

PERENNIAL REAL ESTATE HOLDINGS LTD



FINANCIAL RESULTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2016

 PERENNIAL

All statements contained in this presentation which are not statements of historical fact constitute “forward looking statements”. These forward-looking statements, including without limitation, those regarding Perennial Real Estate Holding Limited’s financial position and results, business strategy and plans and objectives of management for future operations involve known and unknown risks, uncertainties and other factors which may cause Perennial Real Estate Holdings Limited’s actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Given the risks and uncertainties that may cause the actual future results, performance or achievements to be materially different from those expected, expressed or implied by the forward-looking statements in this presentation, you are advised not to place undue reliance on these statements.

FY2016 Financial Highlights - Audited 12M 2016 vs Unaudited 12M 2015*

\$110.2m
Revenue

- Revenue declined 6.4% mainly due to the absence of acquisition fee of AXA Tower in 2015 and lower rental revenue from TripleOne Somerset as the property commenced its asset enhancement works for strata sales. This is partially mitigated by strata sales of office units in TripleOne Somerset.

\$111.2m
EBIT

- EBIT decreased by 23% mainly due to the absence of the acquisition fee of AXA Tower, lower operating results from joint ventures, write-off of intangible assets of S\$1.9 million and the impairment provision of Eden Residences Capitol. In addition, the net fair value gain at the EBIT level was lower than previous year.

S\$7b
Total Assets

- Total assets was 9.2% higher and the increase came from (i) the extension of shareholder loans to Capitol Singapore of S\$305 million, (ii) acquisition of additional stake in Perennial Chinatown Point LLP, (iii) increase in development properties and (iv) other receivables.

S\$35.1m
PATMI

- PATMI decreased by 39.6% due to lower revenue, impairment provision, write-off of intangible assets and higher financing expenses.

0.66x
Gearing
Ratio

- Increased from 31 December 2015's net gearing of 0.45x as more borrowings were drawn to fund new investments.
- Net Debt to Equity Ratio would have improved to 0.46x if the divestment of TripleOne Somerset is completed as at 31 December 2016.

0.4 cents
Dividend
Per Share

- Proposed cash dividend is the same as last year.

2.11 cents
Earnings
Per Share

- Decreased 43.6% from 12M2015's 3.74 cents.
- The movement was due to lower profit as well as an increase in issued shares during the year.

S\$1.631
Net Asset
Value
Per Share

- Decreased by 3.4% from 31 December 2015's S\$1.688 mainly due to lower exchange translation reserve arising from RMB depreciation.

*In 2015, the Company has changed its financial year end from 30 June to 31 December. Unaudited 12-month results presented for comparison purposes. ("12M 2015")

Proposed FY2016 Dividend

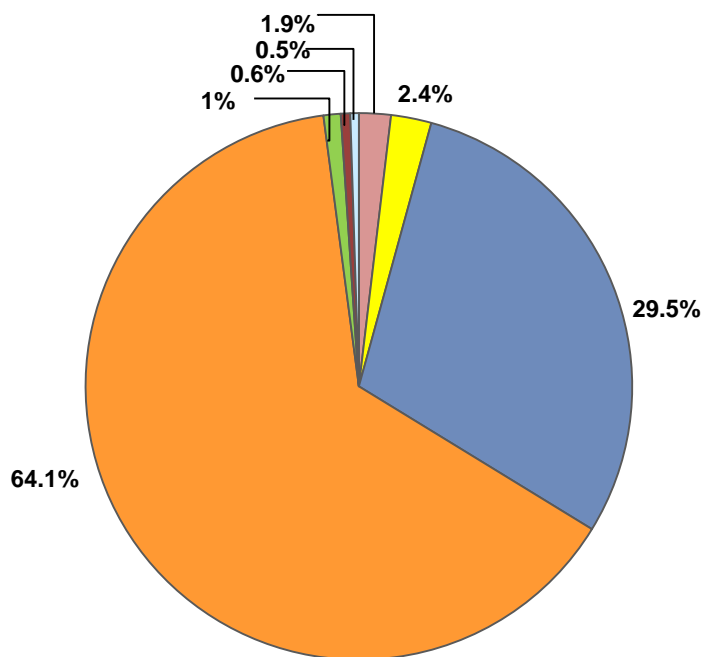
Proposed Dividend Details	
Name of Dividend	First and Final Tax-Exempt (One-Tier)
Type of Dividend	Cash
Dividend per Share	0.4 cents
Books Closure Date	5 May 2017
Date Payable	19 May 2017

PORTFOLIO HIGHLIGHTS

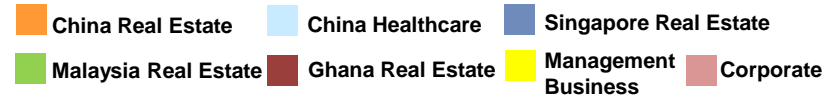
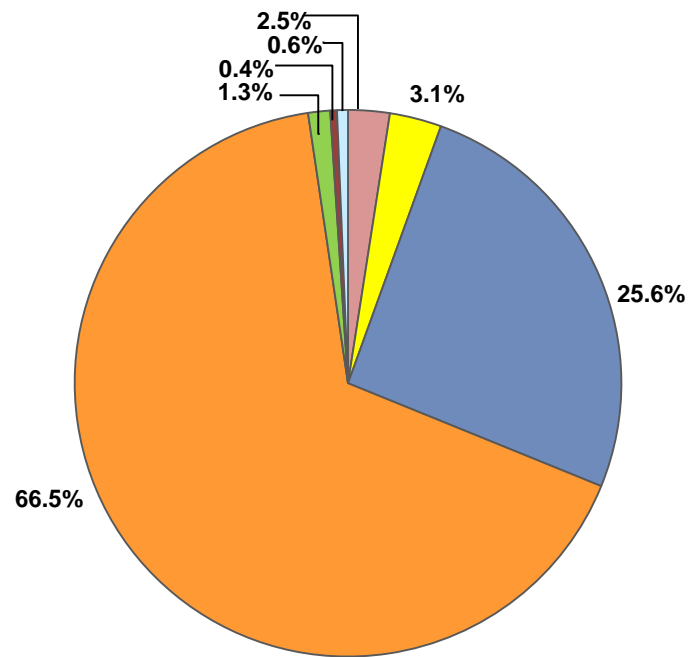
Total Asset Composition – By Business

Real Estate Business Complemented by Asset-Light Healthcare Business;
Strength in Diversity, Growth in Synergy

TOTAL ASSETS¹



BY EFFECTIVE STAKE²

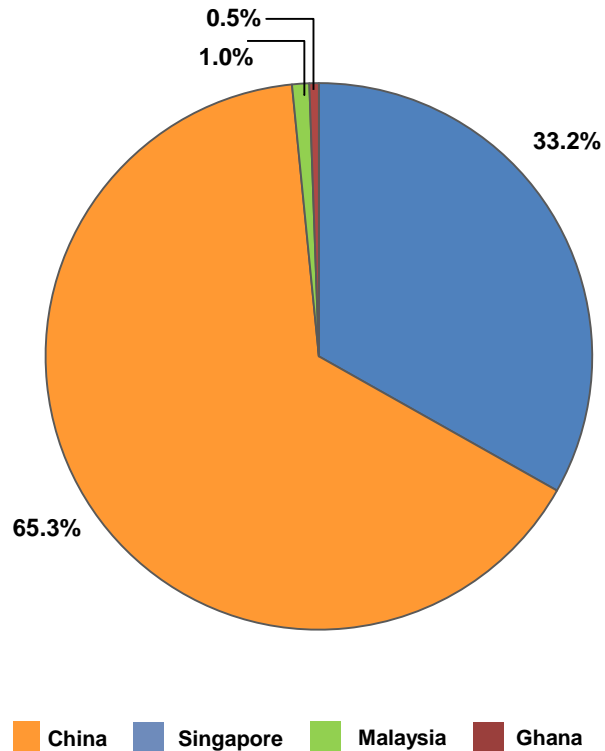


1. Represents assets which are consolidated and equity accounted in accordance to the Singapore Financial Reporting Standards.
2. Represents assets computed via the Company's shareholdings.

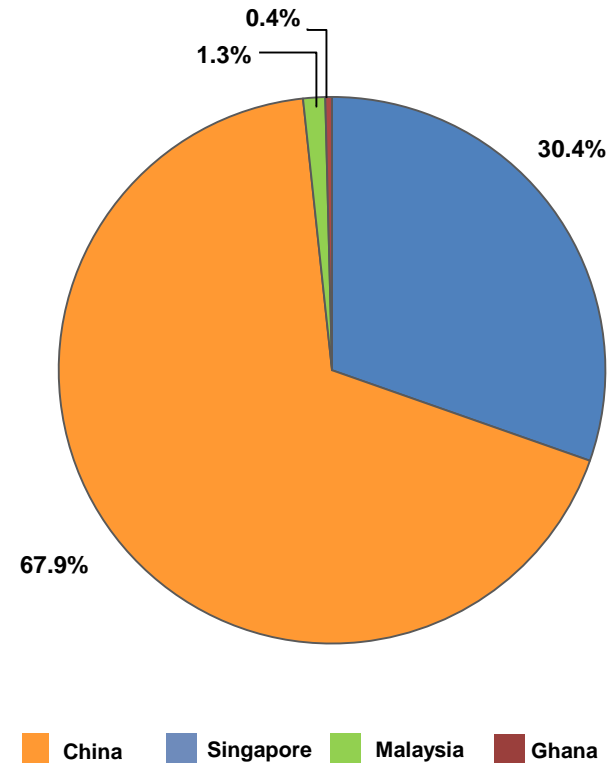
Total Asset Composition – By Country

Focus on Two Core Markets –
Effective Stake China (~68%) and Singapore (~30%)

