

**EXIT OFFER LETTER DATED 5 SEPTEMBER 2023**

**THIS EXIT OFFER LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt about the matters contained in this Exit Offer Letter or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

*All capitalised terms used below shall bear the same meanings as ascribed to them in this Exit Offer Letter.*

Oversea-Chinese Banking Corporation Limited is acting for and on behalf of the Offeror and does not purport to advise any Shareholder and/or any other person.

If you have sold or transferred all your Shares held through CDP, you need not forward this Exit Offer Letter and the accompanying FAA to the purchaser or transferee, as CDP will arrange for a separate Exit Offer Letter and FAA to be sent to the purchaser or transferee. If you have sold or transferred all your Shares not held through CDP, you should immediately hand this Exit Offer Letter and the accompanying FAT to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

**The views of the Independent Board Committee and the Company IFA on the Exit Offer are set out in the Circular. You may wish to consider their views before taking any action in relation to the Exit Offer.**

This Exit Offer Letter has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this Exit Offer Letter, including the correctness of any of the statements made, reports contained or opinions expressed in this Exit Offer Letter.

**CONDITIONAL EXIT OFFER**

in connection with

**THE PROPOSED VOLUNTARY DELISTING OF  
HEALTHWAY MEDICAL CORPORATION LIMITED  
FROM THE OFFICIAL LIST OF THE CATALIST BOARD OF THE SGX-ST  
PURSUANT TO RULES 1307 AND 1308 OF THE SGX-ST LISTING MANUAL  
SECTION B: RULES OF CATALIST**

by



**OVERSEA-CHINESE BANKING CORPORATION LIMITED**

(Company Registration No. 193200032W)  
(Incorporated in Singapore)

for and on behalf of

**QUEH INVESTMENTS PTE. LTD.**

(Company Registration No. 202320619N)  
(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

**HEALTHWAY MEDICAL CORPORATION LIMITED**

(Company Registration No. 200708625C)  
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired  
by the Offeror and the parties acting in concert with it

**THE EXIT OFFER AND THE DELISTING ARE CONDITIONAL UPON THE PROPOSED OFFEREE RESOLUTIONS BEING APPROVED AT THE EGM AND THE MINIMUM ACCEPTANCE CONDITION BEING MET, FAILING WHICH, (A) THE DELISTING WILL NOT PROCEED AND THE COMPANY WILL REMAIN LISTED ON THE OFFICIAL LIST OF THE CATALIST BOARD OF THE SGX-ST; AND (B) THE EXIT OFFER WILL ALSO LAPSE AND ALL ACCEPTANCES OF THE EXIT OFFER WILL BE RETURNED. PLEASE REFER TO PARAGRAPH 2.5 (CONDITIONS) AND PARAGRAPH 2.6 (MINIMUM ACCEPTANCE CONDITION) OF THIS EXIT OFFER LETTER FOR FURTHER DETAILS.**

**ACCEPTANCES OF THE EXIT OFFER SHOULD BE RECEIVED BY THE CLOSE OF THE EXIT OFFER AT 5.30 P.M. (SINGAPORE TIME) ON 12 OCTOBER 2023, OR SUCH LATER TIME(S) AND DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE OFFEROR.**

The procedures for acceptance of the Exit Offer are set out in Appendix 1 to this Exit Offer Letter and in the accompanying FAA and/or FAT (as applicable).



## TABLE OF CONTENTS

DEFINITIONS.....	2
CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS.....	10
LETTER TO SHAREHOLDERS .....	11
1. INTRODUCTION .....	11
2. TERMS OF THE EXIT OFFER.....	12
3. THE PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY ..	16
4. INFORMATION ON THE OFFEROR AND OUEH.....	17
5. INFORMATION ON THE COMPANY .....	17
6. FINANCIAL EVALUATION .....	18
7. RATIONALE FOR THE DELISTING AND THE EXIT OFFER.....	19
8. OFFEROR'S INTENTIONS FOR THE COMPANY .....	22
9. RULINGS SOUGHT FROM THE SIC.....	23
10. CONFIRMATION OF FINANCIAL RESOURCES .....	24
11. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS .....	25
12. OPINION AND ADVICE OF THE OUEH INDEPENDENT FINANCIAL ADVISER....	25
13. OVERSEAS SHAREHOLDERS .....	30
14. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS .....	32
15. GENERAL .....	32
16. RESPONSIBILITY STATEMENT.....	34
APPENDIX 1 PROCEDURES FOR ACCEPTANCE AND SETTLEMENT OF THE EXIT OFFER .....	35
APPENDIX 2 ADDITIONAL INFORMATION ON THE OFFEROR .....	43
APPENDIX 3 DISCLOSURE OF HOLDINGS, DEALINGS AND OTHER ARRANGEMENTS .....	47
APPENDIX 4 ADDITIONAL INFORMATION ON THE COMPANY .....	49
APPENDIX 5 ADDITIONAL GENERAL INFORMATION.....	51
APPENDIX 6 OUEH INDEPENDENT FINANCIAL ADVISER LETTER.....	55

## DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Exit Offer Letter, the FAA and the FAT:

<b>“Acceptance Forms”</b>	:	The FAA and/or the FAT (as the case may be)
<b>“Accepting Shareholder”</b>	:	An Offer Shareholder who validly accepts the Exit Offer
<b>“ACRA”</b>	:	Accounting and Corporate Regulatory Authority of Singapore
<b>“Business Day”</b>	:	A day (other than Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore for the transaction of normal banking business
<b>“Catalist” or “Catalist Board”</b>	:	The Catalist of the SGX-ST, being the sponsor-supervised listing platform of the SGX-ST
<b>“Catalist Rules”</b>	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	The circular dated 5 September 2023 issued by the Company to the Shareholders in relation to the Delisting and the Proposed Constitution Amendments
<b>“Closing Date”</b>	:	5.30 p.m. (Singapore time) on 12 October 2023, or such later time and date as may be announced from time to time by or on behalf of the Offeror, such time and date being the last time and date for the lodgement of acceptances of the Exit Offer
<b>“Code”</b>	:	The Singapore Code on Take-overs and Mergers
<b>“Companies Act”</b>	:	Companies Act 1967 of Singapore
<b>“Company”</b>	:	Healthway Medical Corporation Limited
<b>“Company IFA”</b>	:	Xandar Capital Pte. Ltd., the independent financial adviser appointed by the Company to advise the Independent Board Committee on the Exit Offer
<b>“Company Securities”</b>	:	Being: (a) Shares; (b) securities which carry voting rights in the Company; and (c) convertible securities, warrants, options or derivatives in respect of any Shares or securities which carry voting rights in the Company
<b>“Concert Parties”</b>	:	Parties acting in concert with the Offeror in connection with the Exit Offer

<b>“Consolidated Group NTA per Share”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 9(a)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Constitution”</b>	:	The constitution of the Company
<b>“Constitution Amendment Resolution”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 2.5(b)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“CPF”</b>	:	Central Provident Fund
<b>“CPF Agent Banks”</b>	:	Agent banks included under the CPFIS
<b>“CPFIS”</b>	:	Central Provident Fund Investment Scheme
<b>“CPFIS Investors”</b>	:	Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
<b>“Date of Receipt”</b>	:	The date of receipt of the relevant Acceptance Forms by CDP or the Receiving Agent (as the case may be), on behalf of the Offeror (provided always that the date of receipt falls on or before the Closing Date)
<b>“DCS”</b>	:	CDP’s Direct Crediting Service
<b>“Delisting”</b>	:	The proposed voluntary delisting of the Company from the Official List of the Catalist Board of the SGX-ST pursuant to Catalist Rules 1307 and 1308
<b>“Delisting Proposal”</b>	:	The formal proposal dated 1 July 2023 presented by the Offeror to the Board to seek the Delisting
<b>“Delisting Resolution”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 1.2(b)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Despatch Date”</b>	:	5 September 2023, being the date of despatch of the Circular and this Exit Offer Letter
<b>“Directors” or “Board” or “Board of Directors”</b>	:	The board of directors of the Company as at the Latest Practicable Date, being: <ul style="list-style-type: none"> <li>(a) Mr. Sin Boon Ann (Independent Chairman);</li> <li>(b) Mr. Abram Melkyzedeck Suhardiman (Executive Vice Chairman);</li> <li>(c) Dr. Stephen Riady (Non-Independent Non-Executive Director);</li> <li>(d) Mr. Anand Kumar (Non-Independent Non-Executive Director);</li> <li>(e) Dr. Khor Chin Kee (Non-Independent Non-Executive Director);</li> </ul>

(f) Mr. Chen Yeow Sin (Lead Independent Director); and

(g) Ms. Aliza Knox (Independent Director)

<b>“Dissenting Shareholders”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 8.3</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“EGM”</b>	:	The extraordinary general meeting of the Company to be convened by the Company on 28 September 2023 at 1.00 p.m. (Singapore time) at Hilton Singapore Orchard, 333 Orchard Road, Singapore, 238867, Grand Ballroom to seek the approval of the Voting Shareholders for the Proposed Offeree Resolutions, notice of which is given at pages N-1 to N-4 of the Circular
<b>“Electronic Acceptance”</b>	:	Acceptance of the Exit Offer via the SGX Secure File Gateway (SGX-SFG) service provided by CDP as listed in the Terms and Conditions for User Services for Depository Agents
<b>“Encumbrances”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 2.4(b)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Entitlements”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 2.4(c)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Exit Offer”</b>	:	The conditional exit offer in cash made by OCBC Bank, for and on behalf of the Offeror, to acquire all of the Offer Shares on the terms and subject to the conditions set out in this Exit Offer Letter and the Acceptance Forms and in accordance with the Code, as such offer may be amended or revised from time to time by or on behalf of the Offeror
<b>“Exit Offer Letter”</b>	:	This document dated 5 September 2023, including the Acceptance Forms, and any other document(s) as may be issued by or on behalf of the Offeror to amend, revise, supplement or update such document(s) from time to time
<b>“Exit Offer Price”</b>	:	S\$0.048 in cash for each Offer Share
<b>“FAA”</b>	:	Form of Acceptance and Authorisation for Offer Shares, applicable to Offer Shareholders whose Offer Shares are deposited with CDP, and which forms part of this Exit Offer Letter
<b>“Facilities”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 11.3</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“FAT”</b>	:	Form of Acceptance and Transfer for Offer Shares, applicable to Offer Shareholders whose Offer Shares are registered in their own names in the Register and are not deposited with CDP, and which forms part of this Exit Offer Letter

<b>“FY”</b>	:	Financial year ended or ending (as the case may be) 31 December of a particular year as stated
<b>“Gateway”</b>	:	GW Active Limited
<b>“Group”</b>	:	Collectively, the Company and its subsidiaries
<b>“in scrip form”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 1.2(a)</b> of <b>Appendix 1</b> to this Exit Offer Letter
<b>“Independent Board Committee”</b>	:	A committee formed within the Board, comprising the Independent Directors to the exclusion of the Relevant Directors, for purposes of, <i>inter alia</i> , making a recommendation to the Shareholders on the Delisting and Exit Offer
<b>“Independent Directors”</b>	:	The Directors who are considered independent for the purposes of the Delisting Proposal and the Exit Offer, being Mr. Anand Kumar, Dr. Khor Chin Kee, Mr. Chen Yeow Sin and Ms. Aliza Knox
<b>“Irrevocable Undertaking”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 2.11(a)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Joint Announcement”</b>	:	The joint announcement made by the Offeror and the Company in connection with the Delisting and the Exit Offer on the Joint Announcement Date
<b>“Joint Announcement Date”</b>	:	3 July 2023, being the date on which the Joint Announcement was released
<b>“Last Trading Day”</b>	:	30 June 2023, being the last full day of trading in the Shares on the Catalyst Board immediately prior to the Joint Announcement Date
<b>“Latest Practicable Date”</b>	:	22 August 2023, being the latest practicable date prior to the printing of this Exit Offer Letter
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“Minimum Acceptance Condition”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 2.6</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“NTA”</b>	:	Net tangible assets
<b>“OCBC Bank”</b>	:	Oversea-Chinese Banking Corporation Limited, the sole financial adviser to the Offeror in connection with the Delisting Proposal and the Exit Offer
<b>“Offer Shareholders”</b>	:	Shareholders to which the Exit Offer relates, as more particularly described in <b>Paragraph 2.2</b> of the Letter to Shareholders in this Exit Offer Letter

<b>“Offer Shares”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 2.1</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Offeror”</b>	:	OUEH Investments Pte. Ltd., a wholly-owned subsidiary of OUEH
<b>“Offeror Concert Party Group”</b>	:	The Offeror and its Concert Parties
<b>“Offeror Directors”</b>	:	The board of directors of the Offeror, being Mr. Yet Kum Meng and Mr. Loh Chee Meng
<b>“Official List”</b>	:	The list of issuers maintained by the SGX-ST in relation to the Catalist Board
<b>“OUEH”</b>	:	OUE Healthcare Limited (formerly known as OUE Lippo Healthcare Limited)
<b>“OUEH Directors”</b>	:	The board of directors of OUEH as at the Latest Practicable Date, being: <ul style="list-style-type: none"> <li>(a) Mr. Lee Yi Shyan (Chairman and Non-Independent and Non-Executive Director);</li> <li>(b) Mr. Brian Riady (Non-Independent and Non-Executive Director);</li> <li>(c) Mr. Tetsuya Fujimoto (Non-Independent and Non-Executive Director);</li> <li>(d) Mr. Yet Kum Meng (Chief Executive Officer and Executive Director);</li> <li>(e) Mr. Roger Tan Chade Phang (Lead Independent and Non-Executive Director);</li> <li>(f) Mr. Eric Sho Kian Hin (Independent and Non-Executive Director);</li> <li>(g) Mr. Jackson Tay Eng Kiat (Independent and Non-Executive Director); and</li> <li>(h) Ms. Usha Raneer Chandradas (Independent and Non-Executive Director)</li> </ul>
<b>“OUEH Group”</b>	:	Collectively, OUEH and its subsidiaries and associated companies
<b>“OUEH Group Financial Statements”</b>	:	Has the meaning ascribed to it in <b>Paragraph 4 of Appendix 2</b> to this Exit Offer Letter



<b>“OUEH Independent Financial Adviser”</b>	:	SAC Capital Private Limited, the independent financial adviser appointed by OUEH to advise on whether or not the proposed acquisition by the Offeror of the Company by way of the Exit Offer is in the interests of the OUEH Shareholders
<b>“OUEH Independent Financial Adviser Letter”</b>	:	The letter dated 5 September 2023 by the OUEH Independent Financial Adviser to the OUEH Directors, as set out in <b>Appendix 6</b> to this Exit Offer Letter
<b>“OUEH Shareholders”</b>	:	The shareholders of OUEH
<b>“Overseas Shareholders”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 13.2</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Proposed Constitution Amendments”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 2.5(b)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Proposed Offeree Resolutions”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 2.5(b)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Register”</b>	:	The register of holders of Shares, as maintained by the Registrar
<b>“Registrar” or “Receiving Agent”</b>	:	Boardroom Corporate & Advisory Services Pte. Ltd., in its capacity as the share registrar of the Company and the receiving agent of the Offeror
<b>“Relevant Day”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 4.1</b> of <b>Appendix 5</b> to this Exit Offer Letter
<b>“Relevant Directors”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 9(d)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Relevant Period”</b>	:	The period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date
<b>“Relevant Persons”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 3.9</b> of <b>Appendix 1</b> to this Exit Offer Letter
<b>“Relevant Shares”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 2.11(a)(i)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Restricted Jurisdiction”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 13.1</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“S\$” and “cents”</b>	:	Singapore dollars and Singapore cents, respectively
<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account

<b>“Settled Shares”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 1.1(a)(i)(B)</b> of <b>Appendix 1</b> to this Exit Offer Letter
<b>“SFA”</b>	:	Securities and Futures Act 2001 of Singapore
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“SGX-ST Approval”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 1.2</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“SGXNET”</b>	:	A system network used by listed companies to send information and announcements to the SGX-ST, available at <a href="https://www.sgx.com">https://www.sgx.com</a> , or any other system networks prescribed by the SGX-ST
<b>“Shareholders”</b>	:	The shareholders of the Company, comprising persons who are registered as holders of Shares in the Register and Depositors who have Shares entered against their names in the Depository Register
<b>“Shareholders’ Delisting Approval”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 1.2(b)</b> of the Letter to Shareholders in this Exit Offer Letter
<b>“Shares”</b>	:	Issued and paid-up ordinary shares in the capital of the Company
<b>“SIC”</b>	:	Securities Industry Council of Singapore
<b>“Sponsor”</b>	:	PrimePartners Corporate Finance Pte. Ltd.
<b>“SRS”</b>	:	Supplementary Retirement Scheme
<b>“SRS Agent Banks”</b>	:	Agent banks included under the SRS
<b>“SRS Investors”</b>	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
<b>“Unsettled Buy Position”</b>	:	Shall have the meaning ascribed to it in <b>Paragraph 1.1(a)(i)(B)</b> of <b>Appendix 1</b> to this Exit Offer Letter
<b>“Voting Shareholders”</b>	:	Shareholders entitled to vote on the Proposed Offeree Resolutions (other than the Offeror Concert Party Group who will abstain from voting)
<b>“VWAP”</b>	:	Volume-weighted average price
<b>“%” or “per cent”</b>	:	Per centum or percentage
<b>“1H2023”</b>	:	The six (6)-month financial period ended 30 June 2023

**Acting in Concert and Associates.** The expressions “**acting in concert**” and “**associates**” shall have the meanings ascribed to them respectively in the Code. References to “**concert party**” shall be construed accordingly.

**Announcement, Notice, etc.** References to the making of an announcement or the giving of notice by the Offeror shall include the release of an announcement to the press or the delivery of or transmission by telephone, telex, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST via the SGXNET.

**Depositor, Depository Agent and Depository Register.** The expressions “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

**Genders, etc.** Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

**Headings.** The headings in this Exit Offer Letter are inserted for convenience only and shall be ignored in construing this Exit Offer Letter.

**Exit Offer Letter.** References to “**Exit Offer Letter**” shall include the Acceptance Forms, unless the context otherwise requires.

**Shares.** References in this Exit Offer Letter to the total number of issued Shares is a reference to a total of 4,535,571,100 Shares in issue as at the Latest Practicable Date (based on a search conducted with ACRA on such date), unless the context otherwise requires. The Company does not hold any treasury shares as at the Latest Practicable Date.

**Rounding.** Any discrepancies in the tables in this Exit Offer Letter between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures that precede them.

**Shareholders.** References to “**you**”, “**your**” and “**yours**” in this Exit Offer Letter are, where applicable and as the context so determines, to Shareholders, Offer Shareholders or Voting Shareholders (as the case may be).

**Statutes.** Any reference in this Exit Offer Letter to any enactment or statutory provision is a reference to that enactment or statutory provision as for the time being amended, modified or re-enacted. Any word defined under the Companies Act, the Code, the Catalist Rules, the SFA or any modification thereof and used in this Exit Offer Letter shall, where applicable, have the meaning assigned to that word under the Companies Act, the Code, the Catalist Rules, the SFA or that modification, as the case may be, unless the context otherwise requires.

**Subsidiary and Related Corporations.** The expressions “**subsidiary**” and “**related corporations**” shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

**Time and Date.** Any reference to a time of day and date in this Exit Offer Letter shall be a reference to Singapore time and date, unless otherwise specified.

## **CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS**

All statements other than statements of historical facts included in this Exit Offer Letter are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “shall”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor OCBC Bank undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations, the Catalist Rules and/or the rules of any regulatory or supervisory body or agency.

## LETTER TO SHAREHOLDERS



### OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Company Registration No. 193200032W)  
(Incorporated in Singapore)

5 September 2023

To: The Shareholders of Healthway Medical Corporation Limited

Dear Sir/Madam

#### CONDITIONAL EXIT OFFER FOR THE PROPOSED VOLUNTARY DELISTING OF HEALTHWAY MEDICAL CORPORATION LIMITED

##### 1. INTRODUCTION

###### 1.1 Joint Announcement

On the Joint Announcement Date, the Offeror and the Company jointly announced that the Offeror has presented to the Board of Directors of the Company the Delisting Proposal to seek the Delisting. Under the Delisting Proposal, OCBC Bank will make, for and on behalf of the Offeror, the Exit Offer to acquire all the Shares (excluding treasury shares) other than those already owned, controlled or agreed to be acquired by the Offeror Concert Party Group as at the date of the Exit Offer.

A copy of the Joint Announcement is available on the website of the SGX-ST at <https://www.sgx.com>.

###### 1.2 Extraordinary General Meeting

Under Catalist Rule 1307, the SGX-ST may agree to an application by the Company to delist from the Official List of the Catalist Board of the SGX-ST if:

- (a) the Company convenes the EGM to obtain Shareholders' approval for the Delisting; and
- (b) the resolution to approve the Delisting (the "**Delisting Resolution**") has been approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM (the "**Shareholders' Delisting Approval**"). The Offeror Concert Party Group must abstain from voting on the Delisting Resolution.

The Company will be convening the EGM to seek the approval of the Shareholders for the Delisting.

The Delisting will also be conditional upon the SGX-ST agreeing to an application by the Company for the Delisting (the "**SGX-ST Approval**"). The Company will, through its Sponsor, submit an application in respect of the Delisting to the SGX-ST in due course.

### 1.3 Exit Offer Letter

This Exit Offer Letter, together with the Acceptance Forms, contain the terms and conditions of the Exit Offer. The Exit Offer may only be accepted by the relevant Shareholder to whom this Exit Offer Letter is addressed and who is an Offer Shareholder.

**THE EXIT OFFER AND THE DELISTING ARE CONDITIONAL UPON THE PROPOSED OFFEREE RESOLUTIONS BEING APPROVED AT THE EGM AND THE MINIMUM ACCEPTANCE CONDITION BEING MET, FAILING WHICH, (A) THE DELISTING WILL NOT PROCEED AND THE COMPANY WILL REMAIN LISTED ON THE OFFICIAL LIST OF THE CATALIST BOARD OF THE SGX-ST; AND (B) THE EXIT OFFER WILL ALSO LAPSE AND ALL ACCEPTANCES OF THE EXIT OFFER WILL BE RETURNED.**

**IN THE EVENT THAT THE EXIT OFFER LAPSES, PURSUANT TO RULE 33.1 OF THE CODE, NONE OF THE OFFEROR CONCERT PARTY GROUP MAY, EXCEPT WITH THE CONSENT OF THE SIC, WITHIN 12 MONTHS FROM THE DATE ON WHICH THE EXIT OFFER LAPSES (I) ANNOUNCE AN OFFER OR POSSIBLE OFFER FOR THE COMPANY; OR (II) ACQUIRE ANY VOTING RIGHTS OF THE COMPANY IF THE OFFEROR CONCERT PARTY GROUP WOULD THEREBY BECOME OBLIGED UNDER RULE 14 OF THE CODE TO MAKE AN OFFER.**

A copy of the Circular issued by the Company to the Shareholders in relation to the Delisting is despatched together on the Despatch Date with this Exit Offer Letter and the relevant Acceptance Forms.

Electronic copies of the Circular, this Exit Offer Letter and the Acceptance Forms are available on the website of the SGX-ST at <https://www.sgx.com>.

### 1.4 Caution

Please read this Exit Offer Letter in conjunction with the Circular, which sets out (a) the advice of the Company IFA to the Independent Board Committee; and (b) the recommendations of the Independent Board Committee on the Delisting Resolution and the Exit Offer, carefully and in their respective entirety.

## 2. TERMS OF THE EXIT OFFER

OCBC Bank, for and on behalf of the Offeror, hereby makes the Exit Offer to acquire all the Offer Shares, on the terms and subject to the conditions set out in this Exit Offer Letter (including the Acceptance Forms), and on the following basis:

### 2.1 Offer Shares

The Exit Offer is extended to all Shares (excluding treasury shares) other than those Shares already owned, controlled or agreed to be acquired by the Offeror Concert Party Group as at the date of the Exit Offer (all such Shares, the “**Offer Shares**”).

### 2.2 Offer Shareholders

The Exit Offer is extended to all Shareholders other than the Offeror Concert Party Group (all such Shareholders, the “**Offer Shareholders**”).

### 2.3 Exit Offer Price

The consideration for the Exit Offer payable by the Offeror for each Offer Share will be:

**For each Offer Share: S\$0.048 in cash (“Exit Offer Price”).**

The Exit Offer Price shall be applicable to any number of the Offer Shares that are tendered in acceptance of the Exit Offer. An Offer Shareholder who validly accepts the Exit Offer will receive S\$0.048 in cash for each Offer Share tendered for acceptance under the Exit Offer.

By way of illustration, an Offer Shareholder who validly tenders 1,000 Offer Shares in acceptance of the Exit Offer will receive S\$48.00 in cash, being the Exit Offer Price multiplied by the 1,000 Offer Shares tendered in acceptance.

### 2.4 Rights and Encumbrances

The Offer Shares will be acquired:

- (a) fully paid;
- (b) free from all liens, equities, mortgages, charges, claims, pledges, encumbrances, options, powers of sale, declarations of trust, hypothecations, retention of title, rights of pre-emption, rights of first refusal, moratorium and/or other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing (collectively, the “**Encumbrances**”); and
- (c) together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date, and thereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital, if any, which may be announced, declared, paid or made thereon by the Company, on or after the Joint Announcement Date (collectively, the “**Entitlements**”).

If any Entitlement is announced, declared, made or paid by the Company on or after the Joint Announcement Date, and the books closure date in respect of such Entitlement falls before the settlement date in respect of the Offer Shares tendered in acceptance of the Exit Offer, the Offeror reserves the right to reduce the Exit Offer Price for the relevant Offer Shares by the amount of such Entitlement.

### 2.5 Conditions

The Exit Offer and the Delisting are conditional upon the Company having obtained Shareholders’ approval for both of the following:

- (a) the Delisting Resolution; and
- (b) subject to and contingent upon the passing of the Delisting Resolution, the proposed amendments to the Constitution (the “**Proposed Constitution Amendments**”) on and with effect from the date of the Delisting (the “**Constitution Amendment Resolution**”) and together with the Delisting Resolution, the “**Proposed Offeree Resolutions**”).

In the event either of the Proposed Offeree Resolutions is not approved at the EGM, the Exit Offer will lapse and the Company will remain listed on the Official List of the Catalist Board of the SGX-ST.

## 2.6 Minimum Acceptance Condition

The Exit Offer and the Delisting will be conditional upon the Offeror having received, by the close of the Exit Offer, valid acceptances (which have not been validly withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group, will result in the Offeror Concert Party Group holding such number of Shares carrying more than 50% of the voting rights attributable to the total Shares outstanding as at the close of Exit Offer (the “**Minimum Acceptance Condition**”).

Accordingly, the Exit Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Exit Offer, unless at any time prior to the close of the Exit Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group, will result in the Offeror Concert Party Group holding such number of Shares carrying more than 50% of the voting rights attributable to the total Shares outstanding (excluding any Shares held in treasury).

## 2.7 Acceptances

Offer Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of the Offer Shares. Offer Shareholders may choose to accept the Exit Offer in respect of their Offer Shares before the EGM.

However, such acceptances would be subject to the Proposed Offeree Resolutions being approved at the EGM and satisfaction of the Minimum Acceptance Condition. The Offeror will only be bound to acquire these Offer Shares and pay the Exit Offer Price for these Offer Shares if the Proposed Offeree Resolutions are approved at the EGM and the Minimum Acceptance Condition is met.

**Shareholders are to note that if either of the Proposed Offeree Resolutions is not approved at the EGM and/or the Minimum Acceptance Condition is not met, the conditions to the Delisting and the Exit Offer will not be fulfilled. In such an event, the Delisting will not proceed and the Company will remain listed on the Official List of the Catalist Board of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.**

**The Exit Offer will be open for acceptance by Offer Shareholders for a period of at least 14 days after the date of the announcement of the Shareholders’ Delisting Approval (if any) being obtained.**

## 2.8 Warranty

Acceptance of the Exit Offer by an Offer Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Offer Shareholder that each Offer Share in respect of which the Exit Offer is accepted is sold by him/her/it as, or on behalf of, the beneficial owner(s) thereof, (a) fully paid; (b) free from all Encumbrances; and (c) together with all Entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive and retain all Entitlements, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date).



