

OEL (HOLDINGS) LIMITED
(Company Registration No. 198403368H)
(Incorporated in the Republic of Singapore)

**COMPLETION OF THE ACQUISITION OF 51% SHAREHOLDINGS IN SHANGHAI LONGJIAN
HOSPITAL MANAGEMENT CO., LTD.**

*Unless otherwise defined, all capitalized terms used in this announcement shall bear the same meanings ascribed to them in the Company's announcements dated on 12 March 2020 in relation to the entry into a non-binding memorandum of understanding with Shanghai Longjian Hospital Management Co., Ltd. ("**Shanghai Longjian**") and 22 April 2020 in respect of the entry into share purchase agreement in relation to the acquisition of 51% shareholdings in Shanghai Longjian (collectively, the "**Announcements**").*

The Board of Directors ("**Board**") of OEL (Holdings) Limited ("**Company**") and together with its subsidiaries, "**Group**") refers to the Announcements. The Board wishes to announce the completion of the Acquisition of 51% shareholdings in Shanghai Longjian through the Company's wholly owned subsidiary, AJJ Health Care Management Pte. Ltd. ("**AJJ**") on 11 June 2020. Accordingly, Shanghai Longjian becomes an indirect subsidiary of the Company, held through AJJ.

RELATIVE FIGURES FOR THE ACQUISITION

Further to the Company's announcement dated 22 April 2020, the Company has obtained the financial information of Shanghai Longjian.

As the relative figures of the Acquisition computed on the bases as set out in Rule 1006 of the Catalist Rules do not exceed 5%, the Acquisition is classified as a non-disclosable transaction pursuant to Chapter 10 of the Catalist Rules, and an announcement pursuant to Rule 1010 of the Catalist Rules is not required.

Notwithstanding the above, the Company is making this announcement pursuant to Rule 1008(2) of the Catalist Rules.

BACKGROUND INFORMATION ON SHANGHAI LONGJIAN

As announced on 22 April 2020, Shanghai Longjian was registered in Shanghai, China on March 25, 2019.

Dr Ye Wenzheng ("**Dr Ye**") is the founder and legal representative of Shanghai Longjian. He was previously the vice president, professor and chief physician of the hematology department in the Second

Military Medical University. He is also a senior researcher in Shanghai Academy of Economic Sciences and deputy director in Shanghai Medical Research Center. He is one of the top authorities in China's hematology department, who is acclaimed to have three discoveries in the field of medicine:

1. The first case of allogeneic fetal liver transplantation for a leukemia patient in China;
2. The first report on diagnosis of light chain disease in China; and
3. The first discovery of hereditary Pelger-Huet's leukopenia in China.

Dr Ye is also one of the promoters of HIFU technology in China.

In addition, Shanghai Longjian has also gathered Tang Guomin, Wang Zhifang, Jiang Wei among many other top medical, pharmaceutical and hospital management experts to form its medical team. Shanghai Longjian also works with many medical experts who hold patents for medical devices and drugs.

COMPLETION OF ACQUISITION

Following the completion of the Acquisition, Dr Zhang Jian ("**Dr Zhang**"), the Chairman and Executive Director of the Company will be leading Shanghai Longjian together with the personnel hired by AJJ to supervise the commercial activities of Shanghai Longjian.

In an update to the earlier announcement dated 22 April 2020, it has been agreed that since Dr Zhang will be leading Shanghai Longjian, Dr Ye will no longer be considered a key management personnel. However, he will continue to lead the medical team.

ADDITIONAL INFORMATION ON SHANGHAI LONGJIAN POST-COMPLETION

As announced on 12 March 2020, the doctors of Shanghai Longjian are providing medical treatment guidance and services on the usage of the Hydrogen Generator for the treatment of COVID-19 in China. To further supplement the treatment, they are also providing proprietary Chinese medicines made by Shanghai Longjian's medical team. The Hydrogen Generator has been successfully used in many hospitals such as Wuhan Central Hospital, Jinyintan Hospital, Zhongnan Hospital, Hanyang Hospital and Puren Hospital in the treatment of COVID-19.

Shanghai Longjian has been working with Shanghai A&S Technology Development Co., Ltd ("**Shanghai A&S**") to provide medical treatment guidance using the application of "HIFU Medical ultrasonic focusing Medical plan" developed by Shanghai Longjian for the clinical service for patients on the operation of the HIFUIT9000 machine, which is a HIFU machine used in tumour ablation. The machine can be used treatment of tumours such as uterine fibroids, and removal of tumours that may lead to cancer.

As announced by the Company on 9 June 2020, OEL has entered into a joint venture agreement ("**JVA**") with Shanghai Suntec Co., Ltd ("**Shanghai Suntec**"). According to the JVA, AJJ and Shanghai Suntec will incorporate a joint venture company in Singapore ("**JV Company**"). The JV Company will be

responsible for the manufacturing and distribution of the HIFU-2001 machine, which is also a HIFU machine used in tumour ablation. Shanghai Longjian will be providing medical treatment guidance and services on the operation of the HIFU-2001 machine. The Group is expecting to launch and market these medical products and services in July, and eventually offer these services to Southeast Asia, the United States and other countries.

The two HIFU tumour ablation machines have been recognized by industry experts as some of the most advanced medical equipment in the world. From a medical point of view, it has achieved the technological breakthrough of 3D surgical imaging, maximum tumour resection volume and short tumour ablation operation time. The Shanghai Longjian medical team will be providing medical training, remote surgical guidance and other medical services to hospitals in the usage of the two HIFU tumour ablation machines produced by Shanghai A&S and Shanghai Suntec.

To-date, the medical team in Shanghai Longjian has completed HIFU treatment of 20,000 clinical cases. Shanghai Longjian's medical team will be introducing a proprietary method named as the "HIFU Medical Ultrasonic Focusing Medical Plan". This method is a procedure which is non-invasive and has no radiation symptoms when used in tumour resection and ablation. In addition, patients feel minimal pain during the procedure, and it provides a shorter recovery time after surgery and treatment.

The medical team of Shanghai Longjian are also working together with the Chinese government to develop the COVID-19 Rehabilitation Program, which actively promotes treatment and prevention of COVID-19 in the community.

With the Acquisition duly completed, the Group has now started its first step in putting its Healthcare Business Division on a roadmap to promote HIFU technology in Singapore and thereafter, Southeast Asia, the United States and other countries.

CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Zhao Xin
Chief Executive Officer and Executive Director

14 June 2020

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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