TOTAL ASSETS¹



BY EFFECTIVE STAKE²

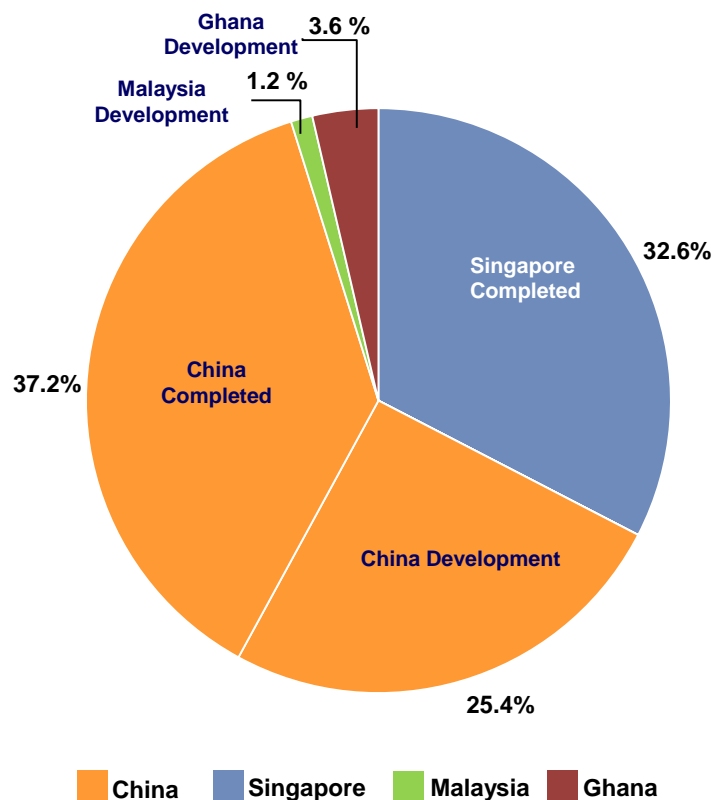


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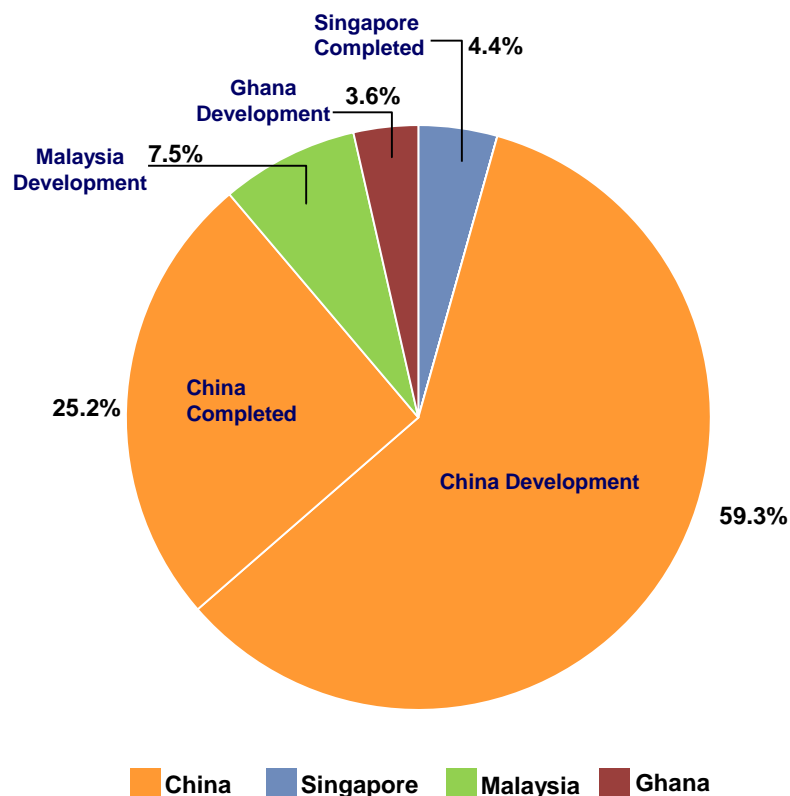
Total Real Estate Portfolio Composition – By Total Property Value and By Total GFA

Completed Assets which Account for ~70% of Property Value Provide Income Stability
China Developments Account for ~25% of Property Value & ~59% of GFA Present Significant Growth Potential

TOTAL PROPERTY VALUE
(Effective Stake Basis)

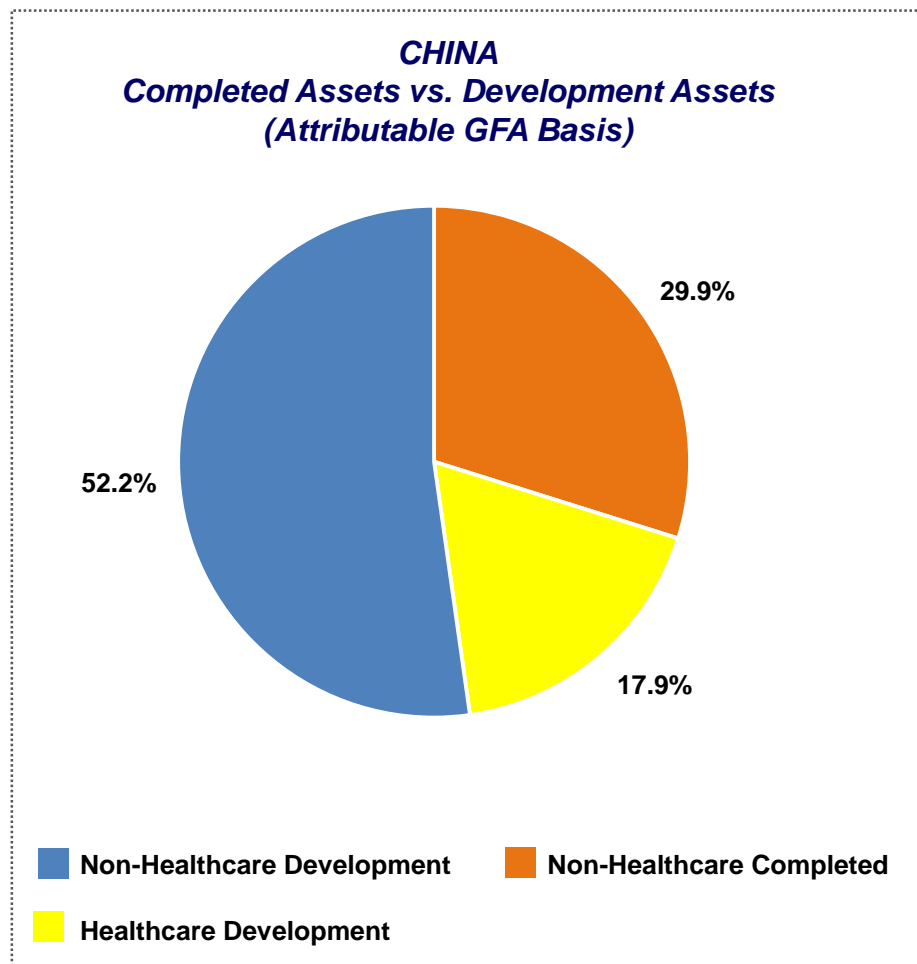


TOTAL GROSS FLOOR AREA ("GFA")
(Attributable GFA Basis)



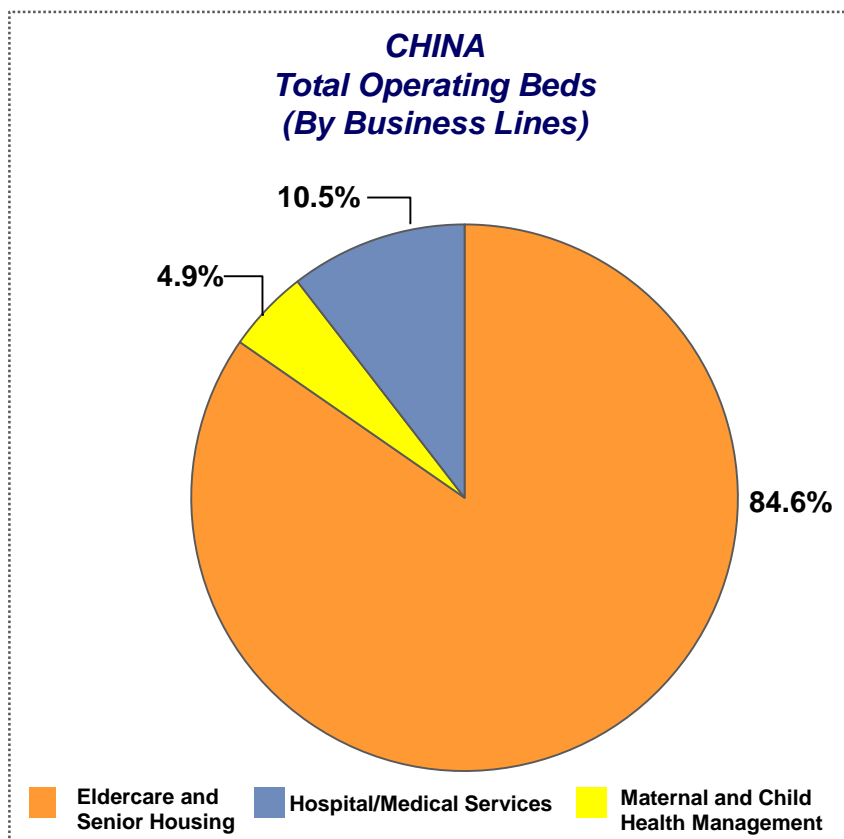
China Real Estate Portfolio Composition – Completed Vs Development

Significant Portfolio of China Development Projects Drive Net Asset Value Growth on Completion



China Healthcare Business – Total Beds Composition

Established Owner and Operator Model in Three Core Business Lines;
Diversification into Healthcare Provides New Recurrent Income Stream



Suite of Medical and Healthcare-Related Services	No. of Operating Beds
Eldercare and Senior Housing ¹	2,425
Hospital/Medical Services ²	300
Maternal and Child Health Management ³	140
Total	2,865

1. Relates to Renshoutang. The acquisition was announced on 13 September 2016 and the transaction is expected to be completed by 1Q 2017.
2. Relates to St. Stamford Modern Hospital, Guangzhou.
3. Relates to Aidigong.

Valuation of Investment Properties

Properties	Valuation FY 2015 ¹	Valuation FY 2016 ²	Valuer
CHIJMES, Singapore	S\$334.0 million	S\$334.0 million	Knight Frank Pte. Ltd.
Capitol Singapore³	S\$743.5 million	S\$740.8 million	Knight Frank Pte. Ltd.
Chinatown Point, Singapore	N.A	S\$428.0 million	Knight Frank Pte. Ltd.
Perennial International Health and Medical Hub, Chengdu	RMB2,319.0 million	RMB2,826.0 million	Colliers International (Hong Kong) Limited
Chengdu East High Speed Railway Integrated Development Plot D2	N.A.	RMB2,239.0 million ⁴	
Perennial Qingyang Mall, Chengdu	RMB1,219.0 million	RMB1,219.0 million	
Perennial Jihua Mall, Foshan	RMB928.0 million	RMB928.0 million	
Shenyang Longemont Shopping Mall	RMB3,763.0 million	RMB3,763.0 million	
Shenyang Longemont Offices	RMB2,224.0 million	RMB2,224.0 million	
Shenyang Red Star Macalline Furniture Mall	RMB2,503.0 million	RMB2,453.0 million	