## 2.9 Choices in relation to the Exit Offer

An Offer Shareholder can, in relation to all or part of his/her/its Offer Shares, either:

- (a) accept the Exit Offer in respect of such Offer Shares in full or in part, in accordance with such procedures set out in **Appendix 1** to this Exit Offer Letter; or
- (b) take no action and let the Exit Offer lapse in respect of his/her/its Offer Shares.

Subject to the Proposed Offeree Resolutions being approved at the EGM and the Minimum Acceptance Condition being met, Shareholders should note that the Company will, subject to the SGX-ST Approval, be delisted from the Official List of the Catalist Board of the SGX-ST on or after the close of the Exit Offer. In such an event, Shareholders who do not accept the Exit Offer will be left holding Shares in an unlisted company.

Shareholders should also note that voting in favour of the Delisting Resolution does not constitute an acceptance of the Exit Offer. Offer Shareholders who wish to accept the Exit Offer must tender their acceptances in accordance with the procedures set out in **Appendix 1** to this Exit Offer Letter.

## 2.10 Duration

The Exit Offer is open for acceptance by Offer Shareholders from the date of the despatch of the Circular and this Exit Offer Letter and will remain open for a period of at least 14 days after the date of the announcement of the Shareholders' Delisting Approval (if any) being obtained. Accordingly, the Closing Date for the Exit Offer will be **5:30 p.m. (Singapore time) on 12 October 2023, or such later time(s) and date(s) as may be announced from time to time by or on behalf of the Offeror.**

If either of the Proposed Offeree Resolutions is not approved at the EGM and/or the Minimum Acceptance Condition is not met, the conditions to the Delisting and the Exit Offer will not be fulfilled and the Exit Offer will lapse and all acceptances of the Exit Offer will be returned, and the Company will remain listed on the Official List of the Catalist Board of the SGX-ST.

## 2.11 Irrevocable Undertaking

- (a) The Offeror has received an irrevocable undertaking (the "**Irrevocable Undertaking**") from Gateway, pursuant to which Gateway has undertaken, *inter alia*:
  - (i) not to accept the Exit Offer, in respect of all the Shares held by it prior to and up to the close of the Exit Offer (the "**Relevant Shares**"); and
  - (ii) to vote all of the Relevant Shares in favour of the Proposed Offeree Resolutions at the EGM.
- (b) As at the Latest Practicable Date, Gateway holds an aggregate of 1,241,134,751 Shares (representing approximately 27.36% of the total number of issued Shares).
- (c) The Irrevocable Undertaking shall terminate, lapse and cease to have any further force and effect (save for certain surviving provisions) on the earliest of:
  - (i) the Proposed Offeree Resolutions not being approved by 3 October 2023;

- (ii) the Exit Offer being withdrawn or failing to become or being declared unconditional for any reason other than a breach of Gateway's obligations under the Irrevocable Undertaking; or
  - (iii) the close of the Exit Offer.
- (d) Save for the Irrevocable Undertaking, as at the Latest Practicable Date, neither the Offeror nor any party in the Offeror Concert Party Group has received any undertakings from any other party to accept or reject the Exit Offer, or to vote in favour or not in favour of the Proposed Offeree Resolutions at the EGM.
- (e) For the avoidance of doubt, the SIC has ruled that Gateway will not be regarded to be a member of the Offeror Concert Party Group by reason only of the Irrevocable Undertaking. Further details relating to the SIC's ruling in this regard are set out in **Paragraph 9(b)** of the Letter to Shareholders in this Exit Offer Letter below.
- (f) A copy of the Irrevocable Undertaking is available for inspection at the registered office of the Registrar at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632 during normal business hours from the Latest Practicable Date until the date on which the Exit Offer closes or lapses or is withdrawn in accordance with its terms.

## 2.12 Procedures for Acceptance and Settlement

The procedures for acceptance of the Exit Offer are set out in **Appendix 1** to this Exit Offer Letter and the accompanying FAA and/or FAT (as the case may be).

## 3. THE PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

- 3.1 In connection with the Delisting, subject to and contingent upon the passing of the Delisting Resolution, the Directors are proposing to seek approval from the Voting Shareholders to adopt the Proposed Constitution Amendments on and with effect from the date of the Delisting. Therefore, in the event that the Delisting Resolution and the Constitution Amendment Resolution are passed but the Delisting does not take place (for instance, because the Minimum Acceptance Condition is not met or the SGX-ST Approval is not obtained for whatever reason), the Proposed Constitution Amendments will not take effect.
- 3.2 The Proposed Constitution Amendments seek to provide:
- (a) protection to the remaining minority Shareholders post-Delisting by providing all Shareholders with certain key rights as to its shareholding in the Company;
  - (b) Shareholders with a minimum shareholding percentage of 15% in the Company with certain rights and restrictions applicable to their respective shareholdings in the Company, which will apply post-Delisting; and
  - (c) certain consequential amendments to reflect that, after completion of the Delisting, the Company will be an unlisted company and may be a public unlisted company.
- 3.3 The Proposed Constitution Amendments are subject to the approval of the Voting Shareholders by way of a special resolution at the EGM. As the Proposed Constitution Amendments are being proposed in the context of the Delisting, the Offeror Concert Party Group will abstain from voting on the Constitution Amendment Resolution.
- 3.4 Please refer to Section 4 of the Circular and Appendix B to the Circular for further details of the Proposed Constitution Amendments.

#### **4. INFORMATION ON THE OFFEROR AND OUEH**

4.1 The Offeror is a special purpose vehicle incorporated in Singapore on 25 May 2023 for the purposes of the Delisting Proposal and the Exit Offer with an issued and paid-up share capital of S\$1.00 comprising one (1) ordinary share. The Offeror Directors comprise Mr. Yet Kum Meng, the Chief Executive Officer and Executive Director of OUEH, and Mr. Loh Chee Meng, the Group Finance Director of OUEH.

4.2 The Offeror is a wholly-owned subsidiary of OUEH, which has been listed on the Catalist Board of the SGX-ST since 8 July 2013. OUEH is a regional healthcare group that owns, operates and invests in quality healthcare businesses in high-growth Asian markets. As at the Latest Practicable Date, the OUEH Directors are as follows:

- (a) Mr. Lee Yi Shyan (Chairman and Non-Independent and Non-Executive Director);
- (b) Mr. Brian Riady (Non-Independent and Non-Executive Director);
- (c) Mr. Tetsuya Fujimoto (Non-Independent and Non-Executive Director);
- (d) Mr. Yet Kum Meng (Chief Executive Officer and Executive Director);
- (e) Mr. Roger Tan Chade Phang (Lead Independent and Non-Executive Director);
- (f) Mr. Eric Sho Kian Hin (Independent and Non-Executive Director);
- (g) Mr. Jackson Tay Eng Kiat (Independent and Non-Executive Director); and
- (h) Ms. Usha Raneer Chandradas (Independent and Non-Executive Director).

4.3 OUEH is held by, amongst others:

- (a) OUE Limited, a company listed on the Mainboard of the SGX-ST, which indirectly holds approximately 70.36% of the total number of issued shares in OUEH, in which Dr. Stephen Riady is deemed interested pursuant to Section 4 of the SFA; and
- (b) ITOCHU Corporation, a company listed on the Tokyo Stock Exchange, which indirectly holds approximately 19.32% of the total number of issued shares in OUEH.

4.4 Additional information on the Offeror and the OUEH Group can be found in **Appendix 2** to this Exit Offer Letter.

#### **5. INFORMATION ON THE COMPANY**

##### **5.1 The Company**

5.2 The Company is a Singapore-incorporated company and has been listed on the Catalist Board of the SGX-ST since 4 July 2008. The Group is a private healthcare provider, with networks of clinics and medical centres in Singapore. The Group offers medical services, including general practitioner and family medicine clinics, health screening, adult specialists, baby and child specialists, dental services and allied healthcare services. Its specialist healthcare services comprise paediatrics, orthopaedics, obstetrics, gynaecology, cardiology, gastroenterology, psychiatry, ophthalmology (eye), otorhinolaryngology (ear, nose and throat), general surgery and speech therapy.

5.3 As at the Latest Practicable Date, the Directors are as follows:

- (a) Mr. Sin Boon Ann (Independent Chairman);
- (b) Mr. Abram Melkyzedek Suhardiman (Executive Vice Chairman);
- (c) Dr. Stephen Riady (Non-Independent Non-Executive Director);
- (d) Mr. Anand Kumar (Non-Independent Non-Executive Director);
- (e) Dr. Khor Chin Kee (Non-Independent Non-Executive Director);
- (f) Mr. Chen Yeow Sin (Lead Independent Director); and
- (g) Ms. Aliza Knox (Independent Director).

5.4 As at the Latest Practicable Date:

- (a) the Company has an issued and fully paid-up share capital of S\$277,630,000 comprising 4,535,571,100 Shares and the Company does not hold any treasury shares; and
- (b) there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.

5.5 Additional information on the Company can be found in **Appendix 4** to this Exit Offer Letter.

## 6. FINANCIAL EVALUATION

The Exit Offer Price represents the following premium over the historical transacted prices of the Shares on the SGX-ST:

Period	Benchmark Price <sup>(1)(2)</sup> (S\$)	Premium over Benchmark Price <sup>(3)</sup> (%)
Last traded price of the Shares on the SGX-ST on 28 June 2023 (being the last full market day on which there were trades in the Shares immediately preceding the Last Trading Day as no Shares were traded on the Last Trading Day)	0.033	45.5
VWAP per Share for the one (1)-month period up to and including the Last Trading Day (“ <b>1M VWAP</b> ”)	0.033	45.5
VWAP per Share for the three (3)-month period up to and including the Last Trading Day (“ <b>3M VWAP</b> ”)	0.033	45.5
VWAP per Share for the six (6)-month period up to and including the Last Trading Day (“ <b>6M VWAP</b> ”)	0.034	41.2
VWAP per Share for the 12-month period up to and including the Last Trading Day (“ <b>12M VWAP</b> ”)	0.035	37.1

**Notes:**

- (1) Based on data extracted from Bloomberg L.P..
- (2) Figures rounded to the nearest three (3) decimal places.
- (3) Percentage figures are rounded to the nearest one (1) decimal place.

## **7. RATIONALE FOR THE DELISTING AND THE EXIT OFFER**

### **7.1 Rationale for the Offeror**

#### **(a) Enhances OUEH's regional healthcare ecosystem centred on Singapore's renowned medical excellence**

The Exit Offer is an opportunity for OUEH to strengthen its regional healthcare ecosystem with a strong foothold in the Singapore healthcare market. OUEH's current regional healthcare ecosystem comprises a respiratory and cardiothoracic specialist group with 11 specialist doctors and two (2) cardiothoracic surgeons in Singapore, two (2) operating hospitals and one (1) hospital under development in China, three (3) hospitals, two (2) medical towers and three (3) primary care clinics in Myanmar as well as a controlling stake in First Real Estate Investment Trust.

The Company is a respected medical group with over 30 years of experience in Singapore's healthcare. With over 100 clinics and medical centres in its network, the Company provides a comprehensive spectrum of services covering primary care, secondary care and ancillary care, which includes general practitioners and family medicine clinics, health screening, specialists, dental services and allied healthcare services. Its specialist healthcare services comprise paediatrics, orthopaedics, obstetrics, gynaecology, cardiology, gastroenterology, psychiatry, ophthalmology (eye), otorhinolaryngology (ear, nose and throat), general surgery and speech therapy.

The Exit Offer will be an integral step for OUEH to strengthen its regional healthcare ecosystem, anchored on Singapore's high standards of medical excellence.

#### **(b) Potential synergies between OUEH and the Company**

The Exit Offer complements and is synergistic with OUEH's existing healthcare businesses in the region. The enlarged OUEH Group will serve as a collaborative regional platform for all its healthcare business verticals to grow, develop and scale their businesses in the region, including the Company.

It is a milestone step for OUEH in building an integrated and seamless regional healthcare ecosystem that is well-positioned to provide a comprehensive spectrum of healthcare services across preventive, interventional, diagnostics, treatment, aftercare and other ancillary healthcare services.

In addition, the Exit Offer will provide opportunities on cost savings through streamlining of operations and economies of scale.

#### **(c) Unique opportunity to tap into Singapore's growing healthcare market**

The Exit Offer will also enable OUEH to tap into the growing Singapore healthcare market, including the Healthier SG Initiative announced by the Singapore government, where the nation is moving towards a patient-centred preventive healthcare model following the COVID-19 pandemic. The national shift towards preventive care from reactive care will also drive healthcare innovations that will translate into new business opportunities for private healthcare players.

## 7.2 Rationale for the Company

### (a) Opportunity for Shareholders to realise their investments amidst low trading liquidity of the Shares

The trading volume of the Shares on the Catalist Board of the SGX-ST has been low, with an average daily trading volume of the Shares for the one (1)-month, three (3)-month, six (6)-month, and 12-month periods prior to and including the Last Trading Day as follows:

Period prior to and including the Last Trading Day	Average Daily Trading Volume <sup>(1)</sup>	Approximate percentage of total number of issued Shares <sup>(2)</sup> (%)
Last one (1) month	362,695	less than 0.01
Last three (3) months	309,581	less than 0.01
Last six (6) months	298,862	less than 0.01
Last 12 months	726,518	less than 0.02

Source: Bloomberg L.P.

#### Notes:

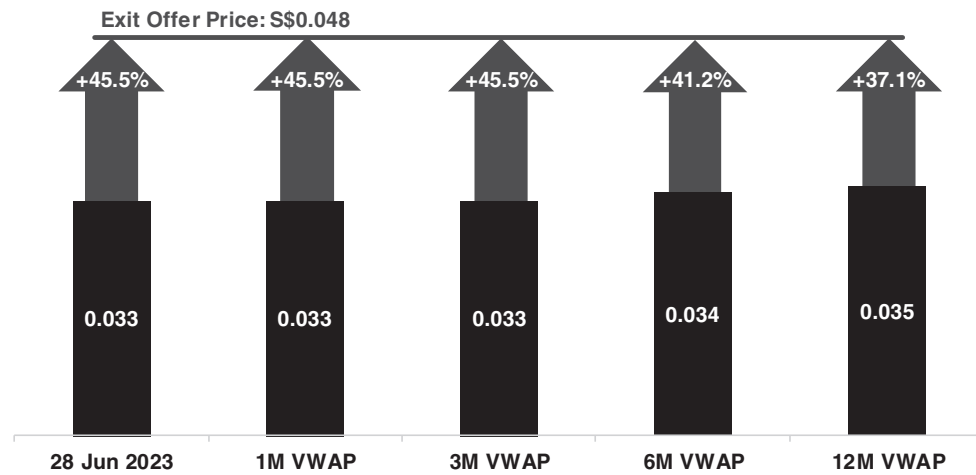
- (1) The average daily trading volume is computed based on the total trading volume of the Shares for all Market Days for the relevant periods prior to and including the Last Trading Day, divided by the total number of Market Days during the respective periods.
- (2) Percentage figures are computed based on the total number of issued Shares as at the Joint Announcement Date and rounded to the nearest two (2) decimal places.

In view of the low trading volume during the periods prior to and including the Last Trading Day, the Offeror believes that the Exit Offer represents an opportunity for Shareholders to realise their investments in the Shares at a premium (without incurring any brokerage and other trading costs) which may not otherwise be readily available given the low trading liquidity of the Shares.

### (b) Opportunity for Shareholders to realise their investments in the Shares at a premium over historical Share prices without incurring brokerage costs

Against the backdrop of a challenging macro and operating environment as a result of, *inter alia*, intensifying inflationary pressures, the Offeror believes that, through the Delisting Proposal and Exit Offer, Shareholders who accept the Exit Offer will have an opportunity to realise their investments in the Company for a cash consideration at a premium over the historical transacted prices of the Shares on the Catalist Board of the SGX-ST. Furthermore, Shareholders would be able to realise their investments without incurring any brokerage and other trading costs.

The Exit Offer Price represents a premium over the historical transacted prices of the Shares on the SGX-ST on the Last Trading Day and the VWAP of the Shares over the 1M VWAP, 3M VWAP, 6M VWAP and 12M VWAP per Share, as set out in **Paragraph 6** of the Letter to Shareholders in this Exit Offer Letter.



The Exit Offer Price exceeds all previous closing prices of the Shares in the three (3)-year period up to and including the Last Trading Day.



(c) **Greater management flexibility**

The Offeror believes that delisting the Company will give the Offeror and the management of the Company more flexibility and control to manage the business of the Company, optimise the use of its management and capital resources and facilitate the implementation of any operational change without the attendant costs, regulatory restrictions and compliance issues associated with its listed status on the Catalist Board of the SGX-ST.

(d) **Compliance costs of maintaining listing**

In maintaining its listed status, the Company incurs compliance and associated costs relating to continuing listing requirements under the Catalist Rules. In the event that the Company is delisted from the Official List of the Catalist Board of the SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations.



## 8. OFFEROR'S INTENTIONS FOR THE COMPANY

### 8.1 Delisting Resolution

The Offeror does not intend to maintain or support any action taken or to be taken to maintain the present listing status of the Company and there is no plan in the foreseeable future for the Shares to be re-listed on any securities exchange.

**Shareholders should note that in the event the Proposed Offeree Resolutions are approved at the EGM and the Minimum Acceptance Condition is met, the Company will, subject to the SGX-ST Approval being obtained for the Delisting, be delisted from the Official List of the Catalist Board of the SGX-ST on or after the close of the Exit Offer. In the event either of the Proposed Offeree Resolutions is not approved at the EGM and/or the Minimum Acceptance Condition is not met, the Exit Offer will lapse and the Company will remain listed on the Official List of the Catalist Board of the SGX-ST.**

**If the Company is delisted from the Official List of the Catalist Board of the SGX-ST, the Company (as a Singapore-incorporated company) will remain subject to the provisions of the Companies Act and (in the event that it becomes a public unlisted company pursuant to the Exit Offer) may be subject to provisions of the Code, but will no longer be subject to the provisions of the Catalist Rules. Shareholders at such time may wish to seek their own independent legal advice to familiarise themselves with their rights, *inter alia*, as a shareholder of an unlisted Singapore-incorporated company under the Companies Act.**

### 8.2 Offeror's Intentions

Following the close of the Exit Offer, the Offeror presently has no intention to introduce any major changes to the business of the Company, or to discontinue the employment of any of the existing employees of the Company or re-deploy any of the fixed assets of the Company, other than as disclosed or in the ordinary course of business. The Offeror however retains the flexibility at any time to consider options or opportunities which may present themselves.

### 8.3 No Right of Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror receives valid acceptances pursuant to the Exit Offer (or otherwise acquires Shares during the period when the Exit Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by or treated as held by the Offeror as at the date of the Exit Offer and excluding any Shares held by the Company as treasury shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of the Offer Shareholders who have not accepted the Exit Offer ("**Dissenting Shareholders**") at a price equal to the Exit Offer Price.

In addition, Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at a price equal to the Exit Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire or are treated to acquire, pursuant to the Exit Offer, such number of Shares which, together with the Shares held by or treated as held by the Offeror, comprise 90% or more of the total number of issued Shares.



As (a) the Exit Offer does not extend to the Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group (including, among others, Lippo China Resources Limited, Mr. Abram Melkyzedek Suhardiman and Mr. Chen Yi Chung, who together hold an interest in approximately 42.30% of the total number of issued Shares as at the Latest Practicable Date); and (b) Gateway has, pursuant to the Irrevocable Undertaking, undertaken not to accept the Exit Offer in respect of all the Shares held by it prior to and up to the close of the Exit Offer (being an aggregate of 1,241,134,751 Shares, representing approximately 27.36% of the total number of issued Shares as at the Latest Practicable Date), the Offeror will not be entitled, under Section 215(1) of the Companies Act, to compulsorily acquire any of the Shares of the Dissenting Shareholders who have not accepted the Exit Offer. It is also unlikely for the right under Section 215(3) of the Companies Act to be available to the Dissenting Shareholders.

#### 8.4 Listing Status

As stated above, the Delisting is also conditional upon the SGX-ST Approval. The Company will, through its Sponsor, submit an application in respect of the Delisting to the SGX-ST in due course.

Shareholders should note that if the Proposed Offeree Resolutions are approved at the EGM and the Minimum Acceptance Condition is met, but for whatever reason, the SGX-ST Approval is not obtained, the Company will remain listed on the Official List of the Catalist Board of the SGX-ST and the following provisions in the Catalist Rules would remain relevant.

Pursuant to Catalist Rule 724(1) and Catalist Rule 1303(1), if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, notify its Sponsor of that fact and announce that fact and the SGX-ST may suspend the trading of all the Shares. 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, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

**The Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company. In the event that the trading of the Shares on the Catalist Board of the SGX-ST is suspended pursuant to Catalist Rule 724 and/or Catalist Rule 1303(1), the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.**

#### 9. RULINGS SOUGHT FROM THE SIC

An application was made on behalf of the Offeror to the SIC to seek clarification regarding the extent to which the provisions of the Code applied to the Exit Offer.

The SIC has ruled, *inter alia*, that:

- (a) the Exit Offer is exempted from compliance with the following provisions of the Code:
  - (i) Rule 20.1 on keeping the Exit Offer open for 14 days after it is revised; and

(ii) Rule 22 on offer timetable,

subject to the following conditions:

(A) the Shareholders' Delisting Approval being obtained within three (3) months from the Joint Announcement Date;

(B) the Exit Offer remaining open for at least:

(1) 14 days after the date of announcement of the Shareholders' Delisting Approval having been obtained, if the Exit Offer Letter, together with the Acceptance Forms, are despatched on the same date as the Circular; or

(2) 21 days after the date of the despatch of the Exit Offer Letter, if the Exit Offer Letter, together with the Acceptance Forms, are despatched after the Shareholders' Delisting Approval has been obtained at the EGM; and

(C) disclosure in the Circular of:

(1) the consolidated NTA per Share of the group comprising the Company, its subsidiaries and associated companies based on the latest published accounts prior to the date of the Circular (the "**Consolidated Group NTA per Share**"); and

(2) particulars of all known material changes as of the Latest Practicable Date which may affect the Consolidated Group NTA per Share or a statement that there are no such known material changes;

(b) Gateway will not be regarded to be a member of the Offeror Concert Party Group for the purposes of the Code or to have received a special deal for the Delisting or the Exit Offer under Rule 10 of the Code by reason only of the Irrevocable Undertaking and the Proposed Constitution Amendments;

(c) the financial resources confirmation to be given by OCBC Bank (acting as the sole financial adviser to the Offeror) pursuant to Rule 3.5 of the Code may exclude the Shares held by the Offeror Concert Party Group and Gateway as at the date of the Exit Offer; and

(d) Dr. Stephen Riady, Mr. Abram Melkyzedeck Suhardiman and Mr. Sin Boon Ann (collectively, the "**Relevant Directors**") are exempted under Rule 24.1 of the Code from the requirement to make a recommendation to the Shareholders on the Exit Offer as the Relevant Directors are part of the Offeror Concert Party Group. Nevertheless, the Relevant Directors must still assume responsibility for the accuracy of the facts stated and opinions expressed in documents or advertisements issued by, or on behalf of, the Company in connection with the Exit Offer.

## 10. CONFIRMATION OF FINANCIAL RESOURCES

OCBC Bank, as the sole financial adviser to the Offeror in connection with the Delisting Proposal and the Exit Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Exit Offer by the holders of the Offer Shares (excluding Gateway and for avoidance of doubt, the Offeror Concert Party Group).

## **11. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS**

### **11.1 Aggregate Holdings**

As at the Latest Practicable Date, the Offeror Concert Party Group owns or controls an aggregate of 1,918,360,165 Shares, representing approximately 42.30% of the total number of issued Shares.

### **11.2 Holdings and Dealings of Company Securities**

As at the Latest Practicable Date and based on the responses received pursuant to enquiries that the Offeror has made, save as disclosed in **Appendix 3** to this Exit Offer Letter, none of the Offeror and its Concert Parties:

- (a) owns, controls or has agreed to acquire any Company Securities; or
- (b) has dealt for value in any Company Securities during the Relevant Period.

### **11.3 Other Arrangements in respect of Company Securities**

In connection with the Exit Offer, the Offeror and OUEH have entered into a facility agreement with certain lenders, pursuant to which the lenders have agreed to make available a term loan facility and a revolving loan facility (the “**Facilities**”). As at the Latest Practicable Date and based on the responses received pursuant to enquiries that the Offeror has made, save as disclosed in this Exit Offer Letter and in connection with the share charges granted or to be granted in respect of the Shares to be acquired by the Offeror and shares in the capital of the Offeror under the Facilities, none of the Offeror and its Concert Parties has:

- (a) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Company which might be material to the Exit Offer, other than the Irrevocable Undertaking;
- (b) received any irrevocable commitment to accept the Exit Offer in respect of any Company Securities;
- (c) granted any security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise;
- (d) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or
- (e) lent any Company Securities to another person.

## **12. OPINION AND ADVICE OF THE OUEH INDEPENDENT FINANCIAL ADVISER**

- 12.1 Pursuant to Rule 7.2 of the Code, the board of a Singapore-incorporated offeror must obtain competent independent advice when it faces a material conflict of interests. Note 2 on Rule 7.2 provides the possible scenarios where a “conflict of interests” exists, which include, *inter alia*, a situation where there are significant cross-shareholdings between the offeror and the offeree company.

