



IHH Healthcare

Touching Lives Transforming Care

ANNUAL REPORT 2023

Content

At IHH, we are deeply committed to fostering sustainable growth with foresight and dynamism, all while holding onto our aspiration to Care. For Good. With the trust and confidence bestowed upon us by all stakeholders, we persistently strive to challenge the existing healthcare norms and put our patients' needs first to build lasting relationships. This is how we embody our heartfelt purpose of 'Touching Lives, Transforming Care'.

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A Purpose-Led Approach

Our Purpose

By **touching lives** and **transforming care**, we aspire to uplift the healthcare experience of patients and local communities all over the world. Our strongly rooted values not only define our actions as a group, but also guide our strategy, decision-making, and policies, fostering a culture of excellence and patient-centric service at IHH.

Our Commitment



To our patients and their loved ones

We will put our patients' needs first and go the extra mile to provide quality and exemplary care.



To our people

We will build a caring and inspiring environment for our people to succeed and shape the future with us.



To our partners

We will work together with respect and honesty for mutual benefit.



To our shareholders

We will build long term sustainable growth and shareholder value.



To our communities

We will do good beyond our healthcare services.



To our planet

We will make choices that protect the environment and preserve it for future generations.

Values

Patients First

We put patients' needs first

Integrity

We do the right thing

Empathy

We listen with our hearts

Teamwork

We are better together

Excellence

We champion continuous improvement and innovation

In December 2023, we unveiled the new ACE framework with refined strategic priorities. The framework serves as our beacon for sustainable growth and value creation for our stakeholders.

ACE Framework

Align to Propel Profitable Growth

All IHH operations will be aligned with our aspiration to Care. For Good. and co-create a sustainable healthcare system while delivering profitable growth.

Challenge to Transform

We are challenging ourselves to transform and future-proof the organisation by initiating projects to enhance process efficiencies across the Group and in our markets.

Empower to Excel

We will adopt a localised approach, empowering all our markets and their operations and functions to chart and drive their growth trajectories. These are done in alignment with national healthcare agendas and our continued commitment to create quality care and outcomes for patients.

Our Strategic Priorities

Grow Organically

IHH remains steadfast in expanding bed capacities, driving patient volume growth to increase occupancy and upgrading facilities and equipment to enhance revenue intensity.

Expand Across Healthcare Continuum

We will grow our ambulatory care offerings and improve primary care clinic penetration in selected markets, in line with national healthcare agendas.

Capture Inorganic Opportunities

We continually explore and evaluate earnings-accretive assets in existing and new markets to capture new opportunities.

Develop New Growth Engines

We are expanding vertically into the laboratory and diagnostic business, alongside targeted investments in innovative healthcare solutions and seamless digital services to complement our existing offerings.

Turnaround Underperforming Assets

We endeavor to maximise the potential of our underperforming assets.

Navigating This Report

Navigation Icons

Refer to this guide while traversing the report.

Principal Risks

- Geopolitical
- Pandemic
- Climate Change
- Cybersecurity and Data Privacy
- Foreign Exchange

ACE Framework

- Align to propel profitable growth
- Challenge to Transform
- Empower to Excel

Five Strategic Priorities

- Grow Organically
- Expand across healthcare continuum
- Develop new growth engines
- Capture Inorganic Opportunities
- Turnaround underperforming assets

Stakeholder Engagement

- Senior Management
- Doctors, Nurses and Employees
- Accreditation Bodies
- Regulators
- Intermediaries
- Suppliers and Service Providers
- Investors and Shareholders
- Patients
- Local Communities

Our Reporting Suite

IHH Annual Report for the financial year ended 31 December 2023 is supplemented by our standalone Sustainability Report 2023. Our reporting suite can be accessed online.

Reporting Suite	Annual Report 2023	Sustainability Report 2023
Disclosure	<ul style="list-style-type: none"> Chairman’s Statement Group CEO’s Message Operations Review Financial Review Corporate Governance Overview Statement Audit Committee Report Statement on Risk Management and Internal Control Directors’ Report Independent Auditors’ Report Financial Statements 	<ul style="list-style-type: none"> Global Reporting Initiative (GRI) Sustainable Development Goals Disclosure (SDGD)
Reporting Frameworks	<ul style="list-style-type: none"> Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR) Malaysian Code on Corporate Governance 2021 Companies Act 2016 (CA 2016) Malaysian Financial Reporting Standards (MFRS) International Financial Reporting Standards (IFRS) 	<ul style="list-style-type: none"> Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR) SGX Listing Rule 711 (A) and (B) Global Reporting Initiatives Universal Standards 2021



Please scan the QR code to refer to our Sustainability Report.

Investment Case

As one of the world’s largest healthcare networks, with over 80 hospitals in 10 countries across Asia and Europe, IHH Healthcare offers our patients a full spectrum of integrated healthcare services around our portfolio of trusted healthcare brands. Our excellent reputation over time is underscored by these competitive advantages.

Embodying Care at Every Touchpoint



Our success is not just in the numbers; it’s in the lives touched and the communities impacted. While IHH boasts a distinguished stable of brands, global scale and clinical excellence, what truly sets us apart is our aspiration to Care. For Good.

Seven Prestigious and Trusted Hospital Brands



Our distinguished brands – Acibadem, Mount Elizabeth, Prince Court, Gleneagles, Fortis, Pantai, and Parkway – are amongst the most reputable globally. We are proud of our leading brands that represent healthcare excellence and are united under one purpose: to touch lives and transform care.

Global Scale and Influence



With our extensive network, we have been able to provide healthcare that is accessible, efficient and of high value. We prioritise the optimal balance of value and quality to ensure patients receive exceptional care at all our hospitals in all markets.

Deep Operating Capabilities



From cutting-edge medical technologies to personalised patient care, our brands set the gold standard in healthcare excellence. As a nod to our operational excellence and digital transformation, our healthcare group is frequently recognised for our award-winning innovations in the healthcare industry.

At the Forefront of Change



Innovation is at the heart of value creation. We form strategic partnerships to stay abreast of the latest technologies to improve patient care and operational capabilities. One such innovation is the use of Artificial Intelligence (AI) for accurate bill estimation, where IHH was one of the first healthcare groups in the world to roll out, which provides patients peace of mind.

Commitment to Sustainability



We are dedicated to driving sustainable growth while keeping to our core aspiration to Care. For Good. Every touchpoint with our patients, people, public and planet is an opportunity for us to make a positive impact.

Clinical Excellence

IHH Healthcare has embarked on a journey to improve clinical outcomes and enhance patient experience. Our wide-ranging initiatives include the introduction of clinical quality indicators, investing in new medical technologies, conducting service training and much more. Our efforts are aimed at ensuring patients feel cared for and costs are transparent at every touchpoint.

1. Tracking and measuring clinical performance and outcomes using clinical quality indicators

Since the implementation of our **Value-Driven Outcomes (VDO)** strategy in Q4 2020, we have doubled our number of VDO procedures from four to eight, hence providing significantly more patients with high-quality and cost-efficient healthcare services.

We started at a baseline of 113 clinical quality indicators (CQIs) in 2022 – our goal is to double this number by 2025. With growing CQIs, we can comprehensively and accurately track and monitor clinical performance and outcomes. An increase in CQIs usually co-relate with a lower outcome percentage, but IHH is striving to achieve a 90% target by 2025. This commitment to excellence is at the core of our mission.



2. Providing continuous training for healthcare workers

We actively promote and facilitate knowledge sharing across and within our markets. By drawing from each other's successes and experiences, we can enhance efficiency, effectiveness, and performance of the entire organisation.

The IHH Quality Summit is an annual event that marks our quality journey and accomplishments, while also honouring individuals who devote themselves to delivering exceptional care. At our eighth Quality Summit held in 2023, delegates across the IHH network, academics and industry experts gathered to explore the theme of 'Future of Care'. At the event, we also introduced the Operational Excellence Symposium aimed at developing a ground-up culture of continuous improvement in advancing healthcare management.

Separately in 2023, IHH Healthcare hosted four medical symposiums in India, Türkiye and Singapore to unite professionals across IHH, fostering collaboration across business units and driving collective growth and innovation. The symposiums, covering topics including organ transplants, oncology, reproductive medicine and robotics-assisted surgery, were a platform for sharing medical best practices and key advances, introducing attendees to capabilities across IHH and building a community to facilitate knowledge exchange and patient referrals.

4. Adhering to a robust clinical governance framework

IHH Healthcare's commitment to excellent clinical and patient care is reflected in our adherence to a robust clinical governance framework. Through stringent quality standards, continuous monitoring, and evidence-based practices, we foster a culture of accountability, transparency, and continuous improvement, ultimately benefiting patients and stakeholders alike. Through this steadfast commitment, we uphold IHH's reputation as a leader in the healthcare industry.



3. Investing in new medical technologies and clinical offerings

Mount Elizabeth Novena Hospital, a renowned private hospital in Singapore, opened its new **Proton Therapy Centre** in May 2023. The state-of-the-art facility is the first of its kind among private hospitals in Southeast Asia. It is also IHH Healthcare's most substantial single investment in medical technology. Proton therapy painlessly and precisely targets tumours in sensitive areas like the head or the neck while minimising damage and radiation exposure to surrounding healthy tissues and organs.

In other markets, we have also expanded our breadth and depth of medical services through the establishment of new treatment centres and introduction of advanced technologies such as artificial intelligence (AI) to improve disease diagnostics.



