



**50-50 Joint Venture between  
Perennial Real Estate Holdings Limited and  
IJM Land Berhad to  
Acquire and Develop an over RM3.0 billion  
Waterfront Integrated Mixed-use Development  
in Penang, Malaysia**

**21 April 2015**

# OVERVIEW OF THE JOINT VENTURE IN PENANG ISLAND, MALAYSIA

## 50-50 Joint Venture to Acquire and Develop an over RM3.0 billion Waterfront Integrated Mixed-Use Development in Penang Island, Malaysia

- Perennial Real Estate Holdings Limited (“**Perennial**”) and IJM Land Berhad (“**IJM Land**”) entered into a 50-50 joint venture (“**Joint Venture**”) to acquire an approximately 1.4 million square feet freehold waterfront site in Gelugor town located on the eastern coastline of Penang Island, Malaysia.
- The prime waterfront site will be developed into a large-scale integrated mixed-use development.
- The Joint Venture will acquire the site from Jelutong Development Sdn Bhd, a subsidiary of IJM Land, at a total purchase consideration of about RM402.8 million.
- The total development cost (*inclusive of land*) for the project is estimated to be over RM3.0 billion.
- The Joint Venture partners intend to fund the project through a combination of internal funding, bank loans and sales proceeds from the sale of the residential and office components to optimise cash flow.
- The development will be managed by the Joint Venture partners and is expected to be completed in phases, starting from 2018.

# Development Positioned as Penang's First Mega Integrated Waterfront Icon

A Dynamic Mixed-use Development Expected to Comprise Retail, Entertainment, Recreational, Residential, Business, Hospitality And Meetings, Incentives, Conventions and Exhibitions (“MICE”) Components



Source of Artist's Impression: Joint Venture Partners. Picture may differ from the actual view of the completed property.

# Landmark Development Set to Transform the Waterscape of Penang



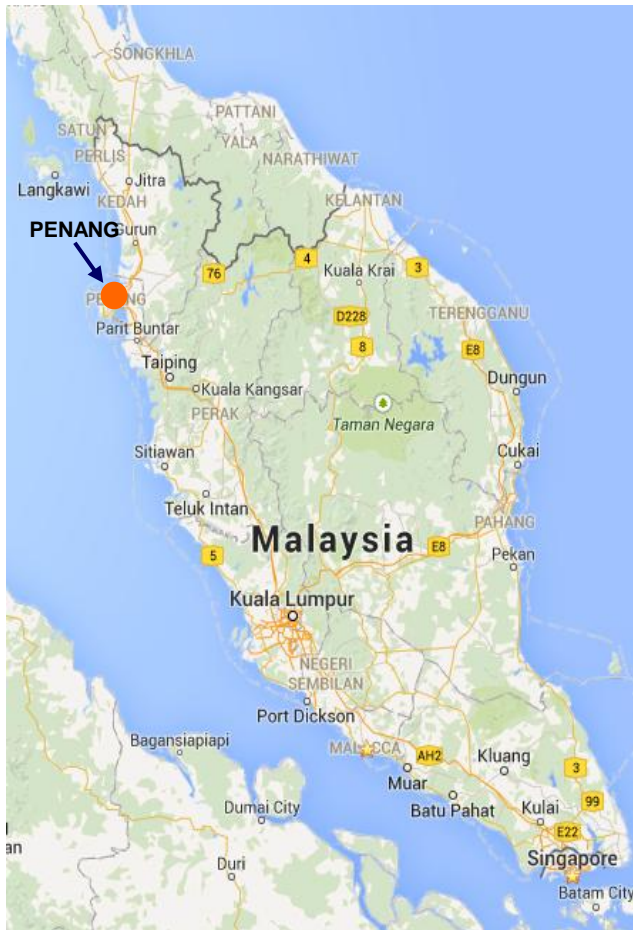
Joint Venture Brings Together Partners with Complementary Expertise & Strong Track Record

Perennial – Strong expertise and experience in developing and managing large-scale integrated commercial developments in China and Singapore.

IJM Land – One of the top developers in Malaysia with good track record of delivering high quality large-scale residential developments in Malaysia.



