

PERENNIAL REAL ESTATE HOLDINGS LTD



ANNUAL GENERAL MEETING

25 APRIL 2019

MR. PUA SECK GUAN

CHIEF EXECUTIVE OFFICER

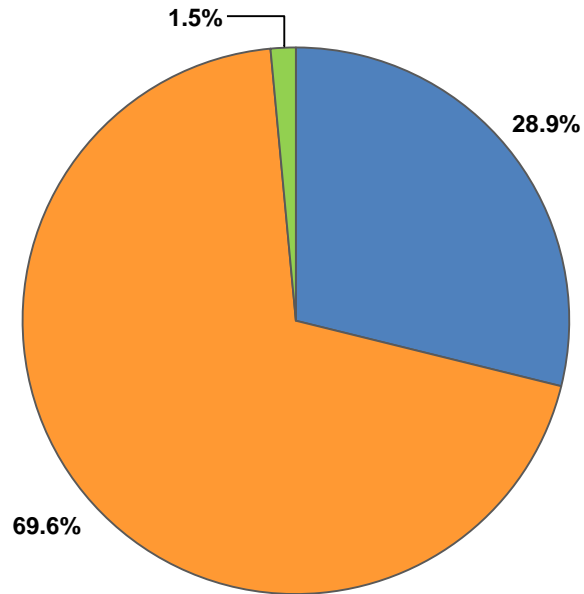
 PERENNIAL

PORTFOLIO HIGHLIGHTS

Total Asset Composition – By Country (As at 31 December 2018)

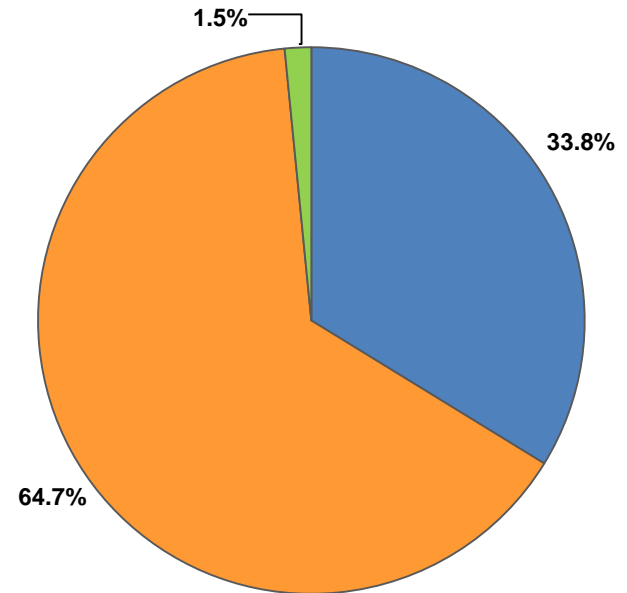
China & Singapore Remained as Core Markets with Singapore Increasing its Weightage;
Effective Stake China (~65%:FY2018 / ~72%:FY2017) and Singapore (~34%:FY2018 / ~26%:FY2017)

TOTAL ASSETS¹



China Singapore Other Markets³

BY EFFECTIVE STAKE²



China Singapore Other Markets³

1. Represents assets which are consolidated and equity accounted in accordance to the Singapore Financial Reporting Standards.
2. Represents assets computed via the Company's shareholdings.
3. Other Markets Real Estate relates to assets in Malaysia, Ghana and Indonesia.

FINANCIAL HIGHLIGHTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Income Statement (FY2018 vs FY2017) – Explanation of Key Income Line Items

S\$'000	FY2018	FY2017	Change
	1 Jan 2018 to 31 Dec 2018	1 Jan 2017 to 31 Dec 2017	%
Revenue	78,261	74,505	5.0
EBIT	376,207	219,611	71.3
PATMI	78,055	100,299	(22.2)

Revenue

- The higher Revenue was mainly attributable to the consolidation of revenue from Capitol Singapore and new revenue stream from PIHMH which commenced operations in 2Q 2018, but was partially offset by the absence of revenue from TripleOne Somerset and lower management fee post the sale of its 20.2% equity stake in FY2017 as part of the Group's capital recycling strategy.

EBIT

- The increase in EBIT was mainly due to higher fair value gains as the respective development properties achieved certain key milestones and were identified for lease, and operating properties improved on its performance. The higher FY2018 EBIT was partially offset by the absence of a one-off gain from the partial divestment of TripleOne Somerset totalling S\$55.7 million.

PATMI

- PATMI was lower due to the absence of divestment gain, higher finance costs arising from the consolidation of Capitol Singapore's debt post-acquisition of the 50% stake to take full ownership of the asset, new loans to fund investments, higher interest rate, and the non-capitalisation of interest expenses for PIHMH upon its completion of works.

