



## PRESS RELEASE

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For Immediate Release

### **Perennial Leads Consortium to Divest 70% Stake in TripleOne Somerset, Singapore**

*Perennial's divestment of 20.2% stake delivers gain of about S\$34.3 million;  
Remaining 30% stake provides recurrent income and strata sale upside*

Singapore, 26 January 2017 – Perennial Real Estate Holdings Limited (“**Perennial**”), together with six other existing shareholders of Perennial Somerset Investors Pte. Ltd. (“**PSIPL**”), an entity which holds, through an indirect wholly owned subsidiary, TripleOne Somerset in Singapore, have through its respective subsidiaries or companies entered into a Sale and Purchase Agreement (“**S&P**”) with Simply Swift Limited, an indirect wholly owned subsidiary of Hong Kong-listed Shun Tak Holdings Limited (“**Shun Tak**”), to divest a total of 61% stake in TripleOne Somerset at a total consideration of S\$305 million (“**Divestment 1**”). TripleOne Somerset is a predominantly office integrated landmark development located in Singapore’s renowned Orchard Road precinct.

Perennial, which through its wholly owned subsidiary originally held a 50.2% stake in PSIPL, divested a 20.2% stake and retained a 30% stake. The consideration for Perennial’s divestment amounts to approximately S\$101 million. Perennial is expected to register a pre-tax gain of approximately S\$34.3 million from the divestment of its 20.2% stake.

The other six shareholders who fully divested their stakes in PSIPL comprised SingHaiyi Group Ltd, Boustead Projects Limited, Breadtalk Group Limited, Shun Fung Holdings (Private) Limited, ROOI Holdings Pte. Ltd. and Grandma’s Holdings Limited.

Concurrently, Unified Elite Limited, another existing shareholder of PSIPL and a connected person of Shun Tak, entered into a separate S&P to fully divest its 9% stake to Shun Tak (“**Divestment 2**”). Following Divestment 1 and Divestment 2 (together, the “**Divestments**”), PSIPL will be 70% and 30% owned by Shun Tak and Perennial respectively.

<b>Shareholders of PSIPL</b>	<b>Before Divestments</b>	<b>Post-Divestments</b>
Perennial Singapore Investment Holdings Pte. Ltd., a wholly owned subsidiary of Perennial, a company listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“ <b>SGX-ST</b> ”)	50.2%	30.0%
SingHaiyi TripleOne Pte. Ltd., a wholly owned subsidiary of SingHaiyi Group Ltd., a company listed on the Catalist Board of the SGX-ST	20.0%	0%
Boustead Projects Limited, a company listed on the Mainboard of the SGX-ST	5.5%	0%
Imagine Properties Pte. Ltd., a wholly owned subsidiary of BreadTalk Group Limited, a company listed on the Mainboard of the SGX-ST	5.3%	0%
Shun Fung Holdings (Private) Limited, ROOI Holdings Pte. Ltd. and Grandma’s Holdings Limited, which are entities held by Mr Ronald Ooi and the family office of Mrs Gloria Lee	10.0%	0%
Unified Elite Limited, a connected person of Shun Tak	9.0%	0%
Simply Swift Limited, an indirect wholly owned subsidiary of Shun Tak, a company listed on the Mainboard of The Stock Exchange of Hong Kong Limited	0%	70.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Perennial, through Perennial Real Estate Holdings Pte. Ltd., had in December 2013 syndicated a consortium of investors to acquire TripleOne Somerset at a property price of S\$970 million. Perennial’s wholly owned subsidiaries had since been and will continue to be the appointed project manager, asset manager and property manager of the integrated development.

The consideration was arrived at a willing buyer willing seller basis and based on an agreed total property price (on a completed basis) of approximately S\$1.258 billion, which translates to a divestment price of S\$2,200 per square foot (“**sq ft**”) and subject to adjustment based on the net saleable strata area at TripleOne Somerset, the outstanding construction loan to be drawn down to complete the enhancement works, and the net asset value of PSIPL as at 30 November 2016. The Divestments are expected to be completed no later than 30 June 2017. The proceeds from the divestment of Perennial’s 20.2% stake will be used to fund existing or future investments.

TripleOne Somerset is a prime integrated development, comprising two premium grade office towers and a retail podium, strategically located next to the Somerset Mass Rapid Transit (“**MRT**”) Station serving the North South Line. A S\$120 million enhancement programme is currently underway at the development to augment the retail offerings, incorporate medical suites of about 32,000 sq ft and to spruce up the office lobby and common areas. In August 2016, TripleOne Somerset officially launched the strata sale of its office space and medical suites at Somerset Tower, one of its two office towers. A few office units have since been transacted at an average price of above S\$2,600 per sq ft.

Mr Pua Seck Guan, Chief Executive Officer of Perennial, said, “The divestment of our partial stake in TripleOne Somerset is in-line with our capital recycling strategy to extract value and maximise returns for shareholders. We are pleased to have a supportive consortium of investors who had journeyed with us and entrusted us to grow their investments and deliver a respectable return.”

Mr Pua added, “We are pleased to partner Shun Tak, our existing partner for the Beijing Tongzhou Integrated Development and Zhuhai Hengqin Integrated Development in China, as they embark on their first significant commercial investment in Singapore. Shun Tak’s investment in TripleOne Somerset is a strong testament of their confidence in the Singapore market and the long term value which can be created at the integrated development from the strata sale of the office space and medical suites and repositioning of the retail podium. The retention of a 30% stake in TripleOne Somerset will provide Perennial with income stability and the opportunity to enjoy the upside from the strata sales and enhancement works. Overall, the partial monetisation will further strengthen Perennial’s financial position and puts us in good stead to pursue our integrated real estate and healthcare strategy.”

#### **About TripleOne Somerset ([www.111somerset.com.sg](http://www.111somerset.com.sg))**

TripleOne Somerset is a prime integrated development, comprising two premium grade office towers and a retail podium, strategically located within the renowned Orchard Road precinct and next to the Somerset MRT Station serving the North South Line. The property enjoys two prominent frontages along Somerset Road and Devonshire Road which provide dual drop off and access to the development.

The immediate Orchard Road precinct is Singapore's main shopping and entertainment belt, comprising predominantly shopping complexes, serviced apartments, hotels and office buildings. The development is also well-supported by a strong residential catchment from the affluent Devonshire and River Valley areas.

TripleOne Somerset is undergoing an approximately S\$120 million asset enhancement programme. The extensive works include enhancing the retail offerings, incorporating medical suites of about 32,000 sq ft, and sprucing up of the office lobby and common areas. In addition, the two office towers, starting with Somerset Tower, and the medical suites are being sold on a strata basis. The works are expected to be completed in late 2018/early 2019.

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**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 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.

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**Issued by Perennial Real Estate Holdings Limited**

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