

# Perennial Real Estate Holdings Ltd



**Financial Results For the Fourth Quarter  
and Financial year Ended 31 December 2019**

*P* 隳瑞利  
PERENNIAL

All statements contained in this presentation which are not statements of historical fact constitute “forward looking statements”. These forward-looking statements, including without limitation, those regarding Perennial Real Estate Holding Limited’s financial position and results, business strategy and plans and objectives of management for future operations involve known and unknown risks, uncertainties and other factors which may cause Perennial Real Estate Holdings Limited’s actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Given the risks and uncertainties that may cause the actual future results, performance or achievements to be materially different from those expected, expressed or implied by the forward-looking statements in this presentation, you are advised not to place undue reliance on these statements.

# **Financial Highlights For The Fourth Quarter and Financial Year Ended 31 December 2019**

# Income Statement (4Q 2019 vs 4Q 2018)

## Explanation of Key Income Line Items



S\$'000	4Q 2019	4Q 2018	Change
	1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018	%
<b>Revenue</b>	<b>33,051</b>	<b>22,957</b>	<b>44.0</b>
Earnings Before Interest & Tax (“EBIT”)	74,625	62,329	19.7
<b>Profit After Tax less Minority Interest (“PATMI”)</b>	<b>38,522</b>	<b>15,999</b>	<b>140.8</b>

### Revenue

§ Revenue for 4Q 2019 was higher by 44.0%, mainly attributable to higher revenue from Capitol Singapore, CHIJMES, Perennial Qingyang Mall, Perennial International Health and Medical Hub (“PIHMH”) and higher fee income.

### EBIT

§ EBIT for 4Q 2019 increased by 19.7% due to higher fair value gains and higher share of results from associates/joint ventures. Fair value gains came mainly from our projects in China. The increase in valuation was a result of higher rental achieved by the operational malls and advancement in construction works for development projects.

### PATMI

§ PATMI was higher as a result of the higher EBIT and lower net finance costs. Net finance costs reduced due to an increase in interest income of S\$6.3 million which came mainly from the interest on junior bonds accrued by associated companies and shareholder’s loan interest from another associated company. The increase in finance income more than offset the increase in finance expenses.

# Income Statement (FY2019 vs FY2018)

## Explanation of Key Income Line Items

S\$'000	FY2019	FY2018	Change
	1 Jan 2019 to 31 Dec 2019	1 Jan 2018 to 31 Dec 2018	%
<b>Revenue</b>	<b>124,221</b>	<b>78,261</b>	<b>58.7</b>
EBIT	135,984	376,207	(63.9)
<b>PATMI</b>	<b>3,832</b>	<b>78,055</b>	<b>(95.1)</b>

### Revenue

§ The higher revenue in FY2019 was mainly due to the inclusion of the full 12 months revenue of both Capitol Singapore and PIHMH as compared to seven months in FY2018, and an increase in revenue from both assets year on year as their operations continue to be ramped up. The increase in FY2019 revenue was also contributed by higher fee income from management business.

### EBIT

§ EBIT decreased by 63.9% mainly due to lower fair value gains. Fair value gains at EBIT level were S\$68.9m in FY2019 as compared to S\$332.3m in FY2018. In FY2018, two plots on Beijing Tongzhou Integrated Development Phase 1 were reclassified to investment properties from development properties, as these plots were identified for lease following the receipt of construction permits. The decrease was mitigated by divestment gains, higher share of results from associates/joint ventures and fee income.

### PATMI

§ PATMI decreased by 95.1% due to lower fair value gains and higher finance expenses, mitigated by higher share of results from associates/joint ventures, higher management fee income and divestment gains. Finance expenses increased due to higher borrowings to fund new investments and interest expenses of PIHMH being expensed off on completion of the project.

# Income Statement (FY2019 vs FY2018)

## Revenue and EBIT by Segment



	REVENUE			EBIT			Note
	FY2019	FY2018	Change	FY2019	FY2018	Change	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Singapore	56,225	22,600	148.8	7,921	55,965	(85.8)	1
China	50,902	41,408	22.9	137,108	329,054	(58.3)	2
Management Businesses	31,797	22,982	38.4	14,668	5,565	163.6	3
Corporate and Others	72	190	(62.1)	(6,258)	(6,623)	(5.5)	
Eliminations	(14,775)	(8,919)	65.7	(17,455)	(7,754)	125.1	4
	<b>124,221</b>	<b>78,261</b>	<b>58.7</b>	<b>135,984</b>	<b>376,207</b>	<b>(63.9)</b>	

### Notes:

- (1) The increase in revenue was mainly due to Capitol Singapore's full year's revenue in FY2019 as compared to seven months in FY2018 as well as the sale of a unit in Eden Residences Capitol in FY2019. EBIT decreased mainly due to the lower operating performance of Capitol Singapore, lower share of results post the divestment of Chinatown Point in FY2019, as well as absence of fair value gain of Chinatown Point and one-off gain from an associated company in FY2018, mitigated by the gain on disposal of Chinatown Point.
- (2) The higher revenue was mainly attributable to the full 12 months revenue contribution from PIHMH as compared to seven months in FY2018. The lower EBIT was mainly due to the lower fair value gains, mitigated by the better performance of PIHMH, gain on divestment of Aidigong and higher share of results of healthcare businesses.
- (3) The increases in revenue and EBIT from the management businesses were mainly due to management fees from the healthcare joint venture and one-off consultancy fees.
- (4) Eliminations are mainly against dividends declared by subsidiaries and intercompany transactions.

# Valuation of Investment Properties

Properties	Stake (%)	100% Basis		
		FY2019 <sup>1</sup>	FY2018	Variance
Beijing Tongzhou Integrated Development Phase 1 (Plots 14-1 & 14-2)	40.0	RMB5,619.0 million	RMB5,412.0 million	RMB207.0 million
Chengdu East High Speed Railway Integrated Development Plot D2	50.0	RMB2,512.0 million	RMB2,512.0 million	-
Kunming South HSR International Healthcare and Business City (Plots A1 & A2)	45.0	RMB595.0 million	RMB341.5 million	RMB253.5 million
Perennial International Health and Medical Hub, Chengdu	80.0	RMB3,950.0 million	RMB3,810.0 million	RMB140.0 million
Perennial Jihua Mall, Foshan	100.0	RMB950.0 million	RMB928.0 million	RMB22.0 million
Perennial Qingyang Mall, Chengdu	100.0	RMB1,350.0 million	RMB1,275.0 million	RMB75.0 million
Shenyang Longemont Offices	50.0	RMB2,224.0 million	RMB2,224.0 million	-
Shenyang Longemont Shopping Mall	50.0	RMB3,763.0 million	RMB3,763.0 million	-
Shenyang Red Star Macalline Furniture Mall	50.0	RMB2,453.0 million	RMB2,453.0 million	-
Tianjin South HSR International Healthcare and Business City (Plots 8, 9 & 11)	45.0	RMB795.4 million	RMB718.0 million	RMB77.4 million
Xi'an North High Speed Railway Integrated Development Plot 4	51.0	RMB1,272.0 <sup>2</sup> million	RMB1,198.0 <sup>2</sup> million	RMB74.0 million
AXA Tower, Singapore	31.2	S\$132.3 <sup>3</sup> million	S\$118.5 <sup>4</sup> million	S\$13.8 million
Capitol Singapore	100.0	S\$502.7 <sup>4</sup> million	S\$496.7 <sup>3</sup> million	S\$6.0 million
CHIJMES, Singapore	51.6	S\$334.0 million	S\$334.0 million	-

1. Independent valuation as at 31 December 2019.

2. Relates to non-hotel component.

3. Relates to retail and medical components.

4. Excludes Eden Residences Capitol and The Capitol Kempinski Hotel Singapore.

# Capital Management & Key Financial Indicators



# Capital Management and Key Financial Indicators

## Key Financial Ratios

	As at 31 Dec 2019	As at 31 Dec 2018
Net Debt (S\$' 000)	2,848,809	2,861,206
Total Equity (S\$' 000) <sup>(1)</sup>	3,851,603	3,976,378
Net Debt to Equity Ratio	0.74	0.72
NAV per Share <sup>1</sup> (S\$) <sup>(1)</sup>	1.584	1.644
Debt-Weighted Average Term to Expiry (years)	1.55	1.92

