

Luye Medical integrates Australia's Healthe Care to its group

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Healthe Care, Australia's third largest private healthcare group, officially became a member of Singapore-headquartered, Luye Medical Group Pte Ltd after the AU \$938 million acquisition from Australia's Archer Capital Fund was completed on April 18, 2016. With this acquisition, Luye Medical Group has grown into the ranks of the largest international private medical groups in the region.

Healthe Care will continue to expand its business operations in the Australian market, and work closely with Luye Medical Group to expand its footprint and build high quality healthcare services in Singapore, China and the other Asian countries.

The China healthcare market, driven by an aging population and emerging healthcare friendly policies, has accelerated its development. According to statistics, the market size of China's healthcare industry is approximately \$280 billion, while the compound annual growth rate of hospital income during 2009 to 2013 was 20%, with private hospitals achieving as high as 28%.

However, due to lack of adequate policy support and infrastructure, it has been difficult for private hospitals to specialize and extend their services to a wider population, so Chinese private healthcare providers only cover about 10% (1) of the total patients population, notably lower than the 20% to 30% target(2) set by the government. Luye Medical Group believes that Healthe Care will enhance the Groups' capabilities in China, enabling high quality healthcare services at international standards.

Choo Kin Poo, Luye Group Vice President, Strategy Planning & Business Development, said, "This is our largest acquisition so far. As a medical group headquartered in Singapore with assets overseas, having Healthe Care on board will allow us to build on our business strategy and plans to expand in Singapore and Asia Pacific."

"The acquisition of Health Care represents an important milestone in the development of Luye Medical Group. It has great strategic significance and will influence the development of our healthcare services, and lays the foundation for Luye Medical Group and Luye Group to be a market leader both in China and internationally," said Liu Dianbo, Chairman of Luye Group.

Both Health Care and Luye Medical Group specialize in areas such as oncology, cardiology, neuropsychiatry, orthopaedics and rehabilitation, using key therapeutic pharmaceutical products from Luye Pharma Group (HK:2186), another member of Luye Group.