IHH Healthcare Singapore

- **CAR T-cell therapy:** Groundbreaking immunotherapy that reprogrammes a patient's immune cells to recognise and attack cancer cells. It offers hope to patients with certain types of leukemia and lymphoma that have been resistant to other treatments.
- **da Vinci Robotic Surgical System:** Surgical system that allows surgeons to perform minimally invasive procedures with greater precision and control. Patients benefit from smaller incisions, reduced pain, shorter hospital stays, and faster recovery. This reflects IHH's expertise in minimally invasive surgery and its ability to offer superior outcomes for patients, available at Gleneagles Hospital Singapore.



Fortis (India)

- **Magnetic Resonance Linear Accelerator (MR LINAC):** Combines MRI scan with radiation therapy, allowing for real-time visualisation of tumors during treatment. Patients benefit from more precise radiation delivery and fewer side effects, available at Fortis Memorial Research Institute Gurgaon (FMRI).
- **Gamma Knife:** Non-invasive form of radiosurgery that delivers highly focused radiation to tumors in the brain. Patients benefit from precise tumor targeting and minimal damage to surrounding healthy tissue, available at FMRI.

Acibadem (Türkiye)

- **In-Vitro Fertilisation (IVF):** Some 2,200 embryos were transferred in 2023 with the rate of 59.5% positive pregnancies and 42.4% live births. This showcases our expertise in reproductive medicine and the ability to attract a diverse patient population seeking fertility solutions.



Clinical Excellence



◀ IHH Healthcare Malaysia

- **Digital PET CT and FAPI PET & CT scan:** IHH Malaysia is the first in Southeast Asia to offer FAPI PET/CT, which uses a new type of radioisotope. The advanced imaging techniques are used to detect and stage various types of cancers and patients benefit from more accurate tumor detection and treatment planning.
- **Mona Lisa for prostate biopsy:** Cutting-edge device used for prostate biopsy, providing more accurate and less invasive tissue sampling. Patients experience reduced discomfort, fewer complications, and faster recovery, ideal for patients seeking a less invasive approach to prostate care.

▼ IHH Healthcare Malaysia

- **MyHealth360:** A digital patient-centric mobile platform that streamlines patients' healthcare journey so they can take charge of their health and well-being on one single app.



◀ IHH Healthcare Singapore

- **Genomic Centre:** Advanced genetic testing and analysis to personalise patient care and treatment plans. Patients benefit from tailored treatment approaches based on their unique genetic makeup, available at Mount Elizabeth Novena Hospital.
- **New ambulatory care facility:** Centrally located at Woodleigh, Parkway MediCentre provides convenient and comprehensive outpatient care to the community.

Gleneagles Hospitals (India)

- **MRI upgrade for Neurology Programme:** Implemented at Gleneagles BGS Hospital, Kengeri, Bengaluru.
- **Mammography system with 3D Tomosynthesis:** Advanced imaging technology used for breast cancer screening that captures multiple images of the breast from different angles, creating a three-dimensional view. This allows doctors to examine breast tissue layer by layer, making it easier to detect small abnormalities that may be hidden in a standard mammogram, available at Gleneagles HealthCity, Chennai.
- **Advanced cath labs:** Intravascular ultrasound (IVUS) imaging is now available at Gleneagles Hospital, Lakdi-Ka-Pul, Hyderabad. Additionally, at Parel, Mumbai, Gleneagles' bi-plane cath lab allows for more advanced imaging.



◀ Fortis (India)

- **MRIs for imaging services:** Commissioned at three Fortis hospitals (Anandapur, Kolkata; BG Road, Bengaluru; and Manesar, Gurugram).
- **Cath labs to enhance cardiac care:** Commissioned and under delivery at seven Fortis hospitals (Fortis Escorts Heart Institute; Greater Noida; Anandapur, Kolkata; Nagarbhavi, Bengaluru; Cunningham Road, Bengaluru; BG Road, Bengaluru; and Hiranandani Hospital, Vashi).



◀ Gleneagles Hong Kong

- **Oncology symposium:** Jointly organised by IHH Healthcare and Hong Kong University's medical faculty departments to promote clinical collaboration, leveraging cutting-edge medical capabilities to advance cancer care and treatment options.



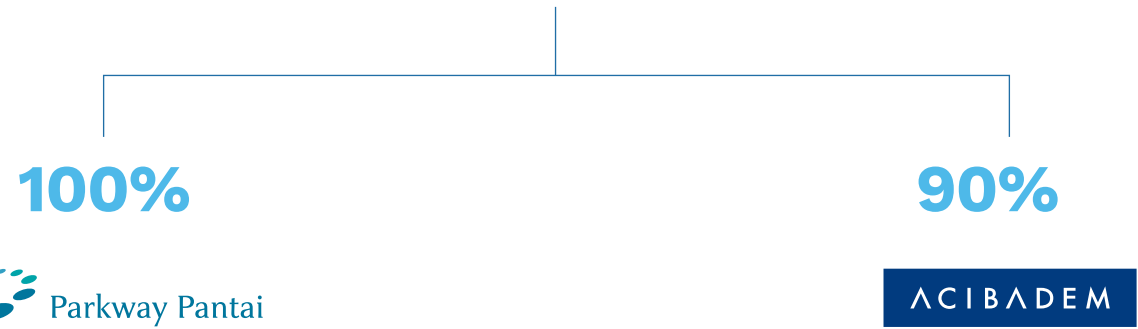
◀ IHH Healthcare Singapore

- **Photon Counting CT:** Revolutionary imaging technology that offers higher resolution and lower radiation doses compared to traditional CT scans. Patients benefit from more detailed images and reduced radiation exposure, available at Mount Elizabeth Hospital.



IHH at a Glance

As at 31 March 2024



With a network of 57 hospitals throughout the region, including Malaysia, Singapore, India and Greater China, Parkway Pantai is one of Asia's largest integrated private healthcare groups.

ACIBADEM

Acibadem Holdings is Türkiye's leading private healthcare provider, offering integrated healthcare services across 24 hospitals in Türkiye, North Macedonia, Bulgaria, the Netherlands and Serbia. The Acibadem brand is renowned for its clinical excellence in Europe and North Africa.

100%

100%

35.56%

31.17%

Our Portfolio of Excellence in Healthcare

We are proud of our leading brands in our various markets, each underpinned by an outstanding reputation for clinical outcomes and quality care.

Acibadem



Setting the healthcare benchmarks in Türkiye and the region, this visionary brand combines the top experts and latest technology with the contemporary sophistication of a five-star hotel, offering generous personal space and attention to detail.

Mount Elizabeth



The two hospitals in Singapore are among the world's top destinations for medical treatment, known for top experts, excellent clinical outcomes and exceptional personalised service.

Gleneagles



Located in our key Asian markets, this world-class private hospital brand is known for its international standing and stature, delivering superior clinical outcomes in extensive modern facilities.

Pantai



Conveniently located across Malaysia, Pantai proudly serves families and communities with quality healthcare, always delivered with friendly, familiar smiles.

Parkway



Born in Singapore, Parkway is one of Asia's leading brands in private healthcare, offering the full spectrum of integrated healthcare services in clinics and hospitals and a wide range of ancillary services. Brands include Parkway Hospitals, Parkway Shenton, Parkway Laboratories and Parkway Radiology.

Fortis Healthcare



Fortis Healthcare is a leading integrated healthcare service provider in India. The healthcare verticals of Fortis primarily comprise hospitals, diagnostics and day care specialty facilities.

Prince Court Medical Centre



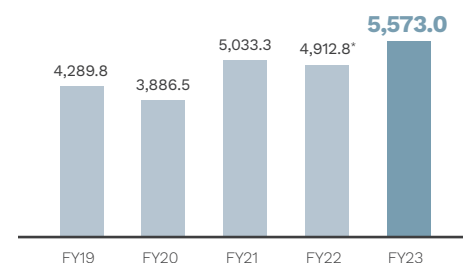
Prince Court, a distinguished hospital for Malaysians, expatriates and medical tourism patients, is recognised for its outstanding achievements and breakthroughs in medicine.