Proposed FY2018 Dividend

Proposed Dividend Details			
Name of Dividend	First and Final Tax-Exempt		
Type of Dividend	Cash		
Dividend per Share	0.4 cents	FY2017	1 cent (Due to partial divestment of 111 Somerset)
		FY2016	0.4 cents
Books Closure Date	3 May 2019		
Date Payable	22 May 2019		

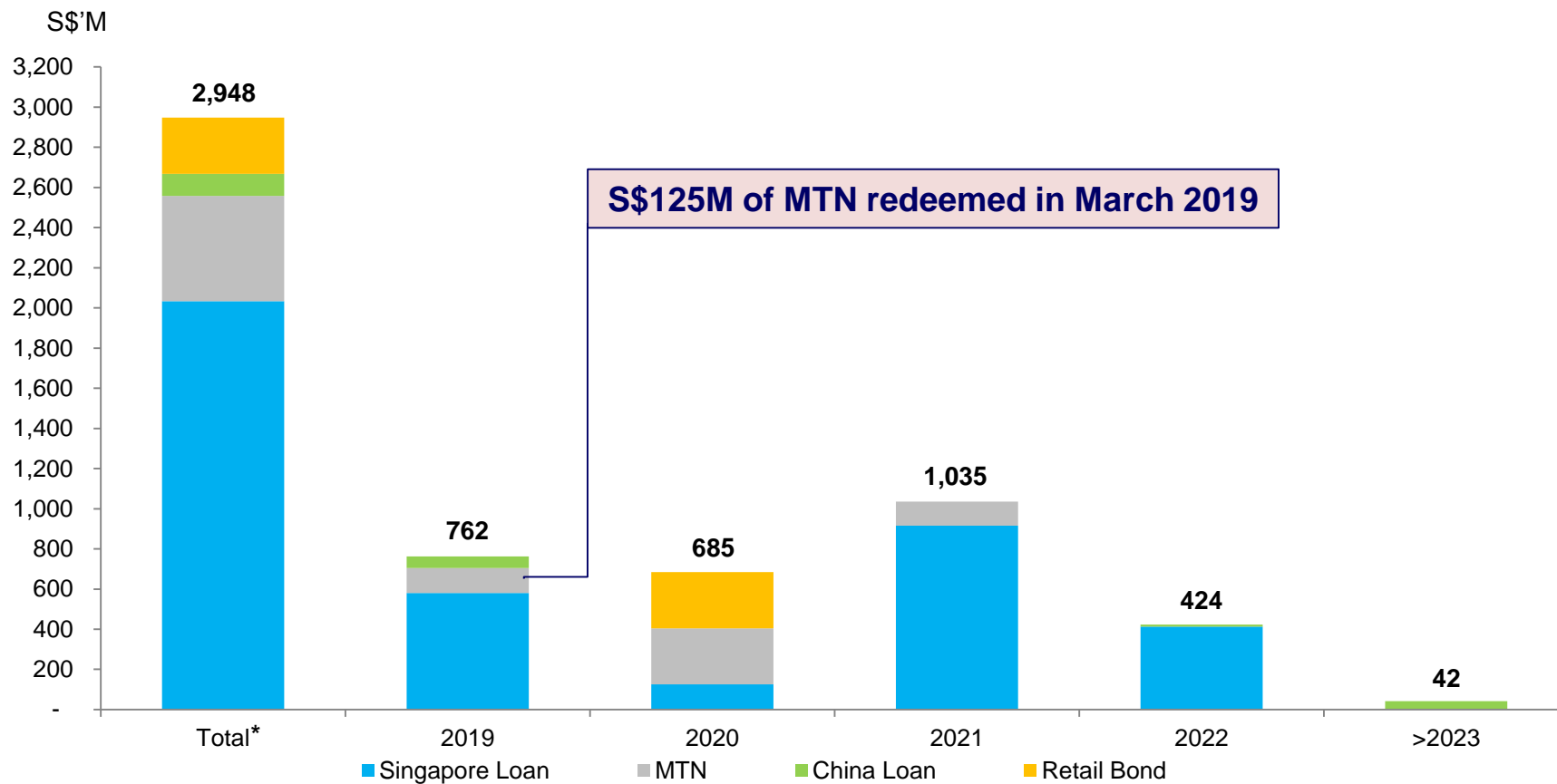
CAPITAL MANAGEMENT & KEY FINANCIAL INDICATORS

Capital Management and Key Financial Indicators

Key Financial Ratios

	As at 31 Dec 2018	As at 31 Dec 2017
Net Debt (S\$' 000)	2,861,206	2,233,083
Total Equity (S\$' 000)	3,976,378	3,915,878
Net Debt to Equity Ratio	0.72 (Higher Net D/E Ratio due to consolidation of debt of Capitol Singapore post-full ownership)	0.57
Net Asset Value (“NAV”) per Share (S\$)	1.644 (Lower NAV per Share due to translation loss arising from the depreciation of RMB against SGD during the period)	1.663
Debt-Weighted Average Term to Expiry (years)	1.92	2.17
	FY2018	FY2017
Earnings per Share (cents)	4.70	6.02
Weighted Average Interest Rate (p.a.)	3.8%	3.8%

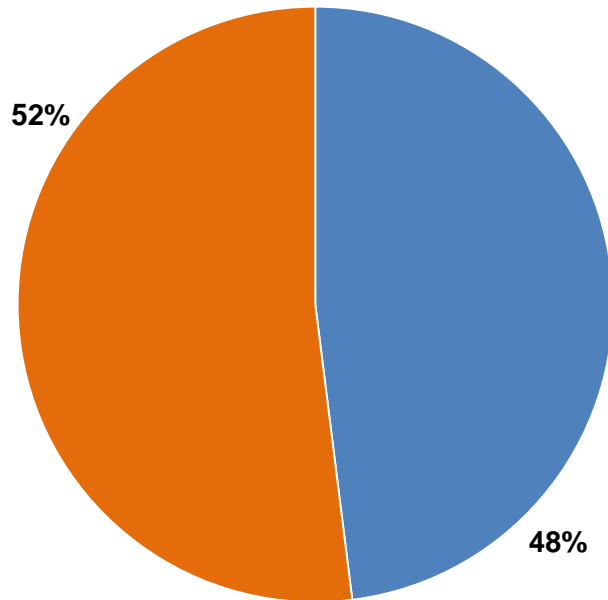
Debt Maturity Profile – As at 31 December 2018