- 12.2 As at the Latest Practicable Date, Lippo Limited is a common substantial shareholder in both the Offeror and the Company indirectly holding an interest in approximately 70.36% and 40.76% of the issued share capital of the Offeror and the Company, respectively, which gives rise to a possible material conflict of interest as defined under Rule 7.2 of the Code. Accordingly, OUEH has appointed SAC Capital Private Limited as the OUEH Independent Financial Adviser to advise on whether or not the proposed acquisition by the Offeror of the Company by way of the Exit Offer is in the interests of the OUEH Shareholders. A copy of the OUEH Independent Financial Adviser Letter is set out in **Appendix 6** to this Exit Offer Letter and OUEH Shareholders are advised to read the OUEH Independent Financial Adviser Letter carefully.
- 12.3 The OUEH Independent Financial Adviser's opinion in respect of the Exit Offer is also extracted and set out in *italics* as follows:

**“7. OUR OPINION AND ADVICE**

*In arriving at our opinion and advice, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment. The following should be read in conjunction with, and in the context of, the full text of this letter:*

- (a) rationale of the Delisting and Exit Offer for OUEH, as set out in paragraph 7.1 of the Exit Offer Letter, and extracted in paragraph 6.1 of this letter;*
- (b) historical financial performance of the Group, as set out in paragraph 6.2 of this letter;*
- (c) in relation to the book NAV and NTA of the Group:*
  - (i) as set out in paragraph 6.3.2 of this letter, the Exit Offer Price represents a premium of approximately 6.9% against the NAV per Share of S\$0.0449 as at 30 June 2023. Accordingly, the P/NAV of the Group implied by the Exit Offer Price would be approximately 1.07 times as at 30 June 2023. We further note that the Exit Offer Price represents a premium of approximately 387.2% against the NTA per Share of S\$0.0099 as at 30 June 2023. Accordingly, the P/NTA of the Group implied by the Exit Offer Price would be approximately 4.87 times as at 30 June 2023;*
  - (ii) as set out in paragraph 6.3.3 of this letter, the ex-cash Exit Offer Price represents a premium of approximately 7.0% against the ex-cash NAV per Share of S\$0.043 as at 30 June 2023. Accordingly, the Ex-cash P/NAV of the Group implied by the Exit Offer Price would be approximately 1.07 times as at 30 June 2023;*

*Overall, we noted that the Group has a track record of profitability and a healthy track record of generating net cash flows from operating activities during the Relevant Period. In addition, the Group had also recorded positive working capital positions of S\$20.0 million, S\$26.8 million, S\$29.2 million and S\$30.3 million as at 31 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023 respectively. As at 30 June 2023, the Group's gearing ratio was at 13.3%. Excluding lease liabilities, the Group's gearing ratio was at 0.08% as at 30 June 2023.*

As set out in paragraph 6.2.1 of this letter, we noted that the Group had been profitable during the Relevant Period. We note however, that the Group's profit attributable to shareholders of the Company had decreased by approximately S\$3.8 million or approximately 50.5%, from approximately S\$7.6 million in 1H2022 to approximately S\$3.7 million in 1H2023, largely attributable to the increase in total operating costs in 1H2023 as explained in paragraph 6.2.1 of this letter. Despite the 1H2023 financial performance of the Group, we understand that the Offeror Board and OUEH Board, based on the considerations set out in paragraph 6.3.4 of this letter, maintains the view that, on balance, the Proposed Acquisition of the Company continues to be in the long term interest of the Offeror and OUEH;

- (d) *pro forma financial effects of the Proposed Acquisition on the OUEH Group, as set out in paragraph 8 of the Chapter 10 Announcement, reproduced in paragraph 6.4 of this letter;*
- (e) *an assessment of the market quotation and trading liquidity of the Shares as follows:*
  - (i) *in relation to the Share prices:*
    - (aa) *the closing prices of the Shares being below the Exit Offer Price for the 12-month period up to and including the Last Trading Day;*
    - (bb) *the Exit Offer Price representing a premium of approximately 60.0% and discount of approximately 23.1% over the lowest and highest closing prices of the Shares during the 12-month period up to and including the Last Trading Day respectively;*
    - (cc) *the Exit Offer Price represents a premium of approximately 37.1%, 41.2%, 45.5% and 45.5% over the VWAP of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day respectively;*
    - (dd) *the Exit Offer Price represents a premium of approximately 45.5% over the closing price of the Shares of S\$0.033 on the Last Trading Day;*
    - (ee) *the Exit Offer Price represents a premium of approximately 4.3% to the VWAP of the Shares for the period from the Joint Announcement Date and up to the Latest Practicable Date;*
    - (ff) *the Exit Offer Price represents a premium of approximately 2.1% over the closing price of the Shares of S\$0.047 on the Latest Practicable Date;*
  - (ii) *the trading liquidity of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day has been low with an ADTV of between 0.00% and 0.05% of the free float of the Group;*
- (f) *a comparison with the valuation statistics of the Comparable Companies as follows:*
  - (i) *the historical PER of 25.05 times of the Group as implied by the Exit Offer Price being: (aa) within the range of PER of Comparable Companies between 16.19 times and 40.31 times; and (bb) above the corresponding*

*mean and median historical PER of the Comparable Companies of 24.70 times and 20.21 times respectively;*

- (ii) the historical EV/EBITDA ratio of 8.32 times of the Group as implied by the Exit Offer Price being below the range of historical EV/EBITDA ratios of the Comparable Companies of between 10.59 times and 12.04 times;*
  - (iii) the historical P/NAV ratio of 1.07 times of the Group as implied by the Exit Offer Price being below the range of historical P/NAV ratios of the Comparable Companies of between 2.88 times and 6.36 times;*
  - (iv) the historical P/NTA ratio of 4.87 times of the Group as implied by the Exit Offer Price being below the range of historical P/NTA ratios of the Comparable Companies of between 6.36 times and 9.30 times;*
- (g) a comparison with recent successful privatisation transactions and delisting offers of companies listed on the SGX-ST as follows:*
- (i) the premium of the Exit Offer Price over the last transacted price of the Shares on the Last Trading Day of approximately 45.5% is: (aa) within the range of the corresponding premia of the Take-over Transactions of between 2.4% and 169.5%; and (bb) above the corresponding mean and median premia of the Take-over Transactions of 35.0% and 23.1% respectively;*
  - (ii) the premium of the Exit Offer Price over the VWAP of the Shares for the 1-month period prior to the Last Trading Day of approximately 45.5% is: (aa) within the range of the corresponding premia of the Take-over Transactions of between 4.7% and 163.7%; and (bb) above the corresponding mean and median premia of 39.5% and 27.6% of the Take-over Transactions respectively;*
  - (iii) the premium of the Exit Offer Price over the VWAP of the Shares for the 3-month period prior to the Last Trading Day of approximately 45.5% is: (aa) within the range of the corresponding premia of the Take-over Transactions of between 5.0% and 162.8%; and (bb) above the corresponding mean and median premia of 40.6% and 29.0% of the Take-over Transactions respectively;*
  - (iv) the premium of the Exit Offer Price over the VWAP of the Shares for the 6-month period prior to the Last Trading Day of approximately 41.2% is: (aa) within the range of the corresponding (discount)/premium of the Take-over Transactions of between (5.6)% and 156.9%; and (bb) above the corresponding mean and median premia of 38.6% and 29.2% of the Take-over Transactions respectively;*
  - (v) the premium of the Exit Offer Price over the VWAP of the Shares for the 12-month period prior to the Last Trading Day of approximately 37.1% is: (aa) within the range of the corresponding (discount)/premium of the Take-over Transactions of between (3.2)% and 140.5%; and (bb) above the corresponding mean and median premia of 36.9% and 30.2% of the Take-over Transactions respectively;*



- (vi) *the P/NAV ratio as implied by the Exit Offer Price of 1.07 times is: (aa) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.43 times and 5.86 times; and (bb) below the mean Price-to-NAV/NTA ratio of the Take-over Transactions of 1.66 times but above the median Price-to-NAV/NTA ratio of the Take-over Transactions of 1.00 times;*
- (vii) *the P/NTA ratio as implied by the Exit Offer Price of 4.87 times is: (aa) within the range of Price-to-NTA ratios of the Take-over Transactions of between 0.43 times and 5.86 times; and (bb) above the corresponding mean and median Price-to-NAV/NTA ratio of the Take-over Transactions of 1.66 and 1.00 times respectively;*
- (h) *a comparison with Recent Successful Privatisation Transactions of Healthcare Companies listed on SGX ST as follows:*
  - (i) *the historical PER of 25.1 times of the Group as implied by the Exit Offer Price being above the range of Implied PER of Selected Healthcare Privatisation Transactions between 13.2 times and 20.5 times;*
  - (ii) *the historical EV/EBITDA ratio of 8.3 times of the Group as implied by the Exit Offer Price being: (aa) within the range of Implied EV/EBITDA ratios of the Selected Healthcare Privatisation Transactions of between 6.7 times and 11.7 times; and (bb) below the corresponding mean and median Implied EV/EBITDA ratios of the Selected Healthcare Privatisation Transactions of 9.1 times and 8.9 times respectively;*
  - (iii) *the historical P/NAV ratio of 1.1 times of the Group as implied by the Exit Offer Price being: (aa) within the range of Implied P/NAV ratios of the Selected Healthcare Privatisation Transactions of between 1.1 times and 3.3 times; and (bb) below the corresponding mean and median Implied P/NAV ratios of the Selected Healthcare Privatisation Transactions of 2.2 times and 2.1 times respectively;*
  - (iv) *historical P/NTA ratio of 4.9 times of the Group as implied by the Exit Offer Price being: (aa) within the range of Implied P/NTA ratios of the Selected Healthcare Privatisation Transactions of between 4.2 times and 5.9 times; and (bb) on par with the mean Implied P/NTA ratios of the Selected Healthcare Privatisation Transactions of 4.9 times and above the median implied P/NTA ratios of the Selected Healthcare Privatisation Transactions of 4.6 times;*
- (i) *a comparison with the valuation statistics of the OUEH Shares vis-à-vis the Shares as follows:*
  - (i) *the historical EV/EBITDA ratio of 8.32 times of the Group as implied by the Exit Offer Price is lower than the historical EV/EBITDA ratio of 14.52 times of the OUEH Group;*
  - (ii) *the historical P/NAV ratio of 1.07 times of the Group as implied by the Exit Offer Price is higher than the historical P/NAV ratio of 0.44 times of the OUEH Group;*
  - (iii) *the historical P/NTA ratio of 4.87 times of the Group as implied by the Exit Offer Price is higher than the historical P/NTA ratio of 0.49 times of the OUEH Group;*

- (j) *other relevant considerations as follows:*
- (i) *outlook of the Group, as set out in paragraph 6.10.1 of this letter;*
  - (ii) *previous 2017 Offer for the Company, as set out in paragraph 6.10.2 of this letter;*
  - (iii) *the Irrevocable Undertaking, as set out in paragraph 6.10.3 of this letter;*
  - (iv) *the Delisting resolution, as set out in paragraph 6.10.4 of this letter;*
  - (v) *the Offeror's intention, as set out in paragraph 6.10.5 of this letter; and*
  - (vi) *no right of compulsory acquisition, as set out in paragraph 6.10.6 of this letter.*

***In conclusion, having regards to the considerations set out above and the information available to us as at the Latest Practicable Date, we are of the opinion that the Proposed Acquisition by way of an Exit Offer is, on balance, in the interests of the OUEH Shareholders."***

### **13. OVERSEAS SHAREHOLDERS**

#### **13.1 Overseas Shareholders**

This Exit Offer Letter, the relevant Acceptance Forms and/or any related documents do not constitute an offer to sell or a solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction in contravention of applicable law, nor shall there be any sale, issuance or transfer of the securities referred to in this Exit Offer Letter, the relevant Acceptance Forms, and/or any related documents in any jurisdiction in contravention of applicable law.

The release, publication or distribution of this Exit Offer Letter, the relevant Acceptance Forms, and/or any related documents in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Exit Offer Letter, the relevant Acceptance Forms, and/or any related documents are released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Exit Offer Letter, the Acceptance Forms and any other formal documentation relating to the Exit Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the applicable law of that jurisdiction ("**Restricted Jurisdiction**"). The Exit Offer will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.



### 13.2 Copies of the Exit Offer Letter and Acceptance Forms

The availability of the Exit Offer to Offer Shareholders whose addresses are outside Singapore, as shown on the Register or, as the case may be, in the Depository Register (“**Overseas Shareholders**”) may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements in their own jurisdictions, and exercise caution in relation to the Exit Offer, as this Exit Offer Letter and the Acceptance Forms have not been reviewed by any regulatory authority in any overseas jurisdiction.

**Where there are potential restrictions on sending this Exit Offer Letter and the Acceptance Forms to any overseas jurisdiction, the Offeror, OCBC Bank, CDP and the Registrar each reserves the right not to send these documents to such overseas jurisdictions. For the avoidance of doubt, the Exit Offer is open to all Offer Shareholders holding Offer Shares, including those to whom this Exit Offer Letter and the Acceptance Forms have not been, or may not be, sent.**

Subject to compliance with applicable laws, Overseas Shareholders may, nonetheless, obtain copies of this Exit Offer Letter, the relevant Acceptance Forms and any related documents, during normal business hours, from the date of this Exit Offer Letter and up to the Closing Date, from as the case may be, (a) the Registrar (in the case of an Overseas Shareholder whose Offer Shares are not deposited with CDP), Boardroom Corporate & Advisory Services Pte. Ltd., at its office located at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or (b) CDP (in the case of an Overseas Shareholder whose Offer Shares are deposited with CDP), by submitting a request to CDP via CDP’s Customer Service Hotline at +65 6535 7511 during their operating hours or email CDP at [asksgx@sgx.com](mailto:asksgx@sgx.com). Electronic copies of this Exit Offer Letter, the relevant Acceptance Forms and any related documents may also be obtained from the website of the SGX-ST at <https://www.sgx.com>.

Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write in to (i) the Offeror c/o the Registrar (in the case of an Overseas Shareholder whose Offer Shares are not deposited with CDP) at the address of the Registrar listed above; or (ii) the Offeror c/o The Central Depository (Pte) Limited (in the case of an Overseas Shareholder whose Offer Shares are deposited with CDP) at Robinson Road Post Office, P.O. Box 1984, Singapore 903934, to request for this Exit Offer Letter, the relevant Acceptance Forms and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Shareholder’s own risk, up to five (5) Market Days prior to the Closing Date.

### 13.3 Compliance with Applicable Laws

It is the responsibility of any Overseas Shareholder who wishes to (a) request for this Exit Offer Letter, the relevant Acceptance Form(s) and/or any related documents, and/or (b) accept the Exit Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any taxes, imposts, duties or other requisite payments payable and the Offeror, OCBC Bank, CDP, the Registrar, the Company and/or any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror, OCBC Bank, CDP, the Registrar, the Company and/or any person acting on its behalf may be required to pay. In (i) requesting for this Exit Offer

Letter, the relevant Acceptance Form(s) and/or any related documents, and/or (ii) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Offeror, OCBC Bank, CDP, the Registrar and the Company that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

**OVERSEAS SHAREHOLDERS WHO ARE IN DOUBT ABOUT THEIR POSITIONS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS IN THE RELEVANT JURISDICTIONS.**

**13.4 Notice**

The Offeror and OCBC Bank each reserves the right to (a) reject any acceptance of the Exit Offer where it believes, or has reason to believe, that such acceptance may violate the applicable laws of any jurisdiction; and (b) notify any matter, including the despatch of this Exit Offer Letter, any formal documentation relating to the Exit Offer, and the fact that the Exit Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST and if necessary, paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

**14. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS**

Investors who have purchased Shares using their CPF savings under the CPFIS or their SRS contributions pursuant to the SRS should receive further information on how to accept the Exit Offer from their respective CPF Agent Banks approved by the CPF to be its agent banks or SRS Agent Banks (as the case may be). CPFIS Investors and SRS Investors are advised to consult their respective CPF Agent Banks and SRS Agent Banks (as the case may be) should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice.

CPFIS Investors and SRS Investors who wish to accept the Exit Offer are to reply to their respective CPF Agent Banks and SRS Agent Banks (as the case may be) accordingly by the deadline stated in the letter from their respective CPF Agent Banks and SRS Agent Banks (as the case may be), which may be earlier than the Closing Date. Subject to the Exit Offer becoming or being declared unconditional in all respects in accordance with its terms, CPFIS Investors and SRS Investors will receive the Exit Offer Price payable in respect of their Offer Shares validly tendered in acceptance of the Exit Offer through appropriate intermediaries in their respective CPF investment accounts and SRS investment accounts (as the case may be).

**15. GENERAL**

**15.1 Governing Law and Jurisdiction**

The Exit Offer, this Exit Offer Letter, the Acceptance Forms, all acceptances of the Exit Offer and all contracts made pursuant thereto and actions taken or made or deemed to be taken or made thereunder shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Offeror and each Accepting Shareholder agree to submit to the non-exclusive jurisdiction of the Singapore courts.

## 15.2 No Third Party Rights

Unless expressly provided to the contrary in this Exit Offer Letter and the Acceptance Forms, a person who is not a party to any contracts made pursuant to the Exit Offer, this Exit Offer Letter and the Acceptance Forms has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore, to enforce any term of such contracts. Notwithstanding any term herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

## 15.3 Valid Acceptances

The Offeror and OCBC Bank each reserves the right to treat acceptances of the Exit Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated herein or in the relevant Acceptance Forms, or if made otherwise than in accordance with the provisions herein and the instructions printed on the relevant Acceptance Forms.

## 15.4 Accidental Omission

Accidental omission to despatch this Exit Offer Letter, the Acceptance Forms or any notice or announcement required to be given under the terms of the Exit Offer or any failure to receive the same by any person to whom the Exit Offer is made or should be made shall not invalidate the Exit Offer in any way.

## 15.5 Independent Advice

OCBC Bank is acting for and on behalf of the Offeror and does not purport to advise the Shareholders and/or any other person. The OUEH Independent Financial Adviser has also similarly been appointed by OUEH to advise on whether or not the proposed acquisition by the Offeror of the Company by way of the Exit Offer is in the interests of the OUEH Shareholders. Accordingly, in preparing this Letter to Shareholders on behalf of the Offeror, neither OCBC Bank nor the OUEH Independent Financial Adviser has had regard to the general or specific investment objectives, tax positions, risk profiles, financial situation or particular needs and constraints of any Shareholder.

The advice of the Company IFA to the Independent Board Committee on the Exit Offer, and the recommendations of the Independent Board Committee on the Delisting and the Exit Offer, are available in the Circular. The advice of the OUEH Independent Financial Adviser is contained in **Appendix 6** to this Exit Offer Letter. Shareholders may wish to consider their views before taking any action in relation to the Exit Offer.

## 15.6 Additional General Information

Additional general information in relation to the Exit Offer is provided in **Appendix 5** to this Exit Offer Letter.

## **16. RESPONSIBILITY STATEMENT**

Each of the OUEH Directors and the Offeror Directors (including any who may have delegated supervision of this Exit Offer Letter) have taken all reasonable care to ensure the facts stated and all opinions expressed herein (other than those relating to the Company and any opinion expressed by the Company) are fair and accurate, and where appropriate, no material facts have been omitted, the omission of which would make any statement in this Exit Offer Letter misleading and they hereby collectively and individually accept full responsibility. Where information in this Exit Offer Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the OUEH Directors and the Offeror Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Exit Offer Letter in its proper form and context.

Issued by  
**OVERSEA-CHINESE BANKING CORPORATION LIMITED**

For and on behalf of  
**OUEH INVESTMENTS PTE. LTD.**

5 September 2023

**Any enquiries relating to the Exit Offer or this Exit Offer Letter should be directed from 9.00 a.m. to 5.00 p.m., Mondays to Fridays to OCBC Bank's helpline at +65 6530 1275.**

## PROCEDURES FOR ACCEPTANCE AND SETTLEMENT OF THE EXIT OFFER

### 1. THE EXIT OFFER

#### 1.1 Depositors

- (a) **Depositors whose Securities Accounts are credited with Offer Shares.** If you have Offer Shares standing to the credit of the “Free Balance” of your Securities Account, you should receive this Exit Offer Letter together with a FAA. If you do not receive a FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you are an Offer Shareholder, from CDP by submitting a request to CDP via phone (+65 6535 7511) during their operating hours or email services ([asksgx@sgx.com](mailto:asksgx@sgx.com)).

An electronic copy of the FAA may also be obtained on the website of the SGX-ST at <https://www.sgx.com>.

**Acceptance.** If you wish to accept the Exit Offer, you should:

- (i) complete the FAA in accordance with this Exit Offer Letter and the instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms and conditions of the Exit Offer). **In particular, you must indicate in Section C of the FAA or the relevant section in the electronic form of the FAA, the number of Offer Shares in respect of which you wish to accept the Exit Offer.** Please note that:

(A) if you:

- (1) do not specify such number; or
- (2) specify a number which exceeds the number of Offer Shares standing to the credit of the “Free Balance” of your Securities Account **on the Date of Receipt, or, in the case where the Date of Receipt is on the Closing Date, by 5.30 p.m. (Singapore time) on the Closing Date** (provided always that the Date of Receipt must fall on or before the Closing Date),

you shall be deemed to have accepted the Exit Offer in respect of all the Offer Shares standing to the credit of the “Free Balance” of your Securities Account **on the Date of Receipt or 5.30 p.m. (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date)**; and

- (B) if **paragraph 1.1(a)(i)(A)(2)** above applies and at the time of verification by CDP of the FAA on the Date of Receipt, there are outstanding settlement instructions with CDP to receive further Offer Shares into the “Free Balance” of your Securities Account (“**Unsettled Buy Position**”), and the Unsettled Buy Position settles such that the Offer Shares in the Unsettled Buy Position are transferred to the “Free Balance” of your Securities Account at any time during the period the Exit Offer is open, up to 5.30 p.m. (Singapore time) on the Closing Date (“**Settled Shares**”), you shall be deemed to have accepted the Exit Offer in respect of the balance number of Offer Shares inserted in Section C of the FAA or the relevant section of the electronic form of the FAA which have not yet been accepted pursuant to **paragraph 1.1(a)(i)(A)(2)** above, or the number of Settled Shares, whichever is less;

- (ii) if you are submitting the FAA in physical form, sign the FAA in accordance with this **Appendix 1** and the instructions printed on the FAA; and
- (iii) submit the completed FAA:
  - (A) **by post**, in the enclosed pre-addressed envelope at your own risk, to OUEH Investments Pte. Ltd. c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934; or
  - (B) **in electronic form**, via the SGX-ST's Investor Portal at [investors.sgx.com](http://investors.sgx.com) (in respect of individual and joint-alt account holders only). Depositors who are corporations or joint-and account holders cannot submit their FAA in electronic form and should sign the enclosed FAA per its/their signing mandate and where appropriate, affix its common seal to the FAA in accordance with its constitution or relevant constitutive documents,

**in either case so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date.** If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope which is pre-paid for posting. Proof of posting is not proof of receipt by the Offeror at the above address. If you submit the FAA in electronic form, you accept the risk of defects or delays caused by failure or interruption of electronic systems, and you agree to hold the Offeror, OCBC Bank and CDP harmless against any losses directly or indirectly caused by such failure or interruption of electronic systems.

If you have sold or transferred all your Offer Shares held through CDP, you need not forward this Exit Offer Letter and the accompanying FAA to the purchaser or transferee, as CDP will arrange for a separate Exit Offer Letter and FAA to be sent to the purchaser or transferee.

If you are a Depository Agent, you may accept the Exit Offer via Electronic Acceptance. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf and such Electronic Acceptances must be submitted **not later than 5.30 p.m. (Singapore time) on the Closing Date**. Such Electronic Acceptances submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Exit Offer Letter as if the FAA had been completed and delivered to CDP.

- (b) **Depositors whose Securities Accounts will be credited with Offer Shares.** If you have purchased Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the "Free Balance" of your Securities Account, you should also receive this Exit Offer Letter together with a FAA. If you do not receive a FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you are an Offer Shareholder, from CDP by submitting a request to CDP via phone (+65 6535 7511) during their operating hours or email services ([asksgx@sgx.com](mailto:asksgx@sgx.com)).

An electronic copy of the FAA may also be obtained on the website of the SGX-ST at <https://www.sgx.com>.

**Acceptance.** If you wish to accept the Exit Offer in respect of such Offer Shares, you should, **AFTER** the "Free Balance" of your Securities Account has been credited with such number of Offer Shares:

- (i) complete the FAA in accordance with **paragraph 1.1(a)** of this **Appendix 1** and the instructions printed on the FAA; and



(ii) submit the completed FAA:

(A) **by post**, in the enclosed pre-addressed envelope at your own risk, to OUEH Investments Pte. Ltd. c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934; or

(B) **in electronic form**, via the SGX-ST's Investor Portal at [investors.sgx.com](http://investors.sgx.com) (in respect of individual and joint-alt account holders only). Depositors who are corporations or joint-and account holders cannot submit their FAA in electronic form and should sign the enclosed FAA per its/their signing mandate and where appropriate, affix its common seal to the FAA in accordance with its constitution or relevant constitutive documents,

**in each case so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date.** If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope which is pre-paid for posting. Proof of posting is not proof of receipt by the Offeror at the above address. If you submit the FAA in electronic form, you accept the risk of defects or delays caused by failure or interruption of electronic systems, and you agree to hold the Offeror, OCBC Bank and CDP harmless against any losses directly or indirectly caused by such failure or interruption of electronic systems.

(c) **Depositors whose Securities Accounts are and will be credited with Offer Shares.** If you have Offer Shares credited to your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to your Securities Account, you may accept the Exit Offer in respect of the Offer Shares standing to the credit of the "Free Balance" of your Securities Account and may accept the Exit Offer in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account only **AFTER** the "Free Balance" of your Securities Account has been credited with such number of Offer Shares. The provisions and instructions set out above shall apply in the same way to your acceptance of the Exit Offer.

(d) **Rejection.** If upon receipt by CDP, on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been or will not be credited to the "Free Balance" of your Securities Account (as, for example, where you sell or have sold such Offer Shares), your acceptance is liable to be rejected. None of the Offeror, OCBC Bank or CDP accepts any responsibility or liability in relation to such a rejection, including the consequences thereof.

If you purchase Offer Shares on the SGX-ST on a date close to the Closing Date, your acceptance in respect of such Offer Shares is liable to be rejected if the "Free Balance" of your Securities Account is not credited with such Offer Shares by the Date of Receipt or 5.30 p.m. (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date), unless **paragraph 1.1(a)(i)(A)(2)** read together with **paragraph 1.1(a)(i)(B)** of this **Appendix 1** apply. If the Unsettled Buy Position does not settle by 5.30 p.m. on the Closing Date, your acceptance in respect of such Offer Shares will be rejected. None of the Offeror, OCBC Bank or CDP accepts any responsibility or liability in relation to such a rejection, including the consequences thereof.

(e) **FAAs received on Saturday, Sunday and public holidays.** For the avoidance of doubt, FAAs received by CDP on a Saturday, Sunday or public holiday in Singapore will only be processed and validated on the next Business Day.

- (f) **General.** No acknowledgement will be given by CDP for submissions of FAAs. All communications, notices, documents and payments to be delivered or sent to you will be sent by ordinary post at your own risk to your address as it appears in the records of CDP. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify the number in your Securities Account: (i) through CDP Online if you have registered for the CDP Internet Access Service; or (ii) through the CDP Phone Service using SMS OTP, under the option “To check your securities balance”.
- (g) **Blocked Balance.** Upon receipt of the FAA which is complete and valid in all respects, CDP will transfer the Offer Shares in respect of which you have accepted the Exit Offer from the “Free Balance” of your Securities Account to the “Blocked Balance” of your Securities Account. Such Offer Shares will be held in the “Blocked Balance” until the consideration for such Offer Shares has been despatched to you.
- (h) **Notification.** If you have accepted the Exit Offer in accordance with the provisions contained in this **Appendix 1** and the FAA, upon the Exit Offer becoming or being declared to be unconditional in all respects in accordance with its terms, CDP will send you a notification letter stating the number of Offer Shares debited from your Securities Account together with payment of the aggregate Exit Offer Price in respect of such Offer Shares which will be credited directly into your designated bank account for Singapore Dollars via CDP’s DCS on the payment date as soon as practicable and in any event:
- (i) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received **on or before** the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven (7) Business Days of that date; or
  - (ii) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received **after** the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, but before the Exit Offer closes, within seven (7) Business Days of the date of such receipt.

In the event you are not subscribed to CDP’s DCS, any monies to be paid shall be credited to your Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (“Cash Ledger” and “Cash Distribution” are as defined therein).

- (i) **Return of Offer Shares.** In the event the Exit Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, CDP will return the aggregate number of Offer Shares in respect of which you have accepted the Exit Offer and tendered for acceptance under the Exit Offer to the “Free Balance” of your Securities Account as soon as possible but in any event within 14 days from the lapse or withdrawal of the Exit Offer.
- (j) **No Securities Account.** If you do not have an existing Securities Account in your own name at the time of acceptance of the Exit Offer, your acceptance as contained in the FAA will be rejected.



## 1.2 Holders of Offer Shares in Scrip Form

- (a) **Offer Shareholders whose Offer Shares are not deposited with CDP.** If you hold Offer Shares which are not deposited with CDP (“**in scrip form**”), you should receive this Exit Offer Letter together with a FAT. If you do not receive a FAT, you may obtain a copy of such FAT, upon production of satisfactory evidence that you are an Offer Shareholder, from the Receiving Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at its office located at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632. An electronic copy of the FAT may also be obtained on the website of the SGX-ST at <https://www.sgx.com>.
- (b) **Acceptance.** If you wish to accept the Exit Offer, you should:
- (i) complete page 1 of the FAT in accordance with this Exit Offer Letter and the instructions printed on the FAT (which provisions and instructions shall be deemed to form part of the terms and conditions of the Exit Offer). **In particular, you must state in Part A of the FAT the number of Offer Shares in respect of which you wish to accept the Exit Offer and state in Part B of the FAT the share certificate number(s) of the relevant share certificate(s).** If you:
- (A) do not specify such number in **Part A** of the FAT; or
- (B) specify a number in **Part A** of the FAT which exceeds the number of Offer Shares represented by the share certificate(s) accompanying the FAT,
- you shall be deemed to have accepted the Exit Offer in respect of the total number of Offer Shares represented by the share certificate(s) accompanying the FAT;
- (ii) sign the FAT in accordance with this **paragraph 1.2** of this **Appendix 1** and the instructions printed on the FAT; and
- (iii) deliver:
- (A) the completed and signed FAT in its entirety (no part may be detached or otherwise mutilated);
- (B) the share certificate(s), other document(s) of title and/or other relevant document(s) required by the Offeror and/or the Receiving Agent relating to the Offer Shares in respect of which you wish to accept the Exit Offer. If you are recorded in the Register as holding Offer Shares but you do not have the relevant share certificate(s) relating to such Offer Shares, you, at your own risk, are required to procure the Company to issue such share certificate(s) in accordance with the Constitution of the Company and then deliver such share certificate(s) in accordance with the procedures set out in this Exit Offer Letter and the FAT;
- (C) where such Offer Shares are not registered in your name, a transfer form, duly executed by the person in whose name such share certificate(s) is/are registered and stamped, with the particulars of the transferee left blank (to be completed by the Offeror, or any person nominated in writing by the Offeror or a person authorised by either); and

(D) any other relevant document(s),

**by post**, in the enclosed pre-addressed envelope at your own risk, to OUEH Investments Pte. Ltd. c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632, **so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date**. Please use the enclosed pre-addressed envelope which is pre-paid for posting. Proof of posting is not proof of receipt by the Offeror at the above address. Settlement of the Exit Offer Price for such Offer Shares cannot be made until all relevant documents have been properly completed and delivered.

