



PACIFIC HEALTHCARE HOLDINGS LTD.
(Company Registration No: 200100544H)

DIVESTMENT IN PACIFIC ADVANCE RENAL CARE PTE. LTD.

1. Introduction

The Board of Directors of Pacific Healthcare Holdings Ltd. (the “**Company**”) and its subsidiaries (“**the Group**”) wishes to announce that the subsidiary of the Company, Pacific Healthcare Nursing Home Pte. Ltd. (“**PHNH**”) has on 14 February 2015 agreed with Pacific Activity Centres Pte. Ltd. (“**PAC**”) to transfer its entire shareholdings in Pacific Advance Renal Care Pte. Ltd. (“**PARC**”) to PAC at a total cash consideration of S\$25,000/- (“**the Disposal**”) and for PAC to take over its Shareholders’ Loan of S\$125,000/-.

2. Background of PHNH, PAC and PARC

PHNH is a 51.3% owned subsidiary of the Company, incorporated in Singapore with an issued and paid up share capital of S\$3,200,000/-. The principal activities of PHNH is provision of nursing home services.

PAC is a 35% associated company of the Company, incorporated in Singapore with an issued and paid up share capital of S\$100/-. The Principal activities of PAC are social services for the elderly (eg befriending services, meal services, drop-in services) and management consultancy services for healthcare organisations.

PARC is a joint venture between PHNH and Advance Renal Care (Asia) Pte Ltd, incorporated in Singapore with an issued and paid up share capital of S\$50,000/-. The principal activities of PARC are provision of renal dialysis and related services and management consultancy services for healthcare organisations.

3. Rationale for the Disposal

The rationale of the Disposal is the streamlining of the shareholders’ interests in the Group’s eldercare business.

The Consideration was arrived based on willing buyer and willing seller basis.

Following the completion of the Disposal, the effective interest of the Company in PARC will be reduced to 17.5% from 25.6%.

4. Financial Effects

The Disposal is not expected to have material impact in the net tangible assets per share and earnings per share of the Company for the financial year ending 31 December 2015.

5. Interest of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company has an interest, direct or indirect (other than through their shareholdings in the Company), in the Disposal.

By Order of the Board

Wong Yee Kong (Andrew)
Chief Executive Officer
14 February 2015