



**CITY  
DEVELOPMENTS  
LIMITED**

**Trusted**  
Since  
**1963**

# 1H 2018 Results Presentation

8 August 2018

# Agenda |

- **General Overview & Strategic Initiatives**
- **Financial Highlights**
- **Singapore Operations**
- **International Operations**
- **Fund Management**
- **Hospitality**
- **Innovation**







# General Overview



# Key Highlights

## ▪ Strong residential sales:

**SINGAPORE:** Sold 651 units with total sales value of \$1.29 billion\* in 1H 2018

- **12.1% increase in sales value** year-on-year (1H 2017: \$1.15 billion)
- **Healthy take-up for 2 successful launches in 1H 2018:**
  - New Futura: 92 units (74%) sold^ since soft-launch in Jan 2018
  - The Tapestry: 488 units of 550 released units (89%) sold^ since launch in Mar 2018

**OVERSEAS:** Sold 170 units in China with total sales value of RMB 691.06 million in 1H 2018

## ▪ Profits powered by property development projects in Q2 2018 including:

- **Singapore** – New Futura and Gramercy Park
- **China** – Hong Leong City Center (HLCC), Suzhou
- **Japan** – Park Court Aoyama The Tower, Tokyo

## ▪ Milestone achieved in China with official opening of HLCC mall in Jun 2018:

- Over 90% pre-lease commitments for 56,000 sqm retail space ahead of its opening

## ▪ Enhance recurring income streams through:

- **Selective acquisition:** Acquired office asset in Shanghai's prime North Bund Business District for RMB 148 million
- **Strategic investment:** Cornerstone investor in E-House IPO with HK\$237.81 million investment
- **Asset Enhancement Initiative (AEI) works:**
  - Completed refurbishment of Le Grove Serviced Residences, which re-opened in mid-Jul 2018
  - Commenced AEI for Republic Plaza, expected completion by 2H 2019



# Key Financial Highlights – Q2 2018

Revenue	EBITDA	PATMI	Basic EPS
<b>\$1,359.5</b> million ▲ 59.2%	<b>\$401.8</b> million ▲ 55.7%	<b>\$204.8</b> million ▲ 79.5%	<b>21.8</b> cents ▲ 84.7%
Q2 2017 (Restated) *:			
<b>\$854.0</b> million	<b>\$258.1</b> million	<b>\$114.1</b> million	<b>11.8</b> cents

- Strong profit recognition mainly from three property development projects:
  - New Futura
  - Gramercy Park
  - Phase 2 of Hong Leong City Center (HLCC)







No fair values adopted on investment properties.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

\* Restated due to adoption of SFRS(I) 1 & 15.



# Key Financial Highlights – 1H 2018

Revenue	EBITDA	PATMI	Basic EPS
<b>\$2,417.4</b> million  47.6%	<b>\$631.6</b> million  36.6%	<b>\$284.8</b> million  35.8%	<b>30.6</b> cents  36.6%
1H 2017 (Restated) *:			
\$1,637.6 million	\$462.3 million	\$209.7 million	22.4 cents
NAV per share	Special Interim Dividend	<ul style="list-style-type: none"> <li>Similarly, 1H 2018 performance was boosted by strong performance of property development segment, sustained by healthy profit margins.</li> </ul>	
<b>\$11.13</b>  5.8%	<b>6.0</b> cents per share  50.0%		
FY 2017 (Restated) *:	1H 2017 :		
\$10.52	4.0 cents		

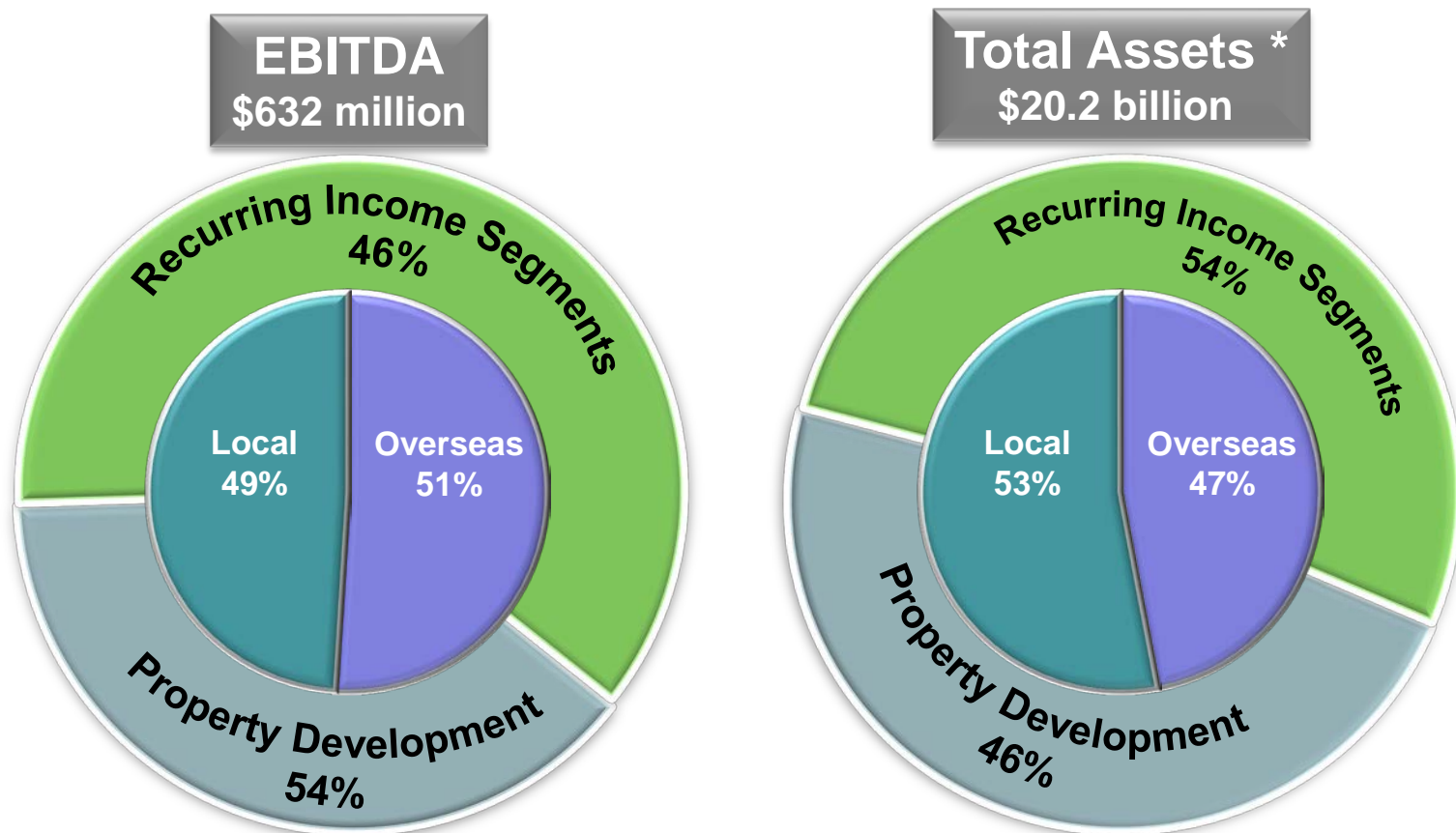
No fair values adopted on investment properties.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

\* Restated due to adoption of SFRS(I) 1 & 15.



# Portfolio Composition – 1H 2018



- **Stability from Recurring Income segments** comprising 46% of EBITDA / 54% of Total Assets
- **Diversification overseas** with international segments accounting 51% of EBITDA and 47% of Total Assets



\* Excluding tax recoverable and deferred tax asset





# Strategic Initiatives





# Key Considerations

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Short Term

## #1: Cooling Measures

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## #2: PPS Structures

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Medium to  
Long Term

### #1 GROWTH

- Property Development
- Recurring Income Streams

### #2 ENHANCEMENT

- Asset Enhancement Initiatives (AEI)
- Repositioning / Redevelopment
- Operational Efficiency

### #3 TRANSFORMATION

- Fund Management
- Innovation
- Venture Capital



# Market Sentiment in 1H 2018

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## Luxury Segment

- Improvements in take-up rates and prices in 1H 2018
- Primarily foreign buyers

## Mass to Mid Market Segments

- Good take-up rates for new market launches with new benchmark prices

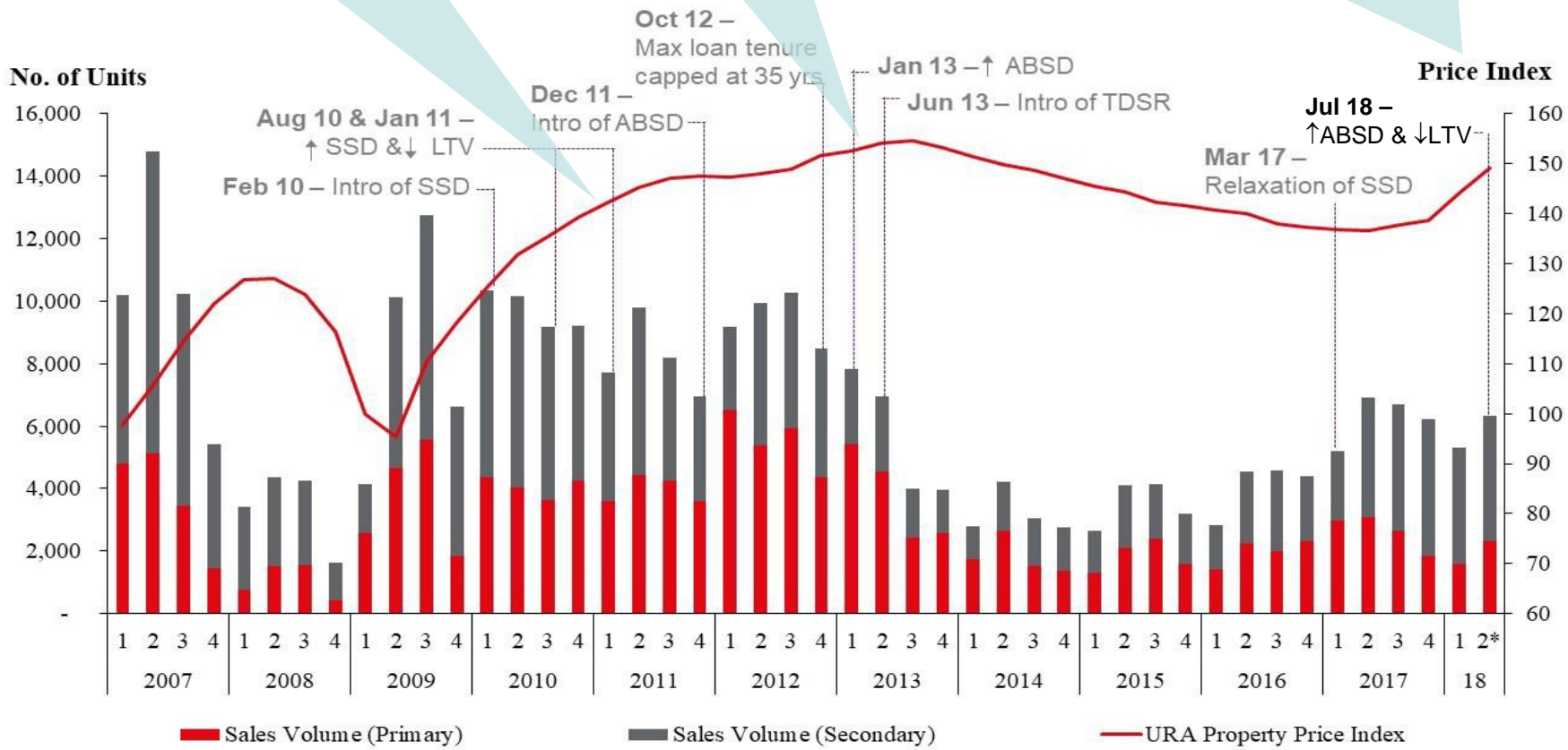
## Exec Condo Segment

- Competitor's EC launch at Sengkang was sold out at new benchmark prices within 3 months of launch
- Limited inventory left in the EC market (<30 units)



