

Press Release

For immediate release

OUE Lippo Healthcare to Acquire Stakes in First REIT and its Manager

The Proposed Acquisitions are aligned with OUE Lippo Healthcare's corporate strategy to expand its business into Pan-Asian Healthcare region, and to grow an asset-light business model

- OUE Lippo Healthcare to acquire a 10.63% stake in SGX-ST listed First REIT; OUE Lippo Healthcare and OUE Limited to acquire 40% and 60% respectively of the shares in Bowsprit Capital Corporation Limited, the manager of First REIT;
- Proposed Acquisitions are consistent with OUE Lippo Healthcare's Pan-Asian and asset-light growth strategy; being earnings accretive and cash flow generating, Proposed Acquisitions are also expected to enhance shareholder value; and
- Proposed Acquisitions by OUE Lippo Healthcare are expected to be funded by proceeds from a 1-for-1 renounceable underwritten rights issue by OUE Lippo Healthcare of approximately S\$150m, which is supported by major shareholders OUE Limited and ITOCHU Corporation.

Singapore, 18 September 2018 – OUE Lippo Healthcare Limited (“OUE LPH” or the “Company” and together with its subsidiaries, the “Group”), the healthcare subsidiary of OUE Limited (“OUE”), today announced the proposed acquisition of approximately 10.63% of First REIT’s total issued units (“Proposed Units Acquisition”). The Company has also proposed the acquisition of a 40% stake in Bowsprit Capital Corporation Limited (“Bowsprit”), the manager of First REIT (together with the Proposed Units Acquisition, the “Proposed Acquisitions”). The Proposed Acquisitions’ total consideration will amount to approximately S\$142 million. OUE LPH's parent, OUE, will concurrently acquire the other 60% stake in Bowsprit.

Listed on the Main Board of the Singapore Exchange Trading Limited (the “SGX-ST”) since 2006, First REIT is the SGX-ST’s first listed healthcare real estate investment trust. It currently has a portfolio of 20 high quality healthcare-related properties with stable cash flows and long lease terms across Indonesia, Singapore, and South Korea.

With First REIT’s significant presence in key Asian markets such as Indonesia, and owning diverse yield-accretive healthcare-related real estate assets throughout Asia, the Proposed Acquisitions of stakes in First REIT and its manager, Bowsprit, fit into OUELH’s geographical expansion plans. The Proposed Acquisitions will also position the Group to ride on a business eco-system of growth through investments, operations, asset management, and capital recycling for reinvestments.

Mr Lee Yi Shyan, Chairman of OUELH said, “The Proposed Acquisitions will bring three key benefits to OUELH’s long-term strategic goals. Firstly, they enable the Company to diversify into a key healthcare market such as Indonesia. Further, they fit well with our asset-light growth model and thirdly, they are earnings accretive, which enhances shareholders’ value.”

Based on the audited financial results of First REIT and Bowsprit for FY2017, the Proposed Acquisitions are expected to contribute earnings of 0.26 cents per share and distribution of S\$7.1 million to the Group.

Major shareholders OUE and ITOCHU to support Rights Issue

To fund the Proposed Acquisitions, the Company is launching a renounceable underwritten rights issue to raise approximately S\$150 million in gross proceeds (“Rights Issue”). The Rights Issue will also strengthen the Company’s balance sheet.

The Company is proposing to issue 2,221,564,603 new shares (each a “Rights Share”) at an issue price of S\$0.0675 per Rights Share, on the basis of one Rights Share for every one existing ordinary share held by entitled shareholders as at the books closure date.

Demonstrating their support for the Proposed Acquisitions and commitment towards OUELH’s future growth plans, OUE and ITOCHU Corporation have given irrevocable undertakings to fully subscribe for their entitlements under the Rights Issue. As at 18 September 2018, OUE owns a 64.35% stake in OUELH through Treasure International Holdings Pte. Ltd., while ITOCHU Corporation owns a 25.32% stake in OUELH through Browny Healthcare Pte. Ltd..

The placement to Brownly Healthcare Pte. Ltd. of its shares in OUELH was completed in February 2018 at S\$0.140 per share.

OUELH will be seeking the approval of its shareholders for the Proposed Acquisitions at an extraordinary general meeting to be convened, and the circular to shareholders will be despatched in due course. ITOCHU Corporation, through Brownly Healthcare Pte. Ltd., has given an irrevocable undertaking to vote in favour of the Proposed Acquisitions at the extraordinary general meeting.

Oversea-Chinese Banking Corporation Limited is the sole financial advisor to the Company for the Proposed Acquisitions, and the manager and underwriter for the Rights Issue.

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Siloam Hospitals Lippo Village, in West Java is one of First REIT's 20 properties. It is one of the largest private hospitals in the region with a strong brand name for excellent patient care, its world-class Neuroscience and Cardiology specialties and a first-rate Trauma Centre.



Comprehensive Cancer Centre, strategically located in Central Jakarta, is Indonesia's first private comprehensive cancer treatment centre equipped with state-of-the-art facilities and technologies.

About OUE Lippo Healthcare Limited

OUE Lippo Healthcare Limited (OUE LPH) is a subsidiary company of OUE Limited. OUE LPH provides high quality and sustainable healthcare solutions through the acquisition, development, management, and operations of healthcare facilities. The Company currently owns healthcare and related facilities in Japan and China, and continually seeks to expand its portfolio across pan-Asia.

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For the latest news from OUELH, visit www.ouelh.com

This Press Release is to be read in conjunction with the announcements dated 18 September 2018 by OUELH in relation to the Proposed Acquisitions and Rights Issue. All capitalised terms which are used in this Press Release but are not otherwise defined herein shall have the same meanings ascribed to them in the aforementioned announcements.

This Press Release has been prepared by the Company and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this Press Release.

This Press Release has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Press Release, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Press Release.

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