



PERENNIAL REAL ESTATE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 200210338M)

APPLICATION FOR COURT WINDING UP OF

(1) CAPITOL INVESTMENT HOLDINGS PTE LTD

(2) CAPITOL RETAIL MANAGEMENT PTE LTD

(3) CAPITOL HOTEL MANAGEMENT PTE LTD

Perennial Real Estate Holdings Limited (“**PREHL**”) wishes to announce that it has, through its wholly owned subsidiaries, Perennial (Capitol) Pte Ltd and New Capitol Pte Ltd (collectively, the “**Perennial Entities**”), filed applications for three of its associated companies, namely, Capitol Investment Holdings Pte Ltd, Capitol Retail Management Pte Ltd and Capitol Hotel Management Pte Ltd (collectively, the “**Capitol Entities**”) to be wound up by the Court.

The basis of these applications is that the shareholders and management of the Capitol Entities are in deadlock and that their relationship has been adversely affected such that the shareholders cannot realistically continue to work together constructively. As such, it is just and equitable that the Capitol Entities be wound up.

BACKGROUND

The Capitol Entities together hold the assets of Capitol Singapore, an integrated development located at the junction of Stamford Road and North Bridge Road, Singapore (the “**Capitol Project**”).

Through the Perennial Entities, PREHL owns an effective 50% stake in each of the three Capitol Entities, and ultimately, in the Capitol Project. Chesham Properties Pte Ltd (“**Chesham**”) holds the remaining 50% shareholding in the Capitol Entities and the Capitol Project.

All components of the integrated development, comprising retail, theatre, hotel and residences, have received their Temporary Occupancy Permits.

WINDING UP OF THE CAPITOL ENTITIES

The Perennial Entities and Chesham have been unable to agree on a number of key issues relating to the Capitol Project.

As a result, in the last few months, the Capitol Project has become increasingly deadlocked at both the board and shareholder levels.

The prevailing state of affairs is not conducive to the business interests of the Capitol Project, the Capitol Entities or their respective shareholders. It is therefore necessary for the shareholders to disengage from the joint enterprise, such that the Capitol Project is ultimately fully controlled by either shareholder, or by a third party buyer.

The relationships between the shareholders and the Capitol Entities are governed by their respective Constitutions and the Companies Act (Cap. 50). As there is no other agreed mechanism or agreement in place to facilitate disengagement, the Perennial Entities have applied to the High Court of Singapore for the just and equitable winding up of the Capitol Entities, and seek a Court-ordered liquidation, sale or buy-out, in the alternative. In this regard, PREHL (through the Perennial Entities) is prepared to:

- (i) buy the other 50% shareholding in the Capitol Project from Chesham; or
- (ii) sell its effective 50% shareholding to Chesham; or
- (iii) have all shares in the Capitol Project be sold to a third party.

The winding up proceedings are not expected to have any material impact on the net tangible assets or earnings per share of PREHL for the current financial year ending 31 December 2016.

BY ORDER OF THE BOARD

Sim Ai Hua
Company Secretary

14 April 2016
Singapore

DBS Bank and Standard Chartered Bank acted as Joint Financial Advisers in relation to the reverse take-over of the Company which was completed on 27 October 2014.
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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.

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 over 45 million square feet in gross floor area. Perennial is also a healthcare services owner and operator focused predominantly on China and its healthcare business services include medical, hospital, eldercare and senior housing, and maternal and child health management.

Perennial is a dominant commercial developer with sizeable integrated developments in China, of which two are regional commercial hubs adjacent to the two largest high speed railway stations in the country, being Chengdu East High Speed Railway Integrated Development and Xi'an North High Speed Railway Integrated Development. 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 mall.