

## PRESS RELEASE

12 June 2020  
For Immediate Release

### HOPU PARTNERS WITH SUBSTANTIAL SHAREHOLDERS TO PRIVATISE PERENNIAL AT S\$0.95 PER SHARE

*All capitalised terms which are used in this press release but not otherwise defined herein shall have the meanings ascribed to them in the Offer Announcement dated 12 June 2020.*

- The Consortium believes that the Offer represents a mutually beneficial proposition to Shareholders and Perennial:
  - the Offer provides an opportunity for Shareholders to exit at a premium amidst low trading liquidity and adverse market conditions impacted by the COVID-19 pandemic; and
  - privatising Perennial will provide greater flexibility to raise the significant capital needed to fund its large scale integrated development projects in China, without resorting to costly rights issues that could dilute minority Shareholder interests.
- The Offer Price of S\$0.95 per Offer Share represents premiums to the following benchmarks:
  - 37.7% premium over the closing price per Share on 9 June 2020, being the last trading day prior to the Offer Announcement;
  - 88.1% premium over the closing price per Share on 15 May 2020, being the Relevant Trading Date<sup>1</sup>;
  - 95.1%, 112.5%, 124.1% and 105.2% over the 12-month, 6-month, 3-month and 1-month VWAPs up to (and including) the Relevant Trading Date; and
  - exceeds the highest closing price in over 4 years preceding the Relevant Trading Date<sup>2</sup>.
- The Offeror has secured irrevocable undertakings representing approximately 82% of Perennial's Shares.
- HOPU will be providing the funding for the Offeror to acquire the balance 17.57% of Perennial Shares from the non-Consortium Shareholders.
- The **Offer Price is final** and the Offeror will not increase the Offer Price.
- The Offer is conditional upon the Offeror and its concert parties achieving shareholding of not less than 90% in Perennial.

<sup>1</sup> Being the last full trading day on which the Shares were traded on the SGX-ST prior to the voluntary announcement dated 18 May 2020 by Perennial that certain of its substantial Shareholders are reviewing the options in relation to their holdings in Perennial.

<sup>2</sup> The highest closing price of the Shares since 4 January 2016 is S\$0.945 as sourced from Bloomberg L.P.

**Singapore, 12 June 2020** – Affiliates of Perennial’s substantial Shareholders, Mr. Kuok Khoon Hong, Wilmar International Limited, Mr. Ron Sim and Mr. Pua Seck Guan, have partnered with HOPU Fund Management Company Limited (“HOPU”) to form a consortium (“Consortium”) to privatise and delist Perennial Real Estate Holdings Limited (“Perennial” or the “Company”) from the SGX-ST.

The proposed privatisation will be effected by way of a Voluntary Conditional Cash Offer (“Offer”), pursuant to which Primero Investment Holdings Pte. Ltd. (the “Offeror”), an investment holding company, is seeking to acquire all the Shares in Perennial, excluding Shares held in treasury.