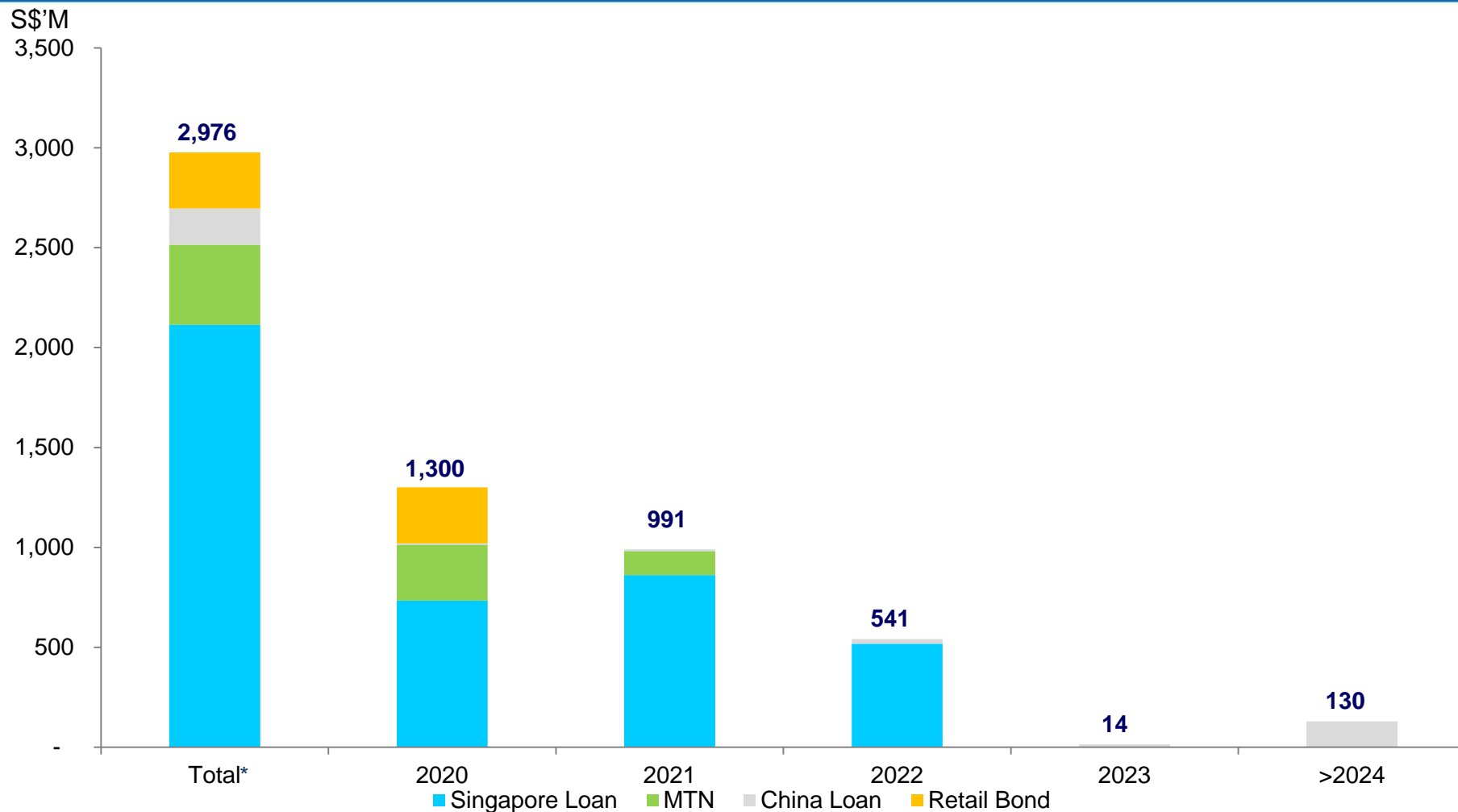
	FY2019	FY2018
Earnings per Share (cents)	0.23	4.70
Weighted Average Interest Rate (p.a.)	4.0%	3.8%

### Note

1. The lower Total Equity and Net Asset Value (“NAV”) per Share were mainly due to translation loss arising from the depreciation of RMB against SGD during the year.

# Debt Maturity Profile

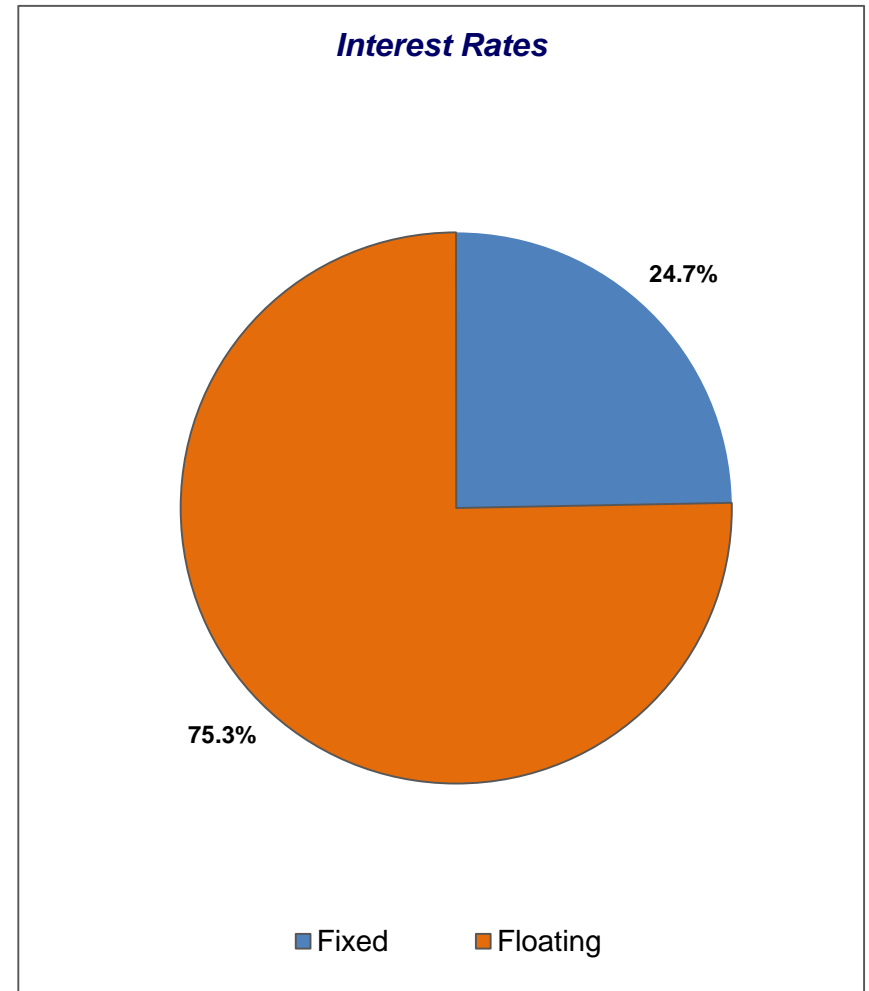
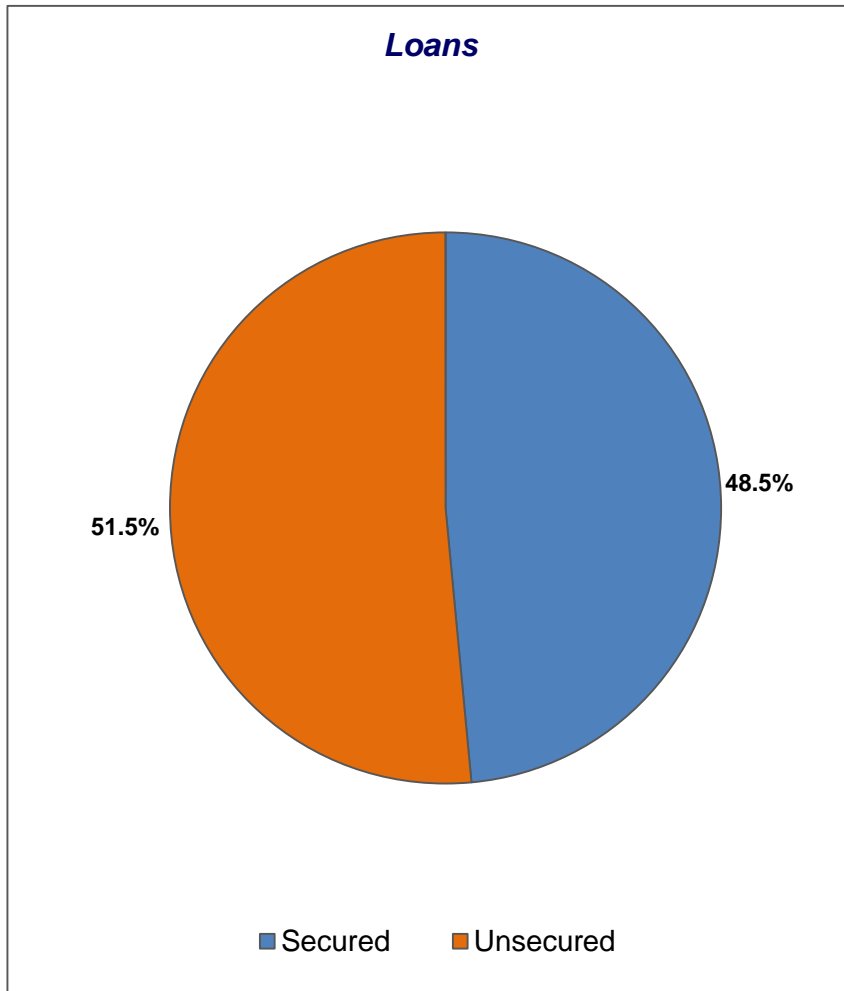
## As at 31 December 2019



\*Being gross amount, without amortised transaction costs.

- The borrowings due in 2020 comprise secured loans of S\$106m, unsecured loans of S\$634m, retail bonds of S\$280m due in April 2020, and MTNs of S\$100m and S\$180m due in July 2020 and August 2020 respectively.