Financial Highlights

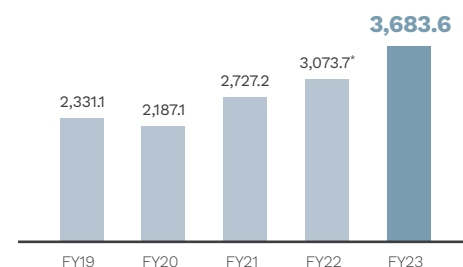
Revenue by Strategic Business Units

(RM million)

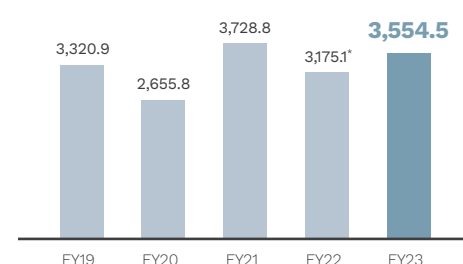
Singapore



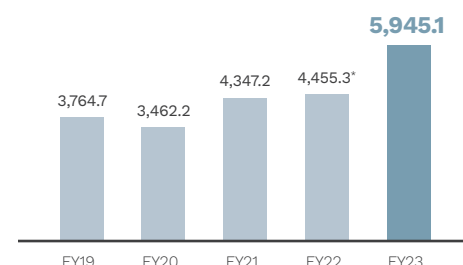
Malaysia



India



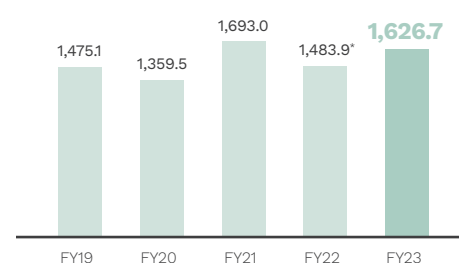
Türkiye and Europe



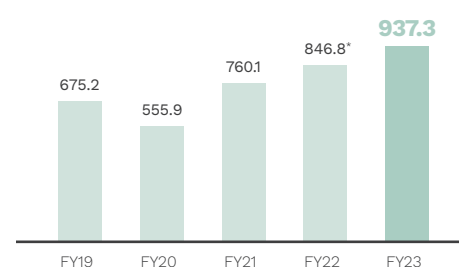
EBITDA by Strategic Business Units

(RM million)

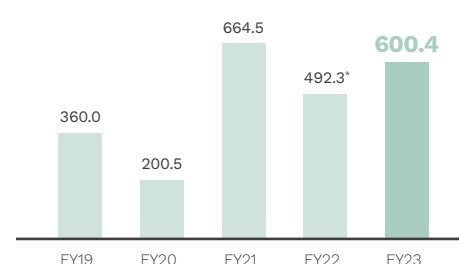
Singapore



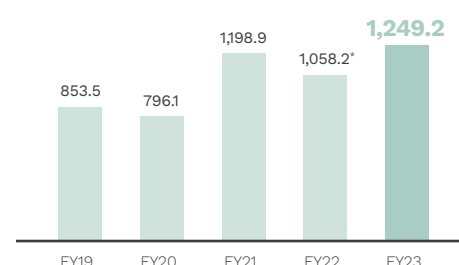
Malaysia



India

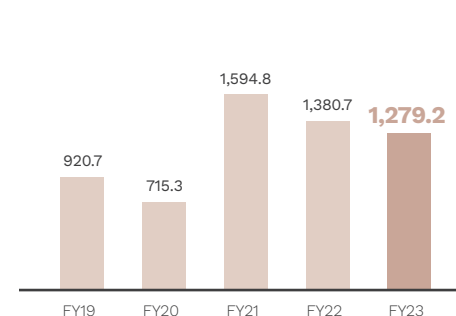


Türkiye and Europe



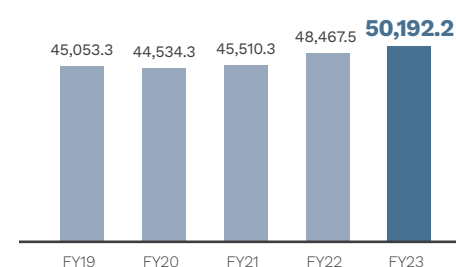
Profit After Tax and Minority Interest (PATMI)

excluding exceptional items (RM million)



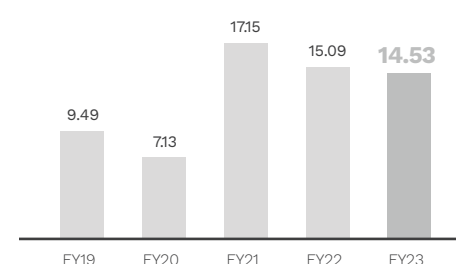
Total Assets

(RM million)



Basic Earnings per Share

excluding exceptional items (sen)



* Restated FY2022 due to Labs being a separate business segment. In the charts above, prior to FY2022, Labs was classified as part of the Singapore, Malaysia, India, and Türkiye and Europe Hospital and Healthcare business segment.

The above charts are not drawn to scale.

➔ See pages 42 to 43 on Financial Review for more information.

	FY2019	FY2020	FY2021	FY2022	FY2023
A. Income Statement (RM Million)					
Revenue by Strategic Business Units					
Singapore	4,289.8	3,886.5	5,033.3	4,912.8	5,573.0
Malaysia	2,331.1	2,187.1	2,727.2	3,073.7	3,683.6
India	3,320.9	2,655.8	3,728.8	3,175.1	3,554.5
Greater China	604.6	662.4	876.9	998.4	1,306.8
Türkiye and Europe	3,764.7	3,462.2	4,347.2	4,455.3	5,945.1
Southeast Asia	190.8	138.4	–	–	–
Hospital and Healthcare	14,501.9	12,992.4	16,713.4	16,615.3	20,063.0
IMU Health	259.0	248.7	257.6	260.8	53.9
Labs total revenue	–	–	–	1,662.0	1,664.9
Less: Labs inter-segment revenue	–	–	–	(602.6)	(685.4)
Labs ¹	–	–	–	1,059.4	979.5
Others ²	12.1	8.5	7.6	5.0	5.7
	14,773.0	13,249.6	16,978.6	17,940.5	21,102.1
PLife REIT total revenue	347.9	367.0	370.7	376.2	407.8
PLife REIT inter-segment revenue	(208.4)	(212.0)	(217.5)	(226.7)	(254.7)
PLife REIT	139.5	155.0	153.2	149.5	153.1
	14,912.5	13,404.6	17,131.8	18,090.0	21,255.2
Hyperinflationary adjustment ³	–	–	–	(101.3)	(320.4)
Total	14,912.5	13,404.6	17,131.8	17,988.7	20,934.8
EBITDA⁴ by Strategic Business Units					
Singapore	1,475.1	1,359.5	1,693.0	1,483.9	1,626.7
Malaysia	675.2	555.9	760.1	846.8	937.3
India	360.0	200.5	664.5	492.3	600.4
Greater China	(175.5)	(146.5)	(69.6)	(60.3)	74.5
Türkiye and Europe	853.5	796.1	1,198.9	1,058.2	1,249.2
Southeast Asia	69.1	45.6	(0.3)	(0.3)	(1.8)
Hospital and Healthcare	3,257.4	2,811.1	4,246.6	3,820.6	4,486.3
IMU Health	87.2	75.7	86.7	84.8	13.0
Labs ¹	–	–	–	369.3	345.4
Others ²	(112.0)	(107.4)	(185.6)	(170.7)	(120.6)
Eliminations	–	–	–	9.2	(0.1)
	3,232.6	2,779.4	4,147.7	4,113.2	4,724.0
PLife REIT	294.4	308.9	349.9	278.4	325.8
Eliminations	(209.3)	(212.0)	(218.2)	(234.3)	(263.6)
	3,317.7	2,876.3	4,279.4	4,157.3	4,786.2
Hyperinflationary adjustment ³	–	–	–	(106.2)	(142.2)
Total	3,317.7	2,876.3	4,279.4	4,051.1	4,644.0
Profit After Tax and Minority Interest (“PATMI”)					
Including Exceptional Items	551.5	288.9	1,862.5	1,548.4	2,951.9
Excluding Exceptional Items	920.7	715.3	1,594.8	1,380.7	1,279.2
B. Financial Position (RM Million)					
Total Assets	45,053.3	44,534.3	45,510.3	48,467.5	50,192.2
Net Borrowings	6,385.0	7,441.0	5,856.0	7,170.4	7,670.6
Equity attributable to Owners of the Company	22,339.5	21,739.8	22,424.9	26,192.0	29,105.5
C. Financial Ratios					
Basic Earnings per Share (sen)					
Including Exceptional Items	5.28	2.27	20.20	17.00	33.52
Excluding Exceptional Items	9.49	7.13	17.15	15.09	14.53
Net Assets⁵ per Share (RM)	2.55	2.48	2.55	2.97	3.30
Net Tangible Assets⁶ per Share (RM)	0.88	0.87	0.94	1.16	1.35
Return on Equity⁷ (%)					
Including Exceptional Items	2.5%	1.3%	8.4%	6.5%	10.7%
Excluding Exceptional Items	4.2%	3.2%	7.2%	5.8%	4.6%
Return on Total Assets (%)					
Including Exceptional Items	1.2%	0.6%	4.1%	3.2%	5.9%
Excluding Exceptional Items	2.0%	1.6%	3.5%	2.8%	2.5%
Net Debt Equity Ratio⁸ (times)	0.23	0.28	0.21	0.25	0.24

Notes

The above financial summary may not be comparable across the periods presented due to the changes in the Group structure. For changes in the accounting policies, adoption of new and/or revised accounting standards, as well as changes in presentation of financial statements for the current financial year, only the comparative figures for the previous year are restated to conform with the requirements arising from the said changes or adoption.

Comparative figures for the previous year are restated, where applicable, upon the completion of the Purchase Price Allocation on the Group's acquisitions of subsidiaries as required under MFRS 3, *Business Combinations*.

- Labs comprise the Group's diagnostic laboratory business. In the table above, prior to FY2022, Labs was classified as part of the Singapore, Malaysia, India, and Türkiye and Europe Hospital and Healthcare business segment.
- Others comprise mainly corporate offices as well as other investment holding entities.
- Arises from the application of MFRS 129, *Financial Reporting in Hyperinflationary Economies* for component entities whose functional currency is the Turkish Lira.
- Being earnings before interest, tax, depreciation, amortisation, exchange differences, share of results of associates and joint ventures and other non-operational items.
- Being net assets attributable to ordinary shareholders (excluding non-controlling interests).
- Being net assets attributable to ordinary shareholders (excluding non-controlling interests) less goodwill and intangible assets.
- Being PATMI for the year over average of equity attributable to owners of the Company as at year-end and beginning of the year.
- Debt includes loans and borrowings as well as lease liabilities and bank overdrafts.

