



PERENNIAL REAL ESTATE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 200210338M)

**UNAUDITED FINANCIAL STATEMENTS FOR
THE SIX MONTHS ENDED 31 DECEMBER 2014**

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Introduction

Perennial Real Estate Holdings Limited ("PREHL or the Group") is an integrated real estate owner, developer and manager listed on the Mainboard of the Singapore Exchange.

The Group was formed through a reverse takeover of St. James Holdings Limited ("St James") which was completed on 27 October 2014.

Headquartered in Singapore, the Group focuses strategically on large scale mixed-use developments primarily in the People's Republic of China ("PRC") and Singapore. The Group owns interests in and/or manages a diversified portfolio measuring about 36.5 million square feet and over 2.0 million square feet in gross floor area in the PRC and Singapore respectively.

The Group is a dominant commercial developer with sizeable integrated developments in the PRC, of which two are the largest high speed railway commercial hubs in the country, being Chengdu East High Speed Railway Integrated Development and Xi'an North High Speed Railway Integrated Development. The Group is also invested in the Zhuhai Hengqin Integrated Development.

In Singapore, the Group is invested in and manages prime and iconic properties located predominantly in the Downtown Civic District and the Orchard Road precinct, such as CHIJMES, TripleOne Somerset, Capitol Singapore, and the House of Tan Yeok Nee. The Group also holds stakes in and manages Chinatown Point and 112 Katong.

On 27 October 2014, PREHL announced a voluntary conditional general offer for all the issued units of Perennial China Retail Trust ("PCRT"), other than those already owned, controlled or agreed to be acquired by PREHL, its related corporations and their respective nominees.

At the close of the offer on 22 December 2014, PREHL announced that it had, together with parties acting in concert with PREHL, owned, controlled, acquired or agreed to acquire an aggregate of 1,103,449,361 units in PCRT, representing approximately 96.32% of the issued units in PCRT. Accordingly, PREHL exercised its right of compulsory acquisition under Section 40A(1) of the Business Trusts Act to acquire all the remaining units of PCRT. The compulsory acquisition was completed on 3 February 2015 and PCRT was consequently delisted on 5 February 2015.

PCRT's portfolio comprises a 50.0% interest in each of Shenyang Red Star Macalline Furniture Mall, Shenyang Longemont Shopping Mall and Shenyang Longemont Offices (collectively "Shenyang Properties"), a 100.0% interest in Perennial Jihua Mall, Foshan, a 100.0% interest in Perennial Qingyang Mall, Chengdu, a 50.0% interest and the right to acquire a further 30.0% interest in Perennial Dongzhan Mall, Chengdu, and a 10.0% interest in the predominantly retail Beijing Tongzhou Integrated Development (Phase One).

On 10 October 2014, the Company had obtained shareholders' approvals on the resolutions for the following, *inter alia*:

- the acquisition of equity interests in certain real estate assets and businesses from Perennial Real Estate Holdings Pte. Ltd. and other vendors ("Vendors") ("Proposed Acquisition");
- the disposal of the existing business in St James in its entirety to Citybar Holdings Pte. Ltd. (the "NewCo") ("Proposed Disposal of the Existing Business") via a capital reduction and the distribution in specie of NewCo shares to the shareholders; and
- the share consolidation on the basis of 50 shares to one consolidated share ("Proposed Share Consolidation").

The assets to be acquired under the Proposed Acquisition are:

- interests ranging from 20% to 51% in integrated real estate development projects located in Beijing, Chengdu, Xi'an and Zhuhai in PRC;
- interests ranging from 1.46% to 51.61% in real estate projects located in Singapore, being CHIJMES, TripleOne Somerset, Capitol Singapore, House of Tan Yeok Nee, Chinatown Point and 112 Katong;
- approximately 28.03% interest in PCRT;
- management businesses; and
- other entities, including an entity with investments into a proposed development project in Myanmar.

(collectively, "Target Assets").

On 27 October 2014, the Company announced that the Proposed Acquisition in relation to all Target Assets, save for the following assets, has been completed ("Initial Acquisition"):

- Beijing Tongzhou Integrated Development Phase 1;
- Beijing Tongzhou Integrated Development Phase 2; and
- 51% of Perennial Real Estate Pte. Ltd.