* Being gross amount, without amortised transaction costs

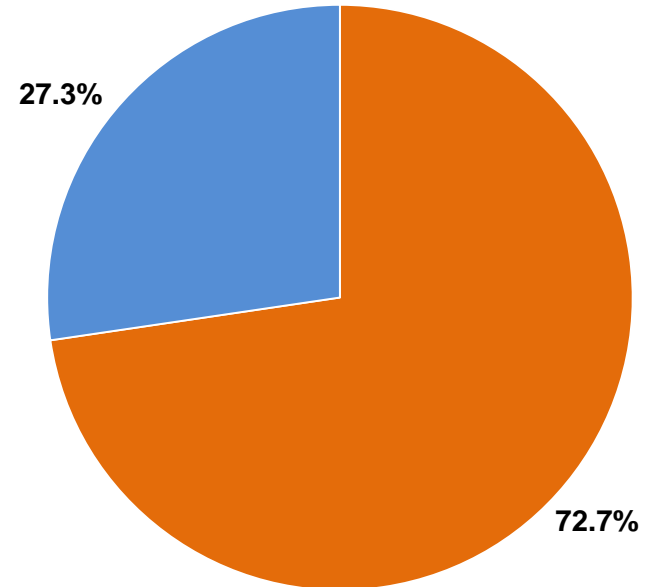
Loan Portfolio Balanced between Secured and Unsecured Loans;
~27% of Total Borrowings are on Fixed Interest Rates

Loans



■ Secured ■ Unsecured

Interest Rates



■ Fixed ■ Floating

BUSINESS REVIEW - REAL ESTATE (SINGAPORE)

Capitol Singapore – Repositioning Taking Shape Post-Full Ownership in 2Q 2018

Secured a Myriad of New-To-Market Brands at Retail Component Capitol Piazza



Premium Co-working Concept No18 by IWG



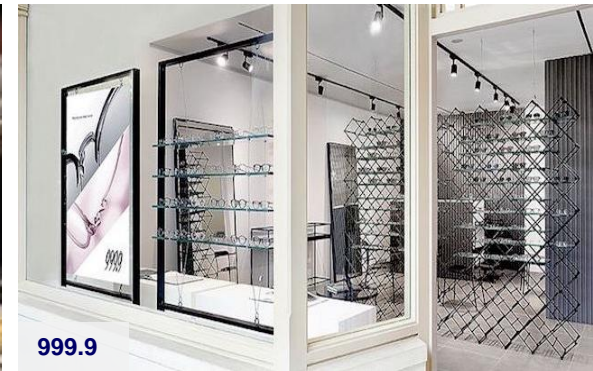
SJC



Tiger Sugar



Wu Pao Chun Bakery



999.9

- The repositioning exercise strengthened the tenant mix and attracted various local, international and new-to-market brands, including IWG's premium co-working space concept No18 which is set to open its over 20,600 sq ft Asia flagship in 3Q 2019, and Taiwanese artisan bakery Wu Pao Chun which will be launching its first overseas outlet in 2Q 2019.
- Tenants which have commenced business in 2H 2018 included Taiwanese bubble tea Tiger Sugar's first outlet in Singapore, 999.9 optical store and SJC boutique jeweler.

Capitol Singapore – Brand New F&B Experience at The Capitol Kempinski Hotel

Launched the Three Michelin-starred Chef-Conceptualised Restaurant 15 Stamford by Alvin Leung; Kempinski's Dining Experience Extended to Arcade@The Capitol Kempinski with Berthold & Frieda



- 15 Stamford by Alvin Leung, conceptualised by three Michelin-starred chef Alvin Leung, officially commenced operations in December 2018. The restaurant features Chef Leung's creative take on local and regional delights, including the 72-hour U.S. Short Ribs Rendang and Pickled Cabbage, Singapore Laksa with Jasmine Tea-smoked Onsen Quail Eggs, Housemade Dried Shrimp Oil, Shrimp Floss and Charcoal-Grilled Tiger Prawns, and the molecularised version of the Cantonese favourite Mango Pomelo Sago dessert.
- Berthold Delikatessen ("**Berthold**") and Frieda, two Kempinski food and beverage ("**F&B**") concepts, have commenced operations at the Arcade@The Capitol Kempinski, extending the Kempinski's touch to the air-conditioned boulevard connected to The Capitol Kempinski Hotel Singapore.
- Berthold, named in honour of Kempinski's founder Berthold Kempinski, serves a wide selection of sandwiches, pastries and gourmet coffee. Frieda, named after Berthold Kempinski's daughter, presents German and Austrian cuisine with a contemporary flair.

