

## **Additional information on the sale of Unity Pharmacy and Origins Healthcare Pte Ltd**

### **1. Proposed Transaction**

Proposed sale of (i) pharmacy business including its retail outlets under the “Unity” brand name (“Unity Pharmacy”) and (ii) entire 80% shareholding in Origins Healthcare Pte Ltd (“Origins Healthcare”) (collectively, “Proposed Deal”) to NTUC FairPrice Co-operative Limited (“NTUC FairPrice”).

NTUC Health Co-operative Limited (“NTUC Health”) would like to seek approval of members on the Proposed Deal at its Annual General Meeting on 31 May 2017.

### **2. Information on the disposed business and entity**

Established in 1992, Unity Pharmacy has grown to some 60 Unity Pharmacy stores island-wide, offering a wide range of health supplements, healthcare and skincare products, medicines and first aid items. Pharmacists are present in stores to give professional advice on health concerns, dispense medication, and give medication reviews and advice on chronic disease management and drug interaction.

NTUC Health acquired 80% share in Origins Healthcare in 1995. Starting in 1993, Origins Healthcare began as a dedicated wholesaler and distributor of organic/natural whole foods, natural skin and hair care products. Today, Origins Healthcare is one of the top health food distributors in Singapore.

### **3. Rationale for the transaction**

With the rapidly evolving health & wellness market as evidenced by the growing number of health-conscious consumers and a proliferation of online health product platforms, we recognise that there are opportunities for us to deliver greater social impact to the community.

The Board of NTUC Health has carefully considered and decided that bringing Unity Pharmacy and Origins Healthcare into NTUC FairPrice would allow customers to be better served.

NTUC FairPrice is one of the largest supermarket chains in Singapore, with more than 300 outlets in various retail formats including FairPrice supermarkets, FairPrice Xtra hypermarkets, FairPrice Finest, and Cheers and FairPrice Xpress convenience stores spread across the island. It also has an online shopping portal, FairPrice Online. With its extensive presence and deep retail expertise, NTUC FairPrice can maximise the available pharmacy/healthcare resources within Unity Pharmacy/Origins Healthcare to serve more working families in the areas of health and wellness. It can also enjoy better economies of scale thereby helping to moderate costs of living in the area of healthcare products.

#### **4. Consideration**

The consideration is based on a willing buyer-willing seller basis taking reference from a valuation performed by an independent valuer. The full consideration will be satisfied by way of cash payment.

#### **5. Future plans for NTUC Health**

The proceeds of the Proposed Deal will be used to fund NTUC Health's future growth in eldercare/community care services. Much of the work in the last few years has focused on opening new facilities. As of now, we have nineteen dental clinics, one family medicine clinic, three nursing homes, fourteen senior care centres, seven senior activity centres, a senior wellness centre, a senior group home and a sheltered home. We will continue our focus in these areas and also look for new growth opportunities to create greater social impact.

#### **6. Additional information relating to the Proposed Deal (Members only)**

Current members of NTUC Health Co-operative Limited can contact us at [agm@ntuhealth.sg](mailto:agm@ntuhealth.sg) or 6590 4300 for transaction details relating to the Proposed Deal.