# Impact of Past Property Cooling Measures on Volume & Prices

Past property cooling measures tended to depress sales volume, but property price declines were not as sharp. Nevertheless, subdued sentiments will impact the residential sector, potentially disrupting upcoming new project launches and impacting sales of existing inventory



Source: JLL Research



# Profit Participation Securities (PPS)

The Group currently acts as Asset Manager for 3 PPS with short-term fund life:

## PPS 1 – Dec 2014



**\$1.5 billion comprising the Quayside Collection in Sentosa:**

- The Residences at W Singapore – Sentosa Cove
- The 5-star 240-room hotel W Singapore – Sentosa Cove
- Quayside Isle, a waterfront F&B and retail property

## PPS 2 – Dec 2015



**\$1.1 billion comprising three office properties:**

- Manulife Centre
- 7 & 9 Tampines Grande
- Central Mall (Office Tower)

## PPS 3 – Oct 2016



**\$1.0 billion comprising Nouvel 18, a 156-unit luxury residential development at Anderson Road**



# Strategic Focus for 2018

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## Renewal and Transformation of Asset Portfolio and Business Operations

### #1 GROWTH

- Property Development
- Recurring Income Streams

### #2 ENHANCEMENT

- Asset Enhancement Initiatives (AEI)
- Repositioning / Redevelopment
- Operational Efficiency

### #3 TRANSFORMATION

- Fund Management
- Innovation
- Venture Capital



# Residential Launch Pipeline

CDL's Residential Projects Available for Launch – Pipeline of over 2,600 units

58% of our launch pipeline is in the EC and Mass Market segments, which primarily targets HDB upgraders and first time buyers

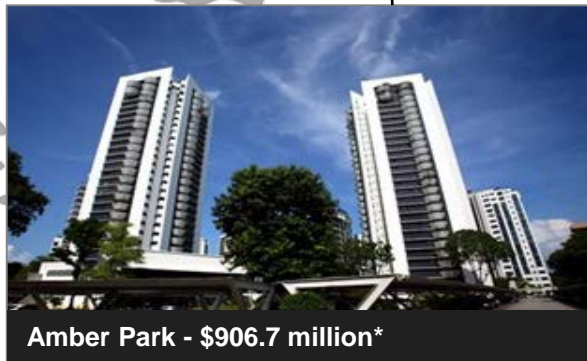


**GLS site**  
716 units + 2 shops

**Former Boulevard Hotel site**  
Estimated 154 units



**GLS site**  
Estimated 188 units



**Collective Sale Site**  
Estimated 592 units



**Exec Condominium GLS site**  
Estimated 820 units

**South Beach Residences**  
190 units

## Launch Pipeline

Project / Location	Total Units	Est Launch
Whistler Grand (West Coast Vale)	716 + 2 shops	Q4 2018
Amber Park	Est 592	1H 2019
Handy Road	Est 188	Q1 2019
Sumang Walk (EC)	Est 820	Q2 2019
South Beach Residences	190	Under review
Boulevard 88 (Former Boulevard Hotel site)	Est 154	Under review





# Recurring Income Focus

Build Recurring Income Segment through Acquisitions & Organic Growth



Completed Acquisition:

**RMB 148 million**

4,000 sqm GFA office block in  
Shanghai's North Bund  
Business District



Upcoming Acquisition:

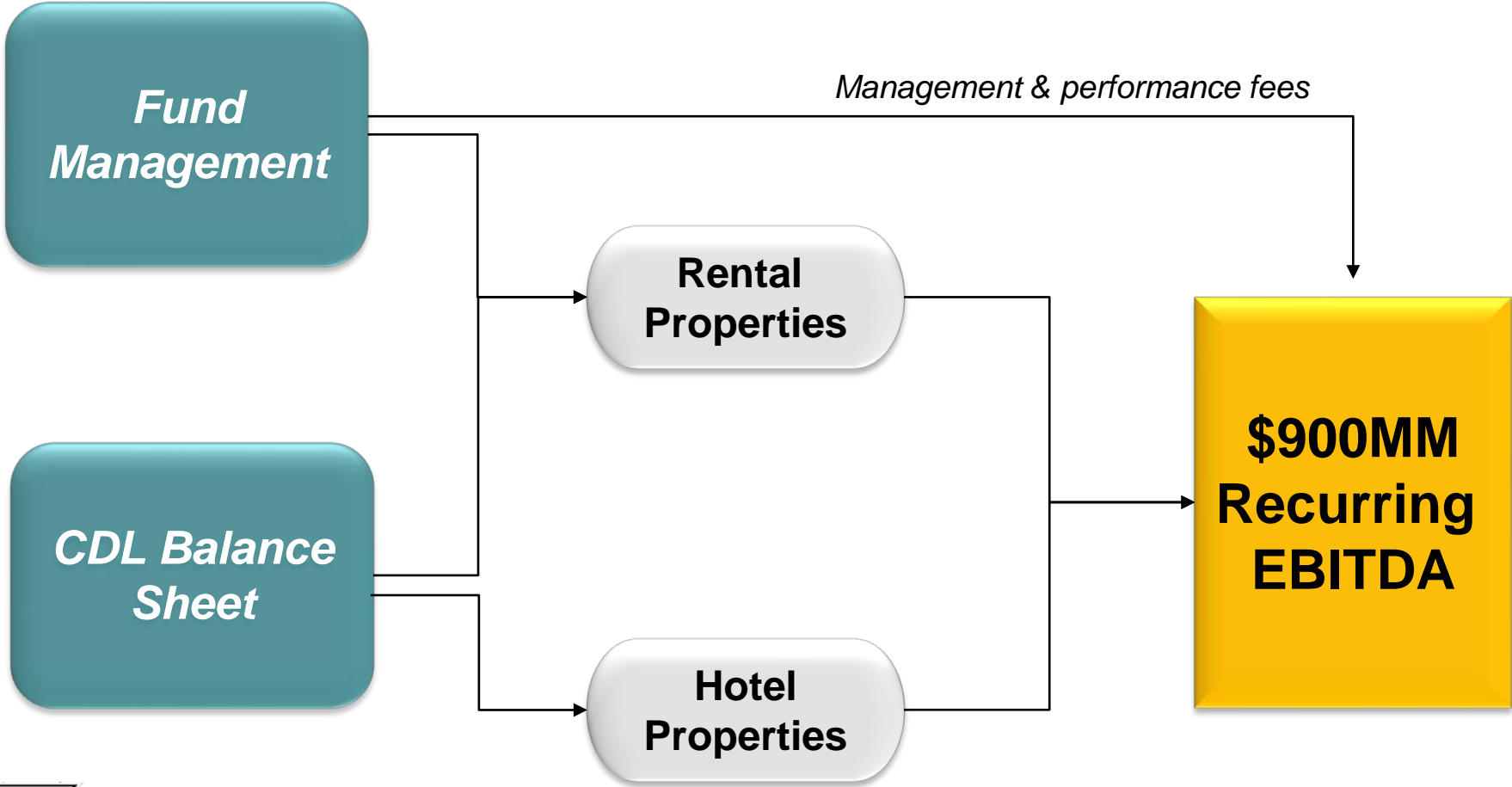
**Over S\$300 million**

office asset  
in one of our target markets



# Grow Recurring Income Streams

10-Year Target to Achieve \$900 million of Recurring EBITDA



# Asset Enhancement Initiatives (AEI)

## Good Progress on AEI Works

### Le Grove Serviced Residences – Completion of \$30 million AEI works

Location	Tenure	Equity Stake	Total Units	Net Lettable Area (sq ft)
Orange Grove Road	Freehold	100%	173	89,340



Le Grove Serviced Residences

### Reopened in mid-July 2018 (ahead of schedule)

- Unit reconfiguration: Increase to 173 apartment units (from 97 units)
- Approx. NLA: 89,340 sq ft (excl. common areas and amenities)
- Performance in first few weeks of operations has exceeded forecast

### Republic Plaza – Commenced \$70 million AEI Plan

- Phased AEI works in progress
- Includes creation of new retail cluster at Level 2
- Total NLA (Post AEI): 785,000 sq ft
- Expected completion by 2H 2019



Revamped Facade along Malacca Street

Artist's Impression





# Deriving Synergy through Consolidating Functions

New Asset Management Structure enables Functional Specialists to support Core Strategy & Strengthen Internal Capabilities



# Innovation & Venture Capital

## Two-Pronged Approach: Strategic Investments & Enterprise-Driven Initiatives

Investments into Synergistic PropTech (Potential Disruptors)

Internal Innovation Initiatives



China's upcoming Long-Term Apartment Rental Platform



China's Leading Operator of Co-working Space



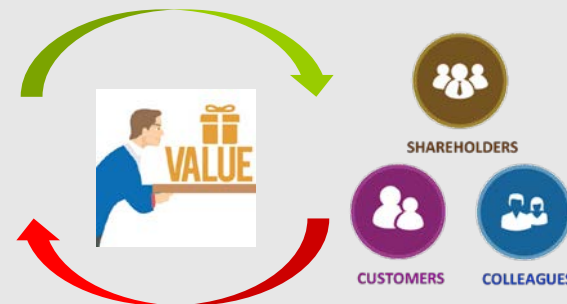
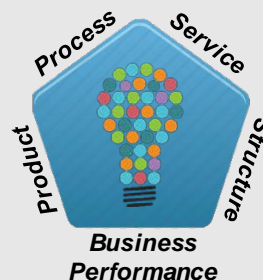
Fund Management Platform with a focus on new technology in AI, deep learning and real-estate related services



US' real estate technology focused venture capital firm



Enterprise Innovation Committee (EIC)

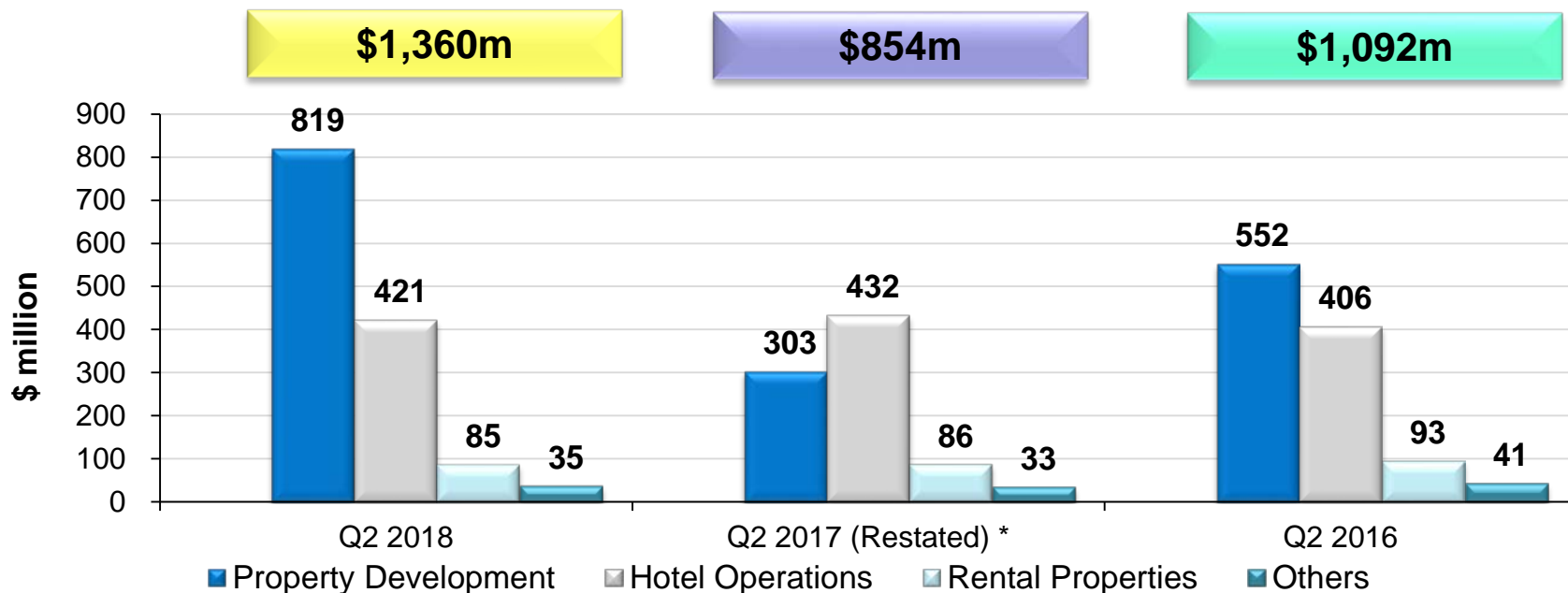




**Financial  
Highlights** |

# Financial Highlights

## Revenue by Segment for 2<sup>nd</sup> Quarter (2016 – 2018)



	Q2 2018	Q2 2017 (Restated) *	Q2 2016
<b>Property Development</b>	<b>60%</b>	<b>35%</b>	<b>51%</b>
<b>Hotel Operations</b>	<b>31%</b>	<b>51%</b>	<b>37%</b>
<b>Rental Properties</b>	<b>6%</b>	<b>10%</b>	<b>9%</b>
<b>Others</b>	<b>3%</b>	<b>4%</b>	<b>3%</b>