Operational and Sustainability Highlights

	FY2019	FY2020	FY2021	FY2022	FY2023
Malaysia					
No. of hospitals at end of year	15	16	16	16	16
No. of licensed beds ¹ at end of year	2,537	2,908	2,961	3,000	2,951
No. of operational beds ¹ at end of year	2,372	2,696	2,676	2,731	2,822
Inpatient admissions ²	218,051	158,944	151,944	205,459	241,123
Average length of stay ³ (days)	2.7	2.9	3.1	3.0	3.0
Occupancy rate ⁴	70%	49%	48%	63%	72%
Average revenue per inpatient admission (in RM)	7,054	8,428	10,346	9,587	9,925
Singapore					
No. of hospitals at end of year	4	4	4	4	4
No. of licensed beds ¹ at end of year	998	998	1,039	1,017	1,017
No. of operational beds ¹ at end of year	960	991	989	907	793
Inpatient admissions ²	78,541	64,071	64,227	61,951	61,197
Average length of stay ³ (days)	2.9	3.1	3.0	3.1	3.0
Occupancy rate ⁴	65%	55%	54%	56%	61%
Average revenue per inpatient admission (in RM ⁵)	37,543	39,484	41,854	52,769	59,529
India					
No. of hospitals at end of year	29	31	31	31	29
No. of licensed beds ¹ at end of year	5,887	6,154	6,011	5,952	5,888
No. of operational beds ¹ at end of year	4,770	5,004	4,756	4,880	4,991
Inpatient admissions ²	363,126	270,581	320,543	298,437	299,506
Average length of stay ³ (days)	3.3	3.7	3.8	4.0	4.2
Occupancy rate ⁴	69%	54%	66%	69%	70%
Average revenue per inpatient admission (in RM ⁵)	6,190	7,004	8,064	9,300	10,596
Türkiye and Europe					
No. of hospitals at end of year	21	21	22	24	24
No. of licensed and operational beds ⁶ at end of year	4,157	4,189	4,202	4,780	5,196
No. of overnight beds ⁶ at end of year	2,863	2,893	2,997	3,211	3,450
Inpatient admissions ²	221,493	186,662	219,582	234,831	249,829
Average length of stay ³ (days)	3.5	3.8	3.8	3.5	3.4
Occupancy rate ⁴	75%	67%	77%	74%	70%
Average revenue per inpatient admission (in RM ⁵)	1,947	6,424	6,180	7,736	10,703

Notes

The above information comprise operational data relating to hospitals owned by subsidiaries in the Group's home markets only.

It does not include data relating to hospitals owned by joint ventures and associates of the Group, and does not include hospitals that are managed for third parties.

Hospitals in Türkiye and Europe do not compile certain operational data, including number of operational beds, the average length of stay and occupancy rate, on the same basis as the rest of the regions and therefore, these numbers may not be comparable.

For changes in classification/definitions for the current financial year, only the comparative figures for the previous year are restated to conform with the current classification/definitions.

- Licensed beds are approved number of beds by the Ministry of Health that the hospital regularly maintains and staffs. Operational beds is an internal measure which includes licensed beds utilised for patients.
- Represents the total number of overnight inpatients admitted.
- Represents the average number of days an overnight inpatient stays.
- Represents the percentage of hospital operational/overnight beds occupied by inpatients. Occupancy rate may be lower due to new hospitals that are in the ramp up stage.
- Prior years' average revenue per inpatient admission had been translated using the exchange rates as at 31 December 2023, so as to be comparable across periods.
- Under Turkish Law, "licensed beds" refer to the approved number of beds used for observation and treatment of at least 24 hours, including intensive care, premature and infant unit beds, beds in the burn care units and as indicated in the hospital operation licenses. In addition to licensed beds, "operational beds" include beds used for treatments of less than 24 hours such as chemotherapy, radiotherapy and sedation or other beds such as incubators, labour beds, beds for examination, minor treatments and relaxation, from which Acibadem derives revenue and does not require licensing. "Overnight beds" comprise beds used for observation and treatment of at least 24 hours.



Our Patients

7.4m
 patients have access to their medical records online



Our People

70,000+
 talented and dedicated employees



The Public

Close to
1.3m
 lives touched⁵



Our Planet

Commitment to Net-Zero by
2050

¹ Fortis Healthcare and Gleneagles Hospitals (India).

² Includes 5 hospitals managed for third parties.

³ Europe includes North Macedonia, Bulgaria, Netherlands and Serbia.

⁴ Overnight beds comprise beds used for observation and treatment of at least 24 hours.

⁵ Number of lives touched includes cumulative number of patients utilising IHH Healthcare services targeted at reducing antimicrobial use and disease burden, and number of beneficiaries reached through our corporate responsibility programmes.

Corporate Milestones 2023

- Mount Elizabeth Hospital wall breaking ceremony to mark the commencement of extensive refurbishment works to upgrade and refresh its ageing facility into a modern, state-of-the-art medical institution over the next three years in Singapore.

- IMU divestment completed.
- IHH Malaysia (IHH MY) forms its Antimicrobial Stewardship (AMS) Committee as a sub-function of the IHH MY Clinical Governance & Advisory Committee. The AMS Committee will provide guidance to IHH MY hospitals on a systematic approach to tackle antibiotic resistance, identified as one of the largest public health risks.

- Mount Elizabeth Novena Hospital opens its state-of-the-art Proton Therapy Centre, becoming the first private hospital in Southeast Asia to provide access to one of the most advanced forms of precision cancer treatments available.
- Parkway MediCentre Woodleigh, IHH Singapore's first ambulatory care unit, officially opens.

- Fortis Healthcare acquires 350-bed hospital in Manesar, Gurugram.
- Parkway Shenton opens new clinic in the central business district, marking its 50th anniversary in primary care in Singapore.

- Acibadem acquires Kent Health Group in Izmir, the third largest city in Türkiye, as part of its growth strategy.
- Gleneagles Hospital in Mumbai performed a bilateral total arm transplant, the first of its kind in Asia.
- Pantai Hospital Batu Pahat is the first hospital and commercial building in Batu Pahat Malaysia to feature solar panels in its structure. This marks a significant milestone by becoming the first hospital in IHH Malaysia to complete the installation of a solar panel system.



Photo: Acibadem Kent Hospital



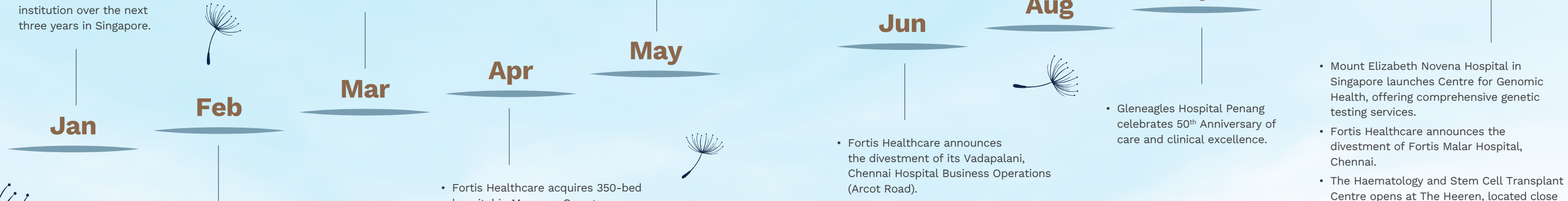
Photo: Proton Therapy machine



Photo: Timberland Medical Centre

- IHH Healthcare entered into a share purchase agreement to acquire Timberland Medical Centre, a prominent and respected 82-bed private medical centre in Kuching, Sarawak with strong brand recognition across Borneo.
- IHH increases majority stake in India's Gleneagles Global Hospitals, in line with growth strategy in India.

- Gleneagles Healthcare Wong Chuk Hang clinic opens its doors to meet the healthcare needs in the Southern District and the wider community.
- IHH Malaysia launches Mobile Clinic through Twin Towers Medical Centre to enhance healthcare access for the industrial workforce.



- Fortis Healthcare announces the divestment of its Vadapalani, Chennai Hospital Business Operations (Arcot Road).
- Pantai Premier Pathology rebrands itself as Premier Integrated Labs in Malaysia.



Photo: Premier Integrated Labs rebranding ceremony

- Gleneagles Hospital Penang celebrates 50th Anniversary of care and clinical excellence.

- Mount Elizabeth Novena Hospital in Singapore launches Centre for Genomic Health, offering comprehensive genetic testing services.
- Fortis Healthcare announces the divestment of Fortis Malar Hospital, Chennai.
- The Haematology and Stem Cell Transplant Centre opens at The Heeren, located close to Mount Elizabeth Hospital.
- IHH Singapore inks two-year Corporate Responsibility Memorandum of Understanding (MOU) with Para Athletics (Singapore) to enhance the healthcare experience of local para-athletes.
- Parkway Shanghai Hospital begins offering advanced refractory cancer care in partnership with Sharehereon Health.