Capitol Singapore – Capitol Theatre Becoming a Popular Choice for Events

Multi-functional Theatre Hosted Various Types of Events: Red Carpet Premieres, Dinners, Screenings, Award Ceremonies, Fairs and Conferences

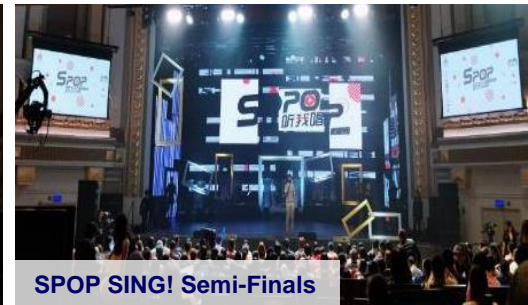
- Capitol Theatre's standing as the preferred venue for major events in Singapore has been strengthening with its direct street level red carpet access and multi-functional theatre configuration aided by its unique rotational chair system.
- High profile events hosted by Capitol Theatre included the red carpet Singapore premiere of Crazy Rich Asians, Singapore International Film Festival, SPOP SING! Semi-finals, and Asian Academy Creative Awards.



Crazy Rich Asians Singapore Premiere



Asian Academy Creative Awards 2018



SPOP SING! Semi-Finals



Singapore International Film Festival



Singapore Book Fair 2018



Calum Scott – Only Human Asia Tour

Relaunch of Sales of Eden Residences Capitol in February 2019

- The show suite for the 39-unit luxury apartment Eden Residences Capitol has been completed in preparation for the relaunch of sales, which commenced in early-February 2019.

Photos from Show Suite



Living Room



Master Bedroom



Study Room



Dining Hall

CHIJMES – 100% Occupancy Delivers Good Recurring Income

Popular F&B and Lifestyle Destination Registers Growing Footfall



- Total committed occupancy at 100% as at 31 December 2018, of which 100 % of these tenants by net lettable area have commenced business.
- The choice F&B venue now hosts a variety of local and international cuisines, including the recently opened Almost Famous Craft Beer Bar, Michelin-starred Ramen – Konjiki Hototogisu, and New Ubin Seafood.
- Marketing activities at CHIJMES were ramped up during the Christmas and New Year festive seasons with special music and lighting projection shows on CHIJMES Hall which were well-received by locals and tourists.
- Overall, CHIJMES' year-on-year shoppers' traffic grew by approximately 16%.

Divestment of 50.64% Stake in Chinatown Point

Divestment of majority stake supports capital recycling strategy;
Appointment as property manager provides recurrent income stream



- On 22 April 2019, Perennial together with its consortium of investors, has through Perennial Chinatown Point LLP, entered into a share purchase agreement with PAR Chinatown Point Pte. Ltd., a wholly-owned vehicle of a fund which is managed by Pan Asia Realty Advisors (Singapore) Pte. Ltd., a joint venture between Mitsubishi Estate Co., Ltd, and CLSA, to fully divest its 100% interests in entities that own the retail mall and four strata office units (together “**Chinatown Point Mall**”) in Chinatown Point, at a consideration of S\$225 million.
- The consideration was based on an agreed property price of S\$520 million, which translates to S\$2,450 per square foot on total net lettable area of Chinatown Point Mall. Perennial’s proportionate stake of the net proceeds to be received is expected to be approximately S\$125.3 million and its share of the divestment gain is approximately S\$17.2 million.
- Following the completion, Perennial’s wholly-owned subsidiary, Perennial (Singapore) Retail Management Pte. Ltd., will continue in its role as the property manager of Chinatown Point Mall.

111 Somerset – Revamped Retail Podium Obtained TOP

New Two-storey Retail Podium Adds Vibrancy to the Orchard Road Precinct with a Mix of Local and International F&B Establishments



Façade

Artist's Impression may differ from the actual view of the completed property



- The new retail podium obtained its Temporary Occupation Permit (“**TOP**”) in January 2019 and has progressively commenced operations since March 2019.
- Spanning over 72,500 sq ft in net lettable area over two levels, the retail podium offers a market place with one of the largest food and takeaway options complemented by a variety of specialty food, health, wellness and lifestyle options.
- Other than anchor retail tenant NTUC Finest, which has commenced operations of its largest wellness-centric outlet in the Orchard precinct, the mall also secured Kyoaji, Imperial Treasure Steamboat, Sindy Durian, Coney Donut, Pasta House, Glyph Supply Co., Maison Kayser, Kara-men Ajisen, 328 Katong Laksa and So Good Bakery, a number of which have also commenced business.

AXA Tower – Poised to Benefit from URA’s Draft Master Plan 2019

Potentially increases existing GFA by ~46.5% from 1.05 million sq ft to 1.55 million sq ft



Post-AEI AXA Tower

Artist's Impression may differ from the actual view of the completed property.



Indoor Bicycle Parking



Lockers for Cyclists



Shower Facilities

- On 27 March 2019, the Urban Redevelopment Authority (“**URA**”) announced the Draft Master Plan 2019 to boost live-in population within the city’s central area and enable more people to stay in the vicinity of their workplaces.
- Other than an uplift in gross plot ratio (“**GPR**”), some sites also enjoy additional GPR should they fulfil the new CBD Incentive Scheme which encourages the conversion of existing commercial developments to integrate hotel and residential usage. .
- The change in plot ratio guideline and incentive scheme could potentially increase AXA Tower's existing gross floor area (“**GFA**”) by ~ 46.5%, from 1.05 million sq ft to 1.55 million sq ft.
- We will actively pursue this redevelopment scheme to incorporate office, hotel and residential components to maximise the value for our Shareholders.
- With over 5 km of cycling paths expected to add to the existing 22 km network in the Central Area by 2021, new end-of-trip facilities on Basement 2 including bicycle parking, lockers and shower facilities have obtained temporary occupation permit in end-March, making active mobility more conducive.

