

# OTHERS CHANGE IN THE COMPOSITION OF IHH GROUP

## IHH HEALTHCARE BERHAD

|             |                                        |
|-------------|----------------------------------------|
| Type        | Announcement                           |
| Subject     | OTHERS                                 |
| Description | CHANGE IN THE COMPOSITION OF IHH GROUP |

Please refer attachment below.

### Attachments

[IHH Announcement\\_Change in the Composition of the Group\\_07.02.2018.pdf](#)  
133.6 kB

| Announcement Info |                              |
|-------------------|------------------------------|
| Company Name      | IHH HEALTHCARE BERHAD        |
| Stock Name        | IHH                          |
| Date Announced    | 07 Feb 2018                  |
| Category          | General Announcement for PLC |
| Reference Number  | GA1-07022018-00070           |



## IHH Healthcare Berhad

Company No. 901914-V  
(Incorporated in Malaysia)

### **IHH HEALTHCARE BERHAD (“IHH” OR THE “COMPANY”) CHANGE IN THE COMPOSITION OF IHH GROUP**

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Pursuant to Paragraph 9.19(23) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of IHH wishes to announce that Parkway Life Japan2 Pte Ltd (“**TK Investor**”), a special purpose entity of Parkway Life Real Estate Investment Trust (“**Parkway Life REIT**”), had on 7 February 2018 entered into a *Tokumei Kumiai* agreement (or silent partnership agreement, the “**TK Agreement**”) with G. K. Nest (the “**TK Operator**”). Parkway Life REIT is an indirect 35.69% owned subsidiary of the Company.

Pursuant to the TK Agreement, the purchase price of the property amounting to JPY1,500 million (approximately RM53.6 million<sup>1</sup>) will be injected into the TK Operator by the TK Investor to facilitate the acquisition of the following nursing rehabilitation facility by the TK Operator (“**Acquisition**”). The completion of the Acquisition will be subject to the satisfaction of a number of conditions including, inter alia, compliance with certain applicable laws and regulations and the obtaining of certain applicable governmental and regulatory approvals.

| Property                     | Location                           | No. of Rooms | Type of Property                   |
|------------------------------|------------------------------------|--------------|------------------------------------|
| Konosu Nursing Home Kyoseien | Konosu City,<br>Saitama Prefecture | 120          | Nursing Rehabilitation<br>Facility |

Although Parkway Life REIT does not have any direct or indirect equity interest in the TK Operator, the TK Operator is 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 Operator is a private limited liability company incorporated in Japan on 4 January 2018 with an issued and paid-up share capital of JPY10,000. The principal activity of the TK Operator includes investment/divestment, management and holding of real estate and real estate interest and other related real estate activities.

The Change in Group Composition 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 2018.

None of the Directors and major shareholders of IHH and persons connected to them has any interest, direct or indirect, in the Change in Group Composition.

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<sup>1</sup> Based on the exchange rate of JPY100: RM3.5736 on 7 February 2018 as set out in the Bank Negara Malaysia website