



IHH Healthcare Berhad

IHH HEALTHCARE BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
30 SEPTEMBER 2024

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

		3rd quarter ended			Financial period ended		
	Note	30 Sep 2024	30 Sep 2023	Variance	30 Sep 2024	30 Sep 2023	Variance
		RM'mil	RM'mil	%	RM'mil	RM'mil	%
Revenue	1	5,643	5,826	-3%	17,691	15,642	13%
Other operating income	2	96	96	0%	341	1,316	-74%
Inventories and consumables		(1,120)	(1,152)	3%	(3,559)	(3,191)	-12%
Purchased and contracted services		(470)	(518)	9%	(1,438)	(1,427)	-1%
Staff costs	3	(2,069)	(2,101)	2%	(6,648)	(5,680)	-17%
Depreciation and impairment of property, plant and equipment	4	(279)	(295)	5%	(875)	(801)	-9%
Depreciation of right-of-use ("ROU") assets	4	(94)	(109)	14%	(310)	(288)	-8%
Amortisation of intangible assets	4	(11)	(14)	21%	(39)	(36)	-8%
Operating lease expenses		(26)	(33)	21%	(88)	(85)	-4%
Other operating expenses		(755)	(687)	-10%	(2,264)	(1,971)	-15%
Finance income	5	75	(107)	170%	223	115	94%
Finance costs	5	(224)	(123)	-82%	(724)	(694)	-4%
Net monetary gain arising from hyperinflationary economy		50	224	-78%	323	430	-25%
Share of profits of associates (net of tax)		7	6	17%	20	17	18%
Share of profits of joint ventures (net of tax)		1	-	-	2	1	100%
Profit before tax		824	1,013	-19%	2,655	3,348	-21%
Income tax expense	6	(172)	(375)	54%	(331)	(773)	57%
Profit for the period		652	638	2%	2,324	2,575	-10%
Other comprehensive income, net of tax							
<i>Items that are or may be reclassified subsequently to profit or loss</i>							
Foreign currency translation differences from foreign operations	7	(1,690)	(354)	NM	(1,940)	605	NM
Realisation of FCCTR ¹ upon disposal of subsidiaries		-	-	-	-	11	-100%
Hyperinflationary adjustments		(516)	673	-177%	158	466	-66%
Hedge of net investments in foreign operations	7	(134)	59	NM	84	655	-87%
Cash flow hedge		(41)	(78)	47%	(65)	(87)	25%
Costs of hedging		-	(1)	100%	(2)	(3)	33%
		(2,381)	299	NM	(1,765)	1,647	NM
<i>Items that will not be reclassified subsequently to profit or loss</i>							
Remeasurement of defined benefit liabilities		(6)	(6)	0%	(24)	(8)	-200%
Total other comprehensive income for the period, net of tax		(2,387)	293	NM	(1,789)	1,639	NM
Total comprehensive income for the period		(1,735)	931	NM	535	4,214	-87%
Profit attributable to:							
Owners of the Company		534	532	0%	1,925	2,224	-13%
Non-controlling interests		118	106	11%	399	351	14%
Profit for the period		652	638	2%	2,324	2,575	-10%
Total comprehensive income attributable to:							
Owners of the Company		(1,561)	858	NM	395	3,709	-89%
Non-controlling interests		(174)	73	NM	140	505	-72%
Total comprehensive income for the period		(1,735)	931	NM	535	4,214	-87%
Earnings per share (sen)							
Basic		6.06	6.04	0%	21.86	25.26	-13%
Diluted		6.06	6.04	0%	21.85	25.26	-13%

NM: Not meaningful

Note:

¹: Foreign currency translation reserve

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

SUPPLEMENTARY INFORMATION

	Note	3rd quarter ended			Financial period ended		
		30 Sep 2024	30 Sep 2023	Variance	30 Sep 2024	30 Sep 2023	Variance
		RM'mil	RM'mil	%	RM'mil	RM'mil	%
Profit attributable to owners of the Company, excluding EI^{vii}		528	369	43%	1,368	1,014	35%
Add/(Less): Exceptional items ("EI")							
Gain on disposal of subsidiaries ⁱ	2	-	6		-	991	
Gain on disposal of asset ⁱⁱ		-	3		2	3	
Reversal of lease payable upon project termination ⁱⁱⁱ	2	-	-		-	21	
Exchange difference on net borrowings, net of changes in fair value of financial derivatives ^{iv}	5	17	(63)		(37)	(148)	
Deferred tax credits ^v	6	(57)	-		322	-	
Net monetary gain arising from hyperinflationary economy ^{vi}		50	224		323	430	
		10	170		610	1,297	
Less: Tax effects on EI		(4)	11		9	30	
Less: Non-controlling interests' share of EI		-	(18)		(62)	(117)	
		6	163		557	1,210	
Profit attributable to owners of the Company		534	532	0%	1,925	2,224	-13%
Earnings per share, excluding EI^{vii} (sen)							
Basic		6.00	4.19	43%	15.53	11.51	35%
Diluted		5.99	4.19	43%	15.53	11.51	35%

Note:

"Acibadem Holdings" as referred to throughout this financial report includes the wholly-owned Integrated Healthcare Turkey Yatirimlari Limited Group, which owns approximately 90% interest in Acibadem Sağlık Yatirimlari Holding A.Ş. Group.

