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PRESS RELEASE

12 October 2015

For Immediate Release

PERENNIAL REAL ESTATE HOLDINGS LAUNCHES FIRST RETAIL BOND OFFERING WITH 3-YEAR BONDS PAYING 4.65% PER ANNUM

- **Public Offer Period: 9.00 a.m. on 13 October 2015 to 9.00 a.m. on 21 October 2015**
- **Minimum application amount of S\$2,000**

Singapore, 12 October 2015 – Perennial Real Estate Holdings Limited (“**Perennial Real Estate Holdings**” or the “**Issuer**”) today announced that it is offering for subscription up to S\$150 million of 3-year retail bonds which carry a fixed interest of 4.65% per annum, payable semi-annually in arrear. The retail bonds will be offered to the public in Singapore (the “**Public Offer**”), and if applicable, some of these retail bonds may be re-allocated to institutional and other investors (together, the “**Offer**”).

In the event the Public Offer is oversubscribed, the Issuer may increase the total offer size, by up to an additional S\$150 million, to S\$300 million. Subscriptions under the Public Offer will be subject to balloting if the total subscriptions exceed the offer size. DBS Bank Ltd. (“**DBS Bank**”) is the Sole Lead Manager and Bookrunner of the Offer.

Mr Pua Seck Guan, Chief Executive Officer of Perennial Real Estate Holdings, said, “As part of our proactive capital management strategy, the maiden retail bond offering further diversifies our sources of funding and optimises our capital structure. Our 4.65% 3-year retail bonds has one of the shortest tenure amongst the retail bonds issued by corporates in recent years, offering retail investors an attractive fixed-income investment with regular and stable returns. The retail bonds also allow retail investors to participate in our company’s quality portfolio, which is underpinned by a robust balance sheet, relatively low net-gearing, and strong and reputable sponsors.”

Summary Points about Perennial Real Estate Holdings

1. Sizeable Mainboard-listed real estate owner, developer and manager with a market capitalisation of approximately S\$1.56 billion. Established integrated real estate platform managed by proven and experienced management team led by Mr Pua Seck Guan.
2. S\$6.20 billion asset size supported by strong equity base of S\$3.85 billion. Conservative financial position with net gearing ratio of 0.41x.
3. Strong and reputable sponsors with extensive network and business experience, comprising Mr Kuok Khong Hong @ Kuok Khoon Hong, Mr Ron Sim Chye Hock, Wilmar International Limited and Mr Pua Seck Guan, who together hold over 74% effective shareholding interest in the Issuer.
4. The Group has a diversified and quality portfolio measuring over 45 million square feet in total gross floor area, of which about 50%¹ are income-generating assets located in Singapore and the People's Republic of China (the "**PRC**").
5. Singapore portfolio of operational iconic assets which are predominantly located in the Downtown Civic District, Central Business District and Orchard Road precinct generating stable income stream.
6. PRC portfolio comprising mainly prime large-scale integrated developments which are close to major transportation hubs providing strong growth pipeline.
7. Part-sell part-hold strategy for selected assets, such as TripleOne Somerset and AXA Tower in Singapore and mixed-use developments in the PRC, optimises cash flow and capital management.

The Public Offer will open for subscription at 9.00 a.m. on 13 October 2015 and will close at 9.00 a.m. on 21 October 2015. The retail bonds are expected to be issued on 23 October 2015 and are expected to commence trading on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") at 9.00 a.m. on 26 October 2015².

Applications for the Public Offer may be made once via ATMs belonging to DBS Bank (including POSB), OCBC Bank and the UOB Group³, the internet banking websites belonging to DBS Bank at <http://www.dbs.com>, OCBC Bank at <http://www.ocbc.com> and the UOB Group³ at <http://www.uobgroup.com>, or the mobile banking interface of DBS Bank. The minimum investment amount under the Public Offer is S\$2,000 and higher investment amounts are in integral multiples of S\$1,000.

The net proceeds from the issue of the retail bonds are presently intended to be used for general corporate purposes, including refinancing of existing borrowings and financing of working capital, investments (including mergers and acquisitions) and/or capital expenditure requirements of the Issuer or its subsidiaries.

¹ Total property value based on effective stake announced on 4 August 2015 per Financial Results for the 12 months ended 30 June 2015.

² The timeline is indicative only and is subject to change. At the date of this press release, the Issuer does not expect the timeline to be modified.

³ UOB and its subsidiary, Far Eastern Bank Limited.

Approval in-principle has been obtained from the SGX-ST for the listing and quotation of the retail bonds on the Mainboard of the SGX-ST, subject to certain conditions. Approval in-principle granted by the SGX-ST and the listing and quotation of the retail bonds are not to be taken as an indication of the merits of the Issuer, its subsidiaries, associated companies or joint ventures (if any), the retail bonds or the Public Offer.

The Offer Information Statement (the “**OIS**”) dated 12 October 2015 lodged with the Monetary Authority of Singapore (the “**MAS**”) on 12 October 2015 can be obtained (together with an accompanying product highlights sheet) during operating hours from selected branches of DBS Bank (including POSB). A copy of the OIS and the accompanying product highlight sheet are also available on the MAS OPERA website at <https://opera.mas.gov.sg/ExtPortal/>. Applications for the Public Offer must be made in accordance with the terms and conditions set out in the OIS.

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

Perennial Real Estate Holdings Limited (the “**Group**”) is an integrated real estate owner, developer and manager listed on the Mainboard of the Singapore Exchange. Headquartered in Singapore, the Group focuses strategically on large-scale mixed-use developments and has a presence in the PRC, Singapore, Malaysia and Ghana with a combined portfolio measuring over 45 million square feet in gross floor area. The Group's business also extends into the healthcare industry in the PRC, with an established joint-venture to acquire, develop and manage hospital/medical services.

The Group 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 the Group's portfolio include the Beijing Tongzhou Integrated Development, the Shenyang Longemont Integrated Development and the Zhuhai Hengqin Integrated Development.

In Singapore, the Group 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. The Group also holds stakes in and manages 112 Katong mall and Chinatown Point mall.

Issued by Perennial Real Estate Holdings Limited

(Company Registration: 200210338M)

Important Notice

No communication and no information in respect of this transaction may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been or will be taken in any jurisdiction (other than Singapore) where such steps would be required. The issue, the subscription for or the purchase of the retail bonds may be subject to specific legal or regulatory restrictions in certain jurisdictions. The Issuer assumes no responsibility for any violation of any such restrictions by any person.

The retail bonds may not be offered, subscribed or sold in the United States, or to, or for the account or benefit of U.S. persons (in each case as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")) absent registration under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements thereof. The retail bonds of the Issuer have not been and will not be registered under the Securities Act and the Issuer does not intend to make a public offer of its retail bonds in the United States. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and will contain detailed information about the company and management, as well as financial statements.

The distribution of this press release in certain countries may constitute a breach of applicable law. This press release is for information purposes only and does not constitute or form part of any offer for sale or invitation to sell or issue, or any solicitation of any offer to subscribe for or acquire, the retail bonds in the United States and in any jurisdiction in which such an offer or solicitation is unlawful.

This press release may not be published, forwarded or distributed, directly or indirectly, in the United States (including its territories and possessions, any State of the United States, and the District of Columbia).

The information contained in this press release is qualified in its entirety by, and should be read in conjunction with, the full text of the Offer Information Statement and the product highlights sheet. Anyone wishing to subscribe for the retail bonds should read the Offer Information Statement and the product highlights sheet in full and must make an application in the manner set out in the Offer Information Statement.