Press Release
For immediate release

OUE HEALTHCARE OPTIMISES CAPITAL STRUCTURE WITH STRATEGIC ASSET DISPOSAL

Singapore, 15 May 2024 — OUE Healthcare Limited ("**OUE Healthcare**", the "**Company**", and together with its subsidiaries, the "**Group**") announced today that its wholly-owned indirect subsidiary has entered into a sale and purchase agreement (the "**SPA**") for the disposal of the piece of vacant land held under Title No. Pajakan Negeri 46289, Lot 84 Seksyen 63, Town and District of Kuala Lumpur, Federal Territory of Kuala Lumpur (the "**Property**") at a purchase price of RM125.0 million, which translates to approximately S$35.6 million[1] (the "**Proposed Disposal**").

The Company expects to receive net cash proceeds of approximately RM120.3 million, which translates to approximately S$34.3 million[1], after deducting the sales commission and the estimated professional fees and other related expenses from the Proposed Disposal, which will be used for working capital purposes.

Forging a Sustainable Capital Structure

The Proposed Disposal is part of the Company's ongoing strategic initiatives to enhance its capital structure to support its business transformation. Commencing with the injection of shareholder loans[2] from OUE Limited ("**OUE**") in 2017, followed by a private placement to ITOCHU Corporation ("**ITOCHU**") and a rights issue in 2018, and culminating to a strategic recapitalisation that converted the OUE Shareholder Loans

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[1] Based on the exchange rate of RM 100.0: S$28.5.
[2] OUE's wholly-owned subsidiaries, Treasure International Holdings Pte. Ltd. and OUE Treasury Pte. Ltd. have granted loans to OUE Healthcare in 2017 that amounted to S$165.4 million in aggregate before accrued interests ("**OUE Shareholder Loans**").

and accrued interests of S$189.6 million into convertible perpetual securities, as well as the divestment of 12 nursing homes in Japan to First Real Estate Investment Trust ("**First REIT**") in exchange for First REIT units, which are more liquid, the Proposed Disposal further fortifies the Company in its course towards financial resilience and agility.

Chief Executive Officer of OUE Healthcare, Mr Yet Kum Meng, said, "*Our commitment to optimising our capital structure aligns with our broader business transformation strategy. By unlocking value from non-core assets, we bolster our capital efficiency and flexibility, and reinforce our dedication to advancing our core healthcare service businesses in Asia, which positions us for sustainable growth in the dynamic healthcare landscape.*"

Improving Liquidity and Capital Efficiency

With the Proposed Disposal, the Group will achieve greater capital efficiency and flexibility as it enables the Group to unlock the value of the Property and improve the liquidity of the Group.

The net cash proceeds from the Proposed Disposal would empower the Group to optimise resource allocation effectively. With a strategic focus on healthcare service businesses, the Company is well-positioned to capitalise on future growth opportunities, fortifying its position as a leading healthcare provider in the region.

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This press release is to be read in conjunction with the announcement dated 15 May 2024 by OUE Healthcare in relation to the Proposed Disposal. All capitalised terms which are used in this press release but not otherwise defined herein shall have the meanings ascribed to them in the aforementioned announcement.

About OUE Healthcare

OUE Healthcare Limited ("**OUE Healthcare**") is a regional healthcare group focused on building a sustainable healthcare ecosystem in Asia anchored on Singapore's medical excellence. OUE Healthcare is the healthcare arm of OUE Limited, which is a leading real estate and healthcare group based in Singapore. OUE Healthcare is a Singapore-incorporated company and has been listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") since 8 July 2013.

Currently, OUE Healthcare's regional network comprises healthcare operations in Singapore, China and Myanmar. In Singapore, OUE Healthcare operates and manages O2 Healthcare Group, a lung specialist group with expertise in respiratory care and cardiothoracic surgeries. OUE Healthcare also owns a strategic stake in Healthway Medical Corporation, a respected medical group with extensive networks of clinics and medical centres in Singapore. In Myanmar, OUE Healthcare jointly operates and manages Pun Hlaing Hospitals, one of the leading private hospital groups in the country. In China, OUE Healthcare operates a grade-I general hospital in Wuxi and is jointly developing and operating two grade-II hospitals with China Merchants Group, in Changshu and Shenzhen, respectively.

Additionally, OUE Healthcare is the largest unitholder of First Real Estate Investment Trust ("**First REIT**"), Singapore's first listed healthcare real estate investment trust, holding a direct stake of about 33% and a 40% stake in its manager, First REIT Management Limited.

OUE Healthcare continually seeks to grow its healthcare businesses in Asia via its three-pronged strategy comprising strategic partnerships, asset-light business model and regional expansion.

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For the latest news from OUE Healthcare, visit www.ouehealthcare.com.