Photo: Partnership between Parkway Shanghai Hospital and Sharehereon Health

Awards and Accreditations

2023 Awards

IHH Healthcare

Time – World’s Best Companies 2023

- Ranked 726 among 750 best companies globally

Forbes – World’s Best Employers 2023

- Ranked 250 among 700 best employers globally

IR Magazine Awards South East Asia 2023

- Best ESG reporting (large cap)

HRM Asia Readers’ Choice Award 2023

- Global Leadership of Business Enterprise (I.GLOBE) programme

The Edge Singapore’s Billion Dollar Club 2023

- Growth in Profit After Tax (PAT) over three years
 - Healthcare Services, Pharmaceuticals, Biotechnology and Medical Research sector

Adam Smith Awards Asia 2023

- Highly Commended Winner of the Best Treasury Transformation Project

Asiamoney Asia’s Outstanding Companies Poll 2023

- Most Outstanding Company in Singapore
 - Healthcare Sector

Institutional Investor’s 2023 – Asia Pacific (Ex-Japan) Executive Team Rankings

- Most Honored Companies – Rest of Asia
- Healthcare, Pharma & Biotech (for FY2022 performance):
 - Overall: #3 in ‘Best CEO’, ‘Best CFO’, ‘Best Investor Relations’, ‘Best IR Team’, ‘Company Board of Directors’, ‘Overall ESG’
 - Buy-Side: #2 in ‘Best CEO’, ‘Best CFO’, ‘Best Investor Relations’, ‘Best IR Team’, ‘Company Board of Directors’, ‘Overall ESG’, and #3 in ‘Best IR Professionals’

Malaysia

Global Health Asia-Pacific Awards 2023

IHH Healthcare Malaysia

- Hospital Group of the Year

Gleneagles Hospital Penang

- Medical Tourism Hospital of the Year

Gleneagles Hospital Kuala Lumpur

- Hospital of the Year in Malaysia
- Customer Care Service Provider of the Year
- Endocrinology Service Provider of the Year
- Gastroenterology Service Provider of the Year
- ICU Service Provider of the Year
- Neurology Service Provider of the Year
- Prostate Care Service Provider of the Year

Pantai Hospital Kuala Lumpur

- Cancer Centre of the Year
- Comprehensive Hand & Microsurgery Service Provider of the Year
- Heart & Vascular Service Provider of the Year
- Respiratory Medicine Service Provider of the Year
- Robotic Rehabilitation Service Provider of the Year

Pantai Integrated Rehab

- Integrated Rehabilitation and Physiotherapy Centre of the Year

Prince Court Medical Centre

- Orthopaedic Service Provider of the Year

World Stroke Organisation (WSO) Angels Diamond Award 2023

- Pantai Hospital Ipoh

Healthcare Asia Awards 2023

Prince Court Medical Centre

- Medical Tourism Hospital of the Year and Clinical Service Initiative of the Year

Gleneagles Hospital Kuala Lumpur

- Service Innovation of the Year

ESG Business Awards 2023

Gleneagles Hospital Kuala Lumpur

- Community Health Outreach Programme Award (Malaysia)

Malaysia Healthcare Icon Leadership Award

- Gleneagles Hospital Johor

Singapore

Healthcare Asia Medtech Awards 2023

- IHH Healthcare Singapore – Health App of the Year

WSHAsia Awards 2023

- IHH Healthcare Singapore – Industry Excellence Award

Healthcare Asia Awards 2023

- Mount Elizabeth Novena Hospital – Customer Service Initiative of the Year and the Clinical Service Initiative of the Year

Newsweek – World’s Best Specialised Hospitals and World’s Best Smart Hospitals

- Gleneagles Hospital and Mount Elizabeth Hospital

Türkiye & Europe

Acibadem Healthcare Group

Capital Magazine – The Most Admired Companies of the Business World Survey

- Ranked first in the Hospital sector

Services Exporters’ Association (HIB)

- Champion for Healthcare Services

Tech Brands Türkiye

- Ranked first in Healthcare sector

Brandverse Awards Türkiye 2023

- Gold award in “Healthcare Institutions” category

India

WSO Angels Diamond Award 2023

- Fortis Hospital, Noida
- Fortis Escorts Hospital, Faridabad

Regional & State Organ and Tissue Transplant Organization (ROTTO-SOTTO) Award

- Fortis Hospital, Kalyan – Best Non-Transplant Organ Retrieval Centre

AHPI 2023 Award

- Fortis Hospital, Noida – Excellence in Nursing Practices

Outlook Health 2023 – Best hospital rankings in India

- Global Hospitals, Parel, Mumbai (rebranded to Gleneagles Hospital)
- Gleneagles Global Health City, Perumbakkam-Sholingnallur, Chennai (rebranded to Gleneagles HealthCity)

Greater China Operations

Gleneagles Hong Kong Hospital

Family Top Brand 2023

- Obstetrics and Gynecology Services

Office of the Privacy Commissioner for Personal Data, Hong Kong

- Outstanding Gold Award of the Privacy-Friendly Awards 2023

Dutch Chamber of Commerce, Hong Kong

- Sustainable Innovation Award – Silver

2023 Accreditations

Joint Commission International (JCI)

Malaysia	Pantai Hospital Kuala Lumpur Gleneagles Hospital Kuala Lumpur Gleneagles Hospital Penang
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Singapore	Gleneagles Hospital Mount Elizabeth Hospital Mount Elizabeth Novena Hospital Parkway East Hospital
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Türkiye	Acibadem Adana Hospital Acibadem Altunizade Hospital Acibadem Maslak Hospital Acibadem Atakent Hospital Acibadem City Clinic UMBAL Clinical Hospital Acibadem Sistina
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Brunei	Gleneagles JPMC
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National Accreditation Board for Hospitals and Healthcare Providers (NABH)

India	Gleneagles BGS Hospital, Kengeri Bengaluru Gleneagles Healthcity, Chennai Gleneagles Hospital, Mumbai Fortis Hospital Cunnigham Road, Bengaluru Fortis Hospital Vasant Kunj, New Delhi Fortis La Femme, Greater Kailash II, New Delhi
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Malaysian Society for Quality Health (MSQH)

Malaysia	Pantai Hospital Cheras Pantai Hospital Penang Pantai Hospital Kuala Lumpur Pantai Hospital Ampang Pantai Hospital Ipoh Pantai Hospital Batu Pahat Pantai Hospital Manjung Pantai Hospital Sungai Petani Pantai Hospital Ayer Keroh Pantai Hospital Klang Pantai Hospital Laguna Merbok Gleneagles Hospital Kuala Lumpur Gleneagles Hospital Penang Gleneagles Hospital Johor Gleneagles Hospital Kota Kinabalu Prince Court Medical Centre
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Care. For good.

Building trust among our stakeholders is a critical foundation of our strategy. In doing greater good by our patients, our people, the public and our planet, we build strong and sustainable growth.

Strategic Report

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Chairman's Statement



As a leading healthcare provider, IHH Healthcare is committed to delivering sustainable value to all stakeholders, including our patients, our people, the public and our planet. We will continue to do right by the unwavering trust that has been placed in us over the years.

Tan Sri Mohd Azlan Hashim
Non-Executive Chairman

Dear Stakeholders,

IHH Healthcare has once again maintained its resilience and shown robust performance in 2023. We have achieved commendable growth as a Group, even amid persistent challenges including rising inflation and shortage of nursing talents in the sector.

The hurdles in our path have translated into opportunities for our people to adapt, pivot and rise to the occasion. As we look at the year in retrospect, IHH has not wavered from its commitment to positively impact our people, patients, the public and our planet, and strived to live up to the trust that all our stakeholders have placed in us.

The accolades we have been given in 2023 further affirm that we are moving in the right direction, serving our stakeholder groups with distinction and integrity at every step. In clinical excellence, we were regaled with over 20 awards at the GlobalHealth Asia-Pacific Healthcare and Hospital Awards, with IHH Malaysia named Healthcare Group of the Year in Asia-Pacific. In human resources, Forbes included IHH as one of the 'World Best Employers 2023', a recognition we hold close to heart.

IHH witnessed several milestones this year, including the 50th anniversary celebrations of both Pantai Hospital Kuala Lumpur and Pantai Hospital Penang. Both hospitals have grown to become healthcare icons in their respective regions. Parkway Shenton in Singapore also celebrated its Golden Anniversary with the opening of its 54th clinic and a series of community events.

Delivering Value for Our Patients

In 2023, we expanded our reach and services in all areas of our business. The opening of new hospitals and achievement of breakthroughs, thanks to medical advancements, and technological innovations have raised not just clinical excellence, but also allowed us to deliver greater value for our patients.

In Singapore, we opened Parkway MediCentre Woodleigh, our new ambulatory care facility that provides convenient and comprehensive outpatient care to the community in the northeastern region of Singapore. In India, we inaugurated the new Fortis Cancer Institute outpatient department block to provide complete and holistic cancer care. In Malaysia, Twin Towers Medical Centre launched its first mobile clinic to bring occupational health and safety services closer to industrial workers.

These are but a handful of examples of IHH's efforts to make high-quality healthcare more accessible and convenient for communities.

Delivering Value for Our People

The value that we have created for our patients would not have been possible without the dedication and hard work from all levels of IHH staff, both clinical and non-clinical. Suffice to say, the shortage of healthcare talent has been a perennial challenge for medical institutions worldwide, with brain drain that reached new levels at the height of the COVID-19 pandemic.

