

**IHH HEALTHCARE BERHAD**  
Registration No. 201001018208 (901914-V)  
(Incorporated in Malaysia)

**MINUTES OF THE FIFTEENTH ANNUAL GENERAL MEETING OF IHH HEALTHCARE BERHAD (“IHH” OR “THE COMPANY”) HELD AT BALLROOM B & C, LEVEL 6, HILTON KUALA LUMPUR, 3 JALAN STESEN SENTRAL, KUALA LUMPUR SENTRAL, 50470 KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA ON WEDNESDAY, 28 MAY 2025 AT 10.00 A.M. (“THE MEETING”)**

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**PRESENT:**

**DIRECTORS**

Tan Sri Dr. Nik Norzrul Thani bin N Hassan Thani (*Chairman and Independent Non-Executive Director*)  
Ms. Jill Margaret Watts (*Independent Non-Executive Director – Risk Management Committee Chairman*)  
Dato’ Sri Muthanna bin Abdullah (*Independent Non-Executive Director – Nomination and Remuneration Committee Chairman*)  
Ms. Chua Bin Hwee (*Independent Non-Executive Director – Audit Committee Chairman*)  
Mr. Satoshi Tanaka (*Independent Non-Executive Director*)  
Mr. Yoichiro Endo (*Non-Independent Non-Executive Director*)  
Mr. Tomo Nagahiro (*Non-Independent Non-Executive Director*)  
Mr. Lim Tsin-Lin (*Non-Independent Non-Executive Director*)  
Mr. Mehmet Ali Aydinlar (*Non-Independent Non-Executive Director*)  
Mr. Mohd Shahazwan bin Mohd Harris (*Non-Independent Non-Executive Director*)  
Ms. Mok Jia Mei (*Non-Independent Non-Executive Director*) (*Alternate Director to Mr. Lim Tsin-Lin*)  
Ms. Christine Li Shuling (*Non-Independent Non-Executive Director*) (*Alternate Director to Mr. Yoichiro Endo*)

**OTHER ATTENDEES**

Dr. Prem Kumar Nair (*Group Chief Executive Officer*)  
Mr. Dilip Kadambi (*Group Chief Financial Officer*)  
Mr. Ashok Pandit (*Group Chief Corporate Officer*)  
Professor Keith Lim Hsiu Chin (*Group Chief Medical Officer*)  
Mr. Foong Mun Kong (*Managing Partner – KPMG PLT (External Auditor)*)

**IN ATTENDANCE**

Ms. Seow Ching Voon (*Company Secretary*)

**SHAREHOLDERS**

Due to the restriction on the use of personal data pursuant to the provisions of the Personal Data Protection Act 2010, the name of the shareholders and proxies present at the Meeting will not be published in these minutes.

**1. CHAIRMAN**

Tan Sri Dr. Nik Norzrul Thani bin N Hassan Thani (“**Chairman**” or “**Tan Sri Dr. Nik Norzrul Thani**”) chaired the Meeting and welcomed the members to the Meeting.

The Chairman highlighted that the Fifteenth Annual General Meeting (“**15<sup>th</sup> AGM**” or “**Meeting**”) of the Company is conducted on a hybrid mode whereby member(s), proxy(ies) and corporate representative(s) will have an option to attend, either:

- (i) physically in person at the Ballroom B & C, Level 6, Hilton Kuala Lumpur, 3 Jalan Stesen Sentral, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Wilayah Persekutuan, Malaysia ("**Main Venue**"); or
- (ii) virtually using the Remote Participation and Electronic Voting (or known as RPEV) facilities available on Boardroom Smart Investor Portal.

He introduced the members of the Board, Company Secretary, Management team and the representative of the external auditor, Messrs KPMG PLT, who were participating at the Meeting from the Main Venue.

He also extended a warm welcome to representatives from the Company's major shareholders, namely MBK Healthcare Management Pte Ltd, Pulau Memutik Ventures Sdn Bhd and Employees' Provident Fund. Additionally, he welcomed members of the IHH Group Senior Management Team as well as representatives from the Minority Shareholder Watch Group ("**MSWG**").

## 2. QUORUM

The quorum for the Meeting as prescribed by Clause 89 of the Company's Constitution is 2 members. The Company Secretary, Ms. Seow Ching Voon ("**the Company Secretary**" or "**Ms. Seow**") confirmed that a quorum was present pursuant to the Company's Constitution.

With the requisite quorum being present at the commencement of the Meeting, the Chairman declared the Meeting duly convened.

## 3. POLLING AND ADMINISTRATIVE DETAILS

The Company Secretary informed all present that pursuant to Paragraph 8.29A of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), all the resolutions to be tabled at the Meeting shall be voted by poll electronically.

The Company Secretary explained the poll voting would be conducted via electronic voting using the meeting platform of Boardroom Share Registrars Sdn Bhd ("**Boardroom**"). SKY Corporate Services Sdn Bhd has been appointed as the Independent Scrutineer for the poll vote.

By physically attending the Meeting, the physical participants would be able to:

- (a) receive a personalized voting instruction slip with a QR code issued during registration;
- (b) submit votes in real-time using their personal smartphones or tablets by scanning the QR code, with assistance from available ushers if required; and
- (c) alternatively, vote at the designated polling kiosks using the same QR code, with assistance from available ushers if required.

By using the Boardroom's virtual meeting platform, the remote participants would be able to:

- (a) view the live broadcast of the Meeting proceedings;
- (b) pose questions to the members of the Board and view all the questions posed by the members / proxies / corporate representatives present virtually; and
- (c) submit votes in real-time while the Meeting is in progress.

#### **4. NOTICE OF MEETING**

The Notice convening the Meeting has been circulated to all shareholders and advertised in The Star in Malaysia and the Singapore Straits Times on 29 April 2025, was taken as read.

#### **5. PRESENTATION BY GROUP CHIEF EXECUTIVE OFFICER ("GCEO")**

At the invitation of the Chairman, Dr. Prem Kumar Nair ("**Dr. Prem Nair**"), the GCEO presented a management report on the following:

- (i) a review of the Group's operational and financial performance for 2024; and
- (ii) how IHH will execute its corporate strategy to achieve profitable and sustainable growth, deliver healthy returns on equity, while upholding its commitment to its stakeholders, guided by the the four pillars of "Patients, People, Public and Planet".

A copy of the presentation is annexed herein and marked as **Appendix I**.

#### **6. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

The Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Reports of the Directors and of the Auditors thereon ("**2024 AFS**").

The 2024 AFS, together with the Reports of the Directors and of the Auditors thereon have been circulated to all members within the prescribed period.

#### **7. ORDINARY RESOLUTION 1 – RE-ELECTION OF DIRECTOR**

The Chairman informed that Ordinary Resolutions 1 to 3 were in relation to the re-election of Directors who retire pursuant to Clause 113(1) of the Constitution of the Company.

Pursuant to Clause 113(1) of the Constitution of the Company, Mr. Mehmet Ali Aydinlar is to retire as a Director of the Company and being eligible, has offered himself for re-election.

#### **8. ORDINARY RESOLUTION 2 – RE-ELECTION OF DIRECTOR**

Pursuant to Clause 113(1) of the Constitution of the Company, Mr. Tomo Nagahiro is to retire as a Director of the Company and being eligible, has offered himself for re-election.

**9. ORDINARY RESOLUTION 3 – RE-ELECTION OF DIRECTOR**

Pursuant to Clause 113(1) of the Constitution of the Company, Mr. Lim Tsin-Lin is to retire as a Director of the Company and being eligible, has offered himself for re-election.

**10. ORDINARY RESOLUTION 4 – RE-ELECTION OF DIRECTOR**

The Chairman informed that Ordinary Resolution 4 pertains to his re-election, as he is retiring pursuant to Clause 120 of the Constitution of the Company.

Since he was an interested party in Ordinary Resolution 4, and the Chairman passed the chair to Dato' Sri Muthanna bin Abdullah ("**Dato' Sri Muthanna**"), the Chairman of the Nomination and Remuneration Committee, to preside over this resolution.

Dato' Sri Muthanna informed that Ordinary Resolution 4 was in relation to the re-election of Director who retires pursuant to Clause 120 of the Constitution of the Company.

Dato' Sri Muthanna informed that pursuant to Clause 120 of the Constitution of the Company, Tan Sri Dr. Nik Norzrul Thani bin N Hassan Thani, who was appointed as an Independent Non-Executive Director of the Company subsequent to the Fourteenth Annual General Meeting of the Company held on 28 May 2024, is to retire as a Director of the Company and being eligible, has offered himself for re-election.

Dato' Sri Muthanna passed the chair back to the Chairman upon concluding this segment.