At the completion, 40,027,009,540 shares were issued in favour of the Vendors and a financial adviser at an issue price of approximately \$0.0267 for each share prior to the Proposed Share Consolidation. The Proposed Disposal of the Existing Business and the capital reduction were also completed on 27 October 2014. The Board also announced that pursuant to the Proposed Share Consolidation, 40,409,880,710 Shares were consolidated into 808,197,615 consolidated shares effective on 28 October 2014.

Following the completion, the Company was transformed into a sizeable integrated real estate owner, developer and manager, focusing primarily in the PRC and Singapore and it changed its name to Perennial Real Estate Holdings Limited.

As the reverse takeover was completed on 27 October 2014, the results for the six months ended 31 December 2014 comprised:

- a) the results of St James for the period from 1 July 2014 to 27 October 2014 relating to the business of operating and managing hospitality and entertainment outlets; and
- b) the results of the Group from 28 October 2014 to 31 December 2014 relating to the real estate development and property management business.

PERENNIAL REAL ESTATE HOLDINGS LIMITED
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1(a)(i) Consolidated Income Statement

	Note	6 months ended 31.12.2014 S\$'000	6 months ended 31.12.2013 S\$'000	Change %
Revenue	1	21,763	10,046	Nm
Cost of services		(12,480)	(3,392)	Nm
Gross Profit		9,283	6,654	39.5
Other income	2	55,544	1,033	Nm
Administrative expenses	3	(20,183)	(8,024)	Nm
Other operating expenses		(799)	(1,592)	(49.8)
Results from operating activities		43,845	(1,929)	Nm
Finance income		40	-	Nm
Finance costs	4	(10,071)	(22)	Nm
Net finance costs		(10,031)	(22)	Nm
Share of results of associates and joint ventures, net of tax	5	8,559	(110)	Nm
Profit/(Loss) before tax		42,373	(2,061)	Nm
Tax expense	6	(2,518)	-	Nm
Profit/(Loss) for the period		39,855	(2,061)	Nm
Profit/(Loss) for the period attributable to:-				
Owners of the Company		20,968	(2,130)	Nm
Non-controlling interests		18,887	69	Nm
		39,855	(2,061)	Nm

The results for the six months ended 31 December 2013 pertained to the operating results of St James which were related to the entertainment businesses. Accordingly, the results for the six months ended 31 December 2014 and the corresponding period are not comparable.

The table below summarises the financial results of the operating activities of St James for the period ended 27 October 2014 and PREHL's financial results for the period from 28 October 2014 to 31 December 2014.

	01.07.2014 to 27.10.2014 S\$'000	28.10.2014 to 31.12.2014 S\$'000	6 months ended 31.12.2014 S\$'000	6 months ended 31.12.2013 S\$'000
Revenue	6,797	14,966	21,763	10,046
Earnings before interest & tax ("EBIT")	(267)	52,671	52,404	(2,039)
Transaction costs for RTO and VO	-	11,392	11,392	-
EBIT before Transaction Costs	(267)	64,063	63,796	(2,039)
Profit/(Loss) for the period attributable to owners of the Company ("PATMI")	(362)	21,330	20,968	(2,130)
Transaction Costs for RTO and VO	-	11,392	11,392	-
PATMI before Transaction Costs	(362)	32,722	32,360	(2,130)

Explanatory Notes to the Consolidated Income Statement

(1) Revenue

The Group's revenue for the period from 28 October 2014 to 31 December 2014 was derived mainly from two main business activities:

- (i) real estate development and investment; and
- (ii) real estate management services.

Revenue from real estate investments comprised mainly rental income arising from investment properties in Singapore - CHIJMES and TripleOne Somerset and in the PRC - Perennial Jihua Mall, Foshan and Perennial Qingyang Mall, Chengdu.

(2) Other income

Other income comprised largely:

- (i) fair value gains on revaluation of investment properties of \$46.0 million, and
- (ii) earn-out drawdown by PCRT of \$7.3 million under the RMB342.0 million (approx \$73.7 million) earn-out deed between PCRT and Shanghai Summit Pte. Ltd which expired on 31 December 2014.

