

## OUE Lippo to acquire stakes in first REIT and Bowsprit Capital

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**The Proposed Acquisitions are aligned with OUELH's corporate strategy to expand its business into Pan-Asian Healthcare region, and to grow an asset-light business model.**



**Singapore** – OUE Lippo Healthcare Limited, the healthcare subsidiary of OUE Limited announced the proposed acquisition of approximately 10.63% of First REIT's total issued units. The Company has also proposed the acquisition of a 40% stake in Bowsprit Capital Corporation Limited, the manager of First REIT (together with the Proposed Units Acquisition). The Proposed Acquisitions' total consideration will amount to approximately S\$142 million. OUELH's parent, OUE, will concurrently acquire the other 60% stake in Bowsprit.

Listed on the Main Board of the Singapore Exchange Trading Limited since 2006, First REIT is the SGX-ST's first listed healthcare real estate investment trust. It currently has a portfolio of 20 high quality healthcare-related properties with stable cash flows and long lease terms across Indonesia, Singapore, and South Korea.

With First REIT's significant presence in key Asian markets such as Indonesia, and owning diverse yield-accretive healthcare-related real estate assets throughout Asia, the Proposed Acquisitions of stakes in First REIT and its manager, Bowsprit, fit into OUELH's geographical expansion plans. The Proposed Acquisitions will also position the Group to ride on a business eco-system of growth through investments, operations, asset management, and capital recycling for reinvestments.

Mr Lee Yi Shyan, Chairman of OUELH said, "The Proposed Acquisitions will bring three key benefits to OUELH's long-term strategic goals. Firstly, they enable the Company to diversify into a key healthcare market such as Indonesia. Further, they fit well with our asset-light growth model and thirdly, they are earnings accretive, which enhances shareholders' value."

Based on the audited financial results of First REIT and Bowsprit for FY2017, the Proposed Acquisitions are expected to contribute earnings of 0.26 cents per share and distribution of S\$7.1 million to the Group.

Oversea-Chinese Banking Corporation Limited is the sole financial advisor to the Company for the Proposed Acquisitions, and the manager and underwriter for the Rights Issue.