

Malaysia's IHH: Fortis declines to involvement in buyout offer

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Malaysia's IHH Healthcare said that India's Fortis Healthcare Ltd declined to engage with the company regarding a takeover offer, citing binding agreements with other parties.

IHH, one of Asia's largest healthcare operators, offered to buy Fortis last week at a price that values the hospitals chain at about \$1.3 billion.

Some of Fortis's minority shareholders are dissatisfied with the Manipal offer, and it is unclear if the IHH price appeals to them.

A merger with a hospitals chain such as Manipal might make more sense, said an analyst with a brokerage in Mumbai, adding that more details of the IHH offer were needed.

Fortis, which is under investigation over financial fraud, has seen interest from multiple parties since Manipal offered to buy it last month.

Two Indian investors Sunil Munjal's Hero Enterprise and the Burman Family Office offered last week to make an investment worth 12.5 billion rupees (\$191.5 million).

On Monday the Malaysian firm said the Fortis board sent it a response letter indicating it was unable to engage with IHH due to binding agreements with Manipal Health Enterprises Private Limited, Manipal Global Health Services and TPG Asia.

"Given the everchanging competitive dynamics, IHH reserves the right to pursue all necessary steps to ensure that the shareholders of Fortis are provided with the opportunity to realise the value inherent in our proposal," IHH had said in the letter.