FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

CITY DEVELOPMENTS LIMITED

Securities

CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09

Stapled Security

No

Announcement Details

Announcement Title

Financial Statements and Related Announcement

Date &Time of Broadcast

10-Aug-2023 07:05:52

Status

New

Announcement Sub Title

Half Yearly Results

Announcement Reference

SG230810OTHRCXEE

Submitted By (Co./ Ind. Name)

Enid Ling Peek Fong

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attached documents:
1) Condensed Interim Financial Statements for the six months ended 30 June 2023;
2) News Release titled "CDL reports 84% increase in revenue to S$2.7 billion and PATMI of S$66.5 million for 1H 2023"; and
3) 1H 2023 Results Presentation.

Additional Details

For Financial Period Ended

30/06/2023

Attachments

1H_2023_Interim_FS.pdf

CDL_News_Release_1H_2023_Financial_Results.pdf

CDL_1H 2023_Results_Presentation.pdf

Total size =5067K MB

City Developments Limited and its subsidiaries
Registration Number: 196300316Z

Condensed Interim Financial Statements
For the six months ended 30 June 2023

Condensed Interim Consolidated Statement of Profit or Loss
Six months ended 30 June 2023

	Note	Group 6 months ended 30 June 2023 $'000	Group 6 months ended 30 June 2022 $'000 Restated*
Revenue	5	2,703,697	1,472,553
Cost of sales		(1,917,178)	(889,095)
Gross profit		786,519	583,458
Other income	7	18,834	1,422,522
Administrative expenses		(293,156)	(284,286)
Other operating expenses		(225,676)	(197,615)
Profit from operating activities		286,521	1,524,079
Finance income	6	73,348	60,717
Finance costs	6	(220,563)	(99,483)
Net finance costs		(147,215)	(38,766)
Share of after-tax profit of associates		7,655	52,015
Share of after-tax profit of joint ventures		32,574	40,674
Profit before tax	7	179,535	1,578,002
Tax expense	8	(61,969)	(432,745)
Profit for the period		117,566	1,145,257
Attributable to:			
Owners of the Company		66,485	1,119,474
Non-controlling interests		51,081	25,783
Profit for the period		117,566	1,145,257
Earnings per share			
- Basic	9	6.6 cents	122.7 cents
- Diluted	9	6.6 cents	117.6 cents

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for the retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Condensed Interim Consolidated Statement of Comprehensive Income
Six months ended 30 June 2023

	Note	Group 6 months ended 30 June 2023 $'000	 6 months ended 30 June 2022 $'000 Restated*
Profit for the period		117,566	1,145,257
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Defined benefit plan remeasurements		(327)	–
Net change in fair value of equity investments at FVOCI		3,422	508
		3,095	508
Items that are or may be reclassified subsequently to profit or loss:			
Effective portion of changes in fair value of cash flow hedges		33,297	616
Exchange differences on hedges of net investment in foreign operations		15,605	(10,492)
Exchange differences on monetary items forming part of net investments in foreign operations		22,783	(51,463)
Exchange differences reclassified to profit or loss on disposal of subsidiaries	25	–	85,302
Share of translation differences of equity-accounted investees		(13,834)	(14,665)
Translation differences arising on consolidation of foreign operations		(130,292)	(61,642)
		(72,441)	(52,344)
Total other comprehensive income for the period, net of tax		(69,346)	(51,836)
Total comprehensive income for the period		48,220	1,093,421
Total comprehensive income attributable to:			
Owners of the Company		6,414	1,083,927
Non-controlling interests		41,806	9,494
Total comprehensive income for the period		48,220	1,093,421

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for the retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Condensed Interim Statements of Financial Position
As at 30 June 2023

	Note	Group 30 June 2023 $'000	Group 31 December 2022 $'000	Company 30 June 2023 $'000	Company 31 December 2022 $'000
Non-current assets					
Property, plant and equipment	11	4,049,892	4,060,810	41,390	45,525
Investment properties	12	5,728,656	4,967,014	402,181	406,491
Investments in:					
- subsidiaries		–	–	1,948,089	1,949,089
- associates	13	1,241,294	1,263,713	–	–
- joint ventures	14	1,117,404	1,083,024	37,360	37,360
Financial assets		626,112	637,430	432,442	431,599
Derivative financial assets		56,489	40,449	56,489	40,449
Other non-current assets	15	440,764	348,924	7,349,462	6,428,732
		13,260,611	12,401,364	10,267,413	9,339,245
Current assets					
Development properties	16	5,074,422	5,957,597	161,687	166,106
Contract costs		34,408	66,877	–	–
Contract assets		763,067	465,018	–	–
Consumable stocks		7,818	8,131	34	36
Financial assets		6,636	7,104	132	135
Derivative financial assets		31,983	71,800	31,983	71,800
Trade and other receivables	17	1,623,168	1,625,538	6,342,112	6,477,615
Cash and cash equivalents		1,975,382	2,363,197	227,803	614,499
		9,516,884	10,565,262	6,763,751	7,330,191
Assets held for sale	18	14,531	14,417	–	–
		9,531,415	10,579,679	6,763,751	7,330,191
Total assets		22,792,026	22,981,043	17,031,164	16,669,436

Condensed Interim Statements of Financial Position (cont'd)
As at 30 June 2023

		Group		Company	
	Note	**30 June 2023 $'000**	**31 December 2022 $'000**	**30 June 2023 $'000**	**31 December 2022 $'000**
Equity attributable to owners of the Company					
Share capital	19	1,991,397	1,991,397	1,991,397	1,991,397
Reserves		7,079,596	7,224,938	4,098,664	4,152,180
		9,070,993	9,216,335	6,090,061	6,143,577
Non-controlling interests		387,774	348,487	–	–
Total equity		9,458,767	9,564,822	6,090,061	6,143,577
Non-current liabilities					
Interest-bearing borrowings	20	6,968,959	7,315,400	5,835,093	6,091,010
Employee benefits		8,494	7,304	890	–
Lease liabilities		654,080	672,633	23,605	26,642
Derivative financial liabilities		–	645	–	645
Other liabilities	21	137,102	136,143	9,429	759,708
Provisions	23	16,469	16,147	–	–
Deferred tax liabilities		373,865	350,253	17,095	19,384
		8,158,969	8,498,525	5,886,112	6,897,389
Current liabilities					
Trade and other payables	22	1,324,571	1,464,929	2,783,065	2,241,789
Derivative financial liabilities		36,544	1,560	36,544	1,560
Contract liabilities		178,435	613,598	–	8,190
Interest-bearing borrowings	20	3,326,753	2,354,022	2,224,684	1,361,234
Lease liabilities		22,794	24,806	5,998	5,880
Employee benefits		30,980	28,563	2,713	1,960
Provision for taxation		246,239	339,768	1,987	7,857
Provisions	23	7,974	90,450	–	–
		5,174,290	4,917,696	5,054,991	3,628,470
Total liabilities		13,333,259	13,416,221	10,941,103	10,525,859
Total equity and liabilities		22,792,026	22,981,043	17,031,164	16,669,436

Condensed Interim Statement of Changes in Equity
Six months ended 30 June 2023

Group	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Hedging reserve $'000	Other reserves $'000	Share option reserve $'000	Foreign currency translation reserve $'000	Accumulated profits $'000	Total attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
At 1 January 2023	1,991,397	232,681	73,456	17,355	24,651	15,482	(334,364)	7,195,677	9,216,335	348,487	9,564,822
Profit for the period	–	–	–	–	–	–	–	66,485	66,485	51,081	117,566
Other comprehensive income for the period, net of tax	–	–	3,422	33,297	–	–	(96,463)	(327)	(60,071)	(9,275)	(69,346)
Total comprehensive income for the period	–	–	3,422	33,297	–	–	(96,463)	66,158	6,414	41,806	48,220
Transactions with owners, recorded directly in equity											
Distribution to owners											
Capital contribution from non-controlling interest	–	–	–	–	–	–	–	–	–	1,252	1,252
Dividends paid to owners of the Company	–	–	–	–	–	–	–	(151,503)	(151,503)	–	(151,503)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(4,007)	(4,007)
Share-based payment transactions	–	–	–	–	–	(17)	–	–	(17)	–	(17)
Total distributions to owners	–	–	–	–	–	(17)	–	(151,503)	(151,520)	(2,755)	(154,275)
Change in ownership interests in subsidiaries											
Changes of interests in subsidiaries without loss of control	–	(236)	–	–	–	–	–	–	(236)	236	–
Total change in ownership interests in subsidiaries	–	(236)	–	–	–	–	–	–	(236)	236	–
Total transactions with owners	–	(236)	–	–	–	(17)	–	(151,503)	(151,756)	(2,519)	(154,275)
Transfer to statutory reserves	–	–	–	–	(1)	–	–	1	–	–	–
At 30 June 2023	1,991,397	232,445	76,878	50,652	24,650	15,465	(430,827)	7,110,333	9,070,993	387,774	9,458,767

Condensed Interim Statement of Changes in Equity (cont'd)
Six months ended 30 June 2023

Group	Note	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Hedging reserve $'000	Other reserves $'000	Share option reserve $'000	Foreign currency translation reserve $'000	Accumulated profits $'000	Total attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
At 1 January 2022, restated*		1,991,397	290,920	997	(1,532)	23,952	15,423	(140,224)	6,219,870	8,400,803	918,469	9,319,272
Profit for the period, restated		–	–	–	–	–	–	–	1,119,474	1,119,474	25,783	1,145,257
Other comprehensive income for the period, net of tax, restated		–	–	508	616	–	–	(36,671)	–	(35,547)	(16,289)	(51,836)
Total comprehensive income for the period, restated		–	–	508	616	–	–	(36,671)	1,119,474	1,083,927	9,494	1,093,421
Transactions with owners, recorded directly in equity												
Distribution to owners												
Capital distribution to non-controlling interests		–	–	–	–	–	–	–	–	–	(8,184)	(8,184)
Dividends paid to owners of the Company		–	–	–	–	–	–	–	(88,020)	(88,020)	–	(88,020)
Distribution *in specie*	25	–	–	–	–	–	–	–	(183,124)	(183,124)	–	(183,124)
Dividends paid to non-controlling interests		–	–	–	–	–	–	–	–	–	(18,293)	(18,293)
Share-based payment transactions		–	–	–	–	–	30	–	–	30	–	30
Total distributions to owners		–	–	–	–	–	30	–	(271,144)	(271,114)	(26,477)	(297,591)
Change in ownership interests in subsidiaries												
Disposal of subsidiaries	25	–	(59,198)	–	–	–	–	–	59,198	–	(536,496)	(536,496)
Change of interests in subsidiaries without loss of control		–	438	–	–	–	–	–	–	438	(438)	–
Total change in ownership interests in subsidiaries		–	(58,760)	–	–	–	–	–	59,198	438	(536,934)	(536,496)
Total transactions with owners		–	(58,760)	–	–	–	30	–	(211,946)	(270,676)	(563,411)	(834,087)
Transfer to statutory reserves		–	–	–	–	359	–	–	(359)	–	–	–
At 30 June 2022, restated*		1,991,397	232,160	1,505	(916)	24,311	15,453	(176,895)	7,127,039	9,214,054	364,552	9,578,606

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for the retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Condensed Interim Statement of Changes in Equity (cont'd)
Six months ended 30 June 2023

	Note	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Total equity $'000
Company							
At 1 January 2023		1,991,397	63,743	49,966	18,272	4,020,199	6,143,577
Profit for the period		–	–	–	–	63,683	63,683
Other comprehensive income for the period, net of tax		–	–	1,007	33,297	–	34,304
Total comprehensive income for the period		–	–	1,007	33,297	63,683	97,987
Transactions with owners, recorded directly in equity							
Distribution to owners							
Dividends		–	–	–	–	(151,503)	(151,503)
Total distributions to owners		–	–	–	–	(151,503)	(151,503)
Total transaction with owners		–	–	–	–	(151,503)	(151,503)
At 30 June 2023		1,991,397	63,743	50,973	51,569	3,932,379	6,090,061
At 1 January 2022		1,991,397	63,743	(30,358)	–	4,307,624	6,332,406
Profit for the period		–	–	–	–	30,972	30,972
Other comprehensive income for the period, net of tax		–	–	274	–	–	274
Total comprehensive income for the period		–	–	274	–	30,972	31,246
Transactions with owners, recorded directly in equity							
Distribution to owners							
Dividends		–	–	–	–	(88,020)	(88,020)
Distribution *in specie*	25	–	–	–	–	(183,124)	(183,124)
Total distributions to owners		–	–	–	–	(271,144)	(271,144)
Total transaction with owners		–	–	–	–	(271,144)	(271,144)
At 30 June 2022		1,991,397	63,743	(30,084)	–	4,067,452	6,092,508

Condensed Interim Consolidated Statement of Cash Flows
Six months ended 30 June 2023

	Group	
	6 months ended 30 June 2023 $'000	**6 months ended 30 June 2022 $'000 Restated***
Cash flows from operating activities		
Profit for the period	117,566	1,145,257
Adjustments for:		
Depreciation and amortisation	132,972	137,965
Dividend income	(1,526)	(1,420)
Finance income	(46,900)	(99,313)
Finance costs	288,732	99,483
Gain on disposal/liquidation of subsidiaries and dilution of interest in an associate (net)	(283)	(500,876)
Impairment loss on investment properties	33,538	–
Profit on sale of property, plant and equipment and investment properties (net)	(15,599)	(911,491)
Property, plant and equipment, investment properties and intangible assets written off	7,145	2,892
Share of after-tax profit of associates	(7,655)	(52,015)
Share of after-tax profit of joint ventures	(32,574)	(40,674)
Tax expense	61,969	432,745
Management fee income received/receivable in the form of units in an associate	(5,265)	–
	532,120	212,553
Changes in working capital:		
Development properties	971,886	(221,217)
Contract costs	32,469	(1,298)
Contract assets	(298,049)	61,219
Consumable stocks and trade and other receivables	(66,645)	(1,690)
Trade and other payables and provisions	(72,074)	55,665
Contract liabilities	(459,815)	(76,212)
Employee benefits	(1,483)	(877)
Cash generated from operations	638,409	28,143
Tax paid	(142,980)	(57,960)
Net cash from/(used in)operating activities	495,429	(29,817)

Condensed Interim Consolidated Statement of Cash Flows (cont'd)
Six months ended 30 June 2023

	Note	Group 6 months ended 30 June 2023 $'000	6 months ended 30 June 2022 $'000 Restated*
Cash flows from investing activities			
Acquisition of subsidiaries (net of cash acquired)	26	(674,188)	(43,005)
Dividends received:			
- associates		20,448	9,494
- joint ventures		11,655	30,827
- financial investments		1,526	1,420
Deposit paid for acquisition of property, plant and equipment		(24,072)	–
Increase in investments in associates		(58)	(27,919)
Increase in investments in joint ventures		(17,844)	(2,265)
Return of capital from a joint venture and associates		5,886	3,006
Decrease/(Increase) in amounts owing by equity-accounted investees (non-trade)		38,592	(52,321)
Interest received		32,710	9,791
Payments for capital expenditure on investment properties		(83,505)	(192,056)
Payments for purchase of property, plant and equipment		(46,095)	(33,072)
Purchase of investment properties		(33,499)	(182,250)
Proceeds from sale of property, plant and equipment and investment properties		15,999	1,212,591
Proceeds from disposal of subsidiaries, net of cash disposed	25	–	(16,409)
Purchase of financial assets (net)		(6,417)	(72,390)
Proceeds from distributions from investments in financial assets		2,158	11,014
Settlement of financial derivatives		25,872	22,086
Net cash (used in)/from investing activities		(730,832)	678,542
Cash flows from financing activities			
Capital distribution to non-controlling interests (net)		–	(9,432)
Dividends paid		(154,258)	(105,065)
Payment of lease liabilities and finance lease payables		(12,585)	(17,143)
Interest paid (including amounts capitalised in property, plant and equipment, investment properties and development properties)		(212,269)	(105,327)
Net (decrease)/increase in amounts owing to related parties and non-controlling interests (non-trade)		(157,227)	7,474
Net proceeds from revolving credit facilities and short-term bank borrowings		167,827	329,157
(Increase)/Decrease in restricted cash		(18,489)	120,127
Payment of financing transaction costs		(5,252)	(6,585)
Proceeds from bank borrowings		479,798	321,381
Repayment of bank borrowings		(210,450)	(1,044,217)
Proceeds from issuance of bonds and notes		470,000	–
Repayment of bonds and notes		(400,000)	–
Net cash used in financing activities		(52,905)	(509,630)
Net (decrease)/increase in cash and cash equivalents		(288,308)	139,095
Cash and cash equivalents at beginning of the period		2,248,147	1,944,133
Effect of exchange rate changes on balances held in foreign currencies		(9,069)	(33,259)
Cash and cash equivalents at end of the period		1,950,770	2,049,969

Condensed Interim Consolidated Statement of Cash Flows (cont'd)
Six months ended 30 June 2023

	Note	Group 6 months ended 30 June 2023 $'000	Group 6 months ended 30 June 2022 $'000 Restated*
Cash and cash equivalents at the end of the period comprises:			
Cash and cash equivalents in the statement of financial position		1,975,382	2,128,745
Restricted deposits included in other non-current assets	15	115,367	6,965
Cash and cash equivalents included in assets held for sale		–	34,193
Less: Restricted cash		(139,979)	(119,934)
		1,950,770	2,049,969

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Significant non-cash transactions

In 1H 2023, there were the following significant non-cash transactions:

a) Dividends amounting to $1,252,000 were paid by a subsidiary to its non-controlling interests in the form of additional shares in that subsidiary.

b) Management fee income of $5,265,000 was received and receivable by the Group in the form of units in an associate.

In 1H 2022, there were the following significant non-cash transactions:

a) Dividends amounting to $1,248,000 were paid by a subsidiary to its non-controlling interests in the form of additional shares in that subsidiary.

b) In May 2022, the Company distributed 144,191,823 stapled securities in CDL Hospitality Trusts ("CDLHT" and such stapled securities, the "CDLHT Units") that it holds to its ordinary shareholders at 0.159 CDLHT Units per ordinary share through a distribution *in specie.* The distribution *in specie*, based on $1.27 per CDLHT Unit, amounted to $183,124,000 (note 25).

Notes to the Condensed Interim Financial Statements

1. Corporate information

City Developments Limited (the Company) is incorporated in the Republic of Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange.

The principal activities of the Company are those of a property developer and owner, and investment holding.

The principal activities of the subsidiaries are those of property developers and owners, hotel owners and operators, a club operator and owner, investment in properties and in shares, property management, project management and provision of consultancy services, procurement services and laundry services.

The condensed interim consolidated financial statements as at and for the six months ended 30 June 2023 relate to the Company and its subsidiaries (together referred to as the Group and individually as Group entities) and the Group's interests in associates and joint ventures.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore (Accounting Standards Committee under Accounting and Corporate Regulatory Authority with effect from 1 April 2023) and IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2022. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022. All references to SFRS(I)s and IFRSs are subsequently referred to as SFRS(I) in the financial statements.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency. All financial information has been rounded to the nearest thousand, unless otherwise stated.

2.1 New and amended standards adopted by the Group

The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the annual period beginning on 1 January 2023. With respect to the adoption of SFRS(I) 17 *Insurance Contracts*, the Group's financial guarantee contracts, which were previously accounted for as insurance contracts, are now accounted for under SFRS(I) 9. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

2.2 Use of judgements and estimates

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those described in the Group's consolidated financial statements as at and for the year ended 31 December 2022.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a team that regularly reviews significant unobservable inputs and valuation adjustments and reports to the Group Chief Financial Officer who has overall responsibility for all significant fair value measurements. If third party information, such as broker quotes or independent valuers' report, is used to measure fair values, then the team assesses and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit & Risk Committee and Board of Directors.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

3. Seasonal operations

The Group's business is not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment information

Information reported to the Board of Directors for the purposes of resource allocation and assessment of segment performances is specifically focused on the functionality of services provided. The following summary describes the operations in each of the Group's reportable segments:

- Property development – develops and purchases properties for sale
- Hotel operations – owns and manages hotels
- Investment properties – develops and purchases investment properties for lease

Others comprises mainly investment in shares, management and consultancy services, and provision of laundry services.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment results

Six months ended 30 June 2023	**Property development $'000**	**Hotel operations $'000**	**Investment properties $'000**	**Total $'000**	**Others $'000**	**Total $'000**
Total revenue (including inter-segment revenue)	1,723,661	672,992	209,882	2,606,535	115,112	2,721,647
Inter-segment revenue	–	(92)	(5,139)	(5,231)	(12,719)	(17,950)
External revenue	1,723,661	672,900^	204,743	2,601,304	102,393	2,703,697
Profit from operating activities	192,658	47,883	37,543	278,084	8,437	286,521
Share of after-tax profit/(loss) of associates and joint ventures	39,908	(4,043)	(760)	35,105	5,124	40,229
Finance income	35,803	21,220	4,380	61,403	11,945	73,348
Finance costs	(73,286)	(71,905)	(68,906)	(214,097)	(6,466)	(220,563)
Net finance (costs)/ income	(37,483)	(50,685)	(64,526)	(152,694)	5,479	(147,215)
Reportable segment profit/(loss) before tax	195,083	(6,845)	(27,743)	160,495	19,040	179,535

Six months ended 30 June 2022	**Property development $'000**	**Hotel operations $'000**	**Investment properties $'000 Restated***	**Total $'000 Restated***	**Others $'000**	**Total $'000 Restated***
Total revenue (including inter-segment revenue)	608,542	613,017	203,349	1,424,908	111,745	1,536,653
Inter-segment revenue	–	(14,178)	(29,346)	(43,524)	(20,576)	(64,100)
External revenue	608,542	598,839^	174,003	1,381,384	91,169	1,472,553
Profit/(Loss) from operating activities	84,640	1,302,043	140,251	1,526,934	(2,855)	1,524,079
Share of after-tax profit of associates and joint ventures	58,189	4,580	18,154	80,923	11,766	92,689
Finance income	35	47,147	(2,041)	45,141	15,576	60,717
Finance costs	(38,704)	(28,709)	(32,245)	(99,658)	175	(99,483)
Net finance (costs)/income	(38,669)	18,438	(34,286)	(54,517)	15,751	(38,766)
Reportable segment profit before tax	104,160	1,325,061	124,119	1,553,340	24,662	1,578,002

^ Revenue from hotel operations includes room revenue of $468.7 million (six months ended 30 June 2022: $407.7 million) for the six months ended 30 June 2023 from hotels that are owned by the Group.

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Segment Assets and Liabilities

	Property development $'000	Hotel operations $'000	Investment properties $'000	Total $'000	Others $'000	Total $'000
30 June 2023						
Reportable segment assets	8,461,319	5,962,201	7,010,327	21,433,847	1,315,783	22,749,630
Deferred tax assets						27,302
Tax recoverable						15,094
Total assets						22,792,026
Reportable segment liabilities	5,886,454	3,188,495	3,323,908	12,398,857	314,298	12,713,155
Deferred tax liabilities						373,865
Provision for taxation						246,239
Total liabilities						13,333,259
31 December 2022						
Reportable segment assets	9,699,899	5,630,995	6,302,799	21,633,693	1,295,834	22,929,527
Deferred tax assets						47,468
Tax recoverable						4,048
Total assets						22,981,043
Reportable segment liabilities	5,844,929	3,412,622	3,125,032	12,382,583	343,617	12,726,200
Deferred tax liabilities						350,253
Provision for taxation						339,768
Total liabilities						13,416,221

5. Revenue

Revenue of the Group includes property development income, income from owning and operating hotels, rental income, dividend income and others but excludes intra-group transactions. Property development income consists mainly of sale proceeds of commercial and residential properties. Others include mainly management and consultancy fees, and income from the provision of laundry services.

	Group	
	6 months ended 30 June 2023 $'000	6 months ended 30 June 2022 $'000
Dividends from investments:		
- fellow subsidiaries		
- quoted equity investments – at FVOCI	1,442	897
- others		
- quoted equity investments – at FVOCI	–	334
- quoted equity investments – mandatorily at FVTPL	84	189
Hotel operations	672,900	598,839
Development properties for which revenue is:		
- recognised over time	642,826	438,239
- recognised at a point in time	1,080,835	170,303
Rental income from investment properties	204,743	174,003
Others	100,867	89,749
	2,703,697	1,472,553

Disaggregation of revenue

In the following table, revenue is disaggregated by geographical markets and timing of revenue recognition. The total disaggregated revenue of the Group excludes rental income from investment properties and dividend income from investments. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Reportable segments							
	Property development		**Hotel operations**		**Others^**		**Total**	
	6 months ended 30 June 2023 $'000	**6 months ended 30 June 2022 $'000**	**6 months ended 30 June 2023 $'000**	**6 months ended 30 June 2022 $'000**	**6 months ended 30 June 2023 $'000**	**6 months ended 30 June 2022 $'000**	**6 months ended 30 June 2023 $'000**	**6 months ended 30 June 2022 $'000**
Geographical market								
Singapore	1,659,517	447,620	127,538	102,007	100,837	89,619	1,887,892	639,246
China	24,524	95,190	15,938	6,530	–	–	40,462	101,720
United States	–	–	208,884	187,579	–	–	208,884	187,579
United Kingdom	29,866	14,311	162,268	158,681	30	32	192,164	173,024
Australasia	9,754	51,421	39,589	42,811	–	98	49,343	94,330
Rest of Asia (excluding Singapore and China)	–	–	100,063	89,559	–	–	100,063	89,559
Other countries	–	–	18,620	11,672	–	–	18,620	11,672
	1,723,661	608,542	672,900	598,839	100,867	89,749	2,497,428	1,297,130
Timing of revenue recognition								
Products and services transferred at a point in time	1,080,835	170,303	672,900	598,839	1,414	179	1,755,149	769,321
Products and services transferred over time	642,826	438,239	–	–	99,453	89,570	742,279	527,809
	1,723,661	608,542	672,900	598,839	100,867	89,749	2,497,428	1,297,130

^ Excluding dividend income.