Like our counterparts, IHH recognises that taking on a job in healthcare is a higher calling that tests our professionals' physical, mental and emotional capacities. This is why we are firm believers in fair remuneration and take every opportunity to give our people due recognition for their dedication.

In the past year, 907 employees in Malaysia and Singapore within our global network received IHH's Long Service and Golden Years Service Awards, serving as a true testament to our organisation as a place where individuals can flourish, thrive, and consider a second home.

The total well-being of our staff is our topmost priority, and we have several support measures to safeguard everyone's physical and mental health. IHH also offers ample opportunities for employees to upskill and develop fulfilling careers.

One of our latest initiatives include the launch of a Johor Bahru-Singapore shuttle service by IHH Singapore for the convenience of our Malaysian employees at Mount Elizabeth Hospital, Mount Elizabeth Novena Hospital, Gleneagles Hospital and Parkway East Hospital. The easy commute has allowed our nurses and staff more rest and quality time with their loved ones at home.



The total well-being of our staff is our topmost priority, and we have several support measures to safeguard everyone's physical and mental health. IHH also offers ample opportunities for employees to upskill and develop fulfilling careers.



Chairman's Statement

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While the wider landscape continues to pose business uncertainties, IHH will be meeting challenges ahead with prudence and cautious optimism as one IHH Group, while continuing our march to Care. For Good.

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In addition, we have introduced a new mental wellness app among employees of IHH, marking a milestone in our journey to foster a healthier workplace for all, given the rigorous demands of the industry.

As our initiatives to support our employees' well-being continue to gain traction, we will retain and further refine these best practices in the years ahead. Just as our patients have put their faith in us, we will continue to be a pillar of trust for our people.

Delivering Value for the Public and Our Planet

In February 2024, we reaffirmed our commitment by renewing the Memorandum of Understanding (MOU) with the Ministry of Health Malaysia, to fully sponsor radiotherapy and radiosurgery to another 500 cancer patients, building upon the impactful initiative that commenced in 2022. We had completed treatment for 500 cancer patients using these state-of-the-art technologies in the previous iteration of the MOU with the Health Ministry. Our dedication to healthcare extends beyond our patients to the community we serve.

With a proactive approach, we aim to cultivate a healthier society, which in turn will contribute to a reduced environmental impact within the healthcare sector. To do so, we will enhance our Antimicrobial Stewardship Programme to equip all our hospitals to implement interventions for preventing antimicrobial resistance, in sync with international and local guidelines.

We stay aligned with our target to cap carbon emissions by 2025 based on our pre-laid goals and to achieve Net-Zero by 2050. In September 2022, IHH set time-bound, measurable targets, to achieve this.

This year, we built upon that foundation by intensifying our efforts to reduce emissions. We have started to define and derive baseline Scope 3 emissions across our value chain this year, and have launched decarbonisation initiatives including reducing energy consumption and switching to renewable energy. In 2022, we set an interim target to reduce single-use virgin plastic by 90% in non-clinical areas in IHH Malaysia and IHH Singapore by 2023. IHH Singapore has achieved this target. IHH Malaysia ended 2023 with a commendable 79% reduction and has since achieved the target.

In sustainability initiatives, IHH is fully aligned with the United Nations Sustainable Development Goals. We are working towards climate-related disclosures meeting the standards of the globally recognised standards of the Task Force on Climate-related Financial Disclosures (TCFD).



Sustainability is an ongoing journey that is in equal parts complex, urgent and purposeful. IHH remains open to new and better ways to enhance our sustainability efforts, and we hope to inspire change by being a trailblazer in the healthcare sector.

Delivering Value Through Our Governance

We are delighted to announce the appointment of IHH Healthcare's new Group Chief Executive Officer Dr Prem Kumar Nair, who officially stepped into the role on 1 October 2023. He is a familiar face to us all, having helmed IHH Singapore in the last three and a half years.

Dr Nair is a highly regarded industry veteran, having had a wealth of experience in clinical work, healthcare administration and management, and education. I look forward to working closely with him, the IHH management team, and all our stakeholders to continue IHH's sustainable growth, astute innovativeness, and all-round excellence.

At this juncture, I would also like to express my gratitude to IHH's Transition Committee for their work prior to Dr Nair's appointment and seeing to the smooth changeover.

Additionally, we have appointed a new Group Chief Financial Officer, Mr Dilip Kadambi, as of 5 April 2024. He will play a pivotal role in providing financial leadership for IHH and its operations, ensuring a path of continued success and growth for the organisation.

In board movements, we welcome Mr Yoichiro Endo, who will assume the role of Non-Independent, Non-Executive Director taking over from Mr Takeshi Akutsu, as of 1 April 2024.

In addition to having a panel of leaders that have proven their mettle in clinical expertise and management, IHH has a comprehensive set of policies and systems to ensure the highest level of governance in board diversity, anti-corruption and data privacy and protection. Our strict policies foster trust and positively influence the value that IHH delivers to stakeholders year after year.

Delivering Results

In recognition of the steadfast confidence our shareholders have placed in IHH, the Board of Directors declared a final cash dividend of 5.5 sen per share to be paid on 26 April 2024, bringing total ordinary dividend for FY2023 to 9.0 sen per share (previously paid interim cash dividend of 3.5 sen per share on 27 October 2023). The total dividend declared for FY2023 amounts to 18.6 sen per share, including a special dividend of 9.6 sen per share paid in end June 2023 from the divestment of International Medical University (IMU). Furthermore, the Group enhanced its dividend policy in February 2024, whereby not less than 30% of the Group's profit after tax and minority interests, excluding exceptional items, shall be distributed to shareholders.

These dividends signify not only our financial strength but also our commitment to delivering consistent returns to our valued shareholders.

Looking Ahead

There is much to be excited about in 2024 and beyond. The use of technology in healthcare – from telemedicine and artificial intelligence to augmented and virtual reality – will continue to proliferate across patient care and medical training. Personalised medicine and preventive healthcare, along with increased discernment among consumers will positively move the needle towards better population well-being in the long run.

While the wider landscape continues to pose business uncertainties, IHH will be meeting challenges ahead with prudence and cautious optimism as one IHH Group, while continuing our march to Care. For Good.

We have built a leading presence in our core markets of Malaysia, Singapore, Türkiye and India. While we continue to deepen our reach in these core countries, we will evaluate opportunities in new high-growth markets to bring IHH's value-driven clinical services to even more individuals around the world.

We sincerely appreciate your ongoing support and trust in IHH.

Tan Sri Mohd Azlan Hashim
Non-Executive Chairman

Group CEO's Message

This year, IHH has exceeded all financial and operational expectations, while delivering on our purpose to touch lives and transform care. Moving forward, our ACE Framework will refine the next steps for us to deliver optimal outcomes, improve stakeholder value, and increase efficiencies as a healthcare leader.

Dr Prem Kumar Nair

Group Chief Executive Officer

Dear Stakeholders,

2023 has been a pivotal year for IHH, marking my transition to Group Chief Executive Officer in October. Having previously led IHH Singapore, this new role has been both a privilege and a profound journey of learning and reflection.

To understand the business from a wider lens, I have been actively engaging with both internal and external stakeholders across our markets. During these interactions, I was deeply impressed by our respective local management teams, clinicians, medical professionals, and healthcare administrators who are dedicating their lives to the betterment of healthcare. Their unwavering commitment to advancing healthcare is truly remarkable.

Our meaningful interactions have formed the basis for a refined group strategy via the ACE Framework, which I will elaborate further, to deliver optimal health outcomes, improve stakeholder value and operate more efficiently – all the essential blocks that will define IHH as a healthcare leader as we dive into the next chapter.

During this time, I have also been reminded of why our aspiration to 'Care. For Good.' has resonated with me so strongly all these years. While all of us at IHH come from a diversity of backgrounds and cultures, there is one thing that we all have in common – our purpose in touching lives and transforming care.

Our shared vision of healthcare is at once inspiring and motivating. It is also a core reason for IHH to have earned the trust of our patients and the public around the world – trust is a cornerstone of our business that we must never take lightly.

2023 in Review

Looking back on the past year, I am happy to report that IHH has again delivered a stellar performance both operationally and financially, and all the while uncompromising on our sustainability agenda.

Across all markets, we have seen robust growth in local and foreign patients returning to seek treatment at IHH's hospitals. The Group's revenue and EBITDA saw double-digit growth on higher patient volumes and improved case mix. FY2023 revenue and EBITDA increased 16% and 15% respectively over FY2022. The Group's FY2023 PATMI increased 91% to RM3.0 billion. ROE remains a key focus for us. It gives me great delight to share that our ROE has moved into the double-digits, at 10.7% as at end December 2023.

However, numbers alone do not paint the whole picture of our success. We are proud to have achieved these operational milestones in our respective markets.

Malaysia

As we had announced earlier, IHH completed the sale of IMU in the first quarter of 2023 at RM1.2 billion. This divestment is a continuation of the Group's execution of its strategy to drive capital-efficient growth. The majority of the gains have been fully distributed as special dividends to our shareholders.

Additionally, we are expanding our footprint in East Malaysia with the acquisition of Timberland Medical Centre in Sarawak, Kuching. The 82-bed private medical centre is renowned in Borneo for its wide range of medical, surgical and hospital services, further strengthening IHH's position as a leading healthcare provider in Sarawak by scaling up Timberland's operation via a new 200-bed tertiary hospital to be constructed in central Kuching.