1. Independent valuation as at 31 December 2015.

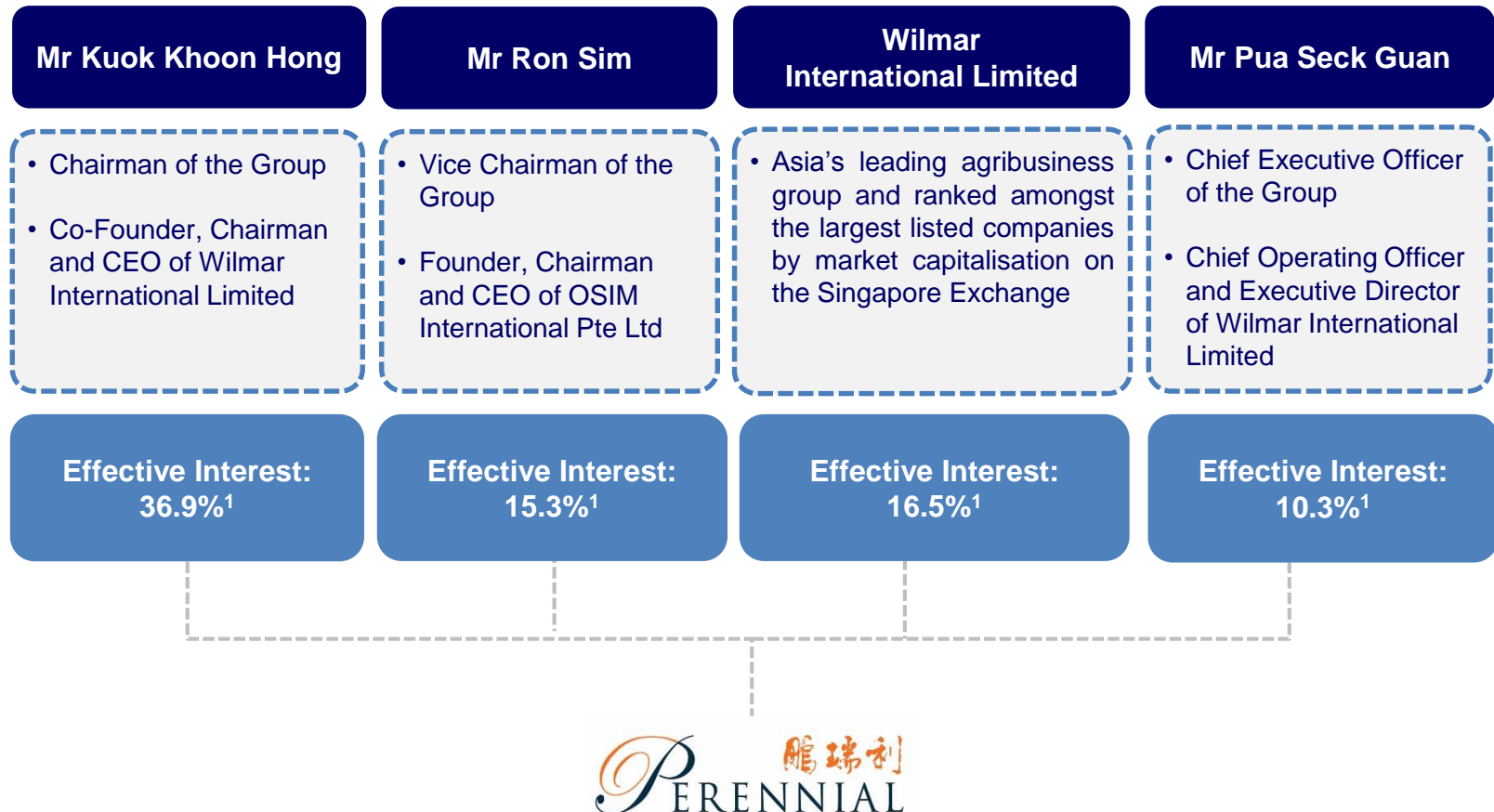
2. Independent valuation as at 31 December 2016.

3. Amount excludes Eden Residences Capitol.

4. Reclassified as Investment Property.

Strong Long Term Sponsors with Extensive Network and Business Experience

Perennial's Four Key Sponsors Own an Aggregate Effective Ownership of 79%¹



1. As at 29 December 2016.

FINANCIAL HIGHLIGHTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2016

Income Statement (4Q 2016 vs 4Q 2015) – Explanation of Key Income Line Items

S\$'000	4Q 2016	4Q 2015	Change
	1 Oct 2016 to 31 Dec 2016	1 Oct 2015 to 31 Dec 2015	%
Revenue	21,512	28,398	(24.2)
Earnings Before Interest & Tax (“EBIT”)	50,740	83,386	(39.2)
Profit After Tax less Minority Interest (“PATMI”)	25,562	41,107	(37.8)

Revenue

- Decrease in 4Q 2016's revenue was mainly due to lower rental revenue from TripleOne Somerset as expiring leases were not renewed due to asset enhancement works which commenced since 2Q 2016.

EBIT

- 4Q 2016's EBIT was largely driven by fair value gains on revaluation of investment properties held by subsidiaries and joint ventures. However, total net fair value gains in 4Q 2016 are lower than 4Q 2015. Other than lower net fair value gains, the total EBIT decreased compared to 4Q 2015 due to the provision for impairment of Eden Residences Capitol and lower operating results from joint ventures.

PATMI

- The decrease in PATMI was mainly due to lower share of operating results from joint ventures, lower net fair value gains on revaluation of investment properties and the provision for impairment of Eden Residences Capitol.

Income Statement (12M 2016 vs 12M 2015)

S\$'000	12M 2016	12M 2015 ¹	Change	18M 2015
	1 Jan 2016 to 31 Dec 2016	1 Jan 2015 to 31 Dec 2015	%	1 Jul 2014 to 31 Dec 2015
Revenue	110,191	117,666	(6.4)	139,429
Earnings Before Interest & Tax ("EBIT")	111,231	144,477	(23.0)	196,881
Profit After Tax less Minority Interest ("PATMI")	35,053	58,072	(39.6)	79,040
<u>Analysis of PATMI</u>				
Operating PATMI	305	19,003	(98.4)	21,860
Transaction Costs for RTO and VO	-	-	Nm	(11,392)
Net Fair Value Gains/ Impairment/ Write-off ²	34,748	39,069	(11.1)	68,572
Total PATMI	35,053	58,072	(39.6)	79,040

Nm: Not meaningful.

1. In 2015, the Company changed its financial year end from 30 June to 31 December. Unaudited 12-month results are presented for comparison purposes.

2. Includes impairment of Eden Residences Capitol and write-off of intangible assets of S\$1.7 million and S\$1.9 million respectively.

Income Statement (12M 2016 vs 12M 2015) – Explanation of Key Income Line Items



Revenue

- Revenue for 12M 2016 was 6.4% lower than 12M 2015 due to the absence of acquisition fee of AXA Tower earned in 2015 and lower rental revenue from TripleOne Somerset as the property has commenced its asset enhancement works for strata sales. This is partially mitigated by strata sales of office units in TripleOne Somerset.

EBIT

- EBIT decreased by 23% mainly due to the absence of the acquisition fee of AXA Tower, lower operating results from joint ventures, write-off of intangible assets of S\$1.9 million and an impairment provision for Eden Residences Capitol. Included in the EBIT is a net fair value gain of S\$52.7 million from the revaluation of Perennial International Health and Medical Hub, Chengdu East High Speed Railway Integrated Development Plot D2 offset by revaluation loss for Shenyang Red Star Macalline Furniture Mall and the retail and hotel components of Capitol Singapore.

Operating PATMI

- The decrease in PATMI was due to the lower revenue, impairment provision, write-off of intangible assets and higher financing expenses.

Income Statement – Revenue and EBIT by Segment

	REVENUE			EBIT			Note
	12M 2016	12M 2015	Change	12M 2016	12M 2015	Change	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Singapore	58,998	61,674	(4.3)	17,631	63,229	(72.1)	1
China	30,904	27,496	12.4	81,988	70,058	17.0	2
Management Businesses	34,863	39,039	(10.7)	18,534	21,505	(13.8)	3
Corporate and Others	136	1,725	(92.1)	(3,222)	25,015	(112.9)	4
Eliminations	(14,710)	(12,268)	19.9	(3,700)	(35,330)	(89.5)	5
	110,191	117,666	(6.4)	111,231	144,477	(23.0)	

Notes:

- (1) 12M 2016 EBIT was lower mainly due to the impairment provision and revaluation loss from Capitol Singapore. In contrast, there were fair value gain mainly from AXA Tower in the previous year.
- (2) The higher revenue was attributable to improved performance by Perennial Qingyang Mall, Chengdu. The higher 12M 2016's EBIT is attributable to higher net fair value gains from investment properties held by a subsidiary and joint ventures.
- (3) The decrease in 12M 2016's revenue was mainly due to the absence of acquisition fee of AXA Tower. Excluding the one-off acquisition fee, revenue improved over the same period last year. The decrease in 12M 2016's EBIT was mainly due to the absence of the acquisition fee of AXA Tower.
- (4) The lower EBIT in 12M 2016 is mainly attributable to lower dividend income from subsidiaries.
- (5) Eliminations are mainly against dividends declared by subsidiaries.

CAPITAL MANAGEMENT & KEY FINANCIAL INDICATORS

Capital Management and Key Financial Indicators

Key Financial Ratios

	As at 31 Dec 2016	As at 31 Dec 2015
Net Debt (S\$' 000)	2,489,275	1,749,630
Total Equity (S\$' 000)	3,781,916	3,882,393
Net Debt to Equity Ratio	0.66 ¹	0.45
NAV per Share (S\$)	1.631 ²	1.688
Debt-Weighted Average Term to Expiry (years)	1.75	2.08

	For the Twelve Months ended 31 Dec 2016	For the Twelve Months ended 31 Dec 2015
Earnings per Share (cents)	2.11	3.74
Weighted Average Interest Rate (p.a.)	3.3%	3.4%

Issuance of S\$125 Million 4.90% p.a. Fixed Rate Notes

- On 18 March 2016, the Group issued S\$125 million of 4.90% p.a. fixed rate notes due in 2019 under its S\$2 billion Multicurrency Debt Issuance Programme.

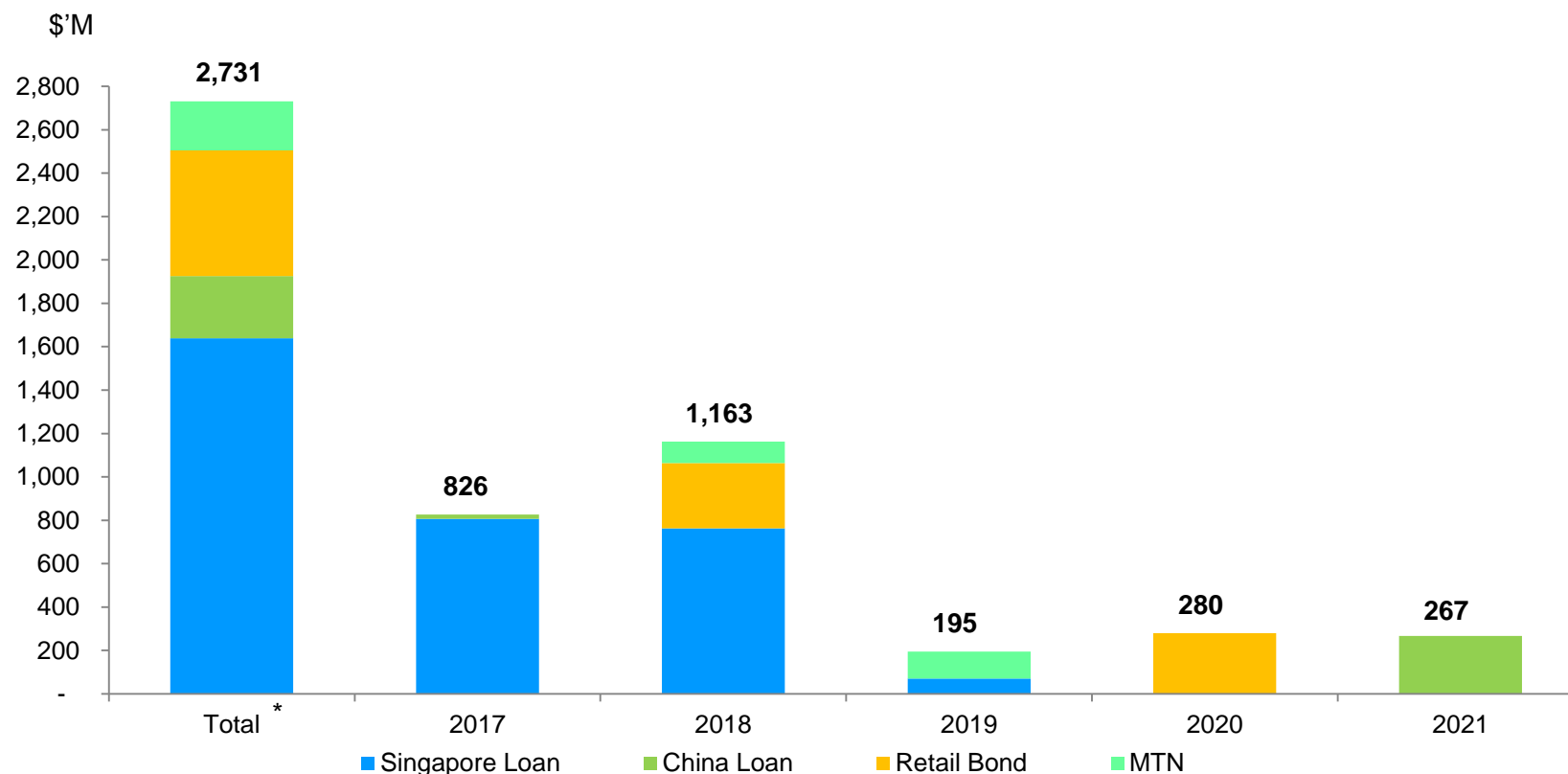
Issuance of S\$280 Million 4-year 4.55% p.a. Retail Bonds

