

FOR IMMEDIATE RELEASE

Kuala Lumpur/Singapore, 13 July 2018



IHH Healthcare Berhad

IHH HEALTHCARE ANNOUNCES ACQUISITION OF CONTROLLING STAKE IN FORTIS HEALTHCARE LIMITED

- Acquisition of 31.1% in Fortis through a INR 40 billion (RM 2,348 million / USD 582 million) subscription to a preferential allotment (“**Preferential Allotment**”) of Fortis shares , at a price of INR 170 per share, valuing Fortis at approximately RM 5,214 million / USD 1,292 million¹
- Preferential Allotment will trigger a mandatory cash open offer (“**Fortis Open Offer**”) for 26% equity interest in Fortis at an offer price of INR 170 per share
- Fortis Acquisition, on completion, will subsequently trigger mandatory cash open offer for 26% equity interest in Fortis Malar Hospital (“**Malar Open Offer**”) at an offer price of INR 58 per share, valuing Fortis Malar at approximately RM 64 million / USD 16 million
- Transformational transaction gives IHH a controlling interest in leading healthcare services provider in India, one of the fastest growing markets driven by sustainable megatrends
- Fortis Open Offer expected to open in August / September 2018, subject to completion of Indian regulatory reviews

KUALA LUMPUR/SINGAPORE, 13th July 2018 - IHH Healthcare Berhad (“**IHH**”), through its wholly owned subsidiary Northern TK Venture Pte. Ltd. (“**Northern TK**”), was today announced as the preferred bidder to acquire a controlling stake in Fortis Healthcare Limited (“**Fortis Healthcare**”), a leading healthcare service provider in India, through a combination of primary equity infusion and secondary purchase from public shareholders of Fortis Healthcare at an offer price of INR 170 per share (“**Fortis Acquisition**”). Upon completion of the Fortis Acquisition, IHH will hold a minimum of 31.1% and a maximum of 57.1% equity interest in Fortis Healthcare and will trigger a mandatory tender offer to acquire 26% equity interest in Fortis Healthcare’s listed subsidiary, Fortis Malar Hospital Limited (“**Fortis Malar**”), under the applicable provisions of Indian takeover code.

As part of the Fortis Acquisition, IHH, through Northern TK, has entered into a share subscription agreement with Fortis Healthcare for INR 40 billion (RM 2,348 million / USD 582 million) subscription to a preferential allotment of equity shares, at a price of INR 170 per share. The preferential allotment will make IHH the largest shareholder in Fortis Healthcare with 31.1% stake and would trigger the requirement to make a mandatory open offer to the public shareholders of Fortis Healthcare for 26% of the outstanding shares, under the applicable provisions of Indian takeover code.

Based on the Offer Price of INR 170 per share, the implied equity valuation for 100% of Fortis Healthcare is INR 88.8 billion (RM 5.2 billion). The Offer Price represents a 22.3x multiple of Fortis Healthcare’s

¹ Implied valuation for 100% equity interest in Fortis Healthcare
Exchange rates of 1 RM = 17.0349 INR and 1 USD = 4.0370 MYR

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EBITDA² for the last twelve months ended 31 March 2018 and 19.5% and 15.3% Premium to the closing share price on 12 July 2018 and sixty-day volume weighted average price (“VWAP”), respectively.

The Malar Open Offer is at INR 58 per share, representing an implied equity valuation for 100% of Fortis Malar of INR 1,092 million (RM 64 million). The Malar Open Offer price represents a 13.0% and 0.8% Premium to the closing share price on 12 July 2018 and sixty-day VWAP, respectively.

Depending on the acceptance levels for the Fortis Open Offer and Malar Open Offer, the total funding required for the transaction will be between INR 40 billion (RM 2,348 million) and INR 74 billion (RM 4,331 million), which will be funded through existing cash reserves and debt facilities.

Key highlights for IHH

- Significant expansion of IHH’s exposure to India, its fourth home market and one of the most attractive countries globally for healthcare, through a controlling interest in the second largest hospital chain in the country
- Fortis Healthcare’s hospitals have a stronger presence in North India, complementary to IHH’s existing South India-focused portfolio and provides access to a leading platform with pan-India presence
- Offers IHH and Fortis Healthcare significant synergy potential in management, administration and operations, leveraging IHH’s global private healthcare execution track record and expertise

Key highlights for Fortis Healthcare and Fortis Malar

- Significant equity infusion in Fortis Healthcare to address the immediate funding requirement for operations and strategic transactions
- Attractive option for the public shareholders to monetise their shareholdings at a premium
- Cash offer provides certainty in the context of high historical price volatility
- Simple and binding offer structure with limited conditions and a short timeline to completion
- Secures a clear path forward for Fortis Healthcare, with the backing of a leading global healthcare group as the majority shareholder to provide a stable financial and operational platform to continue to grow

Fortis Healthcare is a leading integrated healthcare services provider in India with operations spanning across both hospitals and diagnostics businesses. Currently, it is the second largest player in India by number of hospitals, operating a network of 34 hospitals across the country and internationally with a capacity of over 4,600 beds and employs more than 2,600 doctors and 13,200 support staff who catered to c. 2.6mn patients in FY2018³.

