

**PRESS RELEASE**

## **Pacific Healthcare Extends Reach with Acquisition in China**

### **■ To open two medical and wellness centres in August in Shenzhen**

**Singapore, 8 May 2007** – MainBoard-listed Pacific Healthcare Holdings Ltd (“PHH” or 太平保健), a leading Singapore provider of integrated, multi-disciplinary specialist healthcare, today announced an extension of its reach in Asia by acquiring an effective 52.5% stake in Marsa Guer Chained Enterprise Ltd (“Marsa”) through its wholly-owned Hong Kong subsidiary, Pacific Healthcare Limited (“PHHK”) for S\$2.625 million (Rmb 13.125 million).

The valuation of Marsa is SGD 5 million (RMB 25 million) and is based on Marsa’s 2006 net after tax profit of SGD 969,030 (RMB 4,845,149). This acquisition is earnings-accretive and cashflow-positive.

Marsa owns seven cosmetic and wellness centres in Shenzhen and will be opening two new medical and women’s wellness centres in the heart of Shenzhen in August. It also holds product registration in China for a wide range of skincare products.

Said Dr William Chong, CEO of PHH: “Marsa’s high-end clients are the same target market segment sought by Pacific Healthcare for its core competencies. The direct stake in Marsa coupled with Pacific Healthcare’s brand premium provides us a strong platform on which to build an integrated network of specialist medical centres to quickly tap the burgeoning demand in Shenzhen and the rest of China.”

PHH had announced on 21 December 2006 the establishment of Pacific Vision Medical Pte Ltd, a joint venture between Pacific Healthcare Holdings Ltd and Vision Corporation Holdings Pte Ltd (“VCH”) and a Memorandum of Understanding with

Marsa. VCH's shareholders had decided against continuing with the venture and have given approval for PHH to proceed directly with Marsa.

Known for its innovative and total wellness approach in healthcare services, PHH opened Singapore's first specialist sleep centre earlier this year and recently incorporated a medial sleep spa. In April, it opened Singapore's first private multi-disciplinary specialist pain management centre with operating theatre and fluoroscopy capability. It has also established a strategic partnership with Kuwait Finance House to collectively invest up to S\$32 million in Asian medical centres via cash or injection of synergistic businesses.

## **About Pacific Healthcare Holdings Ltd**

Incorporated in 2001 in Singapore, SGX-listed Pacific Healthcare is an integrated healthcare provider with a comprehensive range of healthcare services encompassing specialist medical care, general practice medicine, dentistry, health screening, wellness services, the operation of nursing homes, day surgery centres and a psychiatric hospital.

Pacific Healthcare aims to be Asia's premier healthcare group, renowned for its Care, Compassion, and Medical Excellence. With more than 100 dedicated professionals and a wide network of clinics and facilities, it focuses on patients' total health and well-being.

It has operations in Singapore, Hong Kong, Shanghai and Hyderabad with centres in Shenzhen, and Mumbai opening later this year. Its consultancy division began work on a project to establish a medical centre in Hanoi by 2008. The Group's competencies lie in Specialist Healthcare, particularly in Plastic Surgery, Aesthetic Medicine, Cosmetic and Implant Dentistry, Obstetrics and Gynaecology, and Cardiology.

*For more information, please visit PHH's website at [www.pachealthholdings.com](http://www.pachealthholdings.com)*

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