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PERENNIAL REAL ESTATE HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(UEN/Company Registration No.: 200210338M)

**OFFER OF UP TO S\$150,000,000
IN AGGREGATE PRINCIPAL AMOUNT OF 3-YEAR 4.65 PER CENT. BONDS DUE 2018
TO THE PUBLIC IN SINGAPORE,
SUBJECT TO THE INCREASE OF OFFER SIZE IN THE EVENT OF OVERSUBSCRIPTION OF
THE PUBLIC OFFER, THE RE-ALLOCATION FROM THE PUBLIC OFFER TO THE
PLACEMENT (IF ANY) AND THE RIGHT TO CANCEL THE OFFER
(THE "OFFER")**

Unless otherwise defined, all capitalised terms and references used in this Announcement shall have the meanings ascribed to them in the announcement dated 12 October 2015 and the Offer Information Statement dated 12 October 2015 (the "Offer Information Statement").

1. Introduction

On 12 October 2015, Perennial Real Estate Holdings Limited (the "**Issuer**") announced its offer of up to S\$150,000,000 in aggregate principal amount of 3-year 4.65 per cent. bonds due 2018 (the "**Bonds**"), provided that:

- (1) in the event of oversubscription under the Public Offer, the Issuer shall have the right, in consultation with the Sole Lead Manager and Bookrunner (as defined herein), to issue up to an additional S\$150,000,000 in aggregate principal amount of Bonds at the issue price of 100 per cent. to satisfy the excess demand;
- (2) the aggregate principal amount of Bonds to be issued shall not exceed S\$300,000,000;
- (3) the Issuer reserves the right, in consultation with the Sole Lead Manager and Bookrunner, to re-allocate Bonds from the Public Offer to institutional and other investors in offshore transactions (as defined under Regulation S), outside the United States and to non-U.S. persons in reliance on Regulation S (the "**Placement**") as further described below; and
- (4) the Issuer reserves the right to cancel the Offer in the event that less than S\$25,000,000 in aggregate principal amount in applications are received under the Offer.

The issue price of the Bonds is S\$1 per S\$1 in principal amount of the Bonds (being 100 per cent. of the principal amount of the Bonds).

The Issuer may, in the circumstances set out in the Management and Placement Agreement, at any time after the Public Offer has commenced, offer up to S\$100,000,000 in aggregate principal amount of Bonds under the Placement. The offer of Bonds under the Placement, if any, will be made through re-allocation from the Public Offer to the Placement. The actual aggregate principal amount of the Bonds to be allocated between the Public Offer and the Placement, if any, will be finalised on or prior to the issue date of the Bonds (the "**Issue Date**").

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The sole lead manager and bookrunner ("**Sole Lead Manager and Bookrunner**") is DBS Bank Ltd.

2. Lodgment of the Offer Information Statement and Product Highlights Sheet

The Issuer has today lodged with the Monetary Authority of Singapore (the "**MAS**") the Offer Information Statement (together with the product highlights sheet, prepared by the Issuer (the "**Product Highlights Sheet**")) in relation to the Offer.

A printed copy of the Offer Information Statement (together with the Product Highlights Sheet) may also be obtained on request, subject to availability, during operating hours from selected branches of DBS Bank (including POSB). A copy of the Offer Information Statement (together with the Product Highlights Sheet) is also available on the MAS' OPERA website at <https://opera.mas.gov.sg/ExtPortal/>.

3. Principal terms of the Bonds

The Bonds, which will be issued in registered form in denominations of S\$1,000 each or in integral multiples thereof, will bear interest at the rate of 4.65 per cent. per annum, payable semi-annually in arrear. The Bonds are expected to be issued on 23 October 2015 and will have a tenor of three years from the Issue Date. The Bonds will be cleared through The Central Depository (Pte) Limited. The Bonds will not be rated.

4. Use of Proceeds

It is presently intended that the net proceeds will be used for general corporate purposes, including refinancing of existing borrowings and financing of working capital, investments (including mergers and acquisitions) and/or capital expenditure requirements of the Issuer or the Issuer and its subsidiaries (the "**Group**").

Pending the deployment of the net proceeds from the Offer, the net proceeds may be deposited with banks and/or financial institutions or used for other purposes on a short-term basis as the directors of the Issuer may deem appropriate in the interests of the Issuer and the Group.

5. Expected Timetable of Key Events

Prospective investors are requested to note the following important dates and times in respect of the Offer:

Lodgement of Offer Information Statement	:	12 October 2015
Opening date and time for applications for the Public Offer Bonds	:	13 October 2015 at 9.00 a.m.
Last date and time for applications for the Public Offer Bonds	:	21 October 2015 at 9.00 a.m.
Balloting of applications for the Public Offer Bonds, if necessary (in the event of an over-subscription of the Bonds). Commence returning or refunding of application moneys to unsuccessful or partially successful applicants	:	22 October 2015

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Expected Issue Date of the Bonds : 23 October 2015

Expected date and time of commencement of trading of the Bonds on the Main Board of the SGX-ST : 26 October 2015 at 9.00 a.m.

The above timetable is in relation to the dates and times of the opening and closing of the Public Offer, and is indicative and subject to change. If Placement Bonds are offered pursuant to the terms of the Management and Placement Agreement, the dates and times of the opening, closing and if applicable, the re-opening of the Offer under the Placement will be announced by the Issuer through SGXNET. Prospective investors applying for the Bonds under the Placement must get in touch with the Sole Lead Manager and Bookrunner directly.

