

**CHANGE - ANNOUNCEMENT OF CESSATION::RESIGNATION OF NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR**

## Issuer &amp; Securities

## Issuer/ Manager

CITY DEVELOPMENTS LIMITED

## Securities

CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09

## Stapled Security

No

## Announcement Details

## Announcement Title

Change - Announcement of Cessation

## Date &amp; Time of Broadcast

21-Oct-2020 12:25:02

## Status

New

## Announcement Sub Title

Resignation of Non-Executive and Non-Independent Director

## Announcement Reference

SG201021OTHR7KNO

## 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)

Resignation of Mr Kwek Leng Peck as a Non-Executive and Non-Independent Director of City Developments Limited

## Additional Details

## Name Of Person

Kwek Leng Peck

## Age

64

## Is effective date of cessation known?

Yes

If yes, please provide the date

19/10/2020

Detailed Reason (s) for cessation

Based on his letter of resignation, Mr Kwek's primary reasons for his resignation are (i) that there are disagreements with the Board and management in relation to the Group's investment in Sincere Property Group ("Sincere") as well as its continuing provision of financial support to Sincere; and (ii) his reservations with the Group's approach in the management of Millennium & Copthorne Hotels Limited.

Are there any unresolved differences in opinion on material matters between the person and the board of directors, including matters which would have a material impact on the group or its financial reporting?

Yes

If Yes, Please provide full details

The Group's total investment in Sincere includes a 51% joint venture equity investment in Sincere of RMB 4.4 billion, US\$230 million subscription of bonds issued by Sincere and a working capital loan of RMB 650 million. In addition, the Group also provided a liquidity support undertaking totalling RMB 1.5 billion relating to the bonds issued by Sincere that are maturing on 26 October 2020 and a RMB 1.5 billion corporate guarantee in relation to an external bank loan obtained by Sincere. The total of these investments is \$1.9 billion.

The liquidity position at Sincere is challenging, being severely impacted by the COVID-19 pandemic and the property cooling measures which caused the further tightening of liquidity for real estate companies in China, the most recent being China's Three Red Lines. The intended asset divestment plan for some of Sincere's retail, hospitality, office and business parks assets, to lighten its debt load on investment properties exposure and to shore up its residential development plans as a key strategy to transform this platform, is now expected to take place over a longer period of time due to the current climate.

The Group is in the process of identifying and appointing an External Financial Advisor to assist with further evaluation and review of the Group's investment in Sincere. The impact on the Group or its financial reporting will be prepared and calibrated together with the External Financial Advisor.

M&C is a wholly-owned subsidiary of CDL which owns, manages and operates over 145 hotels globally. Listed on the London Stock Exchange in 1996, M&C was delisted on 11 October 2019 following a successful privatisation exercise launched by CDL.

2020 has been a difficult year for the hospitality and tourism sector. In 1H 2020, the Group's hotel operations segment recorded a substantial pre-tax loss of \$208.2 million, which included \$33.9 million of impairment losses made in view of the current pandemic.

Is there any matter in relation to the cessation that needs to be brought to the attention of the shareholders of the listed issuer?

Yes

If Yes, Please provide full details

Please see above

Any other relevant information to be provided to shareholders of the listed issuer?

No

Date of Appointment to current position

01/08/1987

Does the AC have a minimum of 3 members (taking into account this cessation)?

Yes

Number of Independent Directors currently resident in Singapore (taking into account this cessation)

5

Number of cessations of appointments specified in Listing Rule 704 (7) or Catalist Rule 704 (6) over the past 12 months

0

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

Non-Executive and Non-Independent Director and Member of the Board Committee

Role and responsibilities

As above

Familial relationship with any director and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries

Cousin of the Executive Chairman, Mr Kwek Leng Beng, and uncle of Mr Sherman Kwek Eik Tse, Executive Director and Group Chief Executive Officer.

A Director of Hong Realty (Private) Limited, Hong Leong Holdings Limited and Hong Leong Investment Holdings Pte. Ltd., the substantial shareholders of City Developments Limited.

Concurrent with his resignation as a Director of City Developments Limited, Mr Kwek Leng Peck has also tendered his resignation as a Director of Millennium & Copthorne Hotels Limited, a principal subsidiary of City Developments Limited.

Shareholding interest in the listed issuer and its subsidiaries?