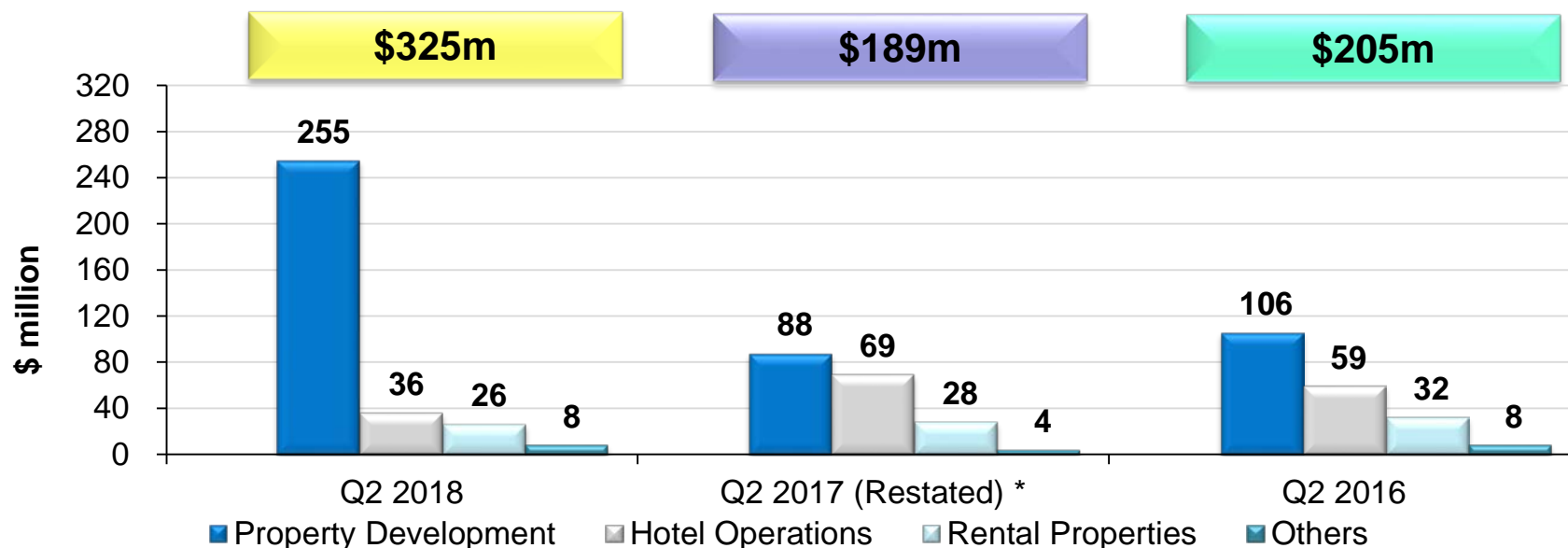
\* Restated due to adoption of SFRS(I) 1 & 15 for 2017 only.





# Financial Highlights

## Profit Before Tax by Segment for 2<sup>nd</sup> Quarter (2016 – 2018)



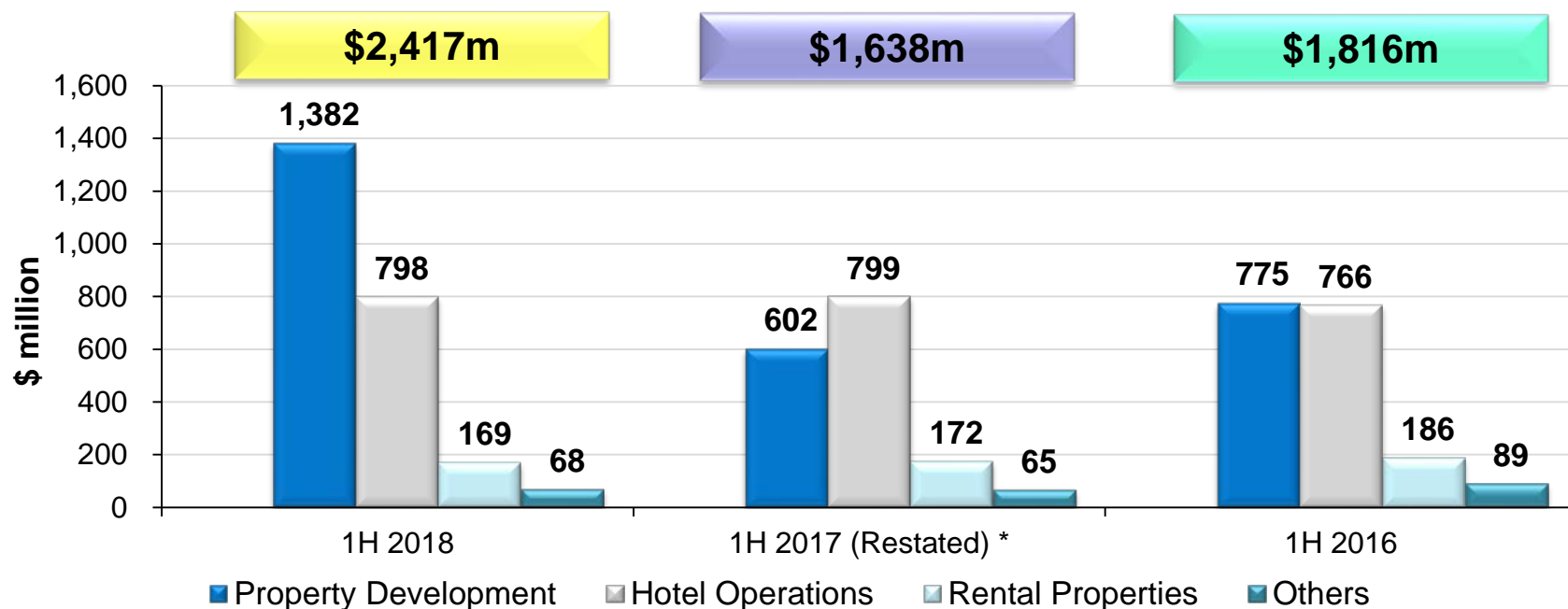
	Q2 2018	Q2 2017 (Restated) *	Q2 2016
Property Development	78%	47%	52%
Hotel Operations	11%	37%	28%
Rental Properties	8%	14%	16%
Others	3%	2%	4%

\* Restated due to adoption of SFRS(I) 1 & 15 for 2017 only.



# Financial Highlights

## Revenue by Segment for Half Year (2016 – 2018)



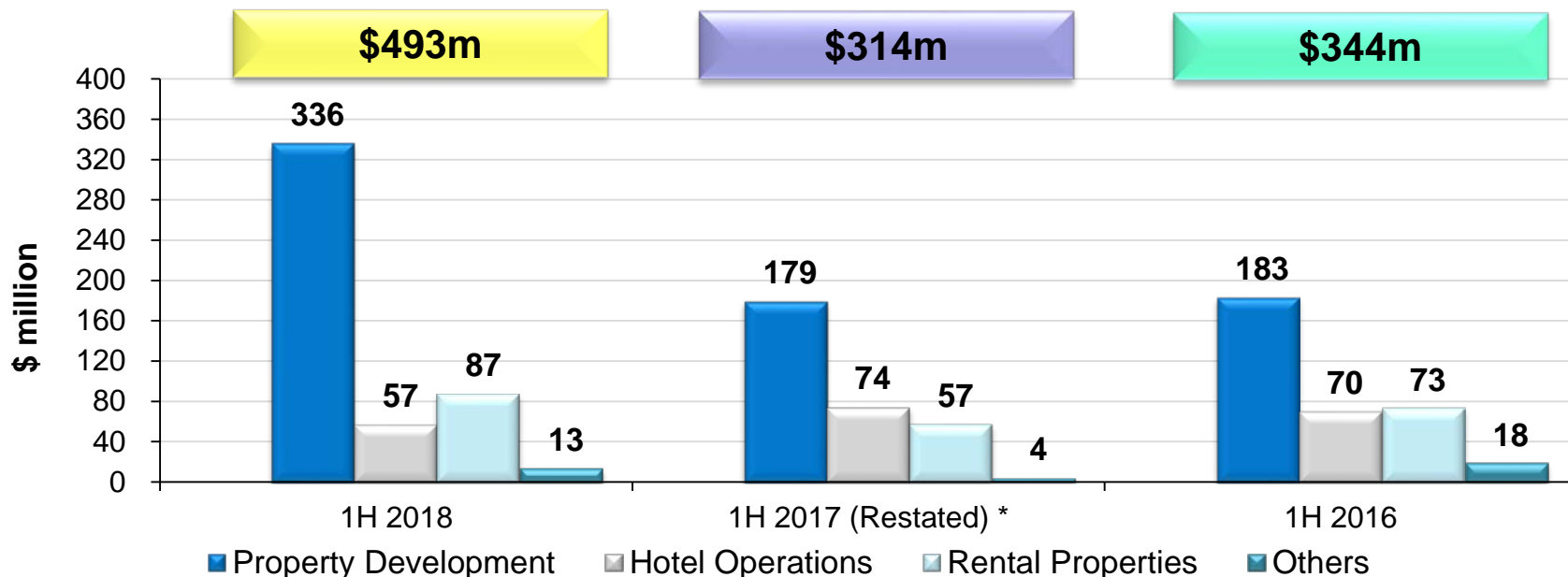
	1H 2018	1H 2017 (Restated) *	1H 2016
Property Development	57%	37%	43%
Hotel Operations	33%	49%	42%
Rental Properties	7%	11%	10%
Others	3%	3%	5%

\* Restated due to adoption of SFRS(I) 1 & 15 for 2017 only.



# Financial Highlights

## Profit Before Tax by Segment for Half Year (2016 – 2018)



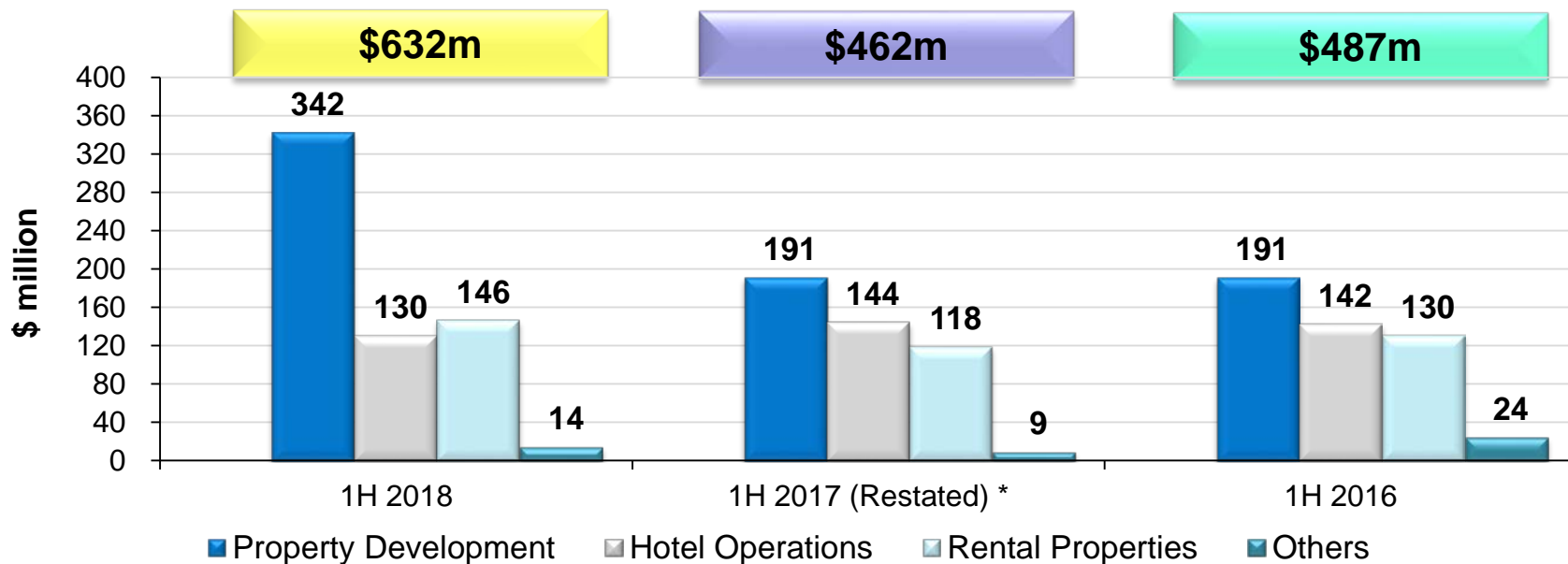
	1H 2018	1H 2017 (Restated) *	1H 2016
Property Development	68%	57%	53%
Hotel Operations	11%	24%	20%
Rental Properties	18%	18%	21%
Others	3%	1%	6%

\* Restated due to adoption of SFRS(I) 1 & 15 for 2017 only.