Loan Portfolio Balanced between Secured and Unsecured Loans;  
~25% of Total Borrowings are on Fixed Interest Rates

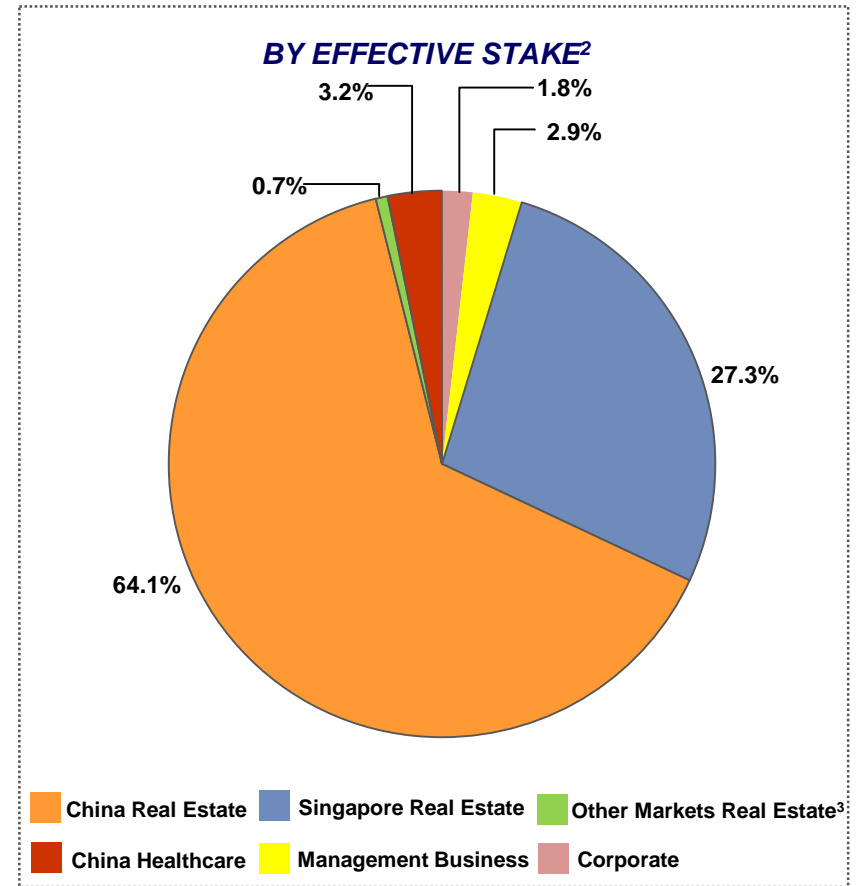
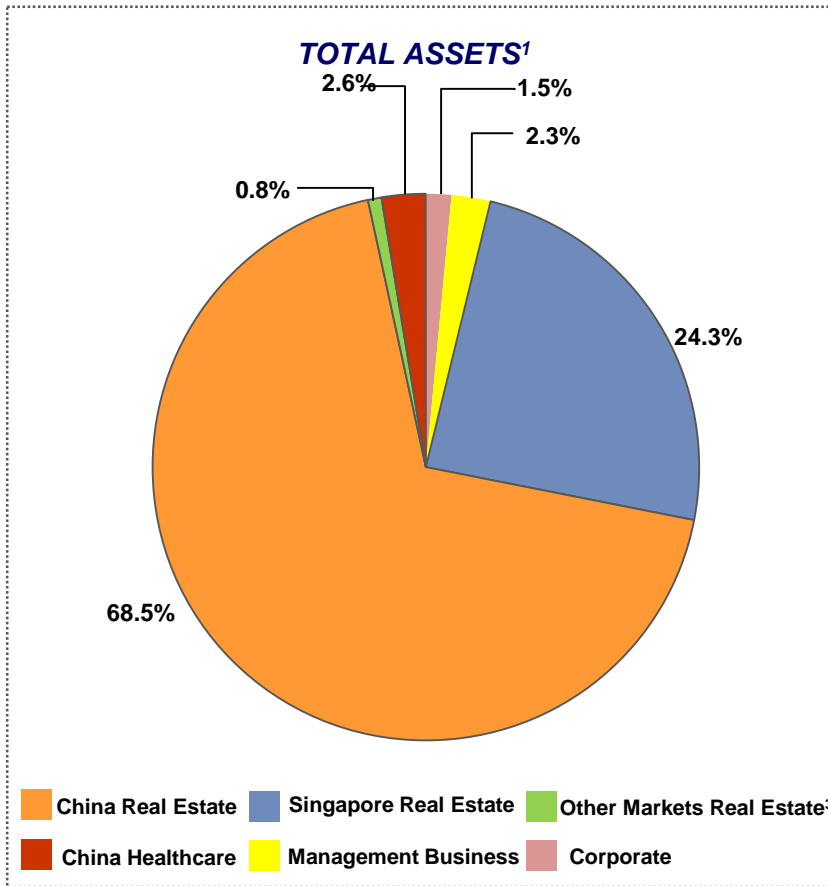


Proposed Dividend Details	
<b>Name of Dividend</b>	First and Final Tax-Exempt
<b>Type of Dividend</b>	Cash
<b>Dividend per Share</b>	0.2 cents
<b>Books Closure Date</b>	To be announced later
<b>Date Payable</b>	To be announced later

# Portfolio Highlights

# Total Asset Composition – By Business (As at 31 December 2019)

## HSR Regional Healthcare and Commercial Hubs Constitute Significant Part of China Real Estate

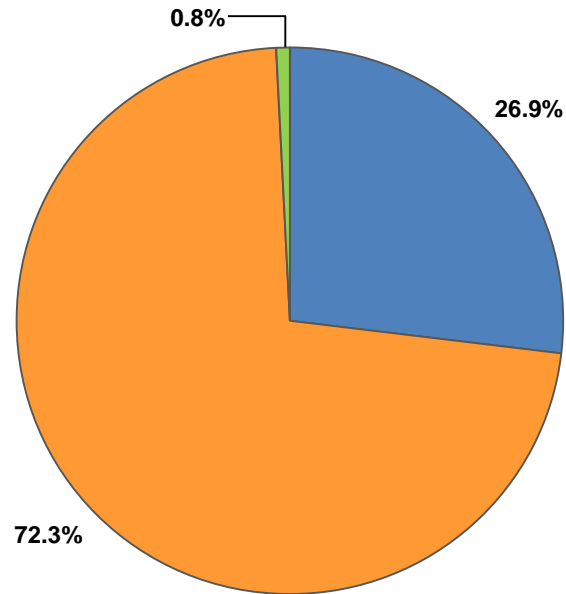


1. Represents assets which are consolidated and equity accounted in accordance to the Singapore Financial Reporting Standards.
2. Represents assets computed via the Company's shareholdings.
3. Other Markets Real Estate relates to assets in Malaysia, Ghana and Indonesia.

# Total Asset Composition – By Country (As at 31 December 2019)

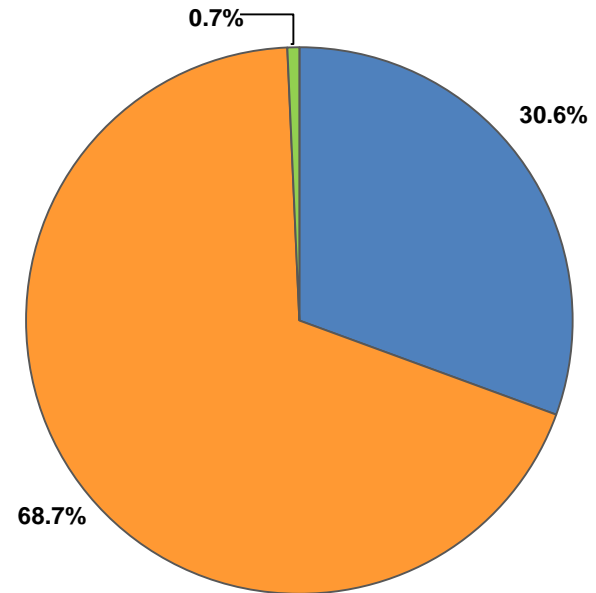
China and Singapore are Core Markets;  
Effective Stake China (~69%:FY2019 / ~65%:FY2018) and Singapore (~31%:FY2019 / ~34%:FY2018)

