



PRESS RELEASE

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For Immediate Release

Perennial Real Estate Holdings Limited, Dominant Mixed-use Commercial Developer, to List on Mainboard of SGX-ST Tomorrow

- Owns two largest high speed railway commercial hubs in the PRC
- Balanced portfolio with strata sale and long term hold strategy to grow NAV

Proposes Voluntary Conditional Offer for Perennial China Retail Trust

Singapore, 27 October 2014 – Perennial Real Estate Holdings Limited (“**PREHL**” or the “**Group**”), a sizeable integrated real estate owner, developer and manager focused primarily in the People’s Republic of China (“**PRC**”) and Singapore, is pleased to announce that it will be officially listed on the Mainboard of the Singapore Exchange (“**SGX-ST**”) with effect from tomorrow, and trading of PREHL shares (“**PREHL Shares**”) is expected to commence no later than 31 December 2014. This follows the successful completion of the reverse takeover of St. James Holdings Limited undertaken by the sponsors of PREHL today. As at 27 October 2014, PREHL’s Net Asset Value (“**NAV**”) and issued share capital stand at approximately S\$1.26 billion and S\$1.07 billion respectively.

PREHL has today also announced its firm intention to make a voluntary conditional offer (the “**Offer**”) to acquire all the remaining issued units of Perennial China Retail Trust (“**PCRT**”), a PRC retail development trust sponsored by PREHL, in exchange for new PREHL Shares. PCRT unitholders will be offered S\$0.70 for each PCRT unit (“**Offer Price**”), to be satisfied by the issuance of 0.52423 PREHL Shares at an issue price of approximately S\$1.3353 for each PREHL Share.

The Offer presents PCRT unitholders with an opportunity to participate in an enlarged and diversified platform, with the PRC mixed-use assets comprising different components providing asset class diversification, and the Singapore assets providing geographic diversification. In addition, PREHL will enjoy strong support from its key long term shareholders, gain better access to funding and benefit from the combined management bench strength.

As of today, PREHL has a total direct and deemed interest of approximately 28.44% of total outstanding units in PCRT. PREHL and its concert parties have a total direct and deemed interest of approximately 33.6% of total outstanding units in PCRT. PREHL has also received irrevocable undertaking from investors (“IUs”) who have committed to tender their PCRT units for PREHL Shares, representing an additional 15.78% of total outstanding units in PCRT. Together, PREHL’s and its concert parties’ total direct and deemed interest in the PCRT units and the PCRT units which are the subject of the IUs received amount to 44.30% of total outstanding units in PCRT.

The Offer will become unconditional when valid acceptances received by PREHL, together with the PCRT units owned, controlled or agreed to be acquired by PREHL and parties acting in concert, exceed 50.0% of the total outstanding units of PCRT. If PREHL receives valid acceptances constituting 90% or more of the units which it (or its related companies or their respective nominees) does not already own, PCRT will be privatised and delisted from the SGX-ST. Further details of the Offer and the relevant acceptance forms will be despatched to PCRT unitholders on or about 10 November 2014, and the first closing date of the Offer is expected to be 8 December 2014.

PREHL’s NAV, as an enlarged group including 100% of PCRT post-delisting and assuming the completion of the acquisition of the Beijing Tongzhou Integrated Development and the completion of the remaining 51.0% stake in Perennial Real Estate Pte Ltd, will grow significantly from its current S\$1.26 billion to S\$2.62 billion. The enlarged group will own interests in and/or manage:

- a diversified PRC portfolio of prime integrated developments with a Gross Development Value (“**GDV**”) of about S\$13.1 billion and Gross Floor Area (“**GFA**”) of about 36.5 million square feet (“**sq ft**”); and
- a quality Singapore portfolio with a GDV of about S\$3.8 billion and GFA of over 2.0 million sq ft.

Mr Pua Seck Guan, Chief Executive Officer of PREHL, said, “PREHL is a dominant commercial developer with large scale mixed-use development projects in the PRC, and owns two 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 which are well-positioned for growth. The portfolio is complemented by prime and iconic Singapore properties, such as CHIJMES, Capitol Singapore and TripleOne Somerset, which enjoy excellent transport connectivity and will provide steady income streams. Together with the trading income from the strata sale of mixed-use projects, rental income from long-term investment properties, and fee income from management business, PREHL is well-poised to grow its NAV over time.”

Mr Pua, added, “The Offer provides PCRT unitholders with an attractive opportunity to participate in a significantly larger and diversified real estate platform, and benefit from any potential upside in PREHL Shares. With a strong consortium of sponsors who have extensive business experience and established relationships, coupled with an experienced management team with proven track record, the Group is committed to delivering long term growth to shareholders.”

