

## **News Release**

2 November 2017

### **CDL CHINA ENTERS INTO STRATEGIC PARTNERSHIP WITH CHINA VANKE**

- **To jointly develop and manage CDL China’s two Chongqing projects**
- **Partial divestment of two Chongqing projects to Vanke for approximately RMB 986 million**
- **Continues to retain equity stake in the two projects for future upside**
- **To tap on Vanke’s networks and development capabilities for future expansion in China**

City Developments Limited’s (CDL) wholly-owned subsidiary, CDL China Limited (CDL China) has entered into a strategic partnership with China Vanke Co., Ltd (Vanke), one of China’s leading real estate developers, through a partial divestment of CDL China’s interests in two projects located in the Yuzhong District of Chongqing. CDL China partially divested 70% of Chongqing Huang Huayuan and 50% of Eling Residences to a subsidiary of Vanke, Chongqing Longdao Industry Co., Ltd, for an aggregate consideration of approximately RMB 986 million (equivalent to approximately S\$202 million). The Transaction Cooperation Agreement was inked in September. The final effective completion of the divestment is subject to the fulfilment of certain conditions expected in December 2017.

Following the partial divestment, CDL China continues to retain a 30% and 50% equity stake in Chongqing Huang Huayuan and Eling Residences respectively for future upside. The strategic partnership will see both projects being jointly developed and managed by CDL China and Vanke.

Chongqing Huang Huayuan is a mixed development which sits on a site area of 23,512 square metres with total gross floor area (GFA) of approximately 121,151 square metres. The prime site is centrally located in the Yuzhong District between the two core central business districts of Jiefangbei and Jiangbeizui, with views of the Jialing River and Jiangbeizhui city. The design of the development is currently under review by the joint venture (JV) entity.

Eling Residences is now a completed 126-unit luxury residential development designed by internationally renowned architect Moshe Safdie with a total GFA of approximately 35,486 square metres. Positioned at the peak of Eling Hill in the Yuzhong District, Eling Residences’ prime location offers panoramic views of the Yangtze and Jialing Rivers. Going forward, the JV entity will manage the sales and marketing efforts for the project.

Mr Mark Yip, Chief Executive Officer of CDL China said, “As part of CDL’s diversification, China is one of the Group’s key overseas markets. Since CDL China was established in 2010, we have acquired prime sites in the major growth cities of Chongqing, Shanghai and Suzhou. This cooperation agreement with Vanke marks the start of our strategic partnership with one of China’s leading real estate developers. We hope to tap on Vanke’s extensive local experience and expertise, business networks and development capabilities in China for the two prime Chongqing projects. CDL will also contribute our international knowledge, best practices and networks to further enhance the projects’ positioning, design and sales channels, creating a win-win alliance with Vanke. This CDL-Vanke partnership will pave the way for future collaborations and business expansion opportunities in both China and Singapore.”

“This partial divestment is in line with CDL’s strategy of recycling capital for our expansion plans. We are actively exploring new acquisitions and investments to grow our presence in China,” Mr Yip added.

The partial divestment is not expected to have any material impact on the net tangible assets or earnings of the CDL Group for the financial year ending 31 December 2017.

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For media queries, please contact:

Belinda Lee  
Head, Investor Relations and Corporate Communications  
City Developments Limited  
(Regn No: 196300316Z)  
Tel: (65) 6428 9315  
Email: [belindalee@cdl.com.sg](mailto:belindalee@cdl.com.sg)

Gerry De Silva  
Head, Group Corporate Affairs  
Hong Leong Group Singapore  
Tel: (65) 6428 9308  
Email: [gerry@cdl.com.sg](mailto:gerry@cdl.com.sg)

Tan Hock Lee  
Senior Manager, Corporate Communications  
City Developments Limited  
Tel: (65) 6428 9312  
Email: [hockLee@cdl.com.sg](mailto:hockLee@cdl.com.sg)

### **About City Developments Limited**

City Developments Limited (CDL) is a Singapore-listed international real estate operating company with a global presence spanning 97 locations in 26 countries. As one of Singapore's largest companies by market capitalisation, its income-stable and geographically-diversified portfolio comprises residences, offices, hotels, serviced apartments, integrated developments and shopping malls, totalling over 18 million square feet of floor area globally.

CDL has hotel assets in one of the world’s largest hotel groups – its London-listed subsidiary Millennium & Copthorne Hotels plc (M&C) has more than 130 hotels globally, many in key gateway cities. Globally, CDL has developed over 40,000 homes and is one of Singapore's largest commercial landlords, with one of the biggest landbanks amongst Singapore private-sector developers.

Building on its track record of over 50 years in real estate development, investment and management, CDL has developed growth platforms in five key international markets – China, UK, US, Japan and Australia. The Company is also leveraging its stable of prime assets and growing its real estate funds management business. It currently has over S\$3.5 billion in funds under management.

[www.cdl.com.sg](http://www.cdl.com.sg)

### **About CDL China Limited**

Established in August 2010, CDL China Limited, a wholly-owned subsidiary of CDL, is in charge of the expansion efforts within the People's Republic of China and oversees the real estate development and investment activities there. Since its establishment, CDL China has acquired various prime sites to date totalling over 530,000 square metres of gross floor area. The sites are located in Shanghai, Suzhou and Chongqing and range from residential and commercial developments to sizable mixed-use projects.

[www.cdlchina.com](http://www.cdlchina.com)

## **About Vanke**

Established in 1984, Vanke began engaging in real estate in 1988, and was the second listed company on the Shenzhen Stock Exchange in 1991. Today, Vanke has become the largest residential developer in China with properties in around 67 cities in China, with focus in the Pearl River Delta region, Yangtze River Delta region and Bohai Economic Rim, as well as central and western parts of China.

In 2016, sales exceeded RMB 364 billion, reinforcing Vanke's position as one of the largest property developers in the global real estate industry. Its sustained growth as well as commitment to good governance has been widely recognised among investors. As of 2017, the Group was listed on the Fortune Global 500, ranking 307<sup>th</sup>.

[www.vanke.com](http://www.vanke.com)