**11. ORDINARY RESOLUTION 5 – RE-ELECTION OF DIRECTOR**

Pursuant to Clause 120 of the Constitution of the Company, Ms. Chua Bin Hwee, who was appointed as an Independent Non-Executive Director of the Company subsequent to the Fourteenth Annual General Meeting of the Company held on 28 May 2024, is to retire as a Director of the Company and being eligible, has offered herself for re-election.

**12. ORDINARY RESOLUTION 6 – PAYMENT OF DIRECTORS' FEES AND ANY OTHER BENEFITS WITH EFFECT FROM 1 JULY 2025 UNTIL 30 JUNE 2026 TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY BY THE COMPANY**

The Chairman informed that Ordinary Resolution 6 was in relation to the approval of the payment of Directors' fees to the Non-Executive Directors by the Company as per the table appearing under Agenda 4 of the Notice of 15<sup>th</sup> AGM on page 243 of the Company's Annual Report 2024 and any other benefits to the Directors subject to a maximum amount equivalent to RM1,300,000 with effect from 1 July 2025 until 30 June 2026.

The resolution, if passed, will enable the Company to match the payment and services rendered by the Non-Executive Directors concurrently.

All Directors have recused themselves from deliberations and decision making in respect to themselves in relation to the payment of Directors' fees and benefits.

**13. ORDINARY RESOLUTION 7 – PAYMENT OF DIRECTORS’ FEES TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY BY THE COMPANY’S SUBSIDIARIES**

The Chairman informed that Ordinary Resolution 7 was in relation to the approval of the payment of Directors’ fees as per the tables appearing under Agenda 5 of the Notice of 15<sup>th</sup> AGM on page 244 of the Company’s Annual Report 2024 to the Directors of the Company by the Company’s subsidiaries with effect from the specified dates mentioned in Resolution 7 until 30 June 2026.

The resolution, if passed, will enable the Company’s subsidiaries to match the payment and services rendered by the Non-Executive Directors concurrently.

The relevant Directors have recused themselves from deliberations and decision making in respect to themselves in relation to the payment of Directors’ fees.

**14. ORDINARY RESOLUTION 8 – RE-APPOINTMENT OF AUDITORS**

The Meeting was informed that the retiring Auditors, Messrs KPMG PLT, have indicated their willingness to continue in office and the Board of Directors has recommended the re-appointment of Messrs KPMG PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Directors to fix their remuneration.

**15. ORDINARY RESOLUTION 9 – AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

The Meeting was informed that Ordinary Resolution 9 was to authorise the Directors to issue and allot shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016. Pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors would have to call for a general meeting to approve the issuance of new shares even though the number of shares involved is less than 10% of the total number of issued shares. In order to avoid any delay and costs involved in convening separate general meetings, it is considered appropriate to seek the shareholders’ approval for the Directors to issue shares in the Company up to an aggregate amount not exceeding 10% of the total number of issued shares of the Company for the time being. If approved, this authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next annual general meeting of the Company. The shareholders / proxies / corporate representatives present were referred to the Explanatory Notes on Special Business in the Notice of 15<sup>th</sup> AGM on page 250 of the Company’s Annual Report 2024 for the rationale of this resolution.

**16. ORDINARY RESOLUTION 10 – PROPOSED RENEWAL OF AUTHORITY FOR IHH TO PURCHASE ITS OWN SHARES OF UP TO TEN PERCENT (10%) OF THE PREVAILING TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (“PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY”)**

The Meeting was informed that Ordinary Resolution 10 was to seek the shareholders’ approval to authorise the Company to purchase its own shares through Bursa Securities of up to ten percent (10%) of the prevailing total number of issued shares of the Company. If approved, this authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next annual general meeting of the Company. The details of the Proposed Renewal of Share Buy-Back Authority are set out in the Statement to Shareholders dated 29 April 2025, which was issued together with the Company’s Annual Report 2024.

## 17. QUESTIONS AND ANSWERS SESSION

Upon tabling all the resolutions, the Chairman proceeded with the Questions & Answers session.

### 17.1 **MSWG**

MSWG had on 21 May 2025 written to the Company seeking clarification/information on several matters covering areas in relation to operational and financial matters as well as sustainability matters of the Group.

All the questions posed by MSWG and the corresponding responses by the Company were read out and displayed on the screen during the Meeting.

The presentation slides on MSWG's questions and the corresponding answers are attached herein and marked as **Appendix II**.

### 17.2 **Others**

The Chairman invited the Management team to address questions raised from the floor and concurrently respond to questions submitted virtually by shareholders / proxies / corporate representatives which were made visible to all the participants during the Meeting and the corresponding responses were as follows:

#### **Questions submitted virtually**

(i) Mr. So Chee Ken ("**Mr. So**"), a shareholder

Mr. So enquired about the Group's strategy to address the increasing pressure from insurance companies on hospital billing, and how the Group plans to safeguard its revenue and support its continued growth.

The Chairman responded that the Group is actively engaging with insurance providers as part of its ongoing commercial relationships and negotiations. In response to rising medical inflation, the Group collaborates with insurers to develop bundled services and packages aimed at increasing patient volume within its network.

Negotiations are being held with insurers. While there may be short-term financial impacts, the Group remains focused on optimizing costs to sustain or enhance its profit margins.

(ii) Mr. Lim Seong Hon ("**Mr. Lim**"), a shareholder

Mr. Lim proposed the Board to consider providing a RM50 Touch 'n Go ("**TNG**") eWallet PIN to all esteemed shareholders and proxies attending the meeting.

Dr. Prem Nair responded that IHH does not adopt the practice of distributing door gifts or vouchers during its general meetings. Instead, the Group has aligned with its core philosophy of promoting health and wellness, as reflected in the nutritious Bento boxes provided to attendees of the meeting. Additionally, parking for the event was fully covered by the Company.

Dr. Prem Nair also highlighted that IHH had declared and paid a total cash dividend of RM0.10 per share for the financial year ended 31 December 2024, comprising an interim dividend of RM0.045 paid on 30 October 2024 and a final dividend of RM0.055 per share paid on 28 April 2025.

(iii) Mr. Rien Hashim ("**Mr. Hashim**"), a proxy

- (a) Mr. Hashim enquired about the cost per food pack provided at the AGM, and the total number of packs prepared. He commented on the bulkiness of the packaging, particularly for attendees using public transport, suggesting the use of TNG eWallet PIN as a food voucher alternative.

The Chairman informed that the matter regarding TNG had been addressed earlier in the meeting, adding that the food packs were intended to offer quality meals to attendees as a gesture of appreciation.

He thanked Mr. Hashim for his feedback on the food pack and packaging, and assured that the Company would take the comments into consideration for future AGMs.

- (b) Mr. Hashim inquired about the cost of meals provided to Directors during each Board of Directors' meeting.

The Chairman responded that the Company sources the most competitive quotations from external vendors and also caters meals from its hospital kitchens, while balancing the need for balanced nutrition and practicality.

- (c) Mr. Hashim requested information on the total cost of staff salaries and bonuses.

The Chairman referred to Note 23 of the 2024 AFS, stating that the total cost of salaries, bonuses and other costs for the Group in the financial year ended 31 December 2024 amounted to RM8.9 billion. This figure covered over 70,000 employees across 10 countries, with variations in pay structures and employment conditions depending on the country.

- (d) Mr. Hashim inquired about the cost comparison between conducting hybrid and fully virtual general meetings.

The Chairman shared that the cost of hosting the fully virtual AGM in 2024 was about RM127,000, while the cost of hosting the hybrid AGM in 2025 was about RM339,000, which was more than double the previous year's cost.

He explained that under the MMLR of Bursa Securities, all public listed companies are required to hold their general meetings at a physical venue in Malaysia. IHH has also opted for a hybrid format in 2025 to align with the Malaysian Code on Corporate Governance's recommendation to enhance shareholder engagement.

**Questions raised from the floor**

- (iv) Mr. Lau Sow Been (“**Mr. Lau**”), a shareholder

Mr. Lau raised a concern regarding prolonged waiting times at the pharmacy of Prince Court Medical Centre (“**PCMC**”), citing a personal experience of nearly two hours of waiting, which he viewed as detrimental to the Company’s image and its ability to attract and retain customers.

In response, Dr. Prem Nair assured that Management is aware of the congestion at various service points within PCMC, especially during peak periods.

He explained that the hospital is currently undergoing significant renovations aimed at optimizing processes and improving workflow, including the relocation and enhancement of the pharmacy area. Additionally, the hospital’s existing IT system, inherited during acquisition, is being transitioned to the Cerebral Plus (C+) integrated hospital system, which is already operational in other hospitals. These combined efforts, comprising facility renovations and IT system enhancements, are expected to significantly improve patient experience upon completion.

