
UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2017

This announcement has been prepared by OUE Lippo Healthcare Limited (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 ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

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UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2017

PART1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	3 months ended 30 September			9 months ended 30 September		
	2017	2016	Inc/(Dec)	2017	2016	Inc/(Dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	11,697	11,494	1.8	32,978	38,418	(14.2)
Cost of sales	(7,075)	(6,827)	3.6	(18,909)	(20,378)	(7.2)
Gross profit	4,622	4,667	(1.0)	14,069	18,040	(22.0)
Other operating income/(loss), net	104	14,562	(99.3)	(18,425)	18,132	N/M
Administrative expenses	(4,130)	(3,078)	34.2	(10,979)	(8,653)	26.9
Finance expenses	(3,659)	(5,824)	(37.2)	(16,013)	(17,989)	(11.0)
(Loss)/Profit before tax	(3,063)	10,327	N/M	(31,348)	9,530	N/M
Tax expense	(686)	(233)	N/M	(4,182)	(193)	N/M
(Loss)/Profit after tax	(3,749)	10,094	N/M	(35,530)	9,337	N/M
Other comprehensive income						
Foreign currency translation differences relating to foreign operations	(4,103)	6,315	N/M	(3,583)	6,759	N/M
Total comprehensive income for the period	(7,852)	16,409	N/M	(39,113)	16,096	N/M
(Loss)/Profit attributable to:						
Owners of the Company	(3,749)	10,096	N/M	(35,530)	9,342	N/M
Non-controlling interests	-	(2)	N/M	-	(5)	N/M
	(3,749)	10,094	N/M	(35,530)	9,337	N/M
Total comprehensive income attributable to:						
Owners of the Company	(7,852)	16,411	N/M	(39,113)	16,096	N/M
Non-controlling interests	-	(2)	N/M	-	-	N/M
	(7,852)	16,409	N/M	(39,113)	16,096	N/M

N/M – not meaningful

PART1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS (Continued)

1(b) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position	Group		Company	
	30.09.2017	31.12.2016	30.09.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Inventories	1,264	776	-	-
Trade and other receivables	44,114	58,333	195,937	167,116
Cash and cash equivalents	16,730	15,186	21	24
	<u>62,108</u>	<u>74,295</u>	<u>195,958</u>	<u>167,140</u>
Non-current assets				
Property, plant and equipment	7,100	7,631	33	13
Intangible assets	528	715	-	-
Investment properties	287,207	296,588	-	-
Investment properties under development	122,178	123,012	-	-
Lease prepayments	5,638	5,932	-	-
Subsidiaries	-	-	124,841	123,708
	<u>422,651</u>	<u>433,878</u>	<u>124,874</u>	<u>123,721</u>
Total assets	<u>484,759</u>	<u>508,173</u>	<u>320,832</u>	<u>290,861</u>
LIABILITIES				
Current liabilities				
Loans and borrowings	169,087	170,336	165,680	111,446
Trade and other payables	22,357	27,214	38,741	36,394
Current tax liabilities	1,034	1,080	-	-
	<u>192,478</u>	<u>198,630</u>	<u>204,421</u>	<u>147,840</u>
Non-current liabilities				
Loans and borrowings	159,387	140,618	-	-
Trade and other payables	7,419	7,663	908	1,116
Deferred tax liabilities	32,820	29,494	-	-
	<u>199,626</u>	<u>177,775</u>	<u>908</u>	<u>1,116</u>
Total liabilities	<u>392,104</u>	<u>376,405</u>	<u>205,329</u>	<u>148,956</u>
NET ASSETS	<u>92,655</u>	<u>131,768</u>	<u>115,503</u>	<u>141,905</u>
EQUITY				
Share capital	192,707	192,707	192,707	192,707
Merger reserve	(65,742)	(65,742)	-	-
Asset revaluation reserve	3,630	3,630	-	-
Foreign currency translation reserve	(6,370)	(2,787)	-	-
Statutory surplus reserve	327	327	-	-
Accumulated (losses)/profits	(31,253)	4,277	(77,204)	(50,802)
	<u>93,299</u>	<u>132,412</u>	<u>115,503</u>	<u>141,905</u>
Non-controlling interests	(644)	(644)	-	-
Total equity	<u>92,655</u>	<u>131,768</u>	<u>115,503</u>	<u>141,905</u>

Notes to the Financial Statements

1(a)(i) (Loss)/Profit before tax of the Group is arrived at after charging/(crediting):

