

ANNOUNCEMENT ON CHANGES IN SUBSIDIARY COMPANIES

The Board of Directors of City Developments Limited (“CDL” or the “Company”) wishes to announce that:

(I) Change of interest in Stapled Securities in CDL Hospitality Trusts (“CDLHT”)

1. On 29 January 2019, an aggregate of 971,823 stapled securities of CDLHT (“**Stapled Securities**”), each Stapled Security comprising one unit in CDL Hospitality Real Estate Investment Trust (“**H-REIT**”) and one unit in CDL Hospitality Business Trust (“**HBT**”), were issued to M&C REIT Management Limited (“**M&C REIT**”), as manager of H-REIT and M&C Business Trust Management Limited (“**MBTM**”), as trustee-manager of HBT, as follows:
 - a) 895,586 Stapled Securities issued to M&C REIT at an issue price of \$1.4866 per Stapled Security, as payment of 80% of its base management fee for the period from 1 October 2018 to 31 December 2018 in relation to H-REIT; and
 - b) 76,237 Stapled Securities issued to MBTM at an issue price of \$1.4866 per Stapled Security, as payment of 80% of its base management fee for the period from 1 October 2018 to 31 December 2018 in relation to HBT.
2. MBTM is a wholly-owned subsidiary of M&C REIT, and both MBTM and M&C REIT are indirect wholly-owned subsidiaries of Millennium & Copthorne Hotels plc, which is in turn a subsidiary of the Company.
3. Following the issuance of the Stapled Securities to M&C REIT and MBTM, the Company’s deemed interest in the Stapled Securities of CDLHT, held through its subsidiary companies, namely, M&C REIT, MBTM, Hospitality Holdings Pte Ltd and Republic Hotels & Resorts Limited, by virtue of the provisions of Section 7 of the Companies Act, Chapter 50, has increased to 451,902,396 Stapled Securities representing 37.458% of the issued Stapled Securities in CDLHT.

(II) Members’ Voluntary Liquidation of Subsidiaries

The following subsidiaries of the Company have been placed under members’ voluntary liquidation with effect from 16 January 2019:

- (a) Cliffmont Pte Ltd
- (b) Chester Properties Pte Ltd

(III) Incorporation of a wholly-owned Subsidiary, Sonic Investment Pte. Ltd.

Singapura Developments (Private) Limited, a wholly-owned subsidiary of the Company, has incorporated a wholly-owned subsidiary known as Sonic Investment Pte. Ltd. Information relating to the said company is as follows:

Name of Company	: Sonic Investment Pte. Ltd.
Date of Incorporation	: 25 January 2019
Country of Incorporation	: Republic of Singapore
Issued share capital	: \$2.00
Principal Activity	: Investment holding

The abovementioned changes of interest in CDL Group's subsidiary companies are 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 controlling shareholders of the Company has any interest, direct or indirect, in connection with the above matters.

By Order of the Board

Enid Ling Peek Fong
Company Secretary

Date: 1 February 2019