- On 29 April 2016, the Company issued S\$280 million of 4 year 4.55% p.a. retail bonds due in 2020. The net proceeds from the issue of the bonds have been fully utilized on 26 July 2016 towards repayment of indebtedness incurred by certain subsidiaries, financing of investments and working capital of the Group.

1. Net Debt to Equity Ratio would have improved to 0.46x if the divestment of TripleOne Somerset is completed as at 31 December 2016.

2. Lower NAV per Share as a result of translation losses arising from the depreciation of RMB against SGD in the period.

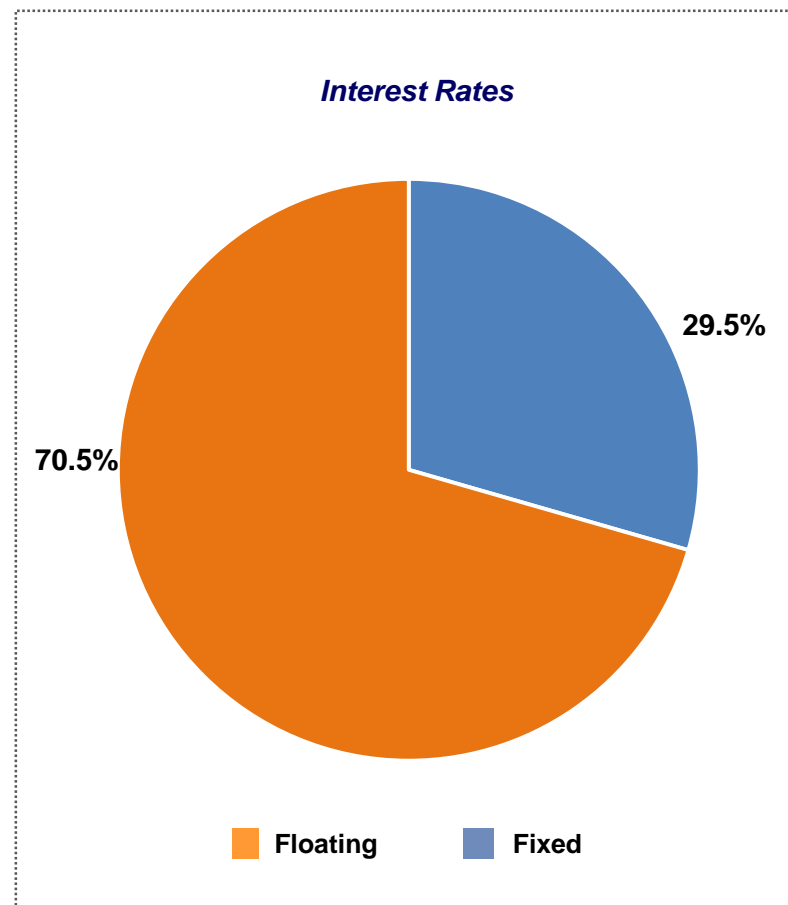
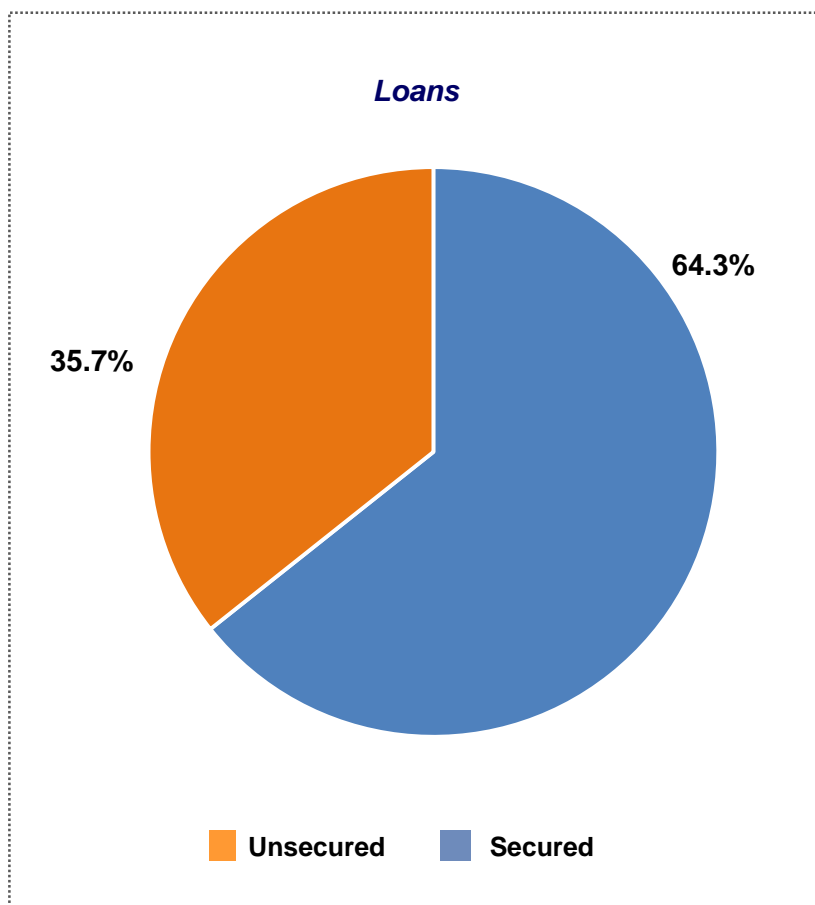
Debt Maturity Profile – As at 31 December 2016



* Being gross amount, without amortised transaction costs

1. In 1H 2016, Perennial Treasury Pte. Ltd. ("PTPL") issued \$125 million of 4.90% p.a. fixed rate notes due in 2019 under its \$2 billion Multicurrency Debt Issuance Programme ("MTN") and Perennial issued \$280 million of retail bonds at 4.55% p.a. due in 2020.
2. The loans due in 2017 relate to loans secured by Perennial Qingyang Mall, Perennial Foshan Mall and Perennial International Health and Medical Hub amounting to a total of \$230 million, CHIJMES of \$196 million, unsecured loans by PTPL of \$120 million and secured loans by PTPL and Perennial of \$280 million. Discussions have commenced to refinance the CHIJMES loan which will be due in April 2017. The remaining loans are due in 2H 2017.

More than 60% of the Loan Portfolio Comprises Secured Loans;
About 30% of Total Borrowings are on Fixed Interest Rates



BUSINESS REVIEW

Focused on Core Markets, Singapore and China

Singapore	China	Other Markets
Real Estate		
<ul style="list-style-type: none"> Active portfolio reconstitution Value creation through asset enhancement initiatives Balanced strata sales and leasing strategy 	<ul style="list-style-type: none"> Execute first integrated real estate and healthcare development – Signature project to showcase Perennial's synergistic real estate and healthcare strategy Manage construction and regulatory approvals for development projects Drive performance of operating assets 	<ul style="list-style-type: none"> Sought planning regulatory approvals for development assets Secured a new market for next phase of growth
Healthcare Business		
<ul style="list-style-type: none"> Prepare for launch of first medical and healthcare-related business 	<ul style="list-style-type: none"> Building portfolio of medical and healthcare-related services through acquisitions and joint ventures. 	

BUSINESS REVIEW - REAL ESTATE (SINGAPORE)

Recycle Capital to Augment Recurring Income Stream and Provide Further Income Stability

FY2016



- Divested the entire 1.46% interest in 112 Katong at a consideration of S\$3.4 million.
- Concurrently, divested 23.0% interest in Katong AMC Pte. Ltd., the asset manager of 112 Katong at a nominal consideration.



- Acquired an additional effective interest of about 3.68% in Chinatown Point Mall, increasing effective interest from 1.47% to 5.15%, at a consideration of S\$5.8 million.
- Subsequently, acquired an additional effective interest of 40%, increasing effective interest from 5.15% to 45.15%, at a consideration of S\$61.8 million. This translates to an attractive purchase price of ~S\$2,077 per square foot and a net property yield of 5.3% for FY2016.
- Became the largest investor with strengthened presence in Singapore's CBD.

Jan 2017



- Divestment of a 20.2% interest in TripleOne Somerset at a consideration of approximately S\$101 million, translating to a divestment price of S\$2,200 per square foot. Expected to book a pre-tax divestment gain of approximately S\$34.3 million.¹
- Retained a 30% stake which will provide income stability and opportunity to enjoy upside from enhancement works.

1. The divestment is expected to be completed no later than 30 June 2017.

Chinatown Point Mall – Popular with Locals, Office Crowds and Tourists

Strong Year-on-Year Growth in Committed Occupancy and Shopper Traffic



- Year-on-year, the total committed occupancy increased from 87% to 96%, of which 100% of these tenants by net lettable area have commenced business.
- Annual shopper's traffic increased by 6% from FY2015 to FY2016, reflecting the mall's growing position as a popular dining and entertainment destination.