	Group			Group		
	3 months ended 30 September			9 months ended 30 September		
	2017	2016	Inc/(Dec)	2017	2016	Inc/(Dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income	(30)	(75)	(60.0)	(164)	(113)	45.1
Interest expense	3,659	5,824	(37.2)	16,013	17,989	(11.0)
Amortisation of lease prepayments	73	72	1.4	218	222	(1.8)
Amortisation of intangible assets	58	59	(1.7)	175	179	(2.2)
Depreciation of property, plant and equipment	298	287	3.8	845	872	(3.1)
Impairment losses/(Reversal of impairment losses) on trade and other receivables	104	(19)	N/M	17,554	834	N/M
Gain on deconsolidation of subsidiaries	-	(13,307)	N/M	-	(13,307)	N/M
Currency translation loss/(gain) - net	380	479	(20.7)	1,636	(2,485)	N/M
Guarantee fee income	-	-	N/M	-	(1,126)	N/M
Profit guarantee income	-	-	N/M	-	(67)	N/M
Net rental income from assets held for sale	-	(1,619)	N/M	-	(1,619)	N/M

1(a)(ii) Tax expense

	Group			Group		
	3 months ended 30 September			9 months ended 30 September		
	2017	2016	Inc/(Dec)	2017	2016	Inc/(Dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Current income tax - Foreign	(17)	(233)	(92.7)	(32)	(193)	(83.4)
Deferred income tax	(669)	-	N/M	(4,150)	-	N/M
Charge for the period	(686)	(233)	N/M	(4,182)	(193)	N/M

1(b)(i) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

	Group			Group		
	As at 30.09.2017			As at 31.12.2016		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable within one year	127,260	41,827	169,087	65,112	105,224	170,336
Amount repayable after one year	159,387	-	159,387	140,618	-	140,618

The secured borrowings of the Group as at 30 September 2017 comprised of term loans and bonds secured by the following:-

- corporate guarantees from the Company and a subsidiary;
- joint and several guarantees by certain shareholders;
- a fixed charge over the total assets of a subsidiary of the Group which mainly comprised of investment properties and cash and cash equivalents;
- a charge created over an investment property under development of the Group;
- a debenture over the assets and rights of a subsidiary pertaining to a development project of the Group;
- charges created over the entire issued share capital of certain subsidiaries of the Company;
- bank deposits of certain subsidiaries of the Company;
- debenture over the assets and rights of the Company;
- a deed of subordination in respect of amounts owing by a subsidiary to certain subsidiaries of the Company; and
- a mortgage over property owned by a subsidiary.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	3 months ended 30		9 months ended 30	
	September		September	
	2017	2016	2017	2016
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities :				
(Loss)/Profit after tax	(3,749)	10,094	(35,530)	9,337
Adjustments for				
Depreciation of property, plant and equipment	298	287	845	872
Amortisation of lease prepayments	73	72	218	222
Amortisation of intangible assets	58	59	175	179
Impairment losses/(Reversal of impairment losses) on trade and other receivables	104	(19)	17,554	834
Gain on deconsolidation of subsidiaries	-	(13,307)	-	(13,307)
Loss on disposal of property, plant and equipment	40	7	51	11
Interest income	(30)	(75)	(164)	(113)
Interest expense	3,659	5,824	16,013	17,989
Tax expense	686	233	4,182	193
Operating profit before working capital changes	1,139	3,175	3,344	16,217
Changes in working capital:				
Inventories	(187)	236	(734)	13
Trade and other receivables	(1,913)	3,299	(4,346)	(2,285)
Trade and other payables	(222)	987	(970)	(5,038)
Cash (used in)/generated from operations	(1,183)	7,697	(2,706)	8,907
Interest paid	(1,863)	(5,058)	(13,529)	(17,686)
Income tax paid	(57)	-	(57)	-
Net cash (used in)/generated from operating activities	(3,103)	2,639	(16,292)	(8,779)
Cash flows from investing activities :				
Additions to investment properties	(44)	-	(47)	-
Additions to investment properties under development	(35)	(1,321)	(47)	(4,964)
Purchase of property, plant and equipment	(138)	(170)	(487)	(2,039)
Net cash inflow from deconsolidation of subsidiaries	-	261	-	261
Interest received	30	75	164	113
Net cash used in investing activities	(187)	(1,155)	(417)	(6,629)
Cash flows from financing activities :				
Repayment of advances from related parties	-	(1,105)	-	(1,136)
Proceeds from borrowings	21,770	1,830	158,372	21,008
Repayment of borrowings	(21,194)	(2,673)	(139,654)	(16,531)
Net cash generated from/(used in) financing activities	576	(1,948)	18,718	3,341
Net (decrease)/increase in cash and cash equivalents	(2,714)	(464)	2,009	(12,067)
Cash and cash equivalents at beginning of financial period	20,005	15,776	15,186	25,751
Effect of exchange rate fluctuations on cash and cash equivalents	(561)	585	(465)	2,213
Cash and cash equivalents at end of financial period	16,730	15,897	16,730	15,897

