

INTERNATIONAL HEALTHWAY CORPORATION LIMITED

Registration No.:201304341E

(Incorporated in the Republic of Singapore)

(In receivership over charged shares in certain subsidiaries)



LOAN FROM TREASURE INTERNATIONAL HOLDINGS PTE. LTD.

I. INTRODUCTION

Reference is made to the announcement released by International Healthway Corporation Limited ("**Company**", together with its subsidiaries "**Group**") on 21 February 2017 in relation to the issuance by OUE Limited ("**OUE**") of a comfort letter to the Company which stated, inter alia, OUE's long-term intention to work towards stabilising the Company's business and financial position.

In connection with the foregoing, the board of directors of the Company ("**Board**") wishes to inform shareholders that Treasure International Holdings Pte. Ltd. ("**Lender**"), a wholly-owned subsidiary of OUE, has entered into a loan agreement with the Company on 24 February 2017, pursuant to which the Lender has agreed to lend the Company up to an aggregate amount of S\$50 million ("**Shareholder's Loan**") for the Company's working capital requirements and/or day-to-day operations.

II. INFORMATION ON THE LENDER

The Lender had on 16 February 2017 announced, through its financial advisers, Standard Chartered Bank and Credit Suisse (Singapore) Limited, a mandatory unconditional cash offer for all the issued ordinary shares ("**Shares**") in the capital of the Company other than those already owned, controlled or agreed to be acquired by the Lender and parties acting in concert with it. As at 24 February 2017 (based on publicly disclosed information), the Lender, OUE and their concert parties hold an aggregate of 1,001,467,637 Shares, representing approximately 60.36% of the issued share capital of the Company.

III. PRINCIPAL TERMS OF THE SHAREHOLDER'S LOAN

The principal terms of the Shareholder's Loan are as follows:

Principal Amount	:	S\$50,000,000
Drawdown Date	:	The Company may by notice in writing request to draw down a loan from time to time, accompanied by such information and documentary evidence as the Lender may require. Each drawdown is subject to the Lender's prior written approval.

Repayment	:	Each loan shall be repayable after one calendar month from the drawdown date. Notwithstanding the foregoing, all loans shall be repayable upon first demand by the Lender.
Interest Rate	:	Interest is chargeable at 4% per annum. Default interest is chargeable on any sum in default from the date of demand until the date of payment (both dates inclusive) calculated on a daily basis at 6%.
Security	:	Debenture creating a fixed and floating charge over all the Company's assets.

IV. INTERESTED PERSON TRANSACTION WHICH DOES NOT REQUIRE SHAREHOLDERS' APPROVAL

The Lender is a controlling shareholder of the Company, and accordingly is an “interested person” for the purposes of Chapter 9 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).

On the assumption that the tenure of the Shareholder's Loan is 12 months, the interested person transaction value (representing the amount at risk to the Company) in relation to the Shareholder's Loan is S\$2,000,000, which represents 1.18% of the Group's latest audited net tangible assets as at 31 December 2015. In view of the foregoing, shareholders' approval for the Shareholder's Loan is not required under the Catalist Rules.

Save as disclosed above, there are no other interested person transactions entered into by the Group with the Lender or its associates for the current financial year ending 31 December 2017 (up to the date of this announcement).

V. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their respective shareholdings in the Company and as disclosed, none of the Directors or controlling shareholders of the Company has any direct or indirect interest in the Shareholder's Loan.

VI. UPDATES TO SHAREHOLDERS

The Board will continue to keep shareholders updated on any subsequent material developments. Shareholders should exercise caution when trading in the Company's shares. In the meantime, persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

VII. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company (including those who have been delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

By Order of the Board

Tay Eng Kiat Jackson
Director
26 February 2017

*This announcement has been prepared by the Company and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.