

PRESS RELEASE

**OUE LIPPO HEALTHCARE'S JOINT VENTURE TO MANAGE
THREE MEDICAL FACILITIES IN CHINA**

- Further strengthens partnership with China Merchants Group through joint management of three medical facilities
- Expands healthcare network into Shanghai, Chongqing, and Nanjing

Singapore, 30 December 2018 – OUE Lippo Healthcare Limited (“**OUELH**” or the “**Company**” together with its subsidiaries, the “**Group**”) announced that its 50:50 joint venture company with China Merchants Group (“**CMG**”), namely China Merchants Lippo Hospital Management (Shenzhen) Limited (“**CMLHM**”), has entered into management agreements with the member companies of CMG to manage three medical facilities (each a “**Medical Facility**” and collectively the “**Medical Facilities**”) in Shanghai, Chongqing, and Nanjing (collectively, the “**Management Agreements**”).

CMLHM is a 50:50 joint venture company between Lippo Healthcare Limited, an indirect wholly-owned subsidiary of OUELH, and China Merchants Landmark (Shenzhen) Co., Ltd, a member of CMG.

Mr Lee Yi Shyan, Chairman of OUELH said, *“The three healthcare facilities are in prime locations within their respective cities, and present opportunities for us to leverage. We believe that with our expertise in healthcare management and operations, we will be able to optimise their performance to their full potential.”*

Dr Stephen Riady, Executive Chairman of OUE Group, and Director of OUELH said, *“On the back of strong growing demand for quality healthcare in China, we are steadily expanding our healthcare network with our partner, China Merchants Group. In addition to our presence in Dujiangyan, Chengdu, and the recently announced new hospital project in Shenzhen, we now have expanded into another three high-growth cities viz Shanghai, Chongqing, and Nanjing.”*

Under the Management Agreements, CMLHM will manage the Medical Facilities for one year commencing from 1 February 2019 (“**Management Period**”), and is extendable for a further term of one year on substantially the same terms and conditions at the option of CMLHM. In consideration of its services, CMLHM will be paid a management fee equivalent to 5% of the annual revenue of each Medical Facility for each fiscal year.

After the completion of regulatory restructuring of each Medical Facility within the Management Period, CMLHM also has a right to acquire an interest in the business of each Medical Facility.

China's healthcare market has continued to develop at double-digit rates and is the fastest-growing healthcare market of all large emerging economies. Since the Chinese government's announcement of healthcare reforms in 2009, China's healthcare market has had a compounded annual growth rate of approximately 17% over a five-year period. As the second largest healthcare market globally, total healthcare expenditure in China reached US\$594 billion in 2015, and is further projected to grow to US\$1.1 trillion by 2020¹. Given strong government initiatives, and a rapidly growing demand for quality and specialised healthcare services, the Chinese healthcare sector presents vast opportunities for multinational healthcare operators like OUELH.

In November 2017, OUELH announced the acquisition of Brainy World Holdings Limited, which indirectly owns CMLHM. Since then, the strategic partnership with CMG group to grow the Group's healthcare business in China has kickstarted. Thus far, the partnership has embarked on negotiations to jointly develop and manage an international hospital in Prince Bay, Shenzhen.

Details of the Medical Facilities

1. Shanghai Changhang Hospital

Located in the heart of Shanghai's prestigious Lujiazui business and financial area of Pudong New District, Shanghai Changhang Hospital is a 204-bed Grade II hospital, occupying a land area of approximately 11,000 square metres.

2. Chongqing Changhang Hospital

Chongqing Changhang Hospital is located in Yuzhong District, the centre of Chongqing's administration, commerce, finance, information, culture, basic education and medical service. It is a Grade II hospital with 219 beds on a land area of approximately 13,750 square metres.

3. Nanjing Youyun Hospital

Less than one kilometre away from the YangTze River, Nanjing Youyun Hospital is a Grade I hospital with a gross floor area of approximately 2,015 square metres.

¹ Major healthcare markets defined as top five global markets by the World Health Organization. Data from the World Health Organization as of 12/31/2015.

It is centrally located in Gulou District, close to several higher education and government institutions in Nanjing. Nanjing is the capital of the Jiangsu province, which ranks as China's top province in terms of Gross Domestic Product per capita².

End

NOTE: This press release is to be read in conjunction with the SGX Announcement published on the same date.

About OUE Lippo Healthcare Limited

OUE Lippo Healthcare Limited ("**OUELH**") is a subsidiary company of OUE Limited. OUELH provides high quality and sustainable healthcare solutions through the acquisition, development, management, and operations of healthcare facilities. OUELH currently owns, operates and/or manages healthcare and related facilities in Japan and China, and continually seeks to expand its portfolio across Pan-Asia.

About China Merchants Group

CMG is a state-owned conglomerate based in Hong Kong, under direct supervision of State-owned Assets Supervision and Administration Commission of the State Council.

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

*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 Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. 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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² Source: National Bureau of Statistics, China