- 1(d) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Merger reserve	Asset revaluation reserve	Foreign currency translation reserve	Statutory surplus reserve	Accumulated profits/(losses)	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2017	192,707	(65,742)	3,630	(2,787)	327	4,277	132,412	(644)	131,768
Total comprehensive income for the period									
Loss for the period	-	-	-	-	-	(31,781)	(31,781)	-	(31,781)
Other comprehensive income									
Foreign currency translation differences relating to foreign operations	-	-	-	520	-	-	520	-	520
At 30 June 2017	192,707	(65,742)	3,630	(2,267)	327	(27,504)	101,151	(644)	100,507
At 1 July 2017	192,707	(65,742)	3,630	(2,267)	327	(27,504)	101,151	(644)	100,507
Total comprehensive income for the period									
Loss for the period	-	-	-	-	-	(3,749)	(3,749)	-	(3,749)
Other comprehensive income									
Foreign currency translation differences relating to foreign operations	-	-	-	(4,103)	-	-	(4,103)	-	(4,103)
At 30 September 2017	192,707	(65,742)	3,630	(6,370)	327	(31,253)	93,299	(644)	92,655
At 1 January 2016	192,707	(65,742)	3,630	(3,794)	327	81,124	208,252	(629)	207,623
Total comprehensive income for the period									
Loss for the period	-	-	-	-	-	(754)	(754)	(3)	(757)
Other comprehensive income									
Foreign currency translation differences relating to foreign operations	-	-	-	439	-	-	439	5	444
At 30 June 2016	192,707	(65,742)	3,630	(3,355)	327	80,370	207,937	(627)	207,310
At 1 July 2016	192,707	(65,742)	3,630	(3,355)	327	80,370	207,937	(627)	207,310
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	10,096	10,096	(2)	10,094
Other comprehensive income									
Foreign currency translation differences relating to foreign operations	-	-	-	6,315	-	-	6,315	-	6,315
At 30 September 2016	192,707	(65,742)	3,630	2,960	327	90,466	224,348	(629)	223,719

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Continued)

COMPANY	Share capital	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000
At 1 January 2017	192,707	(50,802)	141,905
Total comprehensive income for the period			
Loss for the period	-	(13,431)	(13,431)
At 30 June 2017	192,707	(64,233)	128,474
At 1 July 2017	192,707	(64,233)	128,474
Total comprehensive income for the period			
Loss for the period	-	(12,971)	(12,971)
At 30 September 2017	192,707	(77,204)	115,503
At 1 January 2016	192,707	(23,240)	169,467
Total comprehensive income for the period			
Loss for the period	-	(5,191)	(5,191)
At 30 June 2016	192,707	(28,431)	164,276
At 1 July 2016	192,707	(28,431)	164,276
Total comprehensive income for the period			
Profit for the period	-	5,187	5,187
At 30 September 2016	192,707	(23,244)	169,463

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Ordinary shares issued and fully paid-up

	Number of shares	Paid-up share capital
		S\$
Balance as at 30 June 2017 and 30 September 2017	1,659,064,603	192,706,969

There was no change in the Company's share capital between 30 June 2017 and 30 September 2017.

As at 30 September 2017 and 30 September 2016 respectively, the Company did not have any convertible securities, treasury shares or subsidiary holdings.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 30 September 2017 and 31 December 2016, the Company had 1,659,064,603 issued and fully paid ordinary shares.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited consolidated financial statements for the financial year ended 31 December 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group adopted a number of new standards, amendments to standards and interpretations that are effective for annual periods beginning on 1 January 2017. The adoption of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

	Group		Group	
	3 months ended 30 September		9 months ended 30 September	
	2017	2016	2017	2016
Net (loss)/profit attributable to owners of the Company (S\$'000)	(3,749)	10,096	(35,530)	9,342
Weighted average number of ordinary shares in issue	1,659,064,603	1,659,064,603	1,659,064,603	1,659,064,603
Basic earnings per share (Singapore cents)	(0.226)	0.609	(2.142)	0.563

