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ASIA EDITION

IHH Healthcare acquires stake in Fortis

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IHH Healthcare Berhad, through its wholly owned subsidiary Northern TK Venture announced that it has acquired 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.

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

The deal is expected to give IHH significant 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, said IHH in its press release.

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. The deal also 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

Currently, Fortis 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 .