
SUB-LEASE AGREEMENT ENTERED INTO WITH HEALTHWAY MEDICAL CORPORATION LIMITED

1. INTRODUCTION

The board of directors (the "**Board**") of OUE Lippo Healthcare Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to its circular to shareholders dated 29 June 2017 where it was disclosed that the Company has accepted a letter of offer from Alkas Realty Pte Ltd ("**Alkas**"), for the lease of office premises commencing on or around July 2017 (the "**Alkas Lease**").

The Board wishes to announce that pursuant to further discussions:

- (a) the Company has entered into a deed of surrender dated 30 November 2017 with Alkas under which the parties have mutually agreed to the early termination of the Alkas Lease (without any penalties or additional sums being payable); and
- (b) in lieu of the Alkas Lease, the Company has entered into a sub-lease agreement ("**Sub-lease Agreement**") dated 30 November 2017 with Healthway Medical Corporation Limited ("**HMC**", and together with its subsidiaries, the "**HMC Group**") pursuant to which the Company will sub-lease the premises located at 6 Shenton Way 10-09A OUE Downtown 2, Singapore 068809 (the "**Premises**").

2. THE SUB-LEASE AGREEMENT

HMC is the master lessee under a master lease made with Alkas in respect of 6 Shenton Way, #10-09 and 10-09A OUE Downtown 2, Singapore 068809. Alkas has consented to the subletting of the Premises by HMC. The Company has entered into the Sub-Lease Agreement for a period of 36 months commencing on 1 August 2017 and expiring on 31 July 2020. The term comprised a rent-free period (the "**Rent-Free Period**") of four (4) months between 1 August 2017 to 30 November 2017.

The Premises consist of approximately 240 square metres.

Under the terms of the Sub-Lease Agreement, the Company agrees to pay a monthly rental of S\$74.81 per square metre per month and a service charge of S\$10.23 per square metre per month, which after taking into consideration the Rent-Free Period is equivalent to an aggregate amount of approximately S\$653,107 for the term of the Sub-lease agreement (the "**Aggregate Consideration**"). The Aggregate Consideration falls below 3% of the Group's latest audited net tangible assets value as at 31 December 2016 of S\$131,697,000.

3. INTERESTED PERSON TRANSACTION

Lippo Limited (“**Lippo**”) is a controlling shareholder of OUE Limited (which in turn is a controlling shareholder of the Company) under the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). In addition, Lippo is deemed to be indirectly interested in approximately 40.82% of the entire issued shares of HMC and hence is a controlling shareholder of HMC. As such, HMC is considered an associate of Lippo and an interested person of the Company as defined under Chapter 9 of the Listing Manual of the SGX-ST Section B: Rules of Catalist (“**Catalist Rules**”).

Accordingly, the Sub-lease Agreement constitutes an interested person transaction under Chapter 9 of the Catalist Rules. Save for the Sub-Lease Agreement, there are no other interested person transactions (excluding transactions less than S\$100,000) which were entered into with the HMC Group since the beginning of this financial year ending 31 December 2017.

4. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDER

Save as disclosed in this announcement and for their respective interests (if any) in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Sub-lease Agreement.

By Order of the Board

Dr Wong Weng Hong
Chief Executive Officer and Executive Director
2 December 2017

*This announcement 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 Catalist. The Sponsor has not verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).

OUE Lippo Healthcare Limited

Company Registration No. 201304341E

(In receivership over charged shares in certain subsidiaries)

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