

MEDIA STATEMENT

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Khazanah completes SGD600 million Sukuk offering exchangeable into IHH shares

- *The first SGD-denominated negative-yield exchangeable Sukuk*
- *The first Sukuk to offer exposure to a growing healthcare market*

Khazanah Nasional Berhad (“Khazanah”) is pleased to announce the successful completion of a benchmark exchangeable Sukuk offering of SGD600 million (RM1.524 billion), via a Labuan incorporated independent special purpose company, Indah Capital Ltd. The Sukuk, which was upsized from the initial size of SGD500 million (RM1.27 billion), is exchangeable into ordinary shares of IHH Healthcare Berhad (“IHH”), one of the largest healthcare providers in the world by market capitalisation.

This issuance is in line with Khazanah’s fund-raising strategy and long term commitment towards progressive divestment of its investments. The SGD-denominated exchangeable Sukuk also provides a natural currency hedge for Khazanah towards its Singapore related investments. In addition, for the first half of 2013, IHH’s Singapore healthcare operations contributed about 35% and 30% of IHH Group’s revenue and EBITDA respectively in SGD, providing a natural currency link to the Sukuk’s underlying stock. The success of this transaction further reinforces Malaysia’s position as the global centre and leader of Islamic Finance.

Managing Director of Khazanah, Tan Sri Dato’ Azman Hj. Mokhtar said: “Islamic finance has become an indispensable part of the global financial system and Malaysia is at the fore-front of this dynamic market, continuously pushing the boundaries in product innovation and market depth.”

“We are very pleased that this transaction has been executed at a very competitive price against the uncertain market backdrop, setting a benchmark for Sukuk issuances with an order book that covered 5.5x of the initial issue size. This proves the market’s strong faith and confidence in the quality of the Sukuk, the underlying equity story of IHH and Khazanah’s credit,” he added.

The Sukuk was successfully priced through an accelerated book-building process on 17 October 2013, at the tightest end of the price guidance of -0.25% yield to maturity and 17% exchange premium. On the equity front, IHH closed at RM4.19 per share which is a commendable 50% increase from its IPO price of RM2.80 back in July 2012. The transaction was significantly oversubscribed, attracting a diverse group of over 100 investors comprising long only funds, hedge funds, arbitrage funds as well as asset managers across Asia and Europe.

The Sukuk has a tenure of 5 years with an investor put option which is exercisable at the end of year three. Upon the exercise of the exchange rights under the Sukuk, its holders will initially be entitled to receive an aggregate of 311.4 million ordinary shares of IHH, subject to adjustments pursuant to the terms and conditions of the Sukuk. This represents approximately 3.8% of IHH’s

current issued and paid up share capital. Issued in support of the Malaysia International Islamic Financial Centre (“MIIFC”) initiative, the Sukuk will be listed on the Singapore Exchange, Labuan International Financial Exchange Inc and Bursa Malaysia (under an Exempt Regime).

IHH is one of the largest listed private healthcare providers in the world based on market capitalisation and a leading international provider of premium healthcare services in attractive markets with strong and rapidly growing demand for quality healthcare. IHH is currently listed on Bursa Malaysia and the Singapore Exchange and operates an integrated healthcare business and related services with leading market positions in Singapore, Malaysia and Turkey, as well as healthcare operations and investments in the People’s Republic of China, India, Hong Kong, Vietnam, Brunei, Macedonia and the United Arab Emirates. IHH’s global healthcare network operates over 5,000 licensed beds in 33 hospitals as well as medical centres, clinics and ancillary healthcare businesses. Its core businesses are operated through its key subsidiaries, namely Parkway Pantai Limited, Acıbadem Sağlık Yatırımları Holding A.Ş. and IMU Health Sdn. Bhd.

CIMB Bank Berhad, Deutsche Bank AG and Standard Chartered Bank are the Joint Bookrunners and Joint Lead Managers for this exchangeable Sukuk transaction.

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About Khazanah Nasional Berhad

Khazanah is the strategic investment fund of the Government of Malaysia entrusted to hold and manage the commercial assets of the Government and to undertake strategic investments. Khazanah is involved in various sectors such as power, telecommunications, banking, healthcare, airport management, infrastructure, leisure & tourism, property development, broadcasting, investment holding, and technology. Some of the key listed companies in Khazanah’s investment portfolio include Telekom Malaysia Bhd., Tenaga Nasional Bhd., CIMB Group, Axiata Group Bhd., IHH Healthcare Bhd., Malaysia Airports Holdings Bhd., and UEM Sunrise Bhd.

For further information, please visit www.khazanah.com.my