Rationale for the Offer for PCRT Unitholders

- **Participate in an Enlarged and Diversified Real Estate Platform**

PREHL’s PRC assets comprise large scale mixed-use developments in prominent first-tier and second-tier capital PRC cities with direct connectivity to transportation hubs, including high speed railway stations, and offer significant development potential and embedded value. As large scale mixed-use developments, these PRC assets provide distinction, complementary advantages and resilience. In addition, PREHL’s well-located prime Singapore assets provide immediate geographic diversification and yield from operations.

- **Backed by Strong Long Term Sponsors with Extensive Networks and Business Experience**

PREHL’s key sponsors are as follows:

MR KUOK KHOON HONG	MR RON SIM	WILMAR INTERNATIONAL LIMITED	MR PUA SECK GUAN
<ul style="list-style-type: none"> • Chairman and Non-Independent Non-Executive Director of the Group • Non-Independent Non-Executive Director of Perennial China Retail Trust Management Pte. Ltd, the trustee-manager of Perennial China Retail Trust • Co-Founder, Chairman and CEO of Wilmar International Limited 	<ul style="list-style-type: none"> • Vice Chairman and Non-Independent Non-Executive Director of the Group • Founder, Chairman and CEO of OSIM International Limited (“OSIM”) • OSIM, a global leader in branded healthy lifestyle products listed on the SGX-ST, has approximately 850 outlets in approximately 30 countries 	<ul style="list-style-type: none"> • Asia’s leading agribusiness group and ranked amongst the largest listed companies by market capitalisation on the Singapore Exchange • More than 20 years of operating experience in the PRC as a leading agribusiness and food company, producing the top edible oil brand – Arawana, which has had the largest market share in the PRC for the past 13 years 	<ul style="list-style-type: none"> • Chief Executive Officer and Executive Director of the Group • Non-Executive Director of Perennial China Retail Trust Management Pte. Ltd., the trustee-manager of Perennial China Retail Trust • More than 20 years of real estate experience in property investment, development and management across various asset classes

The four key sponsors currently own an aggregate effective ownership of approximately 92.18% in PREHL as a result of the completion of the Proposed Initial Acquisition, and will own approximately 68.43% of PREHL, assuming the completion of the Proposed Acquisition and 100.0% of units are acquired pursuant to the Offer.

As part of the enlarged PREHL’s platform, PCRT unitholders will be able to leverage on the key sponsors’ extensive networks and business experience in the PRC, Singapore and emerging markets. PCRT unitholders will also benefit from PREHL’s demonstrated track record of being able to tap into a wide network of strong and strategic real estate partners and financial investors at various project levels.

- **Better Access to Funding**

Based on the 31 December 2013 unaudited pro forma financials of PREHL¹, the NAV of PREHL is S\$1.26 billion² and the NTA is S\$1.15 billion² as compared to the NTA of PCRT at S\$830.9 million based on the unaudited financial statements of PCRT as at 30 June 2014. The increased business scale and NAV of PREHL as compared to that of PCRT will provide easier access to financing from financial institutions, as well as debt and equity capital markets. With better access to funding, PREHL will have greater balance sheet flexibility to fund future real estate investments.

- **Synergistic Benefits of One Management Platform**

PCRT unitholders will benefit from a strong management bench and the synergies of the enlarged group, including the maximisation of balance sheet efficiency and optimisation of cost of capital.

Highlights of the Offer for PCRT Unitholders

- **Value of the Offer is underpinned by PREHL's strong NAV per PREHL Share**

The issue price of approximately S\$1.3353 per PREHL Share is at a considerable discount of 18.1% and 37.0% to PREHL's Pro-Forma NAV¹ of S\$1.63 per Share⁴ and Adjusted Pro Forma NAV of S\$2.12³ per Share respectively, assuming 100.0% acceptance level⁵ for the Offer.

- **Opportunity to Acquire PREHL Shares at Sizeable Discounts to PREHL's Pro Forma NAV and Adjusted Pro Forma NAV**

This Offer entitles PCRT unitholders to swap your PRCT Units for PREHL Shares at an implied market entry price of S\$0.99 for each PREHL Share, which represents:

- (i) Discount of 39.3% to the Pro Forma NAV¹ of S\$1.63 per PREHL Share⁴, assuming 100.0% acceptance level⁵ for the Offer; and
- (ii) Discount of 53.3% to the Adjusted Pro Forma NAV of S\$2.12³ per PREHL Share, assuming 100.0% acceptance level⁵ for the Offer.

¹ As further particularised in the PREHL's circular dated 18 September 2014 (the "Circular"), a copy of which is available on www.sgx.com. The unaudited pro forma financials of PREHL are prepared for illustrative purposes only and, because of their nature, may not give a true picture of PREHL's actual financial position, financial performance or cash flows. The unaudited pro forma financials are not necessarily indicative of the results of the operations or the related effects on the financial position that would have been attained on that date. The unaudited pro forma financials of PREHL are based on the assumptions and adjustments set out in the Circular.