- (v) Mr. Lee Hoe Choon (“**Mr. Lee**”), a shareholder

Mr. Lee referred to page 14 of the Annual Report 2024 and noted that Singapore appears to be the most profitable region, with an average revenue per inpatient admission of approximately RM61,000. Despite this, there appeared to be a decline in licensed and operational beds in Singapore.

He enquired whether the inability to expand the number of hospitals in Singapore is due to government policy or the Company’s foreign ownership status. He also questioned why the Company has not increased its bed capacity in Singapore.

In response, Dr. Prem Nair explained that IHH currently operates four hospitals in Singapore and is the leading private healthcare provider in the country. The Singapore government has, for over a decade, ceased issuing new private hospital licenses, and instead promoting out-of-hospital care, by encouraging both public and private sectors to shift towards community-based care under the “Healthier SG” initiative.

He further informed that, in alignment with this national strategy, IHH has focused on growth in unrestricted areas. Firstly, the Group has been expanding its extensive primary care network under Parkway Shenton, which has been a longstanding part of the Group’s operation in Singapore. Secondly, IHH is addressing the gap in intermediate care services by developing Ambulatory Care Centres (“**ACC**”). In addition to facilities such as the Royal Square and Tong Building, the Group has established a large, community-based ACC in Bidadari, offering a higher level of care than general practitioner clinics and is designed to serve patients seeking outpatient services in a more accessible and efficient setting.

Dr. Prem Nair explained that the decline in the number of hospital beds was primarily due to a strategic reconfiguration of room types, driven by patient preferences and insurance trends, favouring single-bed rooms over traditional multi-bed wards. The majority of patients today, particularly those with private health insurance, prefer single-bed rooms, as their insurance policies typically cover this option. As a result, two-bed wards have increasingly been used as single-bed accommodations, and demand for multi-bed wards has significantly decreased.



Dr. Prem Nair added that, consequently, the Group has adjusted its room mix to predominantly single-bed rooms, while retaining a limited number of four-bed wards to accommodate corporate clients with lower-tier coverage.

Dr. Prem Nair further informed that certain services have been relocated from hospital campuses to external facilities. This shift has enabled the Group to reclaim space within its hospitals, creating opportunities to increase bed capacity where appropriate.

Dr. Prem Nair highlighted that despite the reduction in overall bed numbers, revenue intensity in Singapore has continued to rise, which is attributed to a higher proportion of complex and high-acuity cases, as well as the adoption of advanced medical technologies such as proton therapy.

(vi) Mr. Tan Ze Chien ("**Mr. Tan**"), a proxy

- (a) Mr. Tan raised a question regarding the potential implementation of a Diagnosis-Related Group ("**DRG**") payment system in Malaysia, following reports that the Ministry of Health of Malaysia ("**MOH**") was considering this approach after the announcement of Budget 2025. He sought the Group's perspective on the matter and its potential impact on future earnings.

Dr. Prem Nair provided an overview of the DRG payment model, explaining that it is commonly implemented in national health systems such as the UK, Australia, and parts of Europe or national health insurance schemes such as Japan, Korea, and Taiwan. Under the DRG model, healthcare providers are reimbursed based on fixed rates assigned to specific procedures. The concept works well in public healthcare settings, where treatment and service levels are standardized.

Dr. Prem Nair further explained that, in contrast, countries with a mixed public-private healthcare system, such as Malaysia and Singapore, the implementation of DRG is more complex. It is difficult to implement in private healthcare, where patients often purchase insurance plans tailored to their preferences and expectations, including higher-end amenities and room types, which are not standardized in the way public hospital services are.

Dr. Prem Nair proceeded to explain that in Malaysia, the DRG model is being explored to address medical inflation, and MOH has initiated pilot projects in selected public hospitals to evaluate the feasibility of DRG implementation. Private hospitals are currently not involved but alternative cost management strategies are being considered to manage costs within the private healthcare sector.

Dr. Prem Nair further highlighted that IHH is actively engaging with insurers and participating in various committees, including those focused on medical inflation, to identify sustainable solutions.

The Chairman informed that IHH is actively engaging with the government and insurers to address medical inflation, recognising it as a complex issue and requiring ecosystem-wide cooperation, including regulators, insurers, and private healthcare providers.

The Chairman added that IHH will join MOH sessions to share international insights and explore practical solutions. There are several “low-hanging fruit” opportunities that can be pursued in collaboration with the government to help manage medical inflation. For example, in Singapore, the government has successfully leveraged bulk purchasing and implemented cascading cost efficiencies across hospitals. He reaffirmed the Group’s commitment to supporting the development of national healthcare policies.

- (b) Mr. Tan observed that private hospitals are generally perceived to prefer original, brand-name medications over generics despite the latter’s higher profit margins. Given the Management’s earlier remarks about initiatives to reduce medical costs, he enquired as to how the Board plans to balance financial goals with patient affordability, and whether incorporating generic medicines is part of the cost-reduction strategy.

In response, Dr. Prem Nair clarified that the hospital pharmacies stock both original and generic medications to meet the diverse needs of patients. He explained that private patients may request original drugs and are provided with them if they are willing to bear the cost. This is particularly relevant for international patients who may not have access to certain original medications in their home countries.

Dr. Prem Nair added that, the hospitals generally prefer branded generics. He clarified that while there are many generic drugs available in the market, not all meet the hospitals’ quality standards. Branded generics refer to medications that were originally developed and patented by a company. Once the patent expires, the same company may continue to manufacture the drug under a generic label. These branded generics are preferred because their proven efficacy, safety, and reliability.

Dr. Prem Nair further elaborated that the hospitals avoid very low-cost generics due to quality concerns, and noted a significant shift toward generic medications, particularly in Singapore and Malaysia.

Dr. Prem Nair explained that although generic medications are procured at a lower cost, the hospitals apply only a modest corresponding markup. He emphasized that drug pricing is now highly transparent, with patients able to easily compare prices online in markets such as Malaysia and Singapore. The hospitals’ markup primarily reflects the costs associated with ensuring patient safety and maintaining a professionally managed pharmacy. This includes employing qualified pharmacists who verify the quality of all medications and doctors who determine the appropriate use of original versus generic drugs. Generics are the hospital’s first-line option, offering patients cost savings, however, he cautioned that not all generics are equal in quality or efficacy.

- (vii) Mr. Norhisham Bin Shafie (“**Mr. Norhisham**”), a shareholder

Mr. Norhisham noted that there have been reports indicating that private hospitals may be charging different rates for cash-paying and insured patients, and sought clarification on whether such pricing practices occur at IHH facilities.

Dr. Prem Nair responded that IHH does not have separate pricing policy for cash-paying and insured patients. Billing differences arises from clinical and procedural variations. For instance, a self-paying patient undergoing a procedure such as gallbladder surgery may request additional procedures such as the removal of a mole or lipoma during the same session under general anaesthesia. These additional procedures, often agreed upon between the patient and the attending physician, contribute to a higher overall bill. In contrast, insured patients are billed strictly according to the procedure covered by their insurance policy, resulting in a lower total charge.

The Chairman firmly reiterated that IHH does not permit or practice differential pricing between cash-paying and insured patients.

As no further questions were raised, the Chairman thanked the shareholders for their questions. He then declared the Questions and Answers session closed.

## 18. **POLLING PROCESS**

The Chairman highlighted that the voting has started since the commencement of the Meeting. The shareholders / proxies / corporate representatives were allocated another 10 minutes to cast their votes using their own devices or, alternatively, to proceed to the e-Polling kiosk station located at the back of the meeting hall. After the close of the poll voting, the scrutineers were given 20 minutes to verify the poll results.

The Chairman informed the physical attendees that they may proceed to enjoy coffee and tea after casting their votes. The physical attendees would be called back into the meeting hall upon completion of the compilation and verification of the poll results.

## 19. **ANNOUNCEMENT OF POLL RESULTS**

The Meeting resumed at 11:55 a.m. The following results of the poll voting were flashed on the screen. The Chairman informed that the results of the poll were verified by the Independent Scrutineer, SKY Corporate Services Sdn Bhd.

