
**THE PROPOSED ALLOTMENT AND ISSUANCE OF CONVERTIBLE PERPETUAL BONDS
FOLLOWING CONVERSION OF THE EXISTING SHAREHOLDER LOANS**

**- RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES
TRADING LIMITED**

1. INTRODUCTION

- 1.1. The Board of Directors (the "**Board**" or "**Directors**") of OUE Lippo Healthcare Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement dated 23 February 2021 and the circular dated 25 February 2021 (the "**Circular**") in relation to the entry into a conversion agreement (the "**Conversion Agreement**") with Treasury International Holdings Pte. Ltd. (the "**Proposed Subscriber**"), pursuant to which, *inter alia*, (a) the Company has agreed to issue, and the Proposed Subscriber has agreed to subscribe for, 4.0% convertible perpetual bonds of an aggregate principal amount of S\$189,607,700 (the "**Perpetual Securities**"), representing the outstanding amount of the Existing Shareholder Loans plus accrued interest thereon up to and including 28 February 2021, rounded down to the nearest authorised denomination of the Perpetual Securities (the "**Proposed Shareholder Loan Conversion**"); and (b) each Perpetual Security shall, at the option of the holder thereof, be convertible into ordinary shares ("**Shares**") in the capital of the Company (the "**Conversion Shares**") at a conversion price of S\$0.070 per Share, subject to adjustments in accordance with the terms and conditions of the Perpetual Securities (the "**Proposed Conversion Share Issuance**" and together with the Proposed Shareholder Loan Conversion, the "**Proposed Transactions**").
- 1.2. Unless otherwise defined, capitalised terms used herein shall have the meanings ascribed to them in the Circular.

2. RECEIPT OF APPROVAL IN-PRINCIPLE

- 2.1. As stated in Paragraph 4.3 of the Circular, the Company has, on 24 February 2021, made an application (the "**Application**") to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") through the Sponsor for the listing and quotation of the Conversion Shares on the Catalist in the event of conversion of the Perpetual Securities.
- 2.2. The Board is pleased to announce that the SGX-ST has today granted its approval-in-principle ("**AIP**") for the listing and quotation of up to 2,708,681,428 Conversion Shares in the capital of the Company. The listing and quotation of the Conversion Shares is subject to the following conditions:
- (a) compliance with the SGX-ST's listing requirements; and
 - (b) shareholders' approval to be obtained at a general meeting to be convened.
- 2.3. The AIP granted by the SGX-ST for the listing and quotation of the Conversion Shares is not to be taken as an indication of the merits of the Perpetual Securities, the Conversion Shares, the Conversion Agreement, the Application, the Company, its subsidiaries and their securities.

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3. FREE FLOAT REQUIREMENT

As stated in Paragraph 4.2 of the Circular:

- 3.1. Under Rule 723 of the Listing Manual of the SGX-ST, Section B: Rules of Catalist ("**Catalist Rules**"), the Company must ensure that at least 10.0% of the total number of Shares (excluding preference shares, convertible equity securities and treasury shares) is at all times held by the public ("**Free Float Requirement**"). Under Catalist Rule 724(1), if the Free Float Requirement is not complied with, the Company must, as soon as practicable, notify its Sponsor of that fact and announce that fact and the SGX-ST may suspend trading of all the Shares on the SGX-ST. Catalist Rule 724(2) states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, for the percentage of the Shares held by members of the public to be raised to at least 10.0%, failing which the Company may be delisted from the SGX-ST.
- 3.2. Upon conversion and issuance of all of the Conversion Shares, the Free Float Requirement may not be complied with. For illustrative purposes, assuming the full conversion of all of the Perpetual Securities, the Proposed Subscriber's shareholding interest in the Company will increase from approximately 64.4% to approximately 77.9% and ITOCHU Corporation's (through its indirect wholly-owned subsidiary, Browny Healthcare Pte. Ltd.) shareholding interest in the Company will decrease from approximately 25.3% to approximately 15.7%. Therefore, the aggregate Shares held by the public may decrease from the existing 10.3% as at the date of this Announcement to 6.4% of the enlarged number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) following the allotment and issuance of 2,708,681,428 Conversion Shares.
- 3.3. In the event that the Company does not meet the Free Float Requirement and the SGX-ST suspends trading in the Shares, the Company intends to take such steps which are necessary to restore the free float of the Company in order to maintain the listing status of the Company. However, the Company reserves its right to re-evaluate its position, taking into account, amongst other things, the prevailing market conditions at the relevant time. Accordingly, there is no assurance that the Company will take steps to preserve the listing status of the Company on the SGX-ST if the Free Float Requirement is not met.

4. CAUTIONARY STATEMENT

The Company will make further announcements, in compliance with the requirements of the Catalist Rules, as and when there are material developments in respect of the Proposed Transactions and/or other matters contemplated by this Announcement. Shareholders and potential investors of the Company are advised to exercise caution when dealing or trading in the shares of the Company, as there is no certainty or assurance that the Proposed Transactions will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are also advised to read this Announcement and any further announcements by the Company carefully, and where in doubt as to the action they should take, they should consult their financial, tax, legal or other professional advisers.

By Order of the Board
OUE Lippo Healthcare Limited

Mr. Yet Kum Meng
Chief Executive Officer and Executive Director
4 March 2021

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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