**TOTAL ASSETS<sup>1</sup>**



China Singapore Other Markets<sup>3</sup>

**BY EFFECTIVE STAKE<sup>2</sup>**

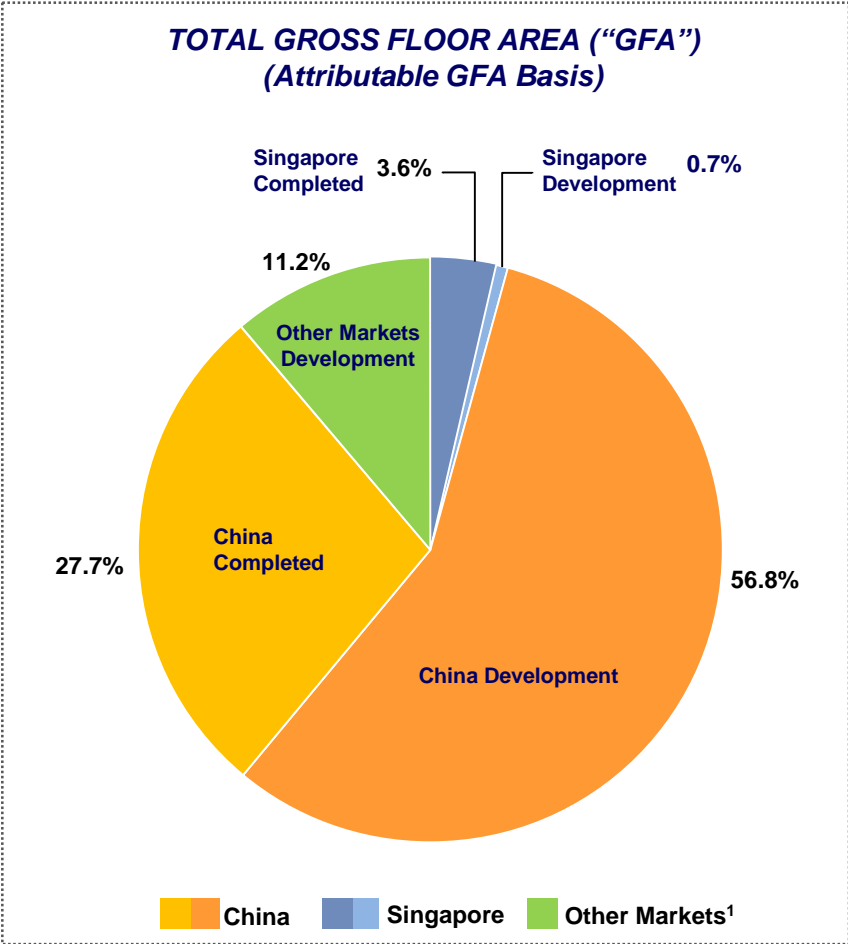
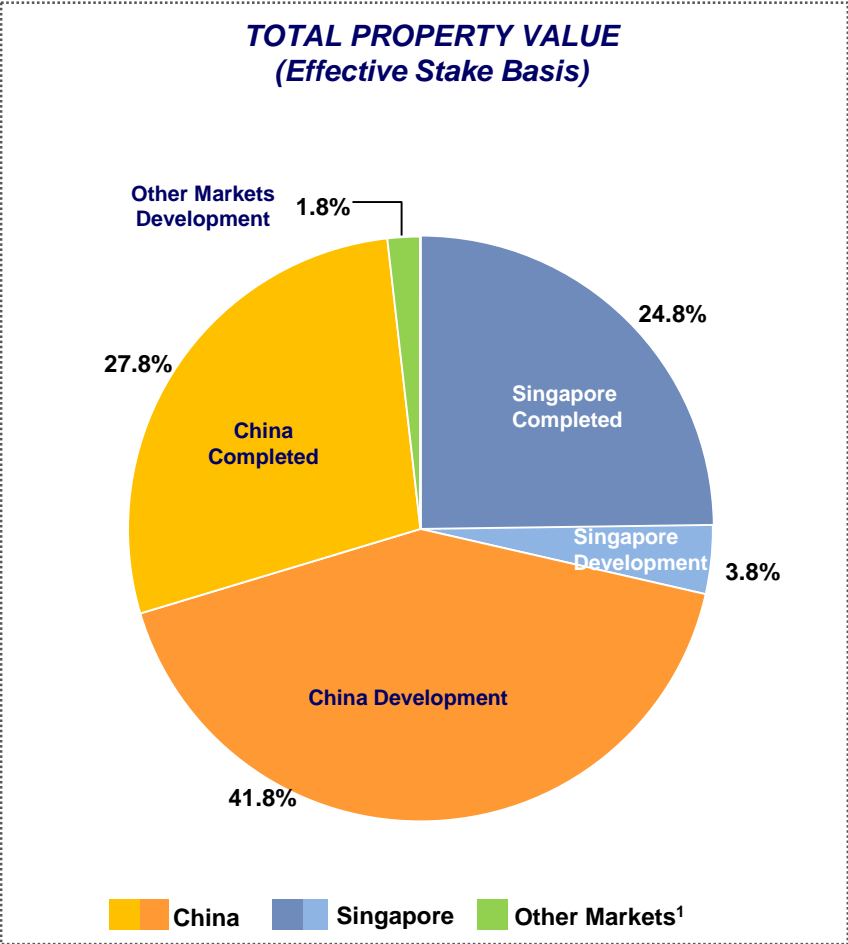


China Singapore Other Markets<sup>3</sup>

1. Represents assets which are consolidated and equity accounted in accordance to the Singapore Financial Reporting Standards.
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3. Other Markets Real Estate relates to assets in Malaysia, Ghana and Indonesia.

# Total Real Estate Portfolio Composition – By Total Property Value and By Total GFA

**Completed Assets which Account for ~53% of Property Value Provide Income Stability;  
China Developments Account for ~42% of Property Value & ~57% of GFA Present Significant Growth Potential**

