



**ENTRY INTO A MEMORANDUM OF UNDERSTANDING WITH
BROWNY HEALTHCARE PTE. LTD., A SUBSIDIARY OF ITOCHU CORPORATION**

The Board of Directors ("**Board**") of OUE Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has today entered into a Memorandum of Understanding (the "**MOU**") with Brownly Healthcare Pte. Ltd. (the "**Subscriber**") in connection with a placement agreement (the "**Placement Agreement**") also dated today and entered into between the Subscriber and OUE Lippo Healthcare Limited (formerly known as International Healthway Corporation Limited) ("**OUELH**"), a subsidiary of the Company whose shares are listed on the Catalyst Board of the Singapore Exchange Securities Trading Limited.

Pursuant to the Placement Agreement, OUELH shall issue further shares in its capital and the Subscriber shall subscribe for 562,500,000 new shares in OUELH ("**New Shares**"), which shall in aggregate represent approximately 25.3 per cent. of the issued share capital of OUELH on an enlarged basis.

The Subscriber's agreement to enter into the Placement Agreement is on the basis that it receives certain assurances from the Company. In this connection, the MOU provides, amongst others, that:-

- (i) the Company shall not sell or otherwise dispose of its or its subsidiaries' shares in OUELH such that it would cease to be the shareholder with the largest holding (direct or indirect) of shares in the capital of OUELH, provided such an undertaking shall not restrict the Company or its subsidiaries from creating any security interest over such shares to secure financing;
- (ii) the Company shall (or shall procure a related corporation to) purchase all of the Subscriber's shares in OUELH if certain financial-related trigger events set out in the MOU occur, at the lower of the Subscriber's subscription price and the fair market value of the shares (subject to certain adjustments), where such purchase is to take place within a specified period after the delivery of the OUELH group's audited financial statements for its financial year ending 31 December 2020 and other related documents.

The MOU (and certain of the Company's obligations thereunder) will terminate upon certain agreed events, including if the Subscriber (together with its affiliates) ceases to hold at least 25% of OUELH's share capital solely as a result of a sale of its shares to any person.

The aforesaid entry into the MOU is not expected to have any material financial impact on the consolidated net tangible assets per share and consolidated earnings per share of the Company and the Group for the current financial year ending 31 December 2018.

OUE LIMITED

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None of the directors or substantial shareholders of the Company has any interest, directly or indirectly, in the MOU, save for their interests (if any) arising by way of their shareholdings and/or directorships, as the case may be, in the Company and/or OUE LH.

By Order of the Board
OUE Limited

Ng Ngai
Company Secretary
10 January 2018