

ASSET ACQUISITIONS AND DISPOSALS::ANNOUNCEMENT ON PROPOSED DISPOSAL OF INVESTMENT AND JOINT NEWS RELEASE WITH IOI PROPERTIES GROUP

Issuer & Securities

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CITY DEVELOPMENTS LIMITED

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Enid Ling Peek Fong

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the attached Announcement on Proposed Disposal of Investment and Joint News Release with IOI Properties Group issued by City Developments Limited on 4 June 2025.

Attachments

[1-CDL-SGX Announcement.pdf](#)

[2-Joint News Release-CDL and IOI Properties Group.pdf](#)

Total size =884K MB

PROPOSED DISPOSAL OF INVESTMENT IN SCOTTSDALE PROPERTIES PTE. LTD.

1. **INTRODUCTION**

City Developments Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that Ascent View Holdings Pte. Ltd. (the "**Seller**"), a wholly-owned subsidiary of the Company, has agreed to sell to IOI Consolidated (Singapore) Pte. Ltd. (the "**Purchaser**") all of the Seller's investment in Scottsdale Properties Pte. Ltd. (the "**Target**"), comprising 115,230,000 ordinary shares and 84,911,865 preference shares in the share capital of the Target (the "**Disposal Shares**") (collectively representing 50.1% of the issued and paid-up share capital of the Target) (the "**Proposed Disposal**").

The Target's wholly-owned subsidiary, South Beach Consortium Pte. Ltd., is the registered proprietor of the leasehold strata title properties (excluding the residential strata title properties) and other assets, forming part of the South Beach mixed-use integrated development (the "**Property**").

2. **INFORMATION ON THE PURCHASER AND THE INVESTMENT**

The Purchaser is the existing joint venture partner which holds the remaining 49.9% interest of the issued and paid-up share capital of the Target and is a wholly-owned subsidiary of IOI Properties Group Berhad ("**IOIPG**"). For the avoidance of doubt, the Purchaser and IOIPG are third parties not related to the Company.

South Beach development is a mixed-use development located on Beach Road. Directly connected to Esplanade MRT station and City Hall MRT Interchange, South Beach features a 34-storey Grade A office space (South Beach Tower), a 45-storey, 634-room JW Marriott Hotel Singapore South Beach, restaurants and cafes (South Beach Avenue and Quarter, as well as the NCO Club), and South Beach Residences (residential strata) comprising 190 luxury apartments and penthouses¹. The development is seamlessly integrated with four (4) historical

¹ South Beach Consortium Pte. Ltd., is not the registered proprietor of the strata title properties comprising South Beach Residences.

buildings, which were formerly military buildings and the NCO Club of the old Beach Road Camp. Please refer to **Annex A** for more details on the South Beach development.

Shareholders may refer to the Company's announcements dated 8 April 2011 and 18 April 2011 for further details on the joint venture between the Company and IOIPG for the development of the Property.

3. KEY TERMS OF THE PROPOSED DISPOSAL

The consideration for the Disposal Shares (the "**Sale Consideration**"), which is payable entirely in cash, will be calculated based on 50.1% of the consolidated net assets of the Target and its subsidiaries (the "**Target Group**"), taking into account an agreed property value of the Property of S\$2.75 billion (the "**Agreed Property Value**"), subject to certain prescribed adjustments² as set out in the agreed terms of the Proposed Disposal. Based on the consolidated net assets of the Target Group as at 30 April 2025, the Company currently estimates the Sale Consideration to be approximately S\$834.2 million.

The Sale Consideration was arrived at on a willing-buyer-willing-seller basis between the parties, taking into account the Agreed Property Value of the Property, as well as the Seller's 50.1% shareholding in the Target. The Agreed Property Value took into account an external valuation conducted by Edmund Tie & Company in respect of the Property of S\$2.67 billion as of 31 December 2024. The Agreed Property Value, which was negotiated between the parties, represents a premium of approximately 3% over the said S\$2.67 billion valuation. The said valuation was commissioned by South Beach Consortium Pte. Ltd.