Basic and diluted earnings per share were the same as there were no potentially dilutive ordinary shares in issue as at 30 September 2017 and 30 September 2016 respectively.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**
 (a) current financial period reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	As at 30.09.2017	As at 31.12.2016	As at 30.09.2017	As at 31.12.2016
Net asset value attributable to owners of the Company (S\$'000)	93,299	132,412	115,503	141,905
Number of ordinary shares in issue	1,659,064,603	1,659,064,603	1,659,064,603	1,659,064,603
Net asset value per ordinary share (Singapore cents)	5.62	7.98	6.96	8.55

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**
 (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of financial performance

3Q2017 vs 3Q2016

(a) Revenue

Revenue for 3Q2017 increased by S\$0.2 million to S\$11.7 million as compared to S\$11.5 million for 3Q2016.

Rental income from the Group's nursing facilities in Japan (the "**Nursing Facilities**") was stable but was negatively affected by foreign exchange fluctuations. The decline was offset by better performance from the Wuxi New District Phoenix Hospital in Wuxi, Jiangsu, China ("**Wuxi Hospital**") and the China drug distribution business.

(b) Other operating income

Other operating income amounted to S\$0.1 million as compared to S\$14.6 million for 3Q2016 due mainly to the absence of rental income from one of the Deconsolidated Subsidiaries, IHC Australia First Trust, and the absence of a one-off gain of S\$13.3 million arising from the Deconsolidation Event as described below.

Deconsolidation Event

The Company was deemed to have lost control of IHC Management Pte. Ltd., IHC Management (Australia) Pty Ltd, IHC Medical RE Pte. Ltd., IHC Healthcare REIT, IHC Australia First Trust and IHC Australia Second Trust (collectively known as "**Deconsolidated Subsidiaries**") as a result of the events described in the announcement dated 15 August 2016.

Therefore, the Company deconsolidated the assets and liabilities of the Deconsolidated Subsidiaries in accordance with Singapore Financial Reporting Standards 110.

(c) Administrative expenses

Administrative expenses increased by S\$1.0 million to S\$4.1 million as compared to S\$3.1 million for 3Q2016. The increase was due mainly to higher staff costs (+S\$0.4 million), and legal and professional fees (+S\$0.6 million) incurred.

(d) Finance expenses

Finance expenses decreased by S\$2.1 million to S\$3.7 million. The decrease was due mainly to reduction in interest and amortization expenses amounting to:

- (i) S\$1.4 million arising from the partial redemption of the “S\$50.0 million 6 per cent Medium Term Notes Series 001” (“**MTN-1**”) and the full redemption of the “S\$50.0 million 7 per cent Medium Term Notes Series 002” (“**MTN-2**”) in April 2017;
- (ii) S\$1.3 million following the refinancing of the Japan TMK bonds in July 2017; and
- (iii) S\$1.4 million related to the borrowings of the Deconsolidated Subsidiaries.

The decrease was partially offset by interest cost of S\$1.8 million incurred on loans received from Treasure International Holdings Pte. Ltd. (“**TIHPL**”) and OUE Treasury Pte Ltd (“**OUE Treasury**”), which are wholly-owned subsidiaries of OUE Limited (“**OUE**”). Please refer to the circular to shareholders dated 29 June 2017, notice of Extraordinary General Meeting (“**EGM**”) dated 29 June 2017 and results of EGM dated 14 July 2017 for further details.

(e) Loss/Profit after tax

The Group recorded a loss after tax of S\$3.7 million for 3Q2017.