# Financial Highlights

## EBITDA by Segment for Half Year (2016 – 2018)



	1H 2018	1H 2017 (Restated)*	1H 2016
Property Development	54%	41%	39%
Hotel Operations	21%	31%	29%
Rental Properties	23%	26%	27%
Others	2%	2%	5%

\* Restated due to adoption of SFRS(I) 1 & 15 for 2017 only.





# Financial Highlights

## Balance Sheet

	As at 30/06/18	As at 31/12/17
Gross borrowings	\$5,418m	\$5,036m
Cash and bank balances <sup>^</sup>	\$3,083m	\$3,989m
Net borrowings	\$2,335m	\$1,047m
Net gearing ratio without taking in fair value gains on investment properties	19%	9%
Net gearing ratio after taking in fair value gains on investment properties	14%	7%
Interest cover ratio	18.4 x	13.5 x (Restated) *

<sup>^</sup> Include restricted deposits of \$371m (2017: \$214m) classified as non-current assets

\* Restated due to adoption of SFRS(I) 1 & 15

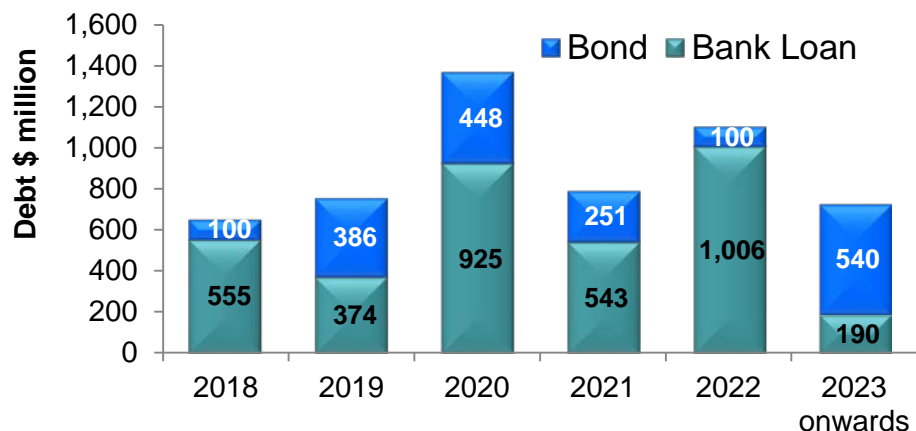


# Financial Highlights

## Prudent Capital Management

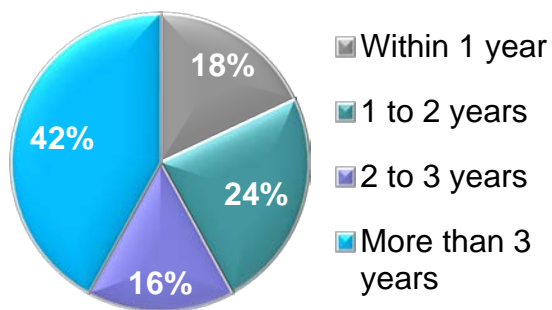
- Balanced debt expiry profile
- Balanced debt currency mix – adopting a natural hedging strategy
- Average borrowing cost kept low
- Balance of fixed rate borrowings to mitigate rate hikes

### Debt Expiry Profile

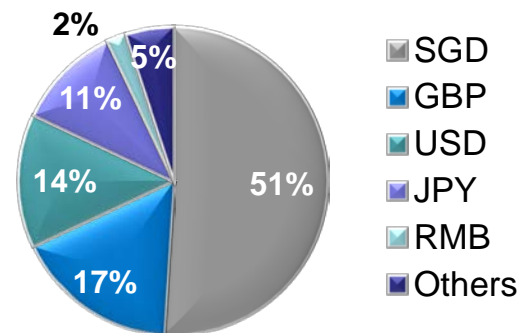


	30/6/2018	31/12/2017
Average Borrowing Cost	2.2%	2.2%
% Secured Borrowings	25%	12%
% Fixed Rate Debt	52%	42%

### Debt Maturity



### Debt Currency Mix





# Singapore Operations

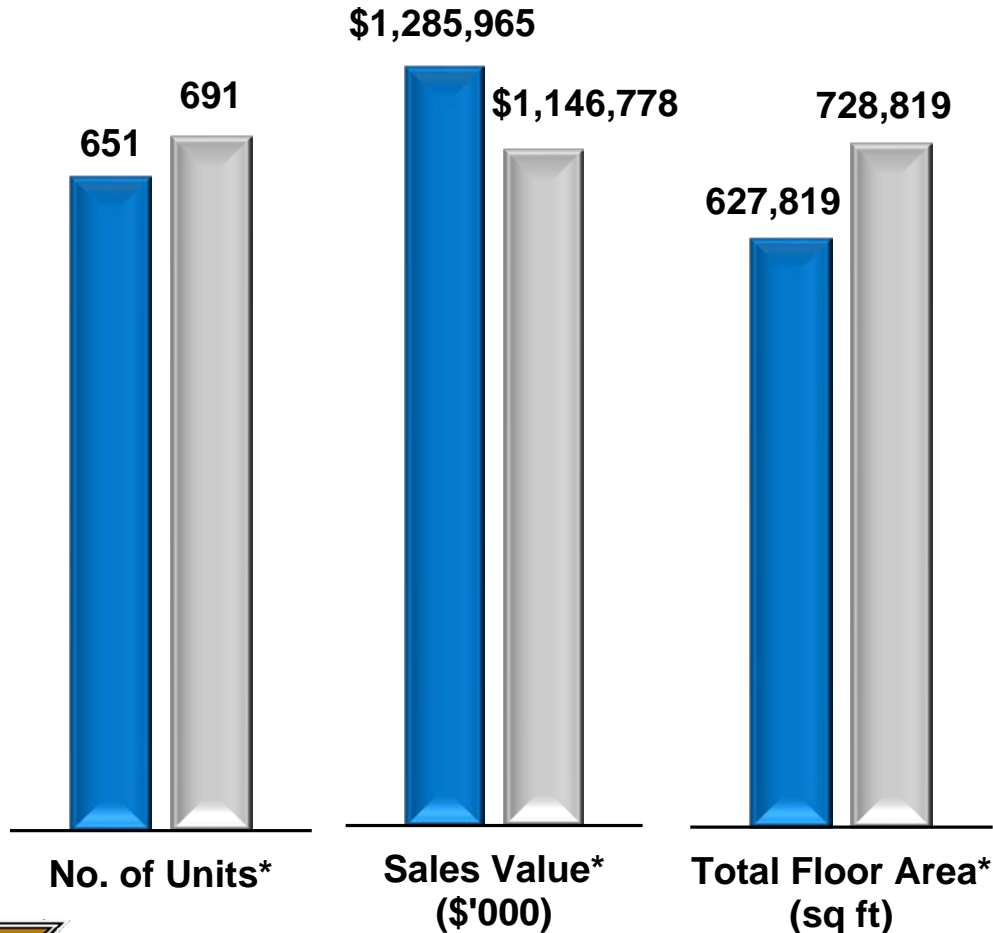


# Singapore Property Development

## Residential Units Sold by CDL

■ 1H 2018

■ 1H 2017



Sales Value  
**↑12.1%**<sub>yoy</sub>

Units Sold  
**↓5.8%**<sub>yoy</sub>



\* Includes share of JV partners



# Singapore Property Development

## New Futura – Sold 92 units, including 2 penthouses



Location	Tenure	Equity Stake	Total Units	Total Units Sold*	% Sold*	Total Saleable Area (sq ft)
Leonie Hill Road	Freehold	100%	124	92	74%	248,199



### Strong Response to Private Previews:

- **South Tower: 18 Jan 2018**
  - **North Tower: 11 May 2018**
- To date, 92 units (74%) including the two penthouses have been sold
  - Achieved average selling price of \$3,500 psf
  - About 80% of buyers are foreigners (including Permanent Residents)
  - All units except one 2-bedroom apartment in South Tower are fully sold



*For Illustration Only*

\* As of 5 Aug 2018



# Singapore Property Development

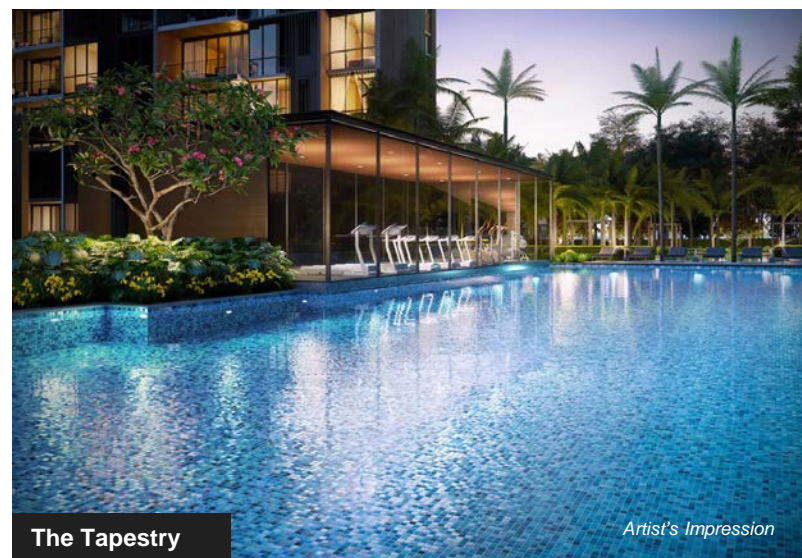
## The Tapestry – Sold 89% out of 550 units released



Location	Tenure	Equity Stake	Total Units	Units Released	Total Units Sold*	% Sold*~	Total Saleable Area (sq ft)
Tampines Ave 10	99-year leasehold	100%	861	550	488	89	652,950

### Good uptake since sales started on 24 Mar 2018:

- To date, 488 units have been sold out of 550 units released
- Achieved average selling price of about \$1,350 psf
- 80% of buyers are Singaporean, mainly first-time buyers
- Located minutes to the established Tampines Regional Centre and newly-completed Our Tampines Hub
- Site is well-connected islandwide via two MRT lines: Tampines East West Line and new Downtown Line, as well as the Tampines Bus interchange
- Development offers over 50 facilities spread across 10 zones, including a childcare centre and exclusive residential services
- Typical unit sizes range from 441 sq ft for a one-bedroom to 1,765 sq ft for the largest five-bedroom dual-key with study apartment
- All units are fitted with smart home technologies