AXA Tower and TripleOne Somerset – Value Creation through Asset Enhancement Initiatives

Over S\$270 Million Proposed Asset Enhancement Initiatives
at Two Premium Grade Office Integrated Developments

AXA Tower



TripleOne Somerset



Target Commencement	<ul style="list-style-type: none"> 1Q 2017 	Commencement Date	<ul style="list-style-type: none"> 2Q 2016
Target Completion	<ul style="list-style-type: none"> 2018 / 2019 	Target Completion	<ul style="list-style-type: none"> 2018 / 2019
Completed Initial Improvement Works	<ul style="list-style-type: none"> Installed security turnstiles at every entrance of the office lobby Installed Parking Guidance System at the car park and new directional signage 	Completed Preparatory Works	<ul style="list-style-type: none"> Spruced up office common corridor and lift areas on two levels Installed directional signage to the car park
Full Suite of Works	<ul style="list-style-type: none"> Increase retail footprint at the podium Build a ~32,000 sq ft two-storey annex block to house medical suites Enhance main lobby and drop-off points Integrate office lifts with security turnstiles and Destination Control System Total development cost not more than S\$150 million 	Full Suite of Works	<ul style="list-style-type: none"> Enhance retail offerings at the podium Incorporate medical suites of ~32,000 sq ft Spruce up office common areas on all levels Repaint the façade Total development cost not more than S\$120 million

AXA Tower and TripleOne Somerset – Balanced Strata Sales and Leasing Strategy

**Strata Sales of Office and Medical Suites Delivers Good Cash Flow;
Strong Leasing Provides Stable and Recurrent Income Stream**

AXA Tower



Strata Sales	<ul style="list-style-type: none"> Commenced strata sales of office suites in 3Q 2016. A few office units were transacted in 3Q 2016 at an average price of above S\$2,550 per sq ft, and in 4Q 2016, even higher at above S\$2,710 per sq ft. As at FY2016, total sales value from strata sales achieved more than S\$23.6 million
Leasing	<ul style="list-style-type: none"> For FY2016, successfully renewed the top three anchor tenants, AXA Insurance, BOC Aviation Limited and Red Hat Asia Pacific who collectively took up a total of 23.8% of the total net lettable office area.

TripleOne Somerset



Strata Sales	<ul style="list-style-type: none"> Officially launched strata sales of office and medical suites at one tower (Somerset Tower) in 3Q 2016. A few office units were transacted at an average price of above S\$2,680 per sq ft. A number of strata office owners and/or tenants have moved in and commenced operations.
Leasing	<ul style="list-style-type: none"> For FY2016, successfully renewed/secured key tenants including Propertyguru, Young Living, Worley Parsons, Parkway Group Healthcare, SAA Global Education who collectively took up a total of 23.2% of the total net lettable office area.

CHIJMES – Prime Dining and Entertainment Destination in the City

Year-on-Year Committed Occupancy Increased from 88% to 90.3%



Refuge



Alcove at Caldwell House



Night Market



Singapore Media Festival



Christmas Market



New Year's Eve Party

- Year-on-year, the total committed occupancy increased from 88% to 90.3%, of which 85.6% of these tenants by net lettable area have commenced business. Annual shopper traffic increased by 5.1% from FY2015 to FY2016.
- Retractable awnings at the outdoor area were installed on Basement 1 and Level 1, allowing businesses to operate regardless of weather conditions and improving the ambience for patrons.
- Strengthened CHIJMES as a wedding venue of choice, with Watabe Weddings taking up more space at CHIJMES at the Caldwell House to operate its second wedding solemnisation venue and house their complementary wedding services. In FY2016, a number of new concepts were introduced and a few existing tenants also took up additional spaces.

House of Tan Yeok Nee – Plans Underway to Launch First Medical Business in Singapore

Premier TCM Centre to Provide Top Quality TCM Treatment
in a Conducive And Luxurious Environment

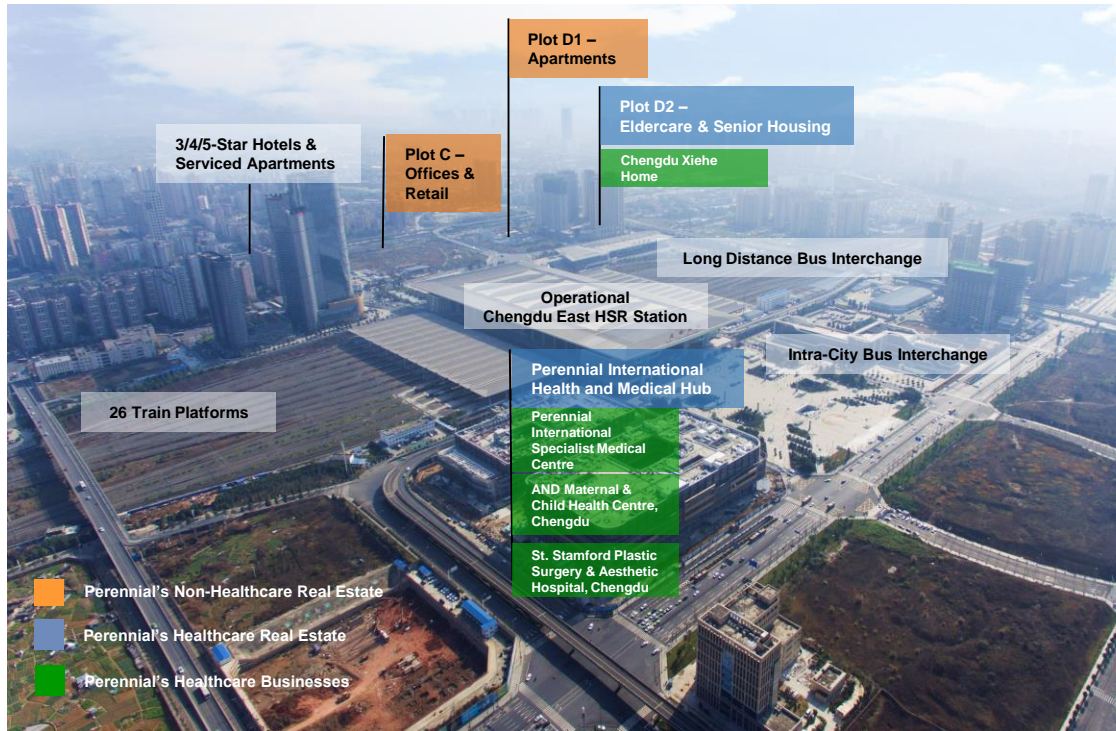


- The premier Traditional Chinese Medicine (“**TCM**”) centre will provide professional TCM clinical services by renowned physicians specialising in wellness and health enhancement, chronic and metabolic illnesses, oncology, pain management, gynaecology and sub-fertility issues, anti-aging, skin conditions.
- Proposed facilities include private waiting lounges, a welcome tea garden, consultation and treatment rooms, a retail TCM pharmacy, a museum gallery to showcase the evolution and concepts behind TCM, and an auditorium dedicated for health talks by well-known physicians.

BUSINESS REVIEW – REAL ESTATE (CHINA)

Chengdu East HSR Integrated Development – First Integrated Real Estate and Healthcare Signature Showcase

Over 11 Million sq ft GFA Landmark Integrated Development;
Holistic Mix of Real Estate and Healthcare Components



- Landmark large-scale integrated development in China's second-tier provincial high growth city.
- Strategic location with direct connectivity to the largest transportation hub in South West China.
- Healthcare real estate within large-scale integrated developments creates synergy between the various components thus enhancing the value of the entire integrated development.



Perennial International Health and Medical Hub ("PIHMH")



PIHMH-Perennial International Specialist Medical Centre



PIHMH-AND Maternal & Child Health Centre, Chengdu



PIHMH-St. Stamford Plastic Surgery & Aesthetic Hospital, Chengdu



Plot C-Offices & Retail



Plot D1-Apartments



Plot D2-Eldercare & Senior Housing



Plot D2-Chengdu Xiehe Home

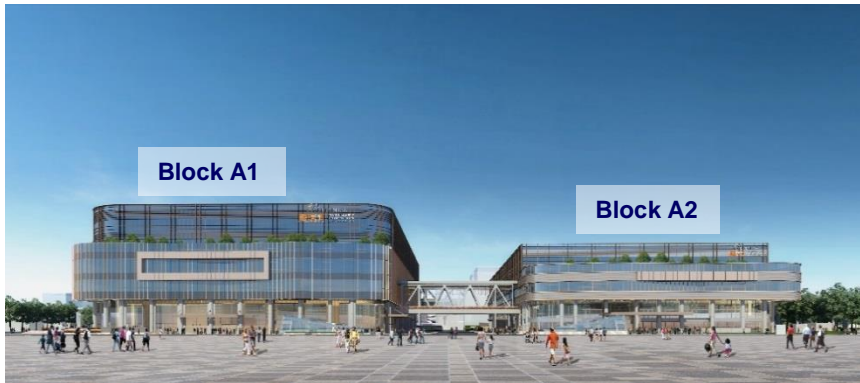
Chengdu HSR Integrated Development – On-Site Progress Visual (As at FY2016)



Perennial International Health and Medical Hub, Chengdu – Development Progress Update

Total Committed Occupancy for the 280,000 sqm development stands at ~60%

- The development is expected to receive Temporary Occupation Permit by 2Q 2017 and commence operations progressively from 3Q 2017.
- New leases, including Starbucks and a gym operator, were secured in 4Q 2016. Leasing efforts will continue to focus on complementary medical and healthcare-related tenants, including Traditional Chinese Medical Centre, and retail trade tenants, such as international cosmetics and skincare brands, food and beverage and lifestyle operators.



Perennial International Health and Medical Hub, Chengdu – Holistic Medical and Healthcare-Related Offerings

Reputable Medical Tenants to Provide High Quality Medical and Healthcare-related Services

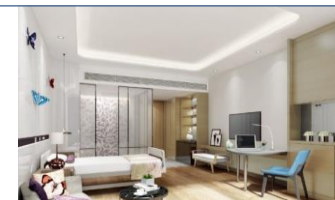
■ Chengdu ParkwayHealth Hospital

Chengdu's first foreign tertiary hospital and IHH Healthcare Berhad's 1st hospital in Western China occupying at least 48,000 sqm of space. The 350-bed hospital will be equipped with advanced medical facilities and equipment, providing specialised care and clinical services, including obstetrics and gynaecology, paediatrics, cardiology, orthopaedics, ophthalmology, and internal medicine.



■ St. Stamford Plastic Surgery and Aesthetic Hospital

First facility in Chengdu taking up 8,400 sqm of space. The 90-bed hospital is positioned as a premium one-stop facility providing plastic surgery, aesthetic medical and dental services by highly qualified local and international doctors. It is operated by St. Stamford International Medical ("St. Stamford"), a 40-60 joint venture ("JV") between Perennial and Guangdong Boai Medical Group Co., Ltd.



■ AND Maternal and Child Health Centre, Chengdu

Set to become the largest maternal and child health centre in Chengdu with 80 beds in a 8,300 sqm facility. Positioned as a premium one-stop destination providing a comprehensive suite of specialised post natal and neonatal services for new mothers and newborns. Operated by Aidigong, Perennial owns a 20% effective interest in Aidigong and is the second largest single shareholder.



■ Perennial International Specialist Medical Centre

A new majority Perennial-owned and managed specialist medical centre concept that will comprise a wide range of specialist departments, including gynaecology paediatrics, oncology, internal medicine and surgery, cardiology, ear, nose & throat specialty and ophthalmology. Successfully secured over 260 medical specialists from renowned local hospitals from various cities.



