



**PROPOSED ACQUISITION OF HEALTHWAY MEDICAL CORPORATION LIMITED BY WAY
OF A SCHEME OF ARRANGEMENT - LAPSE OF CONDITIONS LONG-STOP DATE**

1. The Board of Directors (the “**Board**”) of International Healthway Corporation Limited (the “**Company**”) refers to the announcements of the Company dated 19 June 2015, 27 August 2015, 3 September 2015, 16 September 2015, 21 September 2015, 30 December 2015 and 23 February 2016 (the “**Announcements**”) in relation to the proposed acquisition by the Company of the entire issued and paid-up ordinary shares in the capital of Healthway Medical Corporation Limited by way of a scheme of arrangement (the “**Scheme of Arrangement**”) in accordance with Section 210 of the Companies Act, Chapter 50 of Singapore and the Singapore Code on Take-overs and Mergers.
2. Unless otherwise defined herein or the context requires otherwise, capitalised terms used in this announcement shall have the same meanings ascribed to them in the Announcements.
3. Pursuant to the Implementation Agreement, as amended and supplemented by, *inter alia*, the Third Supplemental Agreement, the Conditions Long-Stop Date for the fulfillment of the Scheme Conditions in respect of the Implementation Agreement is 30 June 2016.
4. Having considered, amongst others, the discussions with the Company’s professional advisers in respect of the transaction, the Board is of the opinion that the proposed acquisition of Healthway Medical Corporation Limited is no longer commercially viable. In view of the above and the lapsing of the Implementation Agreement today, the Scheme of Arrangement shall not proceed.
5. The Directors of the Company (including any who have 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, that no material facts have been omitted from this announcement, and that they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure that such information has been accurately and correctly extracted from such sources and/or reproduced in this announcement in its proper form and context.
6. Shareholders of the Company are advised to exercise caution when trading in the 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

Dr Jong Hee Sen
Non-Executive Chairman

30 June 2016

INTERNATIONAL HEALTHWAY CORPORATION LIMITED

Registration No.: 201304341E

(Incorporated in the Republic of Singapore)

(In receivership over charged shares in certain subsidiaries)



*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.*

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.