All the following resolutions tabled at the Meeting and voted upon by poll were duly passed by the shareholders / proxies / corporate representatives who were present virtually and casted their votes electronically:

Resolutions	Voted in Favour			Voted Against		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
<b><u>Ordinary Resolution 1</u></b> Re-election of Mehmet Ali Aydinlar	867	7,446,554,905	98.1661	117	139,109,915	1.8339
<b><u>Ordinary Resolution 2</u></b> Re-election of Tomo Nagahiro	909	8,102,777,677	99.8097	72	15,445,216	0.1903

Resolutions	Voted in Favour			Voted Against		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
<b><u>Ordinary Resolution 3</u></b> Re-election of Lim Tsin-Lin	787	8,031,777,156	98.9352	207	86,445,737	1.0648
<b><u>Ordinary Resolution 4</u></b> Re-election of Tan Sri Dr. Nik Norzrul Thani bin N Hassan Thani	933	8,081,470,084	99.5473	40	36,752,809	0.4527
<b><u>Ordinary Resolution 5</u></b> Re-election of Chua Bin Hwee	938	8,114,411,453	99.9532	38	3,799,440	0.0468
<b><u>Ordinary Resolution 6</u></b> Approval of payment of Directors' fees and other benefits to the Directors of the Company by the Company	936	7,585,580,994	99.9991	31	69,726	0.0009
<b><u>Ordinary Resolution 7</u></b> Approval of payment of Directors' fees to the Directors of the Company by the Company's subsidiaries	806	7,307,690,140	96.3357	174	277,962,580	3.6643
<b><u>Ordinary Resolution 8</u></b> Re-appointment of Messrs KPMG PLT as Auditors of the Company and authority to the Directors to fix their remuneration	844	8,038,332,476	99.0161	142	79,878,417	0.9839
<b><u>Ordinary Resolution 9</u></b> Authority to allot shares pursuant to Sections 75 76 of the Companies Act 2016	874	4,496,188,520	55.3840	98	3,622,022,373	44.6160
<b><u>Ordinary Resolution 10</u></b> Proposed Renewal of Authority for IHH to purchase its own shares of up to ten percent (10%) of the prevailing	910	4,610,760,426	59.0015	44	3,203,893,367	40.9985

Resolutions	Voted in Favour			Voted Against		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
total number of issued shares of IHH						

Based on the results of the poll voting, the Chairman declared the following resolutions as **CARRIED**:

#### **ORDINARY RESOLUTION 1**

“THAT Mr. Mehmet Ali Aydinlar be and is hereby re-elected as a Director of the Company.”

#### **ORDINARY RESOLUTION 2**

“THAT Mr. Tomo Nagahiro be and is hereby re-elected as a Director of the Company.”

#### **ORDINARY RESOLUTION 3**

“THAT Mr. Lim Tsin-Lin be and is hereby re-elected as a Director of the Company.”

#### **ORDINARY RESOLUTION 4**

“THAT Tan Sri Dr. Nik Norzrul Thani bin N Hassan Thani be and is hereby re-elected as a Director of the Company.”

#### **ORDINARY RESOLUTION 5**

“THAT Ms. Chua Bin Hwee be and is hereby re-elected as a Director of the Company.”

#### **ORDINARY RESOLUTION 6**

“THAT the Directors’ fees payable to the Non-Executive Directors in respect of their directorship and committee membership in the Company with effect from 1 July 2025 until 30 June 2026 as per the table below be and are hereby approved for payment:

Structure	Chairman (RM per annum)	Member (RM per annum)
Board of Directors	660,000	313,500
Audit Committee	175,000	100,000
Risk Management Committee	175,000	100,000
Nomination and Remuneration Committee	175,000	100,000

THAT any other benefits provided to the Directors of the Company by the Company with effect from 1 July 2025 until 30 June 2026, subject to a maximum amount equivalent to RM1,300,000, be and are hereby approved.”

#### **ORDINARY RESOLUTION 7**

“THAT the Directors’ fees (or its equivalent amount in Ringgit Malaysia as converted using the middle rate of Bank Negara Malaysia foreign exchange on the payment dates, where applicable) to the Directors of the Company who are holding directorship and committee membership in the following Company’s subsidiaries, be and are hereby approved for payment:

- (i) Fortis Healthcare Limited for the period with effect from 1 July 2025 to 30 June 2026

Structure	Chairman / Member (INR per meeting attended)
Board of Directors	100,000
Audit Committee	100,000
Risk Management Committee	100,000
Nomination and Remuneration Committee	100,000
Corporate Social Responsibility Committee	100,000
Stakeholders Relationship Committee	100,000
Independent Directors	100,000

- (ii) Parkway Trust Management Limited for the period with effect from 1 January 2025 to 30 June 2026

Structure	Chairman (SGD per annum)	Member (SGD per annum)
Board of Directors	120,000	60,000
Audit and Risk Committee	40,000	17,000
Nominating and Remuneration Committee	31,000	13,000

- (iii) (a) Acibadem Saglik Yatirimlari Holding A.S. (“**ASYH**”) Group for the period with effect from 1 July 2025 to 30 June 2026

Structure	Member (USD per annum)
Board of Directors	40,000

- (b) ASYH for the period with effect from 1 July 2025 to 30 June 2026

The Board fee of USD513,000 per annum payable to Mehmet Ali Aydinlar as the Board Chairman and Director in ASYH Group.”

## ORDINARY RESOLUTION 8

“THAT the retiring Auditors, Messrs KPMG PLT be hereby re-appointed as Auditors of the Company for the ensuing year until the conclusion of the next AGM at a fee to be fixed by the Directors.”

## SPECIAL BUSINESS

### ORDINARY RESOLUTION 9

- **AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

“THAT subject to the Companies Act 2016 (the Act), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad and other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution in any one financial year does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being

and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”

**ORDINARY RESOLUTION 10**

**- PROPOSED RENEWAL OF AUTHORITY FOR IHH TO PURCHASE ITS OWN SHARES OF UP TO TEN PERCENT (10%) OF THE PREVAILING TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (“PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY”)**

“THAT subject to the Companies Act 2016 (the Act), rules, regulations and orders made pursuant to the Act, the provisions of the Company’s Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) (Listing Requirements) and the approvals of all relevant governmental and/or relevant authorities, the Company be and is hereby authorised, to the extent permitted by law, to purchase and/or hold such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company provided that:

- (i) the aggregate number of shares which may be purchased (Purchased Shares) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten percent (10%) of the prevailing total number of issued shares of the Company at the point of purchase;
- (ii) the maximum funds to be allocated for the Company to purchase its own shares pursuant to the Proposed Renewal of Share Buy-Back Authority shall not exceed the retained profits of the Company;
- (iii) upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares in the following manner as may be permitted by the Act, rules, regulations, guidelines, requirements and/or orders of Bursa Securities and any other relevant authorities for the time being in force:
  - (a) cancel all or part of the Purchased Shares; and/or
  - (b) retain all or part of the Purchased Shares as treasury shares (as defined in Section 127 of the Act); and/or
  - (c) resell the treasury shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; and/or
  - (d) distribute the treasury shares as share dividends to the shareholders of the Company; and/or
  - (e) transfer the treasury shares for the purposes of or under the employees’ share scheme established by the Company; and/or
  - (f) transfer the treasury shares as purchase consideration; and/or
  - (g) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister may by order prescribe,

or in any other manner as may be prescribed by the Act, the applicable laws, regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force and that the authority to deal with the Purchased Shares shall continue to be valid until all the Purchased Shares have been dealt with by the Directors.

THAT the authority conferred by this ordinary resolution shall be effective immediately upon passing of this ordinary resolution and shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (AGM) of the Company at which time the authority shall lapse unless by ordinary resolution passed at that AGM, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Listing Requirements and any other relevant authorities.

AND THAT the Directors of the Company be and are hereby empowered to do all acts and things (including the opening and maintaining of a central depositories account(s) under the Securities Industry (Central Depositories) Act, 1991) and to take all such steps and to enter into and execute all declarations, commitments, transactions, deeds, agreements, arrangements, undertakings, indemnities, transfers, assignments and/or guarantees as they may deem fit, necessary, expedient and/or appropriate in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations (if any) as may be imposed by the relevant authorities.”

## **CONCLUSION**

There being no other business to be transacted, the Chairman concluded the Meeting at 11:58 a.m. and thanked all present for their attendance.