■ Gu Lian Rehabilitation & Nursing Centre

First foray into Chengdu and the establishment of their largest hospital in Southwest China with 200 beds over a 13,000 sqm space. Gu Lian is an established Sino-Swedish medical group with vast experience in rehabilitative care, a world-class medical team and advanced management technology.



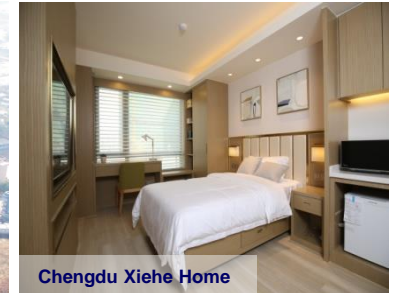
Chengdu East HSR Integrated Development Plot D2 – Development Progress Update

Five Towers Have Topped Out, of which Three Towers have Completed Cladding Works

Artist's Impression – Plot D



Plot D2



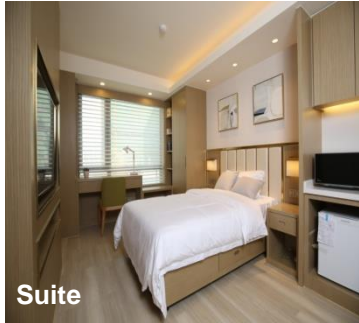
- Five towers on Plot D2 have topped out, of which three towers have completed façade cladding works.
- Two more towers are expected to complete façade cladding works and the last tower is expected to top-out by 1Q 2017.
- One tower will be handed over to Chengdu Xiehe International Eldercare and Retirement Home ("**Chengdu Xiehe Home**") under Phase 1 and the home is expected to commence operations in 3Q 2017.

Chengdu Xiehe Home – Completed Renovation of Marketing Centre

Commenced Pre-Marketing Activities in December 2016
to Increase Awareness & Gather Feedback



Chengdu Xiehe Home – Preview of Show Suites of Different Configurations



Suite



Suite



Suite



Suite



Guest Reception Area



Retirement /
Nursing Home



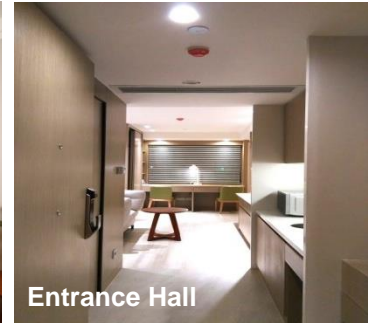
Rehabilitation Home



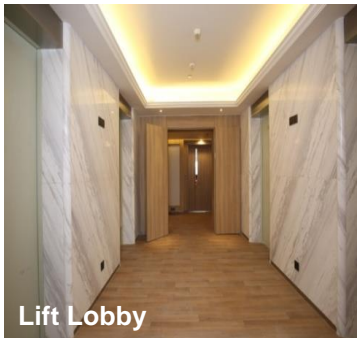
Pantry / Living Room



Pantry / Living Room



Entrance Hall



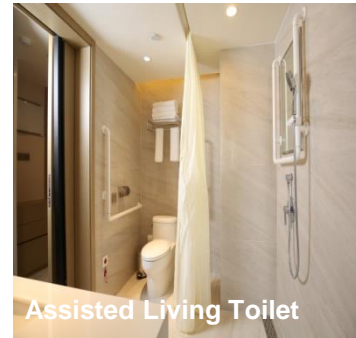
Lift Lobby



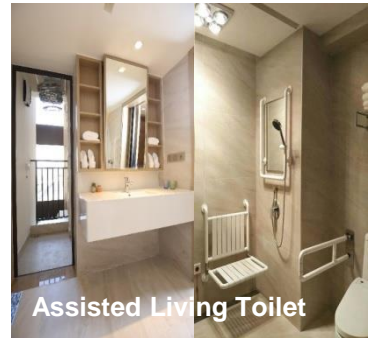
Main Corridor



Main Door



Assisted Living Toilet



Assisted Living Toilet

Beijing Tongzhou Integrated Development – Development Progress Update

Construction Permits for Four More Plots are Expected to be Received by 2Q 2017

Artist's Impression



Artist's Impression: may differ from the actual view of the completed property.

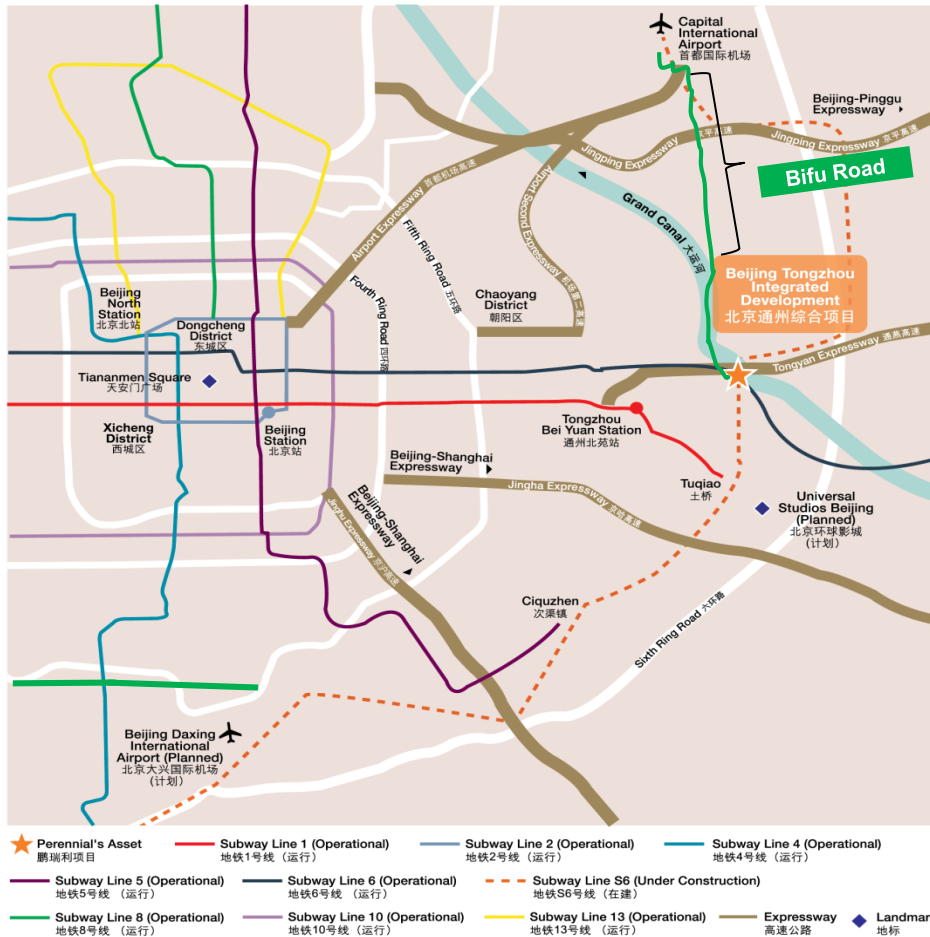
- Construction works continued to progress well on-site but the overall schedule was delayed in the process of receiving the necessary construction permits.
- Construction permits have been obtained for two plots, with the remaining four plots expected to be received by 2Q 2017.
- Beijing Tongzhou Integrated Development Phase One and Phase Two are expected to complete in 2020 and 2019 respectively.

On-Site Photos



Beijing Tongzhou District – On Track to Become Beijing's Regional Centre

Beijing Tongzhou District Undergoing Major Planning and Construction Works In-line with Government Goal's To Build a World-class Liveable City



- The first batch of Beijing municipal government administrative offices is expected to move to Tongzhou District by the end of 2017.¹
- Beijing Tongzhou Integrated Development is now only 20km from the Beijing Capital International Airport with the completion of Bifu Road on 12 December 2016, serving as the shortest route from Tongzhou District to the airport.
- Further plans to improve the infrastructure includes the building of tertiary institutions and acceleration of resettlement and amenities development.¹
- Construction for seven road projects, stretching some 75 km, and eleven new infrastructural projects, including bridges and bus lanes, will start in 2017.²
- Beijing Tongzhou district will enjoy enhanced accessibility and connectivity with a planned rail network featuring inter-city, suburban and urban lines.²

1. Source: The Beijing News dated on 22 December 2016

2. Source: China Daily News dated 30 December 2016.

Xi'an North HSR Integrated Development – Development Progress Update

Construction Works in Progress

Artist's Impression



Artist's Impression may differ from the actual view of the completed property.

On-Site Photos



- Piling works continued to progress on site.
- Xi'an North HSR Integrated Development Plot 4 and Plot 5 are expected to complete in 2018 and 2019 respectively.

Zhuhai Hengqin Integrated Development – Development Progress Update

Construction Works Progressing On-schedule

Artist's Impression



On-Site Photos



- Excavation and lateral support works have been completed.
- All four permits (Land Use Right Certificate, Land Use Planning Permit, Construction Planning Permit and Building Construction Permit) for the integrated development have been received.
- The development is expected to complete in 2020.

Shenyang Longemont Integrated Development and Suburban Shopping Malls in Foshan and Chengdu

Operational Retail Portfolio Committed Occupancy at ~ 74.6%²;
Overall Portfolio Committed Occupancy at ~ 71.6%²

Assets	Occupancy			Shopper Traffic			Remarks
	FY2015 ¹	FY 2016 ²	Change	FY2015 ¹	FY 2016 ²	Change	
Shenyang Longemont Shopping Mall	~90%	~81%	↓	22.7 million	23.9 million	↑	<ul style="list-style-type: none"> On-going tenant remixing to further strengthen positioning of the mall.
Shenyang Longemont Offices	~50%	~63%	↑	Estimated office workers in the office towers: ~4,100		↑	<ul style="list-style-type: none"> Continued with active leasing activities. Enhancement to incorporate 'Co-Work Space' concept to provide greater leasing flexibility to local entrepreneurs. Expected to open in 2Q 2017.
Shenyang Red Star Macalline Furniture Mall	~93%	~59%	↓	Not Applicable (Master Lease)			<ul style="list-style-type: none"> Lower committed occupancy due to moving out of master leased tenant, Liaoning Guangcai Property Investment Company – antique wholesaler, located in West Wing. Obtained in-principle approval to reposition the West Wing into a medical and healthcare centre.
Perennial Jihua Mall, Foshan	~99%	~99%	▬	8.4 million	8.6 million	↑	<ul style="list-style-type: none"> FY2016 vs FY2015 average rental growth of 20% Continued to execute marketing activities to drive shopper traffic and tenants' sales
Perennial Qingyang Mall, Chengdu	~99%	~99%	▬	12.7 million	13.8 million	↑	<ul style="list-style-type: none"> FY2016 vs FY2015 average rental growth of 20%

1. As at 31 December 2015.

2. As at 31 December 2016.

BUSINESS REVIEW – REAL ESTATE (OTHER MARKETS)

Penang and Accra Integrated Developments – Development Progress Update

Focus on Delivering the Development Timeline

Penang Waterfront Integrated Development, Malaysia



- Masterplan Approval and Planning Permission for the proposed development scheme have been obtained.
- Received approval for Land Alienation application, with land titles to be received for all parcels of the freehold development in 1Q 2017.
- Building Plan Application targeted submission in 1Q 2017, and on-site construction is expected to commence in 2017.
- Construction expected to complete in 2021.

