

INTERNATIONAL HEALTHWAY CORPORATION LIMITED

Registration No.: 201304341E

(Incorporated in the Republic of Singapore)

- 1) **TERMINATION OF THE SALE AND PURCHASE AGREEMENT BETWEEN IHC AND A THIRD PARTY FOR TWO OF THE GROUP'S PROPERTIES IN MELBOURNE.**
- 2) **IHC INTENDS TO FORM AN UNLISTED WHOLESALE PROPERTY TRUST ("PRIVATE REIT") BY INJECTING ITS AUSTRALIAN PORTFOLIO OF PROPERTY ASSETS INTO, AND INVITING INVESTORS TO INVEST IN THIS TRUST.**

International Healthway Corporation Limited ("International Healthway Corporation" or "IHC" and together with its subsidiaries, the "Group"), an integrated healthcare services and facilities provider, is the owner of two freehold properties in Melbourne, Australia, namely:

- A seven-storey office building with net leasable area of 10,710 sq metres at 553 St Kilda Road, Melbourne, Australia; and
- An eight-storey office building with net leasable area of 8,229 sq metres at 541 St Kilda Road, Melbourne, Australia

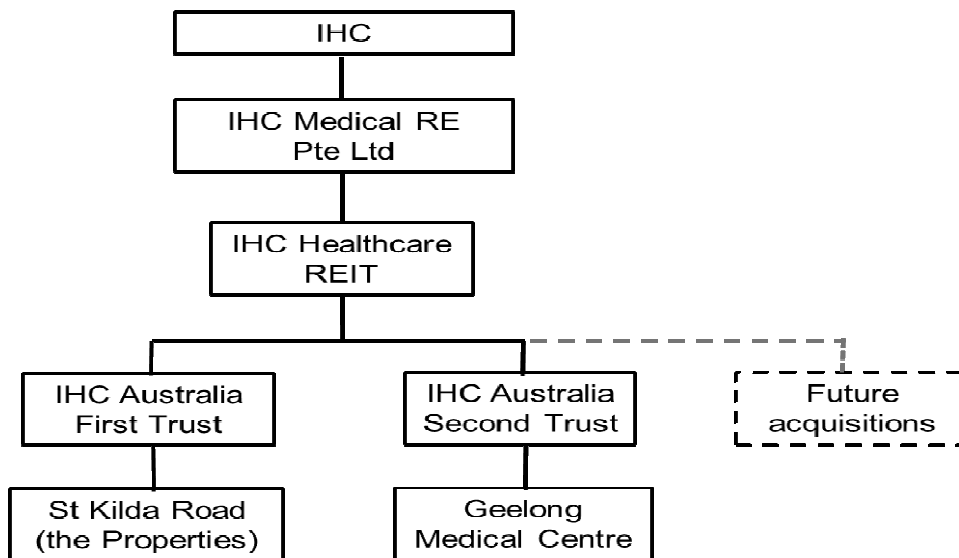
(collectively called the "Properties").

The Properties have been classified as Assets Held for Sale in the Statements of Financial Position of the Group.

As disclosed on 14 August 2015 in the announcement titled "*Unaudited second quarter financial statements and dividend announcement for the financial period ended 30 June 2015*", the Group has entered into a sale and purchase agreement ("SPA") to sell the Properties to a third party buyer (the "Buyer"), with completion expected by end 2015.

The Buyer had on 9 September 2015 given notice to the Group to terminate the SPA. IHC has deliberated on its options, and has decided that it will retain these Properties in order to start the Private REIT with a larger portfolio of assets.

The Group has been planning to form the Private REIT in Australia, which the Group's other Australian property at 73-79 Little Ryle Street, Geelong ("Geelong Medical Centre") is already designated to be a part of. As at the date of this announcement, the corporate/trust structure below is in place to facilitate this.



The proposed vehicle for the Private REIT would be IHC Healthcare REIT, a Singapore domiciled trust (which would be re-domiciled in Australia).

The Private REIT allows:

- IHC to continue to grow its healthcare businesses in Australia as it is an attractive market;
- For an alternative access to capital to aid business expansion; and
- A platform for it to become a listed public REIT once a suitable size is achieved.

The Company will continue to provide updates on the Private REIT as and when there are further developments.

By Order of the Board

Dr Jong Hee Sen
Non-Executive Chairman
15 September 2015

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 Catalyst. 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.