The Purchaser has agreed to pay a deposit towards the Sale Consideration in the aggregate amount³ of S\$41.25 million. Assuming the Proposed Disposal proceeds to completion, the remainder of the Sale Consideration will also be paid to the Seller in cash at completion.

Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2024 ("**FY2024**"), both the net tangible asset value and the net asset value of the Disposal Shares are S\$366.5 million. The Company expects that the Proposed Disposal will result in a gain on disposal for the financial year ending 31 December 2025, which is currently estimated at approximately S\$465.0 million.

² The final Sale Consideration will be subject to adjustments, which will be based on the final completion statement. The final completion statement will be prepared in accordance with the agreed terms of the Proposed Disposal and based on financial information which will only be available from the date of completion. The final Sale Consideration, and estimated gain on disposal, may therefore differ from the illustrative estimates as set out in this announcement.

³ This comprises an initial deposit of S\$13.75 million which has been paid as at the date of this announcement and a second deposit of S\$27.5 million which will be paid within two (2) weeks from 4 June 2025. The initial deposit and the second deposit are both refundable in certain agreed circumstances.

The Proposed Disposal is also subject to certain other customary terms and conditions for transactions of a similar nature. Completion of the Proposed Disposal is currently expected to take place in the second half of 2025.

Upon the completion of the Proposed Disposal, the Group will no longer have any shareholding interest in the Target, and the Target will cease to be a joint venture of the Company.

4. RATIONALE FOR THE PROPOSED DISPOSAL

The Board believes the Proposed Disposal supports positive returns for the Group's business and aligns with its strategic focus on capital recycling:

(a) Strategic Opportunity to Unlock Value

The Group regularly reviews its portfolio for opportunities to recycle capital. The Proposed Disposal will generate substantial cash proceeds from the significant value the Group has created for the Property over the years, providing the Group with enhanced financial flexibility to redeploy the proceeds. This aligns with the Group's commitment to drive portfolio efficiency and enhance shareholder returns.

(b) Asset Maturity with Strong Performance and Trusted Partnership

Since acquiring the South Beach site in 2007, the Group has successfully realised its vision for the Property, which was completed in 2015/2016. The Group believes that the Property has now reached maturity, delivering strong occupancy and stable income. The Group has established a strong and collaborative partnership with IOIPG, which will take full ownership of the Property upon completion, ensuring a seamless transition in this successful collaboration.

The Group is of the view that the Proposed Disposal is an opportunity to crystallise gains in the Property and enables the Group to maximise value by exiting its holdings in the Target.

(c) Enhance Financial Flexibility and Capital Position

Cash proceeds from the Proposed Disposal will provide the Group with financial flexibility to reduce bank borrowings and improve its net gearing ratio. The capital unlocked will also position the Group well to pursue new acquisitions, invest in upcoming pipeline development projects and optimise its capital management.

Divestments remain a key pillar of the Group's multifaceted strategy and it will accelerate its capital recycling initiatives to unlock value for shareholders.

5. ILLUSTRATIVE FINANCIAL EFFECTS

The financial effects of the Proposed Disposal on the Group set out below are purely **for illustrative purposes only** and do not reflect the future financial position of the Group after completion of the Proposed Disposal.

The financial effects have been prepared on a pro forma basis using the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2024.

5.1 Net Tangible Assets ("NTA")

The effects of the Proposed Disposal on the Group's NTA per ordinary share of the Company (the "**Shares**" and each a "**Share**") for FY2024, assuming that the Proposed Disposal had been effected at the end of FY2024, are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA of the Group attributable to the Shareholders of the Company (S\$' million)	9,086	9,546
Number of issued Shares	893,401,730	893,401,730
NTA per Share (S\$)	10.17	10.68

5.2 Earnings per Share ("EPS")

The effects of the Proposed Disposal on the Group's EPS for FY2024, assuming that the Proposed Disposal had been completed at the beginning of FY2024, are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Profit attributable to owners of the Company less dividends on non-redeemable convertible non-cumulative preference shares (S\$' million)	190.8	638.5
Weighted average number of issued Shares	896,873,407	896,873,407
Basic EPS (Singapore cents)	21.3	71.2