Accra Integrated Development, Ghana



- Following the recognition of the benefits Accra Integrated Development would bring to the local economy, the Ghana Investment Promotion Centre has approved Tax exemptions and incentives for the development.
- Successfully obtained environmental protection agency permit.
- Construction expected to complete in 2021.

Secured Attractive Option to Expand into New Market - 1 Undershaft, London, UK

Secured Call Option to Acquire 20% Stake in Aviva Tower, London, UK;
£1 billion Landmark at 309.94m will be the Tallest Building in the City of London Post-redevelopment



- Secured a right to acquire a 20% stake in Aroland Holdings Limited (“**Aroland**”), a company that owns 100% of Aviva Tower, London, United Kingdom (“**UK**”), based on an agreed property value of £330 million (“**Option Price**”) (“**Call Option**”). The Option Price was derived based on the ‘as-is’ market valuation of Aviva Tower of £323 million, without factoring in any potential redevelopment value. The total consideration paid to enter into the Call Option amounts to US\$4.
- Call Option provides Perennial with an exceptional opportunity to gain access into a new developed market and own a piece of prime freehold real estate in the City of London.
- 1 Undershaft is well poised to benefit from the strong demand for quality office space in the CBD with current transacted value of prime office space in London’s CBD averaging £1,500 per sq ft NLA.
- The development will offer a vantage point to enjoy panoramic views of London and hosts UK’s highest grade ‘A’ office space, UK’s highest publicly accessible viewing gallery on Levels 71 and 72, London’s highest public restaurant on Level 60, and a larger public square at its base for free public access.

BUSINESS REVIEW – HEALTHCARE

Building a Portfolio of Medical and Healthcare-Related Services through Acquisitions and Joint Ventures

Partner with the Best Players in Each Segment of the Market to Scale Up the Business

Hospital/Medical Services



- Launched St. Stamford International Medical, a new brand for Perennial's hospital and medical services partnership with Guangdong Boai Medical Group Co., Ltd ("BOAI").
- Operates St. Stamford Modern Hospital, Guangzhou, one of the leading private cancer hospital in Guangzhou and the first China-Singapore joint venture Joint Commission International ("JCI")-accredited hospital in China.
- Effective Interest: 40%

International Specialist Medical Services



- Launched first majority Perennial-owned and managed specialist medical centre concept in China called Perennial International Specialist Medical Centre at Perennial International Health and Medical Hub, Chengdu.
- Successfully secured over 260 medical specialists from renowned hospitals across China.
- Effective Interest: 90% (Majority-owned and managed by Perennial)

Eldercare/Senior Housing¹



- Entered into a Memorandum of Understanding to establish a 40-40-20 JV with Shanghai Summit Property Development Limited and Shanghai RST Chinese Medicine Co., Ltd ("Renshoutang") to operate Chengdu Xiehe Home in Chengdu East HSR Integrated Development Plot D2.
- Entered into an Investment Agreement to acquire an effective interest of 49.9% in Renshoutang, the largest integrated eldercare services operator in Shanghai.
- Set to be the Largest Eldercare Services Operator in the affluent and populous Yangtze River Delta region in the next few years
- Effective Interest: 49.9% (Largest Single Shareholder)

Maternal/Child Health Management



- Acquired an effective interest of 20% in Shenzhen Aidigong Modern Maternal and Child Health Management Co., Ltd ("Aidigong"), a leading maternal and child health management company in China.
- Effective Interest: 20% (Second Largest Single Shareholder)

1. The acquisition was announced on 13 September 2016 and the transaction is expected to be completed by 1Q 2017.

Overview of Medical and Healthcare-related Services Platform in China



Holistic Suite of Medical and Healthcare-related Services in Three Segments with Strong Demand

	Hospital and Medical Services		Eldercare and Senior Housing	Maternal and Child Health Management
Business	St. Stamford International Medical	Perennial International Specialist Medical Centre	Renshoutang	Aidigong
	Operates St. Stamford Modern Hospital, Guangzhou, one of the leading private cancer hospital in Guangzhou and the first China-Singapore joint venture Joint Commission International ("JCI")-accredited hospital in China	Over 260 medical specialists from renowned hospitals across China	The largest integrated eldercare services operator in Shanghai Set to be the largest eldercare services operator in the affluent and populous Yangtze River Delta region in the next few years	One of the first and leading maternal and child health management companies in China
Bed / Consultation Room Capacity	300 Beds	Over 60 Consultation Rooms	2,425 Beds Committed pipeline of over 6,210 Beds and pipeline under negotiation of over 15,400 beds	140 Beds
Joint Venture Medical /Healthcare Partner	Guangdong Boai Medical Group Co., Ltd One of the largest private hospital and medical services operators in China	Not Applicable	Shanghai RST Chinese Medicine Co. Ltd One of the largest pioneer and integrated private eldercare home operators in Shanghai	Shenzhen Aidigong Modern Maternal and Child Health Management Co., Ltd One of the first and leading maternal and child health management companies in China
Partnership Format	Effective Interest: 81.63% ¹	90% owned and managed by Perennial	Effective Interest: 49.9% (Largest Single Shareholder)	Effective Interest: 20% (Second largest Single Shareholder)
Specialties	Oncology, Fertility, Obstetrics and Gynaecology, Plastic Surgery and Aesthetic Medicine, Orthopaedics, Paediatrics, Ear, Nose & Throat Specialty, Ophthalmology, Dentistry, Cardiology and Cardiovascular Surgery	Gynaecology Paediatrics, Oncology, Internal Medicine and Surgery, Cardiology, Ear, Nose & Throat Specialty and Ophthalmology	Retirement Home, Nursing, Rehabilitation Home, Pharmacy with attached TCM Clinics	Post Natal Care, Neonatal Care
Portfolio of Facilities	<ul style="list-style-type: none"> 1 cancer hospital 1 upcoming plastic surgery and aesthetic hospital in Chengdu 	<ul style="list-style-type: none"> First facility in Chengdu 	<ul style="list-style-type: none"> 11 eldercare facilities and 4 pharmacies with TCM Clinics 9 upcoming eldercare facilities in Chengdu, Zhenjiang, Ningbo, Wuhan and Shanghai 	<ul style="list-style-type: none"> 4 maternal and child health centres 1 postnatal centre 2 upcoming maternal and child health centres in Chengdu and Shenzhen

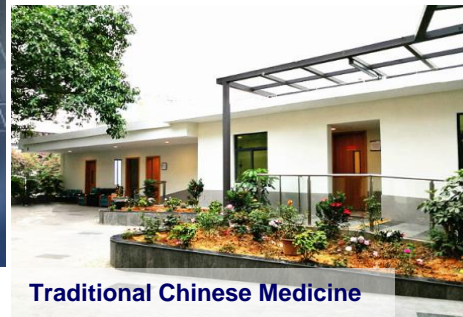
1. St. Stamford International Medical owns a 49% stake in St. Stamford Modern Hospital, Guangzhou, which translates to an effective stake of 40% in St. Stamford Modern Hospital, Guangzhou

St. Stamford Modern Hospital, Guangzhou – Completed Renovation and Retrofitting of New Extension Block

New Two-storey Extension Block Comprises a Comprehensive Suite of Services and Facilities

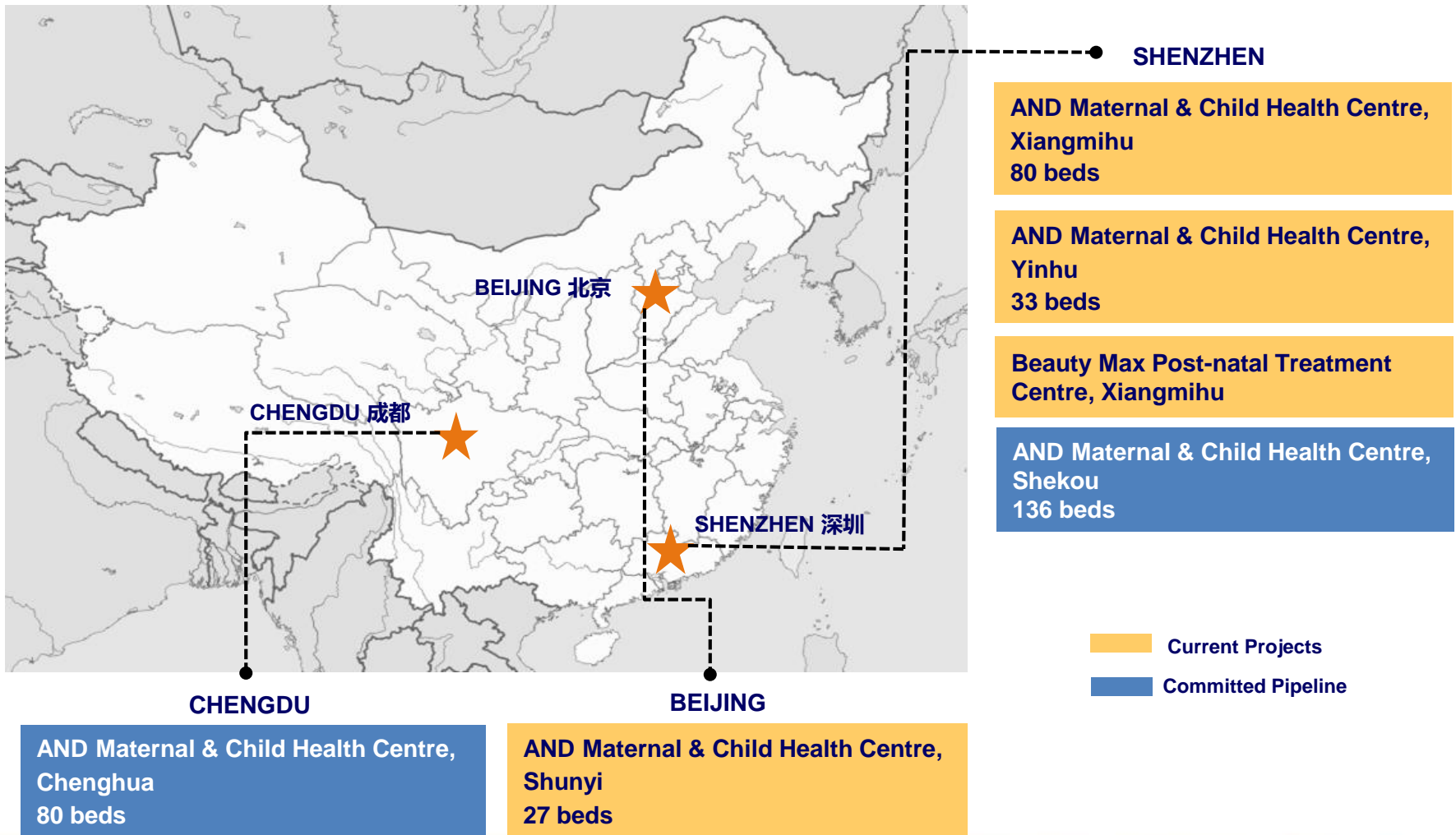


- The new two-storey extension block comprises several VIP rooms, a CT scan room, minor surgery suites, which houses the NanoKnife treatment room, as well as dental, plastic surgery and aesthetic medicine, and traditional chinese medicine services. All new services at the extension block have commenced operations.
- On-going façade works are expected to complete by 2Q 2017.
- Marketing campaigns were held to promote the Plastic Surgery and Aesthetic Medicine clinic at the hospital.