BUSINESS REVIEW - REAL ESTATE (CHINA)

Chengdu East HSR Integrated Development – 1st HSR Regional Healthcare and Commercial Hub

Perennial International Health and Medical Hub Commenced Operations in June 2018;
Signature Showcase of Perennial's Integrated Real Estate and Healthcare Strategy



Perennial International Health and Medical Hub, Chengdu – One-Stop Destination for All Healthcare and Medical Needs



Total Committed Occupancy of ~91% with New Medical/Healthcare-Related Tenants Secured



- Total committed occupancy for Perennial International Health and Medical Hub (“**PIHMH**”) stood at approximately 91% as at 31 December 2018.
- Most medical/healthcare-related mini-anchor tenants have commenced operations, while anchor tenant Gleneagles Chengdu Hospital is expected to commence operations in 2H 2019.
- Mirako Fitness, one of the most established fitness brands in China with over 80 stores, and ONLY, a famous local fashion brand, have both commenced operations in 4Q 2018.

Perennial International Health and Medical Hub, Chengdu – Mini-Anchor Medical Tenants

Holistic Suite of Medical and Healthcare Offerings



Rehabilitation



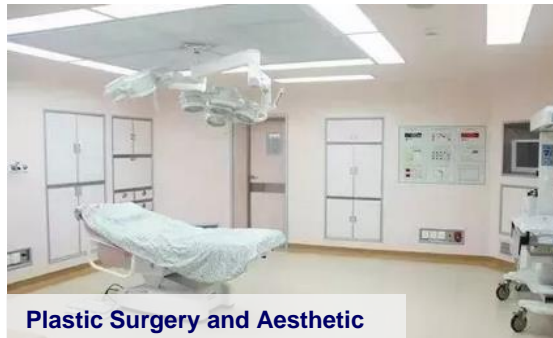
Surgical



Tertiary Hospital



Imaging



Plastic Surgery and Aesthetic



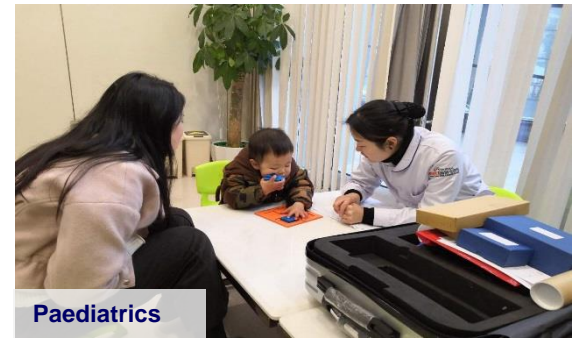
Gynaecology



Maternal and Child Health



Medical Centre



Paediatrics

Perennial International Health and Medical Hub, Chengdu – Complementary Non-Medical Tenants



Myriad of New F&B Tenants, Fashion and Lifestyle Retailers have Commenced Operations



Xi'an North HSR Integrated Development – 2nd HSR Regional Healthcare and Commercial Hub

Works Continued to Progress Well on Both Plots;
Improved Intra-city Connectivity with New Operating Subway Line



Artist's impressions may differ from the actual view of the completed property.

- On Plot 4, three towers have topped out and interior decoration works are in progress. Construction is on-going for another two towers, reaching Level 26 and ground level respectively.
- On Plot 5, which has been designated for medical usage, piling work is underway.
- Xi'an Subway Line 4 commenced operations in 4Q 2018. The new subway line links the adjacent Xi'an North HSR Station to various tourist attractions in Xi'an and also serves as the only subway line that connects Xi'an North HSR Station to Xi'an Railway Station and provides onward connection to the airport line.
- Plot 4 and Plot 5 are expected to complete construction in 2020 and 2023 respectively.

Tianjin South HSR Integrated Development – 3rd HSR Regional Healthcare and Commercial Hub

Perennial-Led Healthcare JV's First Asset; ~307,500 sqm¹ GFA Integrated Development Next to Tianjin South HSR Station



- In July 2018, the Perennial-led healthcare JV was awarded the tender by the People's Government of Xiqing District, Tianjin to develop three plots of land which are located adjacent to the Tianjin South HSR Station in Xiqing District, Tianjin.
- The site with a total land area of ~76,900 sqm will be developed into Tianjin South HSR Integrated Development, a one-stop regional healthcare and commercial hub comprising medical care, eldercare, hospitality and retail components.
- The development has received its first two of four key permits, being the Land Use Right Certificate and the Land Use Planning Permit, for all three plots.
- The development is expected to complete progressively from 2022.

1. Subject to relevant authorities' approvals.

Artist's Impressions may differ from the actual view of the completed property.

Tianjin South HSR Integrated Development – Strategically Located Adjacent to HSR Station

Eldercare, Hotel, Hospital and Long Lease Apartments
Poised to Enjoy the Convenience of Being Located Next to Tianjin South HSR Station



Artist's Impressions may differ from the actual view of the completed property.

Kunming South HSR Integrated Development – 4th HSR Regional Healthcare and Commercial Hub

Perennial-Led Healthcare JV's Second Asset;
~ 627,600 sqm¹ Maximum GFA Integrated Development Next to Kunming South HSR Station



Artist's Impressions may differ from the actual view of the completed property.