(3) Administrative expenses

Administrative expenses comprised primarily staff costs, amortisation expenses, and professional fees and other expenses relating to the reverse takeover of St James ("RTO") and the voluntary conditional general offer of PCRT ("VO") of approximately \$11.4 million.

(4) Finance costs

Finance costs incurred from 27 October 2014 to 31 December 2014 were related mainly to:

- (i) interest on bank borrowings for CHIJMES and TripleOne Somerset; and
- (ii) interest costs and amortisation of transaction costs incurred on financing facilities relating to PCRT's assets.

(5) Share of results of associates and joint ventures, net of tax

Share of results of associates and joint ventures is contributed largely by:

- (i) Capitol Singapore; and
- (ii) Shenyang Summit which owns the Shenyang Properties.

Included in the share of results of associates and joint ventures is the Group's share of the fair value gain on revaluation of investment properties of \$7.2 million.

(6) Tax expense

The tax expense comprised mainly deferred tax on the fair value gains of investment properties in the PRC.

1 (a)(ii) Consolidated Statement of Comprehensive Income

	6 months ended 31.12.2014 S\$'000	6 months ended 31.12.2013 S\$'000	Change (%)
Profit/(Loss) for the period	39,855	(2,061)	Nm
Other comprehensive income for the period, net of tax			
Items that are or may be classified subsequently to profit or loss			
Net change in fair value of available-for-sale financial assets	40	-	Nm
Foreign currency translation gain relating to foreign operations, net of tax ⁽¹⁾	73,303	-	Nm
Foreign currency translation gain on monetary items forming part of net investments in foreign operations, net of tax	69	-	Nm
	73,412	-	Nm
Total comprehensive income the period	113,267	(2,061)	Nm
Total comprehensive income attributable to:			
Owners of the company	85,038	(2,130)	Nm
Non-controlling interests	28,229	69	Nm
	113,267	(2,061)	Nm

Note:

- (1) This relates to the fluctuation of foreign exchange rates between 28 October 2014 and 31 December 2014 in respect of the Group's net assets denominated in RMB. The RMB has appreciated against the SGD during this period.

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1(b)(i) Consolidated Statement of Financial Position for the Group and Statement of Financial Position for the Company

	Note	Group			Company		
		31.12.2014 S\$'000	30.06.2014 S\$'000	Change %	31.12.2014 S\$'000	30.06.2014 S\$'000	Change %
Non-current assets							
Plant and equipment		1,705	1,685	1.2	-	-	-
Investment properties	1	2,149,241	-	Nm	-	-	-
Subsidiaries		-	-	-	783,269	172	Nm
Associates and joint ventures	2	1,498,609	-	Nm	-	-	-
Intangible assets		90,929	-	Nm	-	-	-
Other financial assets		56,673	-	Nm	-	-	-
Other receivables		14,301	1,840	Nm	-	-	-
		3,811,458	3,525	Nm	783,269	172	Nm
Current assets							
Properties under development	3	428,489	-	Nm	-	-	-
Inventories		-	885	Nm	-	-	-
Trade and other receivables		61,781	1,581	Nm	1,074,583	1,303	Nm
Cash and cash equivalents		106,809	2,730	Nm	5,038	1,167	Nm
		597,079	5,196	Nm	1,079,621	2,470	Nm
Total assets		4,408,537	8,721	Nm	1,862,890	2,642	Nm
Non-current liabilities							
Loans and borrowings		1,366,077	-	Nm	-	-	-
Junior bonds	4	143,872	-	Nm	-	-	-
Redeemable preference shares	5	47,613	-	Nm	-	-	-
Trade and other payables		11,724	2,076	Nm	-	-	-
Deferred tax liabilities		47,718	-	Nm	-	-	-
		1,617,004	2,076	Nm	-	-	-
Current liabilities							
Loans and borrowings		129,485	-	Nm	-	-	-
Trade and other payables		311,881	5,201	Nm	194,957	1,083	Nm
Current tax liabilities		4,806	95	Nm	-	-	-
		446,172	5,296	Nm	194,957	1,083	Nm
Total liabilities		2,063,176	7,372	Nm	194,957	1,083	Nm
Net assets		2,345,361	1,349	Nm	1,667,933	1,559	Nm
Equity							
Share capital		1,676,483	27,803	Nm	1,676,483	63,995	Nm
Other reserves		244,038	(26,722)	Nm	-	215	Nm
Foreign currency translation reserve		64,030	-	Nm	-	-	-
Accumulated profit/(losses)		21,330	-	Nm	(8,550)	(62,651)	Nm
Equity attributable to owners of the Company		2,005,881	1,081	Nm	1,667,933	1,559	Nm
Non-controlling interests		339,480	268	Nm	-	-	-
Total equity		2,345,361	1,349	Nm	1,667,933	1,559	Nm

