

PERENNIAL REAL ESTATE HOLDINGS LTD



THE GROUP SEALS 40-60 JOINT VENTURE WITH
GUANGDONG BOAI MEDICAL GROUP TO EXPAND INTO
HOSPITAL/MEDICAL SERVICES BUSINESS IN CHINA

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OVERVIEW OF THE JOINT VENTURE

Strategic Partnership with BOAI to Expand into Hospital/Medical Services Business in China

- Perennial Real Estate Holdings Limited (the “**Group**”) entered into a 40-60 joint venture with Guangdong Boai Medical Group Co., Limited (“**Guangdong Boai Medical Group**”) to acquire, develop and manage hospital/medical services business in China (“**Joint Venture**”).
- Guangdong Boai Medical Group is a subsidiary of the China Boai Medical Group 博爱 (中国) 企业集团 (“**BOAI**”), one of the largest private hospital/medical services operators in China.
- Joint Venture will focus on eight core medical fields at its hospitals/medical centres, being (1) Oncology, (2) Fertility, Obstetrics and Gynaecology, (3) Plastic Surgery and Aesthetic Medicine, (4) Orthopaedics, (5) Paediatrics, (6) Ear, Nose, Throat and Eye Specialty Medicine, (7) Dentistry, and (8) Cardiology and Cardiovascular Surgery.
- Visible growth pipeline with immediate access to the Group’s greenfield and/or completed integrated developments and BOAI’s existing portfolio of hospitals/medical centres and future acquisition pipeline across China.
- Broadly, each greenfield hospital/medical centre would require a gross floor area of between 50,000 sqm to 80,000 sqm, and cater to an in-patient bed capacity of 500 to 800.

First Acquisition by the Joint Venture – Modern Hospital Guangzhou 广州现代医院

Consideration, Taking into Account Business of Modern Hospital Guangzhou valued at 12X EBITDA, In-Line with Market Comparables

- The Joint Venture will acquire Modern Hospital Guangzhou in Guangzhou from BOAI. The hospital is one of the more profitable hospitals within BOAI's portfolio of assets.
- Since 2011, Modern Hospital Guangzhou has enjoyed steady year-on-year growth of 10% to 12% in Earnings Before Interest, Tax, Depreciation and Amortisation (“EBITDA”).
- The Group, through its wholly-owned subsidiary, Perennial HC Pte. Ltd., will acquire a 40% stake in a joint venture entity for RMB286.7 million (~S\$63.0¹ million) (“**Consideration**”). Remaining 60% stake will be held by a subsidiary of BOAI.
- The Consideration was derived taking into account the medical business of Modern Hospital Guangzhou, which is valued at ~12-times average EBITDA for FY ended 2014 and forecast FY ending 2015, in-line with market comparables.
- The Group will fund its 40% stake via internal funds and bank borrowings.
- Equity injection of RMB286.7 million will be used to fund:
 - ✓ Expansion plans for Modern Hospital Guangzhou, to increase in-patient bed capacity from current 246 to close to 300;
 - ✓ Joint Venture's future acquisition and growth plans.

