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PLife REIT, IHH Healthcare extend strategic partnership for hospitals in Singapore

July 19, 2021 | News

S$150 million Renewal Capex Agreement will enhance the Singapore Hospitals to sustain competitiveness



Parkway Trust Management, as manager of Parkway Life Real Estate Investment Trust (PLife REIT), one of Asia's largest listed healthcare REITs, together with IHH Healthcare Berhad, one of the world's largest healthcare networks, have announced their strategic collaboration for the carrying out by PLife REIT of renewal capital expenditure works at the Singapore Hospitals.

S$150 million Renewal Capex Agreement will enhance the Singapore Hospitals to sustain competitiveness and ride the growth potential of Singapore's healthcare industry.

The Renewal Capex Works which will be carried out at the applicable Singapore Hospitals, are estimated to take approximately 3 years.

The extended collaboration also inclused new Master Lease Agreements for three Singapore Hospitals. An extended term of ~20 years to 31 December 2042 provides business continuity and stability of operations for IHH Healthcare Singapore and sustained rental income stream for PLife REIT.

Given the differentiated profiles and value proposition of Mount Elizabeth Hospital Property, Gleneagles Hospital Property and Parkway East Hospital Property, these properties capture different segments of the healthcare market and are significant contributors to the IHH's profitability.

Further, right of first refusal (ROFR) has been granted by a wholly-owned subsidiary of the Sponsor (Parkway Hospitals Singapore, a wholly-owned subsidiary of Parkway Holdings) to the Trustee (HSBC Institutional Trust Services Singapore) over the hospital block of the Mount Elizabeth Novena Hospital development in the event of disposal of the property