- In December 2018, the Perennial-led healthcare JV was 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 sqm which are sited next to the Kunming South HSR Station.
- 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 and retail components.
- Kunming South HSR Station is the largest HSR Station in Southwest China, Yunnan Province's East Asia and Southeast Asia Transportation Hub, and the designated HSR gateway station which is 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 Initiative.

1. Subject to relevant authorities' approvals.

Leveraging on Perennial's Healthcare JV to Grow HSR Healthcare and Commercial Hub Portfolio

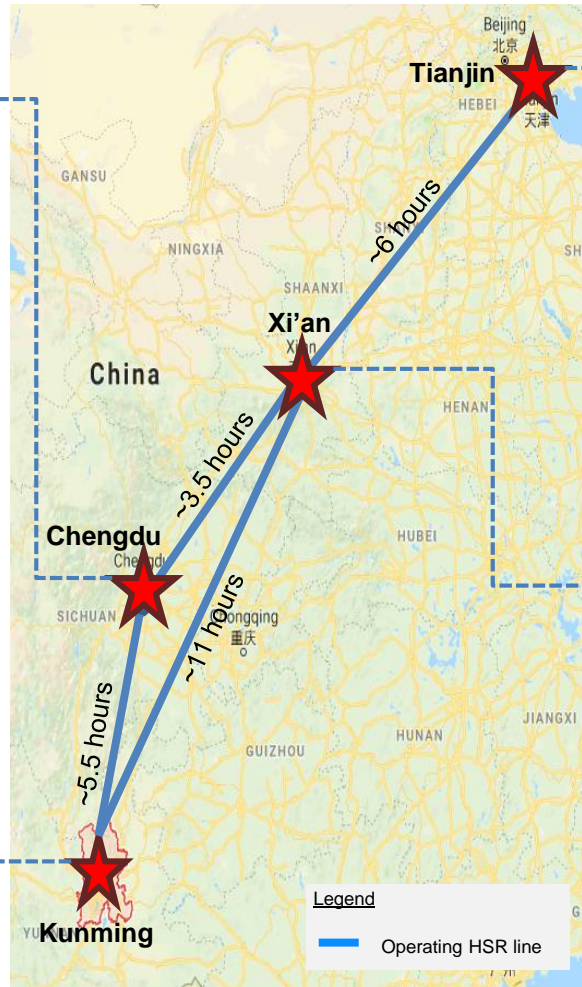
Four Prime HSR Healthcare and Commercial Hubs
Spanning a Total GFA of ~3 million sqm

Southwest China

Chengdu East HSR Integrated Development
(Adjacent to Chengdu East HSR Station, one of the Largest HSR Stations in China¹)



Kunming South HSR Integrated Development
(Adjacent to Kunming South HSR Station, the Largest HSR Station in SW China¹)



Northeast China

Tianjin South HSR Integrated Development
(Adjacent to Tianjin South HSR Station, a future key interchange hub for Jing-Jin-Ji)



Northwest China

Xi'an North HSR Integrated Development
(Adjacent to Xi'an North HSR Station, the Largest HSR Station in China¹)



¹ Source: Sina article dated 4 November 2016 (http://blog.sina.com.cn/s/blog_555b8d8b0102ws6s.html)

Beijing Tongzhou Integrated Development – Government Affirms Plans to Boost Regional Development

Plans for Beijing Sub-centre to Drive Growth of Neighbouring Sanhe, Dachang and Xianghe Counties; Tongzhou Positioned as Model of Coordinated Development of Jing-Jin-Ji Region



Artist's Impressions may differ from the actual views of the completed property.



- Phase 1 has obtained the final approval ahead of commencement of construction work. On Phase 2, construction is progressing well with one of the three plots having completed structural top-out, and another two of the three plots achieving development height of Level 11 and Basement 1 respectively.
- In January 2019, the China's State Council approved the development plan for Tongzhou as the Sub-centre to drive regional growth. Key functions of the Beijing Government, universities and hospitals are expected to move to Tongzhou. Four key departments of the Beijing Government have officially moved their offices into Tongzhou.
- The West extension of Metro Line 6 which connects directly to Beijing Tongzhou Integrated Development has commenced operations. With this extension, Metro Line 6 connects with Metro Line 1 and S1, which enables an easier connection from West Beijing to Tongzhou for nearly one million people in Shijingshan District and Mentougou District.
- Phase 1 and Phase 2 of the development are expected to complete progressively from 2023 and 2022 respectively.

Beijing Tongzhou District – Vibrant Precinct with a Myriad of New Buildings & Key Amenities

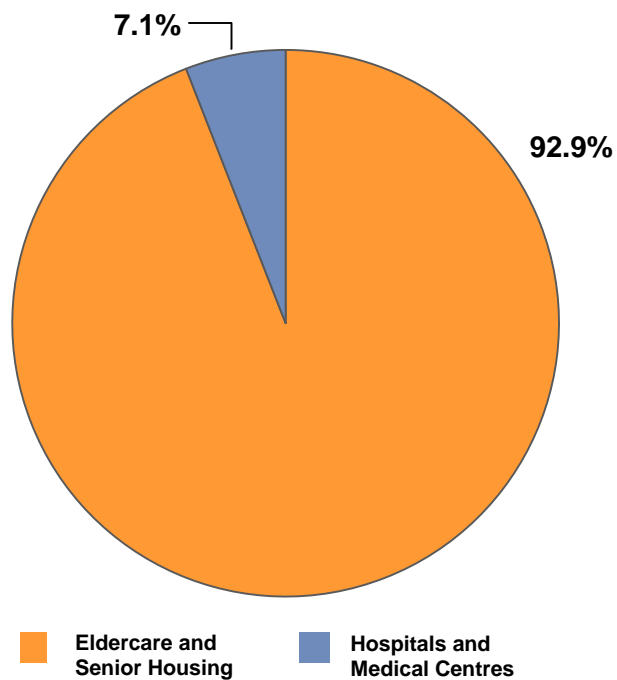


BUSINESS REVIEW - HEALTHCARE

China Healthcare Business – Total Operating Beds Composition

Eldercare and Senior Housing Segment Continues to Scale Up As Core Healthcare Business Line