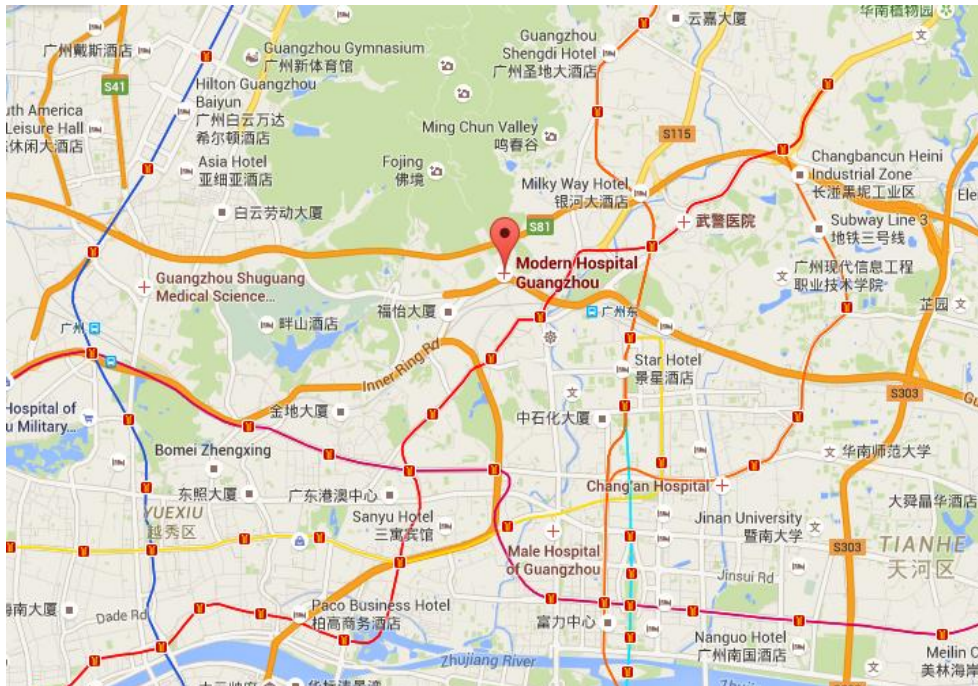


1. Acquisition Price in SGD is translated at a foreign exchange rate of SGD/RMB of 4.55

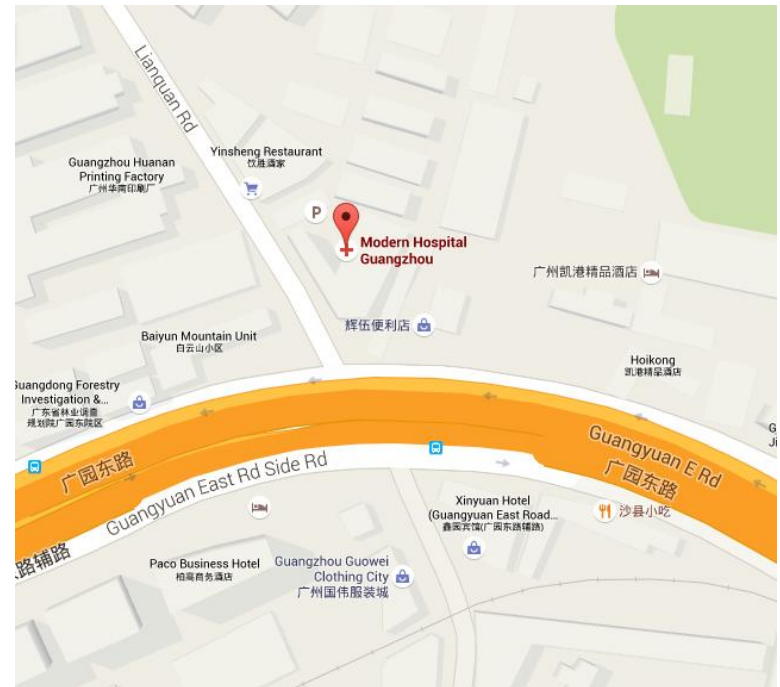
PERENNIAL 鵬瑞利

- Located at 42 Lian Quan Lu (濂泉路) and adjacent to Guangyuan East Road (广园东路), one of the main arterial roads in Guangzhou. Close to the boundary of Tian He and Yue Xiu Districts.
- About 15 minutes and 30 minutes by car from the Guangzhou city centre and the Guangzhou Baiyun Airport respectively, and easily accessible via public bus and subway.