Yes

Shareholding Details

City Developments Limited - 43,758 ordinary shares

Past (for the last 5 years)

Please refer to Annexure A

Present

Please refer to Annexure B

Attachments

[Annexure A.pdf](#)

[Annexure B.pdf](#)

Total size = 153K MB

**Kwek Leng Peck**

**Past Directorships (for the last 5 years)**

1. Shanghai Rex Packaging Co., Ltd
2. Transport Climate Control Systems Pte. Ltd. (Struck off)
3. Burlington Square Investment Pte Ltd (Dissolved)
4. Burlington Square Properties Pte Ltd (Dissolved)
5. CDL Nominees Limited (Disposed)
6. ATOS Holding GmbH
7. Henan Xinfei Electric Co., Ltd. (Disposed)
8. Henan Xinfei Refrigeration Appliances Co., Ltd. (Disposed)
9. Hong Leong Gas Cylinders Private Limited (Dissolved)
10. Target Realty Limited (Dissolved)
11. Airwell Air-conditioning Technology (China) Co., Ltd.

**Kwek Leng Peck**

**Present Directorships as at 19 October 2020**

1. Airwell Air-conditioning (Asia) Company Limited
2. Airwell Air-conditioning (Hong Kong) Company Limited
3. Airwell Air-conditioning Technology (China) Co., Ltd.
4. Branbury Investments Ltd
5. CDL Hotels (Malaysia) Sdn. Bhd.
6. China Yuchai International Limited
7. City Hotels Pte. Ltd.
8. Euroform (S) Pte. Limited
9. Fedders Hong Kong Company Limited
10. Fedders International Pte. Ltd.
11. Fedders Investment Holdings Pte. Ltd.
12. Ferguson Hotel Holdings Limited
13. Ferguson Investment Corp
14. Fong Loong (HK) Pte Limited
15. Glengary Pte. Ltd.
16. Guangxi Yuchai Machinery Company Limited
17. Harbour View Hotel Pte Ltd
18. Hayford Holdings Sdn. Bhd.
19. HL Building Materials Pte. Ltd.
20. HL Cement (HK) Limited
21. HL Cement (Labuan) Limited
22. HL Golf & Turf Equipment Sdn. Bhd.
23. HL Myanmar Investment Pte Ltd
24. HL Technology Systems Pte Ltd
25. HL-Manufacturing Industries Sdn. Bhd.
26. Hong Leong (China) Limited
27. Hong Leong Asia Investments Pte. Ltd.
28. Hong Leong Asia Ltd.
29. Hong Leong Company (Malaysia) Berhad
30. Hong Leong Corporation Holdings Pte Ltd
31. Hong Leong Electric Pte Ltd
32. Hong Leong Enterprises Pte. Ltd.
33. Hong Leong Finance Limited
34. Hong Leong Finance Nominees Pte Ltd
35. Hong Leong Foundation
36. Hong Leong Holdings Limited
37. Hong Leong Hotel Development Limited
38. Hong Leong International (Hong Kong) Limited
39. Hong Leong International Hotel (Singapore) Pte. Ltd.
40. Hong Leong Investment Holdings Pte. Ltd.
41. Hong Leong Nominees (Private) Limited
42. Hong Property Investments Pte Ltd
43. Hong Realty (Private) Limited

44. HS-HL Company Pte Ltd
45. Island Concrete (Private) Limited
46. Kwek Hong Leong Investment Pte. Ltd.
47. Lam Huat Holdings Pte Ltd
48. Mandai Properties Pte Ltd
49. Marina House Holding Limited (In Members' voluntary liquidation)
50. Millennium & Copthorne Hotels Limited
51. Millennium & Copthorne International Limited
52. Myanmar Hong Leong Limited
53. New Unity Holdings Ltd.
54. NIN Investment Holdings Pte Ltd
55. Pagsan Investments Pte Ltd
56. Paragon Strategic Holdings, Inc.
57. Paya Lebar Investments Pte Ltd
58. Queensway Hotel Holdings Limited
59. Queensway Hotel Limited
60. Rex Holdings Pte Ltd
61. Rex Plastics (Malaysia) Sdn. Bhd.
62. Rex Plastics Pte. Ltd.
63. Rexpak Sdn. Bhd.
64. Richmond Hotel Pte Ltd
65. Ridge Star Limited
66. Robinvestments Pte Ltd
67. Salvador Pte. Ltd.
68. SGI Investment Holdings Pte Ltd (In Members' voluntary liquidation)
69. Singapore Cement Manufacturing Company (Private) Limited
70. Singapore Nominees Private Limited
71. SingAsia Investments Pte Ltd
72. Starich Investments Pte. Ltd.
73. Tasek Corporation Berhad
74. Tasek Holdings Pte. Ltd.
75. Tasek Property Holdings Sdn. Bhd.
76. Tianjin Rex Packaging Co., Ltd.
77. TID Pte. Ltd.
78. TID Residential Pte. Ltd.
79. Tudor Court Gallery Pte Ltd
80. Well Summit Investments Limited
81. Zatrio Pte Ltd