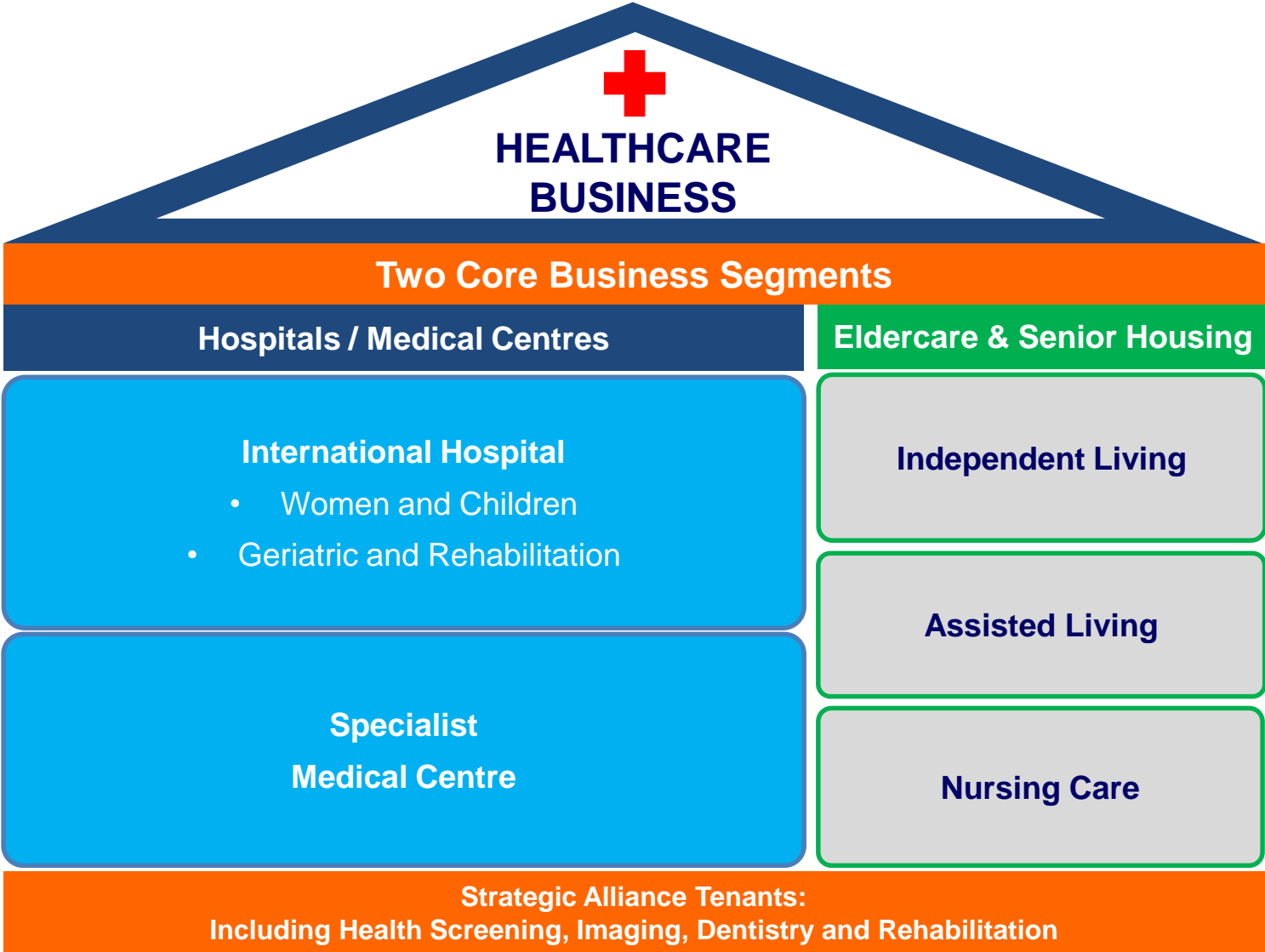
CHINA
Total Operating Beds
(By Business Segments)



Suite of Medical and Healthcare-Related Services	No. of Operating Beds (As at 31 Dec FY2018)	No. of Operating Beds (As at 31 Dec FY2017)	Change
Eldercare and Senior Housing ¹	5,927	3,577	2,350
Hospitals/ Medical Centres ²	455	300	155
Total	6,382	3,877	2,505

