



OEL (HOLDINGS) LIMITED

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

This Press Release should be read in conjunction with the Company's announcement dated 9 June 2020 released via SGXNET.

PRESS RELEASE

- ***OEL HEALTHCARE DIVISION – OEL (HOLDINGS) LIMITED ENTERED INTO JOINT VENTURE AGREEMENT WITH SHANGHAI SUNTEC CO., LTD TO JOINTLY MANUFACTURE AND MARKET HIGH-INTENSITY FOCUSED ULTRASOUND MACHINE***
- ***PREMISE AT ALJUNIED BUILDING TO BE USED AS MANUFACTURING PLANT***
- ***EXPERTISE OF SHANGHAI LONGJIAN'S MEDICAL TEAM BE DEPLOYED TO PROVIDE MEDICAL SERVICES, INCLUDING AFTER-SALES MEDICAL TRAINING AND REMOTE SURGERY GUIDANCE, PURCHASING MATERIAL AND OTHER HIFU SERVICES***

Singapore, 9 June 2020 – Singapore Exchange-Listed OEL (Holdings) Limited (“**OEL**”) has entered into a Joint Venture Agreement (the “**JVA**”) with Shanghai Suntec Co., Ltd. (上海新地实业有限公司) (“**Shanghai Suntec**”) for the incorporation of a joint venture company in Singapore (“**JV Company**”) for the manufacturing and distribution of High-Intensity Focused Ultrasound (“**HIFU**”) machines entire end-to-end industrial chain of R&D, manufacturing and installation, medical services and equipment after-sales service, the HIFU-2001 High-Intensity Focused Ultrasound tumour treatment system will be launched soon.

Under the JVA, OEL and Shanghai Suntec will jointly carry out business activities in relation to production of HIFU machines and providing medical services relating to the HIFU machine such as brand establishment, intellectual property registration, equipment installation, debugging and after-sales service, professional medical training, remote operation guidance, etc.

The JV Company will be registered with an initial issued and paid up capital of S\$100 comprising of 100 ordinary shares. Pursuant to the JVA, the Company's wholly owned subsidiary, AJJ Health Care Management Pte. Ltd. (“**AJJ**”) will hold 80% interest in the JV Company and the remaining 20% interest will be held by Shanghai Suntec.

The incorporation of the JV Company will be funded through internal resources and is not expected to have any material impact on the net tangible assets and earning per share of the Company for the financial year ending 31 December 2020.

INFORMATION ON HIFU (HIGH-INTENSITY FOCUSED ULTRASOUND)

HIFU is a procedure in which high-energy sound waves are aimed directly at an area of abnormal cells or tissue in the body. The waves create heat that kills the cells. HIFU is being studied in the treatment

of prostate cancer and some other types of cancer and other diseases¹. Shanghai Longjian Hospital Management Co., Ltd.'s ("**Shanghai Longjian**")² medical team is also currently using HIFU technology for the cancer treatment in China.

HIFU can improve the quality of life and decrease the cost of care for patients with tumours such as cancer patients. This novel technology focuses beams of ultrasound energy precisely and accurately on targets deep in the body without damaging surrounding normal tissue. Where the beams converge, the ultrasound produces precise ablation (thermal destruction of tissue) enabling tumours to be treated without intrusive surgery.

In 2018, ultrasonic technology was used for treatment in approximately 250,000 cases of tumour and cancer patients³. To date, approximately 200,000 patients in China have used ultrasonic technology in their treatment. Shanghai Longjian has completed HIFU treatment for about 20,000 of such cases, making it one of the leading medical team using this technology for treatment of cancer patients in China.

The JV Company will manufacture the HIFU machine named "HIFU-2001", which is a high-intensity focused ultrasound tumour treatment system. Shanghai Longjian would be entering into a contract with the JV Company to provide medical services such as medical training, remote surgery guidance, purchase material and other services.

Dr Ye Wenzheng ("**Dr Ye**") and his team of doctors in Shanghai Longjian will be tasked to work on products and protocols for COVID-19 therapy, including medical clinical services for Hydrogen Generator, HIFU medical equipment, and medical management services provided for old-age nursing homes based in Shanghai.