6. Finance income and finance costs

	Group	
	6 months ended 30 June 2023	**6 months ended 30 June 2022**
	$'000	**$'000**
Finance income		
Interest income	46,900	12,825
Fair value gain on financial derivatives	-	25,295
Net exchange gain	26,448	22,625
	73,348	60,745
Interest capitalised	-	(28)
Total finance income	73,348	60,717
Finance costs		
Amortisation of transaction costs capitalised	(3,506)	(4,013)
Interest expenses	(221,087)	(118,946)
Fair value loss on financial assets measured at fair value through profit or loss (net)	(20,076)	(1,258)
Fair value loss on financial derivatives	(709)	–
Unwinding of discount on non-current liabilities	(15)	(96)
	(245,393)	(124,313)
Finance costs capitalised	24,830	24,830
Total finance costs	(220,563)	(99,483)
Net finance costs	(147,215)	(38,766)

7. Profit before tax

Profit before tax included the following:

	Note	Group 6 months ended 30 June 2023 $'000	6 months ended 30 June 2022 $'000 Restated*
Other income			
Gain on dilution of an associate		283	–
Gain on disposal of subsidiaries	25	–	501,726
Profit on sale of property, plant and equipment and investment properties (net) ^		15,599	911,491
Others		2,952	9,305
		18,834	1,422,522
Other expenses			
Write-back of allowance made for foreseeable losses on development properties		16,770	–
Depreciation and amortisation		(132,972)	(137,965)
Impairment loss on investment properties		(33,538)	–
Impairment loss on trade receivables and bad debts written off		(2,476)	(4,624)
Loss on dilution of interest in an associate		–	(850)
Property, plant and equipment and investment properties written off		(7,145)	(2,892)

^ 1H 2022 mainly relates to profit from the disposal of Millennium Hilton Seoul.

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

8. Tax expense

Tax expense for the period was derived at by applying the varying statutory tax rates on the taxable profit/(loss) and taxable/deductible temporary differences of the different countries in which the Group operates.

	Group	
	6 months ended 30 June 2023 $'000	**6 months ended 30 June 2022 $'000**
Current tax expense		
Current year	54,737	332,008
(Over)/Under provision in respect of prior years	(21,606)	1,253
	33,131	333,261
Deferred tax expense		
Movements in temporary differences	10,578	82,897
Effects of changes in tax rates and legislation	–	1,930
Under provision in respect of prior years	12,372	2,361
	22,950	87,188
Land appreciation tax	3,767	11,666
Withholding tax	2,121	630
Total tax expense	61,969	432,745

Higher tax expenses for 1H 2022 arose primarily from disposal of Millennium Hilton Seoul.

9. Earnings per share

Basic earnings per share is calculated based on:

	Group	
	6 months ended 30 June 2023 $'000	**6 months ended 30 June 2022 $'000 Restated***
Profit attributable to owners of the Company	66,485	1,119,474
Less:		
Dividends on non-redeemable convertible non-cumulative preference shares	(6,399)	(6,399)
Profit attributable to ordinary shareholders after adjustment for non-redeemable convertible non-cumulative preference dividends	60,086	1,113,075
Weighted average number of ordinary shares		
Weighted average number of ordinary shares during the period	906,901,330	906,901,330
Basic earnings per share	6.6 cents	122.7 cents

Diluted earnings per share is based on:

	Group	
	6 months ended 30 June 2023 $'000	**6 months ended 30 June 2022 $'000 Restated***
Profit attributable to ordinary shareholders after adjustment for non-redeemable convertible non-cumulative preference dividends	60,086	1,113,075
Add:		
Dividends on non-redeemable convertible non-cumulative preference shares	–	6,399
Net profit used for computing diluted earnings per share	60,086	1,119,474
Weighted average number of ordinary shares used in the calculation of basic earnings per share	906,901,330	906,901,330
Potential ordinary shares issuable under non-redeemable convertible non-cumulative preference shares	–	44,998,898
Weighted average number of ordinary shares and potential shares assuming full conversion of preference shares	906,901,330	951,900,228
Diluted earnings per share	6.6 cents	117.6 cents

For the six months ended 30 June 2023, the diluted earnings per share was the same as basic earnings per share as the conversion of the non-redeemable convertible non-cumulative preference shares was considered anti-dilutive.

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

10. Net asset value

	Group		Company	
	30 June 2023	**31 December 2022**	**30 June 2023**	**31 December 2022**
	$	**$**	**$**	**$**
Net asset value per ordinary share	10.00	10.16	6.72	6.77

11. Property, plant and equipment

During the six months ended 30 June 2023, the Group acquired assets amounting to $46.1 million and disposed of and wrote off assets amounting to $16.4 million.

Valuation of property, plant and equipment

The Group's PPE relates largely to the hotel portfolio and is carried at cost less accumulated depreciation and impairment losses.

In line with accounting standards, the Group assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group will estimate the recoverable amount of the asset. Due to the geographical distribution of the hotels, the Group typically conducts external valuations for hotels that it considers having a risk of impairment loss at year end.

For the six months ended 30 June 2023 (1H 2023), the Group focused its impairment assessment on the hotels at risk of being impaired. For the purpose of identifying any indication of impairment, factors including recent comparable sales transaction in the vicinity of these hotels, macro market conditions in which they operated in as well as their current trading performance had been taken into consideration.

In this regard, the Group is of view that there are no indicators that the recoverable amounts as of 31 December 2022 have deteriorated as of 30 June 2023 to warrant any impairment. Notably, ongoing rising interest rate situation, global inflation pressure and geopolitical tension may pose unexpected volatility in the future recoverable amounts of these hotels. The Group maintains its long-term view on its hotel portfolio and will continue to monitor the performance of the hotels.

12. Investment properties

	Note	Group $'000	Company $'000
Cost			
At 1 January 2022		6,215,033	605,950
Acquisition of subsidiaries, including acquisition costs		387,791	–
Additions		532,671	4,973
Transfer to development properties		(90,685)	–
Transfer from development properties		8,179	–
Transfer from property, plant and equipment		5,884	2,570
Disposal/Written off		(111,747)	–
Disposal of subsidiaries	25	(496,882)	–
Translation differences on consolidation		(312,865)	–
At 31 December 2022 and 1 January 2023		6,137,379	613,493
Acquisition of subsidiaries, including acquisition costs	26	635,438	–
Additions		121,782	2,457
Disposal/Written off		(41,111)	–
Translation differences on consolidation		103,154	–
At 30 June 2023		6,956,642	615,950
Accumulated depreciation and impairment losses			
At 1 January 2022		1,232,187	192,798
Charge for the year		115,954	14,204
Transfer to development properties		(38,758)	–
Disposal/Written off		(91,924)	–
Disposal of subsidiaries	25	(63,561)	–
Impairment loss recognised		35,728	–
Translation differences on consolidation		(19,261)	–
At 31 December 2022 and 1 January 2023		1,170,365	207,002
Charge for the period		61,902	6,767
Impairment loss recognised		33,538	–
Disposal/Written off		(41,111)	–
Translation differences on consolidation		3,292	–
At 30 June 2023		1,227,986	213,769
Carrying amounts			
At 1 January 2022		4,982,846	413,152
At 31 December 2022		4,967,014	406,491
At 30 June 2023		5,728,656	402,181
Fair value			
At 1 January 2022		10,966,900	1,662,892
At 31 December 2022		10,899,043	1,820,028
At 30 June 2023		11,621,852	1,820,028

During the six months ended 30 June 2023 and 30 June 2022, the Group acquired certain investment properties via acquisition of subsidiaries (refer to note 26).

Valuation of investment properties

The Group's investment properties portfolio includes its commercial portfolio held for rental income (comprising office, retail, industrial, residential for lease and purpose-built student accommodation).

The Group adopts the accounting policy to account for its investment properties at cost less accumulated depreciation and impairment losses. Fair value of these investment properties is determined on an annual basis. For a majority of the Group's investment properties, the fair values are determined by independent external valuers whilst fair values of certain investment properties located in Singapore are based on in-house valuations conducted by a licensed valuer who is also an officer of the Company.

For 1H 2023, the Group focused its impairment assessment on the investment properties at risk of being impaired. For the purpose of identifying any indication of impairment, factors including recent comparable sales transactions in the same geographical segment and asset class, macro market conditions in which they operated in, as well as the current trading performance had been taken into consideration.

Based on the above, the Group commissioned desktop valuations for two of its UK based commercial properties.

In determining the fair values, valuation techniques which involve certain estimates are used. The key assumptions used to determine fair value include discount rate, market-corroborated capitalisation rate and growth rate.

In relying on the valuations, the Group has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

Based on the above impairment assessment, the Group recognised an impairment loss of $33.5 million in 1H 2023 (1H 2022: Nil) on investment properties.

13. Investments in associates

	Group	
	30 June 2023 $'000	**31 December 2022 $'000**
Investments in associates		
Investments in associates	1,244,294	1,276,368
Impairment loss	(3,000)	(12,655)
	1,241,294	1,263,713

14. Investments in joint ventures

	Group		**Company**	
	30 June 2023 $'000	**31 December 2022 $'000**	**30 June 2023 $'000**	**31 December 2022 $'000**
Investments in joint ventures	1,117,404	1,083,024	37,360	37,360

15. Other non-current assets

	Group		Company	
	30 June 2023 $'000	31 December 2022 $'000	30 June 2023 $'000	31 December 2022 $'000
Amounts owing by subsidiaries	–	–	7,349,462	6,428,732
Amounts owing by joint ventures	277,994	274,332	–	–
Deposits	11,288	11,946	–	–
Other receivables	7,031	6,682	–	–
Restricted bank deposits	115,367	6,494	–	–
	411,680	299,454	7,349,462	6,428,732
Prepayments	281	288	–	–
Intangible assets	1,501	1,714	–	–
Deferred tax assets	27,302	47,468	–	–
	440,764	348,924	7,349,462	6,428,732

16. Development properties

The Group accounts for its development properties at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

Allowance for foreseeable losses is determined by the management after taking into account estimated selling prices and estimated total construction costs and selling expenses. The estimated selling prices are based on recent selling prices for the development project or comparable projects and prevailing property market conditions. The estimated total construction costs are based on contracted amounts and, in respect of amounts not contracted for, management's estimates of the amounts to be incurred taking into consideration historical trends of the amounts incurred.

The Group had reviewed the estimated selling prices of its development properties and is of the view that no further allowance for foreseeable losses is considered necessary as at 30 June 2023.

17. Trade and other receivables

		Group		Company	
		30 June 2023 $'000	31 December 2022 $'000	30 June 2023 $'000	31 December 2022 $'000
Trade receivables		257,557	242,698	1,095	8,905
Impairment losses		(18,347)	(15,723)	(168)	(82)
		239,210	226,975	927	8,823
Other receivables	(a)	513,682	489,499	19,485	2,053
Impairment losses		(387,469)	(389,091)	(997)	(1,048)
		126,213	100,408	18,488	1,005
Accrued rent receivables		46,692	49,671	2,363	2,778
Impairment losses		(11,280)	(19,914)	–	–
		35,412	29,757	2,363	2,778
Deposits		28,820	5,911	276	288
Amounts owing by:					
- subsidiaries		–	–	6,119,521	6,228,009
- associates		9,605	10,916	1,285	1,540
- joint ventures		1,049,374	1,086,805	194,285	232,414
- fellow subsidiaries		1,333	250	–	–
Reimbursement asset	(b)	–	59,505	–	–
		1,489,967	1,520,527	6,337,145	6,474,857
Prepayments		117,603	100,483	4,967	2,758
Grant receivables		504	480	–	–
Tax recoverable		15,094	4,048	–	–
		1,623,168	1,625,538	6,342,112	6,477,615

(a) Included in other receivables of the Group as at 30 June 2023 is a receivable of $381.0 million (2022: $382.7 million) with related impairment loss of $381.0 million (2022: $382.7 million) from HCP Chongqing Property Development Co., Ltd and its subsidiaries.

(b) The reimbursement asset as at 31 December 2022 related to reimbursements from the buyer of Millennium Hilton Seoul for costs that the Group would incur under certain contracts in respect of the hotel arising from the sale of the hotel. The buyer had fully reimbursed the Group in 1H 2023.

18. Assets held for sale

	Group	
	30 June 2023 $	31 December 2022 $
Assets held for sale		
Property, plant and equipment	14,531	14,417

As at 30 June 2023 and 31 December 2022, assets held for sale relates to the proposed disposal by an indirect subsidiary of the Group, Millennium & Copthorne Hotels Limited (M&C), of Millennium Harvest House Boulder (which is in the hotel operation segment), to a third party for sales consideration of $97.3 million. The sale is expected to be completed within the next one year.

19. Share capital

	Company			
	30 June 2023		31 December 2022	
	Number of shares	$'000	Number of shares	$'000
Issued and fully paid ordinary share capital with no par value	906,901,330	1,661,179	906,901,330	1,661,179
Issued and fully paid non-redeemable convertible non-cumulative preference share capital with no par value	330,874,257	330,218	330,874,257	330,218
		1,991,397		1,991,397

As at 30 June 2023, the maximum number of ordinary shares that may be issued upon full conversion of all of the non-redeemable convertible non-cumulative preference shares of the Company ("Preference Shares") at the sole option of the Company is 44,998,898 ordinary shares (31 December 2022: 44,998,898 ordinary shares).

As at 30 June 2023, the Company held 2,400,000 treasury shares (31 December 2022: 2,400,000) which represented 0.26% of the total number of issued shares (excluding treasury shares).

There was no change in the Company's issued share capital and preference share capital during the six months ended 30 June 2023.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the six months ended 30 June 2023.

20. Interest-bearing borrowings

	Group		Company	
	30 June 2023 $'000	**31 December 2022 $'000**	**30 June 2023 $'000**	**31 December 2022 $'000**
Term loans	6,510,293	5,909,397	5,222,992	4,606,286
Bonds and notes	2,709,362	2,651,786	2,038,757	1,971,771
Bank loans	1,076,057	1,108,239	798,028	874,187
	10,295,712	9,669,422	8,059,777	7,452,244
Non-current	6,968,959	7,315,400	5,835,093	6,091,010
Current	3,326,753	2,354,022	2,224,684	1,361,234
	10,295,712	9,669,422	8,059,777	7,452,244

	Group		Company	
	30 June 2023 $'000	**31 December 2022 $'000**	**30 June 2023 $'000**	**31 December 2022 $'000**
Unsecured				
- repayable within one year	2,719,396	2,021,796	2,231,071	1,367,208
- repayable after one year	6,986,601	7,044,667	5,871,945	6,129,848
	9,705,997	9,066,463	8,103,016	7,497,056
Secured				
- repayable within one year	630,943	357,819	–	–
- repayable after one year	651,877	957,519	–	–
	1,282,820	1,315,338	–	–

The Group's net borrowings, which refer to aggregate borrowings from banks, financial institutions and lease liabilities, after deducting cash and cash equivalents, are as follows. Unamortised balance of transaction costs had not been deducted from the gross borrowings.

	Group	
	30 June 2023 $'000	**31 December 2022 $'000**
Gross borrowings	10,988,817	10,381,801
Less: cash and cash equivalents as shown in the statement of financial position	(1,975,382)	(2,363,197)
Less: restricted deposits included in other non-current assets	(115,367)	(6,494)
Net borrowings	8,898,068	8,012,110

Where secured, borrowings are collateralised by:

- mortgages on the borrowing companies' hotels, investment and development properties;
- assignment of all rights and benefits to sale, lease and insurance proceeds in respect of hotels, investment and development properties;
- pledge of cash deposits; and
- a statutory lien on certain assets of foreign subsidiaries.

As of 30 June 2023, the Group and the Company have complied with the debt covenants.

21. Other liabilities

	Group		Company	
	30 June 2023 $'000	**31 December 2022 $'000**	**30 June 2023 $'000**	**31 December 2022 $'000**
Deferred income	46,686	47,874	–	–
Rental deposits	54,147	52,928	9,429	9,564
Non-current retention sums payable	19,765	15,560	–	–
Amount owing to a subsidiary	–	–	–	750,144
Miscellaneous (principally deposits received and payables)	16,504	19,781	–	–
	137,102	136,143	9,429	759,708

22. Trade and other payables

	Group		Company	
	30 June 2023 $'000	**31 December 2022 $'000**	**30 June 2023 $'000**	**31 December 2022 $'000**
Trade payables	224,480	249,348	1,145	1,858
Accruals	534,327	502,098	113,262	88,564
Deferred income	82,111	60,884	–	–
Other payables	68,975	60,547	1,227	1,096
Rental and other deposits	48,978	56,700	8,949	8,424
Retention sums payable	17,902	17,518	–	–
Amounts owing to:				
- subsidiaries	–	–	2,635,755	2,119,114
- associates	7,927	7,395	–	6
- joint ventures	89,410	91,133	22,727	22,727
- fellow subsidiaries	125,494	294,040	–	–
- non-controlling interests	124,967	125,266	–	–
	1,324,571	1,464,929	2,783,065	2,241,789

23. Provisions

Included in 2022 current provisions was an amount of $59,505,000 which related to the Group's obligations under certain contracts in respect of Millennium Hilton Seoul and represents the estimated costs to be incurred arising from the sale of Millennium Hilton Seoul. The amount was fully settled in 1H 2023, and accordingly the buyer of Millennium Hilton Seoul had fully reimbursed the Group for the amounts incurred in respect of its obligations under the relevant contracts.

24. Financial assets and financial liabilities

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Further, the fair value disclosure of lease liabilities is also not required.

	Mandatorily at FVTPL $'000	FVOCI – equity investments $'000	Fair value – hedging instruments $'000	Amortised cost $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Group									
30 June 2023									
Financial assets measured at fair value									
Unquoted equity investments – at FVOCI	–	434,389	–	–	434,389	–	–	434,389	434,389
Unquoted equity investments – mandatorily at FVTPL	144,152	–	–	–	144,152	–	–	144,152	144,152
Quoted equity investments– at FVOCI	–	27,203	–	–	27,203	27,203	–	–	27,203
Quoted equity investments – mandatorily at FVTPL	27,004	–	–	–	27,004	27,004	–	–	27,004
Derivative financial assets	–	–	88,472	–	88,472	–	88,472	–	88,472
	171,156	461,592	88,472	–	721,220				
Financial assets not measured at fair value									
Other non-current assets^	–	–	–	411,680	411,680				
Trade and other receivables#	–	–	–	1,489,967	1,489,967				
Cash and cash equivalents	–	–	–	1,975,382	1,975,382				
	–	–	–	3,877,029	3,877,029				

	Fair value – hedging instruments $’000	Other financial liabilities $’000	Total carrying amount $’000	Level 1 $’000	Level 2 $’000	Level 3 $’000	Total fair value $’000
Group							
30 June 2023							
Financial liabilities measured at fair value							
Derivative financial liabilities	36,544	–	36,544	–	36,544	–	36,544
Financial liabilities not measured at fair value							
Interest-bearing borrowings	–	10,295,712	10,295,712	–	10,211,255	–	10,211,255
Other liabilities@	–	90,416	90,416				
Trade and other payables@	–	1,242,460	1,242,460				
	–	11,628,588	11,628,588				

^ *Excluding prepayments, intangible assets and deferred tax assets*
\# *Excluding prepayments, grant receivables and tax recoverable*
@ *Excluding deferred income*

	Mandatorily at FVTPL $'000	FVOCI – equity investments $'000	Fair value – hedging instruments $'000	Amortised cost $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Group									
31 December 2022									
Financial assets measured at fair value									
Unquoted debt investments – mandatorily at FVTPL	20,011	–	–	–	20,011	–	–	20,011	20,011
Unquoted equity investments – at FVOCI	–	432,164	–	–	432,164	–	–	432,164	432,164
Unquoted equity investments – mandatorily at FVTPL	136,713	–	–	–	136,713	–	–	136,713	136,713
Quoted equity investments– at FVOCI	–	26,006	–	–	26,006	26,006	–	–	26,006
Quoted equity investments – mandatorily at FVTPL	29,640	–	–	–	29,640	29,640	–	–	29,640
Derivative financial assets	–	–	112,249	–	112,249	–	112,249	–	112,249
	186,364	458,170	112,249	–	756,783				
Financial assets not measured at fair value									
Other non-current assets^	–	–	–	299,454	299,454				
Trade and other receivables#	–	–	–	1,520,527	1,520,527				
Cash and cash equivalents	–	–	–	2,363,197	2,363,197				
	–	–	–	4,183,178	4,183,178				

	Fair value – hedging instruments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Group							
31 December 2022							
Financial liabilities measured at fair value							
Derivative financial liabilities	2,205	–	2,205	–	2,205	–	2,205
Financial liabilities not measured at fair value							
Interest-bearing borrowings	–	9,669,422	9,669,422	–	9,545,514	–	9,545,514
Other liabilities@	–	88,269	88,269				
Trade and other payables@	–	1,404,045	1,404,045				
	–	11,161,736	11,161,736				

^ *Excluding prepayments, intangible assets and deferred tax assets*
\# *Excluding prepayments, grant receivables and tax recoverable*
@ *Excluding deferred income*

	Mandatorily at FVTPL $'000	Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Company										
30 June 2023										
Financial assets measured at fair value										
Unquoted equity investments – at FVOCI	–	–	–	407,903	–	407,903	–	–	407,903	407,903
Quoted equity investments – at FVOCI	–	–	–	22,874	–	22,874	22,874	–	–	22,874
Quoted equity investments – mandatorily at FVTPL	1,797	–	–	–	–	1,797	1,797	–	–	1,797
Derivative financial assets	–	88,472	–	–	–	88,472	–	88,472	–	88,472
	1,797	88,472	–	430,777	–	521,046				
Financial assets not measured at fair value										
Other non-current assets	–	–	7,349,462	–	–	7,349,462				
Trade and other receivables#	–	–	6,337,145	–	–	6,337,145				
Cash and cash equivalents	–	–	227,803	–	–	227,803				
	–	–	13,914,410	–	–	13,914,410				
Financial liabilities measured at fair value										
Derivative financial liabilities	–	36,544	–	–	–	36,544	–	36,544	–	36,544
Financial liabilities not measured at fair value										
Interest-bearing borrowings	–	–	–	–	8,059,777	8,059,777	–	7,984,074	–	7,984,074
Other liabilities	–	–	–	–	9,429	9,429				
Trade and other payables	–	–	–	–	2,783,065	2,783,065				
	–	–	–	–	10,852,271	10,852,271				

\# *Excluding prepayments*

	Mandatorily at FVTPL $'000	Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
Company										
31 December 2022										
Financial assets measured at fair value										
Unquoted equity investments – at FVOCI	–	–	–	407,903	–	407,903	–	–	407,903	407,903
Quoted equity investments – at FVOCI	–	–	–	21,868	–	21,868	21,868	–	–	21,868
Quoted equity investments – mandatorily at FVTPL	1,963	–	–	–	–	1,963	1,963	–	–	1,963
Derivative financial assets	–	112,249	–	–	–	112,249	–	112,249	–	112,249
	1,963	112,249	–	429,771	–	543,983				
Financial assets not measured at fair value										
Other non-current assets	–	–	6,428,732	–	–	6,428,732				
Trade and other receivables#	–	–	6,474,857	–	–	6,474,857				
Cash and cash equivalents	–	–	614,499	–	–	614,499				
	–	–	13,518,088	–	–	13,518,088				
Financial liabilities measured at fair value										
Derivative financial liabilities	–	2,205	–	–	–	2,205	–	2,205	–	2,205
Financial liabilities not measured at fair value										
Interest-bearing borrowings	–	–	–	–	7,452,244	7,452,244	–	7,347,810	–	7,347,810
Other liabilities	–	–	–	–	759,708	759,708				
Trade and other payables	–	–	–	–	2,241,789	2,241,789				
	–	–	–	–	10,453,741	10,453,741				

\# *Excluding prepayments*

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at Level 3 fair value

Type	Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Unquoted debt investments – mandatorily at FVTPL	Discounted cash flows: The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.	Discount rate: 30 June 2023: N/A 31 December 2022: 0% to 12%	The estimated fair value would increase/(decrease) if the discount rate was lower/(higher).
Unquoted equity investments – at FVOCI	The fair value is calculated using the net asset value (NAV) of the investee entity adjusted for the fair value of the underlying properties, where applicable. A discount is applied to take into consideration the non-marketable nature of the investment, where applicable.	NAV Discount rate: 30 June 2023: 0% to 20% 31 December 2022: 0% to 20%	The estimated fair value would increase/(decrease) if the NAV was higher/(lower). The estimated fair value would increase/(decrease) if the discount rate was lower/(higher).
Unquoted equity investments – mandatorily at FVTPL	The fair value is calculated using the NAV of the investee entity adjusted for the fair value of the underlying properties, where applicable.	NAV	The estimated fair value would increase/(decrease) if the NAV was higher/(lower).
	The fair value is calculated using the market approach of weighted price-to-sales multiples of comparable companies. A discount is applied to take into consideration the non-marketable nature of the investment, where applicable.	Price-to-sales multiples: 30 June 2023: 8.0 times 31 December 2022: 8.0 times	The estimated fair value would increase/(decrease) if the price-to-sales multiple was higher/(lower).
		Discount rate: 30 June 2023: 20% 31 December 2022: 20%	The estimated fair value would increase/(decrease) if the discount rate was lower/ (higher).