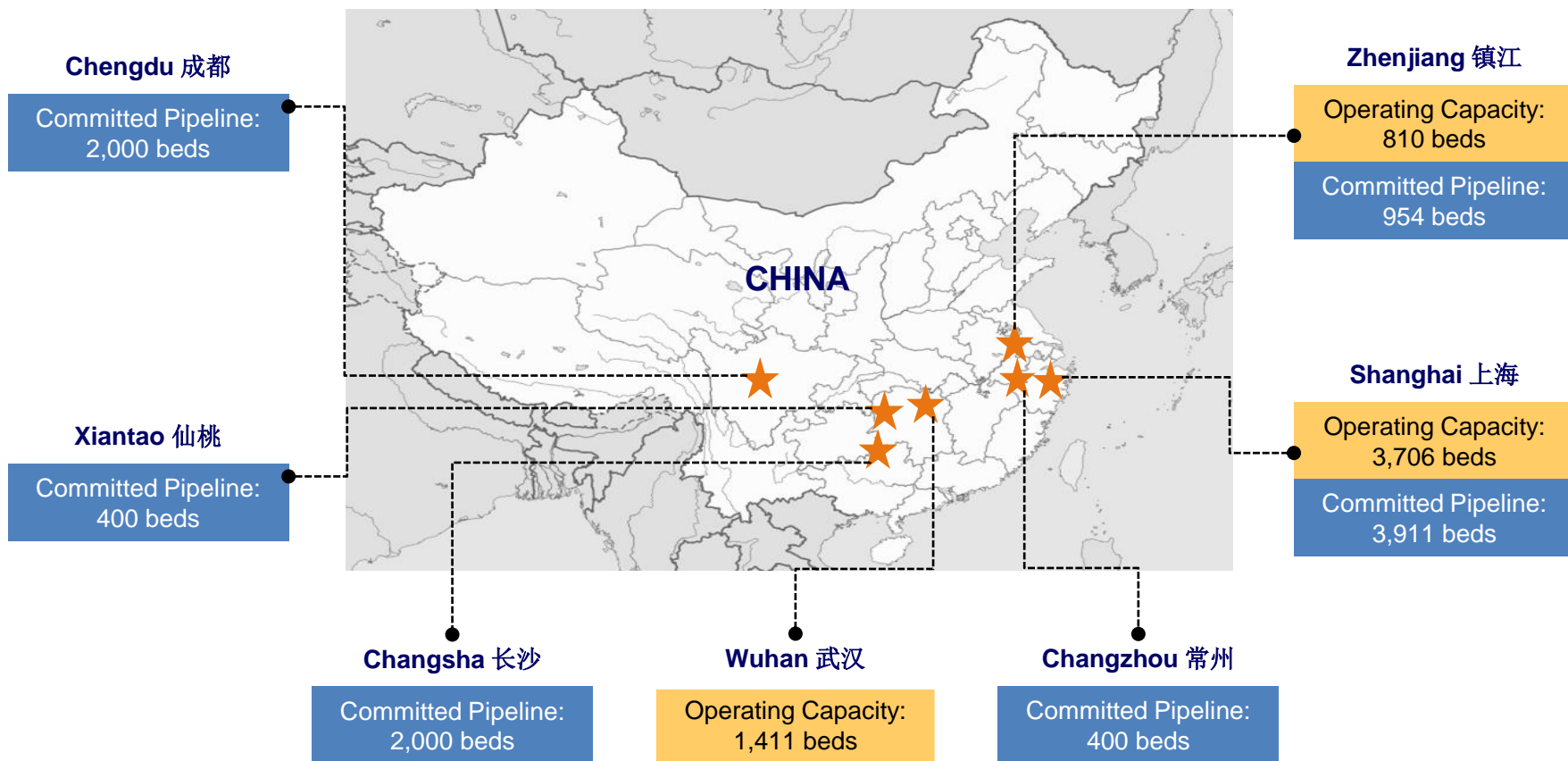
1. Relates to Renshoutang.

2. Relates to St. Stamford Modern Hospital, Guangzhou and St. Stamford Plastic Surgery and Aesthetic Hospital.



Renshoutang – Set to Become One of The Largest Eldercare Operators

Presence in Seven Cities Across China with Total Operating and Pipeline of Over 15,577 Beds;
Potential Pipeline of Over 13,500 Beds



Renshoutang – Perennial's Fastest Growing Healthcare Business Line

Leading Private Eldercare Operator with
Integrated Medical Care, Rehabilitation Care and Nursing Care Capabilities



Professional Care



Massage Therapy Room



TCM Therapy Room



Festive Celebrations



Nursing Bed



Eldercare Beds



Rehabilitation Facilities



Games Room



Communal Area



Family Dining Hall



Assisted Living Toilet



Healthy Diet

LOOKING FORWARD

- Drive the operating performance of Perennial International Health and Medical Hub in Chengdu, the first signature showcase of our integrated real estate and healthcare strategy.
- Repositioning of Capitol Singapore to drive higher operating performance.
- Continue to grow our portfolio of High Speed Railway Regional Healthcare and Commercial Hubs in China by leveraging on the up to US\$1.2 billion Perennial-syndicated joint venture vehicle to invest in potential sites.
- Accelerate the growth of our medical and healthcare-related business in China, focusing on two main segments, being *Hospitals and Medical Centres* and *Eldercare and Senior Housing*.
- Explore capital recycling opportunities to maximise returns in Singapore and China.
- Pursue opportunities for trading gains, such as residential projects which facilitate upfront sales (Goodluck Garden, Singapore / residential project in Sentul City, Greater Jakarta, Indonesia) and generating sales through components, such as SOHO, in our large-scale integrated developments.
- Continue to manage our capital prudently and optimise capital efficiency.

THANK YOU

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