



PERENNIAL REAL ESTATE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 200210338M)

AWARD OF TENDER FOR JOINT VENTURE TO INVEST IN RMB2.7 BILLION TIANJIN SOUTH HSR INTEGRATED DEVELOPMENT LOCATED IN CHINA

1. INTRODUCTION & BACKGROUND

Further to the announcement dated 3 January 2018 on the entry into a joint venture with a consortium of investors to invest in HSR Healthcare and Commercial Integrated Developments located in China (the “**Announcement on 3 January 2018**”), the Board of Directors (the “**Board**”) of Perennial Real Estate Holdings Limited (“**Perennial**”) is pleased to announce that its 45% owned associated company, Perennial HC Holdings Pte. Ltd. (“**JV Vehicle**”) through its wholly-owned subsidiaries, PTJ 1 Pte. Ltd. (“**PTJ1**”), PTJ 2 Pte. Ltd. (“**PTJ2**”) and PTJ 3 Pte. Ltd. (“**PTJ3**”) have been awarded the tender by the People’s Government of Xiqing District, Tianjin for the development of three plots of land, namely, 津西青 (挂) 2018-09, 津西青 (挂) 2018-10, 津西青 (挂) 2018-11 号 of 40-year land use right with total land area of approximately 76,900 square metres (“**sqm**”) located adjacent to the Tianjin South High Speed Railway (“**HSR**”) Station in Xiqing District, Tianjin (the “**Site**”).

The Site with a total gross floor area of approximately 307,500¹ sqm, will be developed into a one-stop regional healthcare and commercial hub comprising medical care, eldercare, hospitality and retail components for an estimated development cost of about RMB2.7 billion (approximately SGD564.3 million²) (the “**Tianjin South HSR Integrated Development**”) to serve the community in the upcoming megalopolis integrating Beijing, Tianjin and Hebei in Northeast China. The development is expected to commence operations progressively from year 2022 onwards.

2. INFORMATION ON THE TIANJIN SOUTH HSR INTEGRATED DEVELOPMENT

Tianjin South HSR Integrated Development is expected to comprise a general hospital, women’s and children’s hospital, eldercare facilities supported by a geriatric hospital, hotels, as well as complementary retail and healthcare-related trades.

The development is strategically located about six kilometres from the Tianjin city centre and enjoys excellent transportation connectivity via the adjacent Tianjin South HSR Station. Within Tianjin, the station is currently served by the operational Subway Line 3, with plans for three more subway lines to be launched in the near future.

1 Subject to the Authorities’ Approvals.

2 Unless otherwise stated, all RMB conversions to SGD in this announcement are based on an illustrative exchange rate of RMB1.00: SGD0.209 for July 2018.

Beyond Tianjin, the station enjoys good accessibility to various cities, including China's two largest cities Beijing and Shanghai via the Beijing-Tianjin-Shanghai HSR Line 1. From Tianjin South HSR Station, it is an approximate 30-minute HSR train ride to Beijing South HSR Station and four-hour HSR train ride to Shanghai Hongqiao HSR Station. In addition, the station is expected to expand with two new HSR lines, the Tianjin-Shanghai HSR Line 2 and Tianjin-Xiong'an HSR Line.

3. RATIONALE

The tender aligns with the JV Vehicle's strategy to acquire, own and develop HSR Healthcare and Commercial Integrated Developments in Tier 1 or strong Tier 2 cities and provincial capitals in China with good connectivity to transportation hubs, particularly HSR stations, which will provide easy access to subways and/or HSR to serve large cities or provinces with sizeable population catchments.

4. CONSIDERATION FOR THE TENDER

The tender price for the Tianjin South HSR Integrated Development is RMB718 million (approximately SGD150.3 million²) and will be funded via equity capital calls from the shareholders of the JV Vehicle.

5. FINANCIAL EFFECTS

The above transaction is not expected to have any material impact on the net tangible assets or earnings per share of Perennial for the current financial year.

6. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement and save for Mr Pua Seck Guan who is a director of the JV Vehicle, PTJ1, PTJ2 and PTJ3, none of the directors or controlling shareholders has any interest, direct or indirect, in the Tianjin South HSR Integrated Development other than through their shareholdings in Perennial.

BY ORDER OF THE BOARD

Sim Ai Hua
Company Secretary

27 July 2018

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, Indonesia and Ghana with a combined portfolio spanning about 58 million square feet in gross floor area.

Perennial is also a healthcare services owner, operator and provider focused predominantly on China. Perennial's healthcare business services include hospitals and medical centres, eldercare and senior housing, and supporting specialties in genomics and diagnostic imaging, plastic surgery and aesthetics as well as maternal and child health management.

In China, Perennial is a dominant commercial developer with sizeable mixed-use integrated developments. Three of Perennial's developments, Chengdu East High Speed Railway ("**HSR**") Integrated Development, Xi'an North HSR Integrated Development and Tianjin South HSR Integrated Development, are regional healthcare and commercial hubs which are situated adjacent to three of the country's largest HSR stations and incorporate medical, healthcare and eldercare facilities. 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.