- (c) **No Acknowledgements.** No acknowledgement of receipt of any FAT, share certificate(s), other document(s) of title, transfer form(s) or any other accompanying document(s) will be given by the Offeror, OCBC Bank or the Receiving Agent.
- (d) **Risk of Posting.** All communications, certificates, notices, documents, payments and remittances to be delivered or sent to you (or your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first-named in the Register, as the case may be) will be sent by ordinary post to your respective addresses as they appear in the records of the Registrar (or for the purposes of payments only, to such address as may be specified in the FAT) at your sole risk.
- (e) **FATs received on Saturday, Sunday and public holidays.** For the avoidance of doubt, FATs received by the Offeror, OCBC Bank and/or the Receiving Agent on a Saturday, Sunday or public holiday in Singapore will only be processed and validated on the next Business Day.
- (f) **Return of Offer Shares.** In the event the Exit Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, the FAT, share certificate(s) and/or any other accompanying document(s) will be returned to you by ordinary post to the address stated in the FAT or if none is stated, to you (or in the case of joint Accepting Shareholders, to the one first named in the Register of Members of the Company) by ordinary post at the relevant address maintained in the Register of Members of the Company, at your own risk as soon as possible but in any event within 14 days from the lapse or withdrawal of the Exit Offer.

## 2. SETTLEMENT FOR THE EXIT OFFER

Subject to the Exit Offer becoming or being declared to be unconditional in all respects in accordance with its terms and to the receipt by the Offeror of valid acceptances and all relevant documents required by the Offeror which are complete and valid in all respects and in accordance with such requirements as may be stated in this Exit Offer Letter and the relevant FAA and/or FAT (as the case may be), including, without limitation, (in the case of an Offer Shareholder holding Offer Shares in scrip form) the receipt by the Offeror of share certificate(s) relating to the Offer Shares tendered by such Offer Shareholder in acceptance of the Exit Offer and (in the case of a Depositor) the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares tendered by such Depositor in acceptance of the Exit Offer are standing to the credit of the "Free Balance" of the Depositor's Securities Account at the relevant time, then pursuant to Rule 30 of the Code, remittances for the appropriate amounts will be despatched to Accepting Shareholders (or, in the case of Accepting Shareholders holding Offer Shares in scrip form, their designated agents, as they may direct) by means of (in the case of Depositors) credit directly into the Depositor's designated bank account for Singapore Dollars via CDP's DCS in the case of Depositors who are subscribed to CDP's DCS or in such other manner as the

Accepting Shareholders may have agreed with CDP for the payment of any cash distributions, or (in the case of scrip holders), a Singapore Dollar crossed cheque drawn on a bank in Singapore and sent by ordinary post to the address stated in the respective FATs, or, if none is set out, to the respective addresses maintained in the Register, at the risk of the Accepting Shareholders, as soon as practicable and in any event:

- (a) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received **on or before** the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven (7) Business Days of that date; or
- (b) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received **after** the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, but on or before the Closing Date, within seven (7) Business Days of the date of such receipt.

### 3. GENERAL

- 3.1 **Disclaimer.** The Offeror, OCBC Bank, CDP and/or the Receiving Agent will be authorised and entitled, in their sole and absolute discretion, to reject any acceptance of the Exit Offer through the FAA and/or the FAT, as the case may be, which is not entirely in order or which does not comply with the terms of this Exit Offer Letter and the relevant Acceptance Forms or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality, or invalid in any respect. If you wish to accept the Exit Offer, it is your responsibility to ensure that the relevant Acceptance Forms are properly completed and executed in all respects and submitted with original signature(s) and that all required documents (where applicable) are provided. Any decision to reject or treat as valid any acceptance of the Exit Offer through the FAA and/or the FAT, as the case may be, will be final and binding and none of the Offeror, OCBC Bank, CDP or the Receiving Agent accepts any responsibility or liability for such a decision, including the consequences of such a decision. CDP takes no responsibility for any decision made by the Offeror or OCBC Bank.
- 3.2 **Discretion.** The Offeror and OCBC Bank each reserves the right to treat acceptances of the Exit Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated in this Exit Offer Letter or in the FAA and the FAT, as the case may be, or if made otherwise than in accordance with the provisions of this Exit Offer Letter and the FAA and the FAT, as the case may be. Any decision to reject or treat such acceptances as valid will be final and binding and none of the Offeror, OCBC Bank, CDP and/or the Receiving Agent accepts any responsibility or liability for such a decision, including the consequences of such a decision.
- 3.3 **Scripless and Scrip Offer Shares.** If you hold some Offer Shares with CDP and others in scrip form, you should complete the FAA for the former and the FAT for the latter in accordance with the respective procedures set out in this **Appendix 1** and the respective Acceptance Forms if you wish to accept the Exit Offer in respect of such Offer Shares.
- 3.4 **Deposit Time.** If you hold the share certificate(s) of the Offer Shares beneficially owned by you and you wish to accept the Exit Offer in respect of such Offer Shares, you should not deposit your share certificate(s) with CDP during the period commencing on the date of this Exit Offer Letter and ending on the Closing Date (both dates inclusive). If you deposit your share certificate(s) in respect of the Offer Shares beneficially owned by you with CDP during this period, you may not have your respective Securities Accounts credited with the relevant number of Offer Shares in time for you to accept the Exit Offer. If you wish to accept the Exit Offer in respect of such Offer Shares, you should complete the FAT and follow the procedures set out in **Paragraph 1.2** of this **Appendix 1**.

- 3.5 **Correspondences.** All communications, certificates, notices, documents, payments and remittances to be delivered or sent to you (or, in the case of scrip holders, your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first named in the Register, as the case may be) will be sent by ordinary post to your respective addresses as they appear in the records of CDP or the Receiving Agent, as the case may be, at the risk of the person entitled thereto (or for the purposes of payments only, to such different name and addresses as may be specified by you in the FAT, at your own risk).
- 3.6 **Evidence of Title.** Delivery of the duly completed and signed FAA and/or the FAT, as the case may be, together with the relevant share certificate(s) and/or other document(s) of title and/or other relevant document(s) required by the Offeror, to the Offeror (or its nominee), CDP and/or the Receiving Agent, shall be conclusive evidence in favour of the Offeror (or its nominee), OCBC Bank, CDP and/or the Receiving Agent of the right and title of the person(s) signing it to deal with the same and with the Offer Shares to which it relates. The Offeror, OCBC Bank, CDP and/or the Receiving Agent shall be entitled to assume the accuracy of any information and/or documents submitted together with any FAA and/or the FAT, as the case may be, and shall not be required to verify or question the validity of the same.
- 3.7 **Loss in Transmission.** The Offeror, OCBC Bank, CDP and/or the Receiving Agent as the case may be, shall not be liable for any loss in transmission of the FAA and/or the FAT.
- 3.8 **Acceptances Irrevocable.** Your completion, execution and submission of the FAA and/or the FAT shall constitute your irrevocable acceptance of the Exit Offer, on the terms and subject to the conditions contained in this Exit Offer Letter and the FAA and/or the FAT. Except as expressly provided in this Exit Offer Letter and the Code, the acceptance of the Exit Offer made by you using the FAA and/or the FAT, as the case may be, shall be irrevocable and any instructions or subsequent FAA(s) and/or FAT(s) received by CDP and/or the Receiving Agent, as the case may be, after the FAA and/or FAT, as the case may be, has been received shall be disregarded.
- 3.9 **Personal Data Privacy.** You agree that none of the Offeror, OCBC Bank, CDP and/or the Receiving Agent shall be liable for any action or omission in respect of the FAA, the FAT and/or any information and/or documents submitted therewith. By completing and delivering a FAA and/or FAT, each person:
- (a) consents to the collection, use and disclosure of his personal data by the Receiving Agent, Securities Clearing and Computer Services (Pte) Ltd, CDP, SGX-ST, the Offeror, OCBC Bank and the Company (“**Relevant Persons**”) for the purpose of facilitating his acceptance of the Exit Offer, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines;
  - (b) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable laws, regulations and/or guidelines; and
  - (c) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

## ADDITIONAL INFORMATION ON THE OFFEROR

### 1. OFFEROR DIRECTORS

The names, addresses and descriptions of the Offeror Directors as at the Latest Practicable Date are set out below.

Name	Address	Designation
Yet Kum Meng	6 Shenton Way #10-10 OUE Downtown Singapore 068809	Director
Loh Chee Meng	6 Shenton Way #10-10 OUE Downtown Singapore 068809	Director

### 2. REGISTERED OFFICE

The registered office of the Offeror is at 6 Shenton Way, #10-10, OUE Downtown, Singapore 068809.

### 3. PRINCIPAL ACTIVITIES AND SHARE CAPITAL

The Offeror is a company incorporated in Singapore on 25 May 2023. The principal activity of the Offeror is investment holding. As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$1.00 comprising one (1) ordinary share.

### 4. SUMMARY OF FINANCIAL INFORMATION

As the Offeror was incorporated on 25 May 2023, no audited financial statements of the Offeror have been prepared to date.

Set out below is a summary of certain financial information extracted from the audited consolidated financial statements of the OUEH Group for FY2020, FY2021 and FY2022 and the unaudited condensed interim consolidated financial statements of the OUEH Group for 1H2023 (collectively, the “**OUEH Group Financial Statements**”). The financial information referred to in this paragraph should be read in conjunction with the OUEH Group Financial Statements, which are available for inspection at the registered office of the Registrar during normal business hours while the Exit Offer remains open for acceptance.

#### 4.1 Statement of Earnings

	FY2020 (Audited) (S\$'000) <sup>(1)</sup>	FY2021 (Audited) (S\$'000) <sup>(1)</sup>	FY2022 (Audited) (S\$'000) <sup>(1)</sup>	1H2023 (Unaudited) (S\$'000) <sup>(1)</sup>
Revenue income	19,980	19,665	119,796	78,687
Exceptional items	–	–	–	–
Profit/(Loss) before tax	(102,065)	108,277	49,735	27,502
Profit/(Loss) after tax for the year	(99,192)	110,949	32,496	18,550
Minority Interest	(466)	(429)	28,104	16,744

	<b>FY2020 (Audited) (S\$'000)<sup>(1)</sup></b>	<b>FY2021 (Audited) (S\$'000)<sup>(1)</sup></b>	<b>FY2022 (Audited) (S\$'000)<sup>(1)</sup></b>	<b>1H2023 (Unaudited) (S\$'000)<sup>(1)</sup></b>
Profit/(loss) attributable to owners	(98,726)	111,378	4,392	1,806
Earnings/(Loss) per share (cents) <sup>(2)</sup>				
– Basic	(2.22)	2.51	0.10	0.04
– Diluted	(2.22)	1.69	0.06	0.03
Net dividends per share (S\$)	–	–	–	–

**Notes:**

(1) Rounded to the nearest thousand.

(2) Rounded to the nearest two (2) decimal places.

#### 4.2 Statement of Assets and Liabilities

	<b>FY2022 (Audited) (S\$'000)<sup>(1)</sup></b>	<b>1H2023 (Unaudited) (S\$'000)<sup>(1)</sup></b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	8,201	10,120
Intangible assets and goodwill	30,785	30,778
Investment properties	1,145,343	1,150,746
Investment properties under development	52,283	49,994
Associate and joint ventures	70,550	74,144
Other investment	2,817	2,703
Trade and other receivables	3,358	3,211
Derivative financial instruments	1,248	1,560
<b>Total non-current assets</b>	<b>1,314,585</b>	<b>1,323,256</b>
<b>Current assets</b>		
Inventories	774	772
Trade and other receivables	20,350	27,542
Cash and cash equivalents	66,877	72,667
<b>Total current assets</b>	<b>88,001</b>	<b>100,981</b>
<b>Total assets</b>	<b>1,402,586</b>	<b>1,424,237</b>

	<b>FY2022</b> <b>(Audited)</b> <b>(S\$'000)<sup>(1)</sup></b>	<b>1H2023</b> <b>(Unaudited)</b> <b>(S\$'000)<sup>(1)</sup></b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	449,614	458,884
Trade and other payables	29,023	28,108
Lease liabilities	1,252	2,291
Deferred tax liabilities	51,772	51,693
Derivative financial instruments	–	121
<b>Total non-current liabilities</b>	<b>531,661</b>	<b>541,097</b>
<b>Current liabilities</b>		
Loan and borrowings	52,933	48,492
Trade and other payables	35,895	38,572
Provisions	20,724	20,232
Lease liabilities	1,024	2,116
Current tax liabilities	1,832	2,313
Derivative financial instruments	494	–
<b>Total current liabilities</b>	<b>112,902</b>	<b>111,725</b>
<b>Total liabilities</b>	<b>644,563</b>	<b>652,822</b>
<b>EQUITY</b>		
Share capital	418,913	418,913
Convertible perpetual securities	79,635	79,635
Capital reserve	4,203	4,203
Asset revaluation reserve	3,630	3,630
Foreign currency translation reserve	(39,517)	(37,390)
Fair value reserve	(25,920)	(26,079)
Accumulated losses	(142,210)	(141,383)
<b>Equity attributable to owners of the Company</b>	<b>298,734</b>	<b>301,529</b>
Non-controlling interests	459,289	469,886
<b>Total equity</b>	<b>758,023</b>	<b>771,415</b>
<b>Total liabilities and equity</b>	<b>1,402,586</b>	<b>1,424,237</b>

**Note:**

(1) Rounded to the nearest thousand.



## 5. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as a result of the making and financing of the Exit Offer and save for information on the OUEH Group which is publicly available (including without limitation, the annual report of OUEH for FY2022 which includes the audited consolidated financial statements of the OUEH Group for FY2022, the unaudited condensed interim consolidated financial statements of the OUEH Group for 1H2023 and other announcements released by OUEH on the SGXNET), there has been no known material change in the financial position of the Offeror since its incorporation and/or the OUEH Group since 31 December 2022, being the date of the last audited consolidated financial statements of the OUEH Group.

## 6. SIGNIFICANT ACCOUNTING POLICIES

The audited consolidated financial statements of the OUEH Group for FY2022 have been prepared in accordance with the Singapore Financial Reporting Standards (International). The significant accounting policies of the OUEH Group are set out in Note 4 to the audited consolidated financial statements of the OUEH Group for FY2022.

The OUEH Group reported a net profit of S\$32,496,000 for FY2022, and as at 31 December 2022, OUEH Group's net current liabilities amounted to S\$24,901,000. As stated in the audited consolidated financial statements of the OUEH Group for FY2022, "[n]otwithstanding the [OUEH] Group's net current liability position as at 31 December 2022, the financial statements have been prepared on a going concern basis because management, having assessed the sources of liquidity and funding available to the [OUEH] Group, believes that the [OUEH] Group can continue as a going concern for the foreseeable future. These include the projected net operating net operating cash inflows for the next 12 months and available cash reserves as at 31 December 2022 to finance the [OUEH] Group's working capital and day-to-day operation requirements."

A copy of the audited consolidated financial statements of the OUEH Group for FY2022 is available for inspection at the registered office of the Registrar during normal business hours while the Exit Offer remains open for acceptance and is also available on the website of the SGX-ST at <https://www.sgx.com>.

## 7. CHANGES IN ACCOUNTING POLICIES

As at the Latest Practicable Date, there has been no change in the accounting policies of the OUEH Group since 31 December 2022, being the date of the last audited consolidated financial statements of the OUEH Group, which will cause the figures set out in this **Appendix 2** to be not comparable to a material extent.

## DISCLOSURE OF HOLDINGS, DEALINGS AND OTHER ARRANGEMENTS

### 1. HOLDINGS IN COMPANY SECURITIES

As at the Latest Practicable Date, based on responses to enquiries that the Offeror has made, the holdings of the Offeror Concert Party Group in the Company Securities are set out below:

Name	Direct Interests		Deemed Interests		Total Interests	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Gentle Care Pte. Ltd. <sup>(2)</sup>	1,594,776,083	35.16	–	–	1,594,776,083	35.16
Valiant Leader Limited <sup>(3)</sup>	–	–	1,594,776,083	35.16	1,594,776,083	35.16
Tamsett Holdings Limited <sup>(4)</sup>	–	–	1,594,776,083	35.16	1,594,776,083	35.16
Continental Equity Inc. <sup>(5)</sup>	–	–	253,865,182	5.60	253,865,182	5.60
Rickon Holdings Limited <sup>(6)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
Lippo China Resources Limited <sup>(7)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
Skyscraper Realty Limited <sup>(8)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
Lippo Limited <sup>(9)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
Lippo Capital Limited <sup>(10)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
Lippo Capital Holdings Company Limited <sup>(11)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
Lippo Capital Group Limited <sup>(12)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
PT Trijaya Utama Mandiri <sup>(13)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
Dr. James Tjahaja Riady <sup>(14)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
Dr. Stephen Riady <sup>(15)</sup>	–	–	1,848,641,265	40.76	1,848,641,265	40.76
Mr. Abram Melkyzedeck Suhardiman <sup>(16)</sup>	68,918,900	1.52	–	–	68,918,900	1.52
Mr. Chen Yi Chung <sup>(17)</sup>	800,000	0.02	–	–	800,000	0.02

**Notes:**

- (1) Percentage figures are calculated based on the total number of issued Shares as at the Latest Practicable Date and rounded to the nearest two (2) decimal places.
- (2) Gentle Care Pte. Ltd. (“GC”) holds 1,270,169,892 Shares through its Central Depository (“CDP”) account and 324,606,191 Shares through OCBC Securities Private Limited (acting as nominee for GC).
- (3) Valiant Leader Limited (“VL”) is deemed to be interested in the Shares held by GC by virtue of it being the direct holding company of GC.
- (4) Tamsett Holdings Limited (“TH”) is deemed to be interested in the Shares held by GC by virtue of it being a direct holding company of VL and an indirect holding company of GC.
- (5) Continental Equity Inc. (“CEI”) is interested in 126,951,300 Shares held through OCBC Securities Private Limited (acting as nominee for CEI), and 126,913,882 Shares of the Company held through Citibank Nominees Singapore Pte Ltd for UBS AG Singapore Branch (acting as nominee for CEI).
- (6) Rickon Holdings Limited (“RH”) is deemed to be interested in the Shares held by CEI and GC by virtue of it being a direct holding company of CEI and an indirect holding company of GC.
- (7) Lippo China Resources Limited is deemed to be interested in the Shares held by CEI and GC by virtue of it being an indirect holding company of CEI and GC.
- (8) Skyscraper Realty Limited (“Skyscraper”) is deemed to be interested in the Shares held by CEI and GC by virtue of it being a direct holding company of LCR and an indirect holding company of CEI and GC.
- (9) Lippo Limited (“Lippo”) is deemed to be interested in the Shares held by CEI and GC by virtue of it being a direct holding company of Skyscraper and an indirect holding company of CEI and GC.
- (10) Lippo Capital Limited (“Lippo Capital”) is deemed to be interested in the Shares held by CEI and GC by virtue of it being a direct holding company of Lippo and an indirect holding company of CEI and GC.
- (11) Lippo Capital Holdings Company Limited (“LCH”) is deemed to be interested in the Shares held by Lippo Capital by virtue of it being a direct holding company of Lippo Capital and an indirect holding company of CEI and GC.
- (12) Lippo Capital Group Limited (“LCG”) is deemed to be interested in the Shares held by LCH by virtue of it being a direct holding company of LCH and an indirect holding company of CEI and GC.
- (13) PT Trijaya Utama Mandiri (“PTT”) holds more than 20% of the shares in Lippo Capital. Accordingly, PTT has a deemed interest in the Shares in which Lippo Capital has an interest.
- (14) Dr. James Tjahaja Riady (“Dr. James Riady”) effectively holds all the shares in PTT which holds more than 20% of the shares in Lippo Capital. Accordingly, Dr. James Riady has a deemed interest in the Shares in which Lippo Capital has an interest.
- (15) Dr. Stephen Riady (“Dr. Riady”) holds all the shares in LCG. Accordingly, Dr. Riady has a deemed interest in the Shares in which LCG has an interest.
- (16) Mr. Abram Melkyzedeck Suhardiman holds 42,179,700 Shares through his CDP account and 26,739,200 Shares through Philip Securities Pte Ltd (acting as nominee for Mr. Abram Melkyzedeck Suhardiman).
- (17) Mr. Chen Yi Chung is a director of subsidiaries of OUE Limited, the parent company of OUE Healthcare Limited, which in turn owns 100% of the Offeror, and is regarded to be a Concert Party of the Offeror.

**2. DEALINGS IN COMPANY SECURITIES**

As at the Latest Practicable Date, based on responses to enquiries that the Offeror has made, save as disclosed below, none of the Offeror and its Concert Parties has dealt for value in the Company Securities during the Relevant Period.

Name	Date	No. of Shares Acquired	No. of Shares Sold	Average Transaction Price per Share
Mr. Chen Yi Chung	3 July 2023	–	400,000	S\$0.046

## ADDITIONAL INFORMATION ON THE COMPANY

### 1. DIRECTORS

The names, addresses and designations of the directors of the Company as at the Latest Practicable Date are set out below:

Name	Address	Designation
Mr. Sin Boon Ann	10 Collyer Quay #10-01 Ocean Financial Centre Singapore 049315	Independent Chairman
Mr. Abram Melkyzedek Suhardiman	18 Nassim Hill #05-06 Singapore 258485	Executive Vice Chairman
Dr. Stephen Riady	50 Collyer Quay #18-01/02 OUE Bayfront Singapore 049321	Non-Independent Non-Executive Director
Mr. Anand Kumar	18 Rochalie Drive Singapore 248249	Non-Independent Non-Executive Director
Dr. Khor Chin Kee	14 Bee San Avenue Hong Kong Park Singapore 589968	Non-Independent Non-Executive Director
Mr. Chen Yeow Sin	11 Jansen Close Jansen View Singapore 548481	Lead Independent Director
Ms. Aliza Knox	110 Holland Avenue #02-04 Warner Court Singapore 278966	Independent Director

### 2. REGISTERED OFFICE

The registered office of the Company is at 6 Shenton Way, #10-09 OUE Downtown, Singapore 068809.

### 3. PRINCIPAL ACTIVITIES AND SHARE CAPITAL

The Company is incorporated in Singapore on 16 May 2007 and has been listed on the Catalist Board of the SGX-ST since 4 July 2008. The Group is a provider of private healthcare, with networks of clinics and medical centres in Singapore.

The Group offers medical services, including general practitioner and family medicine clinics, health screening, adult specialists, baby and child specialists, dental services and allied healthcare services. Its specialist healthcare services comprise paediatrics, orthopaedics, obstetrics, gynaecology, cardiology, gastroenterology, psychiatry, ophthalmology (eye), otorhinolaryngology (ear, nose and throat), general surgery and speech therapy.

As at the Latest Practicable Date, based on the latest information available to the Offeror, the Company has:

- (a) an issued and fully paid-up share capital of S\$277,630,000 comprising 4,535,571,100 Shares and the Company does not hold any treasury shares; and
- (b) there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.

#### **4. MATERIAL CHANGES IN FINANCIAL POSITION**

As at the Latest Practicable Date, save as disclosed in this Exit Offer Letter and save for information on the Group which is publicly available (including without limitation, the annual report of the Company for FY2022 which includes the audited consolidated financial statements of the Group for FY2022, the unaudited condensed interim financial statements of the Group for 1H2023 and other announcements released by the Company on the SGXNET), there has not been, within the knowledge of the Offeror, any material change in the financial position or prospects of the Company since 31 December 2022, being the date of the last audited consolidated financial statements of the Company laid before the Shareholders in general meeting.

## ADDITIONAL GENERAL INFORMATION

### 1. DISCLOSURE OF INTERESTS

#### 1.1 No Indemnity Arrangements

To the best knowledge of the Offeror Directors as at the Latest Practicable Date, save as otherwise disclosed in this Exit Offer Letter, neither the Offeror nor any of its Concert Parties has entered into any arrangement with any person of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Company Securities which may be an inducement to deal or refrain from dealing in the Company Securities.

#### 1.2 No Agreement having any Connection with or Dependence upon the Exit Offer

As at the Latest Practicable Date, save as otherwise disclosed in this Exit Offer Letter, there is no agreement, arrangement or understanding between (a) the Offeror Concert Party Group and (b) any of the current or recent directors of the Company or any of the current or recent Shareholders having any connection with or dependence upon the Exit Offer.

#### 1.3 No Payment or Benefit to the Directors of the Company

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or any director of a corporation deemed to be related to the Company by virtue of Section 6 of the Companies Act as compensation for loss of office or as consideration for or in connection with his retirement from office or otherwise in connection with the Exit Offer.

#### 1.4 Transfer of Offer Shares

As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any Shares acquired pursuant to the Exit Offer will be transferred to any other person. The Offeror, however, reserves the right to transfer any of the Offer Shares to any of its related corporations or for the purpose of granting security in favour of financial institutions which have extended or shall extend credit facilities to it.

#### 1.5 No Agreement Conditional upon Outcome of Exit Offer

As at the Latest Practicable Date, save as otherwise disclosed in this Exit Offer Letter, there is no agreement, arrangement or understanding between the Offeror and any of the directors of the Company or any other person in connection with or conditional upon the outcome of the Exit Offer or otherwise connected with the Exit Offer.

#### 1.6 Transfer Restrictions

The Constitution of the Company does not contain any restrictions on the right to transfer the Offer Shares, which has the effect of requiring the holders of the Offer Shares, before transferring them, to first offer them for purchase to Shareholders or to any other person.

## 1.7 **No Material Change in Information**

Save as disclosed in this Exit Offer Letter and save for the information relating to the Offeror and the Exit Offer that is publicly available, as far as the Offeror is aware, there has been no material change in any information previously published by or on behalf of the Offeror during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.

## 2. **GENERAL**

### 2.1 **Costs and Expenses**

All costs and expenses of or incidental to the Exit Offer including the preparation and circulation of this Exit Offer Letter, the Acceptance Forms (other than professional fees and other costs relating to the Exit Offer incurred or to be incurred by the Company) and stamp duty and transfer fees resulting from acceptances of the Exit Offer will be paid by the Offeror.

### 2.2 **Financial Adviser's Consent**

OCBC Bank, as the sole financial adviser to the Offeror in connection with the Delisting Proposal and the Exit Offer, has given and has not withdrawn its written consent to the issue of this Exit Offer Letter with the inclusion herein of its name and all references thereto in the form and context in which they appear in this Exit Offer Letter.

### 2.3 **OUEH Independent Financial Adviser's Consent**

SAC Capital Private Limited, as the OUEH Independent Financial Adviser, has given and has not withdrawn its written consent to the issue of this Exit Offer Letter with the inclusion herein of its name and all references thereto, the OUEH Independent Financial Adviser Letter as set out in **Appendix 6** to this Exit Offer Letter, and all references thereto, in the form and context in which they respectively appear in this Exit Offer Letter.

### 2.4 **Receiving Agent's Consent**

Boardroom Corporate & Advisory Services Pte. Ltd. has given and has not withdrawn its written consent to the issue of this Exit Offer Letter with the inclusion herein of its name and all references thereto in the form and context in which they appear in this Exit Offer Letter.