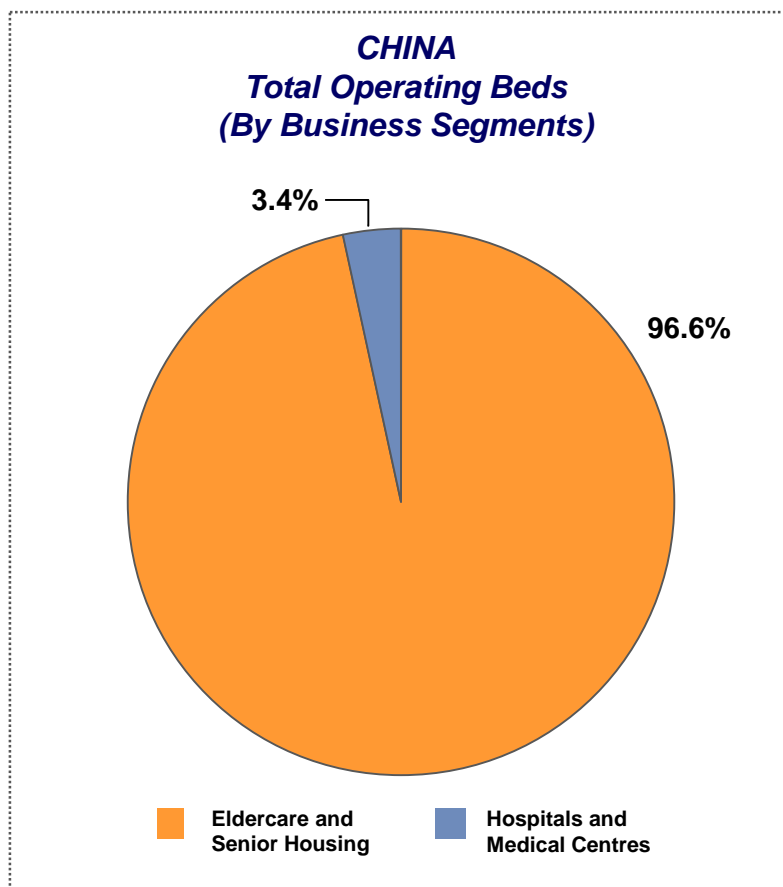


1. Other Markets relates to assets in Malaysia, Ghana and Indonesia.



# China Healthcare Business – Total Operating Beds Composition

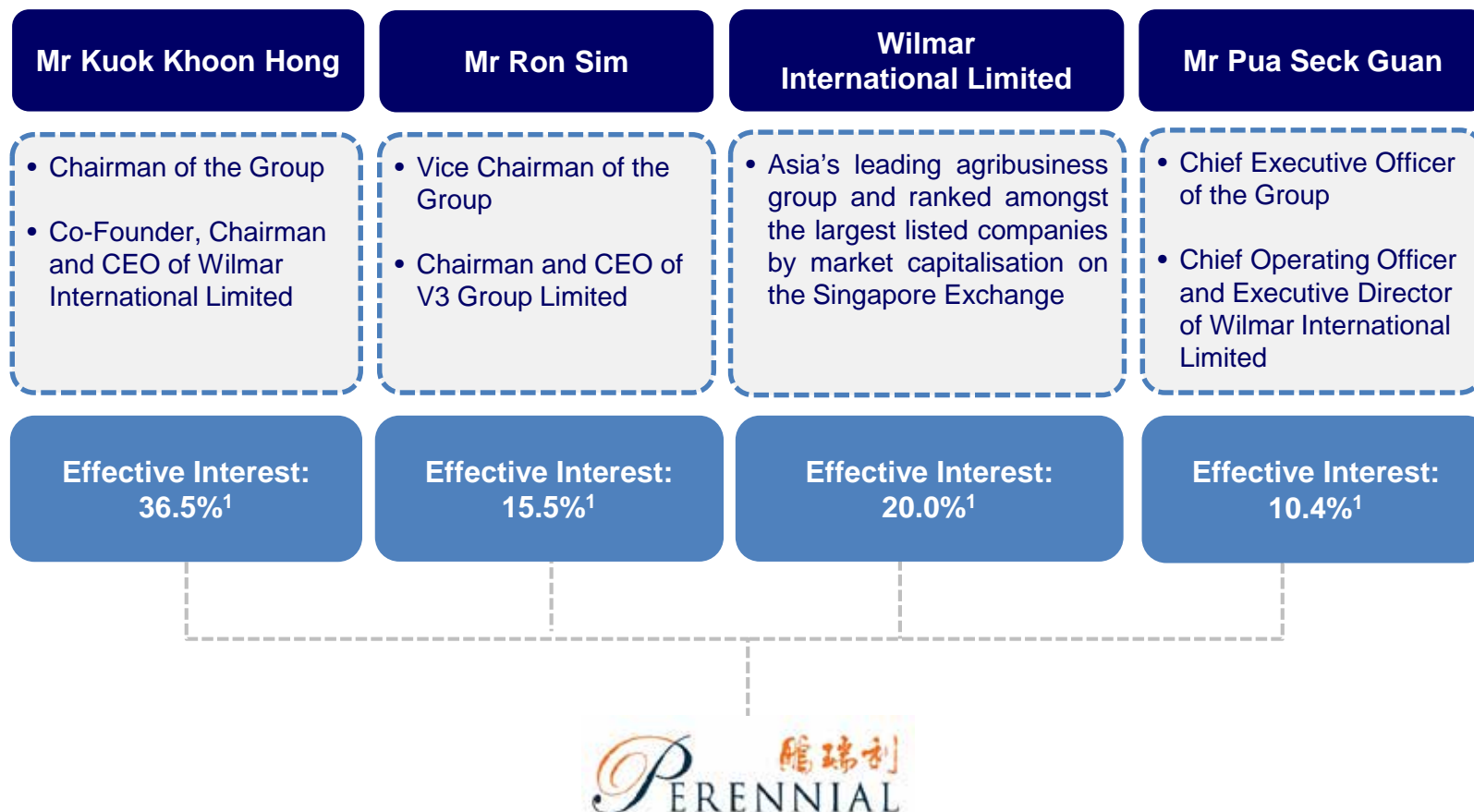
## Eldercare and Senior Housing Segment Continues to Scale Up As Core Healthcare Business Line



Suite of Medical and Healthcare-Related Services	No. of Operating Beds (As at 31 Dec FY2019)	No. of Operating Beds (As at 31 Dec FY2018)	Change (FY2018 vs FY2019)
Eldercare and Senior Housing <sup>1</sup>	7,724	5,927	1,797
Hospitals/ Medical Centres <sup>2</sup>	279	455 <sup>3</sup>	(176)
<b>Total</b>	<b>8,003</b>	<b>6,382</b>	<b>1,621</b>

1. Relates to Renshoutang.
2. Relates to St. Stamford Modern Hospital, Guangzhou and St. Stamford Plastic Surgery and Aesthetic Hospital.
3. A Traditional Chinese Medicine Hospital was converted from a ownership to leasing model.

Perennial's Four Key Sponsors Own an Aggregate Effective Ownership of 82.4%<sup>1</sup>



1. As at 31 December 2019.

# FY2019 Business Review

# FY2019 at a Glance – Fine-tuning the Portfolio to Strengthen Delivery

## Singapore

- § Completed repositioning exercise of Capitol Singapore
- § Strengthened recurring income streams by driving occupancy at CHIJMES and AXA Tower.

## China

- § Refined operating model of 1st signature High Speed Railway (“HSR”) Healthcare integrated development in Chengdu
- § Replicated 2<sup>nd</sup> generation model of HSR Healthcare Integrated Development in Xi’an/Tianjin/Kunming
- § Planned recurring income stream with new hotel management business

## Other Markets

- § Refined asset planning of The Light Penang in Malaysia to dovetail with market demand
- § Seized opportunities in fast growth Asian markets with maiden entry into Myanmar and Sri Lanka

## Healthcare

- § Strengthened healthcare and healthcare-related trade mix at Perennial International Health and Medical Hub and Perennial International Specialist Centre
- § Grow Renshoutang eldercare business

Proactively manage capital prudently and optimise capital efficiency

### Capital Recycling

- Divestment of entire effective 50.64% stake in Chinatown Point, Singapore.
- Disposal of entire 10.9% effective stake in United Engineers Limited, Singapore
- Divestment of entire 20% stake in Aidigong, a maternal and child health business in China
- Strata sale of office and medical units at 111 Somerset, Singapore

# **Business Review - Real Estate (Singapore)**

# Capitol Singapore – Retail Component Completes Repositioning Exercise

Strong Committed Occupancy of over 92% with Refreshed Tenant Mix;  
Premium Co-working Space Operator Commenced Operations



- § The retail component completed its repositioning exercise in 4Q 2019 and achieved a committed occupancy of 92.3%.
- § A stable of new international and local brands which progressively opened in FY2019 were introduced, including Dyson Concept Store, which hosts a Service Centre in the store, Ponggol Nasi Lemak and Eccellente supermarket.
- § IWG's premium co-working space concept No18 also launched its flagship facility in Asia on Level 2 of the retail component. The 20,600 sq ft work space with private offices and club amenities commenced business in December 2019.



# Capitol Singapore – New F&B Destination Arcade@The Capitol Kempinski

## Air-Conditioned Boulevard Offering Seven New Culinary Concepts



Berthold Delikatessen



Capitol Milk Bar



Chalerm Thai



El Teatro Tapas



Frieda Restaurant



La Scala Ristorante

§ At Arcade@The Capitol Kempinski, the air-conditioned boulevard connecting The Capitol Kempinski Hotel Singapore to the rest of the development, six Kempinski food and beverage (“**F&B**”) concepts commenced operations in 2019 as an extension to the hotel’s hospitality dining experience.

§ The unique selection of establishments serving a variety of international palettes include Berthold Delikatessen, Capitol Milk Bar, Chalerm Thai, El Teatro Tapas, Frieda Restaurant and La Scala Ristorante, by Kempinski, as well as Katachi Style Sushi.

# Capitol Singapore – Capitol Theatre as a Choice Venue for Major Events

## Multi-functional Venue Well-Complemented by a Extensive Suite of F&B Options

- § Capitol Theatre is well-positioned as a preferred event venue with its multi-functional capability to host various types of events and excellent public transportation connectivity. The F&B options available from The Capitol Kempinski Hotel Singapore and restaurants at Arcade@The Capitol Kempinski further enhanced the attractiveness of the venue.
- § A variety of MICE, corporate, concerts, film, charity and fundraising events were held in the year, including the Singapore International Film Festival (SGIFF), Jimmy Barnes Concert, Singapore Book Fair, Inter-Pacific Bar Association (IPBA) Conference, Singapore Design Film Festival and Asia's 50 Best Bars event.





# CHIJMES – Popular F&B and Lifestyle Destination

## Full Occupancy Continues to Deliver Recurring Income

- § CHIJMES achieved a total committed occupancy of close to 100% as at 31 December 2019. A number of new F&B establishments were introduced in the year, including returning tenant Whitegrass, under the helm of new Head Chef Takuya Yamashita, who previously headed a one-Michelin-starred restaurant in Tokyo. The prime property also enjoyed a year-on-year increase in footfall of 5.6%.
- § The lifestyle destination also played host to key events including the Singapore Night Festival, Magnum Pleasure Garden, Singapore GP #F1PowerUp Truck, St Patrick's Day Celebration, Summer Beer Festival, as well as New Year Eve Countdown.



# 111 Somerset – Strong Ramp Up in Strata Sale of Office Units

## Ride on the Buoyant Demand for Office/Medical Spaces to Maximise Returns



- § In 4Q 2019, strata sale of the office units in the Somerset Tower continued to gain strength, registering a sale of 27 units amounting to approximately S\$68.4 million of gross sales.
- § For FY2019, a total of 48 office units were sold between S\$2,555 and S\$2,900 per sq ft. A total of two medical units were sold at more than S\$4,000 per sq ft. The total year-to-date gross strata sales amounted to approximately S\$127.1 million.
- § The new two-storey retail podium which commenced operations progressively from March 2019 registered a total committed occupancy 75.1% as at 31 December 2019.

# AXA Tower – Strong Committed Occupancy Driven by Quality Tenants

## Poised to Benefit from URA Draft Master Plan 2019 with Uplift in Gross Plot Ratio



Artist's Impression may differ from the actual view of the completed property.

- § Achieved total committed occupancy of approximately 94%
- § AXA Tower is well-positioned to enjoy an uplift in gross plot ratio (“GPR”) under the new Urban Redevelopment Authority (“URA”) Draft Master Plan 2019 which was announced in March 2019.
- § AXA Tower is also poised to enjoy additional GPR should it convert to integrate hotel and residential usage under the new CBD Incentive Scheme.
- § The change in plot ratio guideline and incentive scheme could potentially increase AXA Tower's existing gross floor area by approximately 46.5%, from 1.05 million sq ft to 1.55 million sq ft.
- § We will actively pursue this redevelopment scheme to incorporate office, hotel and residential components to maximise the value for our Shareholders.
- § At the same time, we will continue to explore en-bloc sale opportunities with potential parties to capitalise on the buoyant Singapore office market to achieve optimal returns to shareholders.