## A Thriving City with High Population Density, Strong FDI & Robust Tourism Industry



### Geographical and Social Landscape

- State of Penang is located on the north-western coast of Peninsular Malaysia
- Comprises Penang Island and Seberang Perai on the Mainland
- Population: Approximately 1.6 million people<sup>1</sup>
- Population Density: Approximately 1,505<sup>1</sup> people per km<sup>2</sup>
- Ranked 2<sup>nd</sup> most densely populated state in Malaysia<sup>2</sup>
- Average Annual Population Growth Rate: 2.0%<sup>1</sup>

### Economic Landscape

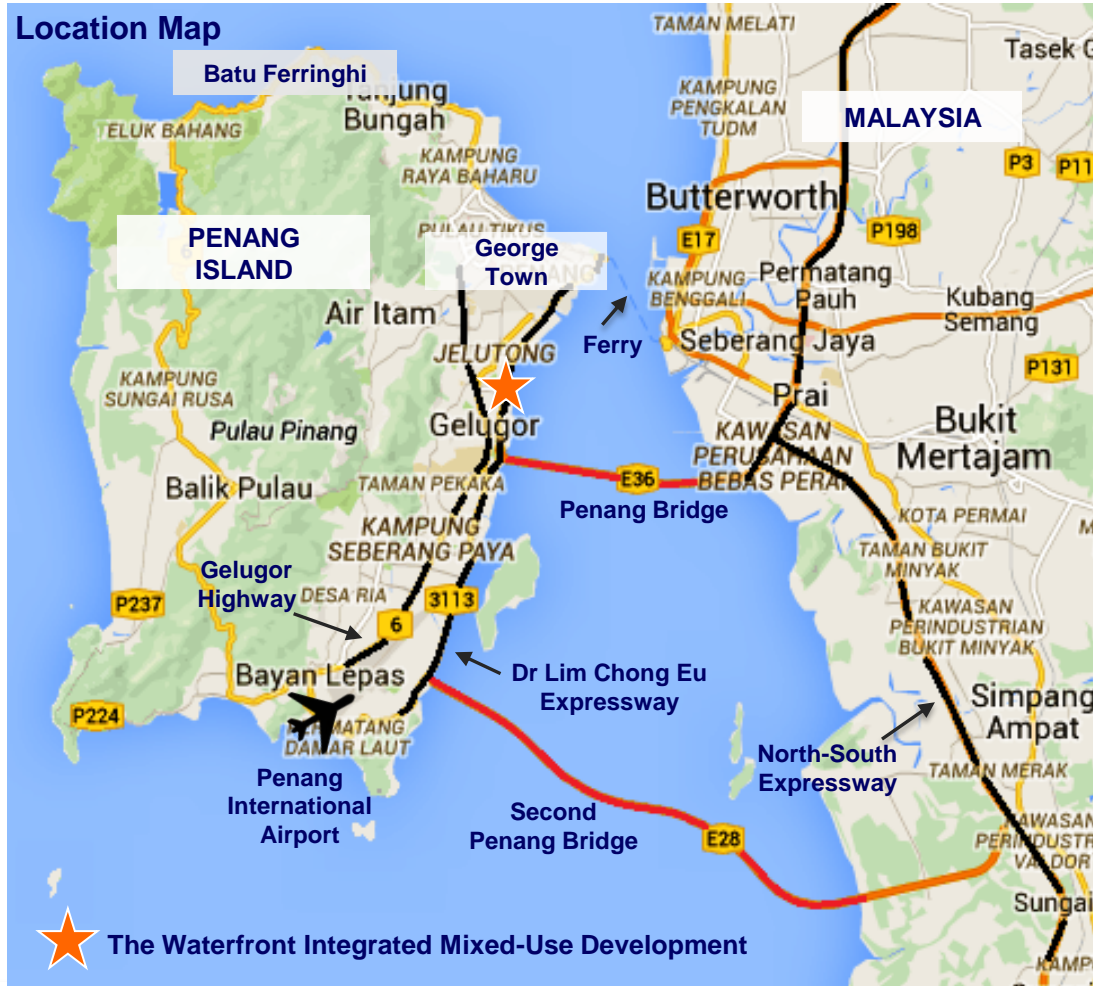
- 2013 GDP: RM55.0 billion. Contributed 4.6% to Malaysia's overall GDP (ranked 5<sup>th</sup> in Malaysia)<sup>3</sup>.
- 2013 GDP per Capita: RM38,356 (ranked 4<sup>th</sup> in Malaysia)<sup>3</sup>.
- Malaysia's second most important industrial location outside Selangor<sup>4</sup>
- Strong Foreign Direct Investments ("FDI") with FDI amounting to RM2.34 billion in the first half of 2014<sup>5</sup>.
- Popular tourist destination with over 268,000 domestic arrivals and over 196,000 international arrivals in January and February 2014<sup>6</sup> (~33.4% and ~8.23% increase over the same period in 2013 respectively)

