



PERENNIAL REAL ESTATE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200210338M)

**ENTRY INTO JOINT VENTURE WITH QINGJIAN GROUP TO JOINTLY DEVELOP A
FREEHOLD RESIDENTIAL SITE AT TOH TUCK ROAD, SINGAPORE**

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Perennial Real Estate Holdings Limited (“**Perennial**”, together with its subsidiaries, the “**Perennial Group**”) is pleased to announce that it has, through its indirect wholly owned subsidiary, PRE 9 Pte. Ltd. (“**PRE 9**”), entered into a joint venture with Qingjian Group of Companies (“**Qingjian Group**”), comprising subsidiaries of Hong Kong-listed CNQC International Holdings Limited and its minority partners (collectively, the “**Joint Venture Partners**”) to jointly develop a freehold residential site at No. 32 to 46 Toh Tuck Road Singapore (the “**Site**”) (the “**Joint Venture**”).

Pursuant to the Joint Venture, each of the Joint Venture Partners has agreed to subscribe for shares in Qingjian Perennial (Bukit Timah) Pte. Ltd. (“**Qingjian Perennial**”), a company incorporated in Singapore in the following proportions (the “**Shareholding Percentage**”):

Name of Joint Venture Partners	Shareholding Percentage
PRE 9, an indirectly wholly-owned subsidiary of Perennial	40.0%
Qingjian Group and its minority partners	60.0%

Following the subscription of the shares, Qingjian Perennial will become an associated company of the Perennial Group.

2. INFORMATION ON THE PROJECT

The freehold Site is prominently located along Toh Tuck Road with a land area of approximately 360,130 square feet (“**sq ft**”). The Site is situated in close proximity to the Beauty World Mass Rapid Transit Station, Bukit Timah Plaza and Bukit Timah Shopping Centre, a five-minute drive to the upcoming Jurong Lake District and 25-minute drive to the Central Business District.

The Site was acquired at a land acquisition price of S\$610 million in a collective sale tender (“**Acquisition Price**”).

Based on the Urban Redevelopment Authority's 2014 Master Plan, the freehold Site is zoned for "Residential" with a gross plot ratio of 1.4 times which translates to a maximum permissible gross floor area ("**GFA**") of approximately 504,182 sq ft or 554,605 sq ft (based on maximum permissible GFA and including 10% bonus balcony GFA). Accordingly, the Acquisition Price of S\$610 million translates into a land price of approximately S\$1,210 per sq ft per plot ratio (based on maximum permissible GFA). Further, due to a high development baseline, no development charge is payable for the 10% bonus balcony GFA, thus the land price works out to S\$1,100 per sq ft per plot ratio.

3. RATIONALE

The collaboration leverages on the combined expertise and experience of the Joint Venture Partners in the development and management of large scale integrated mixed-use developments, comprising residential, commercial, retail and healthcare components. In addition, the Joint Venture will benefit from Qingjian Group's in-depth experience in the residential property market, real estate, construction, and lifestyle smart home/smart communities application where they already have a presence in Hong Kong, Macau, Singapore, Indonesia, Malaysia, Vietnam and Myanmar.

The residential development, when launched and sold, is expected to generate cash flows and earnings for Perennial.

4. INVESTMENT COST AND METHOD OF FINANCING

Perennial's expected capital commitment for its 40% stake in the Joint Venture amounts to approximately S\$96.5 million, which will be funded by a combination of internal cash and/or bank borrowings.

5. FINANCIAL EFFECTS

The entry into the Joint Venture 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 DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for their shareholdings in Perennial and save for Mr Pua Seck Guan who is a director of Qingjian Perennial, none of the directors or controlling shareholders of Perennial has any interest, direct or indirect, in the Joint Venture.

BY ORDER OF THE BOARD

Sim Ai Hua
Company Secretary

4 April 2018
Singapore

About Perennial Real Estate Holdings Limited (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 and Ghana with a combined portfolio spanning about 54 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. Two of Perennial's developments, Chengdu East High Speed Railway ("**HSR**") Integrated Development and Xi'an North HSR Integrated Development, are regional commercial hubs which are situated adjacent to two 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 CHIJMES, Capitol Singapore, AXA Tower, TripleOne Somerset, House of Tan Yeok Nee and Chinatown Point.