

PRESS RELEASE

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For Immediate Release

**Perennial-Led JV Vehicle Invests in Prime
Kunming South HSR Integrated Development**

Regional healthcare and commercial hub poised to benefit from Kunming South HSR Station's position as Yunnan Province's East Asia and South East Asia Transportation Hub¹, and Southeast Asian countries' HSR gateway station² to China as part of BRI

Ride on strong demand from Kunming's designation as one of China's key healthcare cities and immense growth in its tourism and MICE industries

Singapore, 20 December 2018 – Perennial Real Estate Holdings Limited (“**Perennial**”), through its 45% owned joint venture vehicle, Perennial HC Holdings Pte. Ltd. (“**JV Vehicle**”), has been awarded the tender by the People's Government of Chenggong District (呈贡区), Kunming, Yunnan Province to develop two plots of land with a total land area of approximately 65,054 square metres (“**sqm**”) which are sited next to the Kunming South High Speed Railway (“**HSR**”) Station (“**Kunming South HSR Integrated Development 昆明南站综合项目**”) at a land tender price of RMB341.5 million (approximately S\$67.6 million³).

Spanning approximately 627,600⁴ sqm in total maximum allowable gross floor area (“**GFA**”), Kunming South HSR Integrated Development will be developed into a one-stop regional healthcare and commercial hub comprising medical care, eldercare, hospitality, meetings, incentives, conferences and exhibitions (“**MICE**”), and retail components.

Kunming South HSR Station, which is strategically located in the capital city of Yunnan Province, is a key HSR station in China and positioned as Yunnan Province's East Asia and Southeast Asia Transportation Hub, with extensive railway network providing eight local access routes to various key cities across China and five international access routes to East Asian and Southeast Asian countries¹ to support the immense growth in traditional and medical tourism, trade and MICE activities.

Currently, it is the largest HSR station in Southwest China⁵ and offers quick access to major cities including Shanghai 上海, Beijing 北京 and Guangzhou 广州. It is also the designated HSR gateway station² which is

¹ Source: People News article dated 4 January 2016.

² Source: Sina News article dated 26 December 2017.

³ Based on December 2018 exchange rate of RMB1.00: SGD0.198.

⁴ Subject to authorities' approvals.

⁵ Source: Sina article dated 8 April 2018.

expected to link Southeast Asian countries, including Singapore, to various parts of China as part of the planned Trans-Asian HSR network under China's Belt and Road Initiatives ("BRI").

Mr Pua Seck Guan, Chief Executive Officer of Perennial, said, "Kunming South HSR Integrated Development marks the second asset for the Perennial-syndicated JV Vehicle and the fourth HSR healthcare and commercial integrated development in China for Perennial. Together with our existing Chengdu HSR development, which is adjacent to one of the largest HSR stations in Southwest China⁶, our presence in Southwest China has been significantly strengthened."

Mr Pua added, "With Kunming South HSR Station's exceptional position as Yunnan Province's East Asia and South East Asia Transportation Hub¹, the key HSR gateway station linking Southeast Asian countries, including Singapore, to various parts of China under the planned Trans-Asian HSR network², as well as its standing as the largest HSR Station in Southwest China⁵, our one-stop regional development is well-placed to cater to the medical care, eldercare, hospitality, MICE and retail needs of not just the residents of Southwest China, but also the communities of East Asian and Southeast Asian countries."

Excellent Connectivity via Adjacent Kunming South HSR Station

Kunming South HSR Integrated Development is strategically located next to Kunming South HSR Station, the largest HSR station in Southwest China with 16 platforms and 30 railway tracks⁵. The station currently serves two major HSR lines, being the Shanghai-Kunming Line (沪昆线) and Yungui Line (云桂线), with two future HSR Lines under planning, being the Chongqing-Kunming Line (渝昆线) and Guangzhou-Kunming Line (广昆线). The station expects to serve a target capacity of 250,000⁷ daily passengers.

As the West terminal station of the Shanghai-Kunming Railway Line, which is the longest and most important HSR line in China as part of the National Eight Vertical and Eight Horizontal Railway Plan⁸, Kunming South HSR Station provides quick access to various key cities, including Shanghai 上海 (approximately 11 hours), Beijing 北京 (approximately 10 hours) and Guangzhou 广州 (approximately six hours), and other major cities such as Hangzhou 杭州, Suzhou 苏州, Wuhan 武汉, Changsha 长沙, Nanchang 南昌 and Guiyang 贵阳.