1. <http://www.penang.gov.my/images/pdf/statistik%20sosioekonomi/1.%20DEMOGRAFI%20&%20EKONOMI.pdf>  
2. [http://www.statistics.gov.my/index.php?r=column/cthemeByCat&cat=117&bu\\_id=MDMxdHZjW Tk1SjFzTzNkRXYzcVZjd09&menu\\_id=L0pheU43NWJwRWVSZkiWdzQ4TihUUT09](http://www.statistics.gov.my/index.php?r=column/cthemeByCat&cat=117&bu_id=MDMxdHZjW Tk1SjFzTzNkRXYzcVZjd09&menu_id=L0pheU43NWJwRWVSZkiWdzQ4TihUUT09)

3. GDP by State National Accounts 2005-2013, Department of Statistics, Malaysia  
4. <http://penangmonthly.com/manufacturing-in-penang-moves-onward-and-upward/>  
5. <http://www.themalaymailonline.com/money/article/penang-books-rm3.1b-fdi-in-first-five-months-of-2014>  
6. <http://www.themalaysianinsider.com/malaysia/article/international-arrivals-to-penang-up-more-than-8-this-year>

# Development Strategically Located with Excellent Transportation Connectivity

## Well-Connected by Two Bridges and Tun Dr Lim Chong Eu Expressway Linking Penang Island and the Mainland

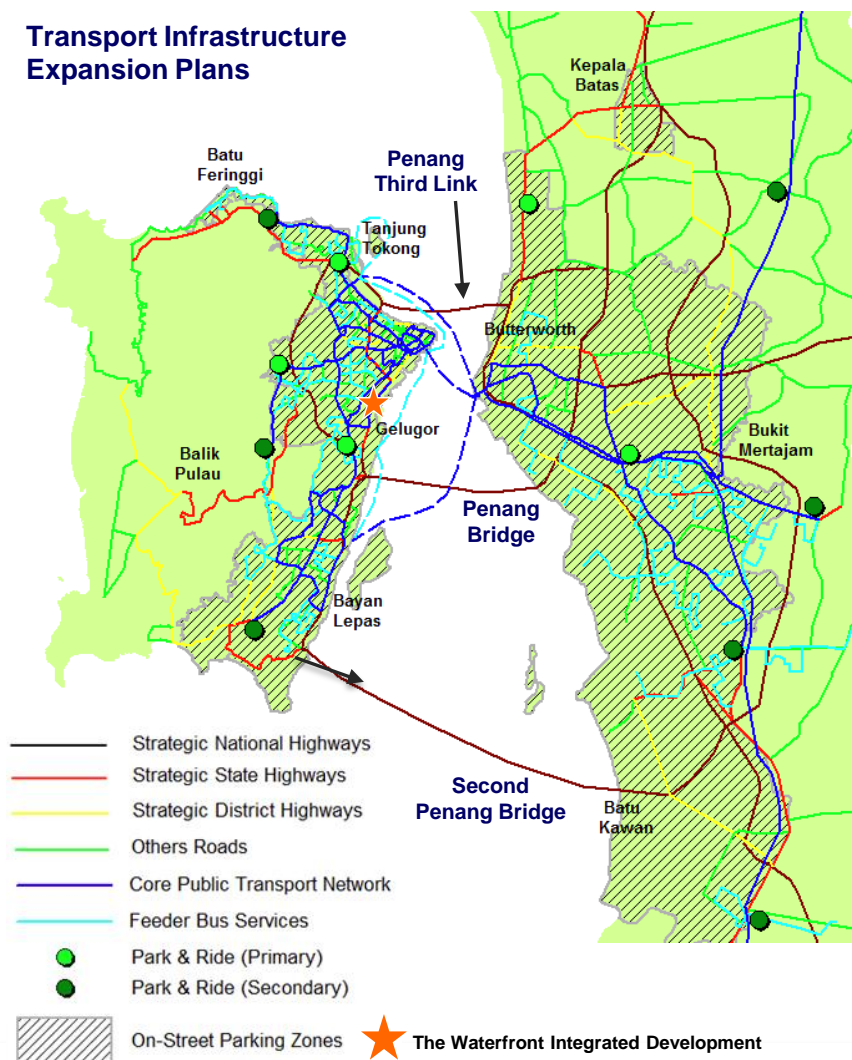


The waterfront integrated mixed-use development is :