Explanatory Notes to the Consolidated Statement of Financial Position

(1) Investment properties

Investment properties comprise the following:

<u>Singapore</u>	<u>PRC</u>
(i) CHIJMES	(i) Perennial Jihua Mall, Foshan
(ii) TripleOne Somerset	(ii) Perennial Qingyang Mall, Chengdu
	(ii) Perennial Dongzhan Mall, Chengdu (Under development)

(2) Associates & joint ventures

The Group has a 50% equity interest in Capitol Singapore and a 50% equity interest in Shenyang Summit that owns the Shenyang Properties.

(3) Properties under development

This relates to the Group's investment in the Xi'an North High Speed Railway Integrated Development.

(4) Junior Bonds

Junior Bonds comprised secured junior bonds issued by Perennial (CHIJMES) Pte. Ltd. and Perennial Somerset Investors Pte. Ltd. ("PSIPL") of \$30.0 million and \$113.9 million respectively and are subscribed by co-investors to partially fund the acquisition of the respective properties.

(5) Redeemable Preference Shares

This relates to 1,149,580 Redeemable Preference Shares issued by PSIPL and subscribed by co-investors to partially fund the acquisition of TripleOne Somerset.

1 (b)(ii) Aggregate Amount of Borrowings for the Group

	Group		
	As at 31.12.2014 S\$'000	As at 30.06.2014 S\$'000	Change %
<u>Amount repayable in one year or less, or on demand:-</u>			
Unsecured ⁽¹⁾	129,485	-	Nm
	129,485	-	Nm
<u>Amount repayable after one year:-</u>			
Secured	1,316,395	-	Nm
Unsecured ⁽¹⁾	49,682	-	Nm
	1,366,077	-	Nm
Total borrowings ⁽²⁾	1,495,562	-	Nm

Note:

(1) On 21 September 2012, PCRT issued \$130.0 million 6.375% Fixed Rate Notes due 2015, payable semi-annually in arrear, under its MTN Programme. On 26 July 2013, PCRT further issued \$50.0 million 5.25% Fixed Rate Notes due 2016, payable semi-annually in arrear, under the MTN Programme. All sums payable in respect of the Notes are unconditionally and irrevocably guaranteed by Perennial China Retail Pte. Ltd., a wholly-owned subsidiary of PCRT. Following the delisting of PCRT on 5 February 2015, PREHL has signed an undertaking to be a joint guarantor for PCRT's MTN programme.

(2) The above borrowings were stated net of unamortised transaction costs.

On 22 January 2015, the Group announced that it has established a \$2.0 billion Multicurrency Debt Issuance Programme.

Details of collaterals for secured borrowings

Secured bank borrowings are generally secured by mortgages on the borrowing subsidiaries' investment properties and assignment of all rights and benefits with respect to the properties mortgaged.

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1 (c) Consolidated Statement of Cash Flows