Location Map of Modern Hospital Guangzhou



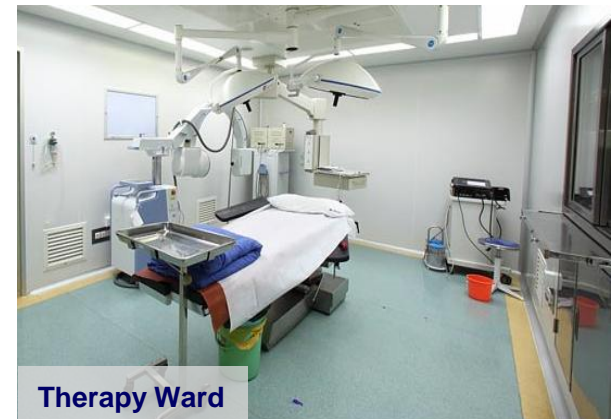
Site Map of Modern Hospital Guangzhou



Guangyuan East Road

Successful Operating Medical Asset with Good International & Local Standing

- Modern Hospital Guangzhou commenced operations in 2005 and has since established itself as one of the leading private tumour and cancer hospitals in Guangzhou.
- The hospital offers a full suite of oncology treatment ranging from chemotherapy, surgery and radiotherapy, to immunotherapy, radiological interventional procedures, cryotherapy and TCM for late stage cancer. It is however particularly renowned for its immunotherapy treatment.
- The hospital is also known for its aesthetic medicine and plastic surgery, and provides a wide range of other services including internal medicine, surgery, gynaecology and dentistry.
- Since 2014, the hospital has achieved the highly-regarded Joint Commission International (“JCI”) accreditation, widely-recognised as the ‘Gold-Standard’ for international quality standards for patient care and organisation management.
- The hospital is also one of the training facilities of the Guangzhou Medical University and a China social health insurance-accredited institution (医保定点医疗机构).



Summary Information of Modern Hospital Guangzhou

Address	42 Lianquan Rd Tianhe, Guangzhou, Guangdong
Gross Floor Area	16,080 square metres
Description	9-storey building (with basement) plus 3-storey annex
In-Patient Bed Capacity	246
Commencement of Operations	2005
Medical Specialties	Oncology, Aesthetic Medicine and Plastic Surgery, Internal Medicine, Surgery, Gynaecology and Dentistry
Renowned Specialty	Full suite of Tumour and Cancer treatment, particularly Immunotherapy
Accreditation & Recognition	<ul style="list-style-type: none"> ▪ JCI Accreditation ▪ Appointed training facility of Guangzhou Medical University ▪ China social health insurance-accredited institution (医保定点医疗机构)
Website	www.22221111.com



Lobby



General Ward



Nurses' Station

THE GROUP'S STRATEGIC MOVE INTO HEALTHCARE SERVICES BUSINESS

Rationale for the Group's Strategic Move into Hospital/Medical Services Business

Hospital/Medical Services Business a Natural Extension of Real Estate Business to Ride on Strong Growth Trajectory of China's Healthcare Industry

Position to Tap on Growth of China's Healthcare Industry

- Strong growth in healthcare industry driven by rapid urbanisation, growing affluence of the Chinese consumers, favourable regulatory changes and aging population.
- Chinese government's relaxation of its control over the China medical industry, allowing Foreign Direct Investment (“**FDI**”) of up to 70% stake in local private hospitals.
- Total expenditure in medical services is expected to grow from US\$357 billion in 2011 to US\$1 trillion by 2020¹.

Synergy Enhances Value of Large-Scale Integrated Developments in China

- Existing integrated developments which are directly-connected to major transportation hubs comprise largely retail, residential, office and/or hotel components.
- Introduction of healthcare real estate as a new asset class will further enhance the value of these developments.
- Hospitals/medical centres to take up anchor leases, whilst complemented by health and wellness-related trades.
- Well-designed integrated developments with enhanced offerings will create synergy among the various components and stimulate cross-spending, further defining these developments as landmark one-stop destinations.

1. Mckinsey & Company article dated November 2012.

Footprint of the Group's Large-Scale Integrated Developments in China

Portfolio includes Two Largest High Speed Railway ("HSR") Commercial Hubs: Chengdu East HSR Integrated Development and Xi'an North HSR Integrated Development

