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ASIA EDITION

Malaysia's Sime Darby sells healthcare biz to Columbia Asia for RM5.7 B

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Sime Darby entered the healthcare business with the acquisition of Subang Jaya Medical Centre in 1985



Sime Darby Berhad has announced that its wholly-owned subsidiary Sime Darby Holdings Berhad (SDHB) has entered into a sale and purchase agreement with Columbia Asia Healthcare Sdn Bhd for the disposal of its interest in Ramsay Sime Darby Health Care Sdn Bhd (RSDH) for RM5.7 billion, marking its exit from the healthcare business.

RSDH is a 50:50 joint venture between Sime Darby and Ramsay Health Care Limited. Sime Darby was exploring the sale of RSDH together with Ramsay.

Columbia Asia is a Malaysia-based international private healthcare company and a wholly-owned subsidiary of Columbia Asia Healthcare Pte. Ltd. (CAHSG). CAHSG is 99.9% owned by HLT Healthcare Holdings Limited, which in turn, is jointly owned by Malaysian conglomerate, the Hong Leong Group and One Health Holdings (OHH), which is owned and controlled by TPG-managed funds. TPG-managed funds will invest in this transaction together with several co-investors via OHH.

Other than TPG and the Hong Leong Group, the Employees Provident Fund of Malaysia and a wholly-owned subsidiary of the Abu Dhabi Investment Authority, will be the two largest providers of new capital which will be used to fund the transaction. Post transaction, both these OHH co-investors will have a combined shareholding of approximately 25% in OHH.

Columbia Asia and its subsidiaries have 22 medical facilities across Asia with 14 of them in Malaysia.

SDHB, together with AH Holdings Health Care Pty Ltd (AHHC), a subsidiary of Ramsay, entered into the SPA with Columbia Asia for the disposal of 100% equity interest held in RSDH for a cash consideration of RM5.7 billion.

Sime Darby entered the healthcare business with the acquisition of Subang Jaya Medical Centre, or then known as Penawar, from United Estates Projects Berhad in 1985. In 2013, Sime Darby and Australia-based Ramsay set up the joint venture to create Ramsay Sime Darby Health Care.