\* As of 5 Aug 2018 ~ Based on released units

# Singapore Property Development

## Limited Inventory of Launched Residential Projects – As of 30 Jun 2018

Project	Equity Stake	Total Units	Units Sold	% Sold	Total Unsold Inventory	CDL's Share of Unsold Inventory
St. Regis Residences	33%	173	161	93%	12	4.0
The Oceanfront @ Sentosa Cove	50%	264	263	100%	1	0.5
One Shenton	100%	341	327	96%	14	14.0
Cliveden at Grange*	100%	110	43	39%	67	67.0
UP@Robertson Quay	100%	70	60	86%	10	10.0
Echelon	50%	508	506	100%	2	1.0
The Venue Shoppes	60%	28	16	57%	12	7.2
The Venue Residences	60%	266	266	100%	0	0.0
Coco Palms	51%	944	936	99%	8	4.1
The Criterion Executive Condo	70%	505	504	100%	1	0.7
Forest Woods	50%	519	497	96%	22	11.0
New Futura	100%	124	87	70%	37	37.0
The Tapestry (500 units released)	100%	861	469	54%	392	392
<b>TOTAL:</b>					<b>578</b>	<b>548.5</b>

\* Leasing strategy implemented

**Limited Inventory of Launched Projects**



# Diversified Residential Launch Pipeline

CDL's Pipeline comprises EC, Mass Market, Mid-Tier & High End segments

Project / Site	Tenure	Equity Stake	Total Units	Est Total Saleable Area (sq ft)	Land Price (\$ million)	Land Cost (\$ psf ppr)	Expected Launch
<b>Whistler Grand</b> (West Coast Vale)	99-year leasehold	100%	716 units + 2 shops	599,000	472.4	800	Q4 2018
<b>Amber Park</b>	Freehold	80%	Est 592	604,000	906.7	1,515	1H 2019
<b>Handy Road</b>	99-year leasehold	100%	Est 188	122,000	212.2	1,722	Q1 2019
<b>Sumang Walk</b> (Executive Condo site)	99-year leasehold	60%	Est 820	900,000	509.37	583	Q2 2019

**2.2 million sq ft**

<b>South Beach Residences</b>	99-year leasehold	50.1%	190	346,000
<b>Boulevard 88</b> (Former Boulevard Hotel site)	Freehold	40%	Est 154	345,000

**0.7 million sq ft**





# Rental Properties – Singapore

## Occupancy & Lease Expiry Profile (2H 2018 – 2020)

As of 30 June 2018

### Office Portfolio

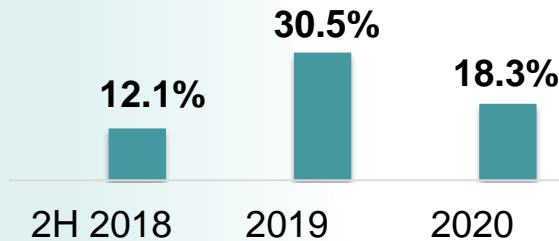
16 properties  
NLA: 2.3 million sq ft

91.9%  
Occupancy\*



REPUBLIC PLAZA

■ % of NLA Expiring



\*National Average: 87.8%

### Retail Portfolio

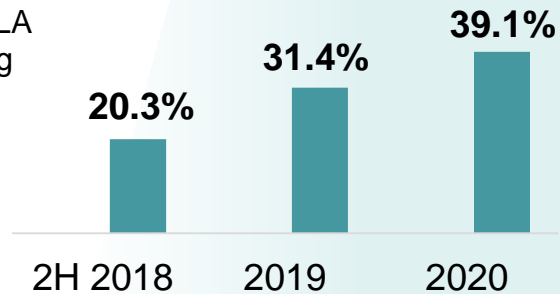
19 properties  
NLA: 845,000 sq ft

96.1%  
Occupancy^



CITY SQUARE MALL

■ % of NLA Expiring



^National Average: 92.7%





# International Operations





# International Operations – Australia

## Focus on Increasing Exposure in Australia

### Sydney



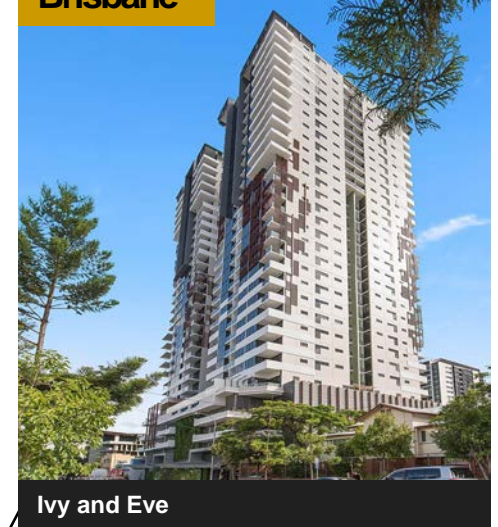
#### Luxury Retirement Housing Projects: Collaboration with Waterbrook Lifestyle Resorts on 2 Freehold Luxury Retirement Housing Projects in Sydney & NSW for A\$57 million

- Developments offer a high-end hospitality experience that differs from the traditional retirement village model
- Positive on luxury retirement sector due to strong unmet demand from a growing demographic of well-heeled retirees
- Projects progressing as planned

### Bowral

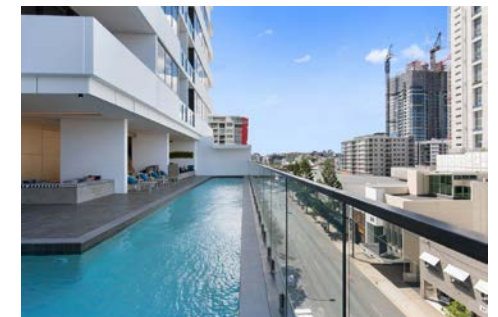


### Brisbane



#### Completed in Feb 2018:

- Majority of units have been sold and settlement achieved



# International Operations – China

## Focus on Tier 1 and Tier 2 Cities

### Chongqing (重庆)



Eling Palace (鹅岭峯)

**Relaunched in May 2018**

**Sold 24 units to date\***

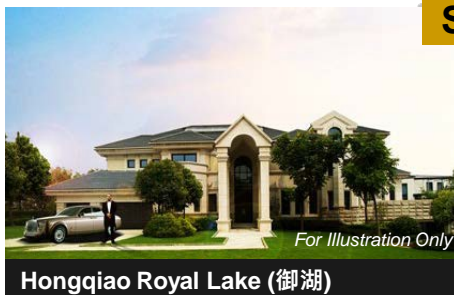
- Sales value of RMB 133 million

**Strategic Partnership with China Vanke for Chongqing projects in Sep 2017**



Emerald (翡翠都会)

Artist's Impression



Hongqiao Royal Lake (御湖)

For Illustration Only

**Good Uptake:**

**46 villas sold to date\***

- Sales value of RMB 972 million

### Shanghai (上海)



Hong Leong Plaza Hongqiao (虹桥丰隆广场)

Artist's Impression

**Completed in Q4 2017: Legal completion certification obtained in Jul 2018**

- Comprises 5 office towers with 2 levels of basement carpark with GFA of 32,182 sqm
- Possibility of converting part of the commercial space to hotel serviced apartments for long-term recurring income

### Suzhou (苏州)



Hong Leong City Center (丰隆城市中心)

Artist's Impression

**Continued Sales Momentum:**

**Total sales of RMB 3.69 billion generated for 86% of 1,804 units to date\*^**

- Phase 1 – 92% sold with sales value of RMB 2.76 billion
- Phase 2 – 65% sold with sales value of RMB 934 million^
- HLCC mall officially opened in June 2018 with 90% pre-lease for its 56,000 sqm retail spaces; hotel expected to open by Q3 2019

**New Acquisition:**

Completed office block within Yaojiang International complex in Shanghai's prime North Bund Business District for RMB 148 million



Yaojiang International

\* As of 5 Aug 2018

^ Excludes 143 units transferred to CDL's wholly-owned subsidiary for investment purpose.





# E-House – China Leading Real Estate Brokerage Firm

## Cornerstone Investor in E-House IPO – Investment of HK\$237.8 million

- CDL is the **only corporation outside Greater China** to be cornerstone investor
  - Other Cornerstone Investors: e-commerce giant **Alibaba**, China state-owned **Overseas Chinese Town Holdings** and an associate company of HK developer **Henderson Land Developments**
  - Other key shareholders are **48 prominent Chinese developers** including Evergrande, Country Garden and Vanke
- **The Group is able to leverage E-House’s network, platform, expertise and database to promote CDL’s residential projects in various countries to Chinese buyers**



Sales Agents: 17,773 agents

Gross value of projects sold for developers for 2018 sales: RMB 728 billion (projected)



# International Operations – Japan

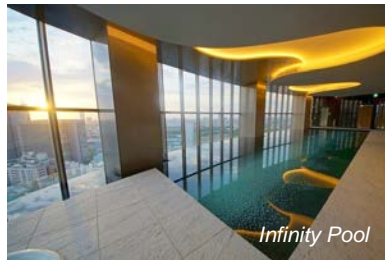
## Two Prime Freehold Residential Projects in Tokyo



Park Court Aoyama The Tower

### Completed in Q1 2018:

- 160-unit freehold JV residential project launched in Oct 2016
- Units are progressively being handed over – 135 units handed over\*



Infinity Pool



Sky Lounge



Freehold site in Shirokane

### Land Bank Site:

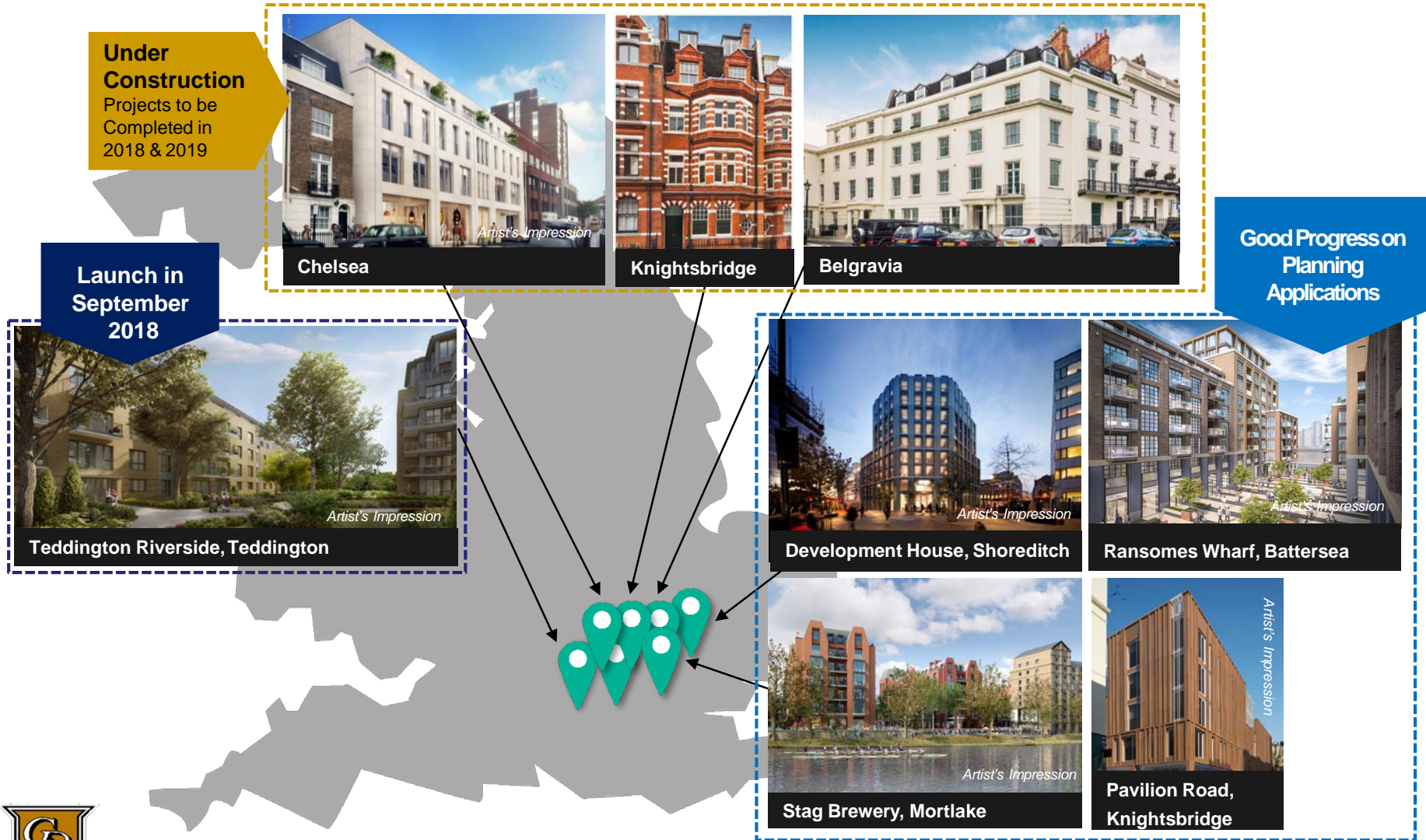
- Prime 180,995 sq ft freehold site acquired in Sep 2014 land banked for value appreciation
- Development schemes being explored with one of Japan's top 5 developers