Graphic: A HIFU-2001 machine to be manufactured by the JV Company.

¹ <https://www.cancer.gov/publications/dictionaries/cancer-terms/def/hifu>

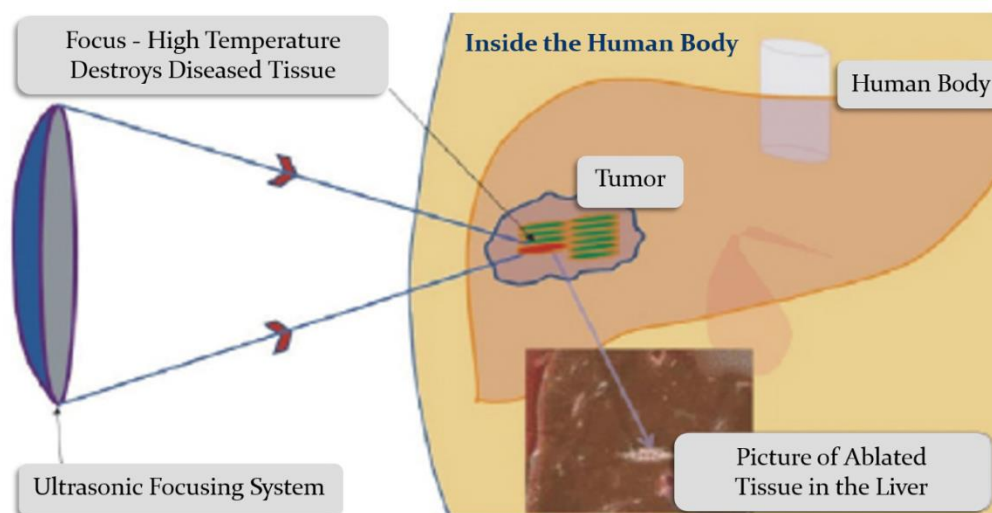
² As announced by the Company on 22 April 2020, the Group is in the midst of completing the acquisition of 51% shareholdings in Shanghai Longjian. Upon completion, it would become an indirect subsidiary of OEL.

³ Focused Ultrasound Foundation – 2019 State of the Field Report

APPLICATION AND MEDICAL USE OF HIFU-2001

HIFU technology is a world leading technology used to treat of large area of medical conditions within a shorter time, with less discomfort using 3-D image precision. Some of the benefits of using HIFU technology are as follows:

- In-vitro operation and non-invasive;
- Little trauma where patient experiences minor discomfort or no pain, no bleeding and no damage due to radiation and therefore, no impact on normal life;
- No effect on vital organ function;
- No damage to the tumour adjacent tissues and organs;
- No damage to large blood vessels;
- Green treatment, no radiation, no pain to kill tumour;
- Short treatment time, not limited by tumour size;
- According to the disease type and condition, the treatment can be completed at one time, or can be completed in batches;
- No side effects on normal tissues; and
- Optimized treatment planning system, real-time image technology and digital information, can be adjusted based on treatment plan.



Graphic: HIFU-2001 unique dual-focus emission technology

HIFU-2001 equipment is currently available for the treatment of the following medical conditions:

- Pancreatic cancer: pancreatic cancer without jaundice or pancreatic cancer;
- Liver tumours;
- Kidney tumours (except for those with renal veins and lower cavity venous tumours);
- Bladder, spleen tumour, spleen function advanced;
- Breast tumours;
- Post-peritoneal tumours, abdominal pelvic cavity solid tumours (which requires good ultrasound channels);
- Uterine fibroids, endometriosis, pelvic tumours;
- Benign prostate hyperplasia and prostate hypertrophy (the treatment effect of severe lesions is obvious), prostate cancer;
- Bone tumours: primary and metastatic bone tumours other than the skull and spine;
- Soft tissue tumours of the torso of the limbs: soft tissue, malignant tumours;
- Green protective treatment for breast nodules and uterine fibroids in young women;
- Patients with physical tumours that recur after surgery, or who are elderly and infirm and cannot tolerate surgery;
- Palliative care for advanced malignancies, etc.