² Reported EBITDA (includes other income)

³ Fortis Healthcare operating metrics as per Fortis Healthcare presentation (March 2018). Number of patients for 9M FY2018 annualized for FY2018

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Fortis Malar, a subsidiary of Fortis Healthcare, is one of the distinguished multi super-specialty corporate hospitals in Chennai providing comprehensive medical care across multiple segments. Established in 1992, Fortis Malar has become a household name for tertiary care hospital services in Chennai over the years.

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IHH will become a long-term strategic owner of Fortis Healthcare, with its significant operational expertise and financial strength to position the company to future growth. IHH intends to leverage its strong reputation, high corporate governance standards, deep financial resources and strong operational expertise to create value for Fortis Healthcare.

It is the intention of IHH to have Fortis Healthcare and Fortis Malar continue to retain their listing status on the Bombay Stock Exchange. IHH is also supportive of Fortis Healthcare's announced plan to acquire RHT Health Trust, which is listed in Singapore and currently has a portfolio of 12 clinical establishments, four greenfield clinical establishments and two operating hospitals.

Dr. Tan See Leng, Managing Director and Chief Executive Officer of IHH, said, "The acquisition of a controlling interest in Fortis Healthcare will significantly increase our reach across the Indian subcontinent, complementing our existing capabilities in the high-value quaternary care segment. IHH has already been actively expanding and deepening our presence in our home market of India over the last few years and this acquisition is a natural progression in our expansion and plans across India.

This win-win combination will make IHH the leading healthcare services provider in India, while giving Fortis Healthcare and its stakeholders certainty and clarity on the future of the group. With a clear and holistic strategy in place, we have developed a 100-day turnaround plan to stabilise Fortis Healthcare, which will pave the way for Fortis Healthcare to realise its full potential in the long run. We look forward to continually providing the best-in-class healthcare services and delivering excellent clinical outcomes for patients that both IHH and Fortis Healthcare are known for."

Dato' Mohammed Azlan bin Hashim, Non-Executive Chairman of IHH said, "The acquisition of a controlling stake in Fortis Healthcare, one of the leading healthcare service providers in India, represents a transformational investment for IHH and demonstrates our commitment to invest considerable resources to expand and consolidate our footprint in India. We remain confident in our ability to deliver sustainable, long-term growth and value creation for our shareholders."

The Fortis Open Offer is expected to commence in August / September 2018 subject to certain conditions, including customary regulatory approvals including Competition Commission of India, Securities and Exchange Board of India and the Reserve Bank of India, and close by Q3 2018.

Additional details of the offer will be available in the further public announcements which will be filed with the relevant stock exchanges and Securities and Exchange Board of India.

Citigroup Global Markets India Private Limited, Deutsche Bank Group, HDFC Bank Limited and HSBC are acting as financial advisors and joint managers to the open offers for IHH, while Allen & Gledhill, Khaitan & Co and Foong & Partners are acting as legal advisors.

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About IHH Healthcare Berhad (“IHH”)

IHH Healthcare Berhad is a leading premium integrated healthcare provider in markets where the demand for quality care is strong and growing. We are one of the largest healthcare groups in the world by market capitalisation and are listed on the Main Market of Bursa Malaysia and the Main Board of SGX-ST.

Employing more than 35,000 people and operating over 10,000 licensed beds across 49 hospitals in 9 countries worldwide, the Group offers the full spectrum of integrated healthcare services from clinics to hospitals to quaternary care and a wide range of ancillary services across our three operating subsidiaries:

- **Parkway Pantai Limited** is one of Asia's largest integrated private healthcare groups with a network of 28 hospitals throughout the region, including Malaysia, Singapore, India, China, Brunei and UAE.

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Its “Mount Elizabeth”, “Gleneagles”, “Parkway” and “Pantai” brands are among the most prestigious in Asia. In its home market India, it has strong operational expertise and a proven track record of significantly improving operations at its acquired entities.

- **Acibadem Holdings** is Turkey’s leading private healthcare provider, offering integrated healthcare services across 21 hospitals in Turkey, Macedonia and Bulgaria. The “Acibadem” brand is renowned for its clinical excellence in the Central & Eastern Europe, Middle East and North Africa (“CEEMENA”) region.
- **IMU Health** is IHH’s medical education arm, and oversees the established higher learning institutions of International Medical College (“IMC”) and International Medical University (“IMU”) in Malaysia.

IHH is the leading player in our home markets of Malaysia, Singapore, Turkey and India, and key growth markets of China and Hong Kong. For more information, please visit www.ihhhealthcare.com.