	Group	
	6 months ended 31.12.2014 S\$'000	6 months ended 31.12.2013 S\$'000
Cash flows from operating activities		
Profit/(Loss) for the period	39,855	(2,061)
Adjustments for:		
Depreciation of plant and equipment	139	1,075
Amortisation of intangible assets	471	-
Change in fair value of investment properties	(46,045)	-
Unrealised foreign exchange gain	(981)	-
Net finance costs	10,031	20
Share of results of associates and joint ventures, net of tax	(8,559)	110
Equity-settled payment transaction	1,275	-
Income tax expense	2,518	-
Operating profit before changes in working capital	(1,296)	(856)
Changes in:		
- Inventories	(885)	96
- Properties under development	(4,813)	-
- Trade and other receivables	23,639	565
- Trade and other payables	(2,102)	123
Cash flows from operations	14,543	(72)
Taxes paid	(57)	-
Net cash from/(used in) operating activities	14,486	(72)
Cash flows from investing activities		
Interest received	25	2
Acquisition of subsidiaries, net of cash acquired	121,202	-
Acquisition of plant and equipment	(301)	(191)
Development expenditure - investment properties	(20,064)	-
Loan to associates	(9,347)	-
Net cash from/(used in) investing activities	91,515	(189)
Cash flows from financing activities		
Distribution paid to Unitholders of a subsidiary	(10,884)	-
Proceeds from borrowings	281,929	-
Payment of upfront debt arrangement costs	(8,116)	-
Repayment of borrowings	(260,000)	(1,300)
Repayment of finance lease liabilities	-	(126)
Interest paid	(4,851)	(22)
Net cash used in financing activities	(1,922)	(1,448)
Net increase/(decrease) in cash and cash equivalents	104,079	(1,709)
Cash and cash equivalents at beginning of the period	2,730	4,066
Cash and cash equivalents at end of the period	106,809	2,357

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1 (d)(i) Statement of Changes in Equity for the Group and the Company
Six Months Ended 31 December 2014

Group	Share capital S\$'000	Foreign currency translation reserve ⁽¹⁾ S\$'000	Other reserves ⁽²⁾ S\$'000	Accumulated profits / (losses) S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 July 2014	27,803	-	251	(26,973)	1,081	268	1,349
Total comprehensive income for the period							
Profit for the period	-	-	-	20,968	20,968	18,887	39,855
Other comprehensive income							
Foreign currency translation gain relating to foreign operations, net of tax	-	63,961	-	-	63,961	9,342	73,303
Foreign currency translation gain on monetary items, net of tax	-	69	-	-	69	-	69
Net change in fair value of available-for-sale financial assets	-	-	40	-	40	-	40
Total other comprehensive income	-	64,030	40	-	64,070	9,342	73,412
Total comprehensive income for the period	-	64,030	40	20,968	85,038	28,229	113,267
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Expiry of equity-settled share options to employees	-	-	(215)	215	-	-	-
Dividends to non-controlling shareholder of a subsidiary	-	-	-	-	-	(150)	(150)
Distribution to owners of the Company	(27,803)	-	(36)	27,120	(719)	(184)	(903)
Ordinary shares issued	1,679,070	-	-	-	1,679,070	-	1,679,070
Issue expense	(2,587)	-	-	-	(2,587)	-	(2,587)
Acquisition of subsidiaries	-	-	243,998	-	243,998	311,317	555,315
Total transactions with owners	1,648,680	-	243,747	27,335	1,919,762	310,983	2,230,745
At 31 December 2014	1,676,483	64,030	244,038	21,330	2,005,881	339,480	2,345,361

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1 (d)(i) Statement of Changes in Equity for the Group and the Company
Six Months Ended 31 December 2014 (Cont'd)

Company	Share capital S\$'000	Foreign currency translation reserve ⁽¹⁾ S\$'000	Other reserves ⁽²⁾ S\$'000	Accumulated profits/(losses) S\$'000	Total S\$'000
At 1 July 2014	63,995	-	215	(62,651)	1,559
Total comprehensive income for the period					
Loss for the period, representing total comprehensive income for the period	-	-	-	(8,792)	(8,792)
Transactions with owners, recorded directly in equity					
<i>Contributions by and distributions to owners</i>					
Expiry of equity-settled share options to employees	-		(215)	215	-
Distribution to owners of the Company	(63,995)		-	62,678	(1,317)
Ordinary shares issued	1,679,070		-	-	1,679,070
Issue expense	(2,587)		-	-	(2,587)
Total transactions with owners	1,612,488	-	(215)	62,893	1,675,166
At 31 December 2014	1,676,483	-	-	(8,550)	1,667,933

1 (d)(i) Statement of Changes in Equity for the Group and the Company
Six Months Ended 31 December 2013