Financial instruments measured at Level 2 fair value

Unquoted debt investments – mandatorily at FVTPL

The fair value of unquoted debt investments is calculated based on the present value of the expected future payments, discounted using a risk-adjusted discount rate.

Financial derivatives

The fair values of forward exchange contracts, cross-currency swaps and interest rate swaps are based on banks' quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

Financial instruments not measured at fair value

Interest-bearing borrowings

The fair value of borrowings which reprice at the intervals of six months or less determined for disclosure purposes are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Transfers between levels in the fair value hierarchy

The Group and Company have not reclassified any investments between various levels in the fair value hierarchy during the period.

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Group			**Company**
	Unquoted debt investments mandatorily at FVTPL $'000	**Unquoted equity investments at FVOCI $'000**	**Unquoted equity investments mandatorily at FVTPL $'000**	**Unquoted equity investments at FVOCI $'000**
At 1 January 2023	20,011	432,164	136,713	407,903
Additions	–	–	6,417	–
Distribution of income and return of capital	–	–	(2,157)	–
Total (loss)/gain recognised in profit or loss				
- finance (costs)/income	(20,011)	–	2,418	–
Total gain for the period included in other comprehensive income				
- net change in fair value of equity investments at FVOCI	–	2,225	–	–
Translation differences on consolidation		–	761	–
At 30 June 2023	–	434,389	144,152	407,903
At 1 January 2022	32,923	357,870	130,465	327,577
Additions	–	–	30,867	–
Distribution of income and return of capital	–	–	(21,960)	–
Total loss recognised in profit or loss				
- finance costs	(11,119)	–	(1,769)	–
Total gain for the period included in other comprehensive income				
- net change in fair value of equity investments at FVOCI	–	74,294	–	80,326
Translation differences on consolidation	(1,793)	–	(890)	–
At 31 December 2022	20,011	432,164	136,713	407,903

25. Disposal of subsidiaries

For the six months ended 30 June 2022

There were the following disposals during the period:

(a) On 26 May 2022, following the Group's distribution *in specie* of part of the CDLHT units that it held, to the Company's ordinary shareholders, which reduced the Group's interest in CDLHT from 38.89% to 27.21%, the Group lost control over CDLHT. CDLHT was deconsolidated on that date and became an associate of the Group.

(b) On 7 March 2022, the Group, through its wholly-owned subsidiary, Singapura Developments (Private) Limited, disposed of its 100% equity interest in Bloomsville Investments Pte. Ltd. (Bloomsville) for a sale consideration (net of transaction costs) of $80.8 million.

Effects of disposals

The cash flows and net assets of subsidiaries disposed of are provided below:

	Note	CDLHT $'000	Bloomsville $'000	Total $'000
Property, plant and equipment		1,378,264	–	1,378,264
Investment properties	12	433,321	–	433,321
Other non-current assets		8,915	–	8,915
Derivative financial assets		20,122	–	20,122
Deferred tax assets		3,727	–	3,727
Consumable stocks		2,417	–	2,417
Cash and cash equivalents		96,408	–	96,408
Assets held for sale		–	55,072	55,072
Trade and other receivables		22,125	–	22,125
Trade and other payables		(43,237)	–	(43,237)
Interest-bearing borrowings		(1,107,754)	–	(1,107,754)
Lease liabilities		(128,276)	–	(128,276)
Employee benefits		(310)	–	(310)
Other non-current liabilities		(72,973)	–	(72,973)
Provision for taxation		(6,343)	–	(6,343)
Deferred tax liabilities		(10,519)	–	(10,519)
Provisions		(9,242)	–	(9,242)
Liabilities directly associated with the assets held for sale		–	(1,583)	(1,583)
Carrying amount of net assets disposed		586,645	53,489	640,134
Sale consideration, net of disposal costs		–	80,836	80,836
Distribution *in specie*		183,124	–	183,124
Non-controlling interest, based on their proportionate interest in the net assets distributed		536,496	–	536,496
Fair value of retained equity interest		426,706	–	426,706
		1,146,326	80,836	1,227,162
Carrying amount of net assets disposed		(586,645)	(53,489)	(640,134)
Realisation of foreign currency translation reserve		(85,302)	–	(85,302)
Gain on disposal of subsidiaries	7	474,379	27,347	501,726
Sale consideration, net of disposal costs		–	80,836	80,836
Less: Cash and cash equivalents of subsidiaries disposed		(96,408)	(837)	(97,245)
Net cash (outflow)/inflow on disposal of subsidiaries		(96,408)	79,999	(16,409)

Included in the gain on disposal of CDLHT is a gain on remeasurement of the Group's retained interest in CDLHT of $331.9 million. In addition, the capital reserve relating to CDLHT of $59.2 million has been reclassified to accumulated profits on its disposal.

26. Acquisition of subsidiaries

For the six months ended 30 June 2023

(a) On 9 March 2023, the Group through its indirect wholly-owned subsidiary, City Pinnacle UK Holdings Limited (formerly known as Maplegate Holdings Limited) (i) acquired 100% of the shares and voting interests in MPG St Katharine Limited, which via its direct/indirect wholly-owned subsidiaries holds the St Katharine Docks development in London, United Kingdom; and (ii) settled existing indebtedness amounts, for a total consideration of approximately $596.4 million (£372.8 million).

The acquisition was accounted for as an acquisition of assets.

(b) On 21 April 2023, the Group through its indirect wholly-owned subsidiary, Hoko Toowong Pty Ltd, acquired the remaining equity interests in the following entities for a total consideration of $5.7 million (AUD6.35 million), including payment for assumption of the joint venture loans:

(i) 58 High Street Pty Ltd (58 High Street) – 15% equity interest comprising 15 ordinary shares; and
(ii) 58 High Street Unit Trust (58 HS Trust) – equity interests comprising 15 Class A ordinary units and 45 Class B ordinary units.

Following the acquisition, 58 High Street and 58 HS Trust, previously accounted for as investment in joint ventures, became wholly-owned subsidiaries of the Group.

The acquisition was accounted for as an acquisition of assets.

(c) On 16 May 2023, the Group through its indirect wholly-owned subsidiary, Suzhou Longcheng Development Investment Co., Ltd, acquired a 100% equity stake in Suzhou Gaoxin Real Estate Co., Ltd which owns an undeveloped piece of land in Suzhou, for a consideration of $67.1 million (RMB350 million).

The acquisition was accounted for as an acquisition of assets.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition dates.

	Recognised amounts $'000
Investment properties	627,691
Development properties	67,059
Trade and other receivables	10,313
Cash and cash equivalents	5,415
Trade and other payables	(21,168)
Shareholders loans	(4,450)
Provision for taxation	(2,100)
Interest-bearing borrowings	(6,713)
	676,047
Amount previously accounted for as joint venture	–*
Amount owing by joint venture	(6,515)
Net identifiable assets acquired	669,532
Cash flows relating to the acquisition	
Consideration for equity interest	669,532
Shareholder loans assumed	4,450
Total consideration	673,982
Add: Acquisition-related costs	8,217
Less: Acquisition-related costs not yet paid	(2,596)
Less: Cash and cash equivalents acquired	(5,415)
Total net cash outflow	674,188

* Amount less than $1,000

For the six months ended 30 June 2022

On 22 February 2022, the Group through its then indirect non wholly-owned subsidiary, CDLHT, acquired 100% of the share and voting interest in Roundapple Hotel Partners III Limited (subsequently renamed as CDL HREIT Investments (II) Property Limited) which owns Hotel Brooklyn in Manchester, United Kingdom, for a total consideration $41.0 million (£22.4 million).

The acquisition was accounted for as an acquisition of assets.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

	Recognised amounts $'000
Investment properties	78,764
Trade and other receivables	286
Trade and other payables	(1,039)
Lease liabilities	(37,005)
Net identifiable assets acquired	41,006
Cash flows relating to the acquisition	
Consideration for equity interest	41,006
Add: Acquisition-related costs	2,341
Less: Acquisition-related costs not yet paid	(342)
Total net cash outflow	43,005

27. Material related party transactions

Other than as disclosed elsewhere in the condensed interim financial statements, the material transactions with related parties based on terms agreed between the parties are as follows:

	Group	
	6 months ended 30 June 2023 $'000	**6 months ended 30 June 2022 $'000**
Management services fees received and receivable from:		
- fellow subsidiaries	1,030	359
- associates	7,852	183
- joint ventures	2,683	8,476
	11,565	9,018
Maintenance services fees received and receivable from:		
- fellow subsidiaries	195	171
- associates	99	89
- joint ventures	1,193	629
	1,487	889
Rental and rental-related income received and receivable from:		
- a fellow subsidiary	174	174
- associates	3,078	4,086
- joint ventures	61	95
	3,313	4,355
Rental and rental-related expenses paid and payable to:		
- a joint venture	(1,039)	(899)
- associates	(30,690)	(5,681)
	(31,729)	(6,580)

28. Commitments

The Group and the Company have the following commitments as at the reporting date:

	Group		Company	
	30 June 2023 $'000	31 December 2022 $'000	30 June 2023 $'000	31 December 2022 $'000
Development expenditure contracted but not provided for in the financial statements	1,293,102	578,002	–	–
Capital expenditure contracted but not provided for in the financial statements	83,836	59,860	–	–
Commitments in respect of purchase of properties for which deposits have been paid	413,787	3,401	–	–

	Group		Company	
	30 June 2023 $'000	31 December 2022 $'000	30 June 2023 $'000	31 December 2022 $'000
Commitments in respect of investments in a joint venture and associates	94,882	114,881	–	–
Commitments in respect of capital contribution to investments in financial assets in:				
- related parties	87,089	88,799	–	–
- third parties	16,792	19,969	–	–

29. Contingent liabilities

A subsidiary of the Group in China, whose principal activities are the trading of development properties and leasing activities, would in the ordinary course of business act as guarantors for the bank loans taken by the buyers to finance the purchase of properties developed by this subsidiary, covering the period from loan contract date to the property delivery date. As at 30 June 2023, the outstanding notional amount of the guarantees amounted to $4.0 million (31 December 2022: $8.5 million).

The Group has claims arising in the ordinary course of business which are being contested, the outcome of which are not presently determinable. At the reporting date, the Group had considered the probability of outflows of economic benefits pertaining to these claims pertaining to be remote. The Group continues to monitor the status of the claims.

Other Information Required by Listing Rule Appendix 7.2

1. **Review**

The condensed consolidated financial position of the Group as at 30 June 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited nor reviewed by the auditors.

2. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:**

(a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
(b) **any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

Group Performance

The Group achieved strong revenue growth of 83.6% to $2.7 billion (1H 2022: $1.5 billion) for the half year ended 30 June 2023 (1H 2023), primarily driven by the property development segment.

Despite the higher revenue, the Group achieved lower net profit after tax and non-controlling interest (PATMI) of $66.5 million (restated 1H 2022: $1.1 billion[1]), largely due to the absence of substantial divestment gains recorded in 1H 2022. These included the gains from the record sale of Millennium Hilton Seoul and its adjoining land site and the gain on the deconsolidation of CDL Hospitality Trusts (CDLHT) from the Group following the distribution *in specie* of CDLHT units in 1H 2022. Furthermore, the higher financing costs and the impairment losses for its UK investment properties further impacted 1H 2023 PATMI.

Revenue

The property development segment continued to be the biggest contributor as its revenue jumped 183.2%. The significant increase was underpinned by the contribution from its fully sold Piermont Grand Executive Condominium (EC) which obtained its Temporary Occupation Permit (TOP) in 1H 2023, enabling its revenue and profit to be recognised in entirety upon completion under prevailing accounting policies for ECs.

The hotel operations segment also saw a 12.4% increase in revenue for 1H 2023 with RevPAR growth across all regions, supported by the continued strong momentum in international travel. Singapore reported a RevPAR growth of 51% and correspondingly, the Asia region contributed the most with an 88.3% increase in RevPAR. Notably, the performance of Asia, Europe and the US regions had exceeded the RevPAR of pre-COVID 2019 levels.

Profit Before Tax

The Group registered a pre-tax profit of $179.5 million for 1H 2023 vis-à-vis $1.6 billion for 1H 2022, whereby 1H 2022 was boosted by substantial divestment gains as mentioned above. Excluding divestment gains and impairment losses, the Group would have registered a 48.1% increase in pre-tax profit for 1H 2023 on a like-for-like basis.

The property development segment was the lead contributor following the recognition of the profits for the fully sold Piermont Grand EC as well as other strong-performing Singapore projects such as Amber Park, Boulevard 88 and Irwell Hill Residences.

Despite the inflationary cost pressures and interest rate hikes in the key geographical markets the Group operates in, the core business segments continued to show improved operating performance. Excluding divestment gains and impairment losses, EBITDA improved 47.7% for 1H 2023 versus 1H 2022. Notwithstanding a pre-tax loss of $6.8 million for the hotel operations segment, this segment generated EBITDA of $100.0 million for 1H 2023, resulting from a 42.7% improvement in RevPAR across all regions.

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[1] As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Capital Position

As of 30 June 2023, the Group maintained its robust capital position with cash reserves of $2.1 billion, and cash and available undrawn committed bank facilities totalling $3.4 billion.

After factoring in fair value on investment properties, the Group's net gearing ratio stands at 57% (FY 2022: 51%), following the acquisition of St Katharine Docks located in Central London for £395 million (approximately $636 million) in March 2023. Average borrowing costs stand at 4.1% for 1H 2023 compared with 2.4% for FY 2022, reflecting the interest rate hikes in the key markets where the Group operates.

The Group maintained a substantial level of natural hedge for its overseas investments and will continue its proactive and disciplined approach to capital management.

Net Asset Value (NAV) per share stood at $10.00 as at 30 June 2023. Notably, the Group adopts the policy of stating its investment and hotel properties at cost less accumulated depreciation and impairment losses. Had the Group factored in fair value gains on its investment and hotel properties, its NAV would be as tabled below.

	30 June 2023 $/share	**31 December 2022 $/share**
NAV	10.00	10.16
Revalued NAV (RNAV)(1)	16.79	16.98
Revalued NAV (RNAV)(2)	18.97	19.14

(1) RNAV factors in the fair value gains on its investment properties.
(2) RNAV factors in the fair value gains on its investment properties and the revaluation surpluses on its hotel properties which are accounted for as property, plant and equipment.

Dividend

The Board is pleased to declare payment of a tax-exempt (one-tier) special interim dividend of 4.0 cents per ordinary share.

Operational Highlights

Property Development

Singapore

In 1H 2023, the Group and its joint venture (JV) associates sold 508 units with a total sales value of $1.1 billion (1H 2022: 712 units with a total sales value of $1.6 billion).

Sales picked up in Q2 2023 largely attributed to the successful launch of Tembusu Grand in April. Located in the heart of Katong, 367 units (58%) of the 638-unit JV project have been sold to date at an average selling price (ASP) of $2,464 per square foot (psf).

Sales momentum for the Group's launched projects remained healthy. To date, three projects – Haus on Handy (188 units), Amber Park (592 units) and Nouvel 18+ (156 units) are fully sold, while the rest of its launched projects are substantially sold.

Project	Location	Launched	Total Units	Units Sold#
Piccadilly Grand*	Northumberland Road	May 2022	407	405 (99%)
CanningHill Piers*	Clarke Quay	November 2021	696	679 (98%)
Irwell Hill Residences	Irwell Bank Road	April 2021	540	534 (99%)
Boulevard 88*	Orchard Boulevard	March 2019	154	139 (90%)

** JV project*
#As at 6 Aug 2023. Percentage points may not add up due to rounding
+Divested project under PPS 3, marketed by CDL

Three projects received their Temporary Occupation Permits (TOPs) in 1H 2023. The first was the fully sold 820-unit Piermont Grand EC in January, followed by Haus on Handy and Boulevard 88 – a JV project integrated with Singapore's first EDITION hotel, with both obtaining their TOPs in April.

The Government introduced another round of property cooling measures on 26 April 2023, which included doubling the Additional Buyer's Stamp Duty (ABSD) to 60% for foreigners buying any residential properties. This change is expected to have some impact on sales to foreign buyers. While some sales have been made to foreigners, these are limited as overseas buyers need more time to evaluate the substantial increase in ABSD before making a purchase.

In July, the Group launched The Myst, a 408-unit development at Upper Bukit Timah. Nestled amidst lush greenery and tranquil surroundings, the condominium comprises two 24-storey residential towers and is conveniently located near the Cashew MRT station and Bukit Panjang Integrated Transport Hub. To date, 132 units (32%) have been sold at an ASP of $2,057 psf. 98% of the buyers are Singapore citizens, while Permanent Residents make up the remaining 2%.

Overseas Markets

Australia

In Melbourne, The Marker, a completed development with 198 apartments in West Melbourne, is 98% sold. The Group's 61-unit Fitzroy Fitzroy on the iconic Smith Street is 42% sold.

In Brisbane, 54% of the 215-unit Brickworks Park has been sold to date and the 97-unit JV project Treetops at Kenmore is 69% sold. Construction of these two projects started in Q4 2022.

China

The Group has sold most of its residential inventory in China and continues to steadily clear the remaining units in Shanghai, Suzhou, Chongqing and Shenzhen. In 1H 2023, the Group's wholly-owned subsidiary, CDL China Limited, and its JV associates sold 32 residential, office and retail units, with a total sales value of RMB 162 million ($30.3 million).

UK

Currently, 44% of the 239-unit Teddington Riverside project is occupied and the Group continues to receive a healthy level of rental enquiries.

In July, the former Stag Brewery site in Mortlake, Southwest London, received planning consent from the Planning Committee of the London Borough of Richmond-Upon-Thames (LBRuT) for its mixed-use redevelopment scheme. Due to the scale of the redevelopment, the LBRuT-endorsed scheme will move to a Stage Two review by the Greater London Authority for approval.

The Group's three other development projects in London – Ransomes Wharf, 28 Pavilion Road and Development House are at various stages of planning applications.

Investment Properties

Singapore

As at 30 June 2023, the Group's office portfolio[2] remains resilient with a committed occupancy of 95.3%, above the island-wide occupancy of 89.2%[3]. Republic Plaza, the Group's flagship Grade A office building, is 94.3% occupied, with a positive rental reversion of 7.9% recorded in 1H 2023. The Group's other wholly-owned office assets, such as City House and King's Centre, continued to achieve strong committed occupancies of 98.7% and 100% respectively. Despite slowing office demand and an increase in secondary stock, the rental growth for the rest of 2023 is expected to be moderate due to a limited supply pipeline.

The Group's retail portfolio[2] achieved a committed occupancy of 97.8%, higher than the island-wide occupancy of 92.5%[3]. City Square Mall continues to perform well with 96.4% committed occupancy and rental reversions of 8.0% for the period under review. Despite the softer economic outlook, the retail sector is expected to grow further, driven by increased tourist arrivals and upcoming major international live events. Palais Renaissance, which completed its asset enhancement initiative (AEI) in 2022, performed strongly with 100% occupancy for the retail leases. For 1H 2023, the mall's monthly average Gross Turnover (GTO) sales and shopper traffic have surpassed pre-pandemic levels.

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[2] Includes South Beach Tower (in accordance with CDL's proportionate ownership). Excludes assets planned for redevelopment or sale.
[3] Based on Urban Redevelopment Authority's real estate statistics for Q2 2023.

Overseas Markets

China

At Suzhou Hong Leong City Center, the Grade A office tower is now 95% occupied, while the mall is 84% occupied. The 294-room 5-star M Social Suzhou hotel opened in April 2023.

Despite the sluggish office leasing market in Shanghai, Hong Leong Plaza Hongqiao, a five-tower office building in Shanghai, is 51% leased, while the occupancy of Hong Leong Hongqiao Center has increased to 54% as at 30 June 2023.

Thailand

The Group's Jungceylon Shopping Center in Patong, Phuket, has been undergoing significant asset enhancement works in phases. The works are on track for completion by the end of 2023. This comes in tandem with the anticipated increase in footfall as tourist arrivals and the nation's economic recovery gained momentum in recent months. As at 30 June 2023, the mall's committed occupancy stood at 80%.

UK

In March 2023, the Group completed the purchase of the landmark St Katharine Docks located in Central London, UK, for £395 million (approximately $636 million) or £751 psf ($1,209 psf) on the existing net lettable area. The 23-acre freehold mixed-use estate fronting the River Thames comprises over 500,000 sq ft of Grade A offices, F&B, retail and residential arranged across four main buildings and supporting ancillary spaces, including a marina with berths for up to 185 yachts.

Leasing activity for Central London offices is showing signs of recovery, as evidenced by the recent letting of around 7,000 sq ft in 125 Old Broad Street as well as a noticeable increase in enquiries across the Group's portfolio. Committed occupancies for 125 Old Broad Street, Aldgate House and St Katharine Docks remain healthy at 92.4%, 98.9% and 90.0% respectively, as at 30 June 2023.

Redevelopment and Asset Enhancement Initiatives (AEIs)

In 2022, the Group completed AEIs at King's Centre and Palais Renaissance, resulting in positive rental reversions and higher occupancies. These, along with its redevelopment of the former Fuji Xerox Towers (into Newport Plaza) as well as Central Mall and Central Square properties into future-ready integrated developments with sustainable features, are part of the Group's ongoing efforts to build resilience and further maximise value across its global portfolio.

The Living Sector

UK

A. Private Rented Sector (PRS)

   The Group's first PRS project in the UK – The Junction, located in Leeds, has obtained practical completion for three out of five blocks (307 out of 665 units) and achieved 68.1% committed occupancy to date.

B. Purpose-Built Student Accommodation (PBSA)

   Since the Group's maiden PBSA acquisition in June 2022, it has expanded the portfolio to six properties with almost 2,400 beds across five cities in Birmingham, Canterbury, Coventry, Leeds and Southampton. The current committed occupancy rate of the portfolio is 98% for Academic Year 2022/2023. The Group will continue to expand the portfolio and build scale given the positive outlook for the sector.

Japan

In April, the Group acquired two PRS assets totalling 201 units in Osaka for ¥3.15 billion ($31.4 million). It now owns 10 PRS assets in Japan, comprising 714 units with a strong average occupancy above 95% and stable rental income. With the recovery of economic activities and the return of foreign nationals, rental demand in key cities is expected to remain healthy in 2H 2023.

Australia

The construction of the Group's two PRS development sites in Brisbane's Toowong riverside suburb (around 250 units) and Melbourne's Southbank (around 240 units) are on track to commence in 2H 2023.

Fund Management

The Group continues to execute its growth strategy by nurturing existing listed vehicles like CDLHT and IREIT Global while seeking opportunities to drive AUM growth in both listed and unlisted platforms.

In July 2023, the Group supported IREIT's fundraising exercise to acquire 17 retail properties located across France. The properties are 100% leased to blue-chip tenant B&M Group, a leading European discount retailer listed on the London Stock Exchange since 2014. The Group currently has a 50% stake in the REIT manager. When the acquisition is completed, IREIT's AUM would have doubled from €504.9 million (approximately $744.5 million) at the time of the Group's initial investment in April 2019 to an estimated €1 billion (approximately $1.5 billion).

Hotel Operations

The Group's hotels achieved a global Revenue Per Available Room (RevPAR) growth of 42.7% to $151.5 for 1H 2023 (1H 2022: $106.2), boosted by the strong recovery from Asia and Australasia, while Europe and the US markets also continued their growth trajectory. Compared with 1H 2019 (pre-COVID), RevPAR in 1H 2023 increased 17.2%, mainly driven by higher room rates.