- Situated in Gelugor Town on the eastern coast of Penang Island
- ~1 km from the famous Penang Bridge and ~12 km from the second Penang Bridge, linking Penang Island to the Mainland
- ~5 km from George Town, the capital of Penang
- ~16 km from Penang International Airport
- Close to Tun Dr Lim Chong Eu Expressway that runs parallel to the eastern coastline of Penang Island

## Large Scale Project to Expand Penang Island's Transportation Infrastructure

### Transport Infrastructure Expansion Plans



A RM27 billion<sup>1</sup> **Penang Master Transport Plan<sup>1</sup>** was launched in 2014 to improve transport infrastructure on Penang Island. Plans include:

- **Improving Public Transport System<sup>1</sup>**  
Introducing a comprehensive public transport system incorporating light rail transit (LRT), trams, buses and catamarans.
- **Expanding Roads and Building New Highways<sup>1</sup>**  
Constructing By-Pass roads and Multi-Tiered Highways at traffic junctions to ease congestion.
- **Constructing Penang Third Link<sup>1,2</sup>**  
An undersea tunnel linking George Town on Penang Island to Butterworth on mainland Malaysia.

1. The "Recommended Transport Master Plan Strategy", March 2013 (Finalised Version), Penang Transport Council

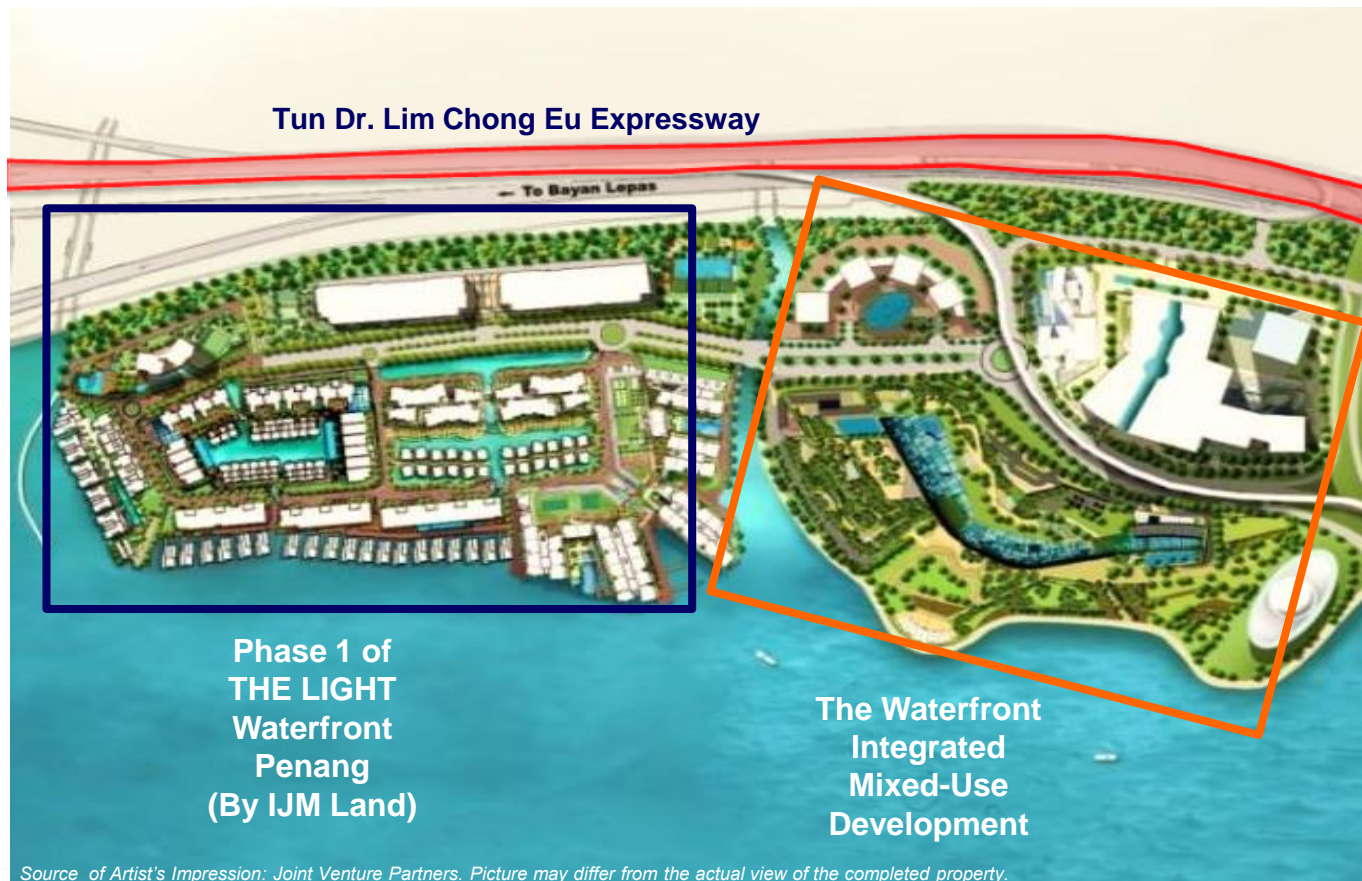
2. Penang Major Projects Presentation – English [Part 3]



