



**PERENNIAL REAL ESTATE HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No. 200210338M)

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**AWARD OF TENDER FOR JOINT VENTURE TO DEVELOP TWO PLOTS OF LAND NEXT TO  
KUNMING SOUTH HIGH SPEED RAILWAY STATION LOCATED IN CHINA**

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**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. (the **"JV Vehicle"**) through the JV Vehicle's wholly owned subsidiary, PKM 1 Pte. Ltd. (**"PKM1"**) has been awarded the tender by the People's Government of Chenggong District, Kunming, Yunnan Province for the development of two plots of land of 40-year commercial land use right with total land area of approximately 65,054 square metres (**"sqm"**) located next to the Kunming South High Speed Railway (**"HSR"**) Station in Chenggong District, Yunnan Province (the **"Kunming South HSR Integrated Development"**).

Spanning approximately 627,600<sup>1</sup> sqm in total maximum allowable gross floor area, the Kunming South HSR Integrated Development will be developed into a one-stop regional healthcare and commercial hub comprising medical care, eldercare, hospitality, meetings, incentives, conferences and exhibitions (**"MICE"**) and retail components.

Kunming South HSR Station, which is strategically located in the capital city of Yunnan Province, is a key HSR station in China and positioned as Yunnan Province's East Asia and Southeast Asia Transportation Hub, with extensive railway network providing eight local access routes to various key cities across China and five international access routes to East Asian and Southeast Asian countries to support the immense growth in traditional and medical tourism, trade and MICE activities.

**2. INFORMATION ON THE KUNMING SOUTH HSR INTEGRATED DEVELOPMENT**

The Kunming South HSR Integrated Development is expected to comprise a general hospital, eldercare apartment and commercial apartment for long term lease as well as retail components and cluster of hotels.

The development is strategically located about twenty kilometres (**"km"**) from the Kunming city centre and twenty-five km from Kunming Changshui International Airport. The development is

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

also well-served by the operational Subway Lines 1 and 4 via the adjacent Kunming South HSR Station.

### **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 Kunming South HSR Integrated Development is RMB341.5 million (approximately SGD67.6 million<sup>2</sup>) 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 the Announcement on 3 January 2018 and this announcement and save for Mr Pua Seck Guan who is a director of the JV Vehicle and PKM1, none of the directors or controlling shareholders has any interest, direct or indirect, in the Kunming South HSR Integrated Development other than through their shareholdings in Perennial.

BY ORDER OF THE BOARD

Sim Ai Hua  
Company Secretary

20 December 2018

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<sup>2</sup> Unless otherwise stated, all RMB conversions to SGD in this announcement are based on an illustrative exchange rate of RMB1.00: SGD0.198 for December 2018.

**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, Indonesia and Ghana with a combined portfolio spanning about 65 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. Four of Perennial's developments, Chengdu East High Speed Railway ("**HSR**") Integrated Development, Xi'an North HSR Integrated Development, Tianjin South HSR Integrated Development and Kunming South HSR Integrated Development, are regional healthcare and commercial hubs which are situated adjacent to four 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 Capitol Singapore, CHIJMES, AXA Tower, TripleOne Somerset, Chinatown Point and House of Tan Yeok Nee.