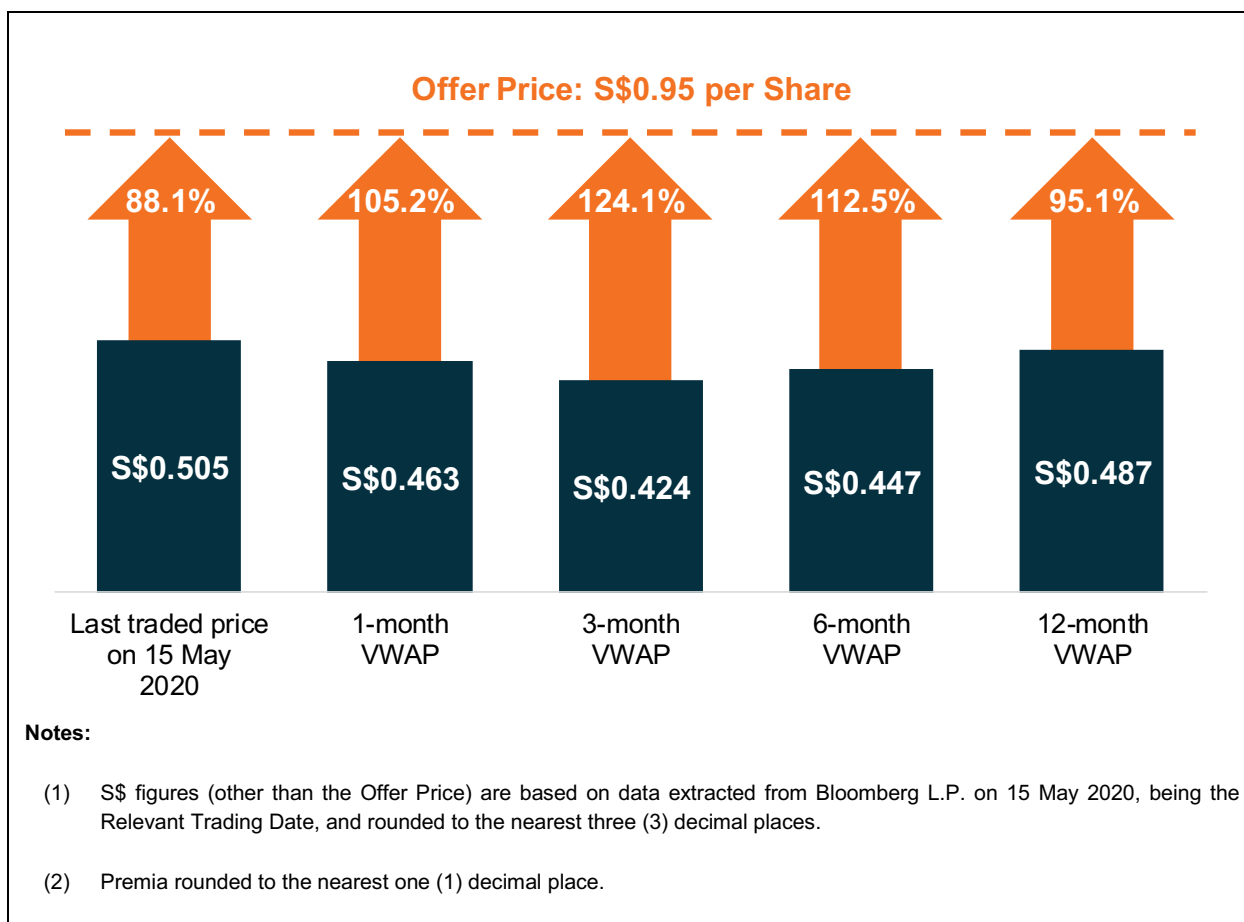
The Offer is conditional upon the Offeror and its concert parties achieving shareholding of not less than 90% in Perennial. The Consortium collectively owns 82.43% of Shares and, other than HOPU, has irrevocably undertaken to accept the Offer and will apply the cash consideration towards subscribing for new shares in the capital of the Offeror. If the Offeror receives sufficient valid acceptances, the Offeror intends to exercise its rights of compulsory acquisition and subsequently delist Perennial from the SGX-ST. HOPU will be funding the balance 17.57% of Shares to be acquired by the Offeror from the non-Consortium Shareholders.

The consideration for each Offer Share is S\$0.95 in cash (“Offer Price”). The Offeror does not intend to reduce the Offer Price by the final cash dividend of 0.20 cents per Share in respect of the 2019 financial year (the “Final Dividend”). Acceptance of the Offer will not affect Shareholders’ entitlement to the Final Dividend.

### **Key Rationale for the Offer**

#### **Opportunity for Shareholders to realise their investment at a premium without incurring brokerage fees**

The Offer represents an opportunity for Shareholders to realise their investment in the Shares at a premium amidst economic uncertainty driven by the COVID-19 pandemic.



### **Greater flexibility to raise capital in support of Perennial's future growth**

Perennial will require a significant amount of capital to pursue its growth objectives in China through investments in large scale integrated development projects. The general decline in Perennial's Share price has made it challenging to raise equity capital, compounded by the potential dilution to Shareholders' interests. Given this, Perennial has opted not to pursue equity fundraising over the past five years.

HOPU and its affiliates have a strong track record of investment in China and experience in partnering with management teams to drive growth. By privatising Perennial together with HOPU, the Consortium believes Perennial will be able to secure a new long-term capital partner and tap on the track record and experience of HOPU and its affiliates. In addition, Perennial will have greater flexibility to obtain equity funding from the Consortium and private sources, which will allow it to operate more efficiently in achieving its growth objectives.