Key operating statistics for hotels owned by the Group:

	Room Occupancy					Average Room Rate					RevPAR					GOP Margin %				
	1H 2023	1H 2022	1H 2019	Incr / (Decr) V.1H 2022	Incr / (Decr) V.1H 2019	1H 2023	1H 2022	1H 2019	Incr / (Decr) V.1H 2022	Incr / (Decr) V.1H 2019	1H 2023	1H 2022	1H 2019	Incr / (Decr) V.1H 2022	Incr / (Decr) V.1H 2019	1H 2023	1H 2022	1H 2019	Incr / (Decr) V.1H 2022	Incr / (Decr) V.1H 2019
	%	%	%	% pts	% pts	$	$	$	%	%	$	$	$	%	%	%	%	%	% pts	% pts
Singapore	74.9	69.4	84.2	5.5	(9.3)	225.3	160.9	170.0	40.0	32.5	168.7	111.7	143.2	51.0	17.8	39.1	40.2	36.6	(1.1)	2.5
Rest of Asia	65.9	40.3	66.2	25.6	(0.3)	159.8	111.1	154.1	43.8	3.7	105.3	44.8	102.1	135.0	3.1	39.9	1.9	31.2	38.0	8.7
Total Asia	**69.7**	**51.6**	**72.7**	**18.1**	**(3.0)**	**189.5**	**137.0**	**160.7**	**38.3**	**17.9**	**132.0**	**70.1**	**116.9**	**88.3**	**12.9**	**39.5**	**21.0**	**33.4**	**18.5**	**6.1**
Australasia	**59.8**	**38.3**	**82.5**	**21.5**	**(22.7)**	**158.6**	**140.1**	**137.4**	**13.2**	**15.4**	**94.8**	**53.7**	**113.3**	**76.5**	**(16.3)**	**32.5**	**26.3**	**46.2**	**6.2**	**(13.7)**
London	73.4	70.5	78.1	2.9	(4.7)	288.4	245.5	205.5	17.5	40.3	211.7	173.1	160.4	22.3	32.0	41.9	41.6	37.7	0.3	4.2
Rest of Europe	76.4	69.1	68.3	7.3	8.1	168.0	145.6	124.2	15.4	35.3	128.3	100.6	84.9	27.5	51.1	28.1	26.5	16.8	1.6	11.3
Total Europe	**74.8**	**69.9**	**72.9**	**4.9**	**1.9**	**231.1**	**199.9**	**165.5**	**15.6**	**39.6**	**172.8**	**139.7**	**120.7**	**23.7**	**43.2**	**36.6**	**36.1**	**29.2**	**0.5**	**7.4**
New York	86.4	76.1	82.5	10.3	3.9	302.7	271.6	309.7	11.5	(2.3)	261.6	206.7	255.5	26.6	2.4	14.8	6.6	4.5	8.2	10.3
Regional US	56.8	52.8	56.4	4.0	0.4	191.1	172.0	180.1	11.1	6.1	108.5	90.8	101.5	19.5	6.9	16.3	25.0	17.5	(8.7)	(1.2)
Total US	**69.2**	**61.6**	**65.0**	**7.6**	**4.2**	**249.6**	**218.7**	**234.4**	**14.1**	**6.5**	**172.7**	**134.8**	**152.4**	**28.1**	**13.3**	**15.4**	**14.8**	**10.8**	**0.6**	**4.6**
Total Group	**69.9**	**58.0**	**71.1**	**11.9**	**(1.2)**	**216.8**	**183.2**	**181.8**	**18.3**	**19.3**	**151.5**	**106.2**	**129.3**	**42.7**	**17.2**	**30.8**	**23.4**	**26.1**	**7.4**	**4.7**

**For comparison purposes, YTD June 2022 and YTD June 2019 Average Room Rate and RevPAR had been translated at constant exchange rates (30 June 2023).*

Asia

In 1H 2023, the RevPAR for the Group's Singapore hotels increased by 51.0% year-on-year (y-o-y) due to higher occupancy and room rates. Although the occupancy for Singapore hotels was still below 1H 2019 levels, the average room rate (ARR) was 32.5% higher, leading to a 17.8% increase in RevPAR compared with 1H 2019. For the Rest of Asia region, the RevPAR growth was led by the Group's Taipei and Beijing hotels which recorded a robust increase of 135.0% y-o-y and exceeded the 1H 2019 level by 3.1%. The 294-room 5-star M Social Suzhou, the Group's first M Social property in China, opened in April 2023.

In June 2023, the Group completed its $30 million revamp of Grand Copthorne Waterfront Hotel in Singapore, which included a redesign of all 574 guestrooms and suites with eco-friendly features, an expanded 6,200 sqm conference facility with 33 function rooms equipped with cutting-edge technology as well as upgraded public spaces.

Australasia

With the return of tourism, the Australasia hotels achieved a stellar 76.5% growth in RevPAR to $94.8 in 1H 2023 (1H 2022: $53.7) due to higher occupancy and room rates. Australasia recorded 84% RevPAR recovery against 1H 2019 levels.

Europe

The Group's hotels in Europe maintained momentum in 1H 2023, achieving a 23.7% RevPAR growth y-o-y and 43.2% higher than 1H 2019. Due to the historic event of the King's Coronation, London hotels recorded an impressive performance during May. For 1H 2023, London hotels recorded an ARR of $288.4, a 17.5% increase and a 22.3% growth in RevPAR on a y-o-y basis. Rest of Europe hotels rebounded quickly in 1H 2023 with an overall 27.5% RevPAR increase, driven by a 15.4% growth in ARR.

US

The RevPAR for US hotels in 1H 2023 rose 28.1% y-o-y and increased 13.3% compared to 1H 2019. New York hotels continued their strong recovery in 1H 2023 and achieved an ARR of $302.7, which was 11.5% higher than the same period last year, resulting in a 26.6% growth in RevPAR. With a higher ARR, regional US hotels' RevPAR improved by 19.5% relative to 1H 2022.

Aided by a higher average daily rate and union buyout at Millennium Hotel Broadway Times Square in 2H 2022, New York hotels achieved a GOP of 8.2 percentage points and 10.3 percentage points higher than in 1H 2022 and 1H 2019 respectively. Regional US hotels could not maintain the same GOP margin due to higher operating costs. Compared with 1H 2019, the GOP margin fell slightly by 1.2 percentage points.

Hotel Acquisitions

In March 2023, the Group, through its wholly-owned subsidiary Millennium & Copthorne Hotels Limited (M&C) and in a 50:50 JV with its NZ-listed subsidiary Millennium & Copthorne Hotels New Zealand Limited, entered into a Purchase Sale Agreement and Business Asset Sale Agreement to acquire the 416-key 5-star Sofitel Brisbane Central hotel, at a purchase price of A$177.7 million (approximately $159.2 million), or A$427,000 (approximately $383,000) per key. Scheduled for completion in Q4 2023, the landmark 30-storey luxury hotel boasts exceptional views overlooking the iconic ANZAC Square, the city's exquisite skyline and the famed Sunshine Coast.

In South Korea, the Group acquired the 408-room Nine Tree Premier Hotel Myeongdong II, Seoul in July for KRW 140 billion (approximately $143.9 million) or KRW 343 million (approximately $353,000) per key. Located in Seoul's popular tourist hotspot and business hub, the freehold 17-storey upscale hotel is within walking distance to famous shopping areas, including the Myeongdong Walking Street, Lotte and Shinsegae department stores, as well as restaurants, street food, business and entertainment venues. It is also conveniently located within a 4-minute walk to the Euljiro 3-ga subway station.

These acquisitions align with the Group's strategy to acquire top-quality hospitality assets in key gateway cities to further enhance recurring income streams and actively drive growth through continued expansion and diversification.

Statement of profit or loss

	The Group Half year ended 30 June 2023 S$'000	2022 S$'000 Restated*	Incr/ (Decr) %
Revenue	2,703,697	1,472,553	83.6
Cost of sales	(1,917,178)	(889,095)	NM
Gross profit	786,519	583,458	34.8
Other income	18,834	1,422,522	(98.7)
Administrative expenses	(293,156)	(284,286)	3.1
Other operating expenses	(225,676)	(197,615)	14.2
Profit from operating activities	286,521	1,524,079	(81.2)
Finance income	73,348	60,717	20.8
Finance costs	(220,563)	(99,483)	NM
Net finance costs	(147,215)	(38,766)	NM
Share of after-tax profit of associates	7,655	52,015	(85.3)
Share of after-tax profit of joint ventures	32,574	40,674	(19.9)
Profit before tax	179,535	1,578,002	(88.6)
Tax expense	(61,969)	(432,745)	(85.7)
Profit for the period	117,566	1,145,257	(89.7)
Attributable to:			
Owners of the Company	**66,485**	**1,119,474**	(94.1)
Non-controlling interests	51,081	25,783	98.1
Profit for the period	117,566	1,145,257	(89.7)

NM: not meaningful

* As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for the retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Revenue

The increase in revenue was primarily due to the property development segment, which contributed 64% (1H 2022: 41%) of total revenue. Revenue from property development segment increased 183%, underpinned by revenue recognition from the fully-sold Piermont Grand EC. Under prevailing accounting standards, revenue and profit for ECs can only be recognised in its entirety upon Temporary Occupation Permit. In addition, hotel operations segment continued to improve, benefiting on the back of global recovery of tourism and travel. Revenue from investment properties also increased due to contributions from several investment properties recently added to the Group's portfolio.

Gross profit

The increase in gross profit was in tandem with the increase in revenue, with property development segment being the major contributor to this increase due to completion of Piermont Grand EC. Gross profit margin had decreased to 29% for 1H 2023 (1H 2022: 40%) due to lower profit margin from mass-market Piermont Grand EC.

Other income

Other income decreased to $18.8 million (1H 2022: $1,422.5 million) due to absence of substantial divestment gains which was not repeated in 1H 2023. In 1H 2022, The Group recognised divestment gains from disposal of Millennium Hilton Seoul of $911.5 million and disposal of Tagore 23 warehouse of $27.3 million, coupled with the gain of $474.4 million recognised from the deconsolidation of CDLHT.

Other income for 1H 2023 comprised mainly divestment gain of $15.6 million from the disposal of a small land plot located at Tanglin Shopping Centre.

Administrative expenses

Administrative expenses comprised mainly depreciation, hotel administrative expenses and salaries and related expenses. The increase in administrative expenses in 1H 2023 was largely due to operating lease rental incurred for CDLHT leased hotels upon deconsolidation of CDLHT as transactions with CDLHT were no longer considered intra-group transactions and hence not eliminated.

Other operating expenses

Other operating expenses include other operating expenses on hotels, property taxes, insurance, professional fees, impairment loss on investment properties and impairment loss on trade and other receivables.

The increase in other operating expenses for 1H 2023 was mainly attributable to impairment loss provided on two investment properties in UK amounting to $33.5 million (1H 2022: Nil). More details on the Group's assessment is detailed in note 12 to the condensed interim financial statements. The Group also incurred higher other operating expense on hotels, in line with the increased hotel revenue generated, partially offset by lower professional fees incurred for the current period.

Net finance costs

The increase in net finance costs in 1H 2023 was mainly due to the following:

(i) Increase in interest expenses by $102.1 million as a result of much higher average interest rate amidst current rising interest rate environment, coupled with higher bank borrowing balances, partially offset by higher interest income earned.

(ii) Fair value loss on financial derivatives of $0.7 million for 1H 2023 vis-à-vis fair value gain on financial derivatives of $25.3 million for 1H 2022.

    Fair value gain on financial derivatives of $25.3 million for 1H 2022 was mainly due to fair value gain on foreign exchange forward contracts and Euro/United States dollar (USD) cross-currency interest swap contract.

(iii) Higher fair value loss on financial assets measured at fair value through profit or loss of $20.1 million (1H 2022: $1.3 million). The higher fair value loss was due to the remeasurement of an unquoted debt instrument measured at FVTPL.

Share of after-tax profit of associates and joint ventures

The decrease in share of after-tax profit of associates was mainly attributable to lower contribution from First Sponsor Group Limited due to its lower property financing income and absence of one-off disposal gains. Included in share of after-tax profit of associates in 1H 2022 was a negative goodwill of $18.0 million recognised from remeasurement of the Group's retained interest in CDLHT following the deconsolidation in May 2022 and the one-month contribution from CDLHT as an associate.

Share of after-tax profit of joint ventures for 1H 2023 was mainly attributable to contribution from residential projects such as Boulevard 88, Penrose, The Jovell and Sengkang Grand Residences. The decrease during the period was largely due to reduced contribution from Sengkang Grand Residences and The Jovell.

Statement of financial position

Investment properties at the Group increased by $761.7 million to $5,728.7 million (As at 31 December 2022: $4,967.0 million) mainly due to several additions during the period including St Katharine Docks (acquired via purchase of 100% equity stake in MPG St Katharine Limited, refer note 26), and expansion to the Group's Japan Private Rented Sector (PRS) through the acquisition of two assets in Osaka. In addition, the Group acquired the remaining equity stake in 58 High Street that it did not own (refer note 26), accordingly the PRS asset under development is now consolidated in investment properties.

Other non-current assets at the Group increased by $91.8 million mainly due to reclassification of a restricted cash deposits from current assets to non-current assets as the maturity of the related banking facility was extended to more than one year. The increase in other non-current assets at the Company by $920.7 million was largely due to additional loans granted to subsidiaries to meet several funding requirements including the acquisition of St Katharine Docks.

Development properties at the Group decreased by $883.2 million to $5,074.4 million (As at 31 December 2022: $5,957.6 million) due to the completion of Piermont Grand EC.

Contract costs at the Group decreased by $32.5 million primarily due to the completion of Piermont Grand EC in which the commission paid to property agents were amortised fully to profit and loss.

Contract assets at the Group increased by $298.0 million due to the advanced construction stage for Irwell Hill Residences and Amber Park, which led to an increase in the Group's right to consideration for work completed but not billed as at 30 June 2023.

Derivative financial assets of $88.5 million net of $36.5 million derivative financial liabilities as at 30 June 2023 (31 December 2022: $112.2 million derivative financial assets net of $2.2 million derivative financial liabilities) comprised cross-currency swaps, forward exchange contracts and interest rate swaps. The financial derivatives are measured at fair value based on valuations provided by the respective counterparty banks. The net decrease was mainly due to the GBP forward exchange contracts entered by the Group where the strengthening of GBP against SGD in 1H 2023 had resulted in a liability position for these contracts as at 30 June 2023 as opposed to a receivable position as at 31 December 2022.

Assets held for sale at the Group was in relation to the proposed divestment of Millennium Harvest House Boulder. Refer note 18 to the condensed interim financial statements for details.

Contract liabilities at the Group decreased by $435.2 million due to completion of fully-sold Piermont Grand EC in which the advanced sale proceeds received were transferred to profit and loss in entirety.

Other liabilities (non-current) at the Company decreased by $750.3 million mainly due to reclassification of a loan owing to a subsidiary of $745.0 million from non-current liabilities to current liabilities as the loan is due for repayment within one year.

Accordingly, trade and other payables at the Company increased by $541.3 million due to the reclassification of the abovementioned loan owing to a subsidiary, partially offset by settlement of loans owing to other subsidiaries.

Provision (current and non-current) decreased by $82.2 million due mainly to the settlement of Group's obligations under certain contracts resulted from the divestment of Millennium Hilton Seoul.

Statement of cash flows

Net operating cash outflows for 1H 2022 of $29.8 million were mainly due to payments for a site at 798 and 800 Upper Bukit Timah and Central Square totalling $441.3 million. Excluding the payments for the site at Upper Bukit Timah and Central Square, there would be a net cash inflow from operating activities of $411.5 million.

Net cash outflows from investing activities amounted to $730.8 million in 1H 2023 (1H 2022: net cash inflows of $678.5 million).

(i) The cash outflows from acquisition of subsidiaries of $674.2 million for 1H 2023 was due mainly to payment for acquisition of St Katharine Docks.

The cash outflows of $43.0 million for 1H 2022 was due to acquisition of Hotel Brooklyn by CDLHT in February 2022 (refer to note 26).

(ii) The cash outflows from deposits paid for acquisition of property, plant and equipment of $24.1 million relates to deposits paid for the acquisition of Sofitel Brisbane Central and a hotel in Osaka.

(iii) The net cash outflows from increase in investment in associates of $27.9 million for 1H 2022 was mainly due to the additional contribution made by the Group into HThree City Australian Commercial Fund 3 LP, a real estate investment fund which was accounted for as an associate of the Group.

(iv) Net cash inflows from decrease in non-trade amounts owing by equity-accounted investees of $38.6 million for 1H 2023 was mainly due to repayment of loans from a joint venture relating to Boulevard 88.

The net cash outflows of $52.3 million for 1H 2022 was mainly due to advances granted to joint ventures to fund the acquisition of a land site at Jalan Tembusu. The advances were partially offset by repayment of loans from other equity-accounted investees.

(v) The cash outflows on the payments for purchase of investment properties of $33.5 million in 1H 2023 relates to the acquisition of 2 PRS assets in Japan.

The cash outflows of $182.3 million for 1H 2022 relate to the acquisition of a 505-bed purpose-built student accommodation in Coventry UK, along with three newly-built PRS projects in Japan – City Lux Tobe, LOC's Yokohama Bayside and Gioia Namba.

(vi) The proceeds from sale of property, plant and equipment for 1H 2023 of $16.0 million relate mainly to the proceed from the sale of a land plot at Tanglin Shopping Centre.

The proceeds from the sale of property, plant and equipment for 1H 2022 of $1.2 billion relate mainly to the proceeds from the sale of Millennium Hilton Seoul in February 2022.

(vii) The proceeds from disposal of subsidiaries, net of cash disposed of $16.4 million for 1H 2022 relate to the divestment of 100% equity interest in Bloomsville Investments Pte. Ltd., which owned Tagore 23 warehouse in March 2022 and the disposal of CDLHT in May 2022 (refer to note 25).

The Group had net cash outflows from financing activities of $52.9 million for 1H 2023 (1H 2022: $509.6 million). The net cash outflows for 1H 2023 was attributable to higher interest expenses and dividend paid, along with repayment of loans to minority shareholder in relation to Piermont Grand EC. This was partially offset by net proceeds from borrowings of $507.2 million, which were raised to provide funding requirements for acquisition/development of land sites/properties in Singapore and overseas. The net cash outflows for 1H 2022 was largely due to a net repayment of borrowings of $393.7 million and dividends paid during the period**.**

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's performance for the period under review was in line with its expectations as disclosed in the announcement of results for the full year ended 31 December 2022.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Property Development

As the recent launches in Singapore saw relatively healthy take-up rates, the Group is reviewing the launch of the iconic Newport Residences (former Fuji Xerox Towers). The ultra-luxury 246-unit freehold project is part of the 45-storey Newport Plaza, a mixed-use development comprising a Grade A office, a new concept serviced apartment and a retail component with restaurants and amenities. Strategically located at Anson Road, at the nexus of the CBD and the future Greater Southern Waterfront District, the project boasts spectacular panoramic views of the sea and city skyline.

The redevelopment planning process for Central Mall and Central Square is progressing smoothly with the recent submission of the Written Permission (WP) application, which is now under evaluation by the Urban Redevelopment Authority (URA). The Group hopes to obtain the WP approval before year-end. Demolition of the existing buildings is expected to commence in Q4 2023. This mixed-use development with a gross floor area of approximately 735,500 sq ft will comprise 300,000 sq ft of Grade A office space, estimated 366 residential apartments, a hospitality component as well as retail space. Strategically located near the Singapore River and the CBD, it will rejuvenate and shape the precinct's transformation into a vibrant lifestyle hub and present an attractive proposition for both residential and commercial users.

The Group is also preparing to launch a 512-unit EC project at Bukit Batok West Avenue 5 in Q1 2024. The EC is close to the upcoming Tengah New Town and Jurong Lake District. It is also near three MRT stations, along the Jurong Region Line and North-South Line, and near the new Anglo-Chinese School (Primary), which is relocating to Tengah in 2030.

Investment Properties

Despite some uncertainty, rental growth for office space in Singapore for the rest of 2023 is projected to be modest, supported by a tight supply pipeline.

Growth in Singapore's retail sector is also expected to continue even with the softer economic outlook, led by the post-COVID economic reopening, improving tourism prospects and more events being held.

Hotel Operations

The strong RevPAR trajectories and the strengthening average rates across the Group's global hospitality portfolio will help drive the recovery. With the Group's focus on operating efficiencies and implementing innovative technologies, the flowthrough to GOP should also be better.

Barring unforeseen circumstances, the Group expects its hotels to continue trading strongly in 2H 2023 and surpass 2H 2019 levels.

Outlook

The Group is mindful of the need to recycle capital as it pursues its Growth, Enhancement and Transformation (GET) strategy. The record profit performance last year provided the additional war chest for the Group to make strategic acquisitions that would add value to its portfolio. These acquisitions are aligned with the Group's goals to advance its global presence in tandem with its land replenishment strategy in Singapore. In addition, the Group remains focused on extracting value from its current assets while pursuing its fund management ambitions.

The business landscape continues to face significant macroeconomic headwinds and vulnerabilities that result in an ambiguous outlook. The market volatility arising from the global economic uncertainty, inflationary pressures and interest rate fluctuations will also pose challenges to financing costs and capital investments.

Navigating these headwinds requires the Group to stay agile, resilient and adaptable. While the Group continues to exercise prudence, vigilance and discipline in capital management, it will maintain a proactive and forward-looking mindset towards growth and expansion. During times of uncertainty, strategic acquisitive opportunities are often prevalent, presenting an opportunity for the Group to bolster its market position, diversify its portfolio and leverage its core expertise for sustainable long-term growth.

5. Dividend Information

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

The Company had on 19 May 2023 declared a tax-exempt (one-tier) non-cumulative preference dividend to holders of City Developments Limited Preference Shares of $0.019339726 per Preference Share, calculated at the dividend rate of 3.9% per annum of the issued price of $1.00 for each Preference Share, for the dividend period from 31 December 2022 to 29 June 2023. The said preference dividend was paid on 30 June 2023.

The Board of Directors had declared a tax-exempt (one-tier) special interim ordinary dividend of 4.0 cents per ordinary share for the financial year ending 31 December 2023.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	Tax-exempt (One-tier) Special Interim Ordinary Dividend	Tax-exempt (One-tier) Preference Dividend
Date of Payment	9 September 2022	30 June 2022
Dividend Type	Cash	Cash
Dividend Amount	$0.12 per Ordinary Share	$0.019339726 per Preference Share^
Dividend rate (in %)	N.A.	3.9% per annum on the issue price of each Preference Share
Dividend Period	N.A.	From 31 December 2021 to 29 June 2022 (both dates inclusive)
Issue Price	N.A.	$1.00 per Preference Share

^ *Preference dividend for each Preference Share is calculated at the dividend rate of 3.9% per annum of the issue price of $1.00 for each Preference Share on the basis of the actual number of days comprised in the dividend period divided by 365 days.*

On 26 May 2022, the Company distributed 144,191,823 stapled securities of CDLHT Units to ordinary shareholders who were entitled to the distribution. Pursuant to the distribution *in specie*, each entitled shareholder received 0.159 CDLHT Units for each ordinary share in the Company. Based on the closing market price of $1.27 per CDLHT Unit on 25 May 2022, the cash equivalent rate of the distribution per Ordinary Share is $0.2019.

(c) ***Date payable***

The tax-exempt (one-tier) special interim ordinary dividend will be paid on 5 September 2023.

(d) ***Record Date***

5.00 pm on 21 August 2023.

6. Interested Person Transactions

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions conducted in the six months ended 30 June 2023 under the IPT Mandate pursuant to Rule 920 (excluding transactions less than $100,000)	S$'000
Subsidiaries of Hong Leong Investment Holdings Pte. Ltd.	Hong Leong Investment Holdings Pte. Ltd. is a controlling shareholder of the Company. Its subsidiaries are interested persons being associates of a controlling shareholder.	<u>Property-Related Transactions</u> Provision of asset management services and advisory services to an interested person	443
		Total:	443
Directors and their immediate family members			Nil

7. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 in accordance with Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Yeo Swee Gim, Joanne
Enid Ling Peek Fong
Company Secretaries
10 August 2023

CONFIRMATION BY THE BOARD

The Directors of the Company hereby confirm, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the Group's unaudited condensed interim consolidated financial statements to be false or misleading in any material respect.

On behalf of the Board of Directors

Kwek Leng Beng Executive Chairman	**Sherman Kwek Eik Tse** Executive Director

Singapore, 10 August 2023

News Release

10 August 2023

CDL REPORTS 84% INCREASE IN REVENUE TO S$2.7 BILLION AND PATMI OF S$66.5 MILLION FOR 1H 2023

- **Property development segment recorded a 183.2% jump in revenue contribution**
- **Healthy Singapore residential sales with 508 units sold at a value of S$1.1 billion**
- **Hotel operations segment saw RevPAR growth across all regions driven by continued global travel recovery, with Asia registering 88.3% increase**
- **Excluding divestment gains and impairment losses, EBITDA and PBT increased 48% on a like-for-like basis**
- **Lower PATMI largely due to the absence of substantial divestment gains recorded in 1H 2022**

For the half-year ended 30 June 2023 (1H 2023), City Developments Limited (CDL) achieved strong revenue growth of 83.6% to S$2.7 billion (1H 2022: S$1.5 billion), primarily driven by the property development segment.

