



ST. JAMES HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number 200210338M)
(to be renamed as **PERENNIAL REAL ESTATE HOLDINGS LIMITED**
following the completion of the Proposed Acquisition)

APPROVAL IN PRINCIPLE FROM THE SGX-ST OBTAINED IN CONNECTION WITH THE LISTING AND QUOTATION OF SHARES ISSUED FOR THE INJECTION OF ASSETS BY PERENNIAL REAL ESTATE HOLDINGS PTE. LTD. AND OTHER VENDORS INTO ST. JAMES HOLDINGS LIMITED (TO BE RENAMED AS PERENNIAL REAL ESTATE HOLDINGS LIMITED POST-COMPLETION OF THE PROPOSED ACQUISITION)

The Board refers to (i) the announcement dated 14 March 2014 in relation to the Proposed Acquisition by St. James Holdings Limited (the “**Company**” or “**St. James**”) of certain target entities from Perennial Real Estate Holdings Pte. Ltd. and other vendors (the “**Acquisition Announcement**”), (ii) the supplemental announcement to the Acquisition Announcement dated 17 March 2014 (the “**Supplemental Announcement**”) and (iii) the corrigendum to the Supplemental Announcement dated 18 March 2014.

Unless otherwise defined, herein, all capitalised terms used in this announcement shall bear the same meaning as defined in the Acquisition Announcement.

1. PROPOSED ACQUISITION OF TARGET ASSETS FROM PERENNIAL REAL ESTATE HOLDINGS PTE LTD

The Company refers to the following:

- (i) the proposed acquisition of effective interests in the Target Assets for a Purchase Consideration of approximately S\$1.56 billion (subject to adjustments for net assets), to be satisfied by the allotment and issuance of new ordinary shares in the capital of the Company (“**Consideration Shares**”) at an issue price of S\$0.0267 for each Consideration Share;
- (ii) the proposed disposal of the Existing Business of the Company in its entirety to CityBar Holdings Pte. Ltd. (“**NewCo**”) for a consideration equivalent to the net asset value of the Existing Business to be satisfied by the issue and allotment of NewCo Shares to the Company and the proposed distribution in specie of all the NewCo Shares to the shareholders of the Company by way of a capital reduction;

- (iii) the proposed whitewash resolution for the waiver by the independent Shareholders of their right to receive a mandatory general offer from the Vendors and their concert parties for all the issued shares of the Company not already owned, controlled or agreed to be acquired by the Vendors and their concert parties;
- (iv) the proposed consolidation of every 50 Shares into one consolidated Share;
- (v) the proposed voluntary offer for the units of Perennial China Retail Trust (“**PCRT**”) and the allotment and issue of up to 0.5242 Voluntary Offer Shares at an issue price of S\$1.3353 for each Voluntary Offer Share in connection with the proposed PCRT voluntary offer;
- (vi) the proposed transfer of the listing of the Company and the Shares from Catalist to the Mainboard of the SGX-ST;
- (vii) the proposed allotment and issue of consolidated shares for the purposes of meeting the shareholding spread and distribution requirements of the Listing Manual following the Proposed Acquisition;
- (viii) the proposed change of name of the Company from “St. James Holdings Limited” to “Perennial Real Estate Holdings Limited”;
- (ix) the proposed appointment of new directors of the Company;
- (x) the proposed adoption of the amended and restated articles of association of the Company;
- (xi) the proposed adoption of the Perennial Employee Share Option Scheme 2014;
- (xii) the proposed discount for share options under the Perennial Employee Share Option Scheme 2014; and
- (xiii) the proposed new share issue mandate to allot and issue new consolidated shares.

As stated in the Acquisition Announcement, the Company had entered into the conditional sale and purchase agreements with Perennial Real Estate Holdings Pte. Ltd. and other vendors to purchase the shares of certain entities with business activities and assets (the “**Target Assets**”) located mainly in the People’s Republic of China (“**PRC**”) and Singapore.

The aggregate purchase consideration for the Proposed Acquisition of approximately S\$1.56 billion is to be satisfied by the allotment and issuance of new ordinary shares in the Company, which shall on issue, represent approximately 99.27 per cent. of the enlarged share capital of the Company. After the Proposed Acquisition, the Company will be renamed Perennial Real Estate Holdings Limited (“**PREHL**”) and PREHL will have net tangible assets of approximately S\$1.92 billion. PREHL will also be transferred from the Catalist of the SGX-ST to the Mainboard of the SGX-ST, subject to obtaining the relevant approvals.

2. APPROVAL IN-PRINCIPLE FROM THE SGX-ST

2.1 Further to the above, the Board is pleased to announce that the SGX-ST on 5 September 2014 granted its approval in-principle for the following:

- 2.1.1 the listing and quotation on the Mainboard of the Consideration Shares (including the Consolidated Shares) to be issued in connection with the Proposed Acquisition;
 - 2.1.2 the listing and quotation on the Mainboard of the Voluntary Offer Shares to be issued in connection with the Proposed PCRT Voluntary Offer; and
 - 2.1.3 the listing and quotation on the Mainboard of the Consolidated Shares to be issued in connection with the proposed compliance placement that may be undertaken by PREHL following the Proposed Acquisition (the “**Proposed Compliance Placement**”); and
 - 2.1.4 the listing and quotation on the Mainboard of the Shares arising from the exercise of share options under the new share option scheme to be known as the “Perennial Employee Share Option Scheme 2014”, which is proposed to be established after the Proposed Acquisition.
- 2.2 The approval in-principle from the SGX-ST is subject to the following conditions:
- 2.2.1 compliance with the SGX-ST’s listing requirements;
 - 2.2.2 compliance with the shareholding spread requirements and distribution guidelines under Rules 210(1)(a) and 1015(3)(c) of the Listing Manual where, in determining the minimum spread required, the market capitalisation will be computed by multiplying the number of issued shares comprised in the enlarged share capital of PREHL with the proposed price of the Proposed Compliance Placement;
 - 2.2.3 compliance with Rules 113(2) and 210(5)(a) of the Listing Manual which require that:
 - (i) for two years after the completion of the Proposed Acquisition or such other time frame imposed by the SGX-ST, PREHL must prominently include a statement that the reverse takeover of its shares was sponsored by DBS Bank Ltd. and Standard Chartered Bank (“**Issue Managers**”) in all announcements made by it (on the SGXNET or otherwise) and in all information documents issued by it to shareholders; and
 - (ii) as a pre-quotation disclosure requirement, PREHL must release a statement via SGXNET identifying for each proposed new director of PREHL, whether the person has prior experience (and what) or, if the director has no prior experience as a director of a listed company, whether the director has undertaken training in the roles and responsibilities of a listed company;
 - 2.2.4 pre-quotation disclosure of information required by the SGX-ST (which will be conveyed to PREHL before completion of the Proposed Acquisition);

- 2.2.5 the land use right certificates relating to Beijing Tongzhou Integrated Development Phase 1 and Beijing Tongzhou Integrated Development Phase 2⁽¹⁾ being obtained prior to their injection into PREHL;
- 2.2.6 there being a clear segregation of duties of the management teams of PREHL and PCRT and both management teams being properly resourced; and
- 2.2.7 submission of the following documents:
- (i) a written undertaking from PREHL that reviews by the board of directors or the relevant committee of PREHL's key financial, operational and compliance risk areas and the outcome of these reviews must be disclosed in the Annual Report of PREHL or where the findings are material, immediately announced via the SGXNET;
 - (ii) a written confirmation from PREHL that Rules 735 and 736 of the Listing Manual have been complied with;
 - (iii) a written undertaking from PREHL that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Proposed Compliance Placement (if any) and where proceeds are to be used for working capital purposes, PREHL will disclose a breakdown with specific details on the use of proceeds for working capital in PREHL's announcements on use of proceeds and in the Annual Report of PREHL;
 - (iv) a written undertaking from each of PREHL's proposed new directors in the form prescribed by the SGX-ST and an undertaking from PREHL to procure the same written undertaking from any other new director to be appointed to the board of directors of PREHL after the close of the Proposed Acquisition;
 - (v) a written undertaking from PREHL that (a) it will seek board approval on the policy for entering into any foreign exchange hedging transactions; (b) it will put in place adequate procedures which must be reviewed and approved by the Audit Committee; and (c) the Audit Committee will monitor the implementation of the policy, including reviewing the instruments, processes and practices in accordance with the policy approved by board of directors of PREHL;
 - (vi) a written confirmation by the Issue Managers that the signed moratorium agreements with the relevant parties pursuant to Rule 227 of the Listing Manual are in accordance with the requirements of Rules 228 and 229 of the Listing Manual;
 - (vii) a written confirmation by the Issue Managers that Rules 210(4)(a) and 210(4)(b) of the Listing Manual have been complied with;

⁽¹⁾ As at the date of this announcement, the land use right certificates for all the other Phase 2 Target Assets have been obtained.

- (viii) documents stipulated in Rule 248 (before the date of issue of the Circular), Rule 249 (by the date of allotment of the shares) and Rule 250 (market day before the trading suspension is lifted) of the Listing Manual, where applicable;
- (ix) confirmation by PREHL, to be submitted before the issue of the Circular, that the Target Entities have obtained all material licences, permits, approvals and certificates for each of the Target Entities' business operations and have complied with all relevant laws and regulations that would materially affect each of the Target Entities' business operations prior to the issue of the Circular; and
- (x) a duly signed undertaking in the format set out in Appendix 2.3.1 of the Listing Manual.

The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Proposed Acquisition, any of the proposed transactions and/or PREHL and/or its subsidiaries.

3. FURTHER DETAILS

The Company will be convening an extraordinary general meeting (“EGM”) to seek the approval of Shareholders for, *inter alia*, the Proposed Acquisition, the Proposed Disposal, the Proposed Distribution, the Proposed Share Consolidation, the Proposed Voluntary Offer and the proposed Perennial Employee Share Option Scheme 2014.

A circular setting out information on, *inter alia* the Proposed Acquisition, the Proposed Disposal, the Proposed Distribution, the Proposed Share Consolidation, the Proposed Voluntary Offer and the proposed Perennial Employee Share Option Scheme 2014, and enclosing the notice of EGM, will be despatched to Shareholders in due course.

4. RESPONSIBILITY STATEMENT

The directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement (the omission of which would render any statement in this announcement misleading in any material aspect), and they jointly and severally accept responsibility accordingly.

BY ORDER OF THE BOARD

Dennis Foo Jong Long

Chief Executive Officer

8 September 2014

Singapore

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65)6229-8088.