### **Increased management flexibility and cost savings**

The Consortium believes that privatising Perennial will provide more flexibility in managing and optimising the use of Perennial's resources, allowing Perennial to focus on its strategic pursuits of acquiring and developing integrated development projects next to transportation hubs, repositioning its operating assets and growing its healthcare management business.

Likewise, privatising Perennial will allow it to save on compliance and associated costs related to the maintenance of its listed status and channel such resources to its business operations.

### **Resultant Shareholding**

Assuming full acceptance of the Offer and following the Rollover and Subscription and the Capitalisation (each, as defined in the Offer Announcement), the Consortium shareholding in the Offeror will be as follows:

<b>Affiliates of the Consortium</b>	<b>Shareholding Percentage in the Offeror</b>	
	<b>(A) Assuming no Options are exercised</b>	<b>(B) Assuming all outstanding Options (other than the PSG Options) are exercised</b>
Mr. Kuok Khoon Hong	36.53%	35.04%
Wilmar International Limited	20.04%	19.23%
Mr. Ron Sim Chye Hock	15.45%	14.82%
Mr. Pua Seck Guan	10.41%	9.98%
HOPU	17.57%	20.93%

### **Financial Advisers**

The Offeror has appointed United Overseas Bank Limited (“**UOB**”) as its lead financial adviser and DBS Bank Ltd. (“**DBS**”) as its financial adviser. UOB and DBS confirm that sufficient financial resources are available to the Offeror to satisfy in full, all acceptances of the Offer on the basis of the Offer Price (excluding the consideration payable for the Undertaking Shares and the consideration in relation to the PSG Options).

### **Offer Document**

A formal offer document containing the terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer will be despatched to Shareholders not earlier than 14 days and not later than 21 days from today. The Offer will remain open for acceptances for a period of at least 28 days from the date of posting of the offer document.

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### **About Perennial**

Perennial is an integrated real estate and healthcare company incorporated and headquartered in Singapore and listed on the Mainboard of the SGX-ST. 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, Myanmar, Sri Lanka and Ghana with a combined portfolio spanning approximately 68 million square feet in gross floor area. Perennial is also a healthcare services owner, operator and provider in China with two core business segments, being hospitals and medical centres as well as eldercare and senior housing.

In China, Perennial is a dominant commercial developer with large-scale mixed-use integrated developments. Four of Perennial's developments, Chengdu East High Speed Railway ("HSR") Integrated Development, Xi'an North HSR Integrated Development, Perennial Tianjin South HSR International Healthcare and Business City and Perennial Kunming South HSR International Healthcare and Business City, 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 notable projects in Perennial's portfolio include Beijing Tongzhou Integrated Development, Shenyang Longemont Integrated Development, Zhuhai Hengqin Integrated Development, Perennial Jihua Mall in Foshan and Perennial Qingyang Mall in Chengdu.

In Singapore, Perennial has invested in and/or manages prime iconic properties located in the Civic District, Central Business District and Orchard Road precinct, such as Capitol Singapore, CHIJMES, AXA Tower, 111 Somerset, Chinatown Point and House of Tan Yeok Nee.

### **About Members of the Consortium**

Mr. Kuok Khoon Hong is the chairman and a non-independent and non-executive director of Perennial. Mr. Ron Sim is the vice-chairman and a non-independent and non-executive director of Perennial. Mr. Pua Seck Guan is the chief executive officer and an executive director of Perennial.

Wilmar International Limited is a company listed on the Mainboard of the SGX-ST.

HOPU is a leading Asian alternative asset management firm with principal offices across Asia in Beijing, Shanghai, Shenzhen, Hong Kong, and Singapore. HOPU specialises in creating proprietary investments driven by its unique network and backed by strong fundamental analysis and value-add. HOPU has strong relationships with global institutional investors that include sovereign wealth funds, university endowments, financial institutions, and pensions.

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### **Responsibility Statement**

The directors of the Offeror (including any who may have delegated detailed supervision of the preparation of this press release) have taken all reasonable care to ensure that the facts stated and 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 or obtained from Perennial, the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this press release.

*All capitalised terms which are used in this press release but are not otherwise defined herein shall have the meanings ascribed to them in the Offer Announcement dated 12 June 2020. This press release should be read in conjunction with the full text of the Offer Announcement which is available on [www.sgx.com](http://www.sgx.com).*

Any enquiries relating to the Offer should be directed during office hours to:

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Mergers & Acquisitions

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**DBS Bank Ltd.**

Strategic Advisory

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