As part of our corporate social responsibility efforts to reduce disease burden on the community, IHH will once again be providing complimentary cancer treatments to some 500 patients nominated by the Ministry of Health Malaysia in 2024, a public-private partnership that started in 2022.

Singapore

In May 2023, Mount Elizabeth Novena Hospital became the first private hospital in Southeast Asia to provide proton beam therapy, a highly precise form of radiation therapy, that effectively destroys cancer cells and causes significantly less damage to nearby healthy tissues.

Meanwhile, we launched our first ambulatory care facility in Singapore, Parkway MediCentre Woodleigh, which provides convenient and comprehensive outpatient care to serve community healthcare needs.

Mount Elizabeth Hospital has embarked on an extensive three-year refurbishment project to retrofit and rejuvenate the facility. The hospital is not only undergoing a modern facelift, but also reorganising its departments.

As part of our strategy to decant lower-acuity departments to adjacent buildings to free up hospital space for higher intensity acute treatments, we have moved selected healthcare services out of our hospitals. For example, the Mount Elizabeth Haematology and Stem Cell Transplant Centre has been relocated to The Heeren in November 2023. The centre provides a comfortable ambulatory setting for patients, while being situated steps away from the acute-care facilities of Mount Elizabeth. This also increases hospital bed availability for higher-acuity patients.

Group CEO's Message

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My focus is set on elevating IHH as a Group, dedicated to achieving profitable growth and healthy return on equity while upholding commitment to do right by all our stakeholders.

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Türkiye

In February 2023, Acibadem acquired Kent Health Group, the largest private hospital operator in Izmir, the third largest city in Türkiye. This makes Acibadem the operator of Izmir's largest private hospital, which houses 340 beds and has a cancer centre. It also runs two other medical centres within the city.

Since the country's fateful earthquake in November 2022, our Acibadem staff have tirelessly aided the wounded and displaced. To date, we have served more than 300,000 earthquake victims, and the wider IHH Group has collectively contributed close to US\$5 million to aid in disaster relief.

India

In line with our growth strategy in India, we increased our stake in Gleneagles Healthcare India Private Limited (formerly known as Ravindranath GE Medical Associates Private Limited) (GHIPL) to 98.2% from 73.6% – GHIPL owns Global Hospitals, a leading tertiary and quaternary healthcare chain in the country. This increase in stake not only solidifies IHH's position as a leader in this healthcare category, including multi-organ transplants, but sets the stage for a significant rebranding. In March 2024, Gleneagles Global Hospitals underwent a rebranding exercise to become Gleneagles Hospitals for greater brand equity.

In April 2023, Fortis Healthcare entered into an agreement to acquire Medeor Hospital in Manesar, Gurugram. The hospital, with a capacity of about 350 beds, will be operational by end of 2024. The acquisition makes Fortis the second largest healthcare provider in Gurugram, with a total of over 850 beds.

In the same month, Fortis Gurugram was the first in India to launch a state-of-the-art digital PET CT machine for advanced cancer imaging. Such diagnostic tools will aid medical teams and patients in early disease detection and reduce cancer-related mortality.

Separately, we have divested Fortis Arcot Road Hospital and Fortis Malar Hospital, as part of our ongoing assets review exercise.

Hong Kong

IHH has also expanded into ambulatory care in Hong Kong with the opening of Gleneagles Healthcare Wong Chuk Hang clinic in 2023 and Gleneagles Healthcare South Horizons clinic in 2024. The clinics offer a range of services including general and specialist outpatient consultations, health screenings, vaccinations, diagnostic imaging and more, to meet the Southern District's diverse healthcare needs. The clinics are dedicated to offering high-quality and holistic primary care services with hotel-standard customer service that cater to different healthcare needs.

Gleneagles Hong Kong Hospital (GHK) has also been actively enhancing its clinical offerings, such as with the reopening of its Chemotherapy Centre as a day centre for cancer patients, and launch of the Gynaecological Oncology Centre to introduce

novel and advanced surgical technologies. Also, GHK and med-tech organisation Varian have jointly established a regional radiotherapy reference centre, the first of its kind in the private healthcare sector in Hong Kong.

China

In February 2023, we celebrated the soft opening of the Parkway Shanghai Hospital, located in the Shanghai New Hongqiao International Medical Zone. The 450-bed multi-specialty tertiary hospital will leverage IHH's existing network of Parkway primary care clinics in Shanghai to provide high-quality integrated care for nearby residents and beyond.

Subsequently in November, we launched the Parkway Shanghai Hospital Oncology Center and Parkway International Refractory Oncology Consultation Center in partnership with Professor Ding Gang, renowned oncologist and founder of Sharehereon Health. This collaboration unifies the resources and expertise of both healthcare organisations to deliver better oncology diagnosis and treatment for cancer patients.

Our Commitment to Quality Care and Improved Outcomes

To be deserving of the trust that our patients have placed in us, we are continually and holistically reviewing and tracking our performance in areas ranging from clinical excellence to service excellence.

We made good progress in expanding our clinical quality indicators and Value-Driven Outcomes (VDO), in addition to improving accuracy of billing estimates in our core markets. IHH will continue to invest in our people, by providing training opportunities to optimise processes and operations, and hence deliver better care. In 2024, we will also introduce an AI-powered workforce application to amplify nursing efficiencies across the Group.

The ACE Framework

Insights from my visit to the various markets have been instrumental in the inception of IHH Healthcare's newly defined ACE Framework (more details on page 3), which will allow us to strive for healthcare leadership that benefits our patients and people, while providing sustainable investor returns.

The framework does not deviate from our existing growth plan and strategy, but provides refinement and guidance for our next steps. It will anchor, unify and elevate as one IHH Group. ACE simply stands for **Align**, ensuring that profitable growth has to be in line with our aspiration to Care. For Good.; **Challenge**, the willingness to transform and improve as individuals, teams and as an organisation to achieve efficiencies and better care; and **Empower**, giving local teams stronger mandates to excel by leveraging on our scale and depth of expertise across the network to maximise performance and optimise operations.

With this framework, we are working towards organic growth such as expanding inpatient capacities and facilities upgrading, inorganic growth through capturing earnings-accretive assets, and expanding our services across the healthcare continuum. We are also developing new growth engines, with an eye on turning our laboratories into a core business. Lastly, we will turnaround underperforming assets to maximise their value potential, by improving performance and operations.

We are placing particular focus on India and Greater China in driving growth for the Group. Our twin engines of growth in India include the nearly 100% IHH-owned Gleneagles Hospitals, which operates six hospitals in the country, and Fortis Healthcare, one of India's largest healthcare providers.

In Greater China, we have made the decision to reposition our clinics and invest resources in the new Parkway Shanghai Hospital. Along with IHH's brand repute, our regional network will serve us well in long-term profitability.

The Way Forward

Once again, my focus is set on elevating IHH as a Group, dedicated to achieving profitable growth and healthy return on equity while upholding commitment to do right by all our stakeholders. As we put ACE into action, I am confident of our financial and operational outlook. We fully expect to continue delivering topline expansion while offering healthy returns to our shareholders.

We are pleased to announce the appointment of Mr. Dilip Kadambi as the Group Chief Financial Officer. Dilip joined IHH in 2020 as the Group Head of Business Transformation and has assumed various roles, including in corporate finance and treasury. He was also the interim Head of Group Procurement. With his extensive experience and demonstrated leadership, we have full confidence that he will continue to drive financial excellence for IHH.

Additionally, I cannot overstate the importance of our people in making IHH a highly trusted healthcare network, across all our markets. As we move forward, I hope for everyone to keep the spirit of excellence alive and to challenge ourselves and those around us to always stay nimble and adaptable in a volatile global environment.

To our people, thank you for your hard work, dedication and excellence. To our shareholders, thank you for your continued support. To our patients, thank you for your unwavering trust and belief in IHH.