5.3 Net gearing ratio

The effects of the Proposed Disposal on the Group's net gearing ratio as at the end of FY2024, assuming that the Proposed Disposal had been completed at the end of FY2024, are as follows:


	Before the Proposed Disposal	After the Proposed Disposal
Net gearing ratio (%)	117	103
Net gearing ratio if fair value gains on investment properties are taken into consideration (%)	69	63

BY ORDER OF THE BOARD

Yeo Swee Gim, Joanne
Enid Ling Peek Fong
Company Secretaries

4 June 2025

ANNEX A


SOUTH BEACH
FACT SHEET



Location	26 to 36 Beach Road
Developer	South Beach Consortium Pte. Ltd. A partnership between City Developments Limited (50.1% interest) and IOI Properties Group Berhad (49.9% interest)

<p>Description</p>	<p>South Beach (風華南岸) is an iconic mixed-use development that seamlessly integrates four (4) historical buildings (formerly military buildings and the NCO Club of the old Beach Road Camp) with two (2) new 34-storey and 45-storey towers.</p> <p>Strategically located within the Marina Central district in Singapore's downtown core and directly connected to Esplanade MRT station and City Hall MRT Interchange, the mega integrated development comprises office and retail space, a 634-room hotel and 190 luxury residences.</p>
<p>Development Layout</p>	<p>The 34-storey North Tower comprises:</p> <ul style="list-style-type: none"> • South Beach Tower: 508,869 sq ft of Grade A office space <p>The 45-storey South Tower comprises:</p> <ul style="list-style-type: none"> • JW Marriott Hotel Singapore South Beach: 634 luxury rooms and suites, from levels 1 to 21 • South Beach Residences: 190 luxury residences, from levels 22 to 45 (fully sold since September 2021) <p>Retail and heritage space:</p> <ul style="list-style-type: none"> • South Beach Avenue, South Beach Quarter and The NCO Club: 30,797 sq ft of retail space collectively
<p>Land Tenure</p>	<p>99-year leasehold from 10 December 2007 (approximately 81 years remaining)</p>
<p>Land Area</p>	<p>376,295 sq ft</p>
<p>Gross Floor Area (GFA)</p>	<p>1.58 million sq ft</p>
<p>Valuation</p>	<p>S\$2.67 billion (as of 31 December 2024)</p>



Designed by world-renowned architectural firm Foster + Partners, South Beach's most striking feature is its microclimatic wave canopy that covers the open spaces and acts as an environmental filter.

*South Beach is Green Mark Platinum certified
– The highest green building certification awarded by Singapore's Building Construction Authority (BCA).*



News Release

4 June 2025

CDL AND IOI PROPERTIES GROUP ANNOUNCE LANDMARK DEAL FOR THE ICONIC SOUTH BEACH DEVELOPMENT VALUED AT S\$2.75 BILLION – IOI PROPERTIES GROUP TO ACQUIRE CDL'S 50.1% INTEREST FOR FULL OWNERSHIP

- **The transaction marks one of CDL's largest divestments and reflects its ability to crystallise substantial value through capital recycling**
- **IOI Properties Group's acquisition is a key milestone that will significantly enhance its portfolio of assets in Singapore**

City Developments Limited (CDL) and IOI Properties Group Berhad (IOIPG) have entered into a share sale agreement for their joint venture (JV) South Beach mixed-use integrated development. Under this agreement, IOIPG will acquire CDL's 50.1% interest in the development, based on an agreed property value of S\$2.75 billion on a 100% interest basis, which represents an approximately 3.0% premium over the latest valuation of S\$2.67 billion as of 31 December 2024¹.

The transaction will be executed via a share sale in the holding company Scottsdale Properties Pte. Ltd.. Based on CDL's proportionate 50.1% share of its consolidated net assets as of 30 April 2025, the estimated sale consideration is S\$834.2 million.

CDL and IOIPG have been long-term JV partners in South Beach since 2011, having co-developed the 3.5-hectare site into one of Singapore's most recognisable architectural landmarks. Directly connected to Esplanade MRT station and City Hall MRT Interchange, the development features Grade A office space (South Beach Tower), a 634-room JW Marriott Hotel Singapore South Beach, restaurants and cafes (South Beach Avenue and Quarter, as well as the NCO Club) and South Beach Residences comprising 190 luxury apartments and penthouses.