Despite the higher revenue, the Group achieved lower net profit after tax and non-controlling interest (PATMI) of S$66.5 million (restated 1H 2022: S$1.1 billion[1]), largely due to the absence of substantial divestment gains recorded in 1H 2022. These included the gains from the record sale of Millennium Hilton Seoul and its adjoining land site and the gain on the deconsolidation of CDL Hospitality Trusts (CDLHT) from the Group following the distribution *in specie* of CDLHT units in 1H 2022. Furthermore, the higher financing costs and the impairment losses for its UK investment properties further impacted 1H 2023 PATMI.

Financial Highlights

The property development segment continued to be the biggest contributor as its revenue jumped 183.2%. The significant increase was underpinned by the contribution from its fully sold Piermont Grand Executive Condominium (EC) which obtained its Temporary Occupation Permit (TOP) in 1H 2023, enabling its revenue and profit to be recognised in entirety upon completion under prevailing accounting policies for ECs.

The hotel operations segment also saw a 12.4% increase in revenue for 1H 2023 with revenue per available room (RevPAR) growth across all regions, supported by the continued strong momentum in international travel. Singapore reported a RevPAR growth of 51% and correspondingly, the Asia region contributed the most with an 88.3% increase in RevPAR. Notably, the performance of Asia, Europe and US regions had exceeded the RevPAR of pre-COVID 2019 levels.

The Group registered a pre-tax profit of S$179.5 million for 1H 2023 vis-à-vis S$1.6 billion for 1H 2022, whereby 1H 2022 was boosted by substantial divestment gains as mentioned above. Excluding divestment gains and impairment losses, the Group would have registered a 48.1% increase in pre-tax profit for 1H 2023 on a like-for-like basis.

The property development segment was the lead contributor following the recognition of the profits for the fully sold Piermont Grand EC as well as other strong-performing Singapore projects such as Amber Park, Boulevard 88 and Irwell Hill Residences.

[1] Restated as the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Excluding divestment gains and impairment losses, EBITDA for 1H 2023 increased by 47.7% versus 1H 2022. Despite a pre-tax loss of S$6.8 million, the hotel operations segment still generated S$100.0 million in EBITDA for 1H 2023 resulting from a 42.7% improvement in RevPAR across all regions.

As of 30 June 2023, the Group maintained its robust capital position with cash reserves of S$2.1 billion, and cash and available undrawn committed bank facilities totalling S$3.4 billion.

After factoring in fair value on investment properties, the Group's net gearing ratio stands at 57% (FY 2022: 51%), following the acquisition of St Katharine Docks located in Central London for £395 million (approximately S$636 million) in March 2023. Average borrowing costs stand at 4.1% for 1H 2023 compared with 2.4% for FY 2022, reflecting the interest rate hikes in the key markets where the Group operates.

The Board is pleased to declare payment of a tax-exempt (one-tier) special interim dividend of 4.0 cents per ordinary share.

Operations Review and Prospects

Resilient Residential Sales in Singapore and Overseas Markets

- In **Singapore**, the Group and its joint venture (JV) associates sold 508 units with a total sales value of S$1.1 billion (1H 2022: 712 units with a total sales value of S$1.6 billion). Sales picked up in Q2 2023, largely attributed to the successful launch of the 638-unit Tembusu Grand in April with 367 units (58%) sold to date and healthy sales momentum for its launched projects. Three projects – Haus on Handy (188 units), Amber Park (592 units) and Nouvel 18[2] (156 units) are fully sold, while the rest of its launched projects are substantially sold.

- In **Australia**, the Group's launched projects continued to see a steady uptake.

- In **China**, the Group has sold most of its residential inventory and continues to steadily clear the remaining units in Shanghai, Suzhou, Chongqing and Shenzhen.

- In the **UK**, 44% of the 239-unit Teddington Riverside project is occupied and rental enquiries remain healthy. In July, the former Stag Brewery site in Mortlake, Southwest London, received planning consent from the Planning Committee of the London Borough of Richmond-Upon-Thames (LBRuT) for its mixed-use redevelopment scheme. Due to the scale of the redevelopment, the LBRuT-endorsed scheme will move to a Stage Two review by the Greater London Authority for approval.

Project Launch in 2H 2023 and Pipeline

- In July 2023, the Group launched The Myst, a 408-unit development at Upper Bukit Timah, near Cashew MRT station and Bukit Panjang Integrated Transport Hub. To date, 132 units (32%) have been sold at an ASP of S$2,057 psf.

- The Group is reviewing the launch of Newport Residences (former Fuji Xerox Towers), the 246-unit ultra-luxury freehold project that is part of the 45-storey mixed-use development Newport Plaza, which also comprises a Grade A office, a new concept serviced apartment and a retail component with restaurants and amenities.

- Plans for Central Mall and Central Square's redevelopment are progressing smoothly. The Written Permission (WP) application has been submitted and is being evaluated by the Urban Redevelopment Authority (URA). The Group hopes to obtain the WP approval before year-end. Demolition of the existing buildings is expected to commence in Q4 2023.

- The Group is preparing to launch a 512-unit EC project at Bukit Batok West Avenue 5 in Q1 2024. The EC is close to the upcoming Tengah New Town and Jurong Lake District. It is also near three MRT stations, along the Jurong Region Line and North-South Line, and near the new Anglo-Chinese School (Primary), which is relocating to Tengah in 2030.

[2] Divested project under PPS3, marketed by CDL.

Continued Recovery Momentum in Hospitality Sector

- The Group's hotels achieved a global RevPAR growth of 42.7% to S$151.5 for 1H 2023 (1H 2022: S$106.2), boosted by the strong recovery from Asia and Australasia, while Europe and the US markets also continued their growth trajectory. Compared with 1H 2019 (pre-COVID), RevPAR in 1H 2023 increased 17.2%, mainly driven by higher room rates.

- The 294-room 5-star M Social Suzhou, the Group's first M Social property in China, opened in April 2023. In June 2023, the Group completed its S$30 million revamp of Grand Copthorne Waterfront Hotel in Singapore, which included a redesign of all 574 guestrooms and suites with eco-friendly features, an expanded 6,200 sqm conference facility with 33 function rooms equipped with cutting-edge technology as well as upgraded public spaces.

<u>Strengthening Recurring Income Streams</u>

Living Sector Portfolio

<u>Private Rented Sector (PRS)</u>

- **UK:** The Junction in Leeds has completed three out of five blocks (307 out of 665 units) and achieved committed occupancy of 68.1% to date.

- **Japan:** In April, the Group acquired two PRS assets in Osaka, totalling 201 units for ¥3.15 billion (S$31.4 million). It now owns 10 PRS assets in Japan, comprising 714 units with a strong average occupancy above 95% and stable rental income.

- **Australia:** The Group's PRS development sites in Brisbane's Toowong (around 250 PRS units) and Melbourne's Southbank (around 240 units) are on track to commence in 2H 2023.

<u>Purpose-Built Student Accommodation (PBSA)</u>

- **UK:** Since the Group's maiden UK PBSA acquisition in June 2022, its portfolio now comprises six properties with almost 2,400 beds across five cities – Birmingham, Canterbury, Coventry, Leeds and Southampton. The current committed occupancy rate of the portfolio is 98% for Academic Year 2022/2023.

Resilient Office and Retail Portfolio

- As at 30 June 2023, the Group's **Singapore** office portfolio[3] remains resilient with a committed occupancy of 95.3%, above the island-wide occupancy of 89.2%[4]. Republic Plaza is 94.3% occupied, with a positive rental reversion of 7.9% recorded in 1H 2023. City House and King's Centre continued to achieve strong committed occupancies of 98.7% and 100% respectively.

- The Group's **Singapore** retail portfolio[3] achieved a committed occupancy of 97.8%, higher than the island-wide occupancy of 92.5%[4]. City Square Mall continues to perform well with 96.4% committed occupancy and rental reversions of 8.0% for the period under review, while Palais Renaissance achieved 100% occupancy for its retail leases.

Strategic Acquisitions

- In March 2023, the Group bought the landmark St Katharine Docks located in Central London, UK, for £395 million (approximately S$636 million) or £751 psf (S$1,209 psf) on the existing net lettable area. The 23-acre freehold estate fronting the River Thames has Grade A offices, F&B, retail and residential arranged across four main buildings and supporting ancillary spaces, including a marina with berths for 185 yachts.

  The Group, through its subsidiaries, also entered into a Purchase Sale Agreement and Business Asset Sale Agreement to acquire the 416-room 5-star Sofitel Brisbane Central for A$177.7 million (approximately S$159.2 million) or A$427,000 (about S$383,000) per key. The 30-storey hotel overlooks

[3] Includes South Beach Tower (in accordance with CDL's proportionate ownership). Excludes assets planned for redevelopment or sale.
[4] Based on Urban Redevelopment Authority's real estate statistics for Q2 2023.

ANZAC Square and has exceptional views of the city's skyline and the Sunshine Coast. Completion is scheduled for Q4 2023.

- In July 2023, the Group acquired the 408-room Nine Tree Premier Hotel Myeongdong II, Seoul, for KRW 140 billion (approximately S$143.9 million) or KRW 343 million (approximately S$353,000) per key. The freehold 17-storey upscale hotel is within walking distance to the Myeongdong Walking Street, Lotte and Shinsegae department stores, as well as restaurants, street food, business and entertainment venues.

Mr Kwek Leng Beng, Executive Chairman of CDL, said, "Despite the persistent macroeconomic headwinds and inherent market unpredictability, the Group will stay agile, resilient and adaptable in navigating these headwinds. Building on the continued recovery of the hospitality sector, our recent acquisitions of the Sofitel Central Brisbane and Nine Tree Premier Hotel Myeongdong II in Seoul at attractive valuations strengthen the Group's presence in key gateway cities.

Over the past six decades, the Group has demonstrated adeptness in capitalising on growth opportunities. During times of uncertainty, strategic acquisitive opportunities often emerge and we must be nimble to secure opportunities to solidify our market position, augment and diversify our portfolio and leverage our core expertise for sustainable long-term growth."

Mr Sherman Kwek, Group Chief Executive Officer of CDL, said, "The Group is focused on capital recycling and asset portfolio optimisation as we pursue our Growth, Enhancement and Transformation (GET) strategy. The record profit performance last year, driven by significant divestments, provided us with the significant cash to make strategic acquisitions that would add value to our portfolio. Since the start of the year, we have acquired iconic trophy assets such as St Katharine Docks in Central London, two strong-performing hotel assets in Brisbane and Seoul as well as expanded our PRS portfolio with two assets in Osaka. These acquisitions are aligned with the Group's goals to advance our global presence in tandem with our land replenishment strategy in Singapore. In addition, we remain focused on extracting value from our current assets while pursuing our fund management ambitions."

Please visit www.cdl.com.sg for CDL's 1H 2023 financial statement.

Issued by City Developments Limited (Co. Regn. No. 196300316Z)
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CITY DEVELOPMENTS LIMITED

60 YEARS OF GLOBAL TRUST

1H 2023
Results Presentation

10 August 2023

Artist's Impression

Tembusu Grand I Singapore

Agenda

- **Overview & Strategic Initiatives**
- **Financial Highlights**
- **Operations Review**
  - Singapore Operations
  - International Operations
  - Hospitality

Artist's Impression
Tembusu Grand I Singapore

Overview >>>

Key Financial Highlights

Revenue	EBITDA	PBT	PATMI
1H 2023			
$2.7B	**$459.7MM**	**$179.5MM**	**$66.5MM**
	Excluding divestment gains and impairment losses		
	$477.6MM	**$217.3MM**	**$104.3MM**
1H 2022			
$1.5B	**$1.8B**	**$1.6B** (Restated)[1]	**$1.1B** (Restated)[1]
	Excluding divestment gains and impairment losses		
	$323.4MM	**$146.7MM** (Restated)[1]	**$103.5MM** (Restated)[1]

Increase in revenue primarily driven by property development segment was boosted by the full revenue recognition from Piermont Grand EC, which obtained TOP in Jan 2023.

1H 2022 performance boosted by substantial gains recognised in 1H 2022 from divestment of Millennium Hilton Seoul and the gain on deconsolidation of CDLHT, coupled with impairment losses for UK investment properties and higher net financing costs in 1H 2023.

Excluding divestment gains and impairment losses, both EBITDA and PBT increased 48%.

No fair values adopted on investment properties.
Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

[1] As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for the retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Key Financial Highlights

NAV per share

1H 2023

$10.00

▼ 1.6% YoY

FY 2022

$10.16

RNAV per share

$16.79

▼ 1.1% YoY

If FV gains on investment properties had been factored in and the Group's hotels continue to be stated at cost

$18.97
If revaluation surpluses of the hotel portfolio had been included (based on 2021/2022 internal & external valuations)

FY 2022

$16.98

Special Interim Dividend

1H 2023

4.0
cents per share

1H 2022

12.0 cents per share

Share Price Performance

$7.12[1]

▼ 13.5%

No fair values (FV) adopted on investment properties.
Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

[1] As of 8 Aug 2023.

Key Operational Highlights – 1H 2023

Property Development	▪ **SINGAPORE:** Sold 508 units with total sales value of $1.1B[1] powered by steady sale of launched projects – Q2 launch: 638-unit Tembusu Grand in Katong sold 53% of units during launch weekend – Three projects fully sold in 1H 2023: Haus on Handy, Amber Park and Nouvel 18[2] ▪ **CHINA:** Existing residential inventory mostly sold
Investment Properties	▪ **SINGAPORE:** Resilient committed occupancy: – **Office**: 95.3% (NLA: 1.5MM sq ft) – **Retail**: 97.8% (NLA: 0.7MM sq ft) ▪ **OVERSEAS:** Stable occupancy for office assets in China and London ▪ Strategic acquisitions: – Living sector expansion: 2 PRS assets in Osaka, Japan – UK commercial: St Katharine Docks in London, UK
Hotel Operations	▪ Strong recovery performance: – **Global Occupancy:** 69.9% (▲ 11.9% pts yoy) – **Global ARR:** $216.8 (▲ 18.3% yoy) – **Global RevPAR:** $151.5 (▲ 42.7% yoy) ▪ Strategic acquisitions of hotel assets: – 5-star Sofitel Brisbane Central hotel in **Australia** (416 rooms) – Nine Tree Premier Hotel Myeongdong II in **South Korea** (408 rooms) in July
Fund Management	▪ Continue to execute growth strategy by nurturing existing listed platforms like CDLHT and IREIT Global ▪ Seek opportunities to drive AUM growth in listed and unlisted platforms

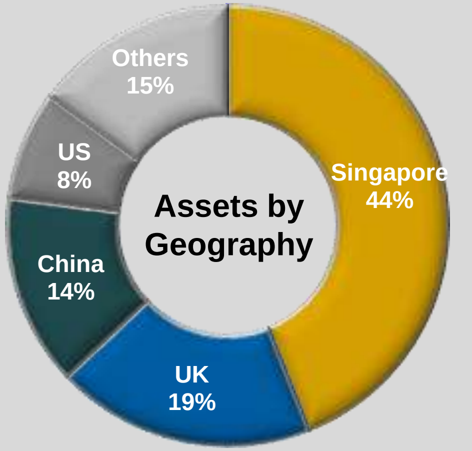
[1] Includes Executive Condominiums (ECs) and share of JV partners, excludes Nouvel 18.
[2] Divested project under PPS 3, marketed by CDL.

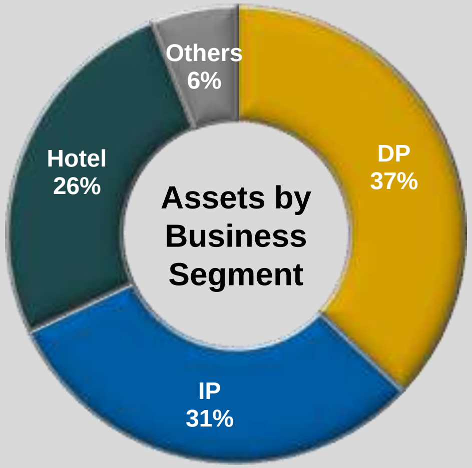
Global Portfolio Overview

The Group's diversified portfolio enables it to weather cyclical typhoons from time to time

Total Assets:

$23B

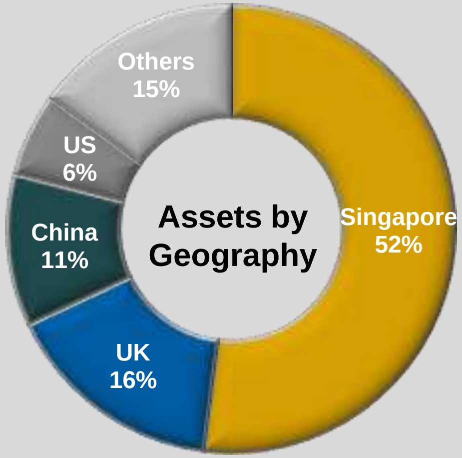


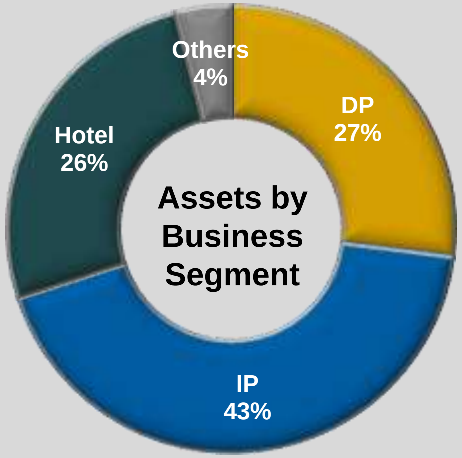


Total Assets:

$31B

(Fair value of IP + Hotels)





Strategic Initiatives >>>

GET

Growth

Build Development Pipeline
& Recurring Income Streams

Irwell Hill Residences | Singapore
Artist's Impression

Enhancement

Enhance Asset Portfolio
& Drive Operational Efficiency

Newport Plaza | Singapore
Artist's Impression

Transformation

Transform Business via New Platforms
Strategic Investments, Fund Management,
Innovation & Venture Capital

125 Old Broad Street I UK

Growth

- **Build development pipeline & recurring income streams**

Artist's Impression
Amber Park I Singapore

Strategic Acquisitions in 1H 2023

Capital Deployment into Iconic Assets and the Living Sector in UK and Asia Pacific

Europe

UK

St Katharine Docks
23-acre mixed-use estate
Central London

- Brings the total valuation of the Group's commercial portfolio in the UK to around £1B

Asia Pacific

Australia

Sofitel Brisbane Central
416 rooms
Brisbane

- Marks the Group's 3rd hotel in Australia

South Korea

Nine Tree Premier Hotel Myeongdong II
408 rooms
Seoul

- Reflects the Group's continued investment in South Korea following the divestment of Millennium Hilton Seoul

Japan

2 PRS Projects
201 units
Osaka

- Brings the Group's number of Private Rented Sector (PRS) assets in Japan to 10

[1] Includes JV partners' share.

Building Pipeline and Market Share

Focus on Strategic Site Replenishment and Operational Efficiency

Current Launch Pipeline[1]
>1,100 units

Bukit Batok West Ave 5 EC[2]
(Est. 512 units)[2]


Source: Google

Launched in Jul 2023 – 32% sold[1]
The Myst
(408 units)


Artist's Impression

Newport Residences
(246 units)


Artist's Impression

Redevelopment of Central Mall & Central Square[2]
(Residential est. 366 units)[2]

Launched in Apr 2023 – 58% sold[1]
Tembusu Grand
(638 units)


Artist's Impression

Upcoming Launches	
Bukit Batok West Ave 5 EC[2]	1H 2024
Redevelopment of Central Mall & Central Square[2]	2H 2024
Newport Residences	TBD

[1] As of 6 Aug 2023.
[2] Subject to authorities' approval.

TBD: To be determined

UK Living Sector Portfolio

Building Scale in Private Rented Sector (PRS) and Purpose-Built Student Accommodation (PBSA) Segments

- Portfolio comprises around 2,400 PBSA beds and a pipeline of over 1,300 PRS units[1]
- 9 projects[1] located in Birmingham, Canterbury, Coventry, Leeds, Manchester and Southampton

Total AUM[2]: £636.8MM ($1.1B)

More than 1,300 PRS units across 3 regional cities

The Octagon, Birmingham
370 PRS units
Expected completion: Q3 2025

The Junction, Leeds
665 PRS units
Practical Completion: Q4 2022 – Q4 2023

The Castings, Manchester
352 PRS units
Expected completion: 2024

6 PBSA projects acquired in 2022

Infinity, Coventry
505 PBSA beds

Trinity View, Coventry
614 PBSA beds

Cumberland Place, Southampton
206 PBSA beds

The Group's PBSA portfolio continues to perform with committed occupancy at **98%**

Altura, Birmingham
435 PBSA beds

Riverside, Canterbury
491 PBSA beds

Sycamore House, Leeds
117 PBSA beds

[1] Includes The Castings, a 352-unit PRS project in Manchester under CDLHT.
[2] AUM is based on estimated gross development value.

Currency exchange rate: £1 = S$1.7245

GROWTH

Asia Pacific PRS Portfolio

Building Scale in Japan and Australia

714 units in Osaka and Yokohama with total AUM[2] of ¥24.3B ($229.6MM)

7 freehold residential properties in Osaka (429 units)

New Acquisitions in 1H 2023[1] (201 units)

City Lux Namba South (153 residential units)

City Lux Namba (48 residential units)

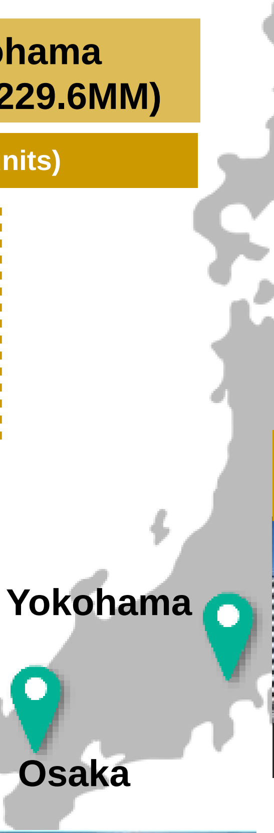
Horie Lux (29 residential + 5 retail units)

Pregio Joto Chuo (48 residential units)

Gioia Namba (63 residential + 1 retail units)

Pregio Miyakojima Hondori (56 residential units)

B-Proud Tenmabashi (26 residential units)



The Group's Japan PRS portfolio **continues to perform** and **enjoy stable rent** with strong average portfolio occupancy of

above 95%

3 freehold residential properties in Yokohama (285 units)

City Lux Tobe (117 residential + 1 retail units)

LOC's Yokohama Bayside (89 residential units)

City Lux Yokohama (78 residential units)

Approx. 490 pipeline units in Melbourne and Brisbane with total AUM[2] of A$412.2MM ($372.4MM)

Freehold site in Melbourne

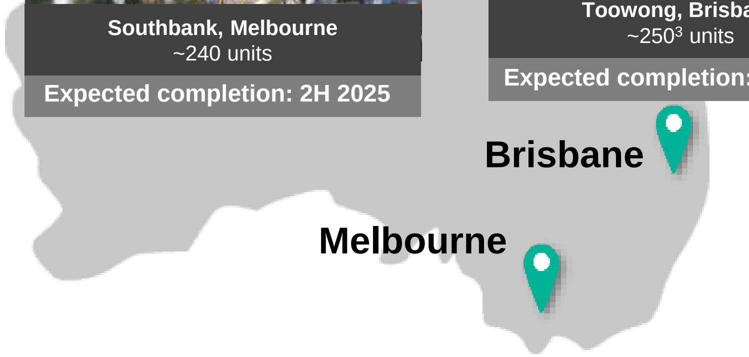
Southbank, Melbourne
~240 units

Expected completion: 2H 2025

Freehold site in Brisbane

Toowong, Brisbane
~250[3] units

Expected completion: 2H 2026



Currency exchange rate: ¥100 = S$0.945.