Review of Statement of Financial Position as at 30 September 2017

- (a) Current assets decreased by S\$12.2 million from S\$74.3 million as at 31 December 2016 to S\$62.1 million as at 30 September 2017. The decrease was due mainly to:
 - (i) net decrease in trade and other receivables of S\$14.2 million, arising from impairments made of S\$17.6 million and partially offset by a S\$2.7 million increase in the trade and other receivables related to the operations in China;
 - (ii) S\$1.5 million increase in cash and cash equivalents; and
 - (iii) S\$0.5 million increase in inventories, comprising pharmaceutical, medical and surgical supplies.
- (b) Non-current assets decreased by S\$11.2 million from S\$433.9 million as at 31 December 2016 to S\$422.7 million as at 30 September 2017. The decrease was due mainly to:
 - (i) a S\$9.4 million and S\$1.0 million decrease in the carrying value of the properties in Japan and China respectively as a result of the weakening of the Japanese Yen and Chinese Renminbi against the Singapore Dollars; and
 - (ii) depreciation recorded on property, plant and equipment of S\$0.8 million.
- (c) Current liabilities decreased by S\$6.1 million from S\$198.6 million as at 31 December 2016 to S\$192.5 million as at 30 September 2017. The decrease was due mainly to:
 - (i) payment of S\$2.5 million for the termination of the asset management contract for the Nursing Facilities;
 - (ii) payment of legal and professional fees of S\$1.3 million;
 - (iii) reclassification of S\$43.3 million loan from current borrowings to non-current borrowings as the breach in loan covenants as at 31 December 2016 was rectified in February 2017 and April 2017; and
 - (iv) repayment of borrowings amounting to S\$118.5 million.

The decrease was partially offset by S\$159.4 million of shareholder’s loans obtained by the Company from TIHPL and OUE Treasury.

- (d) Non-current liabilities increased by S\$21.8 million from S\$177.8 million as at 31 December 2016 to S\$199.6 million as at 30 September 2017. The increase was due mainly to:
- (i) the reclassification of S\$43.3 million loans from current borrowings to non-current borrowings; and
 - (ii) additional provision of deferred tax liabilities amounting to S\$3.3 million.

The increase was partially offset by the repayment of borrowings of S\$25.0 million.

- (e) Shareholders' equity decreased by S\$39.1 million from S\$132.4 million as at 31 December 2016 to S\$93.3 million as at 30 September 2017.

Review of Cashflow and Working Capital

- (a) Operating activities utilised net cash of \$1.2 million before interest and income tax payments amounting to S\$1.9 million.
- (b) Investing activities utilised net cash of S\$0.2 million, which related mainly to the purchase of medical equipment for Wuxi Hospital.
- (c) Financing activities provided net cash of S\$0.6 million. Proceeds from new borrowings were from shareholders' loans granted by TIHPL and OUE Treasury. Borrowings repaid related to the partial repayment of Japan TMK bonds.
- (d) As at 30 September 2017, the Group's net current liabilities amounted to S\$130.4 million. The current liabilities of the Group include shareholders' loans of S\$159.4 million from TIHPL and OUE Treasury.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed.

10. A commentary at the date of the announcement of 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.

Pursuant to the mandatory unconditional cash offer to acquire all the issued and paid-up capital of the Company, OUE acquired 86.16% of the issued shares of the Company in April 2017. OUE's intentions are to stabilise and operate the Group as a going concern and also, to grow the Group's operations and businesses.

OUE has provided financial support to repay various loans and borrowings, including the partial redemption of MTN-1 and full redemption of MTN-2. The Group also refinanced the Japan TMK bonds on 14 July 2017.

The Company obtained shareholders' approval to change its name to OUE Lippo Healthcare Limited on 9 Oct 2017. The new name reflects the Company's ties with the OUE and Lippo Group, as well as allows the Company to leverage on their brand equity. The OUE and Lippo Group has an established presence in Singapore, Indonesia, Hong Kong and China.

The Group is in the process of reviewing its operations, businesses and development plans. The Group's focus is to grow the healthcare services business through development and strategic acquisitions in key Asian markets.

The Group is also rigorously defending its interests and legal position on various legal matters and updates will be made accordingly via SGX announcements.

11. **If a decision regarding dividend has been made:-**
- (a) **Whether an interim/final ordinary dividend has been declared/recommended; and**
None.
 - (b)(i) **Amount per share (cents)**
Not applicable.
 - (b)(ii) **Previous corresponding period (cents)**
None.
 - (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).**
Not applicable.
 - (d) **The date the dividend is payable**
Not applicable.
 - (e) **Books closure date**
Not applicable.

12. **If no dividend has been declared/recommended, a statement to that effect**

Not applicable.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for any Interested Person Transactions.

14. **Confirmation Pursuant to Rule 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

15. **Negative Confirmation by the Board pursuant to Rule 705(5) of Catalist Rules**

We, Mr Eric Sho Kian Hin and Dr Wong Weng Hong, being two directors of OUE Lippo Healthcare Limited, do hereby confirm on behalf of the Board of Directors of the Company (the "**Board**") that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for the financial period ended 30 September 2017 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD OF DIRECTORS

Dr. Wong Weng Hong
Chief Executive Officer and Executive Director

2 November 2017