
ENTRY INTO FRAMEWORK AGREEMENT

1. INTRODUCTION

The Board of Directors (the “**Board**”) of OUE Lippo Healthcare Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcements relating to the acquisition of Brainy World Holdings Limited made on 7 November 2017 and 2 January 2018 (“**Announcements**”).

Further to the Announcements, the Board wishes to inform shareholders that 招商力宝医院管理（深圳）有限公司 (China Merchants Lippo Hospital Management (Shenzhen) Limited) (“**CMLHM**”), a 50:50 joint venture company between the Company’s indirect wholly-owned subsidiary, Lippo Healthcare Limited, and 深圳市招商创业有限公司 (China Merchants Landmark (Shenzhen) Co., Ltd) (“**CMSZ**”) have entered into a framework agreement (“**Framework Agreement**”) with 中国长江航运集团有限公司 (China Changjiang National Shipping Group Co., Ltd) (“**China Changjiang**”) and 上海长江轮船有限公司 (Shanghai Changjiang Shipping Co., Ltd.) (“**Shanghai Changjiang**” and, together with CMLHM and China Changjiang, the “**Parties**”).

The Framework Agreement envisages the incorporation of a new joint venture company in China (the “**JV Co**”) between China Changjiang and CMLHM to manage the operation of Shanghai Changhang Hospital (上海长航医院), which is currently operated by Shanghai Changjiang. CMLHM will hold a 51% stake whereas China Changjiang will hold a 49% stake in the JV Co (the “**Proposed Joint Venture**”).

A diagrammatic illustration of the Proposed Joint Venture is set out in the Appendix to this announcement.

2. INFORMATION ON THE PARTIES

2.1. Information on CMLHM

CMLHM is a 50:50 joint venture company between Lippo Healthcare Limited, an indirect wholly-owned subsidiary of the Company held through Brainy World Holdings Limited, and 深圳市招商创业有限公司 (China Merchants Landmark (Shenzhen) Co., Ltd) (“**CMSZ**”). CMSZ is part of the China Merchants Group (“**CMG**”), which is a China state-owned conglomerate based in Hong Kong.

2.2. Information on China Changjiang

China Changjiang is a member company of CMG. China Changjiang is principally engaged in shipping operations, shipbuilding, ship repair, and port services.

OUE Lippo Healthcare Limited

Company Registration No. 201304341E

(In receivership over charged shares in certain subsidiaries)

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2.3. Information on Shanghai Changjiang

Shanghai Changjiang is a wholly-owned subsidiary of China Changjiang. Shanghai Changjiang operates the Shanghai Changhang Hospital (上海长航医院), which is located in the prime Pudong New District area of Shanghai.

3. NEXT STEPS

3.1 Following the execution of the Framework Agreement, China Changjiang and CMLHM will enter into a joint venture agreement in relation to the setup of the JV Co.

3.2 The JV Co will enter into a hospital management agreement (“HMA”) with Shanghai Changjiang. Under the HMA, the JV Co will be the sole manager and operator of the Shanghai Changjiang Hospital.

4. FINANCIAL EFFECTS

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

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interests, direct or indirect, in the Proposed Joint Venture, other than through their respective shareholding interests in the Company.

6. FURTHER ANNOUNCEMENTS

The Company will make further announcement(s) as and when there are any material updates or developments in relation to the Proposed Joint Venture.

7. CAUTIONARY STATEMENT

Shareholders and potential investors are advised read this announcement and any further announcements by the Company carefully and to exercise caution when dealing in the shares of the Company. Shareholders and potential investors should note that the Proposed Joint Venture is subject to, *inter alia*, the execution of the joint venture agreement and the HMA. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

Dr Wong Weng Hong
Chief Executive Officer and Executive Director
22 June 2018

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*This announcement has been prepared by the Company and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

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

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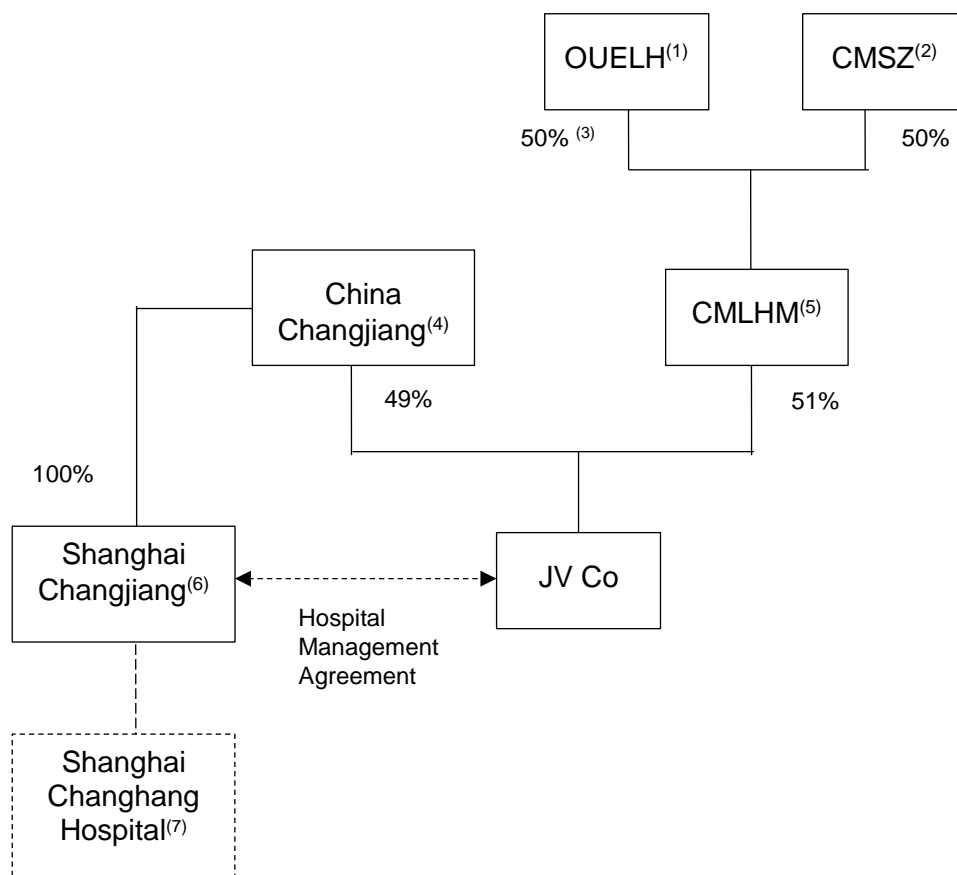
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APPENDIX

ILLUSTRATIVE STRUCTURE OF THE PROPOSED JOINT VENTURE



Notes:

- (1) OUE Lippo Healthcare Limited
- (2) 深圳市招商创业有限公司 (China Merchants Landmark (Shenzhen) Co., Ltd.)
- (3) Held through Lippo Healthcare Limited, a wholly-owned subsidiary of Brainy World Holdings Limited, which is in turn a wholly-owned subsidiary of OUELH
- (4) 中国长江航运集团有限公司 (China Changjiang National Shipping Group Co., Ltd)
- (5) 招商力宝医院管理（深圳）有限公司 (China Merchants Lippo Hospital Management (Shenzhen) Limited)
- (6) 上海长江轮船有限公司 (Shanghai Changjiang Shipping Co., Ltd.)
- (7) Shanghai Changhang Hospital (上海长航医院), currently operated by Shanghai Changjiang

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