Group	Share capital S\$'000	Foreign currency translation reserve ⁽¹⁾ S\$'000	Other reserves ⁽²⁾ S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 July 2013	27,803	-	251	(20,929)	7,125	143	7,268
Total comprehensive income for the period							
(Loss)/Profit for the period, representing total comprehensive income for the period	-	-	-	(2,130)	(2,130)	69	(2,061)
At 31 December 2013	27,803	-	251	(23,059)	4,995	212	5,207

1 (d)(i) Statement of Changes in Equity for the Group and the Company
Six Months Ended 31 December 2013 (Cont'd)

Company	Share capital S\$'000	Foreign currency translation reserve ⁽¹⁾ S\$'000	Other reserves ⁽²⁾ S\$'000	Accumulated losses S\$'000	Total S\$'000
At 1 July 2013	63,995	-	215	(51,890)	12,320
Total comprehensive income for the period					
Loss for the period, representing total comprehensive income for the period	-	-	-	(4,360)	(4,360)
At 31 December 2013	63,995	-	215	(56,250)	7,960

Note:

- (1) The foreign currency translation reserve comprised foreign exchange differences arising from the translation of the financial statements of foreign operations and joint venture, and foreign exchange differences arising from monetary items forming part of net investment in foreign operations.
- (2) The other reserves include capital reserves and available-for-sale reserve.

1 (d)(ii) Details of any Changes in Share Capital

	No. of Shares ('000)	No. of Shares ('000)
Shares issued:		
In issue at 1.7.2014/ 1.1.2014	382,871	382,871
Issue of shares for the Initial Acquisition and payment for advisory services	40,027,010	-
Share consolidation based on 50 shares for one	(39,601,683)	-
No. of shares post consolidation	808,198	-
Issue of shares for consideration for VO	407,642	-
Issue of shares for Net Asset Value adjustment for the Initial Acquisition	49,262	-
In issue at 31.12.2014/ 30.6.2014	1,265,102	382,871

1(d)(iii) A statement showing all sales, transfer, disposals, cancellations and/or use of treasury shares at the end of the current financial period reported on

The Company has no treasury shares at the start and end of the reporting period.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group and the Company has adopted the following Financial Reporting Standards ("FRS") and Interpretations of FRSs that are relevant to its operations effective from the period beginning on or after 27 October 2014 which is the date of completion of reverse takeover:

- FRS 23 – Borrowing Costs
- FRS 38 – Intangible Assets
- FRS 40 – Investment Property
- FRS 103 – Business Combination
- FRS 110 – Consolidated Financial Statements
- FRS 111 – Joint Arrangements

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Please refer to item 4 above.

6 Earnings per Share

	6 months ended 31.12.2014	6 monthd ended 31.12.2013
Earnings per share ("EPS")		
Profit/(Loss) for the period (S\$'000)	20,968	(2,130)
Weighted average number of shares for the period ('000)		
- Basic	365,987	382,871
- Diluted	367,069	382,871
EPS (cents)		
- Basic	5.73	(0.56)
- Diluted	5.71	(0.56)

Note: The basic weighted average number of shares for the period has been diluted for 22,124,761 shares to be issued pursuant to the compulsory acquisition of all the remaining units of PCRT.

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7 Net Asset Value per Share

	Group		Company	
	31.12.2014	30.6.2014	31.12.2014	30.6.2014
Net assets value per share based on issued share capital as at end of the period (\$/ shares)	1.586	0.003	1.318	0.004

8 Review of the Performance

	6 months ended 31.12.2014 \$'000	6 months ended 31.12.2013 \$'000	Change %
Revenue	21,763	10,046	Nm
Share of results of associates and joint ventures, net of tax	8,559	(110)	Nm
Earnings before interest and tax ("EBIT")	52,404	(2,039)	Nm
Net finance costs	(10,031)	(22)	Nm
Profit/ (Loss) before tax	42,373	(2,061)	Nm
Profit/ (Loss) for the period attributable to the owners of the Company ("PATMI")	20,968	(2,130)	Nm

Six Months ended Dec 2014

For the period under review, the Group achieved a revenue of \$21.8 million and a PATMI of \$21.0 million.