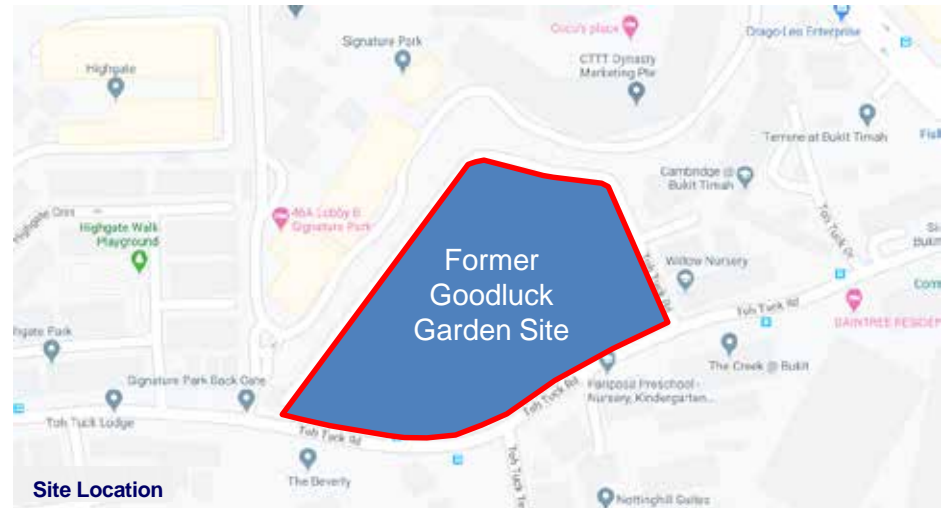
# Former Goodluck Garden – Perennial's First Local Pure-play Residential Development

## Redevelopment of Former Goodluck Garden Site with Qingjian Realty in Progress



Site Photo (Pre-redevelopment)

Photo Source: Knight Frank in The Straits Times



Site Location

- § A 40-60 joint venture with Qingjian Realty to redevelop the former Goodluck Garden site located along Toh Tuck Road at Bukit Timah is underway.
- § The freehold site has an approximate site area of 360,130 sq ft and a potential gross floor area of over 504,180 sq ft post-development.
- § Located in close proximity to the Beauty World MRT Station, the site is expected to comprise four blocks of 9-storey and nine blocks of 5-storey with 633 residential units, as well as two commercial units. Typical layouts would include one bedroom plus study to five bedrooms suite.
- § The development is expected to be launched in 2020.

# Business Review - Real Estate (China)

# Perennial International Health and Medical Hub, Chengdu – One-Stop Destination for All Healthcare and Medical Needs

Fine-tuned Asset Plan to Meet Healthcare Operators' Demand;  
Increased Footfall with Opening of New Link Way Directly Connected to HSR Station



- § Perennial International Health and Medical Hub (“**PIHMH**”) is Perennial’s first signature regional healthcare and commercial hub within its High Speed Railway (“**HSR**”) integrated development portfolio. In view of the increasing demand for medical space by healthcare and healthcare-related operators, adjustments were made to the asset plan by taking back approximately 3,000 sqm of leased retail space on Basement 1 and 2 for conversion into medical space.
- § As a result, PIHMH registered a lower total committed occupancy of approximately 86% as at 31 December 2019.
- § Anchor tenant Gleneagles Chengdu Hospital commenced operations in October 2019, completing the full suite of medical and healthcare-related services at PIHMH. The 350-bed hospital is the first Sino-foreign joint venture multi-specialty medical institution approved by the Sichuan Provincial Development and Reform Commission, and provides consultations and treatments in Internal Medicine, Surgery, Obstetrics and Gynaecology, Paediatrics, Ophthalmology, Otolaryngology, Stomatology, TCM, Dermatology, Psychology, Pain Treatment, Child Health Care, Women’s Health Care, Emergency Medicine, Laboratory Services and Medical Imaging.
- § PIHMH also saw higher footfall starting from December 2019 after the opening of a new basement link way which directly connects to the adjacent Chengdu East HSR Railway Station. The introduction of a new pick-up point for private-hire vehicles also enhanced the accessibility of the hub to patients/shoppers.

## Holistic Suite of Medical and Healthcare Offerings

### Gleneagles Chengdu Hospital



Wards



Operating Theatre



Intensive Care Ward

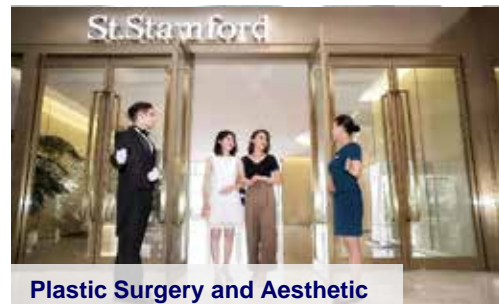
### Other Medical and Healthcare-related Services



Medical Centre



Rehabilitation



Plastic Surgery and Aesthetic



TCM Hospital



Maternal and Child Health



Imaging



# Xi'an North HSR Integrated Development – 2nd HSR Regional Healthcare and Commercial Hub

## Replicate Real Estate and Healthcare Model with Enhanced Asset Plan with a Focus on Medical and Hospitality Components



*Artist's impressions may differ from the actual view of the completed property.*

- § The 2<sup>nd</sup>-generation Regional Healthcare and Commercial Hub will feature enhanced integration between the various medical and healthcare, hospital, eldercare, hospitality and retail components, while being seamlessly connected to the adjacent Xi'an HSR Station.
- § On Plot 4, which is designated for commercial usage, three towers have topped up and are currently undergoing façade cladding works. Construction is on-going for another two towers, reaching Level 30 and ground level respectively. On Plot 5, which is designated for medical usage, detailed master planning and hospital planning are currently in progress and construction commenced in December 2019. Concurrently, discussions with renowned hospitality providers to manage and operate the hotels and service apartments are in progress.
- § In FY2019, the Xi'an Municipal Government accelerated the city's expansion of HSR network, resulting in Xi'an's enhanced connectivity to 23 major municipal and capital cities. The first inter-city railway line connecting Xi'an Xianyang Airport to Xi'an North Railway Station, which is adjacent to the Xi'an North HSR Station, has also commenced operations.
- § Plot 4 and Plot 5 are expected to complete construction in 2021 and 2024 respectively.



# Perennial Tianjin South HSR International Healthcare and Business City – 3rd HSR Regional Healthcare and Commercial Hub

## Perennial-Led Healthcare JV's First Asset; ~307,500 sqm<sup>1</sup> GFA Integrated Development Next to Tianjin South HSR Station



*Artist's Impressions may differ from the actual view of the completed property.*

- § On 10 December 2019, Perennial Tianjin South HSR International Healthcare and Business City held its official groundbreaking ceremony. To-date, the development has received its first three of four key permits, being Land Use Right Certificate, Land Use Planning Permit and Building Planning Permit for two of three plots. The third plot, which is designated for hotel usage, has obtained all four key permits and land excavation works commenced in December 2019. The development is expected to complete progressively from 2022.
- § Tianjin South HSR Station has been identified as one of the HSR stations to benefit from a simplified HSR-to-subway one-time security clearance process aimed at eliminating the need for a second security clearance which transfer commuters have to undergo currently. It is expected to be implemented by 3Q 2020.
- § In August 2019, Perennial entered into a 40-60 joint venture with Shun Tak Holdings Limited to set up Nexus Hospitality Management Limited to provide hospitality management services for hotel components within assets owned by the up to US\$1.2 billion Perennial-led healthcare Joint Venture (“JV”). The JV currently owns Perennial Tianjin South HSR International Healthcare and Business City and Perennial Kunming South HSR International Healthcare and Business City.

1. Subject to relevant authorities' approvals.

# Perennial Kunming South HSR International Healthcare and Business City – 4th HSR Regional Healthcare and Commercial Hub

Perennial-Led Healthcare JV's Second Asset;  
~ 627,600 sqm<sup>1</sup> Maximum GFA Integrated Development Next to Kunming South HSR Station



*Artist's Impressions may differ from the actual view of the completed property.*

- § On 24 September 2019, Perennial Kunming South HSR International Healthcare and Business City held its official groundbreaking ceremony. The one-stop regional healthcare and commercial hub is expected to comprise medical care, eldercare, hospitality, meetings, incentives, conferences and exhibitions and retail components.
- § Both plots have obtained the first of four key permits, being Land Use Right Certificate, and application for the second permit, the Land Use Planning Permit, is underway.
- § Kunming South HSR Station served an estimated 10 million passengers in FY2019, an approximately 19% increase over the previous year. Currently, starting from Kunming South HSR Station, the Yunnan HSR network provides access to most cities in Central Yunnan within an hour's journey, and to the surrounding provincial capital cities within two to five hours<sup>2</sup>. HSR trains originating from Kunming South HSR Station are connected to 23 major municipal and provincial capital cities.
- § The development is also poised to serve the medical and lifestyle needs of visitors in Southeast Asia, including Laos, Myanmar, Vietnam and Thailand, with the upcoming Trans-Asian HSR Network. Kunming South HSR Station is currently already connected to the border of Vietnam at Hekou via a approximately 3.5 hour train ride.
- § The two plots are currently undergoing preliminary design planning and are expected to progressively complete from 2023.