\*As of 5 Aug 2018

# International Operations – UK

## Established Strong Project Pipeline in Greater London







**Fund  
Management** |



# Fund Management Route Map

AUM Target – US\$5 billion by 2023

## TWO-PRONGED STRATEGY

### ORGANIC GROWTH

- **Partner with institutional investors** in countries and asset classes where the Group has deep domain knowledge and track record:
  - **Geographical focus:** Singapore and China
  - **Asset class:** Commercial, residential and hospitality
- **Assets can be subsequently transferred into a fund as seed assets**

### MERGERS & ACQUISITIONS

- **Accelerate growth** of the fund management business through acquisitions:
  - **Focus:** Listed and unlisted real estate platforms
  - **Target:** Platforms with a good track record, strong management teams and corporate culture that is aligned with CDL's values







**Hospitality** |

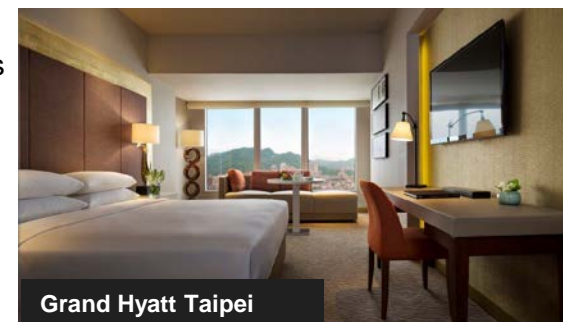
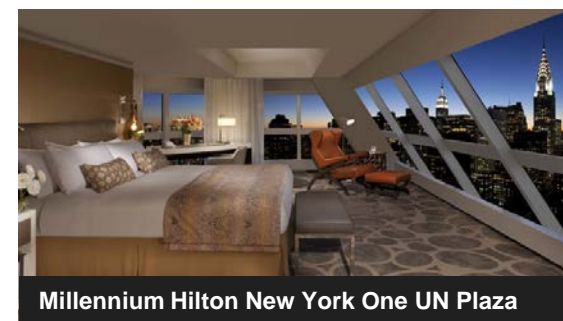
# M&C Hotel Operations

## Trading Performance

	Reported Currency			Constant Currency	
	1H 2018	1H 2017	Change	1H 2017	Change
Revenue	£477m	£485m	(1.6%)	£463m	3.0%
Revenue (hotel)	£404m	£418m	(3.3%)	£399m	1.3%
Profit before tax	£65m	£63m	3.2%	£61m	6.6%
PATMI	£28m	£42m	(33.3%)		

- Group RevPAR : ↓ 4.3% in 1H 2018 (reported currency)  
 ↑ 0.5% in 1H 2018 (constant currency)  
 ↑ 2.0% in 1H 2018 (like-for-like)
- In constant currency, hotel revenue ↑ 1.3%
  - Higher contribution from Millennium Hilton New York One UN Plaza
  - M Social Auckland (opened in Oct 2017)
 Offset by
  - poor trading performance in UK
  - reduced contribution from Mayfair with phased closure
- Lower hotel operating profit offset by increased land sales in New Zealand and CDLHT's recently acquired hotels.
- One-off items :
 

1H 2018	-	£3m gain from CDLHT disposal of Australia hotels (CDL's gain is S\$29.3m)
1H 2017	-	£12m reversal of impairment for loans to Fena.
	-	Offset by £9m impairment losses (S\$7m impact to CDL arising from goodwill impairment on The Lowry Hotel)

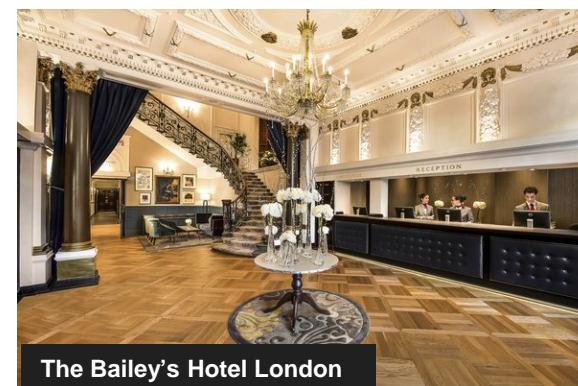
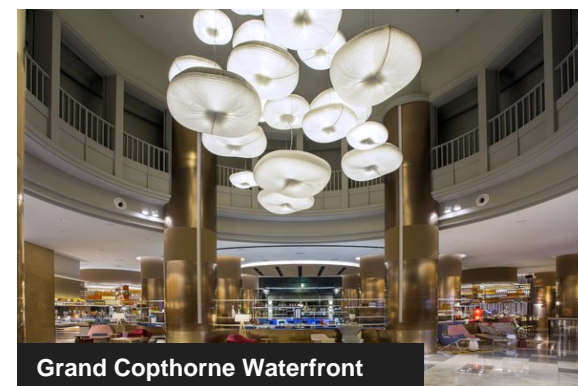


# M&C Hotel Operations

## Trading Performance

- RevPAR in reported currency fell by 4.3% but in constant currency was up by 0.5% for 1H 2018 as compared to the same period last year;

	1H 2018	Reported Currency	Constant Currency
New York	£141.11	↓ 2.6%	↑ 6.0%
Regional US	£55.25	↓ 9.6%	↓ 1.6%
<b>Total US</b>	<b>£83.52</b>	<b>↓ 5.8%</b>	<b>↑ 2.5%</b>
London	£86.06	↓ 15.1%	↓ 15.1%
Rest of Europe	£54.67	↑ 5.6%	↑ 4.9%
<b>Total Europe</b>	<b>£70.76</b>	<b>↓ 8.0%</b>	<b>↓ 8.2%</b>
Singapore	£80.65	↓ 3.2%	↓ 0.4%
Rest of Asia	£62.75	↑ 2.2%	↑ 5.5%
<b>Total Asia</b>	<b>£69.68</b>	<b>↓ 0.3%</b>	<b>↑ 2.8%</b>
Australasia	£74.64	↓ 1.1%	↑ 7.3%
<b>Total Group</b>	<b>£75.29</b>	<b>↓ 4.3%</b>	<b>↑ 0.5%</b>





# M&C Hotel Operations

## Asset Enhancement



### Millennium Hotel London Mayfair

- Started refurbishment in Nov 2017 and scheduled to open in Q1 2019
- Est. total refurbishment cost at £40m

The Group also plans to spend about US\$80m to upgrade its New York properties over the next 2 years.



### Orchard Hotel Singapore

- Commence renovation works at the hotel's lobby and food & beverage outlets, which is expected to complete by end 2018
- Guest rooms in the Orchard Wing will be renovated progressively from Q4 2018 to Q1 2019, as well as the ballroom and meeting spaces in the hotel

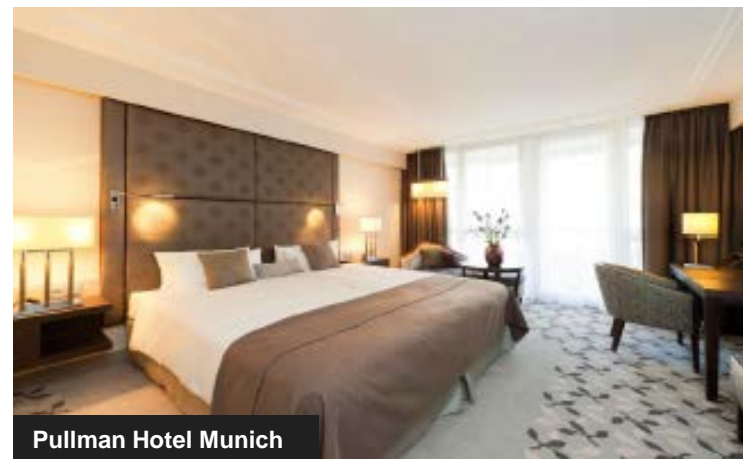




# CDL Hospitality Trusts

## Trading Performance

S\$'000	1H 2018	1H 2017	Change
<b>Gross Revenue</b>	<b>99,508</b>	94,249	5.6%
<b>Net Property Income (NPI)</b>	<b>71,416</b>	70,778	0.9%



Gross revenue and NPI increased mainly due to :

- Inorganic contribution from both The Lowry Hotel and Pullman Hotel Munich which were completed on 4 May 2017 and 14 Jul 2017 respectively
- Incremental contribution of Singapore hotels including higher contribution from Claymore Connect

This was partially offset by :

- Lower contribution from the Japan properties due to softer trading performance and also some inventory displacement arising from the refurbishment of guestrooms earlier this year
- Lower income contribution from Australia properties due to divestment of Mercure Brisbane and Ibis Brisbane which was completed on 11 Jan 2018
- Closure of Dhevanafushi Maldives Luxury Resort for renovation in Jun 2018





**Innovation |**

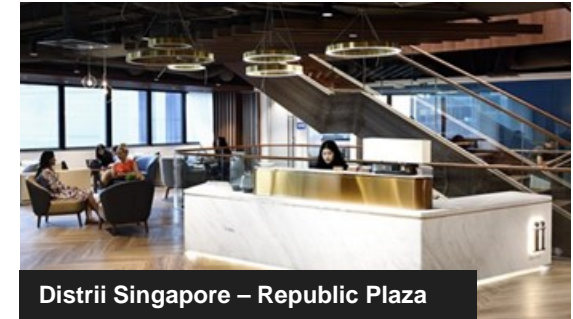


# Investments into Synergistic PropTech

## China's Leading Operator of Co-working Space

- Invested RMB 102 million to date

- Acquired 24% equity stake for RMB 72 million in Jan 2017
- In Sep 2017, participated in Series A Funding of RMB 200 million
- **CDL is Distrii's second largest shareholder after its founder**



- Growth Charter**

- First international centre of 62,000 sq ft @ Republic Plaza as Singapore's single largest co-working facility
- **With presence in over 30 locations, Distrii targets to grow to 100 locations by end 2019**
- Appointed by Chinese SOE to design, manage and operate Xiong'an Design Centre – a facility with GFA of 150,000 sq ft focusing on community management and smart workplace solutions





# Investments into Synergistic PropTech

## China's Fast-Growing Online Apartment Rental Platform

- **Invested RMB 110 million to date**

- Acquired 20% equity stake for RMB 100 million in Sep 2016
- Followed Series A round in Dec 2017

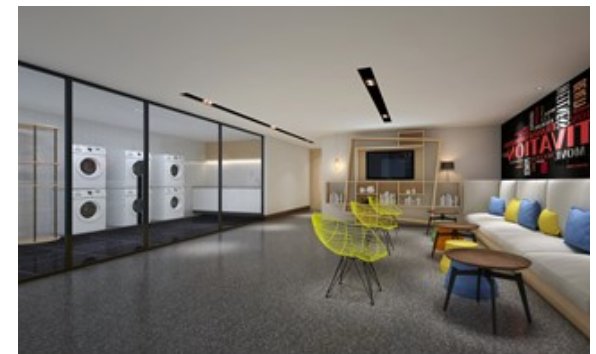
- **Growth Charter**

- 230,000 apartment listings across 30 cities in China
- **Partnered with new investors whom are mostly SOEs and established “Login Apartment”**
- New partnerships will boost mamahome’s growing apartment inventory to 20,000 rental apartments in phases



**LOGIN**

*A curated, fully-furnished co-living experience created for global citizens with local spirit.*





# Investments into Synergistic PropTech

## Partnerships with Venture Capital (VC) Funds in Major Technology Hubs Globally

Platform	Strategic Partnerships with VC Funds
 <p><b>Dragonrise Capital</b> 龙腾资本</p>	<ul style="list-style-type: none"><li>Dragonrise Capital is an established technology-focused VC fund manager and investor in China, based in Beijing, Shanghai and Shenzhen</li></ul>
 <p>FIFTH WALL</p>	<ul style="list-style-type: none"><li>Fifth Wall is a real estate tech-focused VC with a strong track record of investing in innovative companies in the US</li></ul>