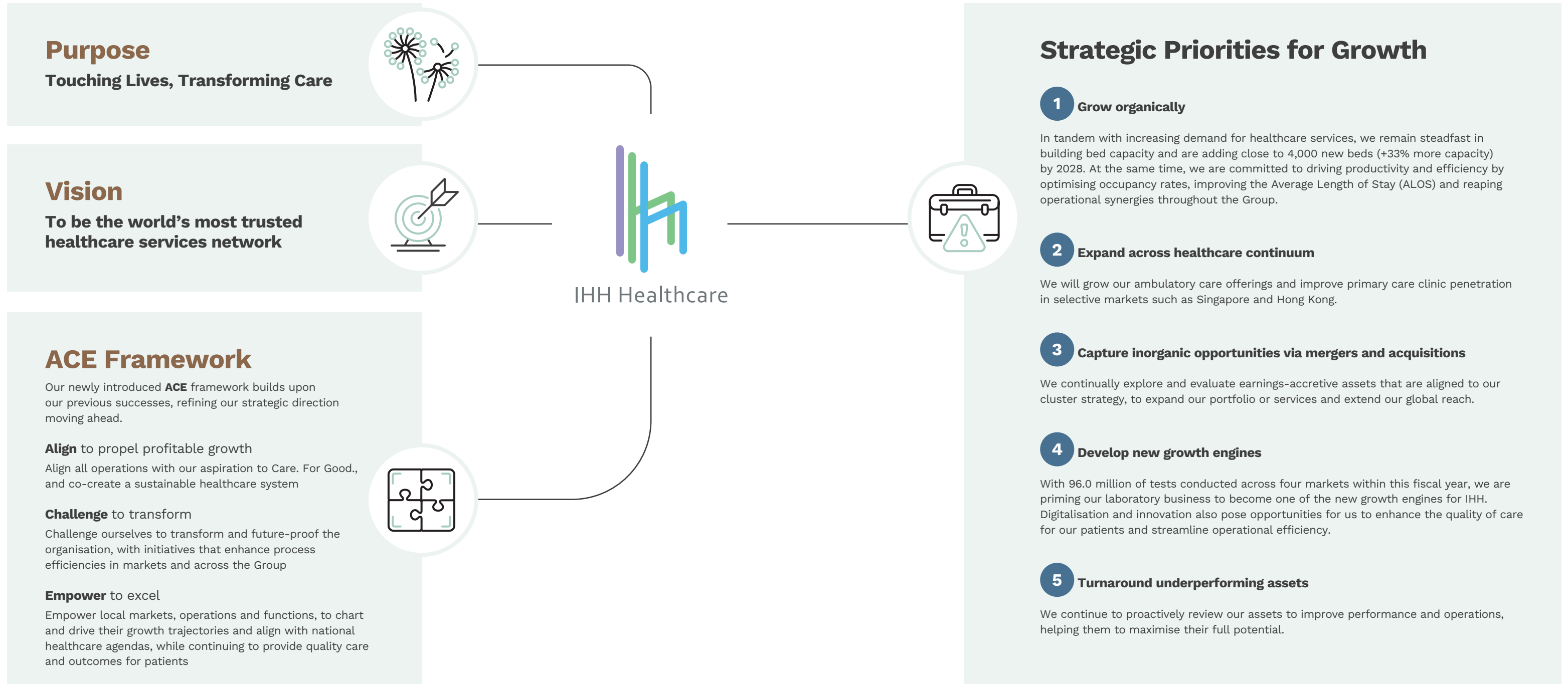
We all have a unique role to play in building IHH's collective future. I look forward to journeying with everyone in the years ahead.

Dr Prem Kumar Nair

Group Chief Executive Officer

Business Strategy

Over the years, a sound and sustainable business strategy has been a critical contributor to our reputation as one of the world’s most trusted healthcare services network. It has also enabled us to stay resilient and responsive in an ever-changing landscape while maintaining clinical excellence in all markets.



Purpose

Touching Lives, Transforming Care

Vision

To be the world’s most trusted healthcare services network

ACE Framework

Our newly introduced **ACE** framework builds upon our previous successes, refining our strategic direction moving ahead.

Align to propel profitable growth

Align all operations with our aspiration to Care. For Good., and co-create a sustainable healthcare system

Challenge to transform

Challenge ourselves to transform and future-proof the organisation, with initiatives that enhance process efficiencies in markets and across the Group

Empower to excel

Empower local markets, operations and functions, to chart and drive their growth trajectories and align with national healthcare agendas, while continuing to provide quality care and outcomes for patients

Strategic Priorities for Growth

1 Grow organically

In tandem with increasing demand for healthcare services, we remain steadfast in building bed capacity and are adding close to 4,000 new beds (+33% more capacity) by 2028. At the same time, we are committed to driving productivity and efficiency by optimising occupancy rates, improving the Average Length of Stay (ALOS) and reaping operational synergies throughout the Group.

2 Expand across healthcare continuum

We will grow our ambulatory care offerings and improve primary care clinic penetration in selective markets such as Singapore and Hong Kong.

3 Capture inorganic opportunities via mergers and acquisitions

We continually explore and evaluate earnings-accretive assets that are aligned to our cluster strategy, to expand our portfolio of services and extend our global reach.

4 Develop new growth engines

With 96.0 million of tests conducted across four markets within this fiscal year, we are priming our laboratory business to become one of the new growth engines for IHH. Digitalisation and innovation also pose opportunities for us to enhance the quality of care for our patients and streamline operational efficiency.

5 Turnaround underperforming assets

We continue to proactively review our assets to improve performance and operations, helping them to maximise their full potential.

Business Model

IHH Healthcare has an extensive network of over 80 hospitals in 10 countries. Our global reach and influence has allowed us to scale with optimal efficiencies, build on strengths and share best practices across markets. As a Group, we also continually pursue excellence and innovative breakthroughs to elevate our healthcare delivery model – and consequently, achieve long-term value for all our stakeholders.



+ Value generated = Value preserved - Value eroded

Our Assets	How We Create Value	Delivering Value to Our Stakeholders in FY2023	Value Generated, Preserved or Eroded
<p>Financial Capital</p> <p>Our brick-and-mortar hospital services have continued to grow from the previous fiscal year, providing IHH strong cash flows across all markets. This puts us in a favourable position to make efficient, prudent and strategic investments – and more importantly, sets the group up for long-term growth.</p>	<p>Our Business</p> <ul style="list-style-type: none"> • Primary Care Regular outpatient services such as treatment of common illnesses, medical check-ups, vaccinations, preventive care and patient education • Secondary and Tertiary Care Specialist consultations, local surgeries, emergency care, laboratory services, diagnostics and acute treatments • Quaternary Care Advanced medical care involving high-intensity complex surgeries (like organ transplants) under the hands of highly trained surgeons and best-in-class intensive care units and facilities • Complementary Ancillary Services Comprehensive diagnostics, analytical laboratory testing, therapeutic radiology, physiotherapy, integrated rehabilitation and advanced molecular diagnostics <p>ACE Framework</p> <ul style="list-style-type: none"> • Align to propel profitable growth Align all operations with our aspiration to Care. For Good., and co-create a sustainable healthcare system • Challenge to transform Challenge ourselves to transform and future-proof the organisation, with initiatives that enhance process efficiencies in markets and across the Group • Empower to excel Empower local markets, operations and functions, to chart and drive their growth trajectories and align with national healthcare agendas, while continuing to provide quality care and outcomes for patients 	<ul style="list-style-type: none"> • Group revenue • Net income • Declared dividends • Share price • Return on Equity <ul style="list-style-type: none"> • Number of hospitals, ambulatory care centres, medical centres, primary care clinics and laboratories • Capital expenditures into medical equipment • Financial investments into upgrading works <ul style="list-style-type: none"> • Seven accolades received in Institutional Investor’s 2023 All-Asia (ex-Japan) Executive Team rankings. We were in the top three across these categories for Asia (ex-Japan): ‘Best CEO’, ‘Best CFO’, ‘Overall ESG’, ‘Best Investor Relations’, ‘Best IR team’, ‘Company Board of Directors’, and ‘IR Professional’ • Won Asiamoney Asia’s Outstanding Companies Poll 2023: Most Outstanding Company in Singapore – Healthcare Sector • Won The Edge Singapore Billion Dollar Club 2023 Award for Growth in PAT over three years – Healthcare Services, Pharmaceuticals, Biotechnology and Medical Research sector • Won IR Magazine Awards South East Asia 2023 for Best ESG reporting (large cap) • Five IHH nurses received the Ministry of Health Singapore’s Nurses’ Merit Award 2023 • 907 recipients for the IHH Long Service and Golden Years’ Service Awards in Singapore and Malaysia, in 2023 	<p style="text-align: center;">+</p> <p style="text-align: center;">+</p> <p style="text-align: center;">+</p>
<p>Manufactured Capital</p> <p>We provide well-trusted integrated healthcare services to patients around the world through our hospitals, ambulatory care centres, clinics and ancillary service centres. Our facilities are supported by medically advanced technologies and equipment.</p>	<p>Intellectual Capital</p> <p>Our clinical capabilities, backed by a growing suite of technologically advanced solutions and digital assets, have been instrumental in our ability to deliver optimal medical outcomes and care experience. Significant highlights this year:</p> <ul style="list-style-type: none"> • Launch of proton beam therapy for precision cancer treatment at Mount Elizabeth Novena Hospital in Singapore, the first among private hospitals in the region • Launch of a Gynaecological Oncology Centre in Gleneagles Hong Kong Hospital to provide one-stop and personalised treatments for gynaecological cancer patients • Inauguration of the Fortis Cancer Institute Outpatient Department Block at Fortis Vasant Kunj Hospital, providing holistic cancer care services <p>Our intellectual capital extends the prestige and excellence associated with our brands – Acibadem, Mount Elizabeth, Gleneagles, Pantai, Parkway, Fortis Healthcare, and Prince Court.</p>	<ul style="list-style-type: none"> • Increased billing estimate accuracy from 85% to 87% in Malaysia and Singapore • Increased number of Value-Driven Outcomes (VDO) quality indicators tracked from 113 to 157 to improve value based care 	<p style="text-align: center;">+</p>
<p>Social and Relational Capital</p> <p>We are proactive in building and maintaining positive relationships with our key stakeholders including patients, employees, physicians, business partners and various governments and communities.</p>	<p>Natural Capital</p> <p>We have made deep commitments to make positive changes for environmental sustainability, including making the consumption of resources more efficient and ensuring proper waste management.</p>	<ul style="list-style-type: none"> • Appointed a third party survey company to establish Net Promoter Score (NPS) benchmark • Engagement activities for our clinical teams • Safeguards in place to protect patients’ data and privacy <ul style="list-style-type: none"> • Waste minimisation efforts • Appropriate hazardous waste management • Energy efficiency efforts 	<p style="text-align: center;">+</p> <p style="text-align: center;">+</p>