 percentage point to 36.8% (9M 2025: 37.3%). Singapore's GOP margin declined by 2.5 percentage points to 36.4% as operating costs outpaced revenue, partly offset by ROA, where the GOP margin improved by 1.4 percentage points to 37.2%, supported by the continued ramp-up of M Social Penang, which opened in 2025.

Australasia

Australasia sustained its growth momentum as its RevPAR rose 11.8% y-o-y to $138.1, underpinned by a 4.3 percentage-point rise in occupancy to 74.8% and a 5.4% increase in ARR. Growth was led by its Queenstown hotels and Sofitel Brisbane Central. GOP margin improved 2.3 percentage points to 33.6% (9M 2025: 31.3%).

Europe

Europe hotels' RevPAR rose 0.9% y-o-y to $213.7, as occupancy increased by 1.6 percentage points, partly offset by a 1.1% decline in ARR.

London's RevPAR declined by 2.0%, as a 7.9% decrease in ARR – largely attributed to the change in portfolio mix following the addition of Holiday Inn London - Kensington High Street – outweighed a 5.1 percentage-point gain in occupancy. Excluding this hotel, London's RevPAR grew by 0.9%. RevPAR for Rest of UK and Europe rose slightly by 0.1%. On a like-for-like basis, excluding Holiday Inn London - Kensington High Street (acquired in 2025), Copthorne Hotel Cardiff-Caerdydd and Millennium Hotel Paris Charles de Gaulle (where renovations reduced room inventory), Europe's RevPAR increased 1.7%.

Europe's GOP margin edged up 0.2 percentage point to 39.9% (9M 2025: 39.7%), but declined 1.2 percentage points, excluding these hotels, as London hotels priced more competitively to capture volume amid geopolitical headwinds, while rising operating costs further weighed on profitability.

US

US RevPAR rose 15.4% y-o-y to $225.6, supported by strong performances in New York and Regional US. New York RevPAR grew 8.9%, driven mainly by an 8.3% increase in ARR, led by M Social Hotel New York Downtown, which captured incremental demand from corporate groups following its renovation.

Regional US RevPAR rose 15.1%, driven by The Biltmore Los Angeles, which benefited from robust transient and group demand supported by Los Angeles' film production tax incentives.

US GOP margin increased 0.4 percentage point to 18.5% (9M 2025: 18.1%). New York's GOP margin improved by 1.6 percentage points to 19.9%, while Regional US margin declined 2.0 percentage points to 15.5%, mainly due to pre-opening costs at M Social Hotel Sunnyvale and the absence of contributions from Comfort Inn Near Vail Beaver Creek, which was divested in 2025. On a like-for-like basis[4], adjusting for recent property renovations, dispositions and closures, US GOP margin expanded 2.6 percentage points y-o-y to 21.2%.

Hotel Refurbishments and Developments

To enhance guest experience and maintain the Group's competitive edge, the Group continues to invest in strategic refurbishments and new developments.

Asia:

- M Hotel Singapore (415 rooms) is undergoing a phased renovation of its guestrooms and public areas. Site works commenced in May 2026, with completion scheduled for Q3 2027.

- Copthorne King's Hotel (311 rooms) has completed the tender process for the refurbishment of 169 rooms and public areas in the main wing. Major works are expected to begin in Q1 2027 and finish in Q4 2027.

Europe:

- Millennium Hotel London Knightsbridge's (222 rooms) major AEI is scheduled to commence in Q4 2026.

- Copthorne Tara Hotel London Kensington (833 rooms) commenced the first phase of its room renovation in Oct 2026, with the full three-phase programme expected to be completed by Q2 2029.

US:

- M Social Hotel Sunnyvale (263 rooms) is currently under construction. This new hotel is expected to open in December 2026.

- Millennium Premier Hotel New York Times Square (124 rooms) reopened on 1 June 2026, following an extensive renovation of its guestrooms and public areas. Enhancement works at the adjacent Millennium Hotel Broadway Times Square (626 rooms), including its restaurant and selected public areas, are in progress. The renovation of the restaurant and public areas will be completed by Q4 2026, and the room renovation by 2H 2028.

[4] Millennium Hotel Broadway Times Square & Premier (renovation), M Social Hotel Sunnyvale (pre-opening), Comfort Inn Near Vail Beaver Creek (disposed of in 2H 2025), and Maingate Lakeside Resort (closed in Q1 2026) are excluded for a like-for-like comparison.

