

HEALTH CARE TO BE ACQUIRED BY LUYE MEDICAL GROUP

Australian private hospital operator Healthe Care Australia Pty Limited (“Healthe Care”) today announced it was to be acquired by Luye Medical Group Co. (“Luye Medical”).

Owned by Archer Capital Fund 4, Healthe Care is the third largest corporate private hospital operator in Australia and one of the country’s largest privately-owned healthcare companies. Healthe Care operates a portfolio of 17 hospital sites located in major cities and key regional areas across Australia. The company has over 1,800 beds, more than 50 operating theatres and 4,500 employees.

Luye Medical is a division of Luye Group which was founded in 1994. Luye Group has a significant shareholding in Hong Kong listed Luye Pharma Group Ltd, a leading specialty pharmaceutical company in China with strong presence in therapeutic areas such as oncology, cardiovascular, diabetes and central nervous system. The market capitalisation of Luye Pharma Group is approximately A\$4 billion. Luye Medical currently comprises a network of healthcare service facilities across major cities in China, focusing on key therapeutic areas including rehabilitation nursing, plastic surgery, postpartum nursing, geriatric medicine and dentistry.

Chief Executive Officer of Healthe Care, Steve Atkins, described the sale as a strong endorsement of Healthe Care’s track record of expanding its quality healthcare services.

“I have spent a considerable amount of time over the past several months getting to know the Luye Medical management team and have been impressed by their vision and strong commitment to continue funding the expansion of healthcare services at Healthe Care.”

“I am looking forward to working with Luye Medical’s executives and benefitting from their healthcare expertise as we further our strong partnerships with Healthe Care’s doctors and staff to deliver the highest standards of patient care.”

Luye Group Chairman Liu Dian Bo said the acquisition of Healthe Care represented a rare opportunity to buy a portfolio of world class private hospitals.

“There are very few private hospital portfolio acquisition opportunities anywhere in the world and to be able to enter the Australian market with an acquisition of scale such as Healthe Care represents a great opportunity.”

“Patient care and outcomes are paramount to what we do and believe in, and we are committed to continuing the delivery of first class healthcare services.”

“I see our role as to enhance and improve access to private healthcare services for Australians and we have the capital and commitment to fund expansion of Healthe Care’s hospitals to enable it to continue to bolster its position as one of the leading healthcare services companies in the country.”

“An investment in Healthe Care position Luye Medical to consider a range of opportunities resulting from the recent FTA agreement with China, and capitalise on the company’s world class systems, patient care and operating standards. I strongly believe that Healthe Care will provide us with a

platform upon which we can build a world class and highly successful healthcare services business not only in Australia and China, but also in many other countries of Asia where we see development opportunities exist.”

Archer Capital was advised by Luminis Partners, Morgan Stanley and Allens. Luye Medical was advised by Barclays and Ashurst. Completion of the transaction is expected in the first quarter of 2016.

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