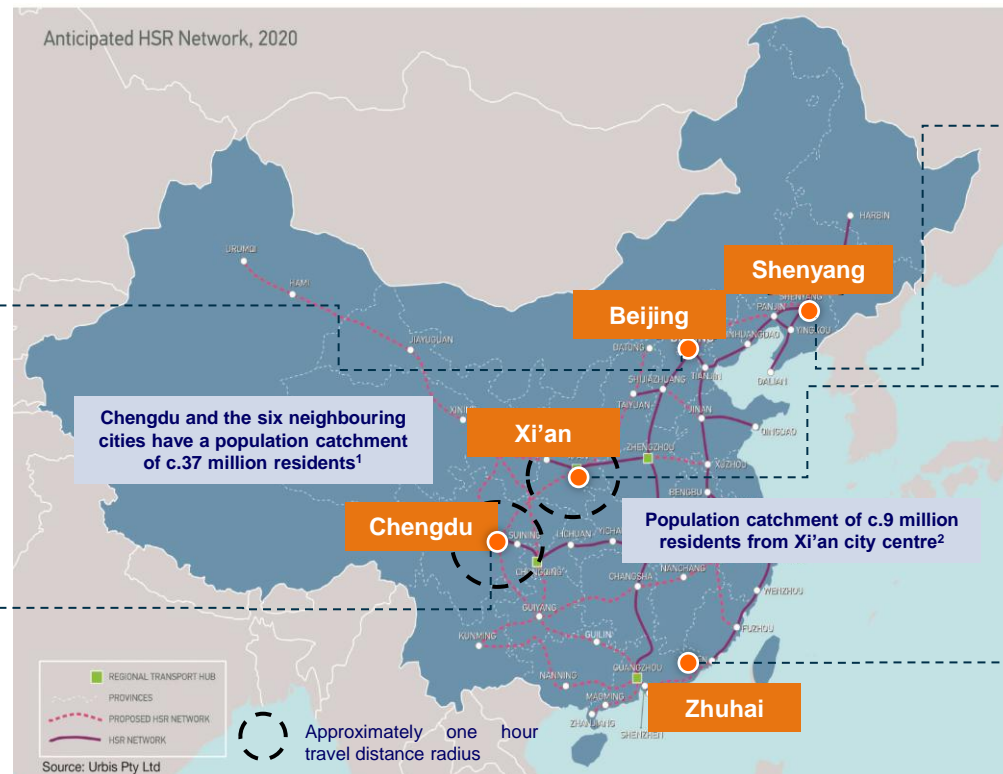
- Large-scale integrated developments located in first tier and second-tier provincial capitals connected to major transportation hubs, and designed to be regional hubs to serve large population catchments way beyond their immediate precincts.

Beijing Tongzhou Integrated Development – Phases 1 and 2

Connected to a key Subway Interchange to be served by two future subway lines – S6 will link the existing Beijing Capital International Airport to the new airport located in Daxing District and M6 will be constructed to be Beijing city's East-West line. Also in close proximity to future R1 Subway Line which will directly link Tongzhou district to Beijing city centre.

Chengdu East HSR Integrated Development – Plot C, Plot D and Perennial Dongzhan Mall

Connected to operational Chengdu East HSR Station, one of the eight major integrated transportation hubs in the PRC.



Shenyang Longemont Integrated Development

Connected to operational Shenyang Asia Pacific City Transportation Hub.

Xi'an North HSR Integrated Development – Plots 4 and 5

Connected to operational Xi'an North HSR Station, one of the eight major integrated transportation hubs in the PRC, and largest train station in northwest China.

Zhuhai Hengqin Integrated Development

Connected to planned Macau cross-border light rail station and inter-city station, which is an extension from Guangzhou High-Speed train to Zhuhai.

1. Number of residents within one hour travel radius in Chengdu, Deyang, Mianyang, Ziyang, Meishan, Ya'an and Leshan as of 2011 per Sichuan Yearbook 2012.
2. Number of residents within one hour travel radius in Yanliang, Lintong, Lantian, Zhouzhi, Gaoling, Tongchuan, Weinan and Fuping as of 2012 per Shaanxi Statistical Yearbook 2013.