Currency exchange rate: A$1 = S$0.9034

[1] Completed on 14 Apr 2023 I [2] AUM is based on estimated gross development value I [3] Subject to authorities' approval

Enhancement

- Enhance asset portfolio
- Drive operational efficiency

Artist's Impression

Newport Plaza I Singapore

Enhancing Asset & Operational Efficiency

Improve Asset Positioning and Relevance, Enhance Asset Portfolio and Drive Operational Efficiency and Returns

Asset Rejuvenation and Redevelopment

Reposition assets and **replenish** land bank through schemes such as the CBD Incentive Scheme and Strategic Development Incentive Scheme

Asset Enhancement Initiatives

Rejuvenating existing assets to unlock value and strengthen recurring income streams

Operational Efficiency

Deriving **synergy** through consolidating functions & inculcating the future CDL culture for success through **innovation** & **teamwork, focus on execution & customer experience**

Ongoing Redevelopment Initiatives

Realise GFA uplift from Incentive Schemes through Redevelopment to Unlock Value

Redevelopment of Central Mall & Central Square

Proposed redevelopment under Strategic Development Incentive Scheme[1]:

Existing Central Mall Conservation

Existing Central Mall

Existing Central Square

Mixed-use integrated development comprising office, retail, hotel and residential apartments

- **Obtained Provisional Permission** in Feb 2023 for uplift in GFA by 67% to about 735,500 sq ft, comprising:
  - 300,000 sq ft Grade A office space
  - Est. 366 residential units
  - Hospitality component
  - Retail space
- **Written Permission application submitted** in Jun 2023
- Demolition to commence in Q4 2023
- **Target Sales Launch:** 2H 2024

Newport Plaza

Redevelopment under CBD Incentive Scheme:

Artist's impression

45-storey freehold mixed-use development comprising office, retail, residential and serviced apartments

Residential	35% (246 units)
Serviced Apartments	25% (197 rooms)
Commercial	40%

GFA uplift:

25%

to 655,000 sq ft

[1] Subject to authorities' approval. | [2] Planned number of units / rooms (subject to authorities' approval).

Jungceylon Shopping Center

Full Completion of AEI Expected in 2H 2023

Phase 1 Completed – Revamped Interiors

Committed Occupancy[1]:

80%

Phase 2 in Progress

- Jungceylon Shopping Center in Patong, Phuket, has been undergoing AEI works in phases:
  - Phase 1 (completed): Reopened in Dec 2022
  - Phase 2 (ongoing): On track for completion by end-2023
- The remaining AEI works are in tandem with anticipated increase in footfall as tourist arrivals and the nation's economic recovery gained momentum in recent months.

[1] As at 30 June 2023.

ENHANCEMENT

M&C – Ongoing Hotel Asset Enhancements

M Social Sunnyvale, California

M Social Hotel Knightsbridge

MSOCIAL

M Social Brand Conversions

- **SUZHOU** (First M Social in China)
- **PHUKET** (First M Social in Thailand)
- **LONDON** (First M Social in the UK)
- **NEW YORK**
- **SUNNYVALE, CALIFORNIA**

Sunnyvale California

M Social Hotel Times Square New York

M Social Hotel Downtown

M Social Hotel Knightsbridge, London

M Social Hotel Paris

M Social Hotel Phuket

M Social Suzhou

M Social Singapore

M Social Auckland

M Social Hotel Downtown

M Social Suzhou

Opened in Apr 2023

M Social Hotel Phuket

- Denotes existing M Social hotel presence.

ENHANCEMENT

Driving Positive Impact

Net Zero Carbon Commitment

First real estate conglomerate in Southeast Asia to sign the WorldGBC Net Zero Carbon Buildings Commitment:

- **2030:** New developments & assets under direct management & control in Singapore
- **2050:** All buildings to be net zero carbon by 2050

#5

out of

474 companies

Singapore Governance and Transparency Index (SGTI) 2023

Impact Enterprise Excellence Award (Large Enterprise)

Recognised for efforts in spearheading net-zero development in Singapore:

- Designed and built the Singapore Sustainability Academy (SSA) – Singapore's first ground-up initiative and net-zero-facility dedicated to driving climate action
- SSA is fully powered by solar energy with over 80% of its structural materials from sustainable sources

Achieved Energy Savings Of

> $38MM

from energy-efficient retrofitting and initiatives across all our managed buildings from 2012 to 2022

RECOGNISED ON 14 LEADING GLOBAL SUSTAINABILITY RATINGS, RANKINGS & INDEXES

Since 2018

Since 2020

Since 2010

Since 2010

Since 2011 (Asia-Pacific index)

FTSE4Good

Since 2002

Since 2020

Since 2017

Since 2018

Since 2021

Since 2018

Since 2014

Rated Prime Since 2018

Since 2016


Transformation
➢ Transform business via new platforms: Strategic Investments, Fund Management, Innovation & Venture Capital
St Katharine Docks I London

TRANSFORMATION

Transforming Business Through Diversified Platforms

Platform Initiatives

Fund Management

AUM Target: US$5B by 2023

Current AUM: US$3.1B

Commercial Offices
UK

CDL HOSPITALITY TRUSTS

PRS
UK
Japan
Australia

IREIT GLOBAL

PBSA
UK

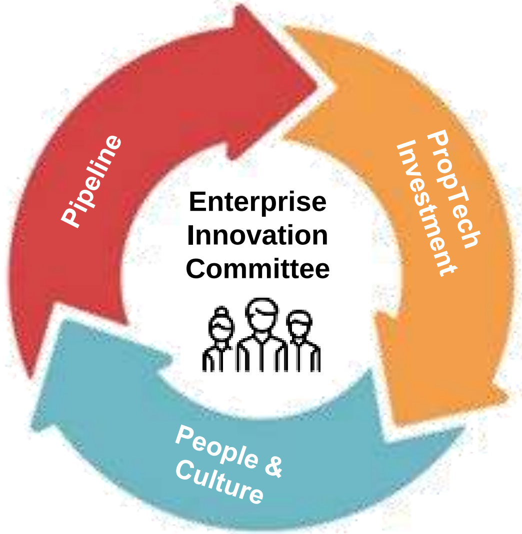
H.THREE | CITY

Strategic Portfolio Review

MILLENNIUM HOTELS AND RESORTS

Privatisation to achieve synergies, cost efficiencies and drive profitability

Innovation & Venture Capital



CDL Homes Sales

digiHUB

CityNexus

TARONGA VENTURES

H3Zoom.AI

WiredScore

OPENSPACE

IREIT Global

Continuing the AUM Growth Strategy

- Adding a portfolio of 17 retail assets located across France for c. €77MM ($112MM)
  - ➢ 7.9%: Initial NPI yield
  - ➢ 99.30%: Resounding support for the acquisition by unitholders
- Supported by CDL and Tikehau Capital, IREIT's EFR exercise completed in July 2023 was 134.7% subscribed

€922.7MM	37	384,282 sqm	100	88.7%
Portfolio Valuation	Properties	Lettable area	Leases	Occupancy Rate

Post B&M Portfolio Acquisition and Reletting

€999.5MM	54	446,038 sqm	118	90.4%
Portfolio Valuation	Properties	Lettable area	Leases	Occupancy Rate

Germany


Berlin Campus


Bonn Campus


Darmstadt Campus (Greater Frankfurt)


Münster Campus

Spain


Delta Nova IV (Madrid)


Delta Nova VI (Madrid)


Il·lumina (Barcelona)


Sant Cugat Green (Barcelona)

France


Cergy

Châteauroux

Evreux

Mâcon

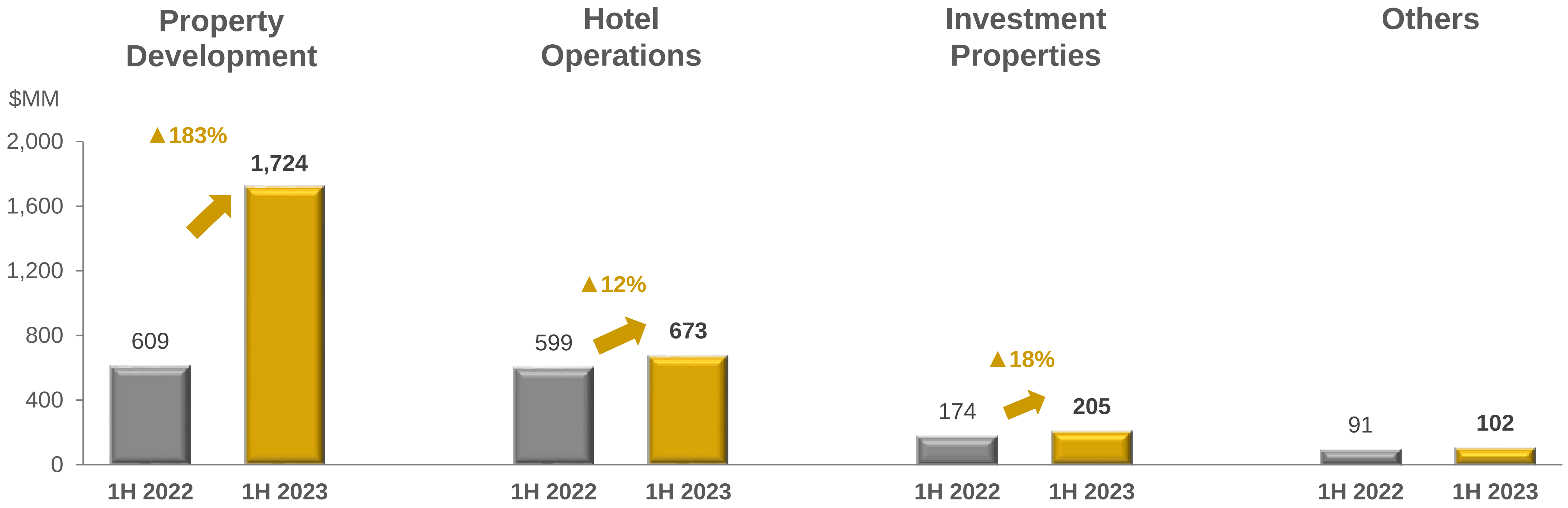
When CDL invested in IREIT in 2019		Current
Portfolio Valuation €504.9 MM	▶	Portfolio Valuation €999.5 MM*
1 Country (Germany)	▶	3 Countries (Germany, Spain & France)
5 properties	▶	54 properties*
IREIT Global 12% of REIT units	▶	IREIT Global c.21% of REIT units

*includes 17 B&M retail assets

Financial Highlights >>>

Revenue by Segment

Revenue	1H 2023	1H 2022	Y-o-Y
	$2,704MM	$1,473MM	▲ **84%**

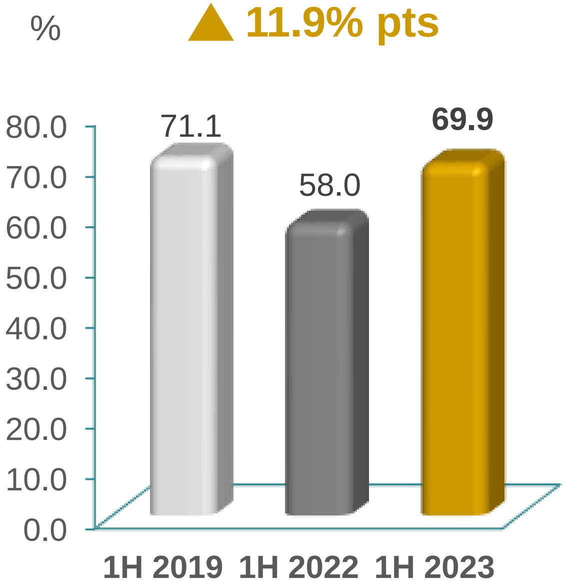


Property development contributes 64% of 1H 2023 revenue, largely from Piermont Grand EC, which obtained TOP in Jan 2023 and higher contribution from Amber Park and Irwell Hill Residences

Strong Rebound in Hotel Operations

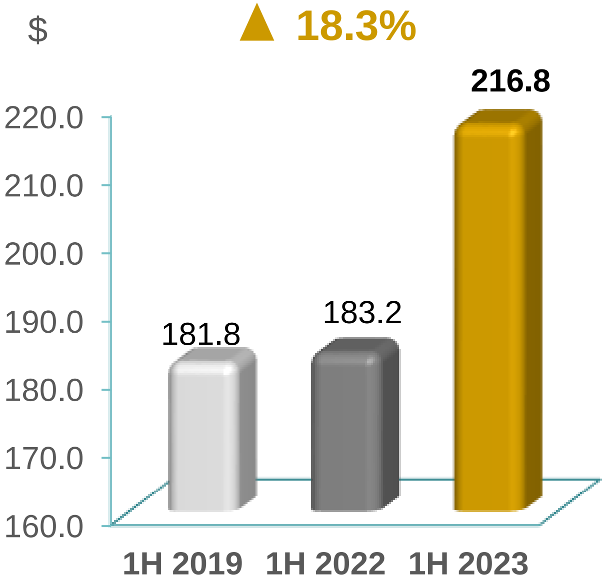
Room Occupancy

▲ 11.9% pts



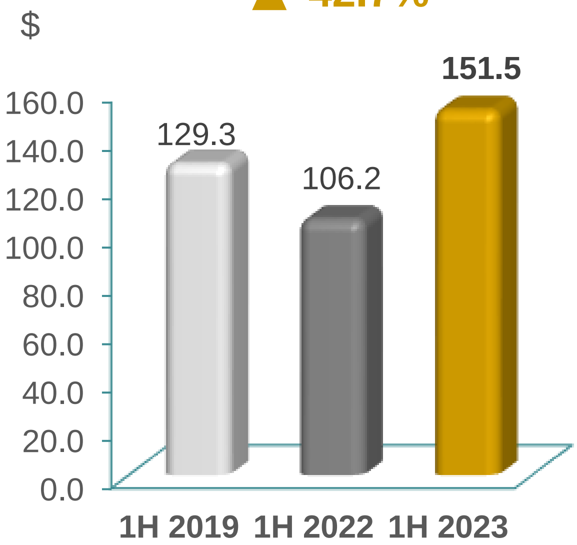
Average Room Rate

▲ 18.3%



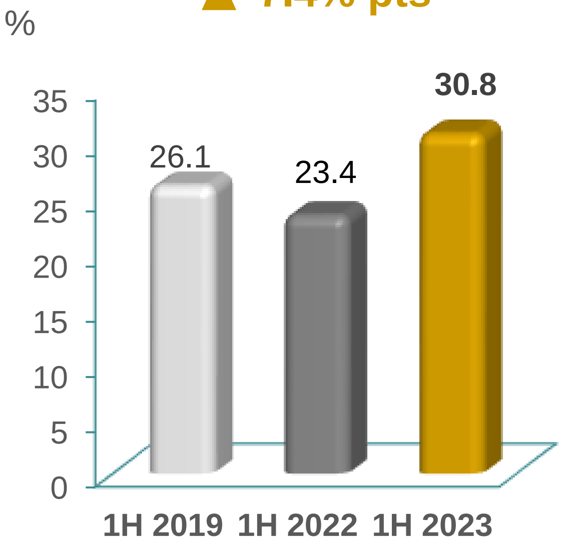
Revenue Per Available Room (RevPAR)

▲ 42.7%



GOP Margin

▲ 7.4% pts



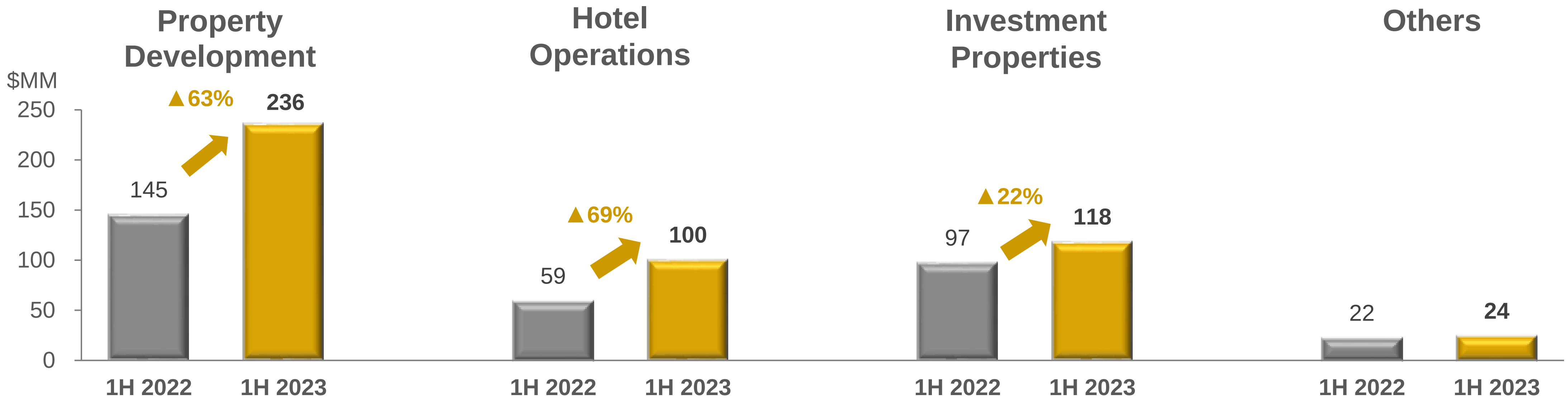
1. Room occupancy continued its upward trend edging close to pre-COVID 2019 levels, with Rest of Asia seeing the biggest rebound
2. Average room rate for the Group improved 18.3%, surpassing pre-COVID 2019 levels for all regions
3. Strong RevPAR growth of 42.7% with biggest growth seen in the Asia and Australasia markets
4. GOP margin increased by 7.4% points primarily led by the Rest of Asia markets

EBITDA by Segment

EBITDA	1H 2023	1H 2022	Y-o-Y
	$460MM	$1,755MM	▼ **74%**

EBITDA (exclude divestment gains and impairment losses)	1H 2023	1H 2022	Y-o-Y
	$478MM	$323MM	▲ **48%**

EBITDA (excluding divestment gains and impairment losses)



1H 2023 – divestment gains include gains on the disposal of land at Tanglin Shopping Centre ($16MM) and fair value loss on property-linked notes for an Australian project ($20MM) and impairment losses on UK investment properties ($34MM)

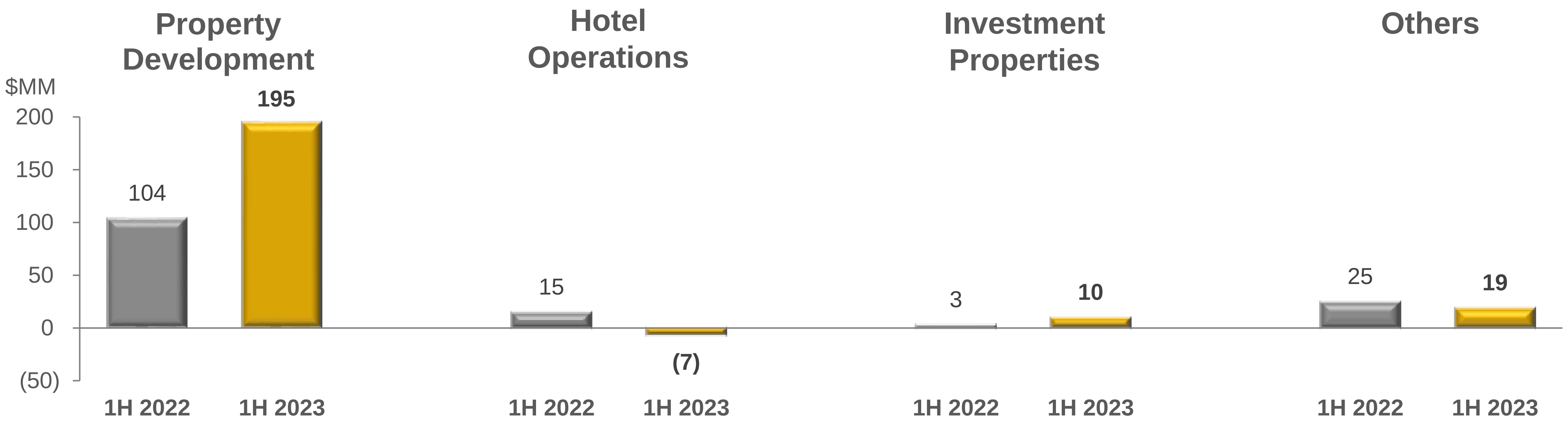
1H 2022 – divestment gains include gains on disposal of Millennium Hilton Seoul, Tagore 23 Warehouse and deconsolidation of CDLHT ($1.4B)

PBT by Segment

PBT	1H 2023	1H 2022 (Restated)[1]	Y-o-Y
	$180MM	$1,578MM	▼ **89%**

PBT (exclude divestment gains and impairment losses)	1H 2023	1H 2022 (Restated)[1]	Y-o-Y
	$217MM	$147MM	▲ **48%**

PBT (excluding divestment gains and impairment losses)



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1H 2022 – divestment gains include gains on disposal of Millennium Hilton Seoul, Tagore 23 Warehouse and deconsolidation of CDLHT ($1.4B)

[1] As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for the retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Financial Highlights

Property Development

	1H 2023	1H 2022
Revenue	$1,724MM	$609MM
PBT	$195MM	$104MM
EBITDA	$235MM	$145MM

- **Increase in revenue and PBT mainly due to timing of profit recognition**
  - ✓ 1H 2023 contributions largely from Piermont Grand EC, both revenue and profit are recognised in entirety upon TOP obtained in Jan 2023. The Group also benefited from the higher contributions from Amber Park and Irwell Hill Residences
  - ✓ 1H 2022 contributions largely from Amber Park, Irwell Hill Residences, Hong Leong Tech Park Shenzhen and New Zealand property sales
- Included in 1H 2023 was write-back of allowance for foreseeable losses of $17MM

Hotel Operations

	1H 2023	1H 2022
Revenue	$673MM	$599MM
PBT	($7MM)	$1,325MM
Excluding divestment gains		
• **PBT**	($7MM)	$15MM
• **EBITDA**	$100MM	$59MM

- **Revenue increased** mainly due to
  - ✓ **Global RevPAR increased 43%** as compared to corresponding period last year driven by 18% increase in average room rate and 12% points increase in occupancy
- PBT decreased significantly mainly due to absence of substantial divestment gains recognised in 1H 2022
  - ✓ **Divestment gains for 1H 2022 include**
    - $912MM upon sale of Millennium Hilton Seoul
    - $399MM on deconsolidation of CDLHT
- Excluding divestment gains, EBITDA improved 69%

Investment Properties

	1H 2023	1H 2022 (Restated) [1]
Revenue	$205MM	$174MM
PBT	($28MM)	$124MM
Excluding divestment gains and impairment losses		
• **PBT**	$10MM	$3MM
• **EBITDA**	$118MM	$97MM

- **Revenue increased** largely due to contributions from the recently acquired Investment Properties – St Katharine Docks and six student accommodation properties in Coventry, Southampton, Birmingham, Canterbury and Leeds
- Pre-tax losses mainly due to lower divestment gains recognised and higher financing costs
  - ✓ **Divestment gain for 1H 2023** include
    - $16MM on sale of a piece of land at Tanglin Shopping Centre

    Divestment gain for 1H 2022 include
    - $94MM on deconsolidation of CDLHT
    - $27MM on sale of Tagore 23 Warehouse
  - ✓ **Impairment losses** on UK investment properties of $34MM
  - ✓ **FV loss** on property-linked notes for an Australian project
- Excluding divestment gains and impairment losses, EBITDA improved 22% which was in-line with the increase in revenue

[1] As the proposed REIT listing of the two UK commercial properties did not materialise, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the Group has reclassified the assets held for sale and the liabilities directly associated with the assets, back to the Group's respective assets and liabilities. Accordingly, the comparative figures for 1H 2022 were restated to account for the retrospective effect on the related depreciation arising from the above reclassification following the Group's decision not to proceed with the planned IPO in 2H 2022.

