



PERENNIAL REAL ESTATE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
 (UEN/Company Registration No.: 200210338M)

BANK FACILITIES FOR BEIJING TONGZHOU PROJECT

Perennial Real Estate Holdings Limited (“**PREHL**”) wishes to announce that its subsidiaries (namely, Perennial Mei Rong Jia 1 Real Estate (Beijing) Company Limited, Perennial Mei Rong Jia 2 Real Estate (Beijing) Company Limited and Perennial Mei Rong Jia 3 Real Estate (Beijing) Company Limited (“**PREHL Subsidiaries**”) and associated companies (namely Perennial Mei Rong Jia 4 Real Estate (Beijing) Company Limited, Perennial Mei Rong Jia 5 Real Estate (Beijing) Company Limited and Perennial Mei Rong Jia 6 Real Estate (Beijing) Company Limited) (“**PREHL Associated Companies**”), have collectively secured loans (“**Loans**”) totaling RMB6.4 billion (approximately S\$1.3 billion) from Bank of China, Beijing Branch (“**BOC**”), to finance the development and project related costs of phases 1 (“**Phase 1**”) and 2 (“**Phase 2**”) of the Beijing Tongzhou Integrated Development (“**the Project**”).

The Project is an iconic mixed use development comprising retail, office, and residential components, located in Beijing Tongzhou District which has been designated as a sub-centre of Beijing and expected to commence operations in phases starting from 2018.

PREHL has effective stakes of 40% and 23.3% in Phase 1 and Phase 2 respectively.

Given the potential of the Project and the prime location it occupies in the Tongzhou district, BOC has agreed to grant the loans on favorable terms such as attractive interest rate and long repayment tenor. The loans comprise term loans and development loans which are secured against the Project and the amounts for Phase 1 and Phase 2 are as follows:

	Loans Tenor	Phase 1 held by PREHL Subsidiaries	Phase 2 held by PREHL Associated Companies
		Loan Amount (RMB)	Loan Amount (RMB)
1.	7-year term loan	986	480
2.	15-year development loan	2,650	2,350
Total		3,636	2,830
S\$ equivalent		S\$742 million	S\$578 million

As the loans for Phase 1 are taken by PREHL Subsidiaries, the loans will be consolidated in PREHL Group’s debts when drawn. The loans for Phase 2 are taken by PREHL Associated Companies whose debts are not consolidated as PREHL Group’s debts.

As at the date of this announcement, none of the Loan facilities has been drawn. The Loans facilities will be drawn down progressively over the Project’s development period. The Project is expected to have a positive impact and will contribute to the earnings of the PREHL Group in the future.

The transaction is not expected to have a material impact on the earnings per share or the net tangible assets of PREHL for the financial year ending 31 December 2016.

Save for their respective shareholdings in PREHL, none of the directors is deemed to have any interest, direct or indirect, in the above transaction.

By Order of the Board

Sim Ai Hua
Company Secretary

3 October 2016

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 Beijing Tongzhou Integrated Development

The Beijing Tongzhou Integrated Development, comprising Phase 1 and Phase 2, is an iconic mixed-use development measuring over 8.4 million square feet in gross floor area with retail, office and residence components.

Sited on six prime plots of land, three plots for each of Phase 1 and Phase 2, the integrated development enjoys prime frontage with direct waterfront access to the famous Grand Canal in Beijing's Tongzhou District.

Located in the South East of Beijing, the integrated development is approximately 23 km from Beijing's city centre, 16 km from the Beijing Capital International Airport, and 9 km from the US\$3.3 billion Universal Studios Beijing, which will be one of the largest theme parks in China.

Tongzhou District has been slated as Beijing's new Central Business District and definitive plans have been announced by the Beijing Municipal Government to relocate all or part of its municipal departments to Tongzhou by 2017.

The integrated development will enjoy direct connectivity via a basement linkway to the future Tongyunmen Subway Interchange Station served by the operational Line 6 and S6, both connecting Tongzhou District to the Beijing city centre, and the future Line S6, which is expected to link the existing Beijing Capital International Airport to the new airport in Daxing District.

The development is also well-poised to capitalise on the growth in the vibrant precinct being only about three subway stations (Haojiafu Station) from the new Beijing Tongzhou Administrative Centre. In addition, the prime development will be in close proximity to a subway station that will be served by the future R1 subway line, which will link Tongzhou District to Beijing city centre.

Besides being served by a future bus interchange, the road network in the vicinity of the development is also highly established, with convenient access to major arterial roads and expressways.

Construction works have commenced on site, both phases have received three out of four construction-related regulatory permits, and one plot in Phase 2 has received the fourth permit. Beijing Tongzhou Integrated Development is expected to commence operations in phases starting from 2018.

With its distinctive design and excellent location, the integrated development is expected to be a new landmark and a premier waterfront destination for food and beverage, leisure and entertainment, with unparalleled views of the scenic Grand Canal.

About Perennial Real Estate Holdings Limited (www.perennialrealestate.com.sg)

Perennial Real Estate Holdings Limited (“**Perennial**”) is an integrated real estate and healthcare company headquartered and listed in Singapore. As a real estate owner, developer and manager, Perennial focuses strategically on large-scale mixed-use developments and has a presence in China, Singapore, Malaysia and Ghana with a combined portfolio spanning over 45 million square feet in gross floor area. Perennial is also a healthcare services owner and operator focused predominantly on China and its healthcare business services include medical, hospital, eldercare and senior housing, and maternal and child health management.

Perennial is a dominant commercial developer with sizeable integrated developments in China, of which two are regional commercial hubs adjacent to the two largest high speed railway stations 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 Beijing Tongzhou Integrated Development, Shenyang Longemont Integrated Development and Zhuhai Hengqin Integrated Development.

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