



PERENNIAL REAL ESTATE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 200210338M)

**CLARIFICATION RELATING TO AN ARTICLE PUBLISHED BY
THE BUSINESS TIMES ON 16 MAY 2017**

The Board of Directors (the “**Board**”) of Perennial Real Estate Holdings Limited (“**Perennial**” or the “**Company**”) refers to the article titled “Perennial sees Light in northern Malaysian state of Penang” published by the Business Times (“**BT**”) on 16 May 2017 (the “**Article**”).

The Article published statements made by the Chief Executive Officer (“**CEO**”) based on prevalent knowledge of market practice during the interview by BT. The statement “Perennial expects an IRR (internal rate of return) of at least 12 per cent in Malaysia.” was provided during the course of the interview when the interviewer requested for his views on expected returns on doing projects in various countries and was not intended to be a forecast or projection made by the Company on the project. The project “The Light City” (“**TLC**”) is a 50/50 joint venture with IJM Land Bhd (“**IJM**”).

In addition, the article also quoted the CEO as saying that Perennial's investment is only in the TLC and the understanding between the joint venture partners is that IJM will not commence on the next portion until TLC's residential units are “more than 70 per cent divested”. IJM owns the remaining part of the larger development called The Light Waterfront Penang which included development plans for residential components. The understanding with IJM is to ensure the orderly execution of the development and release of the residential projects within The Light Waterfront to meet demand so as to protect the value of the residential units within the whole development.

The Company would like to highlight that the project ‘The Light City’ is a mixed-use development comprising residential towers, an office tower, a shopping mall, hotels and a convention centre and is targeted for completion in 2021. Given that this is an integrated mixed-use development, the success of this project hinges on many factors such as the tourism industry in Penang, the demand for office and retail spaces etc. Notwithstanding this, the Company and IJM are committed to develop TLC into one of the most iconic developments in Malaysia.

BY ORDER OF THE BOARD

Sim Ai Hua

Company Secretary

16 May 2017

Singapore

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 about 54 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.