Strong Balance Sheet & Liquidity Position

Gearing	Sufficient Liquidity	Financing Flexibility	Balanced Debt Profile
Net Gearing	Total Cash	Interest Cover Ratio	% of Fixed Rate Debt
94%	$2.1B	2.8 x	46%
FY 2022: 84%	FY 2022: $2.4B	FY 2022: 9.8x	FY 2022: 42%
Net Gearing (include fair value on investment properties)	Cash and Available Committed Credit Facilities	Average Borrowing Cost	Average Debt Maturity
57%	$3.4B	4.1%	2.3 years
FY 2022: 51%	FY 2022: $4.1B	FY 2022: 2.4%	FY 2022: 2.3 years

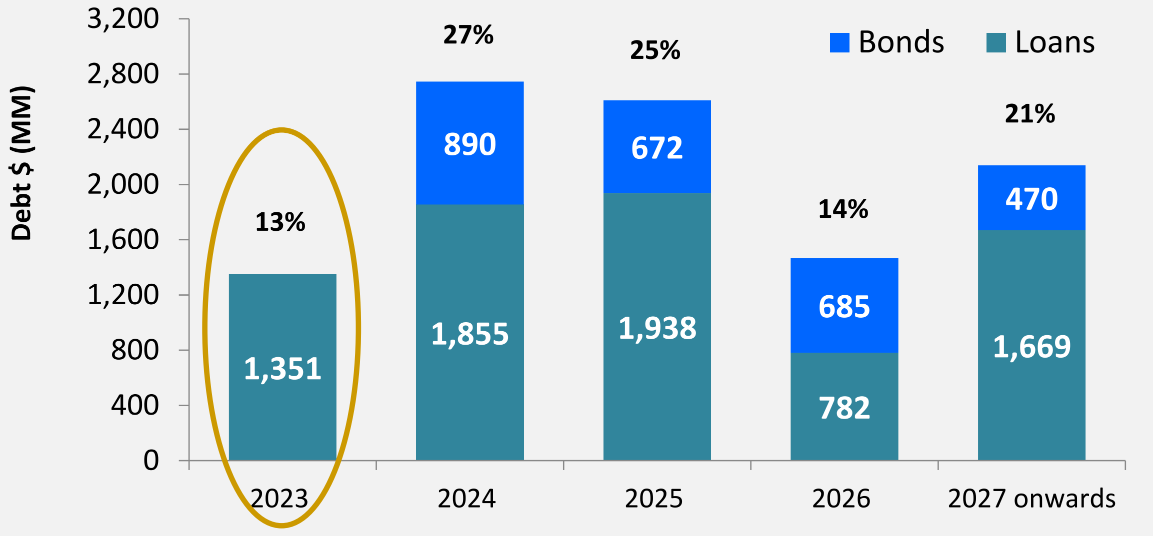
Prudent Capital Management – June 2023

Balanced debt expiry profile

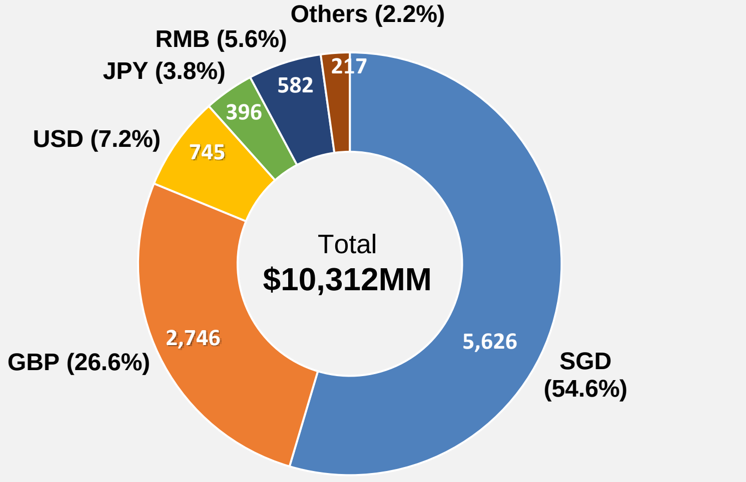
Balanced debt currency mix – adopting a natural hedging strategy

High Level of Natural Hedge

Well-Spread Debt Maturity Profile



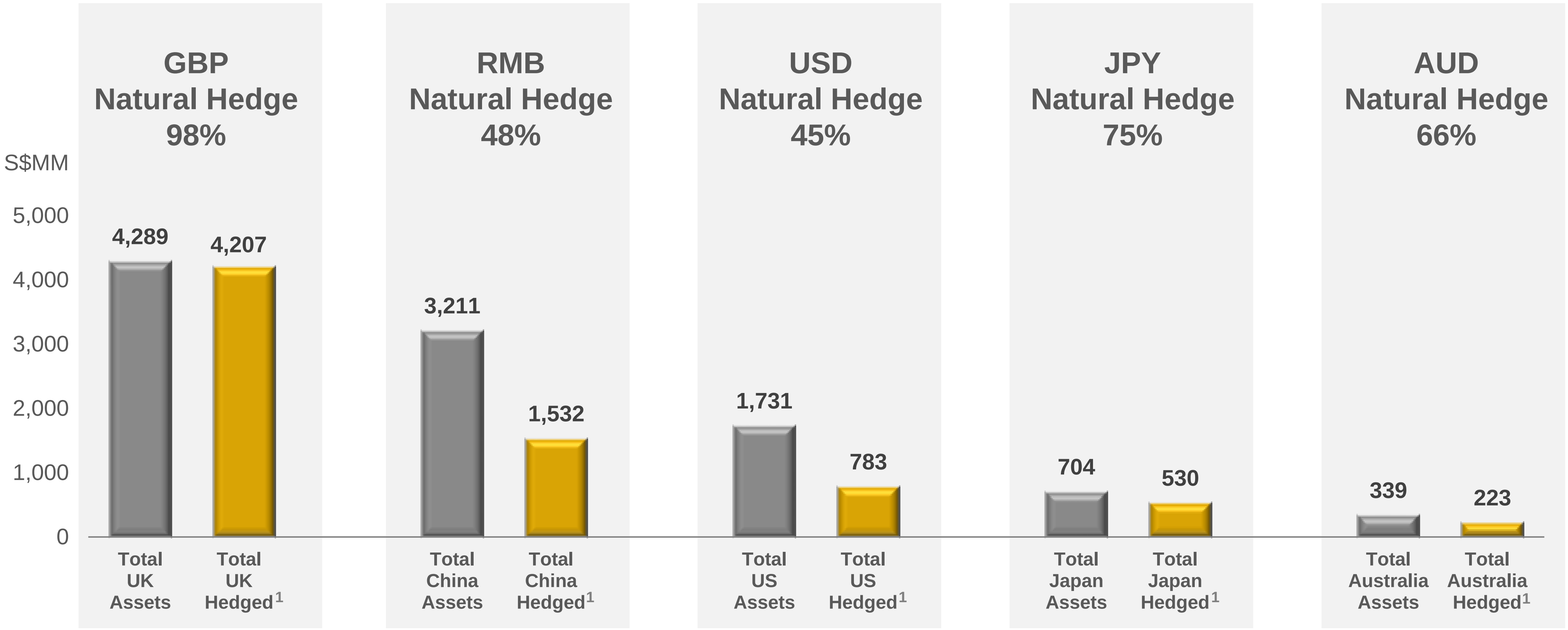
Debt Currency Mix



30 June 2023

CDL Group – Natural Hedge 2023

Substantially 71% natural hedge for the key geographical markets the Group operates in



[1] Hedged includes financing with loans and cash in the same currency, and currency and FX swaps

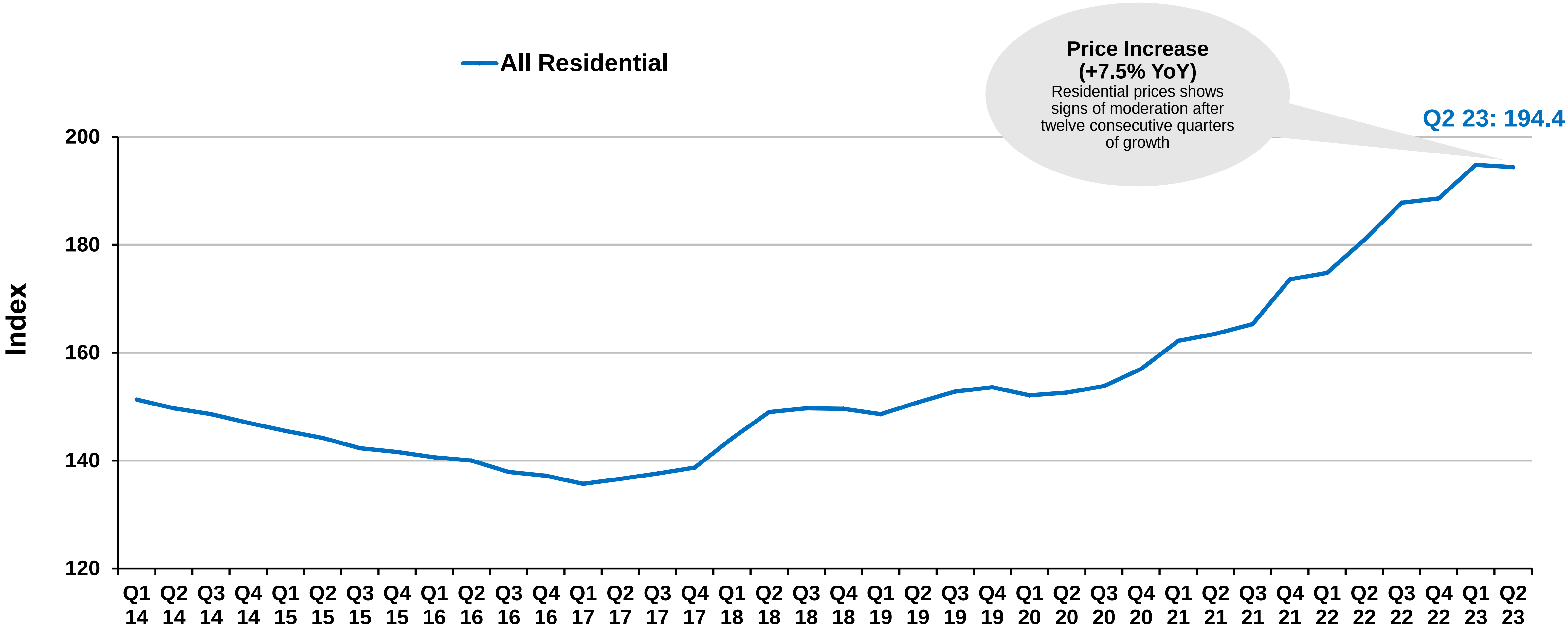
Operations Review >>>

Singapore Operations >>>

Property Development

Singapore Property Market

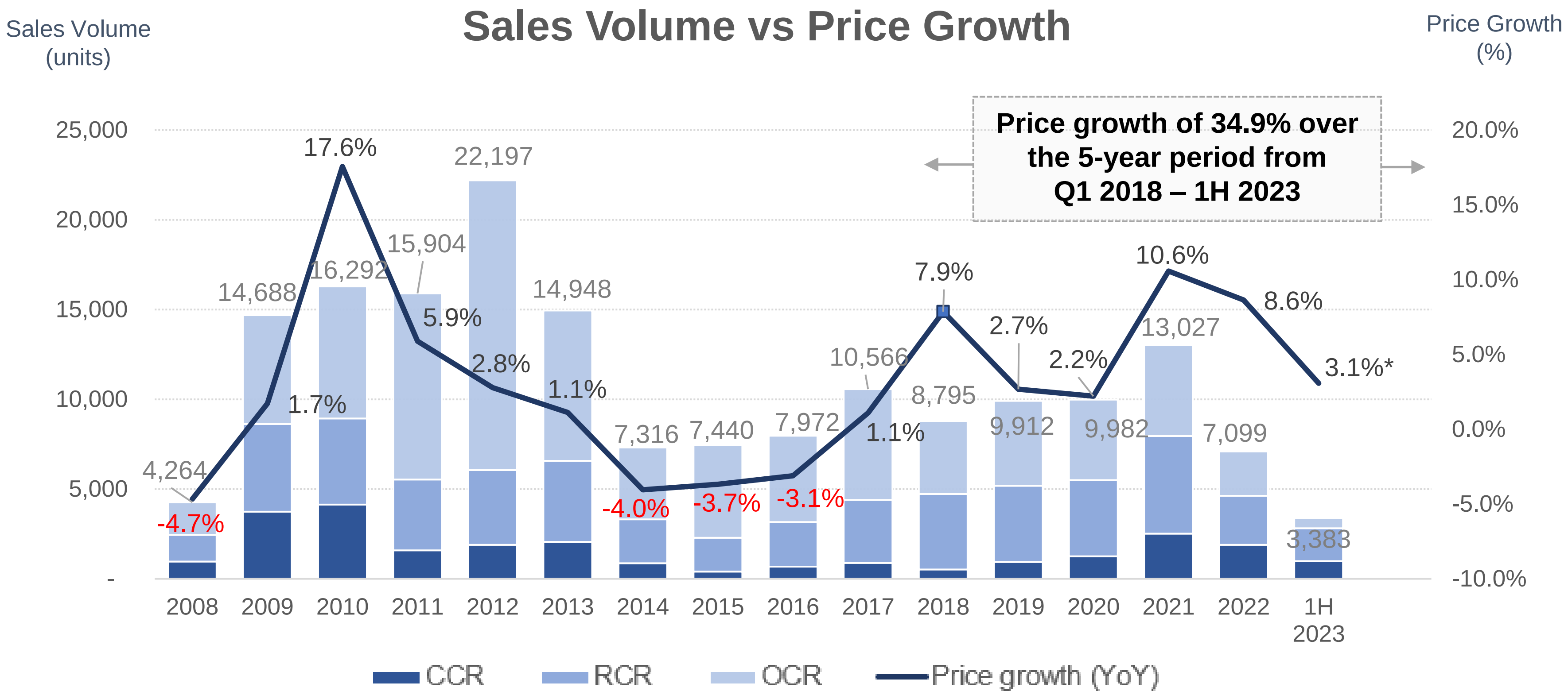
Property Price Index – Residential (2014 – Q2 2023)



Source: URA Statistics

Singapore Property Market

- Residential prices show signs of moderation with the Private Residential Property Price Index (PPI) falling 0.2% in Q2 2023 from the previous quarter, the first dip in 3 years. For 1H 2023, the PPI registered a 3.1% increase.
- In 1H 2023, developers sold 3,383 units, a 19.9% decrease y-o-y due to higher interest rates, cooling measures and mounting macroeconomic uncertainties.
- For the rest of 2023, private residential home prices and transaction volumes are expected to remain stable; well supported by the gradual stabilisation of interest rates, developers' low unsold inventory and positive views of Singapore's long-term outlook as Asia's financial hub.

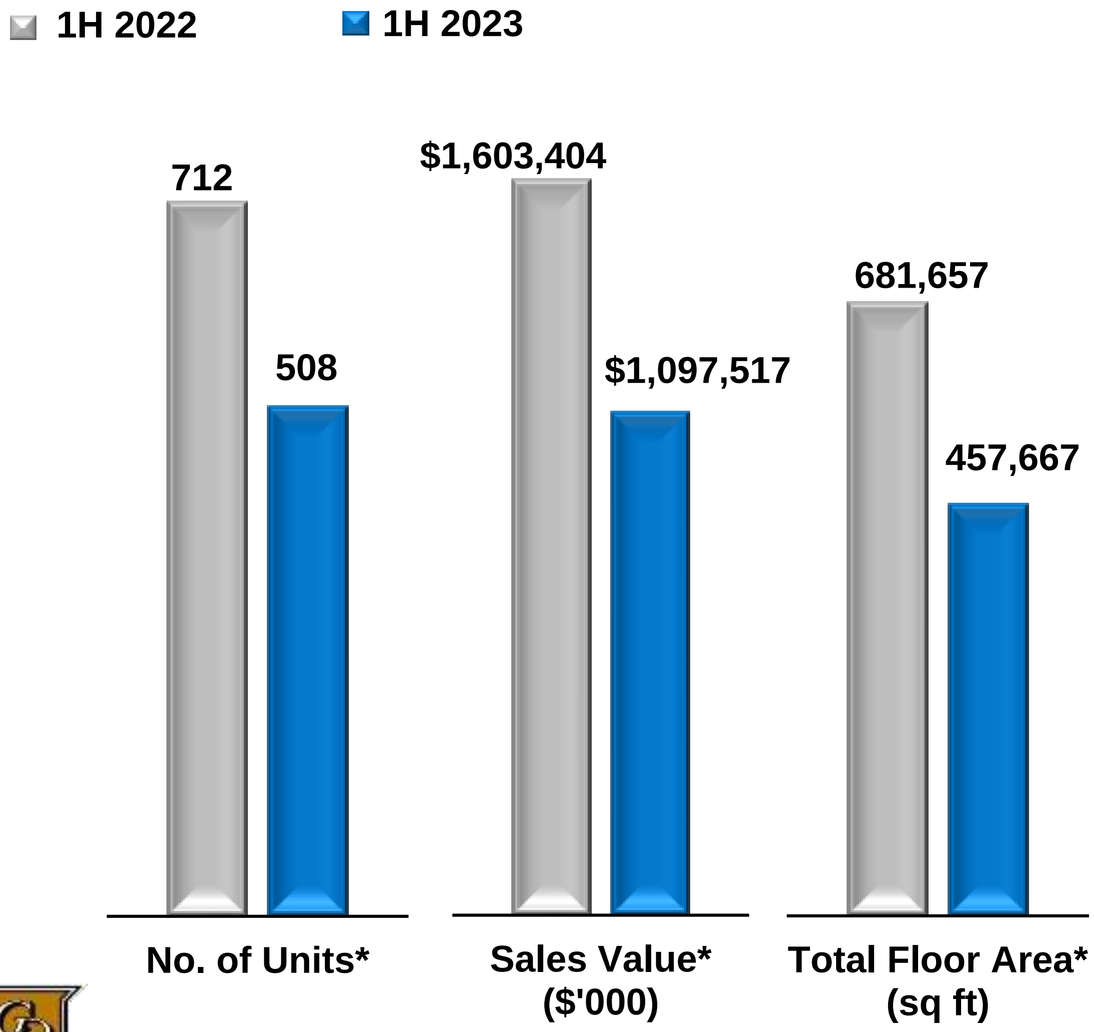


Source: URA Statistics

* Price growth (YTD)

Singapore Property Development

Residential Units Sold



1H 2023 Highlights

- Performance was powered by the launch of Tembusu Grand in April, and sales of Piccadilly Grand, Haus on Handy and Irwell Hill Residences
- **Two projects fully sold**: Haus on Handy and Amber Park.
- **Three projects obtained TOP**: Piermont Grand, Haus on Handy and Boulevard 88

* Includes Executive Condominiums (ECs) and share of JV partners, excludes Nouvel 18

Singapore Property Development

Strong Sales Performance for 1H 2023

- Sold 508 units with total sales value of $1.1B for 1H 2023[1]
- Performance driven by successful launch of Tembusu Grand in April and steady take up of launched projects i.e. Piccadilly Grand, Haus on Handy and Irwell Hill Residences

Steady Sales for Launches from 2019 – 2023

Launch Year	Project	Location	Tenure	Total Units	Total Units Sold*	% Sold[2]
2023	**The Myst**	Upper Bukit Timah Road	99 years	408	132	32%
	Tembusu Grand	Jalan Tembusu	99 years	638	367	58%
2022	**Copen Grand**	Tengah Garden Walk	99 years	639	639	Fully Sold
	Piccadilly Grand	Northumberland Road	99 years	407	405	99%
2021	**CanningHill Piers**	River Valley Road / Tan Tye Place / Clarke Quay	99 years	696	679	98%
	Irwell Hill Residences	Irwell Bank Road	99 years	540	534	99%
2020	**Penrose**	Sims Drive	99 years	566	566	Fully sold
2019	**Boulevard 88**	Orchard Boulevard	Freehold	154	139	90%
	Amber Park	Amber Road	Freehold	592	592	Fully Sold
	Haus on Handy	Handy Road	99 years	188	188	Fully Sold
	Piermont Grand	Sumang Walk	99 years	820	820	Fully Sold
	Sengkang Grand Residences	Sengkang Central	99 years	680	680	Fully Sold
	Nouvel 18[3]	Anderson Road	Freehold	156	156	Fully Sold

[1] Includes Executive Condominiums (ECs) and share of JV partners, excludes Nouvel 18
[2] As at 6 Aug 2023.
[3] Divested project marketed by CDL

Singapore Property Development

Inventory of Launched Residential Projects – As at 30 Jun 2023

Project	Equity Stake	Total Units	Units Sold	Total Unsold Inventory	CDL's Share of Unsold Inventory
St. Regis Residences	33%	173	161	12	4.0
One Shenton	100%	341	329	12	12.0
Cliveden at Grange	100%	110	47	63	63.0
UP@Robertson Quay	100%	70	61	9	9.0
Boulevard 88	40%	154	138	16	6.4
Irwell Hill Residences	100%	540	533	7	7.0
CanningHill Piers	50%	696	678	18	9.0
Piccadilly Grand	50%	407	394	13	6.5
Tembusu Grand	51%	638	362	276	140.8
TOTAL:		**3,129**	**2,703**	**426**	**~258**

Excludes Cuscaden Residences – 1 unit unsold, The Oceanfront @ Sentosa Cove – 1 unit unsold

The Venue Shoppes – 17 units out of 28 sold, 11 units unsold and fully leased

Latest Residential Launches – April 2023

Tembusu Grand – Jewel in the East with Excellent Connectivity and Amenities

Location	Tenure	Equity Stake	Total Units	Total Units Sold[1]	Site Area (sq ft)	Total Saleable Area (sq ft)
Jalan Tembusu	99-year	51%	638	367	210,622	615,380

The Essence of Katong Living

- Strong demand during launch weekend – 53% (340) units sold
  - Average selling price of $2,465 psf.
  - Attractively priced from $1.248MM for a 1-bedroom + study (527 sq ft), $1.548MM for a 2-bedroom (667 sq ft), $2.278MM for a 3-bedroom (990 sq ft), $3.288MM for a 4-bedroom (1,432 sq ft) and $4.028MM for a 5-bedroom unit (1,711 sq ft).
  - About 90% of the buyers are Singaporeans, while the remaining 10% comprise PRs and foreigners from China, Malaysia, USA and others.
  - All unit types well-received by homebuyers, with the 2-bedroom, 2-bedroom + study and 3-bedroom units being the most popular.
- Located in prime District 15 amidst the charming enclaves of Tanjong Katong and East Coast, it comprises four blocks of 20/21-storey residential towers.
- Unrivalled transport connectivity – less than 10 minutes walk to the upcoming Tanjong Katong MRT station on the Thomson East Coast Line, and a short drive to the CBD, Marina Bay Financial District and Changi Airport via major expressways such as the ECP, PIE and KPE.
- Close proximity to amenities such as i12 Katong, Parkway Parade, Paya Lebar Square, East Coast Park, Singapore Sports Hub and popular schools like Haig Girls' School, Kong Hwa School and Tanjong Katong Primary.
- Two luxurious clubhouses and a host of comprehensive facilities such as tennis court, 50m infinity lap pool, gymnasium and yoga studio.


Artist's Impression

[1] As at 6 Aug 2023.

Latest Residential Launches – July 2023

The Myst – Tranquil Retreat Harmoniously Blended with Verdant Upper Bukit Timah Landscape

Location	Tenure	Equity Stake	Total Units	Total Units Sold[1]	Site Area (sq ft)	Total Saleable Area (sq ft)
Upper Bukit Timah Road	99-year	100%	408	132	179,008	387,721

Resilient sales for the 408-unit idyllic enclave – 27% sold on launch weekend

- 110 units sold at an ASP of $2,057 psf
  - Attractively priced from $998,000 for a 1-bedroom + study (517 sq ft), $1.33MM for a 2-bedroom (678 sq ft), $1.708MM for a 3-bedroom (850 sq ft), $2.826MM for a 4-bedroom (1,518 sq ft) to $3.18MM for a 5-bedroom (1,690 sq ft).
  - All unit types were well-received, with the 1 and 2-bedroom types being the most popular.
  - Around 98% of buyers are Singaporeans, while Permanent Residents from China and Malaysia make up the remaining 2%.
- Comprises two 24-storey blocks with 408 residential apartments. Good selection of units ranging from 1-Bedroom + Study to 5-Bedroom.
- Easy access to Singapore's lushest districts with a 24-km green passage of biodiversity and heritage Rail Corridor and other hiking trials and parks such as Chestnut Nature Park and Dairy Farm Nature Park. It is also a short drive to Bukit Timah Nature Reserve and the upcoming Jurong Lake District.
- Conveniently located just a 5-minute walk to Cashew MRT station and within a 10-minute walk to Bukit Panjang Integrated Transport Hub comprising Hillion Mall, Bukit Panjang Bus Interchange and Bukit Panjang MRT station.
- 75% of the expansive site is dedicated to lush landscaping and communal facilities designed to evoke a sense of wonder and adventure from the 50m Infinity Pool to the Forest Adventure playground.
- Abundant retail and food options in the vicinity – such as Hillion Mall, HillV2, The Rail Mall, Junction 10, Lot One Mall, and Bukit Panjang Hawker Centre and Market.

[1] As at 6 Aug 2023.