Upon completion of the transaction expected by Q3 2025, IOIPG will gain full ownership of South Beach's commercial components. The strata-titled residential component, South Beach Residences, has been fully sold since September 2021.

The South Beach site was awarded through a Government Land Sales tender, which incorporated a two-envelope Concept and Price tender in 2007 and obtained Temporary Occupation Permit (TOP) in 2015/2016. It sits on a 99-year leasehold site that commenced on 10 December 2007, with about 81 years remaining on the lease.

In line with their respective capital and portfolio priorities, this strategic transaction will allow CDL via its divestment to realise value, whilst enabling IOIPG to enlarge its stable of recurring income assets – on a sizeable integrated mixed-use development in the CCR/ CBD fringe district which is still undergoing transformation.

¹ The independent valuation was conducted by Edmund Tie & Company.

Mr Kwek Leng Beng, CDL's Executive Chairman, said, "South Beach began as a bold vision to enhance Singapore's reputation as a global city, attract international investors and create a new icon that blends modern, sustainable architecture while preserving the site's conserved buildings. I had the privilege of bringing together esteemed partners, including the late Tan Sri Dato' Dr Lee Shin Cheng, IOIPG's late Founder and Executive Chairman, who shared my conviction to make South Beach one of Singapore's most iconic developments. With IOIPG's partnership, we were pioneers in creating this distinctive landmark and introduced the first JW Marriott branded hotel to Singapore. Today, South Beach is a testament to our long-standing collaboration, foresight and resilience. As this property reaches maturity, we have fulfilled our promise. This strategic divestment enables CDL to realise exceptional value, while entrusting the ownership to a partner that knows South Beach well, marking a natural evolution in our successful partnership."

Mr Sherman Kwek, CDL's Group Chief Executive Officer, said, "The iconic South Beach landmark represents the shared commitment and fruitful partnership we have forged with IOIPG for over a decade. Having fulfilled our vision for South Beach – from securing the land site via a rigorous tender process in 2007, navigating macroeconomic challenges, to transforming it into the high-performing, stabilised asset it is today – it is now time to crystallise its value. This transaction gives a strong boost to CDL's efforts to accelerate capital recycling so as to reduce gearing and redeploy capital. We will continue to unlock value across our diversified portfolio and pursue future growth opportunities."

Mr Lee Yeow Seng, IOIPG's Group Chief Executive Officer, said, "The South Beach development holds immense significance for IOIPG. To describe it as an iconic development which we are honoured to have been a part of, is an understatement. This development presented us with the opportunity to change the skyline of Singapore, while building a good relationship with CDL, a leader in the real estate industry. The exemplary leadership of Mr Kwek Leng Beng, his grit and steadfast vision were instrumental in transforming this site, a place of great historical and sentimental value to many of the Singaporeans and visitors alike. The acquisition of the 100% equity stake in this landmark development marks a significant strategic expansion for IOIPG in Singapore. Combined with the IOI Central Boulevard Towers (ICBT) and the W Singapore – Marina View hotel, this acquisition will elevate the Group's profile as one of the major landlords of premium office space and a prominent player in the hospitality industry within the Republic."

Inclusive of this acquisition, the total net lettable area (NLA) of IOIPG's investment assets in Singapore would stand at 1.8 million sq ft. The total NLA of its Property Investment segment would stand at 9.82 million sq ft across five malls and six offices in Malaysia, Singapore and Xiamen, the People's Republic of China. The total assets of IOIPG (including investment properties, hotel assets and property development assets) stands at RM47.93 billion as of 31 March 2025.

The acquisition is in line with the overall strategy of IOIPG in acquiring and investing in high-quality assets which will provide stable recurring income and sustained growth in the matured and stable markets where it operates in, particularly in Singapore.