IHH Healthcare

# Touching Lives, Transforming Care

15<sup>TH</sup> ANNUAL GENERAL MEETING

28 MAY 2025



# Contents

-  Overview and Strategy
-  Financial Performance
-  Driving Our Business Forward
-  Our Sustainability Goals



# Global Healthcare Leader with Differentiated Reach and Scale



**140+**

**Healthcare Facilities**

- 80+ Hospitals
- Primary care clinics
- Ambulatory centres
- Medical centres

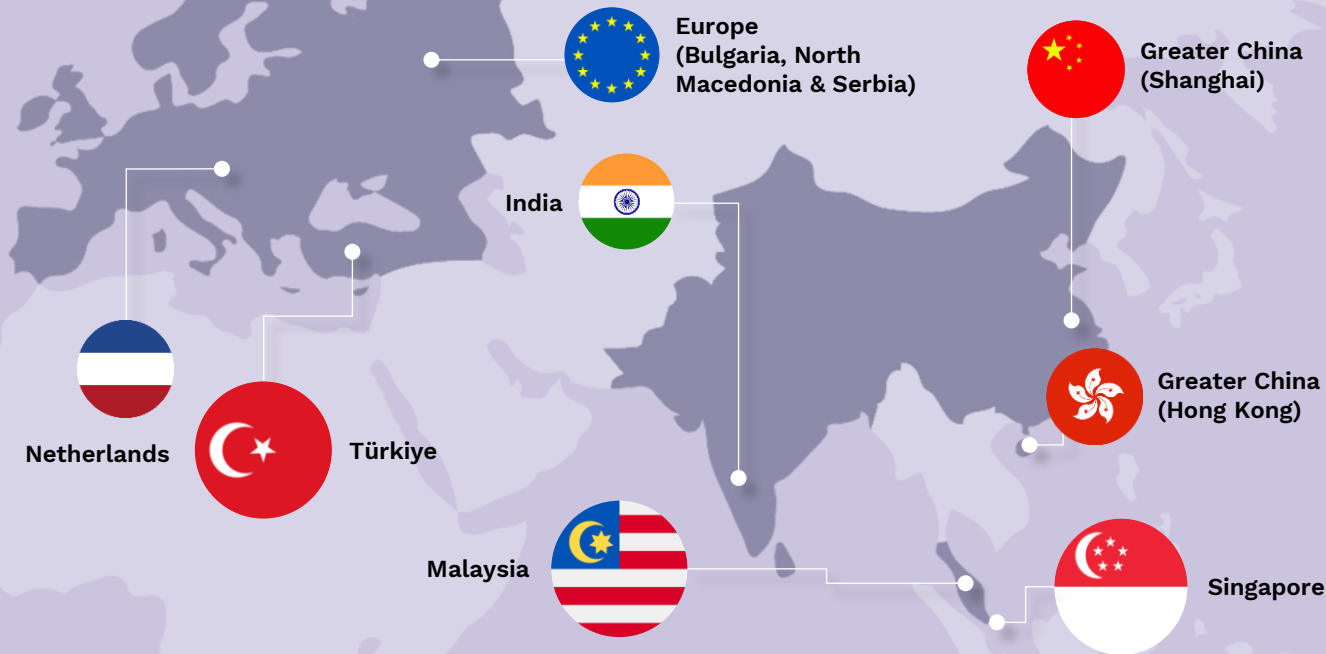
**10**

**Countries**

**13,000+**

**Operational Beds\***

\*Includes 5 hospitals managed for third parties



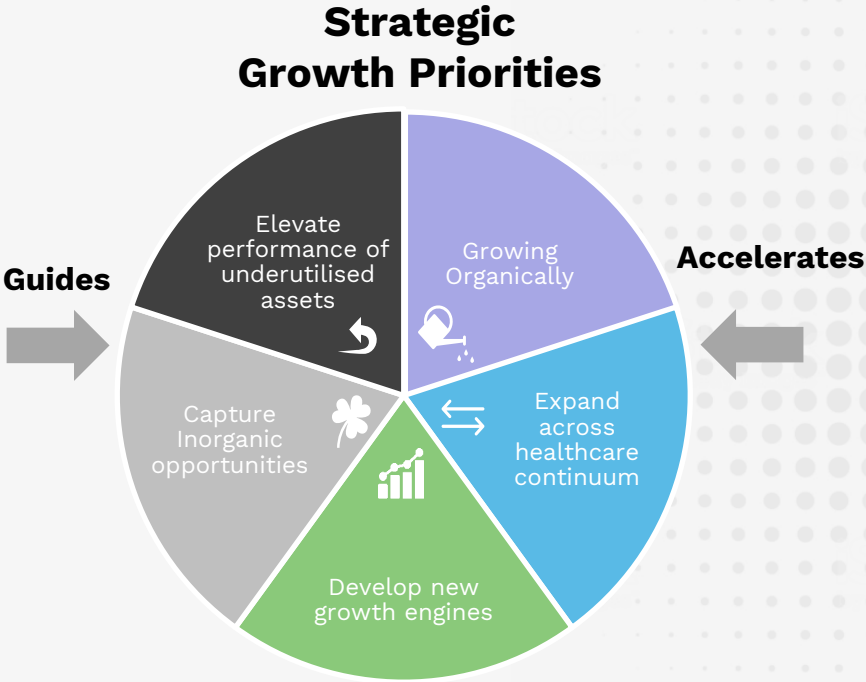
## Brands





# Driving Transformation For Next Phase of Growth

**ACE Framework**  
Anchored on **Care. For Good.**



## Transformation Focus Areas

- Clinical Excellence
- Patient Experience
- New Care Models
- Operational Excellence
- Payor & Regulator
- Employee & Doctor Value Proposition
- Tech, Data, & AI

# Seven Focus Areas of Transformation

Advancing Value-Based Healthcare to Accelerate Strategic Growth

## CLINICAL EXCELLENCE

Elevate IHH's position in clinical excellence, outcomes, and research

## PATIENT EXPERIENCE

Seamless and tech-enabled patient journey

## NEW CARE MODELS

Explore care delivery in outside of hospital setting

## OPERATIONAL EXCELLENCE

Improve cost efficiency across our markets

## PAYOR & REGULATOR

Enhance administrative efficiency with payors and strengthen relationships

## EMPLOYEE & DOCTOR VALUE PROPOSITION

Strengthen talent recruitment, development, and retention programmes

## TECH, DATA, & AI

Establish and standardise IT systems and architecture; enable AI and data use cases

# Transformation Roadmap – Tech, Data and AI

## Some key initiatives:



### **Cerebral +**

- Hospital Information System (HIS), Electronic Medical Records (EMR)
- Deployed HIS in IHH Malaysia
  - Implemented outpatient EMR in Fortis
  - Implementation of EMR in Singapore by 2025



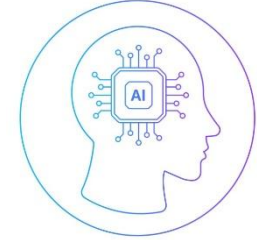
### **Operation Command Centre**

- **Real-time insights** – live updates on metrics such as bed availability
- **Enhanced patient experience** – tracks entire patient journey
- **Cost control and transparent billing** – detects anomalies and ensures transparent billing



### **AskANGELS**

- AI initiative to help nurses gain instant access to correct SOPs and forms
- Streamline admin tasks so nurses can focus on clinical care
- 24/7 access on mobile



### **AI Imaging**

- Deployed AI imaging applications in radiology in Singapore, North Asia, and Malaysia
- Evaluating other use cases for AI including clinical and operational

## Financial Performance

Delivering profitable growth  
and value while staying true  
to our aspiration to  
**Care. For Good.**



# 2024 Financial Highlights

Delivering profitable growth and value

FY2024 Revenue

**RM24.4b**

↑16% YoY

FY2024 PATMI ex EI

**RM1.7b**

↑ 32% YoY

FY2024 PATMI

**RM2.7b**

↓ -10% YoY

*FY2023 → one-off gain from  
disposal of IMU and Gleneagles  
Chengdu*

Return on Equity

**9.0%**

from 1.3%  
in FY2020



# Total Ordinary Dividends for FY2024



**RM24.4b**

FY2024 Revenue



**RM1.7b**

FY2024 PATMI (ex EI)



**RM2.7b**

FY2024 PATMI



**9.0%**

Return on Equity



FY2023  
ordinary dividend



**FY2024  
ordinary dividend**

Actual Dividend  
payout ratio:  
~40% of PATMI

# Enhancing Value: Return On Equity

## Return on Equity



**RM24.4b**

FY2024 Revenue



**RM1.7b**

FY2024 PATMI (ex EI)