PREHL's real estate business commenced from 28 October 2014 after the RTO on 27 October 2014. Excluding the revenue of \$6.8 million relating to the entertainment business which was recognised prior to the RTO, the Group's revenue relating to real estate business for the period from 28 October 2014 to 31 December was \$15.0 million.

The Group's real estate revenue comprised mainly rental revenue generated by CHIJMES and TripleOne Somerset in Singapore and Perennial Jihua Mall, Foshan and Perennial Qingyang Mall, Chengdu, which commenced operations in 3Q2013 and 2Q 2014 respectively. Both Jihua Mall and Qingyang malls are held by PCRT which became a subsidiary of the Group following the successful completion of the VO.

For the period from 28 October 2014 to 31 December 2014, Singapore assets contributed approximately \$10.1 million, representing 67.3% of the Group's real estate revenue. The assets in the PRC contributed revenue of \$3.7 million; or 25.0%, with the remaining coming from the Group's management business.

At the EBIT level, the Group achieved a profit of \$52.4 million for the six months ended 31 December 2014. The EBIT is solely contributed by the real estate business for the period from 28 October 2014 to 31 December 2014 as contribution from the entertainment business for the 4 months period was a loss of \$267,000.

The EBIT was derived mainly from the operating income of Singapore malls, Jihua and Qingyang Malls in PRC as well as fair value gains of \$46.0 million and after deducting professional fees of approximately \$11.4 million incurred in relation to the RTO and the VO.

Overall, the Group achieved a PATMI of \$21.0 million for the six months ended 31 December 2014, of which the entertainment business was a loss of \$362,000 for the period 1 July 2014 to 27 October 2014 and the real estate business registered a profit of \$21.3 million for the period from 28 October 2014 to 31 December 2014.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast, or a prospect statement, has been previously disclosed.

10 Commentary on the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

Singapore

Based on advance estimates by the Ministry of Trade and Industry, the Singapore economy is estimated to have grown by 2.8% for 2014, in line with the earlier announced growth forecast of around 3.0%. For 2015, the growth forecast is between 2.0% and 4.0%.

PREH's predominantly-operating portfolio in Singapore is expected to continue to provide a stable income stream to the Group. Capitol Singapore is expected to re-open the iconic Capitol Theatre in 1Q/2Q 2015, to be followed by the retail podium and the six-star hotel, "Patina". CHIJMES completed its asset enhancement works at the end of 2014 and is now transformed into a mid- to high-end food and beverage and entertainment destination. Together with Capitol Singapore and the recently announced acquisition of a 31.2% stake in AXA Tower, these assets are expected to further contribute to the Group's revenue growth in 2015.

PRC

China's gross domestic product grew by 7.4% in 2014 and is expected to be around 7% in 2015. To spur growth, the central bank has recently cut lending rates and reduced bank reserve requirements. The Chinese government continues to prioritise economic reform by steering the economy away from an investment and export-led model towards consumption-driven growth.

For the Group's operating assets in Shenyang, Foshan and Chengdu, the focus will be in optimizing the performance through strategic tenant remixing, growing shopper traffic and improving tenant sales.

The Group's development assets are in different stages of completion. Perennial Dongzhan Mall, Chengdu, is pending structural topping-out and tenant pre-leasing has been encouraging. Commercial apartments and retail units in three towers of the Chengdu East High Speed Railway Integrated Development are expected to commence sales in 2Q 2015. Site preparation and sub-structure works are underway for our projects in the Xi'an North High Speed Railway Integrated Development and the Zhuhai Hengqin Integrated Development.

11 Dividends

(a) Current financial period

None

(b) Corresponding period of the immediately preceding financial year

None

(c) Date Payable

Not applicable.

(d) Books Closure Date

Not applicable.

12 If no dividend has been declared / recommended, a statement to that effect

No dividend has been declared for the six months ended 31 December 2014.

13 If the Company has obtained a general mandate from shareholders for interested person transactions, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no interested person transactions mandate has been obtained, a statement to that effect.

The Company did not obtain a general mandate from shareholders for interested person transactions.

14. Segmental revenue and results for business or geographical segments of the Group with comparative information for the immediately preceding year.