## 3. **MARKET QUOTATIONS**

### 3.1 **Closing Prices**

The closing price of the Shares on the SGX-ST (as reported by Bloomberg L.P.) on 28 June 2023 (being the last full market day on which there were trades in the Shares immediately preceding the Last Trading Day as no Shares were traded on the Last Trading Day) was S\$0.033 and on the Latest Practicable Date was S\$0.047.



The following table sets out the closing prices of the Shares on the SGX-ST (as reported by Bloomberg L.P.) on the last Market Day of each month on which there was trading in the Shares on the SGX-ST for each of the six (6) calendar months preceding the Joint Announcement Date.

	<b>Closing Price (S\$)</b>
28 June 2023	0.033
31 May 2023	0.033
28 April 2023	0.034
31 March 2023	0.032
28 February 2023	0.035
31 January 2023	0.037

### 3.2 Highest and Lowest Closing Prices

The highest and lowest closing prices of the Shares on the SGX-ST (as reported by Bloomberg L.P.) during the period commencing six (6) calendar months prior to the Joint Announcement Date and ending on the Latest Practicable Date, and their respective dates transacted are as follows:

	<b>Closing Price (S\$)</b>	<b>Date(s) transacted</b>
Highest closing price	0.047	22 August 2023, 17 August 2023, 16 August 2023, 15 August 2023, 14 August 2023, 7 August 2023, 4 August 2023, 3 August 2023, 31 July 2023, 26 July 2023, 25 July 2023, 19 July 2023, 7 July 2023
Lowest closing price	0.032	26 June 2023, 8 June 2023, 7 June 2023, 12 May 2023, 11 May 2023, 31 March 2023, 30 March 2023

## 4. ANNOUNCEMENTS

### 4.1 Timing and Contents

Pursuant to Rule 28.1 of the Code, by 8.00 a.m. (Singapore) time on the dealing day (the “**Relevant Day**”) immediately after the day on which the Exit Offer is due to expire, or becomes or is declared to be unconditional as to acceptances or is revised or extended (if applicable), the Offeror will announce and simultaneously inform the SGX-ST of the total number of Shares (as nearly as practicable):

- (a) for which valid acceptances of the Exit Offer have been received;
- (b) held by the Offeror and any of its Concert Parties before the offer period; and

- (c) acquired or agreed to be acquired by the Offeror and any of its Concert Parties during the offer period,

and will specify the percentages of the total number of Shares represented by such numbers.

#### 4.2 **Suspension**

Under Rule 28.2 of the Code, if the Offeror is unable, within the time limit, to comply with any of the requirements of **Paragraph 4.1** of this **Appendix 5**, the SIC will consider requesting the SGX-ST to suspend dealings in the Shares until the relevant information is given.

#### 4.3 **Valid Acceptances**

Subject to **Paragraph 15.3** of the Letter to Shareholders in this Exit Offer Letter, in computing the number of Offer Shares represented by acceptances received by the Offeror, the Offeror will, at the time of making an announcement, take into account acceptances which are valid in all respects.

Acceptances of the Exit Offer will only be treated as valid for the purposes of the Minimum Acceptance Condition if the relevant requirements of Note 2 on Rule 28.1 of the Code are met.

### 5. **DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Registrar at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632 during normal business hours for the period for which the Exit Offer remains open for acceptance:

- (a) the Constitution of the Offeror;
- (b) the Joint Announcement;
- (c) the letters of consent from OCBC Bank, the OUEH Independent Financial Adviser and the Receiving Agent referred to in **Paragraph 2** of this **Appendix 5**;
- (d) the OUEH Group Financial Statements; and
- (e) the Irrevocable Undertaking.

## OUEH INDEPENDENT FINANCIAL ADVISER LETTER

5 September 2023

To: The OUEH Board for the purpose of advising whether or not the proposed acquisition by the Offeror of the Company by way of the Exit Offer is in the interests of the OUEH Shareholders

Mr. Lee Yi Shyan	(Chairman and Non-Independent and Non-Executive Director)
Mr. Brian Riady	(Non-Independent and Non-Executive Director)
Mr. Tetsuya Fujimoto	(Non-Independent and Non-Executive Director)
Mr. Yet Kum Meng	(Chief Executive Officer and Executive Director)
Mr. Roger Tan Chade Phang	(Lead Independent and Non-Executive Director)
Mr. Eric Sho Kian Hin	(Independent and Non-Executive Director)
Mr. Jackson Tay Eng Kiat	(Independent and Non-Executive Director)
Ms. Usha Raneer Chandradas	(Independent and Non-Executive Director)

Dear Sirs,

### PROPOSED ACQUISITION BY OUEH INVESTMENTS PTE. LTD. BY WAY OF A CONDITIONAL EXIT OFFER FOR THE PROPOSED VOLUNTARY DELISTING OF HEALTHWAY MEDICAL CORPORATION LIMITED

*Unless otherwise defined or the context otherwise requires, all terms defined in the exit offer letter dated 5 September 2023 (the “Exit Offer Letter”) shall have the same meanings herein.*

#### 1. INTRODUCTION

On 3 July 2023 (the “**Joint Announcement Date**”), Healthway Medical Corporation Limited (the “**Company**”) and OUEH Investments Pte. Ltd. (the “**Offeror**”), a wholly-owned subsidiary of OUE Healthcare Limited (“**OUEH**”) jointly announced that, the Offeror has presented to the board of directors of the Company (the “**Board**”) a formal proposal (the “**Delisting Proposal**”) to seek the voluntary delisting of the Company (the “**Delisting**”) from the Official List of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) pursuant to Rules 1307 and 1308 of the SGX-ST Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”).

Under the Delisting Proposal, Oversea-Chinese Banking Corporation Limited (“**OCBC Bank**”) will make, for and on behalf of the Offeror, a conditional exit offer (the “**Exit Offer**”) in cash, at S\$0.048 per Offer Share (as defined below), to acquire all the issued and paid-up ordinary shares (“**Shares**”) in the capital of the Company (excluding treasury shares) other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (collectively, the “**Offeror Concert Party Group**”) as at the date of the Exit Offer (the “**Offer Shares**”).

The Exit Offer and the Delisting are conditional upon the Company having obtained approval from the shareholders of the Company (the “**Shareholders**”) for both: (a) the resolution to approve the Delisting (the “**Delisting Resolution**”); and (b) subject to and contingent upon the passing of the Delisting Resolution, the proposed amendments to the constitution of the Company (the “**Constitution**”) (the “**Proposed Constitution Amendments**”) on and with effect from the date of the Delisting (the “**Constitution Amendment Resolution**”) and together with the Delisting Resolution, the “**Proposed Offeree Resolutions**”).

Pursuant to Rule 7.2 of the Singapore Code on Take-overs and Mergers (the “**Code**”), the board of a Singapore-incorporated offeror must obtain competent independent advice when it faces a material conflict of interests. Note 2 of Rule 7.2 provides the possible scenarios where a “conflict of interests” exists, which include, *inter alia*, a situation where there are significant cross-shareholdings between the offeror and the offeree company.

As set out in section 12.2 of the Exit Offer Letter, Lippo Limited is a common substantial shareholder in both the Offeror and the Company as at the Latest Practicable Date, indirectly

holding an interest in approximately 70.36% and 40.76% of the issued share capital of the Offeror and the Company, respectively, which gives rise to a possible material conflict of interest as defined under Rule 7.2 of the Code.

Accordingly, OUEH has appointed SAC Capital Private Limited ("**SAC Capital**") as the independent financial adviser (the "**OUEH IFA**") to advise the board of directors of OUEH (the "**OUEH Board**") on whether or not the proposed acquisition by the Offeror of the Company by way of the Exit Offer (the "**Proposed Acquisition**") is in the interests of the shareholders of OUEH ("**OUEH Shareholders**").

## 2. OUR TERMS OF REFERENCE

We have been appointed as the OUEH IFA to the OUEH Board pursuant Rule 7.2 of the Code to advise the OUEH Board on whether or not the proposed acquisition by the Offeror of the Company by way of the Exit Offer is in the interests of the OUEH Shareholders.

We are not and were not involved in any aspect of the negotiations in relation to the Proposed Acquisition and/or the Exit Offer, or in the deliberations leading up to the decision by the Offeror to undertake the Proposed Acquisition and/or the Exit Offer. Accordingly, we do not, by this letter, warrant the merits of the Proposed Acquisition and/or the Exit Offer, other than to advise the OUEH Board on the terms of the Proposed Acquisition, by way of the Exit Offer, from a financial point of view.

We have not conducted a comprehensive independent review of the business, operations or financial condition of the Offeror, OUEH and/or the Company. We have not been provided with, nor do we have access to, any business plans or financial projections of the future performance of the Offeror, OUEH and/or the Company, for the purpose of our evaluation of the Proposed Acquisition, by way of the Exit Offer. Our evaluation is confined to the financial terms of the Proposed Acquisition, by way of the Exit Offer and it is not within our terms of reference to evaluate the strategic, legal or commercial merits or risks of the Proposed Acquisition and/or the Exit Offer or the future growth prospects or earnings potential of the Offeror, OUEH and/or the Company after the completion of the Proposed Acquisition and/or the Exit Offer. Accordingly, we do not express any view as to the future prices at which the shares of OUEH ("**OUEH Shares**"), and/or the Shares may trade or on the future financial performance of the Offeror, OUEH and/or the Company after the completion of the Proposed Acquisition and/or the Exit Offer.

We have not been requested or authorised to solicit, and we have not solicited, any indication of interest from any third party with respect to the Shares. It is also not within our terms of reference to compare the relative merits of the Proposed Acquisition and/or the Exit Offer *vis-à-vis* any alternative transaction that the Offeror, OUEH and/or Company may consider in the future, or any alternative offer that might otherwise be available in the future, and as such, we do not express an opinion thereon.

In the course of our evaluation of the financial terms of the Proposed Acquisition, by way of the Exit Offer, we have relied on, and assumed without independent verification, the accuracy and completeness of publicly available information relating to the Company. We have also held discussions with the board of directors of the Offeror ("**Offeror Board**"), OUEH Board and the management of OUEH ("**OUEH Management**") and have relied on the information and representations, whether written or verbal, provided to us by the Offeror Board, OUEH Board and the OUEH Management, including the information contained in the Exit Offer Letter. Each of the OUEH Directors and the Offeror Directors (including any who may have delegated supervision of the Exit Offer Letter) have taken all reasonable care to ensure the facts stated and all opinions expressed therein (other than those relating to the Company and any opinion expressed by the Company) are fair and accurate, and where appropriate, no material facts have been omitted, the omission of which would make any statement in the Exit Offer Letter or any information disclosed to us misleading. Where information in the Exit Offer Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the OUEH Directors and the Offeror Directors has been to ensure that such information has been accurately and correctly extracted from those sources

and/or reproduced in the Exit Offer Letter in its proper form and context. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or representations. We have, however, made reasonable enquiries and exercised our judgement (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on in our evaluation.

Save as disclosed, all information relating to the Offeror, OUEH and/or the Company that we have relied upon in arriving at our opinion and advice has been obtained from the Exit Offer Letter, publicly available information, the Offeror Board, the OUEH Board and/or the OUEH Management. We have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the Offeror, OUEH and/or the Company at any time or as at 22 August 2023 (the “**Latest Practicable Date**”). We have also not made any independent evaluation or appraisal of the assets and liabilities of the Offeror, OUEH and/or the Company and have not been furnished with any such evaluation or appraisals.

Our opinion and advice, as set out in this letter, are based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as at the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion and advice in the light of any subsequent development after the Latest Practicable Date that may affect our opinion and advice contained herein.

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any OUEH Shareholder or any specific group of OUEH Shareholders. We recommend that any individual OUEH Shareholder or specific group of OUEH Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

**Our opinion and advice contained herein should be considered in the context of the entirety of this letter and the Exit Offer Letter.**

OUEH has been separately advised by its own professional advisers in the preparation of the Exit Offer Letter (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Exit Offer Letter (other than this letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Exit Offer Letter (other than this letter).

### **3. INFORMATION ON THE OFFEROR AND OUEH**

The Offeror is a special purpose vehicle incorporated in Singapore on 25 May 2023 for the purposes of the Delisting Proposal and the Exit Offer with an issued and paid-up share capital of S\$1.00 comprising one (1) ordinary share. The Offeror Board comprise Mr. Yet Kum Meng, the Chief Executive Officer and Executive Director of OUEH, and Mr. Loh Chee Meng, the Group Finance Director of OUEH. The Offeror is a wholly-owned subsidiary of OUEH, which has been listed on the Catalist Board of the SGX-ST since 8 July 2013. OUEH is a regional healthcare group that owns, operates and invests in quality healthcare businesses in high-growth Asian markets.

As at the Latest Practicable Date, the OUEH Board are as follows:

- (a) Mr. Lee Yi Shyan (Chairman and Non-Independent and Non-Executive Director);
- (b) Mr. Brian Riady (Non-Independent and Non-Executive Director);
- (c) Mr. Tetsuya Fujimoto (Non-Independent and Non-Executive Director);
- (d) Mr. Yet Kum Meng (Chief Executive Officer and Executive Director);
- (e) Mr. Roger Tan Chade Phang (Lead Independent and Non-Executive Director);
- (f) Mr. Eric Sho Kian Hin (Independent and Non-Executive Director);
- (g) Mr. Jackson Tay Eng Kiat (Independent and Non-Executive Director); and
- (h) Ms. Usha Raneer Chandradas (Independent and Non-Executive Director).

OUEH is held by, amongst others:

- (a) OUE Limited, a company listed on the Mainboard of the SGX-ST, which indirectly holds approximately 70.36% of the total number of issued shares in OUEH, in which Dr. Stephen Riady is deemed interested pursuant to Section 4 of the Securities and Futures Act 2001 of Singapore; and
- (b) ITOCHU Corporation, a company listed on the Tokyo Stock Exchange, which indirectly holds approximately 19.32% of the total number of issued shares in the OUEH.

Additional information on the Offeror and the OUEH Group is set out in paragraph 4 and Appendix 2 of the Exit Offer Letter.

#### 4. INFORMATION ON THE COMPANY

The Company is a Singapore-incorporated company and has been listed on the Catalist Board of the SGX-ST since 4 July 2008. The Company and its subsidiaries (collectively, the "**Group**") is a private healthcare provider, with networks of clinics and medical centres in Singapore. The Group offers medical services, including general practitioner and family medicine clinics, health screening, adult specialists, baby and child specialists, dental services and allied healthcare services. Its specialist healthcare services comprise paediatrics, orthopaedics, obstetrics, gynaecology, cardiology, gastroenterology, psychiatry, ophthalmology (eye), otorhinolaryngology (ear, nose and throat), general surgery and speech therapy.

As at the Latest Practicable Date, the Board are as follows:

- (a) Mr. Sin Boon Ann (Independent Chairman);
- (b) Mr. Abram Melkyzedek Suhardiman (Executive Vice Chairman);
- (c) Dr. Stephen Riady (Non-Independent Non-Executive Director);
- (d) Mr. Anand Kumar (Non-Independent Non-Executive Director);
- (e) Dr. Khor Chin Kee (Non-Independent Non-Executive Director);
- (f) Mr. Chen Yeow Sin (Lead Independent Director); and
- (g) Ms. Aliza Knox (Independent Director).

As at the Latest Practicable Date:

- (a) the Company has an issued and fully paid-up share capital of S\$277,630,000, comprising 4,535,571,100 Shares and the Company does not hold any treasury shares; and
- (b) there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.

Additional information on the Company is set out in paragraph 5 and Appendix 4 of the Exit Offer Letter.

## **5. THE EXIT OFFER**

The detailed terms of the Exit Offer are set out in paragraph 2 of the Exit Offer Letter and Appendices 1 to 5 of the Exit Offer Letter. OUEH Shareholders are advised to refer to the Exit Offer Letter for further details on the Exit Offer and read the information carefully.

The key terms of the Exit Offer and the related matters are set out below.

### **5.1 Exit Offer Price**

The consideration for the Exit Offer payable by the Offeror for each Offer Share will be S\$0.048 in cash for each Offer Share (the "**Exit Offer Price**").

The Exit Offer Price shall be applicable to any number of Offer Shares that are tendered in acceptance of the Exit Offer. A Shareholder who validly accepts the Exit Offer will receive S\$0.048 in cash for each Offer Share tendered for acceptance under the Exit Offer.

### **5.2 Rights and Encumbrances**

The Offer Shares will be acquired:

- (a) fully paid;
- (b) free from all liens, equities, mortgages, charges, claims, pledges, encumbrances, options, powers of sale, declarations of trust, hypothecations, retention of title, rights of pre-emption, rights of first refusal, moratorium and/or other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing (collectively, the "**Encumbrances**"); and
- (c) together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital, if any, which may be announced, declared, paid or made thereon by the Company, on or after the Joint Announcement Date (collectively, the "**Entitlements**").

If any Entitlement is announced, declared, made or paid by the Company on or after the Joint Announcement Date, and the books closure date in respect of such Entitlement falls before the settlement date in respect of the Offer Shares tendered in acceptance of the Exit Offer, the Offeror reserves the right to reduce the Exit Offer Price for the relevant Offer Shares by the amount of such Entitlement.

### **5.3 Exit Offer Conditions**

The Exit Offer and the Delisting are conditional upon the Company having obtained Shareholders' approval for both of the Proposed Offeree Resolutions.



In the event either of the Proposed Offeree Resolutions is not approved at the extraordinary general meeting (the “**EGM**”), the Exit Offer will lapse and the Company will remain listed on the Official List of the Catalist Board of the SGX-ST.

#### **5.4 Minimum Acceptance Condition**

The Exit Offer and the Delisting will be conditional upon the Offeror having received, by the close of the Exit Offer, valid acceptances (which have not been validly withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group, will result in the Offeror Concert Party Group holding such number of Shares carrying more than 50% of the voting rights attributable to the total Shares outstanding as at the close of Exit Offer (the “**Minimum Acceptance Condition**”).

Accordingly, the Exit Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Exit Offer, unless at any time prior to the close of the Exit Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group, will result in the Offeror Concert Party Group holding such number of Shares carrying more than 50% of the voting rights attributable to the total Shares outstanding (excluding any Shares held in treasury).

#### **5.5 Acceptances**

Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of the Offer Shares. Shareholders may choose to accept the Exit Offer in respect of their Offer Shares before the EGM.

However, such acceptances would be subject to the Proposed Offeree Resolutions being approved at the EGM and satisfaction of the Minimum Acceptance Condition. The Offeror will only be bound to acquire these Offer Shares and pay the Exit Offer Price for these Offer Shares if the Proposed Offeree Resolutions are approved at the EGM and the Minimum Acceptance Condition is met.

Shareholders are to note that if either of the Proposed Offeree Resolutions is not approved at the EGM and/or the Minimum Acceptance Condition is not met, the conditions to the Delisting and the Exit Offer will not be fulfilled. In such an event, the Delisting will not proceed and the Company will remain listed on the Official List of the Catalist Board of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.

The Exit Offer will be open for acceptance by Shareholders for a period of at least 14 days after the date of the announcement of the Shareholders' Delisting Approval (if any) being obtained.

#### **5.6 Delisting**

The Delisting is conditional upon the SGX-ST agreeing to an application by the Company for the Delisting (the “**SGX-ST Approval**”). The Company will, through its sponsor, submit an application in respect of the Delisting to the SGX-ST in due course.

Shareholder should note that if the Proposed Offeree Resolutions are approved at the EGM and the Minimum Acceptance Condition is met, but for whatever reason, the SGX-ST Approval is not obtained, the Company will remain listed on the Official List of the SGX-ST and the following provisions in the Catalist Rules would remain relevant.

Pursuant to Rule 724(1) and Rule 1303(1) of the Catalist Rules, if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, notify its sponsor of that fact and announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Catalist Rules 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, to raise the percentage of Shares (excluding Shares

held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

## 6. EVALUATION OF THE PROPOSED ACQUISITION BY WAY OF THE EXIT OFFER

In our evaluation of the terms of the Proposed Acquisition, by way of the Exit Offer, we have taken into account the following factors which we consider to have a significant bearing on our assessment:

- (a) Rationale of the Delisting and the Exit Offer for OUEH;
- (b) Historical financial performance and position of the Company;
- (c) Net asset value (“NAV”) and net tangible assets (“NTA”) of the Group;
- (d) *Pro forma* financial effects of the Proposed Acquisition, by way of the Exit Offer, on the OUEH Group;
- (e) Market quotation and trading liquidity of the Shares;
- (f) Comparison of valuation statistics of companies broadly comparable to the Company;
- (g) Comparison with recent successful privatisation transactions and delisting offers of companies listed on the SGX-ST;
- (h) Comparison of valuation of OUEH Shares *vis-à-vis* the Shares implied by the Exit Offer; and
- (i) Other relevant considerations.

### 6.1 Rationale of the Delisting and the Exit Offer for OUEH

Information on the OUEH’s rationale for the Exit Offer is set out in paragraph 7.1 of the Exit Offer Letter are extracted and reproduced in italics below:

#### **“7. RATIONALE FOR THE DELISTING AND THE EXIT OFFER**

##### **7.1 Rationale for the Offeror**

- (a) ***Enhances OUEH’s regional healthcare ecosystem centred on Singapore’s renowned medical excellence***

*The Exit Offer is an opportunity for OUEH to strengthen its regional healthcare ecosystem with a strong foothold in the Singapore healthcare market. OUEH’s current regional healthcare ecosystem comprises a respiratory and cardiothoracic specialist group with 11 specialist doctors and two (2) cardiothoracic surgeons in Singapore, two (2) operating hospitals and one (1) hospital under development in China, three (3) hospitals, two (2) medical towers and three (3) primary care clinics in Myanmar as well as a controlling stake in First Real Estate Investment Trust.*

*The Company is a respected medical group with over 30 years of experience in Singapore’s healthcare. With over 100 clinics and medical centres in its network, the Company provides a comprehensive spectrum of services covering primary care, secondary care and ancillary care, which includes general practitioners and family medicine clinics, health screening, specialists, dental services and allied healthcare services. Its specialist healthcare services comprise paediatrics, orthopaedics, obstetrics, gynaecology, cardiology, gastroenterology, psychiatry, ophthalmology (eye),*

otorhinolaryngology (ear, nose and throat), general surgery and speech therapy.

*The Exit Offer will be an integral step for OUEH to strengthen its regional healthcare ecosystem, anchored on Singapore's high standards of medical excellence.*

**(b) Potential synergies between OUEH and the Company**

*The Exit Offer complements and is synergistic with OUEH's existing healthcare businesses in the region. The enlarged OUEH Group will serve as a collaborative regional platform for all its healthcare business verticals to grow, develop and scale their businesses in the region, including the Company.*

*It is a milestone step for OUEH in building an integrated and seamless regional healthcare ecosystem that is well-positioned to provide a comprehensive spectrum of healthcare services across preventive, interventive, diagnostics, treatment, aftercare and other ancillary healthcare services.*

*In addition, the Exit Offer will provide opportunities on cost savings through streamlining of operations and economies of scale.*

**(c) Unique opportunity to tap into Singapore's growing healthcare market**

*The Exit Offer will also enable OUEH to tap into the growing Singapore healthcare market, including the Healthier SG Initiative announced by the Singapore government, where the nation is moving towards a patient-centred preventive healthcare model following the COVID-19 pandemic. The national shift towards preventive care from reactive care will also drive healthcare innovations that will translate into new business opportunities for private healthcare players."*

**6.2 Historical Financial Performance of the Group**

The salient audited consolidated financial information of the Group for the financial years ended 31 December 2020, 2021 and 2022 ("FY2020", "FY2021" and "FY2022", respectively) and for the financial period ended 30 June 2022 and 2023 ("1H2022" and "1H2023", respectively) are set out in the sub-paragraphs below. The following summary financial information should be read in conjunction with the full text of the annual reports and results announcements of the Group in respect of the relevant financial periods including the notes thereto.

**6.2.1 Consolidated Statement of Profit or Loss and Other Comprehensive Income**

(S\$'000)	-----Audited-----			-----Unaudited-----	
	FY2020	FY2021	FY2022	1H2022	1H2023
Revenue	97,433	139,922	159,891	79,989	80,943
Other income	4,669	3,378	3,165	1,672	2,086
Expenses by nature					
- Cost of medical supplies, consumables and laboratory expenses	(19,035)	(27,296)	(27,600)	(13,986)	(13,253)
- Staff costs	(59,877)	(83,306)	(93,918)	(46,287)	(50,340)
- Depreciation of property, plant and equipment	(10,757)	(10,755)	(12,106)	(5,590)	(7,679)
- Amortisation of intangible assets	(26)	(135)	(599)	(267)	(26)

(S\$'000)	-----Audited-----			-----Unaudited-----	
	FY2020	FY2021	FY2022	1H2022	1H2023
- Rental expenses	(237)	(196)	(121)	(112)	(65)
- Reversal of/(provision for) impairment loss on trade and other receivables - net	(973)	(78)	126	66	(23)
- Finance expenses	(965)	(839)	(1,753)	(444)	(637)
- Other expenses	(7,473)	(10,169)	(12,604)	(6,172)	(6,537)
Total expenses	(99,343)	(132,774)	(148,575)	(72,792)	(78,560)
Share of loss of an associate	(239)	(300)	(300)	(185)	(204)
<b>Profit before taxation</b>	<b>2,520</b>	<b>10,226</b>	<b>14,181</b>	<b>8,684</b>	<b>4,265</b>
Income tax (expense)/credit	714	469	(1,878)	(1,208)	(379)
<b>Profit for the year</b>	<b>3,234</b>	<b>10,695</b>	<b>12,303</b>	<b>7,476</b>	<b>3,886</b>

Total profit for the year attributable to:

<b>Equity holders of the Company</b>	<b>3,234</b>	<b>10,769</b>	<b>12,513</b>	<b>7,565</b>	<b>3,742</b>
Non-controlling interests	-	(74)	(210)	(89)	144

Source: Annual reports for FY2020, FY2021 and FY2022 of the Group, unaudited financial statements for 1H2023 of the Group

The Group's principal business is segmented into two (2) key strategic business segments (i) Primary Healthcare segment: comprising family medicine, dentistry, healthcare benefit management and investment in strategic medical related business; and (ii) Specialist Healthcare segment: comprising paediatrics, orthopaedics, obstetrics and gynaecology and "Nobel" specialist comprising cardiology, gastroenterology, psychiatry, ophthalmology (eye), otorhinolaryngology (ear, nose and throat), general surgery and speech therapy.

The Group's operations are mainly in Singapore.

#### 6.2.1.1 FY2020 vs FY2021

The Group recorded revenue of S\$139.9 million for FY2021, an increase of approximately S\$42.5million or approximately 43.6%, against revenue of S\$97.4 million for FY2020.

The revenue growth of approximately S\$42.5 million in FY2021 was led by the increase in revenue of approximately S\$37.0 million from the Primary Healthcare segment, underpinned by recovery in patient volume from FY2020 and complemented by revenue from the COVID-19 vaccination centres, Polymerase Chain Reaction ("PCR") and serology testing and migrant worker dormitory projects. Additionally, the Group recorded an increase in revenue of approximately S\$5.5 million from the Specialist Healthcare segment driven by a rise in demand compared to FY2020 when non-essential medical services were suspended during the circuit breaker period in Singapore.

Other income decreased by approximately S\$1.3 million mainly due to lower rental and property tax rebates and various wage credits from the government compared to FY2020, partially offset by fair value gain of approximately S\$0.2 million on the derivative asset. Interest income decreased by approximately S\$0.1 million due to lower interest rates during FY2021.

Total operating costs increase from approximately S\$99.3 million in FY2021 to approximately S\$132.8 million in FY2022. The increase in operating costs of approximately S\$33.4 million was mainly due to: (i) increase in staff cost of approximately S\$23.4 million due to increase in manpower and remuneration for the staff in line with increase in revenue compared to FY2020; (ii) rise in cost of medical supplies, consumables and laboratory expenses by approximately S\$8.3 million; and (iii) increase in other operating expenses by approximately S\$2.7 million respectively; which was partially offset by the decrease in impairment loss on trade and other receivables by approximately S\$0.9 million upon reassessment of allowance for expected credit losses of trade and other receivables and improvement in collections.

