



**PERENNIAL REAL ESTATE HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No.: 200210338M)

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**MEMORANDUM OF UNDERSTANDING - PROPOSED JOINT VENTURE**

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- 1 The Board of Directors ("**Board**") of Perennial Real Estate Holdings Limited ("**Company**") wishes to announce that the Company has on 14 January 2016 entered into a memorandum of understanding ("**MOU**") with Shanghai Summit Property Development Limited (上海长峰房地产开发有限公司) ("**Shanghai Summit**") and Shanghai RST Chinese Medical Co., Ltd (上海人寿堂国药有限公司) ("**Renshoutang**") in relation to a proposed joint venture ("**Joint Venture**").
- 2 Shanghai Summit, a real estate developer, is a 50-50 joint venture partner of the Company for Chengdu East High Speed Railway Integrated Development Plot D2 ("**Chengdu Plot D2**"). Renshoutang is an established organisation with more than 15 years' experience in operating 10 eldercare institutions and one nursing home in China. It currently operates two brands, namely Yixian ElderCare and Retirement Home (逸仙养老) for the middle to low end market and Xiehe ElderCare and Retirement Home (协和颐养院) for the middle to high end market in Shanghai and is one of the top operators in the region.
- 3 Pursuant to the MOU, the Company, Shanghai Summit and Renshoutang have agreed to explore the formation of a joint venture entity ( "**Joint Venture Entity**") which will engage in the provision of setting up and managing Chengdu Xiehe International Eldercare and Retirement Home(成都协和国际颐养院) at Chengdu Plot D2. The Company, Shanghai Summit and Renshoutang will each hold 40%, 40% and 20% equity interest respectively in the Joint Venture Entity. The total investment of the Joint Venture is approximately RMB 150.0 million (~SGD39.6million).
- 4 The Company will make further announcements on the SGXNet to keep shareholders informed when there are material developments in respect of the Joint Venture.
- 5 None of the directors or substantial shareholders has or will have any interest, directly or indirectly, in the Joint Venture (other than through their shareholdings in the Company).

BY ORDER OF THE BOARD

**Sim Ai Hua**

Company Secretary

14 January 2016

Singapore

DBS Bank and Standard Chartered Bank acted as Joint Financial Advisers in relation to the reverse take-over of the Company which was completed on 27 October 2014.

**About Perennial Real Estate Holdings Limited ([www.perennialrealestate.com.sg](http://www.perennialrealestate.com.sg))**

Perennial Real Estate Holdings Limited ("**Perennial**") is an integrated real estate owner, developer and manager listed on the Mainboard of the SGX-ST. Headquartered in Singapore, Perennial focuses strategically on large-scale mixed-use developments and has a presence in the Peoples Republic of China ("**PRC**"), Singapore, Malaysia and Ghana with a combined portfolio measuring over 45 million square feet in gross floor area. Perennial's business also extends into the healthcare industry in the PRC, through the acquisition, development and management of medical, eldercare and senior housing services and assets.

Perennial is a dominant commercial developer with sizeable integrated developments in the PRC, of which two are the largest high speed railway commercial hubs in the country, being Chengdu East High Speed Railway Integrated Development and Xi'an North High Speed Railway Integrated Development. Other landmark projects in Perennial's portfolio include the Beijing Tongzhou Integrated Development, the Shenyang Longemont Integrated Development and the Zhuhai Hengqin Integrated Development.

In Singapore, Perennial is invested in and manages prime and iconic properties located predominantly in the Downtown Civic District, Central Business District and Orchard Road precinct, such as CHIJMES, Capitol Singapore, TripleOne Somerset, AXA Tower and the House of Tan Yeok Nee. Perennial also holds stakes in and manages 112 Katong mall and Chinatown Point mall.