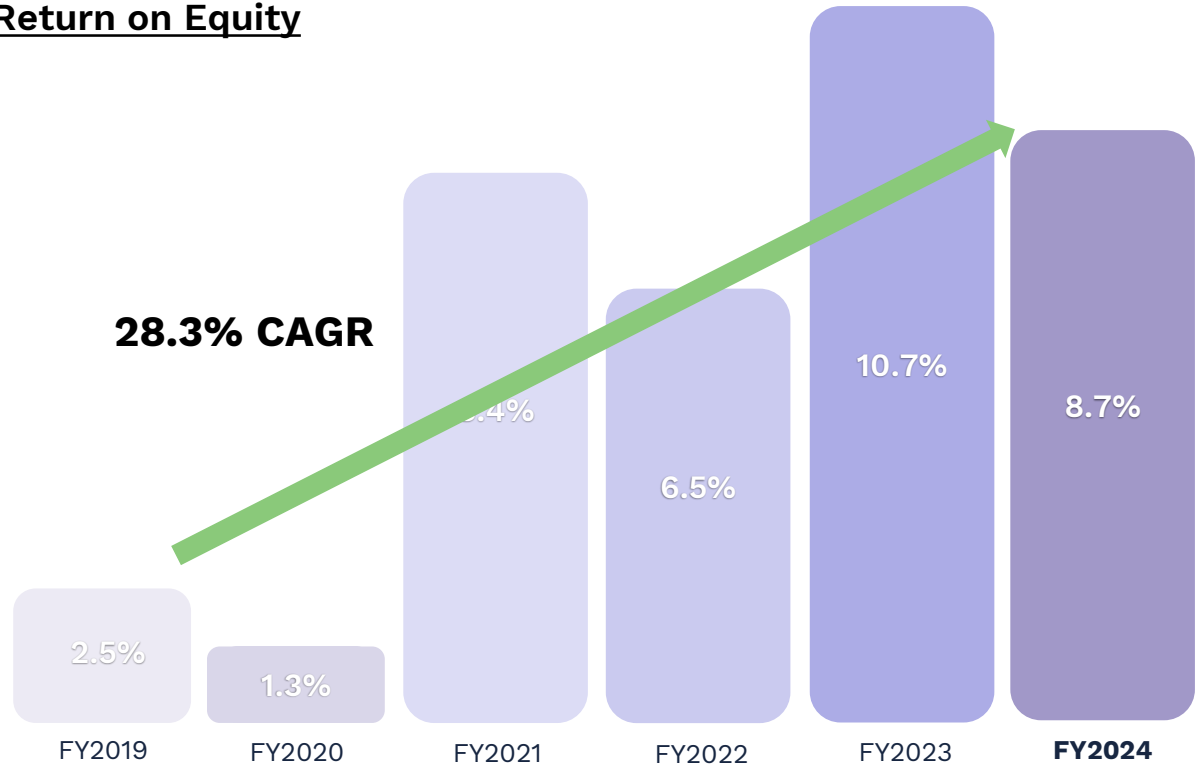
**RM2.7b**

FY2024 PATMI



**9.0%**

Return on Equity



# Our Awards and Recognition



Ranked 679 out of 1000  
best companies globally



**Highest Growth in PAT over 3 years**

*Healthcare: RM10 billion and Above  
Market Capitalisation*



**Recognised in several categories**

Most Committed to DEI  
Best Investor Relations  
Best Managed Company  
Most Committed to ESG  
Best CFO

## Committed to Superior Clinical Outcomes and Exceptional Patient Care



### Robust Clinical Governance Framework

that upholds stringent quality standards



#### Tracking and Measuring Clinical Performance and Outcomes

- **Expanded Clinical Quality Indicators** for more Value Driven Outcomes (VDO) procedures
- Sharing of **best practices**



#### Investing in Advanced Medical Technologies and Clinical Offerings

- **New treatment centres** and **integrated advanced technologies** like **Artificial Intelligence (AI)**
- **AI** – transforming healthcare outcomes



#### Empowerment through Training and Knowledge Sharing

- **Quality Summit, Medical Symposiums**  
- share best practices and tackle key challenges

# Country Highlights



## Strategic Priorities



Grow  
Organically



Capture  
Inorganic  
Opportunities

- Strong growth in **inpatient volume and revenue**
- Hospital network expanded from **16 to 18**
  - a) Acquired 600-bed **Island Hospital** in Penang
    - i) **Medical tourism powerhouse**
    - b) Acquired **Timberland Medical Centre**, build **Gleneagles Hospital Kuching**
- Bed growth – to expand capacity by over 800 beds



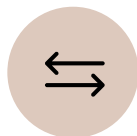
Island Hospital



## Strategic Priorities



Grow  
Organically



Expand Across  
Healthcare  
Continuum

- “**Out of Hospital**” strategy, supporting ‘Healthier SG’
  - a) TCF@East
  - b) Parkway Homecare
  - c) Ambulatory Care Centres
    - i) Royal Square, Tong Building
- **LizWorld** - digital hospital initiative
- Mount Elizabeth Hospital will complete renovation in Q3 2025



Renovated ward in Mount Elizabeth Hospital



Renovated ward in TCF@East

## Strategic Priorities



Grow  
Organically



Capture  
Inorganic  
Opportunities

- **Fortis – Centre of Excellence for oncology care**
  - a) **Fortis Memorial Research Institute** installed North India's first MR LINAC
- **Bed expansion** – Addition of 300 to 400 beds every year
- Opened 350-bed **Fortis Hospital, Manesar**
- Acquired 228-bed **Shrimann Superspeciality Hospital**
- Launched “**Gleneagles Hospitals**” brand



Fortis Hospital, Manesar



MR LINAC in Fortis Memorial Research Institute



## Strategic Priorities



Grow  
Organically



Capture  
Inorganic  
Opportunities

- **Revenue** has **more than doubled** since FY2021 in (RM3.5b in FY2021 vs RM7.1b in FY 2024)
- Effective currency diversification strategy
- Opened 127-bed **Acibadem Kartal Hospital** in February 2025 in Istanbul
- **Acibadem Kent Hospital** - renovation and expansion completing in 2025



Acibadem Kartal Hospital

# Greater China

## Strategic Priorities



Grow  
Organically



Expand Across  
Healthcare  
Continuum

- **Gleneagles Hong Kong - expanded across the healthcare continuum**

- a) Multi-disciplinary clinics and ambulatory care centres (e.g. Gleneagles Healthcare Novum Place clinic, South Horizon clinic)

- **Parkway Shanghai**

- a) Celebrated its 20<sup>th</sup> anniversary
  - b) Flagship ambulatory care centre - Shanghai Plaza, opening in 2025



Gleneagles Healthcare Novum Place clinic

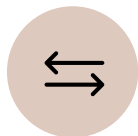


Parkway Shanghai 20<sup>th</sup> anniversary

## Strategic Priorities



Grow  
Organically



Expand Across  
Healthcare  
Continuum

- 
- Expansion of high-end test menus
  - Premier Integrated Labs (PIL) **offers more than 3,500 specialty laboratory tests** performed by Mayo Clinic Laboratories
  - Agilus launched **pharmacogenomics (PGx) testing service** in India
  - Reference labs






# Sustainability Care. For Good




# Highlights of Our Sustainability Journey




## Patients

Empowering Our Patients


To improve value-based care, we have increased the number of **value-driven outcomes (VDO)**<sup>1</sup> quality indicators tracked from **113 to 202**





**>8m** patients now have access to their medical records online

In 2024, we **invested and partnered with innovative companies** to deliver better care



- AI-powered technology to detect and diagnose sleep disorders
- Utilising AI video analytics to prevent patient falls

**2025:**  
Further invest in and partner with novel and potentially disruptive companies



## People

Shaping the Best Place to Work

**49%** women in leadership roles across IHH against 2022 baseline

**14%** increase in **nursing talent pool** against 2022 baseline

Recognised in **Forbes' World's Best Employers 2024** and **TIME's World's Best Companies 2024**





**>1.2m** training hours in 2024

2024 **Employee Engagement Survey** score is **3% above** Global Healthcare benchmarking score<sup>2</sup>

**2025:**  
Enhance and expand mental well-being initiatives to facilitate a supportive work environment, e.g. Mental Health First Aider community



## Public

Nurturing a Healthier Society



**1<sup>st</sup>** private hospital network in Asia to implement **AMR interventions in line with CDC guidelines across all of our hospitals**


**946** patients in Malaysia received **free cancer treatment** through Life Renewed programme since 2023

**RM 1m** donated to support **Malaysia's flood relief efforts** in December 2024



Conducted **>3.1m** health screenings and cancer screenings for breast, cervical and colorectal cancers since 2022


**2025:**  
Complete Phase 3 of our Antimicrobial Stewardship Programme through targeted initiatives



## Planet


Protecting Our Planet

**↓ 3.2%** **emission intensity per patient bed day**, across our operations, despite a 2.5% YoY growth<sup>3</sup> in 2024



**>90%** reduction in single-use virgin plastics in non-clinical areas across Malaysia, Türkiye, Singapore and Hong Kong

Up to **55%** reduction in desflurane use across our core markets in 2024



**Rooftop solar currently installed in Gleneagles Hong Kong and 10 hospitals in MY**, with 6 more planned for 2025

Invested in large scale **solar project in Acıbadem**, which is expected to operationalise in 2025, supplying up to **80% of Acıbadem's energy needs in Türkiye**

**2025:**  
Large-scale solar farm to supply up to 80% of Acıbadem's energy needs in Türkiye



FTSE4Good

- Included in **FTSE4Good Bursa Malaysia** and **FTSE4Good Bursa Malaysia Sharia** Indices
- Secured first **S\$300 million sustainability-linked loan**



# **IHH: Transforming for Tomorrow**





IHH Healthcare

# Thank you

**15<sup>TH</sup> ANNUAL GENERAL MEETING**

**28 MAY 2025**







IHH Healthcare

# MSWG Q&A

15<sup>TH</sup> ANNUAL GENERAL MEETING

28 MAY 2025



# MSWG Q&A

## Operational and Financial Matters

1. The Group achieved a 16% revenue growth, reaching RM24.4 billion, and a 17% increase in EBITDA to RM5.4 billion for FY2024, driven by stronger patient volumes, the expansion of advanced treatments and improvements in operational efficiency. (Source: Page 29 of AR 2024).