<sup>1</sup> Subject to relevant authorities' approvals.

<sup>2</sup> Source: People.cn News Article dated 27 December 2019 (<http://yn.people.com.cn/n2/2019/12/27/c378439-33667942.html>)



# Perennial's HSR Healthcare and Commercial Hub Portfolio - Presence in Southwest, Northeast and Northwest China



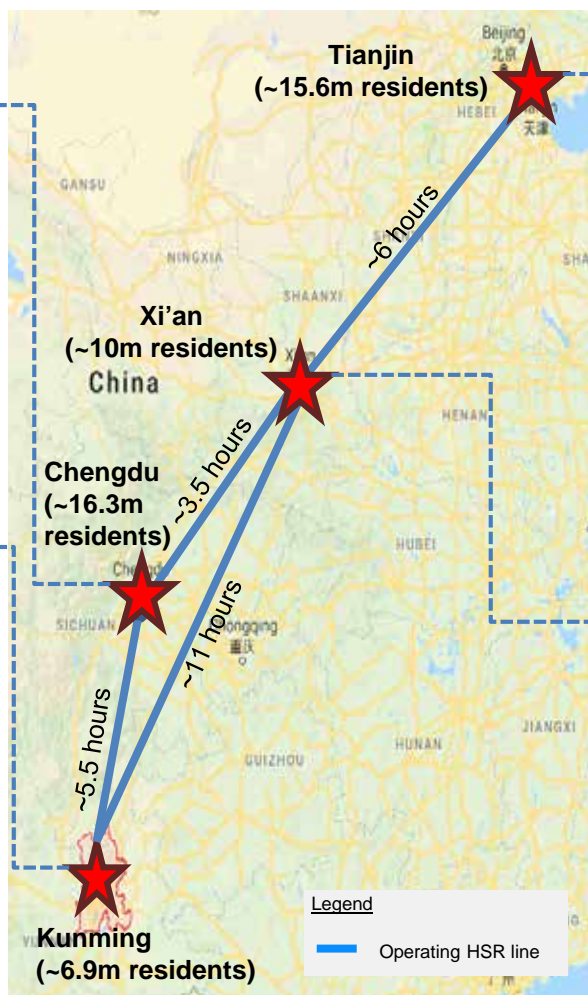
Four Prime HSR Healthcare and Commercial Hubs Spanning a Total GFA of ~3 million sqm; Expected to Serve Beyond Total Immediate Population Catchment of ~48.8 million Residents

## Southwest China

**Chengdu East HSR Integrated Development**  
(Adjacent to Chengdu East HSR Station, one of the Largest HSR Stations in China<sup>1</sup>)



**Perennial Kunming South HSR International Healthcare and Business City**  
(Adjacent to Kunming South HSR Station, the Largest HSR Station in SW China<sup>1</sup>)



## Northeast China

**Perennial Tianjin South HSR International Healthcare and Business City**  
(Adjacent to Tianjin South HSR Station, a future key interchange hub for Jing-Jin-Ji)



## Northwest China

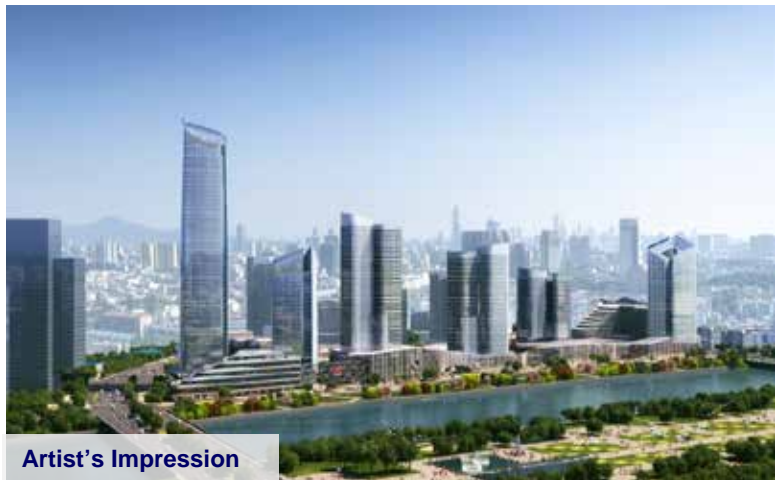
**Xi'an North HSR Integrated Development**  
(Adjacent to Xi'an North HSR Station, the Largest HSR Station in China<sup>1</sup>)



<sup>1</sup> Source: Sina article dated 4 November 2016 ([http://blog.sina.com.cn/s/blog\\_555b8d8b0102ws6s.html](http://blog.sina.com.cn/s/blog_555b8d8b0102ws6s.html))

# Beijing Tongzhou Integrated Development – Key Amenities Set to be Enhanced

## Tongzhou Transportation Hub to be Developed with Enhanced Rail and Road Accessibility in Beijing Tongzhou, the New Sub-centre



Artist's Impression

*Artist's Impression may differ from the actual view of the completed property.*



On-Site Photos



- § Beijing Tongzhou Integrated Development Phase 1 commenced construction in December 2019. On Phase 2, construction is progressing well with one of the three plots having completed structural top-out, and another two of the three plots achieving development height of Level 25 and Level 9 respectively.
- § In August 2019, the second batch of Beijing Government's key functions shifted into Tongzhou District and welcomed over 30,000 officials into Beijing's new Sub-centre. Key amenities in the district are set to be enhanced with the construction of new educational institutions and hospitals.
- § Plans were announced designating Tongzhou District as a key transportation hub for the Jing-Jin-Ji metropolitan region. Other than the commencement of works on Phase 2 of the Subway Line 7 and Batong Line, the journey from the Sub-centre to the new Daxing International Airport, which commenced operations on 25 September 2019, will be shortened to 35 minutes by 2024.
- § Phase 1 and Phase 2 of the development are expected to complete progressively from 2023 and 2022 respectively.



# Zhuhai Hengqin Integrated Development – Soon to Obtain Occupation Permit

## Both Towers Topped Out with Finishing Works Near Completion



- § The mixed-use development achieved topping out and fitting out works are expected to complete by end 2020.
- § Occupation Permit is expected to be obtained in early 2020 and preparations for pre-sale application are currently in progress. Strata-sale of apartments is expected to be launched by 2Q 2020. The retail and hotel components are expected to commence operations by 2021.
- § In 2019, Zhuhai was identified as the regional gateway for the economic and social development of the Guangdong-Hong Kong-Macao Greater Bay Area. Zhuhai Hengqin Integrated Development is set to benefit from its strategic location being adjacent and connected to Zhuhai's Hengqin Immigration Plaza
- § The development is also set to benefit from the recently announced easing of property curbs in Zhuhai. As part of the Chinese government's pro-growth policy stance, local governments were granted more power to adjust policies based on their respective situations to boost China's property market.

# **Business Review - Real Estate (Other Markets)**

## Projects in Malaysia and Indonesia in Progress; Residential Sales Launches Expected in 2020



*Artist's Impression may differs from actual view of the completed property.*

### The Light City, Penang, Malaysia

- § Residential sales of the first phase, Mezzo The Light City, is expected to be launched in 1H 2020, subject to market conditions.
- § Construction works for the first development phase of approximately 2.8 million sq ft GFA expected to commence in 1H 2020.
- § Land and development financing has been secured from a consortium of banks.

### Residential Project in Sentul City, Greater Jakarta, Indonesia

- § Residential sales of the first phase of approximately 318,000 sq ft net sellable area is expected to be launched in 1H 2020, subject to market conditions.
- § Overall brand identity and marketing strategy is in preparation.
- § Construction of the on-site sales gallery and show units is ongoing.

# Other Markets – Diversification Adds a New Engine of Growth

## Maiden Foray into Fast Emerging Asian Markets – Myanmar and Sri Lanka

### Mixed-use Development in Mandalay, Myanmar

- § In 2Q 2019, Perennial established a 50-50 joint venture with Capital Diamond Star Group to enter into a public-private partnership with the Mandalay Region Government to build a mixed-use development in Mandalay, the 2<sup>nd</sup> most populous city in Myanmar.
- § Sited on a land parcel spanning approximately 264,000 sq ft, the approximately 597,000 sq ft GFA development is expected to comprise a shopping mall, shophouses and residential villas.
- § Site preparation and foundation works have been completed, with construction works expected to commence in 1H 2020.

### Mixed-use Development in Colombo, Sri Lanka

- § In 1Q 2020, Perennial led and syndicated a consortium to invest in the development of a mixed-use project in Colombo, the capital city of Sri Lanka. Perennial holds an effective 25% stake in the project.
- § The approximately 152,000 sq ft site is located next to Beira Lake in the prime Colombo district 02.
- § With an expected GFA of approximately 1.3 million sq ft, the project will comprise residential, office and retail components.
- § Site preparation works are expected to commence in 2H 2020.