INFORMATION ON SHANGHAI SUNTEC

Shanghai Suntec was founded in 1994 where its original name was Shanghai Jiaotong Suntec Industrial Co., Ltd (上海交大新地实业公司). Shanghai Suntec was a company owned by Shanghai Jiao Tong University, China and operated as the university's medical equipment factory. In January 2020, Shanghai Suntec was converted to a private limited company.

Shanghai Suntec is designated by the Chinese State Food and Drug Administration (SFDA) as SFDA's large-scale medical equipment research, production and export manufacturer, and has made excellent contributions in the development of HIFU technology in China over the past 20 years.

The HIFU-2001 equipment designed and developed by Shanghai Suntec uses "ultrasonic double focus" and "multi-piece self-focusing crystal design" technologies to carry out the required HIFU medical procedures. It is also the same type of HIFU machine used by Dr Ye and his team for gynaecological surgery in China.

Dr. Zhang Jian, our Executive Chairman said *"This is the beginning of a milestone, because people's life is about quality. This form of HIFU treatment on cancer is valuable to humanity if it can provide alternatives to chemotherapy or surgery. OEL endeavours to contribute to human life and health with a complete vision of humanity, love and dedication.*

Through the medical team led by our CEO - Ms Zhao Xin, we have good medical technology and marketing strategies in Singapore. I believe that under her leadership and coupled with the medical advisory expertise provided by Dr Ye, we are confident that this joint venture can be carried out successfully between AJJ, Shanghai Suntec and Shanghai Longjian. Based in Singapore, it can expand to other markets in Southeast Asia, the United States and other countries.

We are looking forward to a meaningful venture as well as having a first-class medical equipment to be manufactured in Singapore and to be marketed regionally."

Ms Zhao Xin, our CEO said *"This joint venture with Shanghai Suntec is a testament of their confidence in our distribution ability. We envisioned that by establishing the HIFU manufacturing capability, we will be able to elevate HIFU technology internationally as a Singapore brand, where Singapore already has a ready pool of sophisticated talent and medical institutions to tap on.*

We intend to start work in July 2020, register the JV Company, put HIFU-2001 into production, and actively expand into private hospital and specialized clinics in Singapore. We will engage with government hospitals to provide their patients with alternative cancer treatments. It is hope that this alternative form of treatment using HIFU technology would lessen any pains suffered by patients due to surgery or chemotherapy. A quality medical team in Singapore has been organized.

By using our own industrial building for this joint venture, we are also able to control our manufacturing cost and scale our business once the HIFU technology is introduced widely into the Southeast Asia and United States of America. At the same time, having the manufacturing plant would also contribute to Singapore's high-tech employment."

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About OEL (Holdings) Limited (“OEL”)

Singapore Exchange-listed OEL (Holdings) Limited is focusing on China-Southeast Asia region while building a global health industry. OEL seeks to enhance long term shareholders’ value by working closely with various partners and stakeholders from all over the world. Our management team have good working relationship with international and reputable investors, sovereign wealth funds, pension funds, top business leaders and the world’s leading universities.

OEL is committed to delivering diversified health industry (such as Healthcare Business and Health Education Business). With its strong financial capabilities, cutting-edge technology, strong management expertise and comprehensive resources in various industries, OEL seeks to deliver highest level of social contributions and enterprise value as well as to maximize shareholders’ value.

Since the restructuring in December 2019, OEL has focused on the field of health industry. From the conceptualization to planning and execution, OEL has been attentive in providing advice and services to investors and shareholders, and to lead and participate in equity investment or project collaborations. The Company also attracted strategic investors and business associates to deliver win-win results so as to achieve sustainable synergies. To date, we have successfully incubated preschool health education (physical, psychological & behavioural), public and specialized medical treatment, etc.

For more information, please visit <http://www.ohldg.com>.

This press release 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 press release.

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

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