**Through these partnerships, CDL will be able to access synergistic new technologies which will enhance the Group's core business capabilities and drive growth in the long run**



## **Disclaimer:**

*This document may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, customers and partners, expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events. Numbers in tables and charts may not add up due to rounding.*

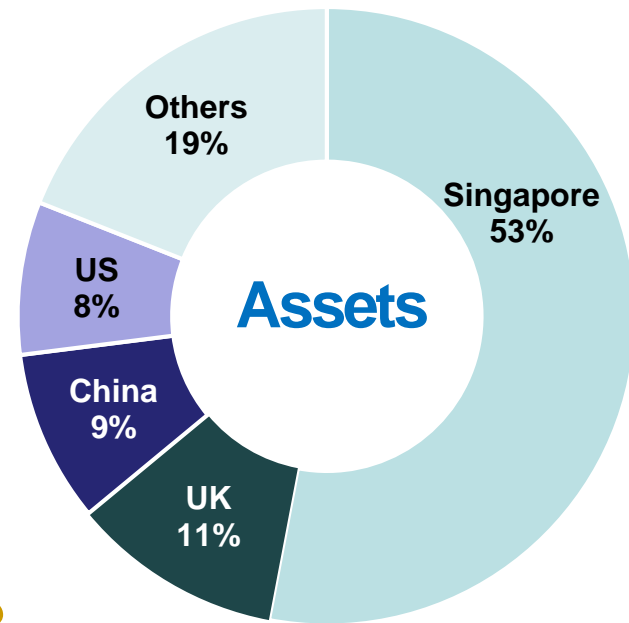
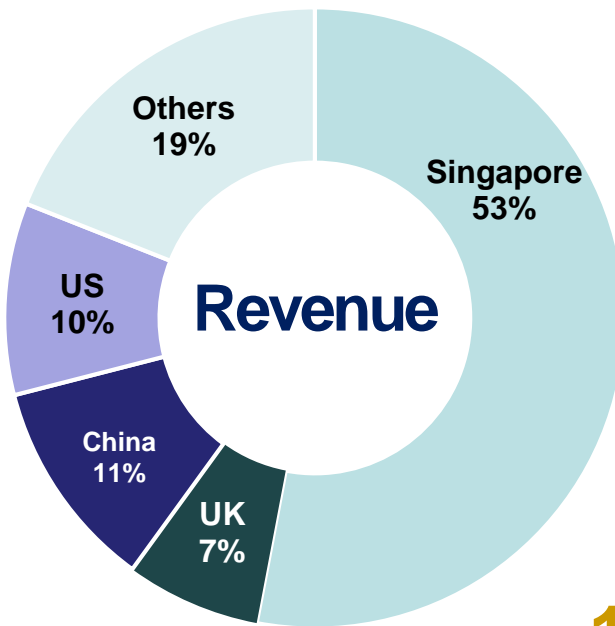


**Appendix** |

# Diversified Global Portfolio

## Deepening Presence in Key Markets

- Geographical diversification allows flexibility to capitalise on opportunities



1H 2018





# Portfolio Composition – 1H 2018

S\$ million	Recurring Income Segments				Total
	Property Development	Hotel Operations	Rental Properties	Others	
<b>EBITDA *</b>					
Local	185	36	75	12	308
Overseas	157	94	71	2	324
	<b>342</b>	<b>130</b>	<b>146</b>	<b>14</b>	<b>632</b>
<b>Total Assets ^</b>					
Local	6,140	661	3,361	618	10,780
Overseas	3,198	4,755	1,249	235	9,437
	<b>9,338</b>	<b>5,416</b>	<b>4,610</b>	<b>853</b>	<b>20,217</b>

\* Earnings before interest, tax, depreciation and amortisation.

^ Excludes tax recoverable and deferred tax asset.



# Grow Global Footprint

## Strategic Investments and Diversifications YTD 2018

YTD 2018:

**\$1.1 billion\***

Acquisitions & investments

**Key Markets:**

Singapore, China, UK & Europe,  
Japan & Australia

### CHINA

- >> E-House IPO – HK\$237.81 million
- >> Acquisition of Yaojiang International building in Shanghai's prime North Bund district for RMB 148 million

### SINGAPORE

- >> Acquisition of Handy Road, West Coast Vale and Sumang Walk EC GLS sites for a total of \$990.2 million\*

### NEW ZEALAND

- >> Acquisition of The Waterfront Hotel in New Plymouth for NZ\$11 million by Millennium & Copthorne Hotels New Zealand Limited



# Diversified Land Bank – CDL’s Attributable Share

## Land Area (as of 30 Jun 2018)

Type of Development	Land Area (sq ft)			
	Singapore	International	Total	%
Residential	1,028,489	1,714,143	2,742,632	95
Commercial / Hotel	20,886	132,706	153,592	5
<b>Total</b>	<b>1,049,375</b>	<b>1,846,849</b>	<b>2,896,224</b>	<b>100</b>

## Proposed GFA (as of 30 Jun 2018)

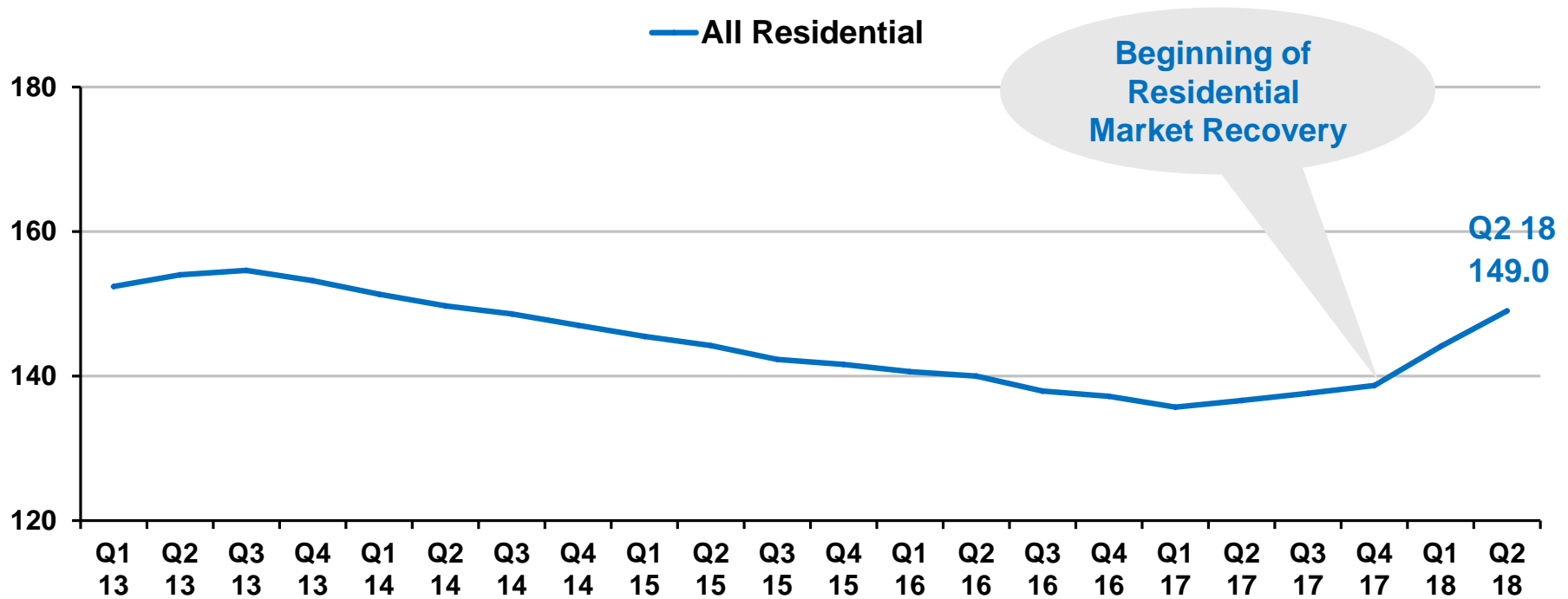
Country	Proposed GFA (sq ft)			
	Residential	Commercial / Hotel	Total	%
Singapore	2,372,325	92,671	2,464,996	47
UK	1,542,238	217,371	1,759,609	33
China	322,081	69,140	391,221	7
Others *	668,283	-	668,283	13
<b>Total</b>	<b>4,904,927</b>	<b>379,182</b>	<b>5,284,109</b>	<b>100</b>