**(a) Given the increasing competition in the healthcare industry, how does the Group plan to sustain its current revenue and EBITDA growth levels in the future?**

# IHH Response

**a) Organic Growth through Capacity Expansion:** We are expanding our bed capacities, with plans to add nearly 4,000 new beds by 2028. This directly addresses increasing patient volumes and we also aim to boost occupancy rates. We are also upgrading facilities and equipment to enhance patient experience.

**Strategic Acquisitions (Inorganic Growth):** We also evaluate earnings-accretive assets in existing and new markets. Recent acquisitions, like Island Hospital have already contributed to revenue and EBITDA growth.

**Value Driven Outcomes** as a compelling value proposition to ensure that high-quality and efficient care is provided.

By prioritising **clinical excellence and advanced technologies**, IHH attracts high-value patients and boosts revenue intensity. This commitment also serves as a powerful magnet for **top doctors**, who are drawn to state-of-the-art facilities, creating a symbiotic relationship that fuels sustained growth.

# MSWG Q&A

## Operational and Financial Matters

1. The Group achieved a 16% revenue growth, reaching RM24.4 billion, and a 17% increase in EBITDA to RM5.4 billion for FY2024, driven by stronger patient volumes, the expansion of advanced treatments and improvements in operational efficiency. (Source: Page 29 of AR 2024).

- (a) Given the increasing competition in the healthcare industry, how does the Group plan to sustain its current revenue and EBITDA growth levels in the future?
- b) How does the Group intend to balance revenue growth with cost management to ensure that the rise in patient volumes and treatments continues to support profitability?**

# IHH Response

- b) We recognise the importance of managing costs while pursuing growth to support profitability. Hence, we are taking the following measures:

**Strategic Case Mix Management:** We focus on attracting high-acuity patients by investing in capabilities for complex treatments. This increases our average revenue intensity, directly boosting profitability.

**Prudent Capital Management:** We maintain disciplined investment and financing approaches to mitigate inflation and interest rate pressures, preventing excessive debt or capital expenditure from eroding profits.

**Supply Chain Optimisation and Bulk Purchasing:** We leverage on our scale to optimise procurement and benefit from bulk purchasing of medical supplies, equipment, and pharmaceuticals to effectively control costs.

These are just some of the measures we have taken to pursue profitable growth.

## MSWG Q&A

### Operational and Financial Matters

2. IHH Healthcare has reinforced its commitment to clinical excellence through the adoption of advanced medical technologies across its network. At Mount Elizabeth Hospital in Singapore, the introduction of Hyperthermia Therapy has strengthened its radiation oncology services. Meanwhile, Acibadem Maslak Hospital in Türkiye houses the nation's first Photon-Counting CT scanner, significantly enhancing the quality and precision of diagnostic imaging. (Source: Page 30 of AR 2024).

**(a) How does the Group measure the effectiveness of new technologies, such as hyperthermia therapy and photon-counting CT scanners, in enhancing patient outcomes?**

# IHH Response

- a) The Group evaluates the effectiveness of new technologies like hyperthermia therapy and photon-counting CT scanners through several key performance indicators (KPIs), including:

**Clinical Outcomes:** Improvement in survival rates, reduced recurrence of disease, and faster recovery times are tracked via longitudinal studies and clinical audits.

**Patient Safety & Accuracy:** For example, photon-counting CT provides higher image resolution with lower radiation exposure, enhancing diagnostic precision and minimising risk.

**Patient Satisfaction:** Feedback scores, treatment experience surveys, and reduced procedure-related discomfort are monitored.

**Evidence-Based Benchmarking:** Effectiveness is benchmarked against international standards and clinical trial data.



## MSWG Q&A

### Operational and Financial Matters

2. IHH Healthcare has reinforced its commitment to clinical excellence through the adoption of advanced medical technologies across its network. At Mount Elizabeth Hospital in Singapore, the introduction of Hyperthermia Therapy has strengthened its radiation oncology services. Meanwhile, Acibadem Maslak Hospital in Turkiye houses the nation's first Photon-Counting CT scanner, significantly enhancing the quality and precision of diagnostic imaging. (Source: Page 30 of AR 2024).

**b) How does the Group measure the return on investment (ROI) in advanced medical technologies in terms of patient care and efficiency? Specifically, how do these technological advancements enhance the Group's competitive position in global healthcare markets?**

# IHH Response

b) The Group assesses return on investment using both quantitative and qualitative metrics:

**Cost-Benefit Analysis:** Tracks savings from shorter hospital stays, fewer complications, and reduced re-admission rates.

**Operational Efficiency:** Measures include improved throughput (e.g., faster scan times), better resource utilisation, and staff productivity gains. We also optimise bed turnover through shorter stays to increase dollar revenue generated per bed while upholding the highest clinical quality and patient outcomes.

**Market Differentiation:** These technologies position the Group as a premium provider, enabling stronger partnerships, access to global research collaborations, and appeal to medical tourists.

**Brand Equity and Recognition:** Early adoption of cutting-edge tech enhances the Group's reputation as an innovation leader in international markets.

Together, these factors strengthen the Group's competitive position by delivering superior patient care, reducing long-term costs, and reinforcing clinical excellence across borders.

## MSWG Q&A

### Operational and Financial Matters

3. IHH Healthcare Singapore continues to execute its “out of hospital” strategy, it will add new ambulatory care centers at Royal Square and Tong Building within the next few years. This initiative aims to shift lower-acuity treatments away from hospitals, enabling hospital resources to focus on higher-acuity cases, thereby improving patient care and enhancing operational efficiency (Source: Page 39 of AR 2024).

**a) What steps is the Group taking to ensure the success of its out ‘out of hospital’ strategy in Singapore and what improvements are expected in patient care and operations?**

# IHH Response

- a) We are taking a comprehensive approach to ensure the success of our "out-of-hospital" strategy, focusing on infrastructure, resource optimisation, and patient flow.

## **Infrastructure Development:**

- **New Ambulatory Care Centres (ACCs)** that are purpose-built at strategic, accessible locations like Royal Square and Tong Building. These centres are designed to handle lower-acuity treatments and diagnostics efficiently

## **Resource Optimisation:**

- **Redeployment of Hospital Resources:** We can redeploy skilled hospital staff (nurses, technicians) and allocate high-tech equipment (e.g., operating theatres, ICU beds) to manage more complex, high-acuity cases.
- **Increased Hospital Bed Capacity for Acute Care**

# IHH Response

## **Expected Improvements in Patient Care:**

- **Enhanced Access and Convenience and More Personalised Care** as patients will benefit from shorter waiting times, easier access to appointments.
- **Reduced Risk of Hospital-Acquired Infections**
- **Cost-effectiveness:** ACCs typically have lower overheads than full-service hospitals, leading to smaller bill sizes.

**Improved Patient Flow and Reduced Congestion in hospitals:** After decanting to ACCs, patient flow within hospitals will improve and have quicker admissions

## MSWG Q&A

### Operational and Financial Matters

3. IHH Healthcare Singapore continues to execute its “out of hospital” strategy, it will add new ambulatory care centers at Royal Square and Tong Building within the next few years. This initiative aims to shift lower-acuity treatments away from hospitals, enabling hospital resources to focus on higher-acuity cases, thereby improving patient care and enhancing operational efficiency (Source: Page 39 of AR 2024).

**b) What financial impact does the Group expect from the ‘out of hospital’ strategy, especially regarding cost savings, revenue growth and overall profitability?**

# IHH Response

## b) Financial Impact:

- **Cost Savings:** Lower operational costs in ambulatory settings, and more efficient utilisation of high-cost hospital resources.
- **Revenue Growth:** Increased revenue from higher-acuity cases in hospitals coupled with expanded revenue streams from ACCs.
- **Overall Profitability Growth:** Optimised asset utilisation (hospitals and ACCs), a more sustainable growth model.