# Development Complemented by Phase 1 of THE LIGHT Waterfront Penang

## Adjacent Large-Scale Residential Development Provides Significant Population Catchment

- Phase 1 of THE LIGHT Waterfront Penang by IJM Land, comprising 1,177 condominium units and luxury villas, is largely completed and almost fully sold.



Construction is Expected to be Completed in Phases, Starting from 2018

Phase 1 of THE LIGHT Waterfront Penang – Largely Completed & Almost Fully Sold

The Waterfront Integrated Mixed-Use Development



# Unique Opportunity to Establish One-Stop Retail cum Lifestyle Destination

PERENNIAL 鵬瑞利

IJM LAND

Imbued with the Life and Spirit of Penang's Cultural Heritage, Featuring its  
Enchanting Historical Architecture and Renowned Hawker Food Fare



Source - of Artist's Impression: Joint Venture Partners. Picture may differ from the actual view of the completed property.

# Unique Opportunity to Establish One-Stop Retail cum Lifestyle Destination

PERENNIAL 鹏瑞利

IJM LAND

Sheltered Walkways with Thematic Shops Appeal to Locals and Tourists



# One of the Finest Waterfront Precincts in Penang in The Making

*Mr Pua Seck Guan, Chief Executive Officer of Perennial Real Estate Holdings Limited, said, “ The Joint Venture in Penang marks the Group’s first foray into a new market which will augment our existing business in core markets of China and Singapore and diversify our investment portfolio to generate sustainable returns over the longer term.”*

*Dato’ Soam Heng Choon, Chief Executive Officer and Managing Director of IJM Corporation Berhad, the parent company of IJM Land said, “The development of this integrated dynamic commercial hub will add another feather to the cap for IJM Land as THE LIGHT Waterfront Penang will join the league of international waterfront icons captivating the world today once completed.”*



Source of Artist's Impression: Joint Venture Partners. Picture may differ from the actual view of the completed property.

# Key Development Details

# Key Property Details

<b>Description</b>	A dynamic mixed-use waterfront development in Gelugor town on the eastern coastline of Penang Island, Malaysia. Expected to comprise retail, entertainment, recreational, residential, business, hospitality and MICE components.		
<b>Site Area</b>	Approximately 1.4 million square feet		
<b>Land Tenure</b>	Freehold		
<b>Connectivity</b>	In close proximity to the Penang Bridge and not far from the second Penang Bridge. A short drive from the Penang International Airport, and easily accessible by the Tun Dr Lim Chong Eu Expressway.		
<b>Gross Floor Area ("GFA") Breakdown based on Preliminary Concept</b>	<b>Component</b>	<b>GFA (sq ft)</b>	<b>GFA Percentage</b>
	Shopping Mall & Thematic Shops	1,536,678	~ 38.0% <sup>2</sup>
	Residential	1,071,871	~ 26.0% <sup>2</sup>
	Office	645,835	~16.0% <sup>2</sup>
	Hotels (Over 750 Rooms)	545,623	~ 13.0% <sup>2</sup>
	Convention Centre	300,000	~ 7.0% <sup>2</sup>
	<b>TOTAL</b>	<b>4,100,000<sup>1</sup></b>	<b>100.0%</b>

1. Final GFA subject to approval by the relevant Penang authorities.

2. Approximate breakdown by GFA.

# THANK YOU

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