



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

**JOINT VENTURE IN RESPECT OF PACIFIC HEALTHCARE HOLDINGS LTD.'S
INVESTMENT IN MUMBAI, INDIA**

The Board of Directors of Pacific Healthcare Holdings Ltd. ("PHH" or the "Company") is pleased to announce that it has today completed the acquisition of a further 7.5% stake comprising 225,000 shares in PacHealth Medical Services Pvt Ltd ("PacMed") as provided under the joint venture agreement with Dr Abhijit Prabhakar Desai ("Abhijit") and Dr Gauri Abhijit Desai ("Gauri") and as announced on 26 September 2007 and 6 February 2008.

The Company entered into a Sale and Purchase Agreement ("**S&P Agreement**") with Abhijit and Gauri to acquire an aggregate of 225,000 shares ("Sale Shares") in the issued and paid up capital of PacMed (the entire transaction being referred to as the "**Acquisition**").

The acquisition has resulted in an increase of PHH's effective shareholdings in PacMed from 85% to 92.5%, with the balance held by Abhijit and Gauri.

The subscription for the further 7.5% stake in PacMed is valued at INR2,250,000 (225,000 shares at INR10 each) (the "**Consideration**") and shall be satisfied by way of cash and is subject to approval by Indian regulatory authorities. The Consideration is arrived at on a willing-buyer-willing-seller basis. There is no open market value for the shares of PacMed as the shares of PacMed are not publicly traded.

PHH may subsequently transfer its entire 92.5% shareholdings in PacMed of 2,775,000 ordinary shares to a subsidiary.

The Acquisition shall have no material financial impact on the net tangible assets or earnings per share of the Company and the Group in the financial year ending 31 December 2008.

None of the Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction.

Copies of the S&P Agreement will be made available for inspection during normal business hours at the Company's registered office for a period of three (3) months from the date of this announcement.

By Order of the Board

Dr William Chong Lai Leong
Executive Director and Chief Executive Officer
Date: 31 December 2008

SUBMITTED BY DR WILLIAM CHONG LAI LEONG, EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER ON 31 DECEMBER 2008, TO THE SGX-ST