Overall, the Group's net profit after income tax for FY2021 was approximately S\$10.7 million as compared to a net profit after income tax of approximately S\$3.2 million in FY2020. Profit attributable to shareholders of the Company increased by approximately S\$7.5 million or 233.0%, from approximately S\$3.2 million in FY2020 to approximately S\$10.8 million in FY2021.

#### 6.2.1.2 FY2021 vs FY2022

The Group recorded revenue of approximately S\$159.9 million in FY2022, representing an increase of approximately S\$20.0 million or approximately 14.3%, from approximately S\$139.9 million achieved in FY2021. The revenue growth can be attributed to increases in revenue contributions from both the Primary Healthcare and Specialist Healthcare segments.

The Primary Healthcare segment experienced an increase in patient volume in FY2022 since the easing of community and border measures, leading to an overall increase in revenue by approximately S\$13.9 million or approximately 15.9%, from approximately S\$87.5 million in FY2021 to approximately S\$101.4 million in FY2022. The Specialist Healthcare segment also experienced an increase in revenue by approximately S\$6.0 million or approximately 11.6% year-on-year, from approximately S\$52.4 million in FY2021 to approximately S\$58.5 million in FY2022, largely attributable to the increase in foreign patients with the easing of cross-border measures, as well as the setting up of new clinics and acquisition of new businesses.

Other income decreased by approximately S\$0.2 million due to lower government grants of approximately S\$0.5 million as compared to FY2021, and one-off gain from disposal of clinic in FY2021 of approximately S\$0.1 million. This was offset against a higher fair value gain of approximately S\$0.1 million and higher interest income of approximately S\$0.2 million as compared to FY2021.

Total operating costs increase from approximately S\$132.8 million in FY2022 to approximately S\$148.6 million in FY2023. The increase in operating costs by approximately S\$15.8 million in FY2022 was in accordance with higher revenue growth and mainly attributable to increases in: (i) staff costs of approximately S\$10.6 million due to increase in manpower and remuneration in line with revenue growth; (ii) costs of medical supplies, consumables and laboratory expenses of approximately S\$0.3 million marginally due to change in revenue mix compared to FY2021; (iii) depreciation of property, plant and equipment of approximately S\$1.4 million due to additions of property, plant and equipment amounting to approximately S\$20.7 million in the current financial year in line with revenue growth; (iv) other expenses of approximately S\$2.4 million which included expenses such as advertising fees, upkeep of equipment and utilities which was aligned to the increase in revenue; and (v) finance expenses of approximately S\$0.9 million in FY2022, arising from the higher interest expense on other payables to non-controlling interests of approximately S\$0.7 million and higher interest expense on lease liabilities of approximately S\$0.2 million due to lease renewal and new leases compared to FY2021.

Overall, the Group's net profit after income tax was approximately S\$12.3 million for FY2022 as compared to approximately S\$10.7 million for FY2021, representing an increase of approximately 15.0%. Profit attributable to shareholders of the Company increased by approximately S\$1.7 million or approximately 16.2%, from approximately S\$10.8 million in FY2021 to approximately S\$12.5 million in FY2022.

### 6.2.1.3 1H2022 vs 1H2023

The Group recorded revenue of approximately S\$80.9 million in 1H2023, representing an increase of approximately S\$1.0 million or approximately 1.2%, as compared to the revenue of approximately S\$80.0 million recorded in 1H2022. The revenue growth was contributed by increase in revenue of approximately S\$10.1 million from the Specialist Healthcare segment, offset by the decrease in revenue of approximately S\$9.2 million from the Primary Healthcare segment.

Revenue from the Primary Healthcare segment decreased from approximately S\$53.5 million in 1H2022 to approximately S\$44.4 million in 1H2023, representing a decrease of approximately S\$9.2 million or approximately 17.1%. As Singapore eases pandemic measures and enters an endemic COVID-19 new norm, there was no revenue contribution from COVID-19 PCR and serology testing projects during 1H2023 for the Primary Healthcare segment. Coupled with this change in revenue mix, the Primary Healthcare segment witnessed an increase in patient volume comprising organic growth and from the acquisition of general practitioner (“GP”) clinics as compared to 1H2022.

Revenue from the Specialist Healthcare segment increased from approximately S\$26.4 million in 1H2022 to approximately S\$36.6 million in 1H2023, representing an increase of approximately S\$10.1 million or approximately 38.3%. For the Specialist Healthcare segment, the growth in revenue is mainly due to increase in patient volume from organic growth, revenue contributed by new clinics set up in FY2022, as well as those from the subsidiaries acquired in 2H2022.

Other income increased by approximately S\$0.4 million mainly due to fair value gain from derivative assets and higher interest income due to increased interest rates.

Total operating costs increase from approximately S\$72.8 million in 1H2022 to approximately S\$78.6 million in 1H2023. The increase in operating costs of approximately S\$5.8 million was mainly due to increases in: (i) staff cost of approximately S\$4.1 million due to increase in manpower and remuneration for the staff due to change in revenue mix compared to 1H2022; (ii) depreciation of property, plant and equipment of approximately S\$2.1 million due to additions of property, plant and equipment amounting to approximately S\$12.6 million mainly arising from lease renewal and new leases; (iii) other expenses of approximately S\$0.4 million which included expenses such as advertising fees and upkeep of equipment and aligned to the increase in revenue; and (iv) finance expenses of approximately S\$0.2 million mainly due to lease renewal and new leases compared to 1H2022. The increase in operating costs was partially offset by marginal decrease in medical supplies, consumables and laboratory expenses by approximately S\$0.7 million due to change in revenue mix compared to 1H2022.

As a result of the above, the Group’s net profit after income tax in 1H2023 was approximately S\$3.9 million as compared to a net profit after income tax of approximately S\$7.5 million in 1H2022, representing a decrease of approximately S\$3.6 million or approximately 48.0%. Profit attributable to shareholders of the Company decreased by approximately S\$3.8 million or approximately 50.5%, from approximately S\$7.6 million in 1H2022 to approximately S\$3.7 million in 1H2023.



## 6.2.2 Consolidated Statement of Cash Flows

<b>(S\$'000)</b>	<b>Audited</b>			<b>Unaudited</b>	
	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>1H2022</b>	<b>1H2023</b>
Net cash flows generated from operating activities	14,732	21,750	26,520	16,608	6,416
Net cash flows (used in) investing activities	(1,449)	(5,085)	(9,824)	(915)	(4,231)
Net cash flows (used in) financing activities	(10,401)	(10,524)	(11,156)	(5,341)	(6,192)
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>2,882</b>	<b>6,141</b>	<b>5,540</b>	<b>10,352</b>	<b>(4,007)</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>26,736</b>	<b>32,877</b>	<b>38,417</b>	<b>43,229</b>	<b>34,410</b>

Source: Annual reports of the Group for FY2020, FY2021 and FY2022, unaudited financial statements for 1H2023 of the Group

The Group generated positive net cash flows from operating activities of S\$14.7 million, S\$21.8 million, S\$26.5 million, S\$16.6 million and S\$6.4 million for FY2020, FY2021, FY2022, 1H2022 and 1H2023 respectively.

### 6.2.2.1 FY2022

Net cash flows generated from operating activities for FY2022 amounted to S\$26.5 million as a result of operating cash inflow before changes in working capital of S\$28.4 million, adjusted for net working capital outflow of S\$1.6 million and income tax payment of S\$0.3 million.

Cash flow used in investing activities for FY2022 was S\$9.8 million, mainly due to purchase of property, plant, and equipment and intangible assets, payment of contingent consideration for acquisition of clinics and acquisitions of subsidiaries during the year.

Cash flow used in financing activities for FY2022 was S\$11.2 million, mainly due to repayment of secured borrowings, payment of lease liabilities and accretion of interest expenses, offset by proceeds from the dilution of subsidiaries' shares and receipt of loans from the subsidiaries' non-controlling interests.

As at 31 December 2023, the Group's financial position remained healthy with S\$38.4 million of cash and cash equivalent, net of fixed deposits pledged of S\$0.7 million.

### 6.2.2.2 1H2023

Net cash flows generated from operating activities for 1H2023 amounted to S\$6.4 million as a result of operating cash inflow before changes in working capital of S\$11.9 million, adjusted for net working capital outflow of S\$4.0 million and income tax payment of S\$1.5 million.

Cash flow used in investing activities for 1H2023 was S\$4.2 million, mainly due to purchase of property, plant, and equipment, intangible assets and payment for acquisition of businesses during the period.

Cash flow used in financing activities for 1H2023 was S\$6.2 million, mainly due to principal payment of lease liabilities, interest paid, repayment of other secured borrowings, offset by loans from non-controlling interests.

As at 30 June 2023, the Group's financial position remained healthy with S\$34.4 million of cash and cash equivalent, net of fixed deposits pledged of S\$0.8 million.



### 6.3 NAV and NTA of the Group

#### 6.3.1 Consolidated Statement of Financial Position of the Group

A summary of the financial position of the Group as at 30 June 2023 is set out as follows:

<b>(S\$'000)</b>	<b>Unaudited As at 30 June 2023</b>
<b>Current assets</b>	
Cash and bank balances	35,179
Trade and other receivables	24,513
Inventories	6,271
<b>Total current assets</b>	<b>65,963</b>
<b>Non-current assets</b>	
Trade and other receivables	2,565
Investment in an associate	926
Property, plant and equipment	35,452
Intangible assets	159,020
Derivative assets	1,251
Deferred income tax assets	1,734
<b>Total non-current assets</b>	<b>200,948</b>
<b>Total assets</b>	<b>266,911</b>
<b>Current liabilities</b>	
Trade and other payables	23,729
Current income tax liabilities	1,441
Borrowings	141
Lease liabilities	10,387
<b>Total current liabilities</b>	<b>35,698</b>
<b>Non-current liabilities</b>	
Trade and other payables	6,248
Borrowings	12
Lease liabilities	16,490
Provisions	2,316
Deferred income tax liabilities	962
<b>Total non-current liabilities</b>	<b>26,028</b>
<b>Total liabilities</b>	<b>61,726</b>
<b>Capital and reserves attributable to equity holders of the Company</b>	
Share capital	277,630
Other reserves	(4,058)
Accumulated losses	(69,871)
	<b>203,701</b>
Non-controlling interests	1,484
<b>Total equity</b>	<b>205,185</b>
<b>NAV of the Group</b>	<b>203,701</b>
Less: Intangible assets	159,020
<b>NTA of the Group</b>	<b>44,681</b>
Number of issued shares (excluding treasury shares) ('000)	4,535,571
<b>NAV per Share (S\$ cent)</b>	<b>4.49</b>
<b>NTA per Share (S\$ cent)</b>	<b>0.99</b>

Source: Unaudited financial statements for 1H2023 of the Group

##### 6.3.1.1 Assets

As at 30 June 2023, the Group has total assets of S\$266.9 million comprising current assets of S\$66.0 million (24.7% of total assets) and non-current assets of S\$200.9 million (75.3% of total assets).

The main current assets of the Group are (i) cash and cash equivalents of S\$35.2 million (53.3% of current assets) and (ii) trade and other receivables of S\$24.5 million (37.1% of current assets) as at 30 June 2023.

The main non-current assets of the Group are (i) intangible assets of S\$159.0 million (79.1% of non-current assets) and (ii) property, plant and equipment of S\$35.5 million (17.7% of non-current assets) as at 30 June 2023.

#### 6.3.1.2 Liabilities and equity

As at 30 June 2023, the Group has total liabilities of S\$61.7 million, mainly comprising total lease liabilities of S\$26.9 million (43.6% of total liabilities) and trade and other payables of S\$30.0 million (48.6% of total liabilities).

Total equity attributable to equity holders of the Company was S\$203.7 million as at 30 June 2023. Accordingly, the NAV of the Group as at 30 June 2023 was S\$203.7 million. After deducting intangible assets of S\$159.0 million, the NTA of the Group as at 30 June 2023 was S\$44.7 million.

#### 6.3.1.3 Working capital

As at 30 June 2023, the Group recorded positive working capital position of approximately S\$30.3 million, which translated to a current ratio (defined as current assets divided by current liabilities) was 1.8 times. As at 30 June 2023, cash and cash equivalents (including pledged fixed deposits) of the Group amounted to approximately S\$35.2 million.

The Group had also recorded positive working capital positions of S\$20.0 million, S\$26.8 million and S\$29.2 million as at 31 December 2020, 31 December 2021 and 31 December 2022 respectively.

#### 6.3.1.4 Gearing

As at 30 June 2023, the Group's gearing ratio (defined as total debt, consisting of the Group's debt and lease liabilities, divided by total equity attributable to equity holders of the Company) was at 13.3%. Excluding lease liabilities (i.e. considering only external debt and borrowings of the Group), the Group's gearing ratio was at 0.08% as at 30 June 2023.

#### 6.3.2 Book NAV/NTA of the Group

The NAV of a group refers to the aggregate value of all the assets in their existing condition, net of any non-controlling interests and all the liabilities of the group. The NAV approach may provide an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the proceeds of which would be first used to settle the liabilities of the group with the balance available for distribution to its shareholders. Therefore, the net assets of a group are perceived as providing support for the value of the shareholders' equity.

Notwithstanding the foregoing, OUEH Shareholders should note that an analysis based on the NAV of the Group provides an estimate of the value of the Group based on a hypothetical scenario, and such hypothetical scenario is assumed without considering factors such as, *inter alia*, time value of money, market conditions, legal and professional fees, liquidation costs, taxes, contractual obligations, regulatory requirements and availability of potential buyers, which would theoretically lower the NAV that can be realised. While the asset base of the Group can be a basis for valuation, such a valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may vary depending on prevailing market and economic conditions. Furthermore, the NAV approach is more relevant in circumstances where the business is to cease operations or where the profitability of the business being valued is not sufficient to sustain an earnings-based valuation.

Based on the financial statements of the Group as at 30 June 2023 and 4,535,571,100 Shares in issue as at 30 June 2023, the NAV of the Group amounted to approximately S\$203.7 million or S\$0.0449 per Share. We note that the Exit Offer Price represents a premium of

approximately 6.9% against the NAV per Share of S\$0.0449 as at 30 June 2023. Accordingly, the Price-to-NAV ("**P/NAV**") of the Group implied by the Exit Offer Price would be approximately 1.07 times as at 30 June 2023.

As set out in paragraph 6.3.1 of our letter above, we note that the Group has intangible assets amounting to S\$159.0 million, representing in aggregate approximately 59.6% of the Group's total assets as at 30 June 2023. Based on the Group's latest consolidated financial statements as at 30 June 2023 and 4,535,571,100 Shares in issue as at 30 June 2023, the NTA of the Group amounted to approximately S\$44.7 million or S\$0.0099 per Share. We further note that the Exit Offer Price represents a premium of approximately 387.2% against the NTA per Share of S\$0.0099 as at 30 June 2023. Accordingly, the Price-to-NTA ("**P/NTA**") of the Group implied by the Exit Offer Price would be approximately 4.87 times as at 30 June 2023.

#### 6.3.2.1 *Subsequent event after 1H2023 - Acquisition of subsidiaries and business*

The Company had on, 31 July 2023, announced that the Group had, through its wholly-owned subsidiaries, acquired the following subsidiaries and business:

- (a) a 60% stake in Urohealth Pte. Ltd., a provider of specialist urology services clinics in Singapore from unrelated third parties. Urohealth offers urology care in Singapore, including medical and surgical treatment for urological conditions;
- (b) an initial 49% stake in Lily Aw Medical Services Pte. Ltd., a general medical practice in Singapore from unrelated third parties, with a right to acquire the balance 51% stake subject to achievement of certain agreed milestones; and
- (c) an acquisition of the business of Friendship Clinic & Surgery Pte. Ltd., a general medical practice in Singapore from unrelated third parties.

The total consideration for the above-mentioned acquisitions is up to S\$10.6 million, payable in cash, a portion of which, for certain of the acquisitions, is subject to certain adjustments or is deferred subject to the achievement of certain milestones.

We noted that such acquisitions were announced after the Group's unaudited financial statements for 1H2023. We have considered, but have not taken into account the above-mentioned acquisitions into our assessment of the historical performance and position of the Group as (i) the Company had disclosed that the acquisitions, whether individually or in the aggregate, are not expected to have a material impact on the consolidated NAV or earnings of the Group for FY2023, (ii) the Company had disclosed that each acquisition falls below the 5.0% materiality threshold under Chapter 10 of the Catalist Rules, and (iii) we were not privy to the financials of the above-mentioned companies and publicly available financial information on these companies are limited.

6.3.2.2 In our evaluation, we have also considered whether there are any assets which should be revalued at an amount that is materially different from that which was recorded on the financial statements of the Group as at 30 June 2023 and whether there are any factors which have been otherwise disclosed in the financial statements of the Group that are likely to impact the NAV of the Group as at 30 June 2023.

Save as disclosed in paragraphs 6.2 and 6.3 of this letter, the Offeror Board and the OUEH Board have confirmed that as at the Latest Practicable Date and to the best of their knowledge and belief:

- (a) they are not aware of any material difference between the estimated market value of the assets held by the Group and its associates *vis-à-vis* their respective book values recorded in the audited statements of financial position of the Group as at 30 June 2023;
- (b) they are not aware of any circumstances which may cause the NAV and NTA of the Group as at the Latest Practicable Date to be materially different from that recorded in the latest announced consolidated statement of financial position of the Group as at 30 June 2023;

- (c) there have been no material disposals or acquisitions of assets by the Group between 30 June 2023 and the Latest Practicable Date, and the Group does not have any plans for such impending material disposal or acquisition of assets, conversion of the use of the Group's material assets or material change in the nature of the Group's business;
- (d) there are no indicators of impairment on the intangible assets that would require the Group to perform further impairment tests;
- (e) there are no contingent liabilities, bad or doubtful debts or impairment losses or material events at as the Latest Practicable Date which are likely to have a material impact on the NAV and NTA of the Group as at 30 June 2023;
- (f) there are no litigation, claim or proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings as at the Latest Practicable Date which would have a material impact on the financial position of the Group as at 30 June 2023; and
- (g) there are no other intangible assets as at the Latest Practicable Date which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore Financial Reporting Standards (International) and which have not been disclosed that would have a material impact on the NAV and NTA of the Group as at 30 June 2023.

### 6.3.3 Ex-cash NAV per Share

The Group recorded cash and cash equivalents of S\$35.2 million as at 30 June 2023. After deducting for current and non-current borrowings and lease liabilities, the Group would record a net cash position of S\$8.1 million (or net cash of \$0.002 per Share) as at 30 June 2023. The ex-cash NAV as at 30 June 2023 is S\$195.6 million. Based on the total number of 4,535,571,100 issued Shares (excluding treasury shares) as at the Latest Practicable Date, the ex-cash NAV per Share is S\$0.043.

We calculate the P/NAV on an ex-cash basis as follows:

	<b>As at 30 June 2023</b>
	<b>(S\$)</b>
Net cash per Share	0.002
Ex-cash Exit Offer Price	0.046
Ex-cash NAV per Share	0.043
Ex-cash P/NAV (times)	1.07

Based on the above, we note that the ex-cash Exit Offer Price represents a premium of approximately 7.0% against the ex-cash NAV per Share of S\$0.043 as at 30 June 2023. Accordingly, the ex-cash Price-to-NAV ("**Ex-cash P/NAV**") of the Group implied by the Exit Offer would be approximately 1.07 times as at 30 June 2023.

#### 6.3.4 Overall assessment of the Group's historical financial performance and position

Overall, we noted that the Group has a track record of profitability in FY2020, FY2021, FY2022 and 1H2023 (the “**Relevant Period**”). The Group has recorded profit attributable to the shareholders of the Company of S\$3.2 million, S\$10.8 million, S\$12.5 million, S\$7.6 million and S\$3.7 million in FY2020, FY2021, FY2022, 1H2022 and 1H2023 respectively. The Group also has a healthy track record of generating net cash flows from operating activities during the Relevant Period. The Group generated positive net cash flows from operating activities of S\$14.7 million, S\$21.8 million, S\$26.5 million, S\$16.6 million and S\$6.4 million for FY2020, FY2021, FY2022, 1H2022 and 1H2023 respectively. In addition, the Group had also recorded positive working capital positions of S\$20.0 million, S\$26.8 million and S\$29.2 million as at 31 December 2020, 31 December 2021 and 31 December 2022 respectively. As at 30 June 2023, the Group recorded positive working capital position of approximately S\$30.3 million, and its cash and cash equivalents (including pledged fixed deposits) amounted to approximately S\$35.2 million. As at 30 June 2023, the Group's gearing ratio was at 13.3%. Excluding lease liabilities, the Group's gearing ratio was at 0.08% as at 30 June 2023.

As set out in paragraph 6.2.1 of this letter, we noted that the Group had been profitable during the Relevant Period. We note however, that the Group's profit attributable to shareholders of the Company had decreased by approximately S\$3.8 million or approximately 50.5%, from approximately S\$7.6 million in 1H2022 to approximately S\$3.7 million in 1H2023, largely attributable to the increase in total operating costs in 1H2023 as explained in paragraph 6.2.1 of this letter. Despite the 1H2023 financial performance of the Group, we understand that the Offeror Board and OUEH Board, having considered the Group's historical financial performance and track record, the rationale for the Proposed Acquisition as set out in paragraph 7.1 of the Exit Offer Letter, which includes (i) enhancing and strengthening OUEH's regional healthcare ecosystem, (ii) realising potential synergies between OUEH and the Company; and (iii) enabling OUEH the unique opportunity to tap into Singapore's growing healthcare market, maintains the view that, on balance, the Proposed Acquisition of the Company continues to be in the long-term interest of the Offeror and OUEH.

#### 6.4 **Pro forma financial effects of the Proposed Acquisition, by way of the Exit Offer, on the OUEH Group**

The *pro forma* effects of the Exit Offer on the OUEH and its subsidiaries and associated companies (the “**OUEH Group**”) are set out in paragraph 8 of the announcement issued by OUEH dated 3 July 2023, which was made in compliance with Chapter 10 and Rules 704(33) and 728 of the Catalist Rules (“**Chapter 10 Announcement**”), are extracted below:

##### **“8. FINANCIAL EFFECTS OF THE EXIT OFFER**

*The pro forma financial effects of the Exit Offer on the OUEH Group as set out below are purely for illustrative purposes only and should not be taken as an indication of the actual future financial performance or position of the OUEH Group following the Exit Offer nor a projection of the future financial performance or position of the OUEH Group after completion of the Exit Offer.*

*The pro forma financial effects set out below have been prepared based on the latest audited consolidated financial statements of the OUEH Group and of the Group for FY2022, as well as the following bases and assumptions:*

- (a) *all the Offer Shares (other than the Offer Shares held by Gateway which are subject to the Irrevocable Undertaking and, for the avoidance of doubt, the Shares held by the Offeror Concert Party Group), representing approximately 30.36% of the total issued Shares, are tendered into the Exit Offer;*
- (b) *the Offeror will finance the Exit Offer through bank borrowings;*
- (c) *the transaction costs in connection with the Exit Offer are disregarded for purposes of computing the financial effects;*

- (d) the financial effects of the Exit Offer on the NTA per Share of the OUEH Group for FY2022 are computed assuming that the Exit Offer had been completed on 31 December 2022; and
- (e) the financial effects on the earnings per Share (“EPS”) of the OUEH Group for FY2022 are computed assuming that the Exit Offer had been completed on 1 January 2022.

### 8.1 Effects on NTA per Share

	As at 31 December 2022	
	Before the Exit Offer	After the Exit Offer
NTA <sup>(1)</sup> (S\$'000)	727,238	727,238
Number of Shares <sup>(2)</sup> ('000)	4,443,129	4,443,129
NTA <sup>(1)</sup> per Share (cents)	16.37	16.37

**Notes:**

- (1) NTA means total assets less the sum of total liabilities and intangible assets.
- (2) Based on the total number of Shares outstanding as at 31 December 2022, rounded to the nearest thousands.

### 8.2 Effects on EPS

	FY2022	
	Before the Exit Offer	After the Exit Offer
Profit after tax attributable to the shareholders of the Company (S\$'000)	4,392	4,490 <sup>(1)(2)</sup>
Weighted average number of Shares ('000)	4,443,129	4,443,129
Basic EPS (cents)	0.10	0.10
Diluted EPS (cents)	0.06	0.06

**Notes:**

- (1) Computed based on the aggregate profit after tax for FY2022 attributable to the approximately 30.36% shareholding in HMC.
- (2) Includes estimated financing expenses under the Facility (as defined below) attributable to the Exit Offer.”

## 6.5 Market Quotation and Trading Liquidity of the Shares

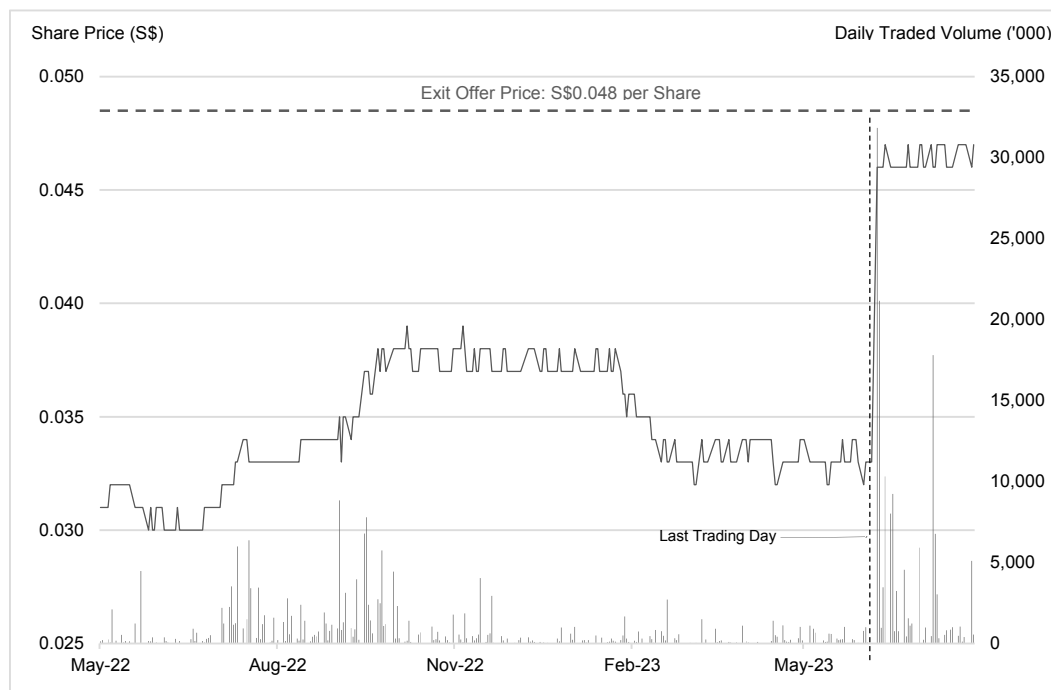
### 6.5.1 Share price benchmarks

On 3 July 2023 before trading hours, the Company and the Offeror released the Joint Announcement in relation to the Delisting and the Exit Offer. As such, we consider 30 June 2023 as the last full day of trading in the Shares on the Catalist Board of the SGX-ST immediately prior to the date of the Joint Announcement (the “**Last Trading Day**”). However, given that there were no Shares transacted on the Last Trading Day, any reference to the last transacted prices on the Last Trading Day will refer to the last transacted price on 28 June 2023.

For the purpose of our analysis of the trading performance of the Shares in respect of the Exit Offer, we have compared the Exit Offer Price against the historical market price performance of the Shares and considered the historical trading volume of the Shares for the 12-month period prior to the Last Trading Day, and up to the Latest Practicable Date (the “**Period Under Review**”).

## 6.5.2 Share price chart and trading liquidity during the Period Under Review

A graphical representation of the daily closing prices and daily trading volumes of the Shares for the Period Under Review is set out as follows:



Source: Bloomberg L.P.