\* Includes Japan and Malaysia

# Singapore Property Market

## Property Price Index – Residential (2013 – 1H 2018)



Source : URA, Q2 2018

Based on Revised PPI

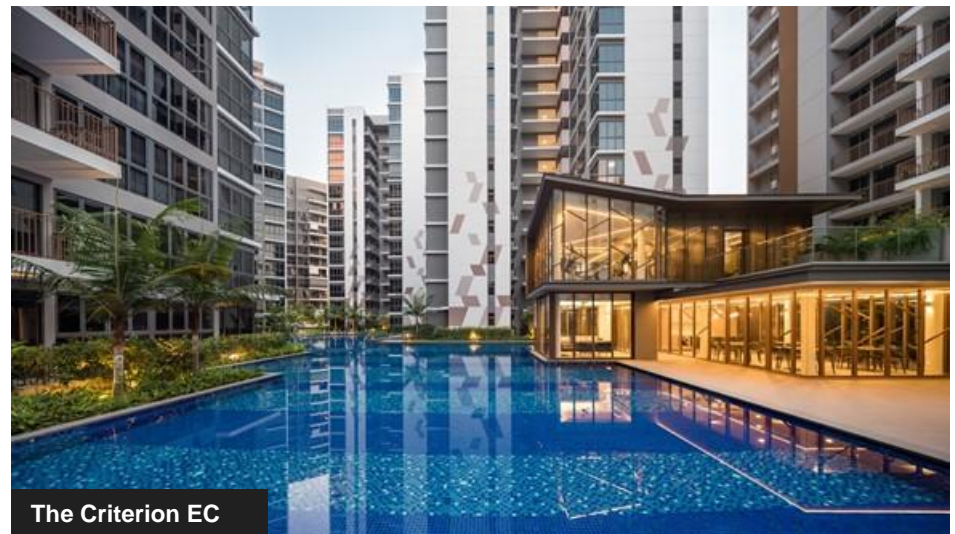




# Singapore Property Development

## Completed Residential Projects in 1H 2018

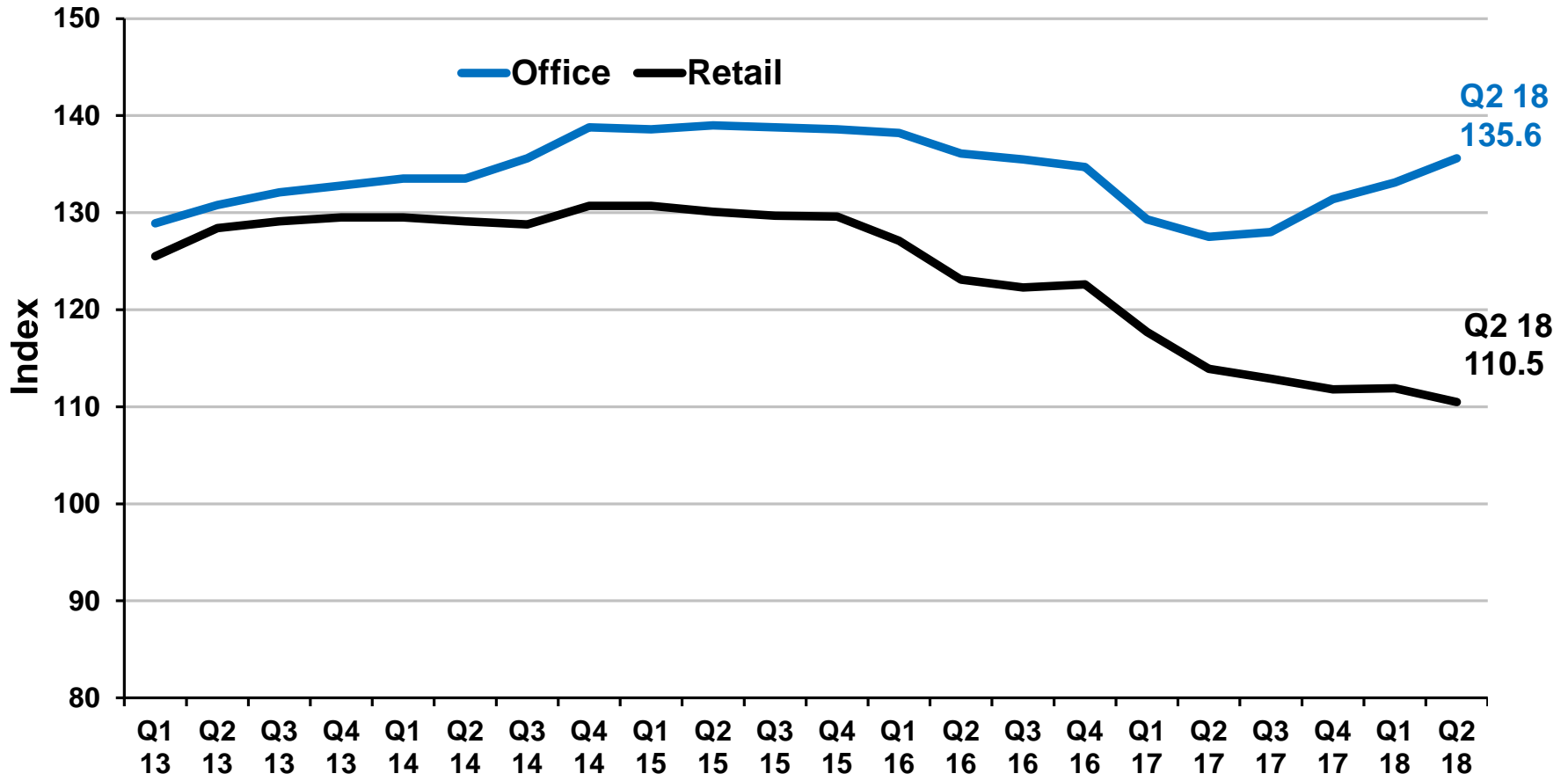
Project	Location	Equity Stake	Total Units	% Sold*	TOP Obtained
Coco Palms	Pasir Ris Grove / Pasir Ris Drive 1	51%	944	99	Phase 1 – Jan 2018 Phase 2 – April 2018
The Criterion Exec Condo (EC)	Yishun Street 51	70%	505	100	Feb 2018



\*As of 6 Aug 2018

# Singapore Commercial Market

## Property Price Index – Commercial (2013 – 1H 2018)

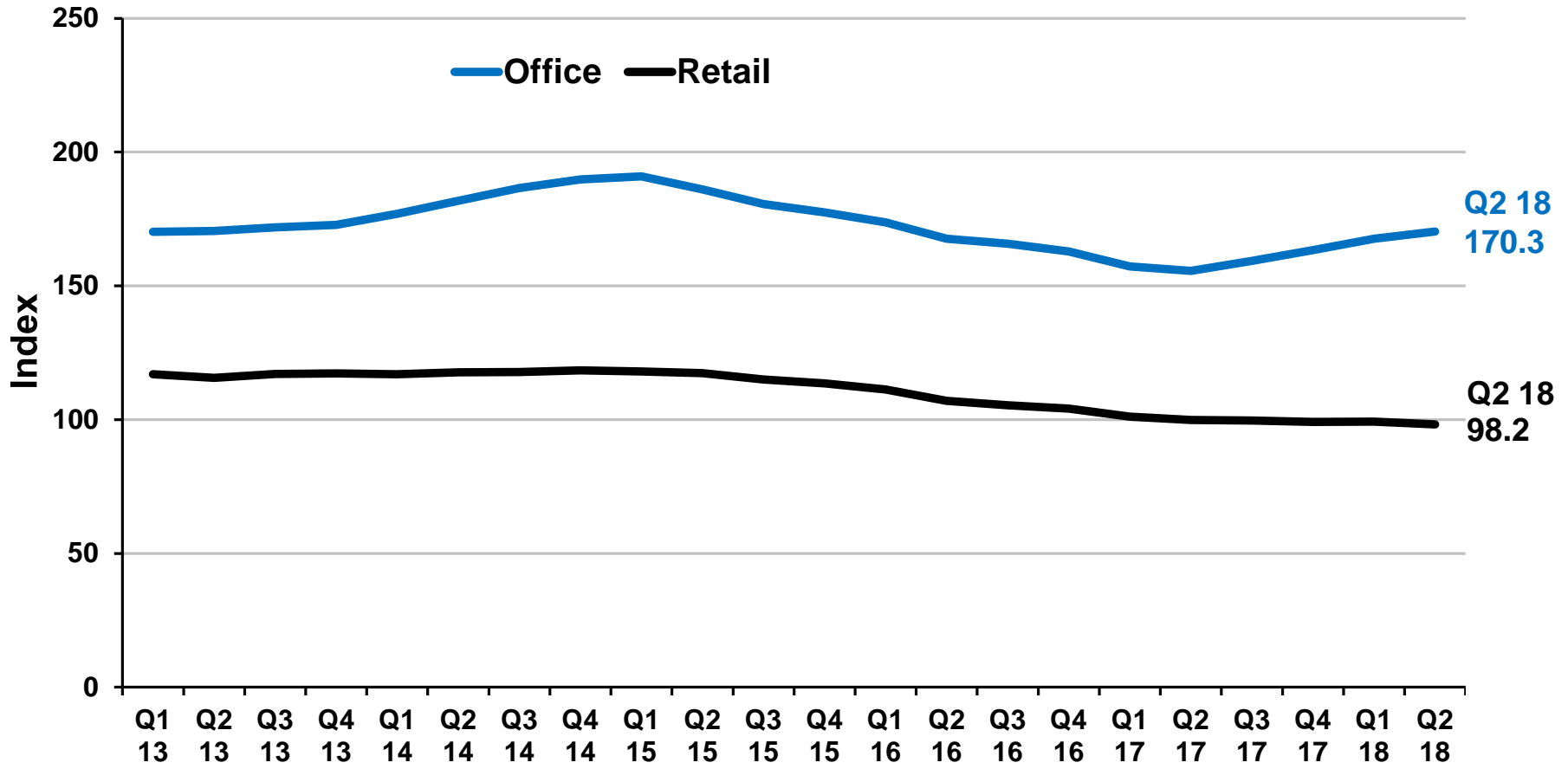


Source : URA, Q2 2018



# Singapore Commercial Market

## Property Rental Index – Commercial (2013 – 1H 2018)



Source : URA, Q2 2018



# China – Project Development

## China – Chongqing JV Projects

### Eling Palace (鹅岭峯) and Huang Huayuan (黄花园)

Project	Tenure	Equity Stake	Total Units	Expected Completion
<b>Eling Palace</b>	50-year-lease	50%	126	Completed
<b>Huang Huayuan</b> (To be rebranded as Emerald 翡翠都会)		30%	>700	2020

- Eling Palace:
  - Sold 24 units with sales value of RMB 133 million\*^ since relaunch in May 2018
- Huang Huayuan will be rebranded as Emerald and launch for presale by Q4 2018



Eling Palace, Chongqing



Emerald, Chongqing

Artist's Impression

\* As of 5 Aug 2018

^ JV entity will manage project sales & marketing





# China – Development / Recurring Income Projects

## New Milestone for Suzhou Mixed-use Waterfront Project



### Hong Leong City Center (丰隆城市中心)

Tenure	Equity Stake	Total Units	Total Units Sold*	% Sold*	Expected Completion
70 years (Residential)/ 40 years (Commercial)	100%	1,804	1,548^	86	Completed (Phase 1 & 2~)



- Total sales of RMB 3.69 billion generated to date:
  - Phase 1 – 92% sold with sales value of RMB 2.76 billion
  - Phase 2 – 65% sold with sales value of RMB 934 million^
- Phase 1: Tower 1 (462-unit residential) & Tower 3 (912-unit SOHO)
- Phase 2: Tower 2 (430-unit residential), 30,000 sqm office tower, 56,000 sqm retail mall & hotel
- HLCC mall started operation in June 2018 with 90% pre-lease for the 56,000 sqm retail space
- M Social hotel expected to open by Q3 2019

\* As of 5 Aug 2018

^ Excludes 143 units transferred to CDL's wholly-owned subsidiary for investment purpose

~Phase 2 completion excludes hotel component



# China – Recurring Income Projects



## Hong Leong Plaza Hongqiao, Shanghai

Tenure	Equity Stake	Est. Total GFA (sqm)
50-year lease	100%	32,182

- The project was completed in Q4 2017, and comprises five office towers with two levels of basement carparks. Legal completion certification obtained in July 2018
- Plans to convert part of the commercial space to hotel serviced apartments for long-term recurring income

## Yaojiang International, Shanghai

Tenure	Equity Stake	Est. Total GFA (sqm)
50-year lease*	100%	4,000

- Acquisition of a completed office block within Yaojiang International complex in Shanghai's prime North Bund Business District
- Pilot project with Distrii committing into a long master lease agreement, providing immediate recurring income
- Asset enhancement initiatives will be carried out



\* With effect from 10 April 2002

# UK – Property Development

## UK – Planning Approvals Obtained

### 28 Pavilion Road, Knightsbridge, London

Tenure	Equity Stake	Est. Total Saleable Area (sq ft)	Total Units
Freehold	100%	135,379	24

- Currently a freehold car park site of 102,000 sq ft. It has just obtained planning approval to be converted into a mixed use scheme of 135,379 sq ft GFA.
- The mixed use scheme will consist of a restaurant and a health club on the ground and basement levels with 24 private residential units on the upper floor.



### Development House, Leonard Street, Shoreditch

Tenure	Equity Stake	Net Lettable Area (sq ft)
Freehold	100%	72,700

- To be redeveloped into a new 9-storey office building consisting of:
  - Approximately 2,000 sq ft of retail
  - 7,200 sq ft of affordable office
  - 63,500 sq ft of office





# UK – Property Development

## UK – Projects under Construction

### Teddington Riverside, Teddington TW11

Tenure	Equity Stake	Est. Total Saleable Area (sq ft)	Total Units	Expected Completion
Freehold	100%	233,552	240	Q1 2020

- Target relaunch in September 2018 with new 1, 2, 3-bedroom show units and a marketing suite.



\* As of 30 June 2018





# UK – Property Development

## UK – Projects under Construction



	Belgravia (Chesham Street)	Knightsbridge (Hans Road)	Chelsea (Sydney Street)
<b>Total Units</b>	6 units	3 units	9 units
<b>Expected Completion</b>	Q3 2018	Q3 2018	Q1 2019
<b>Tenure</b>	Freehold	Freehold	Freehold
<b>Status</b>	<ul style="list-style-type: none"> <li>All apartments expected to be fully-fitted by Q3 2018</li> </ul>	<ul style="list-style-type: none"> <li>All apartments expected to be fully-fitted by Q3 2018</li> </ul>	<ul style="list-style-type: none"> <li>Sales and marketing agency appointed; on track to complete fit out</li> </ul>



# M&C Hotel Operations

## Hotel Room Count and Pipeline

	Hotels		Rooms	
	30 Jun 2018	31 Dec 2017	30 Jun 2018	31 Dec 2017
<b>Hotel and Room Count</b>				
<b>By region:</b>				
• New York	4	4	2,238	2,238
• Regional US	15	15	4,559	4,559
• London	8	8	2,602	2,649
• Rest of Europe	22	21	3,655	3,528
• Middle East *	32	31	10,521	10,346
• Singapore	7	7	3,011	3,011
• Rest of Asia	25	25	9,239	9,240
• Australasia	24	25	3,461	3,831
<b>Total:</b>	<b>137</b>	<b>136</b>	<b>39,286</b>	<b>39,402</b>

### Pipeline

<b>By region:</b>				
• Middle East *	8	10	2,790	3,239
• Asia	5	4	1,726	1,594
• Regional US	1	1	263	263
• Rest of Europe	1	1	318	184
• Australasia	-	1	-	42
<b>Total:</b>	<b>15</b>	<b>17</b>	<b>5,097</b>	<b>5,322</b>



M Social Auckland



Millennium Resort Hangzhou



\* Mainly franchise contracts





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