

## Hong Leong Group, TPG to acquire Columbia Asia Hospitals in SE Asia

20 September 2019 | News | By Manbeena Chawla

### Transaction includes all hospitals in Malaysia, Indonesia and Vietnam



Malaysia based conglomerate Hong Leong Group and global alternative asset firm TPG announced that they have entered into a definitive share purchase agreement to acquire Columbia Asia Hospitals in South East Asia. The transaction, estimated at USD 1.2 billion, is expected to close at the end of 2019.

Hong Leong and TPG will acquire 17 Columbia Asia Hospitals and 1 clinic located in Malaysia (12 hospitals), Indonesia (3 hospitals) and Vietnam (2 hospitals and 1 clinic). The 11 hospitals in India are not a part of the transaction and will continue to operate with no changes, under the existing ownership of International Columbia US, LLC, which is managed by Seattle-based Columbia Pacific Management. Columbia Asia Hospitals focuses on serving Asia's rapidly growing middle-income population with a unique business model delivering accessible, affordable and quality healthcare.

"We are extremely excited to be entering the healthcare space and believe Columbia Asia Hospitals, with its current scale and uniquely differentiated business model, offers the right platform to capture the robust healthcare growth in South East Asia. We look forward to partnering with TPG, which has a stellar track record as a healthcare investor, and to working closely with Columbia Asia Hospitals' management team to accelerate its next phase of growth," said **Soon Seong Keat, Finance Director at the Hong Leong Group.**

**Tunku Ali Redhaudin, Senior Advisor at TPG,** commented, "As Asia's healthcare market continues to grow significantly, we see a compelling opportunity for Columbia Asia Hospitals to expand and scale regionally. Columbia Asia Hospitals provide accessible, affordable, and high-quality care in several countries, operating under one cohesive, recognisable brand. We are excited by the Group's modern and innovative approach and look forward to working closely with Hong Leong and the hospital's management team to continue to grow Columbia Asia Hospitals' footprints across South East Asia."

**Nate McLemore, Managing Director of Columbia Asia Hospital's parent company, Columbia Pacific Management** commented on the transaction saying, "We are proud of Columbia Asia Hospitals, and are pleased to have created and grown one of the strongest healthcare companies in the region over the last two decades. Columbia Asia Hospitals' business

model of delivering high quality, affordable healthcare to the growing middle-class population is highly scalable. This model will only get strengthened with Hong Leong and TPG's market expertise, business insights and overall management capabilities. We look forward to partnering with these two world class organizations to continue to grow and expand the Columbia Asia platform."

Columbia Pacific Management will continue to hold a minority interest in the business through International Columbia US, LLC.

On signing of the agreement **Dilip Kadambi, Group Chief Financial Officer and interim Chief Executive Officer, Columbia Asia Hospitals** said, "Healthcare is hugely underserved in the South East Asian markets that we operate in. Over the last 20 year we have been serving the community by building and operating 18 healthcare facilities with 1,494 beds across these 3 countries in SEA. Under the aegis of Hong Leong and TPG, we will continue to scale this platform further. We have 9 ongoing projects adding an additional bed capacity of 898 in South East Asia at various stages of development. With this expansion and growth baked into the company, we are looking forward to continue delivering care to our communities the 'Columbia Asia' way."

Morgan Stanley Asia (Singapore) Pte. acted as exclusive financial advisor to Columbia Pacific Management on the transaction.