	Revenue			EBIT		
	6 months ended	6 months ended	Change	6 months ended	6 months ended	Change
	31.12.2014	31.12.2013	%	31.12.2014	31.12.2013	%
	\$'000	\$'000	%	\$'000	\$'000	%
Singapore	10,071	-	Nm	48,755	-	Nm
China	3,746	-	Nm	20,504	-	Nm
Corporate & Others	7,946	10,046	(20.9)	(16,855)	(2,039)	Nm
Total	21,763	10,046	Nm	52,404	(2,039)	Nm

15. Breakdown of Sales

Not applicable.

16 Confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results of the Group and the Company as at and for the period from 1 July 2014 to 31 December 2014, to be false or misleading in any material aspect.

On behalf of the Board

Kuok Khoon Hong
Chairman

Pua Seck Guan
Chief Executive Officer

By Order of the Board

Khong Mee Hong
Company Secretary
13 February 2015

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.

Regulatory Notice

The disclosure below is made pursuant to the conditions of the waiver granted by the Securities Industry Council (the “**SIC**”) to Perennial Real Estate Holdings Pte Ltd (“**PREH**”) and its concert parties (the “**PREH Concert Party Group**”), in relation to the reverse takeover of St James Holdings Limited (now known as Perennial Real Estate Holdings Limited) (“**PREHL**”). Capitalised terms not defined herein shall have the same meaning set out in the Circular dated 18 September 2014 issued by PREHL in respect of, *inter alia*, the approval of the Proposed Acquisition (the “**Circular**”).

Details of the Whitewash Resolution

On 14 March 2014, the SIC had granted the PREH Concert Party Group a waiver of the requirement to make a general offer for PREHL under Rule 14 of the Code upon the issue of the Consideration Shares pursuant to the Proposed Acquisition. The SIC has granted its waiver, subject to the conditions set out in the Circular. On 10 October 2014, the shareholders of PREHL (the “**Shareholders**”) passed the Proposed Whitewash Resolution waiving their rights to receive a general offer from the PREH Concert Parties for their PREHL Shares. For the purposes of the Proposed Whitewash Resolution, the issue of the Consideration Shares for the Proposed Initial Acquisition must be completed within three months of 10 October 2014 and the issue of the remaining Consideration Shares to the PREH Concert Party Group must be completed by 10 June 2015 (the “**Final Issue Date**”), being the date falling two months from the Final Long Stop Date.

Holdings and Interests of the PREH Concert Party Group and the Maximum Potential Interests of the PREH Concert Party Group

As at the date hereof, (i) the PREH Concert Party Group holds in aggregate 741,708,215 PREHL Shares; and (ii) in the event that the Deferred Beijing Acquisition takes place on or prior to Final Long Stop Date, the PREH Concert Party Group is entitled to receive up to an additional 290,023,681 PREHL Shares on or prior to the Final Long Stop Date. In addition, Mr Pua Seck Guan is entitled to receive up to 12,021,578 PREHL Shares on or about 27 July 2016 in relation to the Consideration Shares to be issued in respect of the Deferred PREPL Acquisition. 44,464,147 PREHL Shares have been issued to the PREH Concert Party Group pursuant to net asset value adjustment for the Proposed Initial Acquisition, and the PREH Concert Party Group may receive up to an additional 8,206,046 PREHL Shares pursuant to net asset value adjustment for the Deferred Acquisitions. Save as disclosed herein, none of the PREH Concert Party Group holds PREHL Shares and instruments convertible into, rights to subscribe for and options in respect of PREHL Shares. Accordingly, the maximum potential interest of the PREH Concert Party Group is 1,051,959,520 PREHL Shares, representing approximately 64.07 per cent. of the PREHL Shares in issue, assuming no other PREHL Shares are issued.

Cautionary Statement

Shareholders should note that, having approved the Whitewash Resolution, Shareholders have waived their rights to receive a general offer from the PREH Concert Party Group at the highest price paid by the PREH Concert Party Group for PREHL Shares in the past six months preceding the date of the Whitewash Resolution.

Shareholders should also note that, having approved the Whitewash Resolution, Shareholders could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the outstanding PREHL Shares which may be allotted and issued on or prior to the Final Issue Date for the Deferred Beijing Acquisition (if completed).