Looking ahead, the Group expects RevPAR growth to continue through the rest of 2026, supported by the ongoing recovery in corporate and group travel. Geopolitical volatility and structural cost pressures remain risks to operating margins; however, the portfolio is well-positioned to capture event-led demand. Q4 catalysts include Singapore's Formula 1 Grand Prix in October, London's World Travel Market in November and BTS' four-night Singapore concert series in December.

Capital Position

As of 30 September 2026, the Group's net gearing ratio (after factoring in fair value on investment properties) stands at 75%, mainly due to capital deployed for the Tanjong Rhu Road and Peck Hay Road Government Land Sales (GLS) sites secured in 1H 2026. The Group's interest cover stands at 2.7 times, while its debt expiry profile remains healthy.

The Group maintains strong cash reserves of $2.1 billion and a robust liquidity position, supported by $4.8 billion in cash and available committed credit facilities. It also maintains a substantial level of natural hedges for its overseas investments and continues to adopt a proactive and disciplined approach to capital management.

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

Strategy Update – GET+

On 28 September 2026, the Group announced the outcome of its Strategic Review and unveiled GET+, a three-year roadmap (FY 2027 – 2029) to accelerate value creation. Building on the Group's Growth, Enhancement and Transformation (GET) strategy since 2018, GET+ sets out clear priorities for sharper execution, disciplined capital allocation and measurable outcomes.

The strategy is anchored on a 3-4-5-6 roadmap supported by four measurable targets under "+" (PLUS):



[1] Net gearing is computed using total borrowings less cash, over total equity (including fair value of investment properties)
[2] Assuming divestments based on estimated market values as at 31 Dec 2025

Under GET+, the $5 billion investment represents discretionary capacity rather than a spending commitment. Capital deployment will be strictly selective and opportunity-led, guided by risk-adjusted return requirements, market conditions and balance-sheet considerations. Singapore will remain the Group's core market, accounting for approximately 60% (or $3 billion) of the investment allocation, with the balance allocated to China, Japan and other markets.

Capital recycling and deleveraging are key priorities under GET+. The Group is targeting $6 billion in divestments by FY 2029 to crystallise embedded value and recycle capital from mature, non-core or underperforming assets. Potential pathways include outright divestments and, where appropriate, the seeding of suitable assets into managed vehicles. Proceeds will support balance sheet strengthening and debt reduction, while providing flexibility for selective value-accretive reinvestment.

Over the next three years, in addition to the $6 billion of divestment proceeds mentioned above, the Group also anticipates more than $6 billion of cash inflows from development sales and further cash inflows from its operating activities. Assuming the $5 billion of investment is fully spent and considering all cash outflows from operating, financing and investing activities, the Group anticipates reducing net borrowings by approximately $3 billion to achieve its target gearing of 55% by FY 2029, representing an estimated 20-percentage-point reduction in net gearing.

The Group also aims to expand its fund management business by leveraging its integrated real estate capabilities and quality asset portfolio across listed and private platforms, with a view to improving capital efficiency, facilitating capital recycling and growing recurring fee-related earnings.

Outlook and Prospects

The global operating environment remains challenging, characterised by heightened geopolitical uncertainties, financial market volatility and evolving macroeconomic conditions. Against this backdrop, the Group remains focused on sustaining operational momentum across its core businesses while navigating these headwinds.

Given prevailing market conditions with persistent inflationary pressures and elevated interest rates, certain capital recycling transactions originally envisaged for the remainder of FY 2026 are now expected to be completed in FY 2027. In contrast to 2H 2025, which benefited from the substantial capital recycling gain of $473.1 million arising from the divestment of South Beach Consortium in September 2025, the Group expects its financial performance for 2H 2026 to be significantly weaker on a year-on-year basis.

The anticipated weaker performance in 2H 2026 is further compounded by adverse foreign exchange movements, particularly the appreciation of the Korean won against the Singapore dollar since July 2026, which has resulted in significant foreign exchange losses recognised by the Group's Korean subsidiary on its SGD-denominated intercompany loan receivable. In addition, the Group is currently undertaking valuations of its property portfolio, which may give rise to impairment losses.

Notwithstanding these near-term challenges, the Group remains committed to executing its GET+ strategic roadmap for FY 2027 to FY 2029, with a focus on accelerating portfolio optimisation, capital recycling and disciplined capital allocation to unlock embedded value, strengthen its financial position and enhance long-term shareholder returns. The Group will provide updates as material milestones are achieved.

BY ORDER OF THE BOARD

Enid Ling Peek Fong
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Company Secretaries

11 November 2026