As at the date of the Offer Information Statement, the Issuer does not expect the above timetable to be modified. However, the Issuer may, with the approval of the SGX-ST (if required) and the agreement of the Sole Lead Manager and Bookrunner, extend, shorten or modify the above timetable as it may think fit subject to any limitation under any applicable laws. In particular, the Issuer will, if so agreed with the Sole Lead Manager and Bookrunner, have the absolute discretion to close the Public Offer and/or the Placement (if commenced) early. The Issuer will, if so agreed with the Sole Lead Manager and Bookrunner, also have the absolute discretion to re-open the Offer under the Placement (if commenced).

The Issuer will publicly announce any changes to the above timetable through a SGXNET announcement to be posted on the SGX-ST's website at <http://www.sgx.com>.

6. Application and Payment Procedures

The Public Offer Bonds are payable in full upon application while the Placement Bonds (if any) are payable in full on or about the Issue Date, unless otherwise agreed by the Issuer and the Sole Manager and Bookrunner.

Applications for the Public Offer Bonds must be made by way of ATM Electronic Applications, Internet Electronic Applications or mBanking Applications. Applications for the Placement Bonds (if any) must be made directly through the Sole Lead Manager and Bookrunner, who will determine, at its discretion, the manner and method for applications under the Placement. More details can be found in "**Terms, Conditions and Procedures for Application and Acceptance**" in Appendix C of the Offer Information Statement. The Bonds will be issued in denominations of S\$1,000 each or in integral multiples thereof. An application for the Bonds is subject to a minimum of (i) S\$2,000 in aggregate principal amount of Bonds per application under the Public Offer, and (ii) S\$100,000 in aggregate principal amount of Bonds per application under the Placement, or, in each case, higher amounts in integral multiples of S\$1,000 thereof.

The Issuer and the Sole Lead Manager and Bookrunner reserve the right to reject or accept any application in whole or in part, or to scale down or ballot any application, without assigning any reason therefor, and no enquiry and/or correspondence on their decision will be entertained. This right applies to all applications for the Bonds.

The Bonds are not eligible for inclusion under the Central Provident Fund ("**CPF**") Investment Scheme. Accordingly, prospective investors CANNOT use their CPF funds to apply for the initial offer of the Bonds under the Offer Information Statement or to purchase the Bonds from the market thereafter.

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Prospective investors cannot use their funds ("**SRS Funds**") under the Supplementary Retirement Scheme ("**SRS**") to apply for the initial offer of the Bonds pursuant to the Offer Information Statement. They may however use their SRS Funds to purchase the Bonds from the market after the completion of the Offer and the listing of the Bonds on the SGX-ST. Investors with SRS accounts should therefore consult their stockbrokers and the relevant banks in which they hold their SRS accounts if they wish to purchase the Bonds from the market using SRS Funds.

7. Further Information

If you have questions, please contact DBS Bank at the customer service hotlines set out below, which are available 24 hours a day, seven days a week from the date of the Offer Information Statement until the Closing Date, being 9.00 a.m. on 21 October 2015.

<p>DBS Bank Tel: 1800 111 1111</p> <p>POSB Tel: 1800 339 6666</p>

More information on the terms, conditions and procedures for application and payment for the Bonds, including the different modes of application and payment, are set out in the Offer Information Statement. Anyone wishing to subscribe for the Bonds should read the Offer Information Statement and the Product Highlights Sheet in full and must make an application in the manner set out in the Offer Information Statement.

By Order of the Board

Pua Seck Guan

Chief Executive Officer

12 October 2015

Important Notice

No communication and no information in respect of this transaction may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been or will be taken in any jurisdiction (other than Singapore) where such steps would be required. The issue, the subscription for or the purchase of the Bonds may be subject to specific legal or regulatory restrictions in certain jurisdictions. The Issuer assumes no responsibility for any violation of any such restrictions by any person.

This Announcement does not constitute or form a part of any offer for sale or solicitation to purchase or subscribe for securities in the United States. Securities may not be offered, subscribed or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements thereof. The securities of the Issuer have not been and will not be registered under the Securities Act and the Issuer does not intend to make a public offer of its securities in the United States. Any public offering of securities to be made in the United

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States will be made by means of a prospectus that may be obtained from the issuer and will contain detailed information about the company and management, as well as financial statements.

The distribution of this Announcement in certain countries may constitute a breach of applicable law. This Announcement is for information purposes only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to subscribe for or acquire, the Bonds in any jurisdiction in which such an offer or solicitation is unlawful. No person should subscribe for or acquire any Bonds except on the basis of the information contained in the Offer Information Statement.

This Announcement may not be published, forwarded or distributed, directly or indirectly, in the United States (including its territories and possessions, any State of the United States, and the District of Columbia).

The information contained in this Announcement is qualified in its entirety by, and should be read in conjunction with, the full text of the Offer Information Statement and the Product Highlights Sheet. Anyone wishing to subscribe for the Bonds should read the Offer Information Statement and the Product Highlights Sheet in full and must make an application in the manner set out in the Offer Information Statement.

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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About Perennial Real Estate Holdings Limited (www.perennialrealestate.com.sg)

Perennial Real Estate Holdings Limited (the "**Group**") is an integrated real estate owner, developer and manager listed on the Mainboard of the Singapore Exchange. Headquartered in Singapore, the Group focuses strategically on large scale mixed-use developments and has a presence in the People's Republic of China ("**PRC**"), Singapore, Malaysia and Ghana with a combined portfolio measuring over 45 million square feet in gross floor area. The Group's business also extends into the healthcare industry in the PRC, with an established joint-venture to acquire, develop and manage hospital/medical services.

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. Other landmark projects in the Group's portfolio include the Beijing Tongzhou Integrated Development, the Shenyang Longemont Integrated Development and 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, Central Business District and Orchard Road precinct, such as CHIJMES, Capitol Singapore, TripleOne Somerset, AXA Tower and the House of Tan Yeok Nee. The Group also holds stakes in and manages 112 Katong mall and Chinatown Point mall.