A summary of the salient announcements and key events relating to the Group's business operations and the Exit Offer during the Period Under Review is as follows:

<b>Date</b>	<b>Event</b>
11 August 2022	Announcement on the unaudited interim financial results for the 6-month financial period ended 30 June 2022 ("1H2022")
28 February 2023	Announcement on the unaudited financial results for financial year ended 31 December 2022 ("FY2022")
7 March 2023	Announcement on the redesignation of Mr Abram Melkyzedeck Suhardiman from his existing role of Executive Director and Deputy Chief Executive Officer to the position of Executive Vice Chairman of the Group.  Announcement on the appointment of Mr Ong Hon Yuh as the Chief Operating Officer of the Group.
4 April 2023	Release of the annual report of the Company for FY2022.
27 April 2023	Announcement on the results of the annual general meeting of the Company for FY2022.
3 July 2023	Release of the Joint Announcement
31 July 2023	Announcement on the acquisition of three (3) companies / businesses from different and unrelated vendors
14 August 2023	Announcement on the unaudited interim financial results for the 6-month financial period ended 30 June 2023 ("1H2023")

Source: Company's announcements on SGX-ST



Additional information on the traded closing prices of the Shares, volume-weighted average prices (“**VWAP**”) and the average daily trading volumes (“**ADTV**”) for the reference period(s) (a) prior to and including the Last Trading Day; and (b) from the Joint Announcement Date up to the Latest Practicable Date are as shown below:

	Highest closing price <sup>(1)</sup>	Lowest closing price <sup>(1)</sup>	VWAP <sup>(1)</sup>	Premium of Exit Offer Price over VWAP	ADTV <sup>(2)</sup>	ADTV / Free Float <sup>(3)</sup>
	(S\$)	(S\$)	(S\$)	(%)	(Shares)	(%)
<b>Periods prior to and including the Last Trading Day</b>						
Last 12 months	0.039	0.030	0.035	37.1	726,518	0.05
Last 6 months	0.038	0.032	0.034	41.2	298,862	0.02
Last 3 months	0.034	0.032	0.033	45.5	309,581	0.02
Last 1 month	0.034	0.032	0.033	45.5	362,695	0.03
Last Trading Day <sup>(4)</sup>	0.033	0.033	0.033	45.5	63,200	0.00
<b>Period from the Joint Announcement Date and up to the Latest Practicable Date</b>						
Period between and including 3 July 2023 and up to the Latest Practicable Date	0.047	0.046	0.046	4.3	4,029,111	0.29
Latest Practicable Date	0.047	0.047	0.047	2.1	548,600	0.04

Sources: *Bloomberg L.P. and SAC Capital's calculations*

**Notes:**

- (1) Based on data extracted from Bloomberg L.P. and with the figures rounded to the nearest three (3) decimal places.
- (2) The ADTV of the Shares is calculated based on the total volume of Shares traded divided by the number of Market Days during the relevant periods. “**Market Day**” refers to a day on which the SGX-ST is open for the trading of securities.
- (3) For the purpose of computing the ADTV as a percentage of free float, we have used the free float of approximately 1,374 million Shares based on the free float of 30.29% as disclosed in the annual report of the Group for FY2022.
- (4) Based on the last closing price and ADTV on 28 June 2023 as there were no Shares transacted on the Last Trading Day.

We note the following with regards to the Share prices and the ADTV of the Shares:

Periods prior to and including the Last Trading Day

- (a) during the 12-month period up to and including the Last Trading Day, the closing prices of the Shares ranged between a low of S\$0.030 and a high of S\$0.039. The Exit Offer Price represents: (i) a premium of 60.0% over the lowest closing price of the Shares; and (ii) a premium of 23.1% over the highest closing price of the Shares, during the 12-month period up to and including the Last Trading Day;
- (b) the Exit Offer Price represents a premium of approximately 37.1%, 41.2%, 45.5% and 45.5% over the VWAP of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day respectively;
- (c) the Exit Offer Price represents a premium of approximately 45.5% over the closing price of the Shares of S\$0.033 on the Last Trading Day; and
- (d) the trading liquidity of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day has been low with an ADTV of between 0.00% and 0.05% of the free float of the Group.

Period from the Joint Announcement Date and up to the Latest Practicable Date

- (a) the Exit Offer Price represents a premium of approximately 4.3% to the VWAP of the Shares for the period from 3 July 2023 and up to the Latest Practicable Date;
- (b) the Exit Offer Price represents a premium of approximately 2.1% over the closing price of the Shares of S\$0.047 on the Latest Practicable Date; and
- (c) the ADTV of the Shares as a percentage of the free float was approximately 0.29% for the period from 3 July 2023 and up to the Latest Practicable Date.

Based on the above observations, we note that the trading volume and closing prices of the Shares were relatively higher after the Joint Announcement Date. We believe that the general upward trend is likely supported by the Exit Offer subsequent to the Joint Announcement. OUEH Shareholders should note that there is no assurance that the closing price of the Shares would remain at current level prevailing as at the Latest Practicable Date after the close of the Exit Offer. OUEH Shareholders should note that the past trading performance of the Shares should not in any way be relied upon as an indication or a guarantee of its future trading performance, which will depend on, amongst other factors, the performance and prospects of the Company, prevailing economic conditions, economic outlook, stock market conditions and sentiment.

## 6.6 Comparison of Valuation Statistics of Companies Broadly Comparable to the Group

In assessing the financial terms of the Exit Offer, we have used the following valuation parameters in our analysis:

<u>Valuation parameter</u>	<u>Description</u>
Price-earnings ratio (" <b>PER</b> ")	<p>The historical PER, which illustrates the ratio of the market price of a company's shares relative to its historical consolidated earnings per share, is commonly used for the purpose of illustrating the profitability, and hence valuation, of a company.</p> <p>We have considered the historical PERs of the Comparable Companies (as defined below) based on their respective last transacted prices on the Latest Practicable Date and trailing 12 months earnings per share <i>vis-à-vis</i> the corresponding historical PER of the Group based on the Exit Offer and the trailing 12 months ("<b>T12M</b>") earnings per share (if applicable).</p>
Price-to-NAV ratio (" <b>P/NAV</b> ") or Price-to-NTA ratio (" <b>P/NTA</b> ")	<p>A NAV/NTA-based approach is useful to illustrate the extent that the value of each share is backed by assets and would be more relevant in the case where the group were to change the nature of its business or realise or convert the use of all or most of its assets. The NAV/NTA-based valuation approach may provide an estimate of the value of a company or group assuming the hypothetical sale of all its assets over a reasonable period of time at the aggregate value of the assets used in the computation of the NAV/NTA, with the balance to be distributed to its shareholders after the settlement of all the liabilities and obligations of the company or group.</p>

Valuation parameter	Description
	<p>We have considered the historical P/NAV and P/NTA ratios of the Comparable Companies (as defined below) based on their respective last transacted prices on the Latest Practicable Date and latest announced NAV and NTA per share as at the end of the relevant financial year/period (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the NAV and NTA per share, where relevant), <i>vis-à-vis</i> the corresponding historical P/NAV and P/NTA ratio of the Group based on the Exit Offer and the latest announced NAV and NTA per Share of the Group as at the end of the relevant financial year/period (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the NAV and NTA per share, where relevant).</p>
Enterprise value to EBITDA ratio (“ <b>EV/EBITDA</b> ”)	<p>The historical EV/EBITDA ratio illustrates the ratio of the market value of a company’s business relative to its historical consolidated pre-tax operating cashflow performance, without regard to its capital structure, and provides an indication of current market valuation relative to operating performance. “EV” is the sum of a company’s market capitalisation, preferred equity, minority interests, short- and long-term debts and lease liabilities less cash and cash equivalents and represents the actual cost to acquire the entire company. “EBITDA” refers to historical consolidated earnings before interest, tax, depreciation and amortisation expenses. EBITDA can be used to analyse the profitability between companies as it eliminates the effects of financing and accounting decisions.</p> <p>We have considered the historical EV/EBITDA ratios of the Comparable Companies (as defined below) based on their respective last transacted prices on the Latest Practicable Date, latest available balance sheet values (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the EV, where relevant) and trailing 12 months EBITDA <i>vis-à-vis</i> the corresponding historical EV/EBITDA ratio of the Group based on the Exit offer and the trailing 12 months EBITDA of the Group.</p>

In considering what may be regarded as a reasonable range of valuation for the purpose of assessing the financial terms of the Exit Offer, we have referred to selected listed companies on the SGX-ST which business activities are broadly comparable with those of the Group to give an indication of the current market expectations with regard to the perceived valuation of these businesses.

The Company is a Singapore-incorporated company and has been listed on the Catalist of the SGX-ST since 4 July 2008. As set out in paragraph 5 of the Exit Offer Letter, the Group is a private healthcare provider, with networks of clinics and medical centres in Singapore. The Group offers medical services, including general practitioner and family medicine clinics, health screening, adult specialists, baby and child specialists, dental services, and allied healthcare services.

Based on the above, we have shortlisted the following healthcare companies listed on the SGX-ST for a preliminary assessment:

S\$' million	Market Capitalisation <sup>(1)</sup>	-----Revenue -----			Profit attributable to equity holders-----		
		Prior FY	Latest FY	T12M	Prior FY	Latest FY	T12M
Talkmed Group Limited <sup>(2)</sup>	529.8	60.7	76.6	81.9	25.1	30.5	32.7
Q & M Dental Group (Singapore) Limited <sup>(2)</sup>	274.5	205.6	181.2	177.4	30.5	11.3	6.8
ISEC Healthcare Ltd. <sup>(2)</sup>	232.4	40.5	63.0	69.4	6.9	12.5	13.2
HC Surgical Specialists Limited <sup>(3)</sup>	54.3	19.3	19.1	19.1	6.4	2.8	2.8
Singapore Paincare Holdings Limited <sup>(4)</sup>	31.8	11.0	18.8	21.5	2.2	3.9	2.4
Alliance Healthcare Group Limited <sup>(4)</sup>	30.9	46.4	54.8	55.1	1.5	3.1	3.3
Livingstone Health Holdings Limited <sup>(5)</sup>	21.8	34.1	32.9	32.9	3.0	0.7	0.7
Clearbridge Health Limited <sup>(2)</sup>	14.2	11.4	16.4	13.0	(16.4)	(12.5)	(5.6)
AsiaMedic Limited <sup>(2)</sup>	12.3	18.3	18.9	21.1	0.7	2.2	2.6
<b>Company</b>	<b>217.7</b>	<b>139.9</b>	<b>159.9</b>	<b>160.8</b>	<b>10.8</b>	<b>12.5</b>	<b>8.7</b>

**Notes:**

- (1) Based on last traded prices of the respective companies as at the Latest Practicable Date.
- (2) Latest FY refers to the financial year ended 31 December 2022, and Prior FY refers to the financial year ended 31 December 2021.
- (3) Latest FY refers to the financial year ended 31 May 2023, and Prior FY refers to the financial year ended 31 May 2022.
- (4) Latest FY refers to the financial year ended 30 June 2022, and Prior FY refers to the financial year ended 30 June 2021.
- (5) Latest FY refers to the financial year ended 31 March 2023, and Prior FY refers to the financial year ended 31 March 2022.

We note that the market capitalisation of the Company implied by the Exit Offer is approximately S\$217.7 million. The Group recorded revenue of approximately S\$139.9 million, S\$159.9 million and S\$160.8 million in FY2021, FY2022 and the T12M period respectively. In addition, profit attributable to equity holders of the Company was approximately S\$10.8 million, S\$12.5 million and S\$8.7 million in FY2021, FY2022 and the T12M period respectively. Based on the above, we note that most of the shortlisted healthcare companies, in terms of market capitalisation and latest revenue and profit attributable to shareholders, were relatively smaller than the Group.

Based on the foregoing, we have held discussions with the OUEH Management about the suitability and reasonableness of the shortlisted healthcare companies above and have selected the following companies whose size and scale are more comparable to the Group (the “**Comparable Companies**”), to get an indication of the current market expectations with regard to the perceived valuation of the Group:

- (a) Talkmed Group Limited;
- (b) Q & M Dental Group (Singapore) Limited; and
- (c) ISEC Healthcare Ltd.

Details on the Comparable Companies, including their business descriptions and selected key financial and valuation statistics, are set out below and in Annex A to this letter.

We wish to highlight that the Comparable Companies are not exhaustive and there is no listed company or group which may be considered identical to the Group in terms of, *inter alia*, business activities, market capitalisation, scale of operations, risk profile, geographical spread, operating and financial leverage, accounting policies, adherence to accounting standards, tax factors, track record and future prospects. In addition, each of the Comparable Companies may engage in other separate business activities which are not related to the principal business of the Group. As such, any comparison made herein is strictly limited in scope and merely serves as an illustrative guide to OUEH Shareholders.

#### Comparative valuation statistics of the Comparable Companies vis-à-vis the Group

The following table sets out the comparative valuation statistics of the Comparable Companies vis-à-vis the Group as implied by the Exit Offer:

<b>Comparable Companies</b>	<b>Market Capitalisation<sup>(1)</sup> (S\$' million)</b>	<b>Historical PER<sup>(2)</sup> (times)</b>	<b>Historical EV/EBITDA ratio<sup>(2)</sup> (times)</b>	<b>Historical P/NAV ratio (times)</b>	<b>Historical P/NTA ratio (times)</b>
Talkmed Group Limited	529.8	16.19	11.64	6.36	6.36
Q & M Dental Group (Singapore) Limited	274.5	40.31	12.04	2.88	8.08
ISEC Healthcare Ltd.	232.4	17.6	10.59	2.97	9.30
<b>High</b>		<b>40.31</b>	<b>12.04</b>	<b>6.36</b>	<b>9.30</b>
<b>Mean</b>		<b>24.70</b>	<b>11.42</b>	<b>4.07</b>	<b>7.91</b>
<b>Median</b>		<b>17.60</b>	<b>11.64</b>	<b>2.97</b>	<b>8.08</b>
<b>Low</b>		<b>16.19</b>	<b>10.59</b>	<b>2.88</b>	<b>6.36</b>
<b>Company (Implied by the Exit Offer)<sup>(3)</sup></b>	<b>217.7</b>	<b>25.05</b>	<b>8.32</b>	<b>1.07</b>	<b>4.87</b>

Sources: Bloomberg L.P., annual reports and/or announcements of the respective Comparable Companies and SAC Capital's computations

#### **Notes:**

- (1) Based on last traded prices of the respective companies as at the Latest Practicable Date.
- (2) Based on latest available trailing 12 months or full year revenue/profits attributable to equity holders as announced by the respective Comparable Companies.
- (3) Based on 4,535,571,100 Shares in issue as at the Latest Practicable Date.

#### Historical PER comparison

We note that the historical PER of 25.05 times of the Group as implied by the Exit Offer Price is:

- (a) within the range of PER of Comparable Companies between 16.19 times and 40.31 times; and
- (b) above the corresponding mean and median historical PER of the Comparable Companies of 24.70 times and 17.60 times respectively.

#### Historical EV/EBITDA ratio comparison

We note that the historical EV/EBITDA ratio of 8.32 times of the Group as implied by the Exit Offer Price is below the range of historical EV/EBITDA ratios of the Comparable Companies of between 10.59 times and 12.04 times.

#### Historical P/NAV ratio comparison

We note that the historical P/NAV ratio of 1.07 times of the Group as implied by the Exit Offer Price is below the range of historical P/NAV ratios of the Comparable Companies of between 2.88 times and 6.36 times.

#### Historical P/NTA ratio comparison

We note that the historical P/NTA ratio of 4.87 times of the Group as implied by the Exit Offer Price is below the range of historical P/NTA ratios of the Comparable Companies of between 6.36 times and 9.30 times.

### **6.7 Comparison with Recent Successful Privatisation Transactions and Delisting Offers of Companies Listed on the SGX-ST**

In assessing the Proposed Acquisition, we have compared the financial terms of the Exit Offer with: (a) selected recent successful privatisation transactions in cash announced on the SGX-ST during the 12-month period prior to the Joint Announcement Date, whether by way of a general offer under the Code, a scheme of arrangement under Section 210 of the Companies Act, where the offeror has stated its intention to delist the target company from the Official List of the SGX-ST; and (b) selected recent completed delisting cash offers under Rule 1307 of the Listing Manual announced during the 12-month period prior to the Joint Announcement Date (collectively, the “**Take-over Transactions**”).

This analysis serves as a general indication of the relevant premium/discount that the offerors had paid in order to acquire the target companies without having regard to their specific industry characteristics or other considerations, and the comparison sets out:

- (a) the premium or discount represented by each of the respective offer prices to the last transacted prices and VWAPs over the 1-month, 3-month, 6-month and 12-month periods prior to the announcement of the Take-over Transactions; and
- (b) the premium or discount represented by each of the respective offer prices to the NAV/NTA of the respective target companies, where applicable. As some of the Take-over Transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their last announced book values, we have also, where relevant, compared the financial terms of such offer transactions with the revalued NAV (or revalued NTA where applicable) and/or adjusted NAV (or adjusted NTA where applicable) of the Take-over Transaction.

We wish to highlight that the Take-over Transactions set out below are by no means exhaustive. In addition, as the Group is not directly comparable to the target companies involved in the Take-over Transactions in terms of business activities, scale of operations, market capitalisation, geographical spread, risk profile, accounting policies, financial performance, operating and financial leverage, track record and future prospects, the comparison merely serves as a general guide to provide an indication of the premia/discounts paid in connection with privatisation transactions and delisting offers of companies listed on the SGX-ST. Each of the Take-over Transactions must be judged on its own commercial and financial merits. OUEH Shareholders should also note that the premium (if any) to be paid by an offeror in a privatisation transaction or delisting offer varies in different circumstances depending on, *inter alia*, the offeror’s intentions with regard to the target company, the potential synergy that the offeror can gain from acquiring the target company, the attractiveness of the underlying business, prevailing market expectations and the presence of competing bids. Conclusions drawn from the comparisons made may not reflect any perceived market valuation of the Company.

Company	Date of offer announcement	Offer price (S\$)	Premium/(Discount) of offer price over					Offer price-to-NAV / NTA ratio (times) <sup>(1)</sup>
			Last transacted price	1-month VWAP	3-month VWAP	6-month VWAP	12-month VWAP	
			Prior to announcement of offer (%)					
GYP Properties Limited	8 July 2022	0.200 <sup>(2)</sup>	34.2	37.9	33.3	28.2	30.7	0.69 <sup>(3)</sup>
SP Corporation Limited	20 August 2022	1.590	169.5	163.7	162.8	156.9	140.5	1.00 <sup>(4)</sup>
Silkroad Nickel Ltd.	29 August 2022	0.420	2.4	4.7	5.0	(5.6)	(3.2)	5.20 <sup>(5)</sup>
Memories Group Limited	12 September 2022	0.047 <sup>(6)</sup>	34.3	67.9	74.1	74.1	74.1	1.02 <sup>(7)</sup>
Singapore Medical Group Limited	13 September 2022	0.400 <sup>(6)</sup>	23.1	28.2	29.0	26.2	28.2	1.14 <sup>(9)</sup>
Moya Holdings Asia Limited	14 September 2022	0.092	41.5	43.8	48.4	48.4	46.0	4.18 <sup>(10)</sup>
MS Holdings Limited	3 October 2022	0.070	16.7	-	25.0	25.0	25.0	0.48 <sup>(11)</sup>
Asian Healthcare Specialists Limited	6 October 2022	0.188	17.5	18.2	21.3	22.1	19.8	5.86 <sup>(12)</sup>
Colex Holdings Limited	17 October 2022	0.230	25.0 <sup>(13)</sup>	13.9 <sup>(13)</sup>	13.3 <sup>(13)</sup>	0.9 <sup>(13)</sup>	6.0 <sup>(13)</sup>	1.54 <sup>(14)</sup>
Golden Energy and Resources Limited	9 November 2022	0.973 <sup>(15)</sup>	15.8	23.0	44.6	48.3	63.8	1.51 <sup>(16)</sup>
Chip Eng Seng Corporation Ltd.	24 November 2022	0.750 <sup>(17)</sup>	5.6	13.1	26.5	33.7	42.6	0.56 <sup>(18)</sup>
Global Dragon Limited	10 February 2023	0.120	14.3	15.4	22.4	17.6	17.6	0.73 <sup>(19)</sup>
G. K. Goh Holdings Limited	28 February 2023	1.260	38.5	38.8	39.2	37.6	34.8 <sup>(20)</sup>	0.97 <sup>(21)</sup>
Global Palm Resources Holdings Limited	29 March 2023	0.250	93.8	86.6	70.1	70.1	30.2	0.78 <sup>(22)</sup>
Lian Beng Group Ltd	11 April 2023	0.680 <sup>(23)</sup>	19.3	26.9	28.5	29.8	30.3	0.43 <sup>(24)</sup>
Challenger Technologies Limited	30 May 2023	0.600 <sup>(25)</sup>	9.1	10.5	11.9	14.3	13.4	1.46 <sup>(26)</sup>
Sysma Holdings Limited	1 June 2023	0.168	34.4	40.0	34.4	29.2	28.2	0.72 <sup>(27)</sup>

<b>High</b>	<b>169.5</b>	<b>163.7</b>	<b>162.8</b>	<b>156.9</b>	<b>140.5</b>	<b>5.86</b>
<b>Mean</b>	<b>35.0</b>	<b>39.5</b>	<b>40.6</b>	<b>38.6</b>	<b>36.9</b>	<b>1.66</b>
<b>Median</b>	<b>23.1</b>	<b>27.6</b>	<b>29.0</b>	<b>29.2</b>	<b>30.2</b>	<b>1.00</b>
<b>Low</b>	<b>2.4</b>	<b>4.7</b>	<b>5.0</b>	<b>(5.6)</b>	<b>(3.2)</b>	<b>0.43</b>

<b>Company (Implied by the Exit Offer Price)</b>	<b>3 July 2023</b>	<b>0.048</b>	<b>45.5</b>	<b>45.5</b>	<b>45.5</b>	<b>41.2</b>	<b>37.1</b>	<b>1.07<sup>(28)</sup></b> <b>4.87<sup>(29)</sup></b>
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Sources: Announcements and circulars to shareholders in relation to the respective Take-over Transactions and SAC Capital's computations.



**Notes:**

- (1) Based on the NAV per share, revalued NAV per share, adjusted NAV per share, NTA per share, revalued NTA per share, or adjusted revalued NTA per share, as the case may be, as extracted from the independent financial adviser's letters for the respective companies.
- (2) On 1 September 2022, a revised offer of S\$0.188 per share was announced. Subsequently, on 13 September 2022, a final revised offer of S\$0.200 per share was announced. Accordingly, the market premia in the table above were computed based on the revised offer price of S\$0.200 per share.
- (3) Based on the revalued NAV per share of GYP Properties Limited as at 30 June 2022.
- (4) Based on the NAV per share of SP Corporation Limited as at 30 June 2022. We noted from the independent financial adviser's letter that no adjustments to the NAV per share of SP Corporation Limited as at 30 June 2022 was required.
- (5) Based on the NTA per share of Silkroad Nickel Ltd. as at 30 June 2022. We noted from the independent financial adviser's letter that no adjustments were made to the NTA per share of Silkroad Nickel Ltd. as at 30 June 2022. In particular, we noted from the independent financial adviser's letter that no valuations have been conducted in connection with the offer on the property, plant and equipment of Silkroad Nickel Ltd. and its subsidiaries (the "**Silkroad Group**"), which made up approximately 37.8% of the Silkroad Group's total assets as at 30 June 2022.
- (6) The market premia in the table above were computed based on the share prices for the period(s) prior to and including 30 August 2022, being the last market day prior to the announcement by Memories Group Limited of a possible transaction.
- (7) Based on the revalued NAV per share of Memories Group Limited as at 30 June 2022.
- (8) On 2 November 2022, a revised offer price of S\$0.400 per share was announced. Accordingly, the market premia in the table above were computed based on the revised offer price of S\$0.400 per share.
- (9) Based on the NAV per share of Singapore Medical Group Limited as at 30 June 2022. We noted from the independent financial adviser's letter that no adjustments to the NAV per share of Singapore Medical Group Limited as at 30 June 2022 was required.
- (10) Based on the NTA per share of Moya Holdings Asia Limited as at 30 June 2022.
- (11) Based on the NAV per share of MS Holdings Limited as at 30 April 2022. We noted from the independent financial adviser's letter that no adjustments to the NAV per share of MS Holdings Limited as at 30 April 2022 was required.
- (12) Based on the adjusted NTA per share of Asian Healthcare Specialists Limited as at 31 March 2022.
- (13) The VWAPs in the table above has been adjusted to exclude the FY2021 dividends of S\$0.08 per share, which included a one-off special dividend of S\$0.0.0755 per share.
- (14) Based on the revalued NAV per share of Colex Holdings Limited as at 30 June 2022.
- (15) On 9 November 2022, Golden Energy and Resources Limited ("**GEAR**") and Duchess Avenue Pte Ltd ("**Duchess**") jointly announced, *inter alia*, the proposed distribution in specie of shares in PT Golden Energy Mines TBK by GEAR, the proposed voluntary delisting of GEAR, and the conditional exit offer by Duchess. Entitled shareholders of GEAR can elect to receive either the "all cash consideration" or the "share and cash consideration" in light of the proposed distribution and the exit offer. The market premia in the table above were computed based on the share prices for the period(s) prior to and including 7 October 2022, being the last undisturbed trading day prior to the announcement by GEAR in respect of discussions of a possible acquisition of the Company. On 18 March 2023, a revised consideration was announced, including the increase of the "all cash consideration" to S\$0.973 per share. Accordingly, the market premia in the table above were computed based on the revised "all cash consideration" of S\$0.973 per share.

- (16) We noted from the independent financial adviser's letter that in their assessment, they have not included an assessment using the NAV based approach as valuations on producing mining companies are more commonly based on income approach. We have however computed the P/NAV ratio in the table above based on the NAV per share of GEAR as at 31 December 2022 of US\$0.4803 (or approximately S\$0.643 based on an exchange rate of US\$1.00:S\$1.3395), as set out in the independent financial adviser's letter.
- (17) The market premia in the table above were computed based on the share prices for the period(s) prior to and including 7 September 2022, being the last market day prior to the announcement by Chip Eng Seng Corporation Limited of a possible transaction. On 2 December 2022, a revised offer price of S\$0.750 per share was announced. Accordingly, the market premia in the table above were computed based on the revised offer price of S\$0.750 per share.
- (18) Based on the revalued NAV per share of Chip Eng Seng Corporation Limited as at 30 June 2022.
- (19) Based on the revalued NAV per share of Global Dragon Limited as at 31 December 2022.
- (20) We noted from the independent financial adviser's letter that the VWAP for the 12-month period in the table above has been adjusted to exclude the special dividend of S\$0.200 per share. The offer price premium to the unadjusted VWAP of S\$1.000 for the corresponding twelve-month period is 26.0%.
- (21) Based on the NAV per share of G. K. Goh Holdings Limited as at 31 December 2022. We noted from the independent financial adviser's letter that no adjustments to the NAV per share was required.
- (22) Based on the revalued NAV per share of Global Palm Resources Holdings Limited as at 31 December 2022.
- (23) On 3 May 2023, a revised offer price of S\$0.680 per share was announced. Accordingly, the market premia in the table above were computed based on the revised offer price of S\$0.680 per share.
- (24) Based on the revalued NAV per share of Lian Beng Group Ltd as at 30 November 2022.
- (25) On 6 June 2023, a revised offer price of S\$0.600 per share was announced. Accordingly, the market premia in the table above were computed based on the revised offer price of S\$0.600 per share.
- (26) Based on the revalued NAV per share of Challenger Technologies Limited as at 31 December 2022.
- (27) Based on the revalued NAV per share of Sysma Holdings Limited as at 31 January 2023.
- (28) Based on the NAV of the Group of approximately S\$203.7 million or S\$0.0449 per Share, as set out in paragraph 6.3.2 of this letter.
- (29) Based on the NTA of the Group of approximately S\$44.7 million or S\$0.0099 per Share, as set out in paragraph 6.3.2 of this letter.