# Business Review - Healthcare

# Perennial Healthcare Business – Focus on Two Core Business Segments



## HEALTHCARE BUSINESS

### Two Core Business Segments

#### Hospitals / Medical Centres

Partner with Established International and Local Hospital Operators such as Gleneagles Chengdu Hospital in Chengdu



#### Eldercare & Senior Housing

##### Independent Living



##### Assisted Living



#### Perennial International Specialist Medical Centre



##### Nursing Care



##### Dementia Care



Strategic Alliance Tenants in Various Specialties:  
Such as Maternal and Child Health, Plastic Surgery, Health Screening, Imaging, Oral Medicine and Rehabilitation

# Perennial International Specialist Medical Centre – Provider of Top Quality Medical Services in China

## One-stop Premier Medical Specialist Consultation and Treatment Destination

### Perennial International Specialist Medical Centre

*Main Lobby*



### Specialist Eye Centre

By Xiaoqingcao Ophthalmology Group  
with expertise in Cataract treatments



### Fertility Centre

*Fertility consultation service  
and referrals*



### Dr. Smile Medical Group

*Led by Renown Venous Disease Expert,  
Dr Zhang Qiang*



### Traditional Chinese Medicine

*Specialty treatments in TCM  
Orthopaedics and Health Management*



### Outpatient Clinic

*Wide ranging consultants and treatments  
including aesthetic dermatology*



# Renshoutang – Perennial's Fastest Growing Healthcare Business Line

In FY2019, Seven Newly-Opened Facilities in Shanghai, Changzhou and Jurong with Over 1,700 Beds;  
Integrated Dementia Care Services to Cater to Rising Demand

**Shanghai Renshoutang Eldercare and Retirement Home (Eldercare), Shanghai Renshoutang Wenjin Nursing Home (Nursing Care) and Shanghai Changning Xijiao Eldercare and Retirement Home (Dementia Care)**

*First integrated eldercare and retirement, nursing and rehabilitation facility with dedicated dementia care ward in Shanghai*



Eldercare and Retirement



Nursing

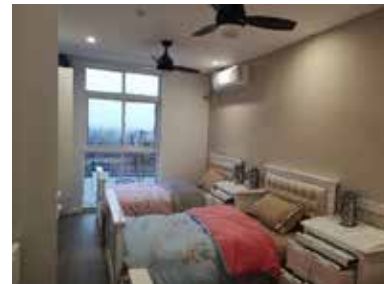


Rehabilitation



Dementia Care

## Other New Facilities in Shanghai, Changzhou and Jurong





# Renshoutang – Eldercare Digitalisation to Set New Industry Benchmark

Riding the Wave of China's Healthcare Digitalisation with Successful Pilot Tests and Eldercare Digital Health Solution to Streamline Processes and Improve Productivity



Digital Health Monitoring Systems

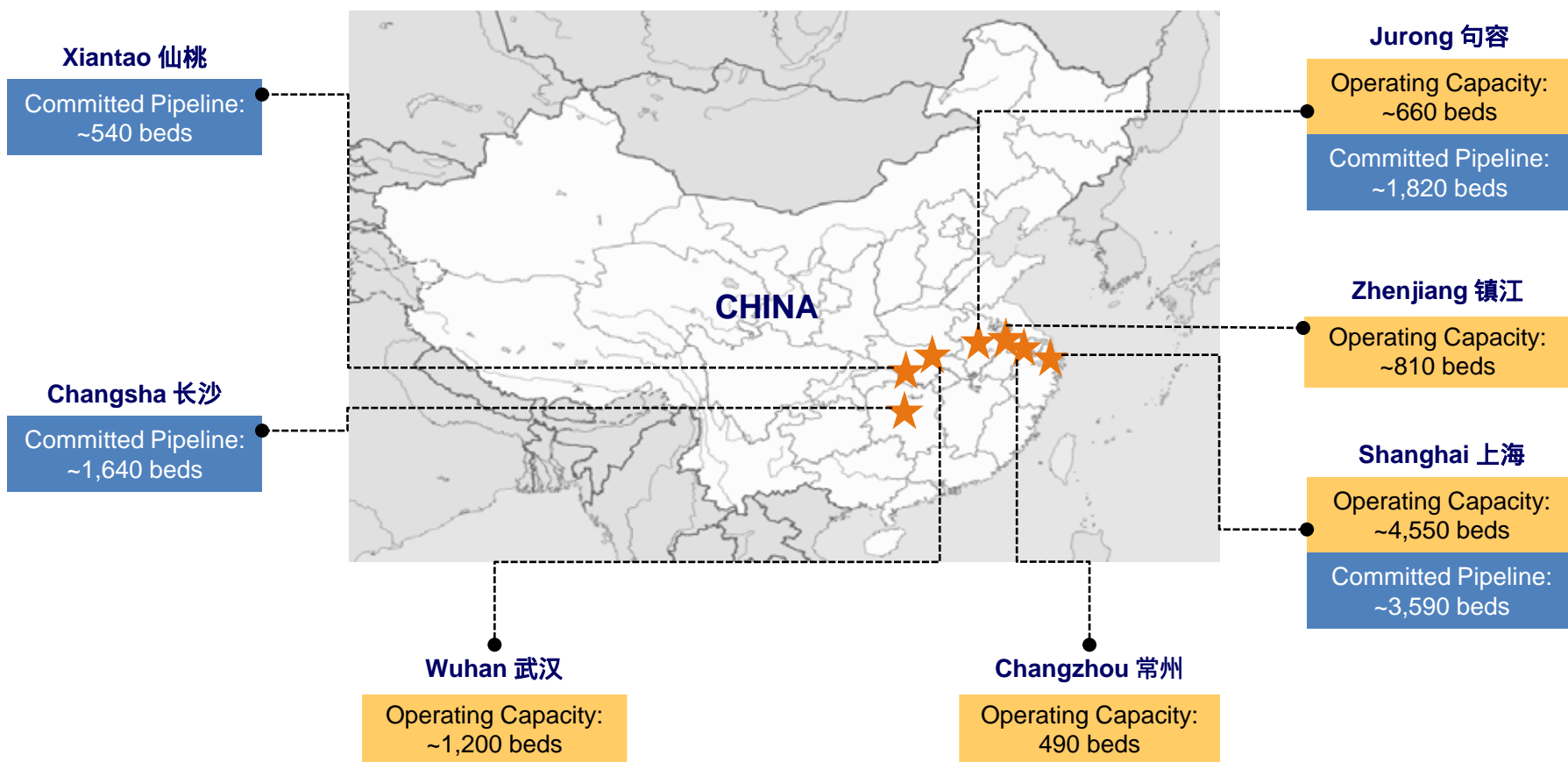


- § Renshoutang has developed a health management software system, named the 'Smart Eldercare and Health Management' system which can be paired with optimal health monitoring devices. The software has the capability to generate health assessment and monitoring reports of residents in Renshoutang's Eldercare and retirement facilities, which can be easily accessed by both the residents and their family members via a proprietary mobile app.
- § The digital health solution will enable Renshoutang to improve its care for the elderly as doctors and care workers can actively monitor the health status of the elderly and provide timely support and interventions. It will also enable Renshoutang to streamline its processes and improve its productivity.
- § The 'Smart Eldercare and Health Management' system was successfully piloted at three Renshoutang facilities in 4Q 2019, and will be progressively rolled out to other facilities in 2020.

# Renshoutang – Set to Become One of The Largest Eldercare Operators

Presence in Seven Cities Across China with Current Operating Capacity of Over 7,700 Beds

§ Renshoutang, the largest private integrated eldercare services operator in Shanghai, currently **operates over 7,700 beds** and has a **committed pipeline of over 7,600 beds**.



# Capital Recycling



## Maximise Returns and Focus on Investments with Direct Value Creation Opportunities

### Divestment of Entire 20% Stake in Aidigong, China

- § In September 2019, Perennial divested its entire 20% stake in Shenzhen Aidigong Modern Maternal and Child Health Management (“Aidigong”).
- § The divestment was completed for RMB200.7 million, which translated to approximately S\$39.8 million.



### Divestment of Entire Stake in Chinatown Point, Singapore

- § In April 2019, Perennial led the consortium to divest its 100% stake in Chinatown Point at an agreed property price of S\$520 million.
- § Perennial received a net proceed of approximately S\$125.3 million based on its proportionate stake of 50.64%.
- § Perennial remains as the property manager of the property.



### Divestment of Entire Stake in United Engineers Limited

- § In October 2019, Perennial disposed its entire investment stake of 45% in a joint venture which owned 33.5% in United Engineers Limited to Yanlord Commercial Property Investments for S\$202.7 million.



# Looking Forward

- § Drive the performance of newly operational and enhanced assets such as Capitol Singapore and 111 Somerset in Singapore, and Perennial International Health and Medical Hub in Chengdu.
- § Execute capital recycling initiatives to maximise returns and strengthen balance sheet via strata sale of office/medical space at 111 Somerset, en bloc sale of AXA Tower and residential sales for Singapore, Malaysia and Indonesia projects.
- § Accelerate the growth of our medical and healthcare-related business in China, focusing on two main segments, being Hospitals and Medical Centres, and Eldercare and Senior Housing.
- § Manage the timely execution of ongoing development and enhancement works in Singapore, China and other markets.
- § Manage our capital prudently and optimise capital efficiency.
- § Grow our portfolio of High Speed Railway Regional Healthcare and Commercial Hubs in China by leveraging on the up to US\$1.2 billion Perennial-syndicated joint venture vehicle to invest in potential sites.

***THANK YOU***

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