STRATEGIC PARTNERSHIP WITH BOAI

BOAI - Sizeable & Progressive Private Healthcare Operator with Strong and Successful Track Record in Setting Up and Operating Medical Facilities Across China

- Founded in 1989, BOAI is one of the largest private hospital/medical services operators in China
- BOAI manages over 100 medical facilities in major cities such as Beijing, Shanghai, Shenzhen, Guangzhou, Nanjing, Nanchang and Guiyang.
- The company also operates overseas offices in South East Asian, Middle Eastern and South African markets and employs over 20,000 employees.
- BOAI specialises in the following medical fields:
 - Oncology
 - Orthopaedics
 - Fertility
 - Obstetrics and Gynecology
 - Cardiology and Cardiovascular Surgery
 - Dentistry
 - Ear, Nose, Throat and Eye Specialty Medicine
 - Aesthetic Medicine
 - Plastic Surgery
 - Health Management
- BOAI's leadership and medical staff interact regularly with the World Health Organisation, China's Ministry of Health, national medical and hospital associations, renowned local and foreign hospitals, research institutes and academia so as to instill the best practices in management and clinical services at all its facilities.

Portfolio of BOAI's Medical Facilities

Various Renowned Specialist Hospitals/Facilities Across China



Obstetrics, Gynaecology & Paediatrics Hospitals

- 深圳远东妇儿医院 (Shenzhen Far East Women and Children Hospital)
- 惠州仁德妇产医院 (Huizhou Rende Maternity Hospital)
- 南京世纪现代妇科医院 (Nanjing Modern Gynecology Hospital)
- 贵阳长江医院 (Guiyang Changjiang Hospital)
- 安顺现代女子医院 (AnShun Modern Women's Hospital)



International Hospitals

- 广州现代医院 (Guangzhou Modern Hospital)
- 上海仁爱医院 (Shanghai Renai Hospital)
- 番禺玛莉亚医院 (Panyu Maria Hospital)
- 上海远大心胸医院 (Shanghai Yuanda Cardiology Hospital)
- 广州雅度口腔医院 (Guangzhou Yadu Dental Hospital)



General Hospitals

- 深圳博爱医院 (Shenzhen Boai Hospital)
- 南昌第五人民医院 (Nanchang Diwu Hospital)
- 广州益寿医院 (Guangzhou Yishou Hospital)
- 深圳五洲医院 (Shenzhen Wuzhou Hospital)
- 深圳曙光医院 (Shenzhen Shuguang Hospital)



Orthopedic Hospitals

- 长沙年轮骨科医院 (Changsha Orthopedics Hospital)
- 星沙年轮骨科医院 (Xingsha Orthopedics Hospital)
- 北京中医年轮骨科医院 (Beijing Orthopedics Hospital)



