

INTERNATIONAL HEALTHWAY CORPORATION LIMITED

Registration No.: 201304341E

(Incorporated in the Republic of Singapore)

(In receivership over charged shares in certain subsidiaries)



APPOINTMENT OF RECEIVERS OVER CERTAIN SUBSIDIARIES OF THE COMPANY – STATUS UPDATE

*Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company's announcements dated 3 May 2016, 6 May 2016, 8 July 2016, 8 August 2016, 15 August 2016, 16 September 2016, and 13 October 2016 (the "**Announcements**"), in relation to, inter alia, the appointment of receivers over certain subsidiaries of the Company.*

The Board of Directors (the "**Board**") of International Healthway Corporation Limited ("the **Company**") refers to the Announcements and wishes to update as follows:

1. The Company's application in HC/SUM 4014/2016 was heard on 20 October 2016 together with the Provisional Liquidation Applications. The Court made the following orders at the hearing, *inter alia*, that:
 - (1) The proceeds of sale of the Australian Properties, net off payments to the Australia Lenders and the costs associated with the sale, are to be applied as follows:
 - (a) Repayment of the undisputed principal sum of S\$4,116,050.00 and relevant interest amount to date, due and owing under the Geelong Facility.
 - (b) Deposit with a prime international bank (the "**Bank**") an amount comprising the:
 - (i) Disputed amount alleged to be due and owing under the Standby Facility;
 - (ii) Disputed amount alleged to be due and owing under the Geelong Facility; and
 - (iii) All costs, fees and expenses incurred by the Plaintiffs in HC/S 856/2016 in respect of or in connection with the Receivership.
 - (2) The amount deposited with the Bank shall be charged by way of security to the Bank for a banker's guarantee to be issued in the same amount in favour of the Company, which shall secure the Company's claim to any part of the monies deposited with the Bank, pursuant to any order made by the Court in HC/S 441/2016.
 - (3) The Bank's commission for the issuance of the banker's guarantee shall be borne by the Company.
 - (4) Crest Capital Asia Pte Ltd shall give the Company a statement of account setting out the application of the proceeds of sale as set out above.
2. The orders granted give the Company a measure of security over the amounts that will be retained by the Crest Entities out of the proceeds of sale of the Australian Properties.
3. This meets the Company's objective of safeguarding the proceeds of sale of the Australian Properties and/or preventing the disbursement of the same to the Crest Funds and/or their nominees, which had also been the basis for the Provisional Liquidation Applications.
4. The Provisional Liquidation Applications were thus withdrawn in light of the orders made in HC/SUM 4014/2016.

Shareholders of the Company are advised to exercise caution when trading in shares of the Company. When in doubt as to the action they should take, shareholders should consult their financial, tax or other advisors.

By Order of the Board

Lim Beng Choo
Executive Director
21 October 2016

*This announcement has been prepared by International Healthway Corporation Limited (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.*

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