Singapore Operations >>>

Asset Management

Singapore Commercial Portfolio Occupancy

The portfolio achieved a **robust committed occupancy** supported by a **well-diversified lease expiry profile**, effectively mitigating any significant portfolio risks (as at 30 Jun 2023)[1]

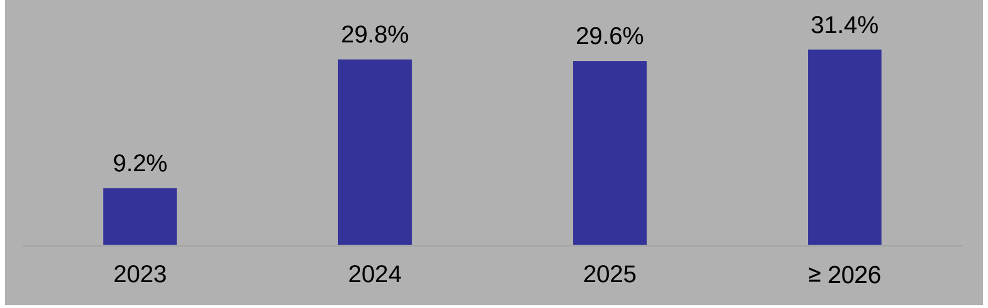
Property Details

Office[2]

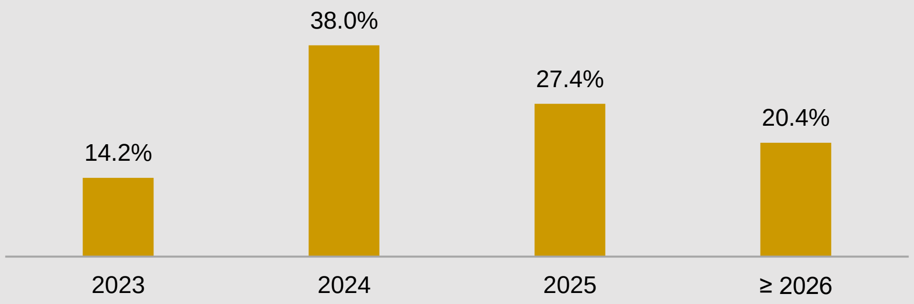
Retail[3]

Lease Expiry Profile (% of NLA)

Office Lease Expiry



Retail Lease Expiry



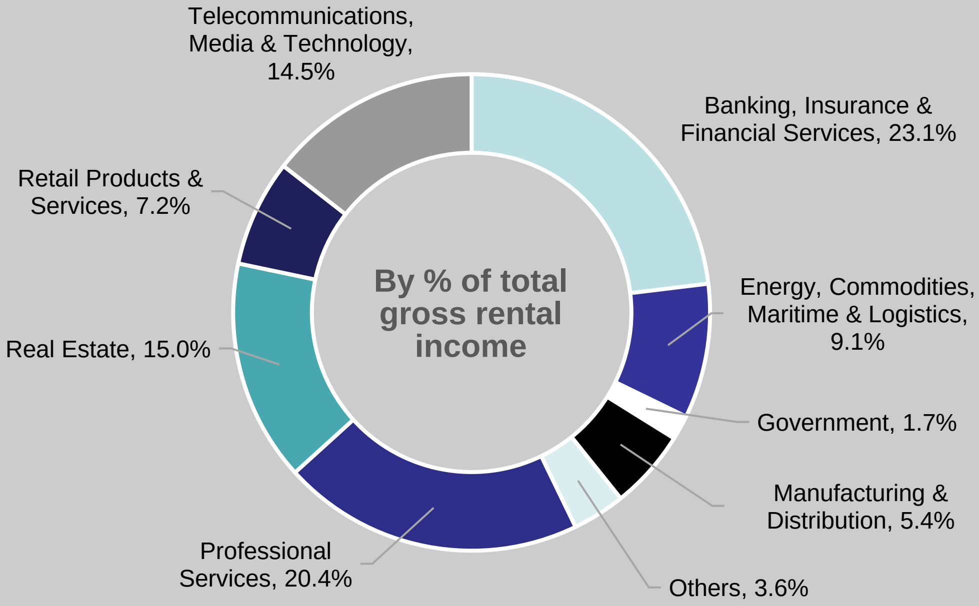
[1] Includes South Beach (in accordance with CDL's proportionate ownership). Excludes assets planned for redevelopment.
[2] Comprises office only properties and the office component within integrated developments.
[3] Comprises retail only properties and the retail component within integrated developments.
Note: Figures may not add up due to rounding.

Singapore Commercial Portfolio Trade Mix

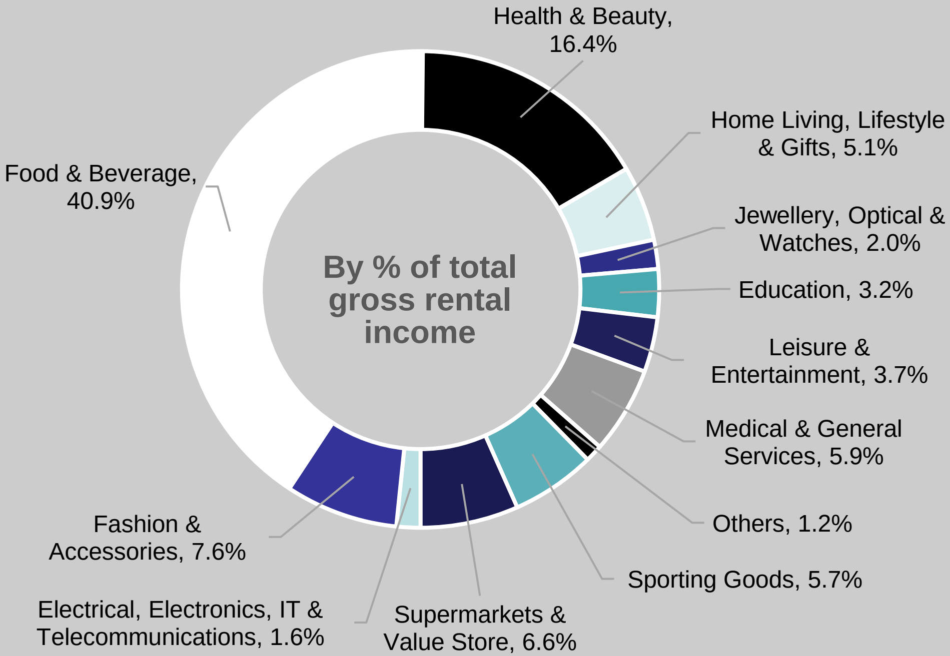
Well-diversified and strategic tenant mix for both office and retail sectors (as at 30 Jun 2023)[1]

- **Office**: Comprehensive and well-balanced trade mix reducing exposure to any one industry
- **Retail**: Strong focus on essential services such as F&B to boost income resilience

Office[2]



Retail[3]



[1] Includes South Beach (in accordance with CDL's proportionate ownership). Excludes assets planned for redevelopment.
[2] Comprises office only properties and the office component within integrated developments.
[3] Comprises retail only properties and the retail component within integrated developments.
Note: Figures may not add up due to rounding.

International Operations >>>

International Operations – Australia

Focus on Developments across Eastern Seaboard of Australia

Queensland

Artist's Impression

Brickworks Park (Residential)

- Brickworks Park has sold 54% of 215 units. Construction of apartments commenced in Nov 2022.

Artist's Impression

Treetops at Kenmore (Residential)

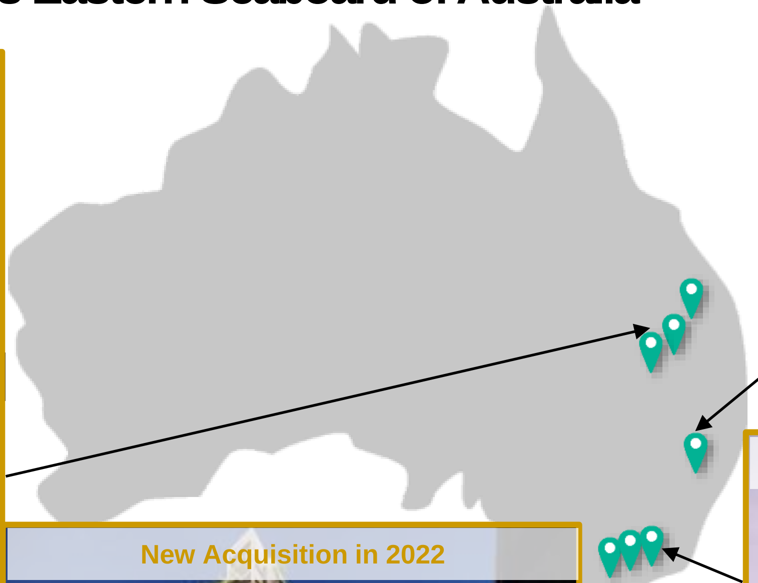
- Treetops at Kenmore has sold 69% of 97 units. Construction commenced Q4 2022.

New Acquisition in 2022

Artist's Impression

Toowong (Residential)

- Acquired a freehold site 4km West of Brisbane CBD to develop 250 PRS apartments and a retail component.



New South Wales

Artist's Impression

Waterbrook Bowral

- Waterbrook Bowral, a 135-unit retirement housing project, has sold 100% of the available villas (first phase).

Victoria

New Acquisition in 2022

Artist's Impression

Group's first PRS project in Australia

Southbank (Residential)

- Acquired a freehold site at Southbank, Melbourne. The PRS project will yield around 240 units.

Fitzroy Fitzroy (Mixed-Use)

Artist's Impression

The Marker (Mixed-Use)

- The Marker has sold 98% of the total 198 units, construction completed in late Sep 2022. To date, 187 apartments have settled.
- Fitzroy Fitzroy has sold 42% of the total 61[1] units.

[1] The approved total number of units reduced from 62 units to 61 units due to amalgamation of units.

Sales data as at 6 Aug 2023.

International Operations – China

Focus on Tier 1 and Tier 2 Cities

Chongqing (重庆)

Eling Palace (鹅岭峯)

Relaunched in May 2018:

Sold 121 units to date

- Sales value of RMB 794MM

Fully sold:

Fully sold in April 2022

- Sales value of RMB 2.53B

Emerald (翡翠都会)

Shenzhen (深圳)

Hong Leong Technology Park Shenzhen (丰隆深港科技园)

Continue to move the sales in a challenging commercial real estate market:

- Total sales of RMB 1.11B achieved ever since the Group acquired this project in March 2021

Suzhou (苏州)

Hong Leong City Center (丰隆城市中心)

Stable income streams from different assets:

Total sales of RMB 4.04B generated for 92% of 1,813 units to date[1]

- Phase 1 – 100% sold
- Phase 2 – 67% sold
- HLCC Plaza, a 32,101 sqm Grade A office tower is 95% occupied
- HLCC mall is 84% occupied
- M Social Hotel has opened in April 2023

Shanghai (上海)

Hong Leong Hongqiao Center (丰隆虹桥中心)

Challenging leasing market:

- Committed occupancy for office and retail units is 54% as of 30 Jun 2023
- Exploring possibilities to revitalise the asset

Yaojiang International (耀江国际)

Asset rejuvenation:

- Proactively attract high quality tenants and diversify tenant mix to enhance income stream

Good Uptake:

76 villas sold to date

- Sales value of RMB 1.86B

Hongqiao Royal Lake (御湖)

Hong Leong Plaza Hongqiao (虹桥丰隆广场)

Recovery is expected to be slow:

- Comprises 5 office towers with 2 levels of basement carpark with GFA of 32,182 sqm
- 51% of total NLA leased out for serviced apartments, restaurant and corporate office use; majority of leases for 15-year term

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

Sales data as at 6 Aug 2023.

International Operations – Japan

Continue to Grow our Japan PRS Footprint with New Acquisitions

7 freehold residential properties in Osaka (429 units)

Horie Lux
(34 units)

Pregio Joto Chuo
(48 units)

B-Proud Tenmabashi
(26 units)

Pregio Miyakojima Hondori
(56 units)

Gioia Namba
(64 units)

City Lux Namba South
(153 units)

City Lux Namba
(48 units)

Development Site:

- Prime 180,995 sq ft freehold site acquired in Oct 2014

Freehold site in Shirokane

3 freehold residential properties in Yokohama (285 units)

City Lux Tobe
(118 units)

LOC's Yokohama Bayside
(89 units)

City Lux Yokohama
(78 units)

International Operations – UK Residential

Strengthening our Presence

31 & 33 Chesham Street **100 Sydney Street**

Freehold developments consisting of 15 units[1] across 2 properties in Prime Central London

Teddington Riverside

Freehold development consisting of 239 apartments and houses[2] in Teddington, London

The Junction

Construction in progress for a 665-unit PRS development in Leeds

Practical Completion achieved for Blocks A to C (307 units) in Nov and Dec 2022

The Octagon

Construction in progress for a 250-year leasehold site to develop a 370-unit PRS development in Birmingham

Ransomes Wharf

Planning in progress for a 120-unit development in Battersea, London

Stag Brewery

Planning in progress for the former Stag Brewery site in Mortlake, London

[1] 14 apartments and 1 retail unit.
[2] Includes 15 affordable housing apartments.

Data as at 6 Aug 2023.

International Operations – UK Purpose-Built Student Accommodation

Expanding our Footprint – Acquired a total of 2,368 beds across 6 Purpose-Built Student Accommodation assets in 2022

Sycamore House, Leeds
(117 Beds)

Infinity, Coventry
(505 Beds)

Trinity View, Coventry
(614 Beds)

Altura, Birmingham
(435 Beds)

Cumberland Place, Southampton
(206 Beds)

Riverside, Canterbury
(491 Beds)

UK – Recurring Income Projects

Resilient Portfolio in London

Development House

Planning obtained for a 10-storey office building in Shoreditch

125 Old Broad Street

NLA	**328,806 sq ft**
Tenants	23
Occupancy	92.4%
WALE[1]	4.2 years
CDL's Acquisition	£385MM

Aldgate House

NLA	**209,860 sq ft**
Tenants	5
Occupancy	98.9%
WALE[1]	3.6 years
CDL's Acquisition	£183MM

St Katharine Docks

NLA	**526,017 sq ft**
Tenants	49
Occupancy	90.0%
WALE[1]	9.1 years
CDL's Acquisition	£395MM

[1] WALE to expiry based on Gross Rental Income (GRI).

Data as at 30 Jun 2023.

Hospitality >>>

Hotel Operations

Trading Performance

	1H 2023 $MM	1H 2022 $MM	Change %
Revenue	**672.9**	598.8	12.4
Profit Before Tax (PBT)	**(6.8)**	1,325.0	N.M
EBITDA	**100.0**	1,369.2	(92.7)

Group RevPAR : ▲ 37.2% in 1H 2023 (reported currency)
▲ 42.7% in 1H 2023 (constant currency)

Revenue increased mainly due to:

- Significant growth in RevPAR across all markets, driven mainly by the strong recovery in Asia and Australasia, and further propelled by the continued growth trajectory of the hospitality sector in Europe and the US, surpassing pre-COVID levels.

PBT and EBITDA decreased mainly due to:

- The absence of the divestment gains from the sale of Millennium Hilton Seoul and the deconsolidation of CDLHT which were recognised in 1H 2022.


The Biltmore, Mayfair


Millennium Hilton New York One UN Plaza

Hotel Operations (1H 2023 vs 1H 2022)

Hotel Occupancy, Average Room Rate, and RevPAR and GOP Margin by Region for CDL Group

	Room Occupancy			Average Room Rate			RevPar			GOP		
	1H 2023 %	1H 2022 %	Incr/ (Decr) % pts	1H 2023 $	1H 2022* $	Incr/ (Decr) %	1H 2023 $	1H 2022* $	Incr/ (Decr) %	1H 2023 %	1H 2022 %	Incr/ (Decr) % pts
Singapore	74.9	69.4	5.5	225.3	160.9	40.0	168.7	111.7	51.0	39.1	40.2	(1.1)
Rest of Asia	65.9	40.3	25.6	159.8	111.1	43.8	105.3	44.8	135.0	39.9	1.9	38.0
Total Asia	**69.7**	**51.6**	**18.1**	**189.5**	**137.0**	**38.3**	**132.0**	**70.1**	**88.3**	**39.5**	**21.0**	**18.5**
Australasia	**59.8**	**38.3**	**21.5**	**158.6**	**140.1**	**13.2**	**94.8**	**53.7**	**76.5**	**32.5**	**26.3**	**6.2**
London	73.4	70.5	2.9	288.4	245.5	17.5	211.7	173.1	22.3	41.9	41.6	0.3
Rest of Europe	76.4	69.1	7.3	168.0	145.6	15.4	128.3	100.6	27.5	28.1	26.5	1.6
Total Europe	**74.8**	**69.9**	**4.9**	**231.1**	**199.9**	**15.6**	**172.8**	**139.7**	**23.7**	**36.6**	**36.1**	**0.5**
New York	86.4	76.1	10.3	302.7	271.6	11.5	261.6	206.7	26.6	14.8	6.6	8.2
Regional US	56.8	52.8	4.0	191.1	172.0	11.1	108.5	90.8	19.5	16.3	25.0	(8.7)
Total US	**69.2**	**61.6**	**7.6**	**249.6**	**218.7**	**14.1**	**172.7**	**134.8**	**28.1**	**15.4**	**14.8**	**0.6**
Total Group	**69.9**	**58.0**	**11.9**	**216.8**	**183.2**	**18.3**	**151.5**	**106.2**	**42.7**	**30.8**	**23.4**	**7.4**

* For comparability, 1H 2022 Average Room Rate and RevPAR have been translated at constant exchange rates (30 June 2023).

Hotel Operations (1H 2023 vs 1H 2019)

Hotel Occupancy, Average Room Rate, and RevPAR and GOP Margin by Region for CDL Group

	Room Occupancy			Average Room Rate			RevPar			GOP		
	1H 2023 %	1H 2019 %	Incr/ (Decr) % pts	1H 2023 $	1H 2019* $	Incr/ (Decr) %	1H 2023 $	1H 2019* $	Incr/ (Decr) %	1H 2023 %	1H 2019 %	Incr/ (Decr) % pts
Singapore	74.9	84.2	(9.3)	225.3	170.0	32.5	168.7	143.2	17.8	39.1	36.6	2.5
Rest of Asia	65.9	66.2	(0.3)	159.8	154.1	3.7	105.3	102.1	3.1	39.9	31.2	8.7
Total Asia	**69.7**	**72.7**	**(3.0)**	**189.5**	**160.7**	**17.9**	**132.0**	**116.9**	**12.9**	**39.5**	**33.4**	**6.1**
Australasia	**59.8**	**82.5**	**(22.7)**	**158.6**	**137.4**	**15.4**	**94.8**	**113.3**	**(16.3)**	**32.5**	**46.2**	**(13.7)**
London	73.4	78.1	(4.7)	288.4	205.5	40.3	211.7	160.4	32.0	41.9	37.7	4.2
Rest of Europe	76.4	68.3	8.1	168.0	124.2	35.3	128.3	84.9	51.1	28.1	16.8	11.3
Total Europe	**74.8**	**72.9**	**1.9**	**231.1**	**165.5**	**39.6**	**172.8**	**120.7**	**43.2**	**36.6**	**29.2**	**7.4**
New York	86.4	82.5	3.9	302.7	309.7	(2.3)	261.6	255.5	2.4	14.8	4.5	10.3
Regional US	56.8	56.4	0.4	191.1	180.1	6.1	108.5	101.5	6.9	16.3	17.5	(1.2)
Total US	**69.2**	**65.0**	**4.2**	**249.6**	**234.4**	**6.5**	**172.7**	**152.4**	**13.3**	**15.4**	**10.8**	**4.6**
Total Group	**69.9**	**71.1**	**(1.2)**	**216.8**	**181.8**	**19.3**	**151.5**	**129.3**	**17.2**	**30.8**	**26.1**	**4.7**

* For comparability, 1H 2019 Average Room Rate and RevPAR have been translated at constant exchange rates (30 June 2023).

CDL Hospitality Trusts

Trading Performance

	1H 2023 $MM	1H 2022 $MM	Change %
Gross Revenue	**119.2**	98.6	20.9
Net Property Income (NPI)	**62.9**	51.0	23.3

CDLHT's portfolio of hotels continues to exhibit stellar performance on the back of a robust recovery in global tourism, driven primarily by strong leisure travel and the resumption of events.

NPI contribution increased across CDLHT's portfolio, driven by Singapore, Japan, Australia, Europe and United Kingdom. The increases were partly offset by lower NPI from New Zealand and Maldives.

Despite potential challenges such as inflationary cost pressures, elevated energy prices and funding costs, the recovery trajectory in the global tourism industry is expected to continue, driven by the return of Chinese tourists. CDLHT will continue to pursue suitable acquisitions to diversify its income streams, while working closely with its lessees and operators to execute strategic asset enhancement opportunities to ensure that the portfolio remains competitive.

CDL HOSPITALITY TRUSTS

CDL Hospitality Trusts

Country	YoY change in RevPAR (%)	Remarks
Singapore	45.8	A strong recovery was exhibited in 1H 2023, driven by a substantial increase in visitor arrivals. Singapore’s hospitality sector is set to benefit from various demand drivers in the months ahead, including MICE and sports events, concerts, improved tourism offerings, flight connectivity and capacity, and China's reopening.
Maldives	(5.8)	The increase in resort supply and reopening of alternative destinations impacted the top-line performance of the resorts, while inflationary cost pressures impacted profit margins during the period. Looking ahead, the continued recovery of Chinese travellers will benefit the market, and partially offset the competitive pressures.
New Zealand	(12.1)	RevPAR declined y-o-y as the hotel mostly operated as a managed isolation facility with high occupancy and rates in 1H 2022. The reinstatement of flights and additional services between New Zealand and other destinations is expected to drive recovery moving forward.
Australia	74.8	Significant RevPAR growth was recorded y-o-y, driven by a robust event calendar and higher corporate rates. Improving flight connectivity, and major concerts and events in the pipeline are expected to attract international and interstate visitors to Western Australia in the upcoming months.
Germany	64.7	An improvement y-o-y was observed in Europe despite the weaker currency. However, corporate travel and events have yet to fully recover to pre-pandemic levels in Munich. Overall, the hotels in Europe are expected to be supported by the recovery of general travel and a strong lineup of events for 2H 2023.
Italy	66.4	
Japan	143.0	Leveraging on the strong recovery in inbound travel since the lifting of border restrictions, a remarkable RevPAR improvement y-o-y was achieved. Chinese arrivals to Japan have yet to return to pre-pandemic levels, and their eventual return is expected to give a significant boost to Japan’s tourism sector.
United Kingdom	14.5	The hotels registered growth in RevPAR driven primarily by an increase in average rate. Looking ahead, the recovery of general travel and events is expected to support the performance of the UK hotels.

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.

OUR VISION:

We aim to be recognised by customers, employees and peers as an innovative creator of quality and sustainable spaces.

OUR MISSION:

C	onceptualise spaces and solutions
R	espect planet Earth
E	ncourage diversity of people and ideas
A	dvance the communities we operate in
T	ake prudent risk for sustainable returns
E	mbrace a forward-looking mindset

OUR VALUES:

- INNOVATION
- COLLABORATION
- INTEGRITY

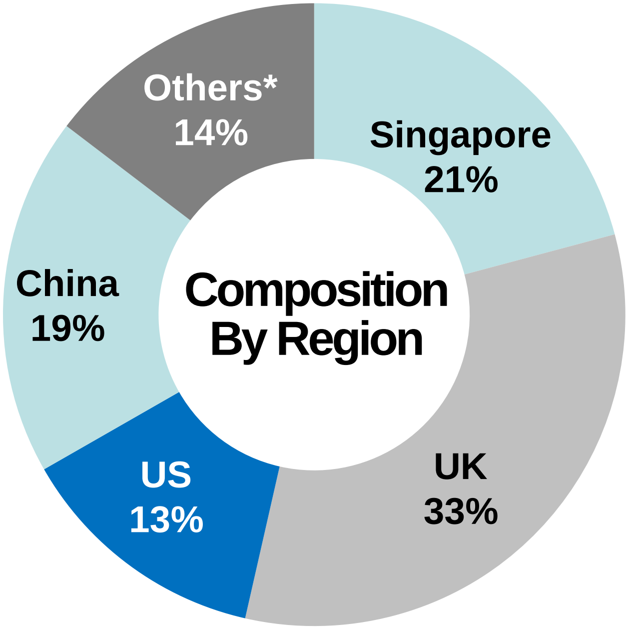
Appendix

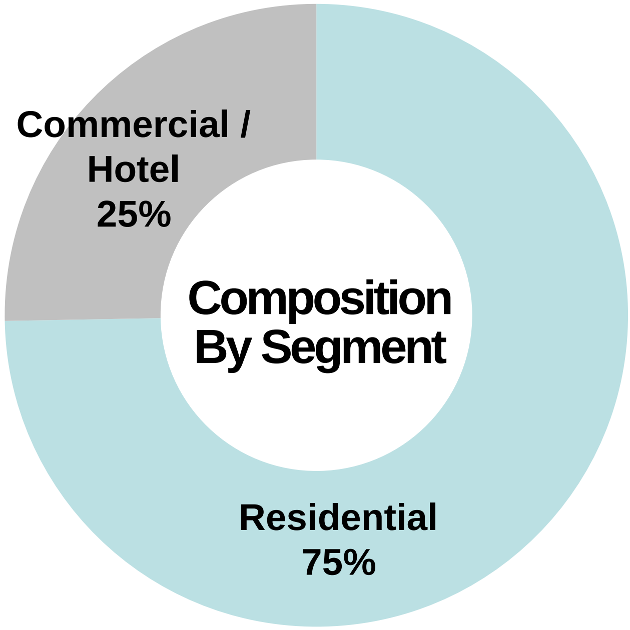
Diversified Land Bank

Land Area (as at 30 Jun 2023) – CDL's Attributable Share

Type of Development	Land Area (sq ft)			
	Singapore	International	Total	%
Residential	717,472	2,067,694	2,785,166	75
Commercial / Hotel	59,683	883,062	942,745	25
Total	**777,155**	**2,950,756**	**3,727,911**	**100**

Total Land Area[1] – 3.7MM sq ft





* Includes Japan, Australia and Malaysia
[1] Including M&C and its subsidiaries, exclude CDL New Zealand