Fertility Specialty Hospitals

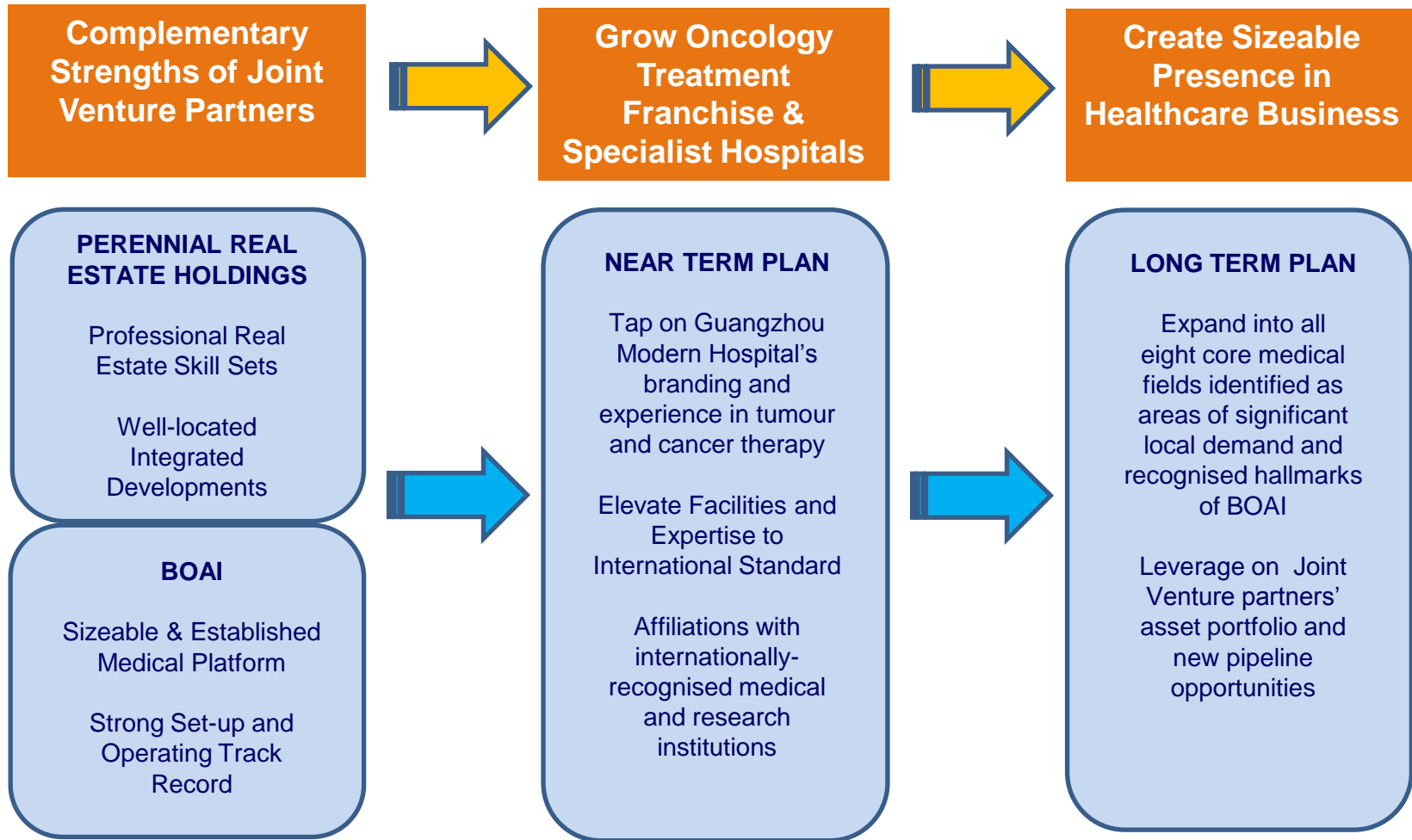
- 广州长安医院 (Guangzhou Changan Hospital)
- 长沙阳光医院 (Changsha Yangguang Hospital)
- 越南河内生殖医院 (Hanoi Fertility Hospital, Vietnam)
- 越南胡志明生殖医院 (Ho Chi Minh Fertility Hospital, Vietnam)



Medical City

- 上海远大健康城 (Shanghai Yuanda Medical City)

Joint Venture Strategy with BOAI to Develop and Scale Up Healthcare Services Business in China



REPOSITIONING OF PERENNIAL DONGZHAN MALL, CHENGDU

Perennial Dongzhan Mall Repositioned & Renamed as Perennial International Health and Medical Hub

Signature Medical Landmark to Meet Significant Domestic Demand for Healthcare Services

- In line with the Group's new growth strategy and to meet the significant domestic demand for healthcare services, Perennial Dongzhan Mall, part of the Chengdu East High-Speed Railway Integrated Development and currently under-development, will be repositioned from a retail mall to an international medical and healthcare hub. The approvals for medical usage have already been obtained from the relevant government authorities.
- Renamed as '**Perennial International Health and Medical Hub**', the project will be positioned as the first predominantly-healthcare cum retail integrated development in Chengdu and Sichuan.
- The 280,000 sqm GFA development will hold an international hospital, medical suites, and complemented by healthcare and wellness-related services, including Traditional Chinese Medicine ("TCM"), maternity care centres, rehabilitative centres and medical aesthetic services.
- To-date, Perennial International Health and Medical Hub has received expressions of interest for more than 90% of its leasable area set aside for healthcare services.



Source of Artist's Impression: Perennial Real Estate Holdings Limited. Picture may differ from the actual view of the completed property.

Perennial International Health and Medical Hub, Part of Chengdu High-Speed Railway Integrated Development



THANK YOU

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