

PRESS RELEASE

OUE LIPPO HEALTHCARE EXPANDS NETWORK TO MYANMAR

- Acquires stakes in two Joint Venture companies with three hospitals, one medical centre and two clinics
- Presence in key cities of Yangon, Mandalay and Taunggyi establishes strong foothold for expansion in Myanmar



Pun Hlaing Siloam Hospital is the flagship hospital located in western Yangon. It is the first and only hospital in Myanmar to be awarded the prestigious Gold Seal of Approval for patient safety and quality by the Joint Commission International (JCI), USA¹.

Singapore, 10 January 2019 – OUE Lippo Healthcare Limited (“**OUELH**” or the “**Company**” together with its subsidiaries, the “**Group**”) today announced that its wholly-owned subsidiaries have entered into a sale and purchase agreement with PT Waluya Graha Loka (“**WGL**”) to acquire a 40% stake in Yoma Siloam Hospital Pun Hlaing Limited (“**YSHPH**”), and a 35% stake in Pun Hlaing International Hospital Limited (“**PHIH**”) (collectively, the “**Proposed Transaction**”), for a consideration of US\$19.5 million (approximately S\$26.5 million).

Both YSHPH and PHIH are Joint Venture companies with First Myanmar Investment Company Limited (“**FMI**”). Upon completion of the acquisition, OUELH will be the Joint Venture partner of FMI in the management and operation of a healthcare portfolio of

¹ JCI or Joint Commission International is the recognised leader in international health care accreditation

three hospitals, one medical centre and two clinics currently operated by YSHPH (the “**Medical Facilities**”). PHIH owns and holds the leases of the land and properties on which the Medical Facilities are located, with back-to-back leases.

The three hospitals, with a total bed capacity of approximately 370 beds, are located in the key cities of Yangon, Mandalay and Taunggyi. The flagship hospital in Yangon was the first hospital in Myanmar to receive the prestigious JCI accreditation in 2017. The core services offered by the hospitals include emergency, out-patient, in-patient, laboratory, imaging, physiotherapy, medical check-up, overseas clinical services, across practices including Cardiology, Orthopaedics, Obstetrics and Gynaecology.

Mr Lee Yi Shyan, Chairman of OUELH said, *“Entry into Myanmar is an integral part of our strategy to grow into a Pan-Asia healthcare network. With the acquisition, we are well-positioned to provide affordable quality healthcare to meet the rising demand in one of the fastest growing emerging economies.”*

OUELH will be seeking the approval of its shareholders for the Proposed Transaction at an Extraordinary General Meeting (“**EGM**”) 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 Transaction at the EGM.

Myanmar – One of the fastest growing emerging economies

Since 2003, Myanmar’s Gross Domestic Product (“**GDP**”) has grown 12 times with a compounded annual growth rate at approximately 18.1%². As the country continues its integration with the global economy, a series of economic and political reforms have been introduced and implemented, presenting a wealth of business opportunities for foreign investors and businesses. Myanmar is expected to achieve a real GDP growth of 7.4% per annum from 2018 to 2022³, making it the fastest growing economy in Southeast Asia.

As the largest city in Myanmar with a population of over five million people⁴, Yangon is the country’s former capital and continues to be the commercial capital of Myanmar today. Mandalay is the second largest city in the country and serves as the main commercial, education and health centre for Upper Myanmar. Taunggyi is home to a diverse group of ethnicities as it is the capital of Shan State, Myanmar’s largest state, that borders China, Laos and Thailand.

² Source: World Bank, 2018

³ Source: OECD, April 2018

⁴ Source: United Nations

Moving forward, Myanmar will continue to experience high population growth and rapid urbanisation, leading to higher government budget allocations for infrastructure and services, including the healthcare sector. Healthcare spending has increased from US\$279 million in 2012 to US\$789 million in 2018⁵ and the government plans to implement large-scale reforms such as the provision of universal healthcare coverage by 2030.

Established in 1992, FMI is the first company listed on the Yangon Stock Exchange and is one of the largest public companies in Myanmar. Part of the enlarged Yoma Group that also comprises SGX-listed Yoma Strategic Holdings Limited, FMI is one of the country's most successful enterprises with businesses in Real Estate, Healthcare, Financial Services, and Tourism.

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.

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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.

⁵ Source: Healthcare Guide 2018, European Chamber of Commerce in Myanmar

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