## MSWG Q&A

### Operational and Financial Matters

3. IHH Healthcare Singapore continues to execute its “out of hospital” strategy, it will add new ambulatory care centers at Royal Square and Tong Building within the next few years. This initiative aims to shift lower-acuity treatments away from hospitals, enabling hospital resources to focus on higher-acuity cases, thereby improving patient care and enhancing operational efficiency (Source: Page 39 of AR 2024).

**c) How has the Group addressed the potential risks of moving lower acuity treatments to ambulatory care facilities and how will smooth coordination between these facilities and hospitals be ensured?**

## IHH Response

**c) Appropriateness of Care** – directing patients with acute severity to hospitals while less severe cases are managed in the ACCs

**Clear Referral Protocols and SOPs:** Defined guidelines and SOPs for patient transfers and communication between facilities.

## MSWG Q&A

### Operational and Financial Matters

4. We achieved significant capacity expansion in FY2024, adding close to 1,000 beds, a major step towards our 2028 goal of 4,000 additional beds. This expansion was primarily driven by the strategic acquisition of Island Hospital in Penang and the opening of Fortis Hospital Manesar”. (Source: Page 44 of AR 2024)

**a) With the addition of 1,000 beds in FY2024 and a target of 4,000 more by 2028, how is the Group assessing patient demand to ensure these beds are effectively utilised across different regions? Furthermore, what strategies are being implemented to maintain high occupancy rates and prevent underutilisation in both new and existing hospitals?**

# IHH Response

## a) Demand Analysis:

- **Demographic Trends:** Analysing population growth, aging demographics, and prevalence of lifestyle diseases which drive healthcare demand.
- **Occupancy of hospitals:** A key internal indicator of demand is the occupancy level of our existing hospitals. If occupancy consistently is above 60%, it is a trigger to start actively looking for expansion opportunities. This proactive approach accounts for the lead time required for construction, staffing and regulatory approvals.
- **Competitive Landscape:** Assessing competitor bed capacities and expansion plans, service offerings, to identify opportunities and avoid oversupply in specific areas.

# IHH Response

## High Occupancy and Preventing Underutilisation:

- To maintain high occupancy, IHH focuses on **offering in-demand treatments and actively attracting and retaining top doctors** who specialise in these services, thereby drawing more patients seeking such care.
- We maximise revenue and bed utilisation by **efficiently turning over beds**, promptly discharging patients when medically appropriate, and transitioning them to step-down/follow up care to free up acute hospital beds (e.g., physio for post-TKR rehab)
- **Demand-Led Phased Expansion:** We ensure effective utilisation by **opening beds and wards in phases, allowing demand to lead supply**. This prevents premature capacity additions and avoids underutilisation.
- Beyond M&A, we prioritise **brownfield growth** to achieve value-accretive expansion within well-understood local markets.



## MSWG Q&A

### Operational and Financial Matters

4. We achieved significant capacity expansion in FY2024, adding close to 1,000 beds, a major step towards our 2028 goal of 4,000 additional beds. This expansion was primarily driven by the strategic acquisition of Island Hospital in Penang and the opening of Fortis Hospital Manesar”. (Source: Page 44 of AR 2024)

**b) Given the significant investments in expanding capacity, including acquisitions like Island Hospital, how is the Group evaluating the return on investment (ROI) for these projects? To what extent does the ongoing capacity expansion align with the Group’s strategic objectives?**

# IHH Response

## Evaluating Return on Investment (ROI) and Alignment with Strategic Objectives:

- **EPS accretive in year 2 latest year 3**
- **Infilling of cluster, additive to network**
- **Good quality asset – minimal capex required post acquisition**
- **Operational Synergies:** Identifying and realising cost and revenue synergies from integrated acquisitions (e.g., procurement optimisation, cross-referrals, shared best practices).

## Alignment with Strategic Objectives:

- **Align with 4,000 bed Expansion Growth Strategy** to meet growing demand
- **Align with Long-Term Healthcare Megatrends**, such as aging populations and rising demand for private and specialised healthcare, positioning IHH for sustained future growth.

# Sustainability Matters

1. IHH has prioritised operational excellence by developing a strong framework to monitor and report progress toward its target of admitting 100% of A&E cases within one hour of a doctor's instruction across its core markets by 2025. In 2024, the Group achieved a performance rate of 72.1%, up from 54.6% in 2023, reflecting meaningful progress toward this goal. (Source: Page 25 of Sustainability Report 2024).

**a) What were the factors that drove the growth in A&E admission rates from 54.6% in 2023 to 72.1% in 2024 and how will the Group ensure this progress continues to meet 100% goal by 2025?**

# IHH Response

- a) When we first announced our sustainability goals in 2022, we deliberately set an ambitious target for A&E admissions — to have 100% of patients admitted within one hour of a doctor's instruction across all our core markets by 2025.
- This was intended as a **stretch goal**: The aim was to see how far we could push the envelope in achieving operational excellence through robust process efficiency measures. In fact, the significant improvement from 54.6% in 2023 to 72.1% in 2024 is a result of this ambition. Key factors that drove this growth include:
  - **Clear accountability and buy-in across our core markets.** Dedicated operational excellence teams have implemented various process improvement projects over the past two years. (see response to question 1b) below for a list of such initiatives)

## IHH Response (cont..)

- **Quarterly progress tracking.** Progress against the goal is consolidated at the Group level every quarter through an internal dashboard, enabling leadership teams to monitor and track progress.
- **Continuous improvement mindset.** Process improvements are coupled with regular employee training. For instance, we have deployed Lean Six Sigma trainings for targeted employees in units such as Nursing and Operations. Lean Six Sigma is a data-driven, continuous improvement methodology that is used to streamline processes and reduce errors.
- While we acknowledge that achieving 100% by 2025 remains highly challenging, given the inherent nature of a stretch goal, we nonetheless remain committed to continuous improvement and operational excellence. The progress to date demonstrates that our teams are moving closer to best-in-class standards of operational efficiency and patient experience.

# Sustainability Matters

1. IHH has prioritised operational excellence by developing a strong framework to monitor and report progress toward its target of admitting 100% of A&E cases within one hour of a doctor's instruction across its core markets by 2025. In 2024, the Group achieved a performance rate of 72.1%, up from 54.6% in 2023, reflecting meaningful progress toward this goal. (Source: Page 25 of Sustainability Report 2024).

**b) As stated in the letter dated 28 May 2024, IHH's core markets are facing rising bed occupancy rates, with delays in admission times, mainly due to limited bed availability, posing significant challenges to achieving the 2025 target. In response, the Group is prioritising improvements to the discharge process and addressing operational bottlenecks to increase the efficiency of patient turnover. These efforts aim to create capacity for more timely admissions from A&E. How has the Group enhanced its discharge processes to improve patient flow and what impact are these improvements expected to have on bed availability and timely A&E admissions?**



## IHH Response (cont..)

- b) Command Centre providing Operational Bird's Eye View:** Our Command Centre receives live operational updates—including bed availability, nurse-to-bed ratios, ICU capacity, and the entire patient journey—allowing us to flag critical events for quick response and resolution, thereby enhancing the patient experience.
- Leveraging Lean Six Sigma methodologies, we have implemented process improvement projects to enhance both A&E admission and discharge operations, as they are closely interconnected. The following is a snapshot of key measures that have been implemented, whilst factoring in tailored approaches to address process variations across different markets:
  - **Discharge Management System and Dashboard:** Facilitates real-time discharge tracking.
  - **Pre-Authorisation for Credit Card Payments:** Speeds up the discharge process for patients using credit cards.

## IHH Response (cont..)

- **Dedicated Pharmacy Staff for Discharge:** Ensures prompt medication dispensing for discharged patients.
- **Discharge Lounge Activation:** HOU/SED teams guide patients to the lounge for a smoother discharge experience.
- **Planned Discharge by Doctors:** Doctors coordinate discharge timing to optimise patient flow.
- **Ward Clerk as Admission and Discharge Coordinator:** Enhances communication and process efficiency within the ward.
- **On-Call Head of Unit Support:** Assists with admissions when ward staff are occupied.
- **Increased Housekeeping Support Post-Morning Shift:** Allocates additional housekeeping staff to each floor for quicker bed turnaround.

# Sustainability Matters

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- c) **What alternative measures are being considered if the current initiatives to enhance discharge efficiency and reduce admission delays do not achieve the 2025 targets?**

## IHH Response

- c) As shared in our earlier response to question 1a), our A&E admission target for discharge efficiency and admission timeliness were set as stretch objectives — designed to drive continuous improvement across our operations, rather than serve as binary success measures. Ultimately, we aim to embed a culture of operational excellence that endures beyond any single target.



IHH Healthcare

# Thank you

**15<sup>TH</sup> ANNUAL GENERAL MEETING**

**28 MAY 2025**