We note that in respect of the Take-over Transactions:

- (a) the premium of the Exit Offer Price over the last transacted price of the Shares on the Last Trading Day of approximately 45.5% is:
  - (i) within the range of the corresponding premia of the Take-over Transactions of between 2.4% and 169.5%; and
  - (ii) above the corresponding mean and median premia of 35.0% and 23.1% of the Take-over Transactions respectively;
- (b) the premium of the Exit Offer Price over the VWAP of the Shares for the 1-month period prior to the Last Trading Day of approximately 45.5% is:
  - (i) within the range of the corresponding premia of the Take-over Transactions of between 4.7% and 163.7%; and
  - (ii) above the corresponding mean and median premia of 39.5% and 27.6% of the Take-over Transactions respectively;
- (c) the premium of the Exit Offer Price over the VWAP of the Shares for the 3-month period prior to the Last Trading Day of approximately 45.5% is:
  - (i) within the range of the corresponding premia of the Take-over Transactions of between 5.0% and 162.8%; and
  - (ii) above the corresponding mean and median premia of 40.6% and 29.0% of the Take-over Transactions respectively;
- (d) the premium of the Exit Offer Price over the VWAP of the Shares for the 6-month period prior to the Last Trading Day of approximately 41.2% is:
  - (iii) within the range of the corresponding (discount)/premia of the Take-over Transactions of between (5.6)% and 156.9%; and
  - (iv) above the corresponding mean and median premia of 38.6% and 29.2% of the Take-over Transactions respectively;
- (e) the premium of the Exit Offer Price over the VWAP of the Shares for the 12-month period prior to the Last Trading Day of approximately 37.1% is:
  - (v) within the range of the corresponding (discount)/premia of the Take-over Transactions of between (3.2)% and 140.5%; and
  - (vi) above the corresponding mean and median premia of 36.9% and 30.2% of the Take-over Transactions respectively;
- (f) the P/NAV ratio as implied by the Exit Offer Price of 1.07 times is:
  - (i) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.43 times and 5.86 times; and
  - (ii) below the mean Price-to-NAV/NTA ratio of the Take-over Transactions of 1.66 times but above the median Price-to-NAV/NTA ratio of the Take-over Transactions of 1.00 times;
- (g) the P/NTA ratio as implied by the Exit Offer Price of 4.87 times is:
  - (i) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.43 times and 5.86 times; and

- (ii) above the corresponding mean and median Price-to-NAV/NTA ratio of the Take-over Transactions of 1.66 times and 1.00 times respectively.

## 6.8 Comparison with Recent Successful Privatisation Transactions of Healthcare Companies listed on SGX ST

In assessing the Proposed Acquisition, we have also compared the financial terms of the Exit Offer with: (a) selected recent successful privatisation transactions in cash for healthcare companies announced on the SGX-ST during the 24-month period prior to the Joint Announcement Date, whether by way of a general offer under the Code, a scheme of arrangement under Section 210 of the Companies Act, where the offeror has stated its intention to delist the target company from the Official List of the SGX-ST; and (b) selected recent completed delisting cash offers for healthcare companies under Rule 1307 of the Listing Manual announced during the 24-month period prior to the Joint Announcement Date (collectively, the “Selected Healthcare Privatisation Transactions”).

We wish to highlight that the Selected Healthcare Privatisation Transactions as set out below are not exhaustive and there is no listed company or group which may be considered identical to the Group in terms of, *inter alia*, business activities, market capitalisation, scale of operations, risk profile, geographical spread, operating and financial leverage, accounting policies, adherence to accounting standards, tax factors, track record and future prospects. In addition, each of the target companies in the Selected Healthcare Privatisation Transactions may engage in multiple or other separate business activities which are not related to the principal business of the Group. Each of the Selected Healthcare Privatisation Transactions be judged on its own commercial and financial merits. As such, any comparison made herein is strictly limited in scope and merely serves as an illustrative guide to OUEH Shareholders.

Selected Comparable Companies	Date of offer announcement	PER implied by offer (“Implied PER”) <sup>(1)</sup>	EV/EBITDA implied by offer (“Implied EV/EBITDA”) <sup>(1)</sup>	P/NAV implied by offer (“Implied P/NAV”) <sup>(1)</sup>	P/NTA implied by offer (“Implied P/NTA”) <sup>(1)</sup>
Singapore O&G Ltd.	7 March 2022	16.8	8.9	3.3	4.6
Singapore Medical Group Limited	13 September 2022	13.2	6.7	1.1	4.2
Asian Healthcare Specialists Limited	6 October 2022	20.5	11.7	2.1	5.9
<b>High</b>		<b>20.5</b>	<b>11.7</b>	<b>3.3</b>	<b>5.9</b>
<b>Mean</b>		<b>16.8</b>	<b>9.1</b>	<b>2.2</b>	<b>4.9</b>
<b>Median</b>		<b>16.8</b>	<b>8.9</b>	<b>2.1</b>	<b>4.6</b>
<b>Low</b>		<b>13.2</b>	<b>6.7</b>	<b>1.1</b>	<b>4.2</b>
<b>Company (Implied by the Exit Offer)<sup>(2)</sup></b>		<b>25.1</b>	<b>8.3</b>	<b>1.1</b>	<b>4.9</b>

Sources: Bloomberg L.P. and annual reports and/or announcements of the respective Selected Comparable Companies

### Notes:

- (1) The implied valuation ratios stated above are extracted from the independent financial adviser’s letters for the respective companies.
- (2) Based on 4,535,571,100 Shares in issue as at the Latest Practicable Date.

#### Implied PER comparison

We note that the historical PER of 25.1 times of the Group as implied by the Exit Offer Price is above the range of Implied PER of Selected Healthcare Privatisation Transactions of between 13.2 times and 20.5 times.

#### Implied EV/EBITDA ratio comparison

We note that the historical EV/EBITDA ratio of 8.3 times of the Group as implied by the Exit Offer Price is:

- (a) within the range of Implied EV/EBITDA ratios of the Selected Healthcare Privatisation Transactions of between 6.7 times and 11.7 times; and
- (b) below the corresponding mean and median Implied EV/EBITDA ratios of the Selected Healthcare Privatisation Transactions of 9.1 times and 8.9 times respectively.

#### Implied P/NAV ratio comparison

We note that the historical P/NAV ratio of 1.1 times of the Group as implied by the Exit Offer Price is:

- (a) within the range of Implied P/NAV ratios of the Selected Healthcare Privatisation Transactions of between 1.1 times and 3.3 times; and
- (b) below the corresponding mean and median Implied P/NAV ratios of the Selected Healthcare Privatisation Transactions of 2.2 times and 2.1 times respectively.

#### Implied P/NTA ratio comparison

We note that the historical P/NTA ratio of 4.9 times of the Group as implied by the Exit Offer Price is:

- (a) within the range of Implied P/NTA ratios of the Selected Healthcare Privatisation Transactions of between 4.2 times and 5.9 times; and
- (b) on par with the mean Implied P/NTA ratios of the Selected Healthcare Privatisation Transactions of 4.9 times and above the median Implied P/NTA ratios of the Selected Healthcare Privatisation Transactions of 4.6 times.

### **6.9 Comparison of valuation of OUEH Shares *vis-à-vis* the Shares as implied by the Exit Offer**

We have analysed the relative valuation of the OUEH Shares *vis-à-vis* the Shares as implied by the Exit Offer based on the latest available trailing 12 months information.

The following table sets out the comparative valuation statistics of the OUEH Group *vis-à-vis* the Group as implied by the Exit Offer:

	<b>Historical PER (times)</b>	<b>Historical EV/EBITDA ratio (times)</b>	<b>Historical P/NAV ratio (times)</b>	<b>Historical P/NTA ratio (times)</b>
OUEH <sup>(1)</sup>	n.m. <sup>(2)</sup>	14.52	0.44	0.49
<b>Company (Implied by the Exit Offer)<sup>(2)</sup></b>	<b>25.05</b>	<b>8.32</b>	<b>1.07</b>	<b>4.87</b>

Sources: Bloomberg L.P., Company's announcements on SGX-ST and SAC Capital's computations.

#### **Notes:**

- (1) Based on 4,443,129,206 OUEH Shares in issue as at the Latest Practicable Date.

(2) n.m. denotes not meaningful as OUEH was loss making in its latest trailing 12 months period.

(3) Based on 4,535,571,100 Shares in issue as at the Latest Practicable Date.

#### Historical EV/EBITDA ratio comparison

We note that the historical EV/EBITDA ratio of 8.32 times of the Group as implied by the Exit Offer Price is lower than the historical EV/EBITDA ratio of 14.52 times of the OUEH Group.

#### Historical P/NAV ratio comparison

We note that the historical P/NAV ratio of 1.07 times of the Group as implied by the Exit Offer Price is higher than the historical P/NAV ratio of 0.44 times of the OUEH Group.

#### Historical P/NTA ratio comparison

We note that the historical P/NTA ratio of 4.87 times of the Group as implied by the Exit Offer Price is higher than the historical P/NTA ratio of 0.49 times of the OUEH Group.

### **6.10 Other Relevant Considerations**

#### **6.10.1 Outlook of the Group**

We note that the Group had, in its unaudited 1H2023 financial results announcement dated 14 August 2023, included a commentary on the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months, which is reproduced in italics below:

*“Since its unveiling in March 2022, Healthier SG - the national initiative by the Ministry of Health focusing on preventive health - has gained significant ground. Within a few days from official opening for registration on 5 July 2023, about 67,000 people had signed up for this nationwide initiative. As at 1 July 2023, more than 900 GP clinics have registered to be participating clinics.*

*Healthway Medical Group is an active participant of Healthier SG, with 55 clinics in our network already enrolled into Healthier SG. This is in line with our steadfast commitment to empower individuals to take charge of their health through preventive care, by enrolling with a family doctor to support them in their healthcare needs throughout their lives.*

*Apart from diligently encouraging both our patients and clinics to embark on the Healthier SG journey, the Group has continued to grow our primary care clinic network. In the 1H-FY2023, we set up a total of three greenfield clinics and acquired four clinics. Our aims are to give our patients greater access to high-quality preventive, interventive, treatment and other healthcare services to empower them to lead healthier, happier lives.*

*Since the lifting of all border restrictions in February 2023, Singapore has continued to experience an influx of foreign patients seeking medical treatment. The Group has been well prepared to cater to this surging demand as bolstering our Specialist Healthcare Segment has been a priority over the past few years. A prime example of our commitment in this area is the recent acquisition of UROHEALTH Pte Ltd, one of the largest private urology practices in Singapore with a team of five experienced and skilled doctors serving patients. Covering conditions concerning the prostate, kidneys, bladder and urinary tract, UROHEALTH delivers integrated, quality urologic patient care in a trusted and safe environment at three clinic locations. We will continue to forge ahead with the strategy to expand our repertoire of specialist clinics across various disciplines.*

*To maximise the opportunities lying ahead and assist with the acceleration of Singapore’s Healthier SG goals, the Group will remain nimble, prudent and alert across our operations while incessantly striving to unlock new value for our shareholders.”*

### 6.10.2 Previous Take-over Offer for the Company

On 7 February 2017, Gentle Care Pte. Ltd. ("**Gentle Care**"), a member of the Lippo group of companies, which include Lippo Limited and Lippo China Resources Limited, made a voluntary conditional cash offer (the "**2017 Offer**") for all the issued and paid-up ordinary shares in the capital of the Company in accordance with Rule 15 of the Code. The offer price under the 2017 Offer was for a cash consideration of S\$0.042 per Share. On 12 May 2017, Gentle Care announced the close of the 2017 Offer and the resultant shareholdings of Gentle Care amounted to approximately 54.39% of the total number of issued Shares of the Company as at the close of the 2017 Offer.

	Announcement Date	Offer Consideration (S\$)	Market Capitalisation implied by Offer Price (S\$ million)	PER (times)	P/NAV (times)
2017 Offer	7 February 2017	0.042 (cash)	103.3 <sup>(1)</sup>	n.m. <sup>(1)(2)</sup>	0.66 <sup>(1)</sup>
<b>Exit Offer</b>	<b>3 July 2023</b>	<b>0.048 (cash)</b>	<b>217.7</b>	<b>25.1</b>	<b>1.07</b>

Sources: Company's announcements on SGX-ST and offer document to shareholders by the Company

#### Notes:

- (1) As extracted from the independent financial adviser's letter dated 14 March 2017 on the 2017 Offer.
- (2) n.m. denotes not meaningful as the Group was in a loss-making position.

We note that in respect of the 2017 Offer:

- (a) the Exit Offer Price of S\$0.048 under the Exit Offer is higher than the offer consideration of S\$0.042 under the 2017 Offer;
- (b) the P/NAV ratio of 1.07 times as implied by the Exit Offer Price is above the P/NAV ratio of 0.66 times under the 2017 Offer; and
- (c) the Group recorded a revenue of S\$96.8 million and an adjusted net loss of S\$0.6 million in FY2016 based on the then available unaudited financial statements, as compared to a revenue of S\$160.8 million and a net profit of S\$8.7 million in the trailing 12 months period ended 30 June 2023.

OUEH Shareholders should note that the above comparison is limited and has to be assessed in the context of the economic or general market conditions for the Shares or the prices for which the Shares were traded at the time then prevailing as well as the conditions for the current Exit Offer may have been different from the 2017 Offer.

Hence, any comparison between the Exit Offer and 2017 Offer above is necessarily limited and meant for illustration purpose only.

### 6.10.3 Irrevocable undertaking

As at the Latest Practicable Date, GW Active Limited ("**Gateway**") holds an aggregate of 1,241,134,751 Shares (representing approximately 27.36% of the total number of issued Shares).

The Offeror has received an irrevocable undertaking (the "**Irrevocable Undertaking**") from Gateway, pursuant to which Gateway has undertaken, *inter alia*:

- (i) not to accept the Exit Offer, in respect of all the Shares held by it prior to and up to the close of the Exit Offer (the "**Relevant Shares**"); and
- (ii) to vote all of the Relevant Shares in favour of the Proposed Offeree Resolutions at the EGM.



#### 6.10.4 Delisting resolution

As set out in paragraph 8.1 of the Exit Offer Letter, the Offeror does not intend to maintain or support any action taken or to be taken to maintain the present listing status of the Company and there is no plan in the foreseeable future for the Shares to be re-listed on any securities exchange.

#### 6.10.5 Offeror's intention

As set out in paragraph 8.2 of the Exit Offer Letter, following the close of the Exit Offer, the Offeror presently has no intention to introduce any major changes to the business of the Company, or to discontinue the employment of any of the existing employees of the Company or re-deploy any of the fixed assets of the Company, other than as disclosed or in the ordinary course of business. The Offeror however retains the flexibility at any time to consider options or opportunities which may present themselves.

#### 6.10.6 No Right of Compulsory Acquisition

As set out in paragraph 8.3 of the Exit Offer Letter, pursuant to Section 215(1) of the Companies Act, in the event that the Offeror receives valid acceptances pursuant to the Exit Offer (or otherwise acquires Shares during the period when the Exit Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by or treated as held by the Offeror as at the date of the Exit Offer and excluding any Shares held by the Company as treasury shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of the Shareholders who have not accepted the Exit Offer ("**Dissenting Shareholders**") at a price equal to the Exit Offer Price.

In addition, Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at a price equal to the Exit Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire or are treated to acquire, pursuant to the Exit Offer, such number of Shares which, together with the Shares held by or treated as held by the Offeror, comprise 90% or more of the total number of issued Shares. Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

As (a) the Exit Offer does not extend to the Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group (including, among others, Lippo China Resources Limited, Mr. Abram Melkyzedeck Suhardiman and Mr. Chen Yi Chung, who together hold an interest in approximately 42.30% of the total number of issued Shares as at the Latest Practicable Date); and (b) Gateway has, pursuant to the Irrevocable Undertaking, undertaken not to accept the Exit Offer in respect of all the Shares held by it prior to and up to the close of the Exit Offer (being an aggregate of 1,241,134,751 Shares, representing approximately 27.36% of the total number of issued Shares as at the Latest Practicable Date), the Offeror will not be entitled, under Section 215(1) of the Companies Act, to compulsorily acquire any of the Shares of the Dissenting Shareholders who have not accepted the Exit Offer. It is also unlikely for the right under Section 215(3) of the Companies Act to be available to the Dissenting Shareholders.

## 7. **OUR OPINION AND ADVICE**

In arriving at our opinion and advice, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment. The following should be read in conjunction with, and in the context of, the full text of this letter:

- (a) rationale of the Delisting and Exit Offer for OUEH, as set out in paragraph 7.1 of the Exit Offer Letter, and extracted in paragraph 6.1 of this letter;
- (b) historical financial performance of the Group, as set out in paragraph 6.2 of this letter;
- (c) in relation to the book NAV and NTA of the Group:

- (i) as set out in paragraph 6.3.2 of this letter, the Exit Offer Price represents a premium of approximately 6.9% against the NAV per Share of S\$0.0449 as at 30 June 2023. Accordingly, the P/NAV of the Group implied by the Exit Offer Price would be approximately 1.07 times as at 30 June 2023. We further note that the Exit Offer Price represents a premium of approximately 387.2% against the NTA per Share of S\$0.0099 as at 30 June 2023. Accordingly, the P/NTA of the Group implied by the Exit Offer Price would be approximately 4.87 times as at 30 June 2023;
- (ii) as set out in paragraph 6.3.3 of this letter, the ex-cash Exit Offer Price represents a premium of approximately 7.0% against the ex-cash NAV per Share of S\$0.043 as at 30 June 2023. Accordingly, the Ex-cash P/NAV of the Group implied by the Exit Offer Price would be approximately 1.07 times as at 30 June 2023;

Overall, we noted that the Group has a track record of profitability and a healthy track record of generating net cash flows from operating activities during the Relevant Period. In addition, the Group had also recorded positive working capital positions of S\$20.0 million, S\$26.8 million, S\$29.2 million and S\$30.3 million as at 31 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023 respectively. As at 30 June 2023, the Group's gearing ratio was at 13.3%. Excluding lease liabilities, the Group's gearing ratio was at 0.08% as at 30 June 2023.

As set out in paragraph 6.2.1 of this letter, we noted that the Group had been profitable during the Relevant Period. We note however, that the Group's profit attributable to shareholders of the Company had decreased by approximately S\$3.8 million or approximately 50.5%, from approximately S\$7.6 million in 1H2022 to approximately S\$3.7 million in 1H2023, largely attributable to the increase in total operating costs in 1H2023 as explained in paragraph 6.2.1 of this letter. Despite the 1H2023 financial performance of the Group, we understand that the Offeror Board and OUEH Board, based on the considerations set out in paragraph 6.3.4 of this letter, maintains the view that, on balance, the Proposed Acquisition of the Company continues to be in the long term interest of the Offeror and OUEH;

- (d) *pro forma* financial effects of the Proposed Acquisition on the OUEH Group, as set out in paragraph 8 of the Chapter 10 Announcement, reproduced in paragraph 6.4 of this letter;
- (e) an assessment of the market quotation and trading liquidity of the Shares as follows:
  - (i) in relation to the Share prices:
    - (aa) the closing prices of the Shares being below the Exit Offer Price for the 12-month period up to and including the Last Trading Day;
    - (bb) the Exit Offer Price representing a premium of approximately 60.0% and discount of approximately 23.1% over the lowest and highest closing prices of the Shares during the 12-month period up to and including the Last Trading Day respectively;
    - (cc) the Exit Offer Price represents a premium of approximately 37.1%, 41.2%, 45.5% and 45.5% over the VWAP of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day respectively;
    - (dd) the Exit Offer Price represents a premium of approximately 45.5% over the closing price of the Shares of S\$0.033 on the Last Trading Day;
    - (ee) the Exit Offer Price represents a premium of approximately 4.3% to the VWAP of the Shares for the period from the Joint Announcement Date and up to the Latest Practicable Date;

- (ff) the Exit Offer Price represents a premium of approximately 2.1% over the closing price of the Shares of S\$0.047 on the Latest Practicable Date;
  - (ii) the trading liquidity of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day has been low with an ADTV of between 0.00% and 0.05% of the free float of the Group;
- (f) a comparison with the valuation statistics of the Comparable Companies as follows:
  - (i) the historical PER of 25.05 times of the Group as implied by the Exit Offer Price being: (aa) within the range of PER of Comparable Companies between 16.19 times and 40.31 times; and (bb) above the corresponding mean and median historical PER of the Comparable Companies of 24.70 times and 20.21 times respectively;
  - (ii) the historical EV/EBITDA ratio of 8.32 times of the Group as implied by the Exit Offer Price being below the range of historical EV/EBITDA ratios of the Comparable Companies of between 10.59 times and 12.04 times;
  - (iii) the historical P/NAV ratio of 1.07 times of the Group as implied by the Exit Offer Price being below the range of historical P/NAV ratios of the Comparable Companies of between 2.88 times and 6.36 times;
  - (iv) the historical P/NTA ratio of 4.87 times of the Group as implied by the Exit Offer Price being below the range of historical P/NTA ratios of the Comparable Companies of between 6.36 times and 9.30 times;
- (g) a comparison with recent successful privatisation transactions and delisting offers of companies listed on the SGX-ST as follows:
  - (i) the premium of the Exit Offer Price over the last transacted price of the Shares on the Last Trading Day of approximately 45.5% is: (aa) within the range of the corresponding premia of the Take-over Transactions of between 2.4% and 169.5%; and (bb) above the corresponding mean and median premia of the Take-over Transactions of 35.0% and 23.1% respectively;
  - (ii) the premium of the Exit Offer Price over the VWAP of the Shares for the 1-month period prior to the Last Trading Day of approximately 45.5% is: (aa) within the range of the corresponding premia of the Take-over Transactions of between 4.7% and 163.7%; and (bb) above the corresponding mean and median premia of 39.5% and 27.6% of the Take-over Transactions respectively;
  - (iii) the premium of the Exit Offer Price over the VWAP of the Shares for the 3-month period prior to the Last Trading Day of approximately 45.5% is: (aa) within the range of the corresponding premia of the Take-over Transactions of between 5.0% and 162.8%; and (bb) above the corresponding mean and median premia of 40.6% and 29.0% of the Take-over Transactions respectively;
  - (iv) the premium of the Exit Offer Price over the VWAP of the Shares for the 6-month period prior to the Last Trading Day of approximately 41.2% is: (aa) within the range of the corresponding (discount)/premium of the Take-over Transactions of between (5.6)% and 156.9%; and (bb) above the corresponding mean and median premia of 38.6% and 29.2% of the Take-over Transactions respectively;
  - (v) the premium of the Exit Offer Price over the VWAP of the Shares for the 12-month period prior to the Last Trading Day of approximately 37.1% is: (aa)

- within the range of the corresponding (discount)/premium of the Take-over Transactions of between (3.2)% and 140.5%; and (bb) above the corresponding mean and median premia of 36.9% and 30.2% of the Take-over Transactions respectively;
- (vi) the P/NAV ratio as implied by the Exit Offer Price of 1.07 times is: (aa) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.43 times and 5.86 times; and (bb) below the mean Price-to-NAV/NTA ratio of the Take-over Transactions of 1.66 times but above the median Price-to-NAV/NTA ratio of the Take-over Transactions of 1.00 times;
  - (vii) the P/NTA ratio as implied by the Exit Offer Price of 4.87 times is: (aa) within the range of Price-to-NTA ratios of the Take-over Transactions of between 0.43 times and 5.86 times; and (bb) above the corresponding mean and median Price-to-NAV/NTA ratio of the Take-over Transactions of 1.66 and 1.00 times respectively;
- (h) a comparison with Recent Successful Privatisation Transactions of Healthcare Companies listed on SGX ST as follows:
- (i) the historical PER of 25.1 times of the Group as implied by the Exit Offer Price being above the range of Implied PER of Selected Healthcare Privatisation Transactions between 13.2 times and 20.5 times;
  - (ii) the historical EV/EBITDA ratio of 8.3 times of the Group as implied by the Exit Offer Price being: (aa) within the range of Implied EV/EBITDA ratios of the Selected Healthcare Privatisation Transactions of between 6.7 times and 11.7 times; and (bb) below the corresponding mean and median Implied EV/EBITDA ratios of the Selected Healthcare Privatisation Transactions of 9.1 times and 8.9 times respectively;
  - (iii) the historical P/NAV ratio of 1.1 times of the Group as implied by the Exit Offer Price being: (aa) within the range of Implied P/NAV ratios of the Selected Healthcare Privatisation Transactions of between 1.1 times and 3.3 times; and (bb) below the corresponding mean and median Implied P/NAV ratios of the Selected Healthcare Privatisation Transactions of 2.2 times and 2.1 times respectively;
  - (iv) historical P/NTA ratio of 4.9 times of the Group as implied by the Exit Offer Price being: (aa) within the range of Implied P/NTA ratios of the Selected Healthcare Privatisation Transactions of between 4.2 times and 5.9 times; and (bb) on par with the mean Implied P/NTA ratios of the Selected Healthcare Privatisation Transactions of 4.9 times and above the median implied P/NTA ratios of the Selected Healthcare Privatisation Transactions of 4.6 times;
- (i) a comparison with the valuation statistics of the OUEH Shares vis-à-vis the Shares as follows:
- (i) the historical EV/EBITDA ratio of 8.32 times of the Group as implied by the Exit Offer Price is lower than the historical EV/EBITDA ratio of 14.52 times of the OUEH Group;
  - (ii) the historical P/NAV ratio of 1.07 times of the Group as implied by the Exit Offer Price is higher than the historical P/NAV ratio of 0.44 times of the OUEH Group;
  - (iii) the historical P/NTA ratio of 4.87 times of the Group as implied by the Exit Offer Price is higher than the historical P/NTA ratio of 0.49 times of the OUEH Group;
- (j) other relevant considerations as follows:
- (i) outlook of the Group, as set out in paragraph 6.10.1 of this letter;

- (ii) previous 2017 Offer for the Company, as set out in paragraph 6.10.2 of this letter;
- (iii) the Irrevocable Undertaking, as set out in paragraph 6.10.3 of this letter;
- (iv) the Delisting resolution, as set out in paragraph 6.10.4 of this letter;
- (v) the Offeror's intention, as set out in paragraph 6.10.5 of this letter; and
- (vi) no right of compulsory acquisition, as set out in paragraph 6.10.6 of this letter.

**In conclusion, having regards to the considerations set out above and the information available to us as at the Latest Practicable Date, we are of the opinion that the Proposed Acquisition by way of an Exit Offer is, on balance, in the interests of the OUEH Shareholders.**

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any OUEH Shareholder or any specific group of OUEH Shareholders. We recommend that any individual OUEH Shareholder or specific group of OUEH Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice are addressed to the OUEH Board for their benefit and for the purposes of their consideration of the Proposed Acquisition. Whilst a copy of this letter may be reproduced in the Exit Offer Letter, no other person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose at any time and in any manner without the prior written consent of SAC Capital in each specific case, except for the purpose of the Exit Offer.

This letter is governed by and shall be construed in accordance with the laws of Singapore and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully  
For and on behalf of  
**SAC CAPITAL PRIVATE LIMITED**

Tan Kian Tiong  
Partner and Head, Corporate Finance

## Annex A

Company	Stock exchange	Business description	Share price as at the Latest Practicable Date (S\$)	Market capitalisation as at the Latest Practicable Date (S\$' million)	Financial year end	----- Trailing 12 Months -----	
						Revenue (S\$' million)	Net profit/(loss) after tax attributable to shareholders (S\$' million)
Talkmed Group Limited	SGX-ST	Talkmed Group Limited provides specialist medical oncology services to patients.	0.400	529.8	31 December	81.9	32.7
Q&M Dental Group (Singapore) Limited	SGX-ST	Q & M Dental Group (Singapore) Limited operates dental clinics. The Company offers aesthetic, children's and general dentistry; fits crowns, dentures and braces; and offers bleeding gum treatment, gum surgery and oral surgery; and treats snoring and teeth grinding.	0.290	274.5	31 December	177.4	6.8
ISEC Healthcare Ltd.	SGX-ST	ISEC Healthcare Ltd. provides eyecare (ophthalmology) services in Malaysia and Singapore. The Company provides clinical care, research and educational services. ISEC Healthcare operates across Malaysia and Singapore.	0.405	232.4	31 December	69.4	13.2

Sources: Bloomberg L.P., annual reports and/or announcements of the respective companies

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