Kunming South HSR Station is positioned as Yunnan Province's East Asia and Southeast Asia Transportation Hub¹. As part of the province's Eight Inter-city and Five International Railway Expansion Line Plan⁹, the station is expected to provide local connectivity to major cities in China, including Chongqing 重庆, Chengdu 成都, Nanning 南宁, Neijiang 内江, Shanghai 上海 and Tibet 西藏, and international connectivity to East Asian and Southeast Asian countries, including India, Thailand, Laos, Vietnam, Myanmar, Malaysia and Singapore.

In addition, Kunming South HSR Station is slated to be the gateway HSR interchange station connecting Southeast Asian countries, including Singapore, to various parts of China via three future Trans-Asian HSR Lines (Central Line, West Line and East Line)² as part of China's BRI.

⁶ Source: Sina article dated 4 November 2016.

⁷ Source: Yunnan House News article dated 16 October 2018.

⁸ Source: Xinhua News article dated 1 July 2016.

⁹ Source: Sohu article dated 13 November 2017.

Within Kunming, Kunming South HSR Integrated Development is situated in the vicinity of the University Town of Kunming and approximately two kilometres (“**km**”) from the Kunming Municipal Government, providing it with immediate access to a large population base and talent pool. It is about 20 km from the Kunming Central Business District and 25 km from Kunming Changshui International Airport. The development is also well-served by the operational Subway Lines 1 and 4 via the adjacent Kunming South HSR Station.

Yunnan Province’s Immense Growth in Tourism and MICE Activities

Yunnan Province population stands at over 48 million¹⁰ and is currently one of China’s top tourist destinations, with tourist arrivals increasing 31.9% to 133 million in 2017¹¹ from a year earlier. Kunming has also seen spectacular growth in MICE activities, with a total of over 26,000 local and international events held in 2017¹².

Kunming South HSR Station’s position as Yunnan Province’s East Asia and Southeast Asia Transportation Hub¹ and the planned Trans-Asian HSR network are expected to support Kunming’s plan to further grow its flourishing tourism industry with ease of access to popular Yunnan tourist sites, including Dali 大理, Jinghong 景洪, Lijiang 丽江, Mengzi 蒙自, Pu-erh 普洱, Ruili 瑞丽, Shangri-la 香格里拉, Xiangyun 祥云 and Yuxi 玉溪. It will also further the development of Kunming’s medical tourism industry and strengthen Kunming’s position as a key city for local and international MICE activities in China.

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About Kunming South HSR Integrated Development 昆明南站综合项目

Brief Description	HSR Healthcare and Commercial Integrated Development comprising medical care, eldercare, hospitality, MICE and retail components, situated next to the Kunming South HSR Station.
Location	Next to Kunming South HSR Station, which is Yunnan Province’s East Asia and South East Asia Transportation Hub ³ , the key HSR gateway station linking Southeast Asian countries, including Singapore, to various parts of China under the planned Trans-Asian HSR network ² as part of China’s BRI, and the largest HSR Station in Southwest China ⁵ . West of Kunming South HSR Station, East of East Chun Rong Road (春融东路), North of Lian Da Road (联大街), South of Xiang Yuan Road (祥园街).
Tenure	40 years commercial land use right expiring in 2058
Land Tender Price	RMB341.5 million (approximately S\$67.6 million ³)
Land Area	Approximately 65,054 sqm
Total Maximum Allowable GFA	Approximately 627,600 sqm

¹⁰ Source: Population in China in 2017 by Region by Statista: The Statistics Portal.

¹¹ Source: China Daily News article dated 28 May 2018.

¹² Source: China Daily News article dated 28 December 2017.

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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, Indonesia and Ghana with a combined portfolio spanning about 65 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. Four of Perennial's developments, Chengdu East High Speed Railway ("**HSR**") Integrated Development, Xi'an North HSR Integrated Development, Tianjin South HSR Integrated Development and Kunming South HSR Integrated Development, are regional healthcare and commercial hubs which are situated adjacent to four 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 Capitol Singapore, CHIJMES, AXA Tower, TripleOne Somerset, Chinatown Point and House of Tan Yeok Nee.

Issued by Perennial Real Estate Holdings Limited

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