

OTHERS Termination of Tokumei Kumiai agreement with Godo Kaisha Urbino

IHH HEALTHCARE BERHAD

Type	Announcement
Subject	OTHERS
Description	Termination of Tokumei Kumiai agreement with Godo Kaisha Urbino

Pursuant to Paragraph 9.19(24) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of IHH Healthcare Berhad (“IHH” or “**the Company**”) wishes to announce that Parkway Life Real Estate Investment Trust (“**Parkway Life REIT**”) had terminated the *Tokumei Kumiai agreement* dated 27 May 2008 (or silent partnership agreement, the “**TK Agreement**”) entered into between its wholly-owned subsidiary, Parkway Life Japan2 Pte. Ltd. and Godo Kaisha Urbino (“**TK Operator**”) with effect from 31 August 2017. Following the termination of TK Agreement, TK Operator ceased to be a subsidiary of IHH Group.

Parkway Life REIT is an indirect 35.685% owned subsidiary of the Company. Although Parkway Life REIT does not have any direct or indirect equity interest in the TK Operator, the TK Operator was regarded as a subsidiary of IHH Group pursuant to MFRS 10: Consolidated Financial Statements (“**Change in Group Composition**”). This is due to the nature of the arrangements under the TK Agreement where the TK Operator is under established terms that impose strict limitations on decision-making powers by the TK Operator, resulting in IHH Group receiving the majority of the benefits relating to the TK Operator’s operations and net assets, being exposed to the majority of the risks incident to the TK Operator’s activities and retaining the majority of the residual or ownership risks related to the TK Operator and their assets.

The TK Agreement was terminated as the TK Operator no longer holds any property for Parkway Life REIT.

The termination of the TK Agreement will not have any effect on IHH’s issued share capital and substantial shareholders’ shareholdings. There shall be no material effect on the earnings, net assets or gearing of IHH for the financial year ending 31 December 2017.

None of the directors and/or major shareholders of IHH or persons connected to them has any interest, direct or indirect, in the termination of the TK Agreement.

Announcement Info

Company Name	IHH HEALTHCARE BERHAD
Stock Name	IHH
Date Announced	05 Sep 2017
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