Moving forward, as the challenging business environment persists with the ongoing geopolitical uncertainties, IOIPG will keep its options open for any opportunities by leveraging and optimising its position in creating additional value for its stakeholders and strengthening its diverse offerings as well as establishing superior revenue generators, as one of the leading property groups in the region.

As of 31 March 2025, South Beach's office and retail components achieved a strong committed occupancy of 92.4% and 92.5%, respectively.

Following the divestment of South Beach, CDL continues to hold a sizeable commercial and retail portfolio in Singapore, totalling around 2.6 million sq ft of existing and pipeline lettable space. It also continues to operate six hotels, totalling 2,608 rooms, under its directly owned hotel operator, Millennium Hotels and Resorts, in addition to owning hotels such as The St. Regis Singapore and The Singapore EDITION.

Refer to **Annex A** for more details on South Beach.

Issued by City Developments Limited (Co. Regn. No. 196300316Z) and IOI Properties Group Berhad 201301005964(103587-A)

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About City Developments Limited

City Developments Limited (CDL) is a leading global real estate company with a network spanning 168 locations in 29 countries and regions. Listed on the Singapore Exchange, the Group is one of the largest companies by market capitalisation. Its income-stable and geographically diverse portfolio comprises residences, offices, hotels, serviced apartments, student accommodation, retail malls and integrated developments.

With a proven track record of over 60 years in real estate development, investment and management, the Group has developed over 53,000 homes and owns around 23 million square feet of gross floor area in residential for lease, commercial and hospitality assets globally.

The Group owns, operates or manages over 160 hotels worldwide, many in key gateway cities, primarily through its flagship Millennium Hotels and Resorts, Singapore's largest homegrown hotel operator, featuring brands like The Biltmore, Grand Millennium, Millennium, M Social, Copthorne and Kingsgate.

For more information, please visit www.cdl.com.sg.

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LinkedIn: [linkedin.com/company/citydevelopments](https://www.linkedin.com/company/citydevelopments)

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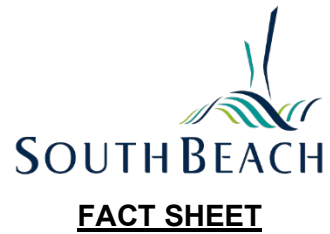
About IOI Properties Group Berhad

IOI Properties Group Berhad (IOIPG) first ventured into Singapore with IOI Plaza in 1996, and since then, the Group has significantly expanded its presence within the city-state. Currently, the Group's residential portfolio in Singapore totals 1,891 high-rise residential units, comprising projects and developments such as The Triling, Cape Royale and Seascape in Sentosa Cove - both premium waterfront joint venture (JV) condominiums, and W Residences Marina View – Singapore, an ultra-luxurious waterfront living branded residence. Commercially, IOIPG manages 1.8 million sq ft of NLA, with premium Grade A office towers like South Beach Towers (JV) and IOI Central Boulevard Towers, both proudly holding BCA Green Mark Platinum certifications. Its hospitality portfolio in Singapore will be expanded with the 350-room W Singapore – Marina View, expected to open its doors in 2028, complementing the existing 634-room JW Marriott Hotel Singapore South Beach (JV).

IOIPG is a leading regional property group with approximately 8,300 acres of landbank across Malaysia, Singapore and the People's Republic of China. Listed on the Main Market of Bursa Malaysia since January 2014, the Group is one of Malaysia's largest property entities by market capitalisation, operating through three synergistic business segments: Property Development, Property Investment, and Hospitality & Leisure. IOIPG maintains an active landbank of over 5,000 acres across 22 ongoing projects and developments, across three countries.

With a strong four-decade legacy in Property Development, IOIPG has built a strong foundation through strategically developed townships, encompassing residential and commercial enclaves, as well as industrial offerings. The Group's extensive Property Investment portfolio manages 9.82 million sq ft of net lettable area (NLA), including 5 malls and 6 office buildings across its operating markets. The Hospitality & Leisure segment features 9 hotels with 3,075 rooms, complemented by 2 award-winning 18-hole golf courses and various leisure attractions.

For more information, kindly log on to IOIPG corporate website at www.ioiproperties.com.my



SOUTH BEACH
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