² Assuming Proposed Initial Acquisition Closing has taken place.

³ As further particularised in the Circular, the Adjusted Pro Forma NAV per Share is not intended to be a forecast and is for illustrative purposes only and on the basis of the assumptions and accounting policies set out in the Circular and may not give a true picture of the actual total returns and financial position of PREHL. The Adjusted Pro Forma NAV per Share is calculated on the basis that development works or asset enhancement works to PREHL's assets will be completed based on current plans and accordingly the Adjusted Pro Forma NAV per Share is subject to change as a result of, *inter alia*, changes to development plans, delays in completion of construction, the possibility that actual sales proceeds and costs may be different from that estimated and failure to obtain approvals from the relevant authorities. The Adjusted Pro Forma NAV per Share should be read together with the assumptions and accounting policies, based on which the 31 March 2014 Pro Forma NAV was derived, as set out in the Circular.

⁴ Based on the Pro Forma NAV per PREHL Share as at 31 December 2013 and assuming the Deferred Beijing Acquisition Closing and Deferred PREPL Acquisition have taken place.

⁵ Including valid acceptances by parties acting in concert with PREHL.

The above discounts are calculated based on (a) the swap ratio of 0.52423 PREHL Shares for each PCRT unit and (b) PCRT's closing price of S\$0.52 per Unit as at 24 October 2014.⁶

Therefore, by accepting the Offer, PCRT unitholders can swap into PREHL Shares at sizeable discounts to PREHL's Pro Forma NAV¹ and Adjusted Pro Forma NAV³ thus availing PCRT unitholders of any potential upside from PREHL and having a significant buffer against downside risk.

- **Offer Price Represents a Premium to Historical Traded Prices**

The Offer Price of S\$0.70, to be satisfied by the issuance of 0.52423 PREHL Shares (based on an issue price of approximately S\$1.3353 for each PREHL Share) represents a 28.4% premium to the last traded price of PCRT units on 14 March 2014. It also represents a 34.0%, 33.0% and 32.1% premium to the volume weighted average price per PCRT unit for the one-month, three-month and six-month periods up to and including 14 March 2014, respectively. In addition, the Offer Price exceeds the highest closing price of S\$0.645 per PCRT unit for the 12 months up to 14 March 2014.

PREHL have appointed DBS Bank Ltd., Standard Chartered Bank and United Overseas Bank Limited as Joint Financial Advisers in connection with the Offer. DBS Bank Ltd. and Standard Chartered Bank acted as Joint Financial Advisers in relation to the reverse takeover of St. James Holdings Limited which was completed today.

– ENDS –

For enquiries on the Offer, please contact the Joint Financial Advisers at the following hotlines during office hours:

DBS Bank Ltd.	(65) 6878 4223
Standard Chartered Bank	(65) 6596 7525
United Overseas Bank Limited	(65) 6539 7066

For investor and media enquiries, please contact:

Ms. TONG Ka-Pin

DID: (65) 6602 6828

HP: (65) 9862 2435

Email: tong.ka-pin@perennialrealestate.com.sg

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 ("SGX-ST"). Headquartered in Singapore, the Group focuses strategically on large scale mixed-use developments primarily in the People's Republic of China ("PRC") and

⁶ 24 October 2014 is the last Market Day prior to the Announcement Date, being 27 October 2014.

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, and is the Sponsor of Perennial China Retail Trust, Singapore's first pure-play PRC retail development trust with an asset size of about S\$1.93 billion listed on the SGX-ST.

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

Important Notice

The directors of PREHL (including any who may have delegated detailed supervision of this Press Release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Press Release are fair and accurate and that no material facts have been omitted from this Press Release, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to PCRT), the sole responsibility of the directors of PREHL has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Press Release.

No representation, warranty or covenant, express or implied is made by PREHL, its directors or the Joint Financial Advisers or any of their respective affiliates directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the Adjusted Pro Forma NAV per Share contained herein and nothing contained in this Press Release is or shall be relied upon as a promise, representation or covenant by any of the foregoing persons.

All statements contained in this press release which are not statements of historical fact constitute "forward looking statements". These forward-looking statements, including without limitation, those regarding PREHL's financial position and results, business strategy and plans and objectives of management for future operations involve known and unknown risks, uncertainties and other factors which may cause PREHL's actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Given the risks and uncertainties that may cause the actual future results, performance or achievements to be materially different from those expected, expressed or implied by the forward-looking statements in this press release, you are advised not to place undue reliance on these statements.

This press release should be read in conjunction with the Circular and the full text of the Offer Announcement dated 27 October 2014 by DBS Bank Ltd., Standard Chartered Bank and United Overseas Bank Limited for and on behalf of the Offeror. A copy of the Offer Announcement is available on www.sgx.com.

Issued by Perennial Real Estate Holdings Limited
(Company Registration: 200210338M)