Aidigong – A Leading Premium Maternal and Child Health Management Operator in China

Currently 140 Beds with a Committed Pipeline of 216 Beds;
Enjoy Presence in Key Cities of Beijing, Chengdu and Shenzhen



AND Maternal and Child Health Centre, Shekou, Shenzhen – New Facility Expected to Open in March 2017

Upcoming Third Centre to Further Establish Aidigong's Presence in Shenzhen

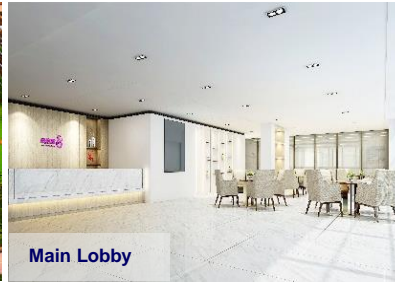
- The new facility will comprise more than 135 beds and will be about 18 km and 7 km from the Shenzhen Baoan International Airport and Shenzhen Nantou Airport respectively.
- Located only about 500 m from the Shuiwan Station served by Subway Line 2, the new facility will also enjoy excellent transport connectivity.



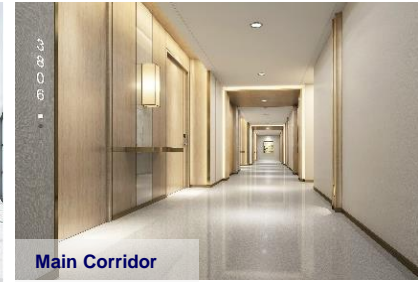
Surrounding Environment



Bird's Eye View



Main Lobby



Main Corridor



Suite



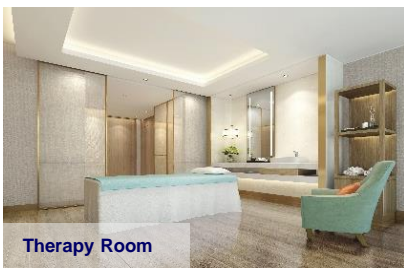
Suite



Suite



Therapy Room



Therapy Room



Newborn Sunroom



Newborn Brain Training Room

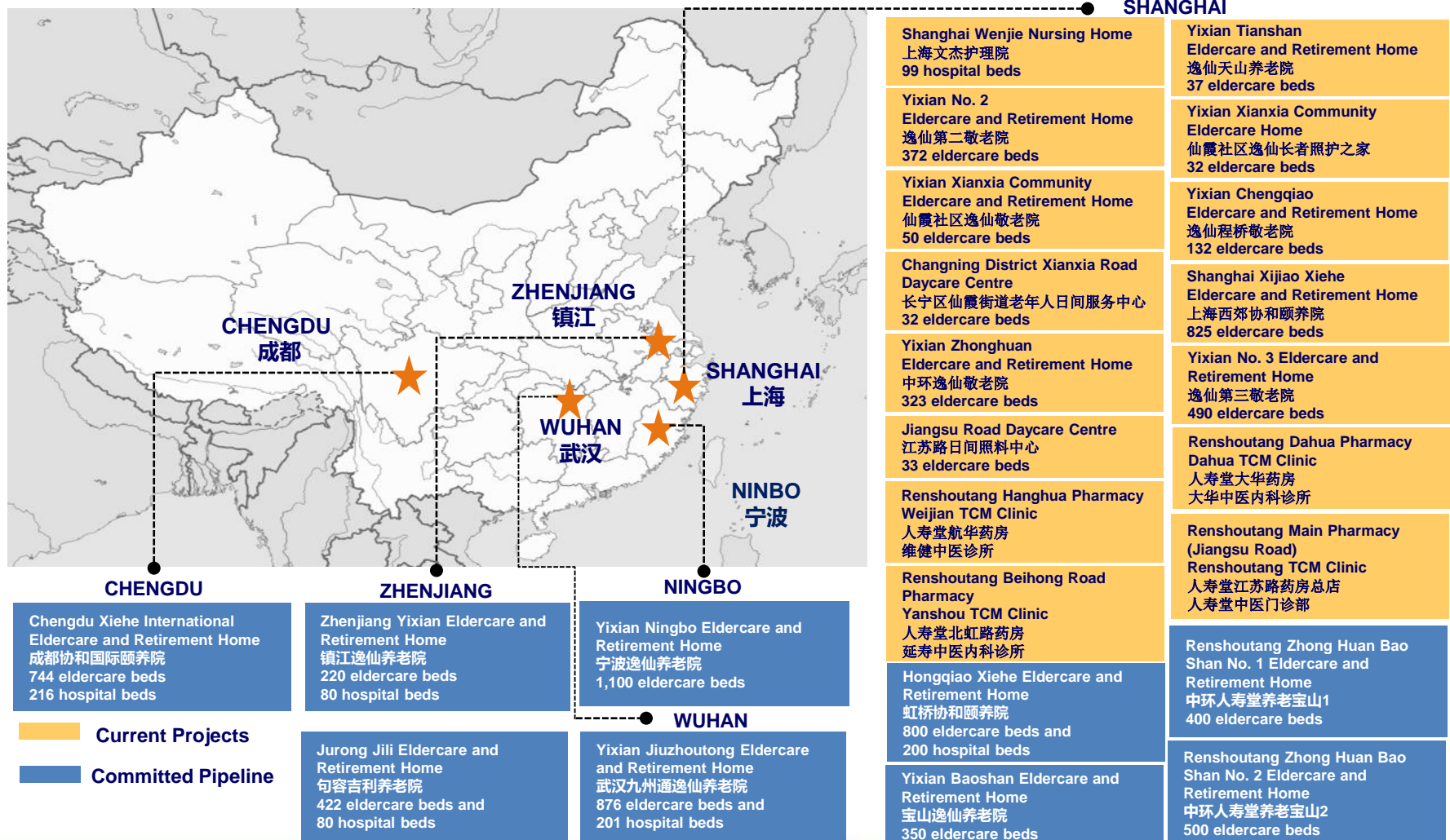


Newborn Nursery

Note: The above artist's impressions may differ from the actual view of the completed properties.

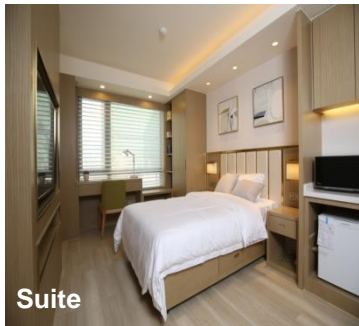
Renshoutang – The Largest Private Eldercare Services Operator in Shanghai

Currently 2,425 Beds, Committed Pipeline of over 6,210 Beds, Pipeline under Negotiation of over 15,400 Beds;
Set to become the Largest Eldercare Operator in Yangtze River Delta Region in the Next Few Years

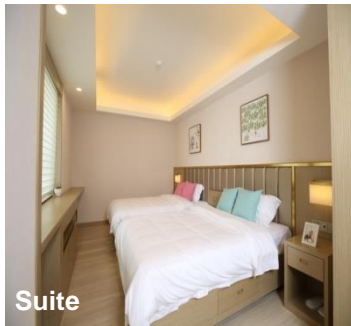


Chengdu Xiehe Home – Stepping Up Fitting-Out and Operations Planning

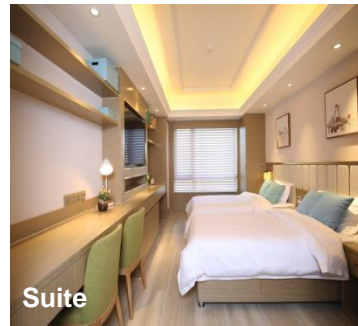
- Chengdu Xiehe International Eldercare and Retirement Home ("Chengdu Xiehe Home") is positioned as a leading premium private eldercare and retirement home with a comprehensive suite of facilities in Chengdu.
- Located at Chengdu East High Speed Railway Integrated Development Plot D2, the modern senior housing facility is expected to comprise a Retirement Home (for occupants who are independent), a Nursing Home (for occupants who require round-the-clock professional continuing care) and a Rehabilitation Home (for occupants who require special care, such as medical treatment or rehabilitation).
- Phase 1 of Chengdu Xiehe Home is expected to have a bed capacity of about 960 beds and commence operations in 3Q 2017.



Suite



Suite



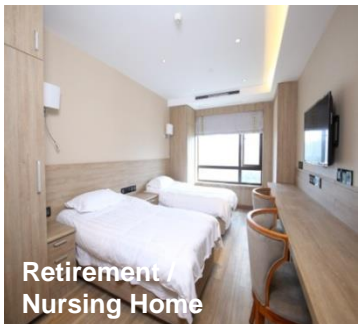
Suite



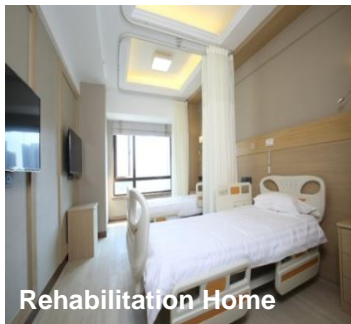
Suite



Guest Reception Area



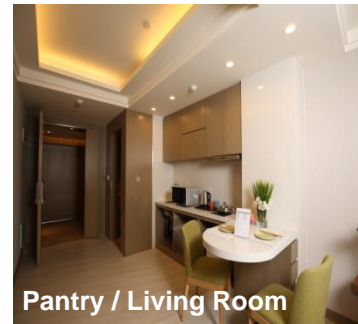
Retirement /
Nursing Home



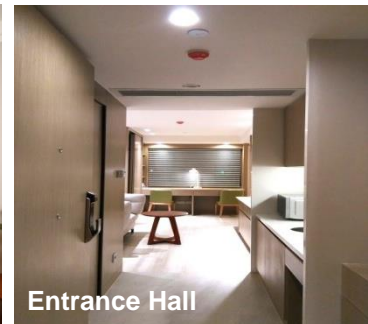
Rehabilitation Home



Pantry / Living Room



Pantry / Living Room



Entrance Hall

LOOKING FORWARD

- Build on our integrated real estate and healthcare strategy with a focus on core markets of Singapore and China to create synergistic value and drive long term growth.
- Strengthen recurring income streams from operating assets in Singapore and China.
- Closely monitor construction timeline for development assets and assets under enhancement.
- Scale up medical and healthcare-related business in China, particularly in Eldercare where we have a vision to become one of the largest eldercare operators in Yangtze River Delta Region in the next few years, expand our medical/hospital business and actively explore the acquisition of prime integrated real estate and healthcare projects.
- Anticipate some challenges due to slower growth and lackluster business environment but remain confident in our core markets in the longer term.
- Actively monitor interest rate and exchange rate exposure.
- Exercise prudent capital management and optimise cash flow and capital efficiency.

THANK YOU

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