- Gain on disposal of IMU Health Sdn Bhd and its subsidiaries (collectively, "IMU Health") of RM873 million, Gleneagles Chengdu Hospital Company Limited ("Gleneagles Chengdu Hospital") of RM116 million and Angsana Holdings Pte Ltd and its subsidiaries (collectively, "Angsana") of RM2 million.
- Gain on disposal of Fortis Malar Hospital in 2024 and Fortis Arcot Road Hospital in 2023.
- Reversal of lease payable upon termination of the Group's hospital project in Myanmar.
- Exchange differences arising from foreign currency denominated borrowings, lease liabilities, payables, cash and receivables, recognised by Acibadem Holdings.
It is netted off with the fair value changes of the financial derivatives which was entered to hedge a portion of Acibadem Holdings' foreign currency denominated borrowings.
- Deferred tax credits arising from the revaluation of certain assets in the tax financials of the Group's entities in Türkiye, as allowed by the Türkiye government.
- Net increase in purchasing power from the net monetary position of the Group's operations in Türkiye, upon the application of MFRS 129, *Financial Reporting in Hyperinflationary Economies*.
- Net of tax and minority interests.

The unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the 2023 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

EXPLANATORY NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The Group's reported results, across the periods, was impacted by the relative movements of Ringgit Malaysia ("RM") against the exchange rates of the countries that the Group operates in. The RM weakened against Singapore Dollars ("SGD") and strengthened against Turkish Lira ("TL") in the current period as compared to the corresponding period last year.

The Group's reported results, across the periods, was also impacted by the relative movements of inflation rates in Turkiye, upon the application of MFRS 129, *Financial Reporting in Hyperinflationary Economies* ("MFRS 129") to the Group's entities in Turkiye. Refer to Section A4 for details.

In addition to variances arising from the above-mentioned effects of the relative movement in exchange rates and inflation rates in Turkiye, the following notes explain the major fluctuations in the statement of profit or loss and other comprehensive income for the quarter ended 30 September 2024.

Refer to Section B1 for performance review of the Group's major operating segments.

1. Q3 2024 revenue was lower than Q3 2023 due to the currency effects of the MFRS 129 adjustments. Excluding this, Q3 2024 revenue increased as a result of sustained demand for quality healthcare services, a case-mix of more acute patients and price adjustments to counter inflation.
2. YTD 2024 other operating income decreased from a high base in YTD 2023 whereby it included gains on disposal of IMU Health of RM873 million, Gleneagles Chengdu Hospital of RM116 million and Angsana of RM2 million, as well as a RM21 million reversal of lease payable upon termination of the Group's hospital project in Myanmar.
3. YTD 2024 staff costs increased as the Group expands its capacity to cater for higher demand for its services and annual increment.
4. YTD 2024 depreciation, amortisation and impairment expense increased when the value of property, plant and equipment, right-of-use assets and intangible assets of the Group's subsidiaries in Turkiye increased with higher inflation rates in Turkiye during the period. YTD 2024 depreciation expense also increased as the Group invests in expansion projects and new medical equipment.
5. Acibadem Holdings recognised exchange differences arising from the translation of its unhedged foreign currency denominated borrowings, lease liabilities, payables, cash and receivables as finance income or finance cost. Acibadem Holdings manages its foreign exchange exposures by entering into cross currency swaps ("CCS") and foreign exchange forward contracts. The Group recognised a net gain of RM17 million in Q3 2024 as compared to a net loss of RM63 million in Q3 2023. On the same basis, the Group recognised a lower net loss of RM37 million in YTD 2024 as compared to net loss of RM148 million in YTD 2023. From Q2 2024 onwards, the Group applied hedge accounting on the above-mentioned foreign exchange exposure on its foreign currency denominated borrowings and lease liabilities.

Excluding the above, YTD 2024 net finance costs increased mainly due to higher prevailing interest rates in 2024 and decrease in capitalisation of borrowing cost for Parkway Shanghai Hospital upon completion of construction in February 2023.

6. Refer to Section B5 for details on income tax expenses.
7. The Group's foreign currency translation differences from foreign operations arise mainly from the translation of the net assets of its Singapore, India and Europe operations.

Parkway Life Real Estate Investment Trust ("PLife REIT") hedges its interest in the net assets of its Japanese operations. The effective portion of the hedge was recognised as a hedge of net investments in the statement of other comprehensive income, which offsets the foreign currency translation differences from the translation of the net assets of its Japanese operations.

Note:

Key exchange rates used to translate the YTD results of overseas subsidiaries into RM:

	30 Sep 2024	30 Sep 2023
1 SGD	3.4655	3.3647
1 TL	0.1211	0.1724

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024**

		30 Sep 2024	31 Dec 2023
	Note	RM'mil	RM'mil
Assets			
Property, plant and equipment	1	13,855	13,414
Right-of-use assets		6,791	7,119
Investment properties		3,793	4,106
Goodwill on consolidation	2	13,369	14,296
Other intangible assets		2,943	2,963
Interests in associates		143	140
Interests in joint ventures		19	7
Other financial assets	4	217	233
Trade and other receivables	3	202	129
Tax recoverables		411	422
Derivative assets		50	138
Deferred tax assets		479	512
Total non-current assets		42,272	43,479
Development properties		80	80
Inventories		627	640
Trade and other receivables	3	3,225	3,084
Tax recoverables		45	31
Other financial assets	4	629	286
Derivative assets		101	213
Cash and cash equivalents		1,482	2,379
Total current assets		6,189	6,713
Total assets		48,461	50,192

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024**

		30 Sep 2024	31 Dec 2023
	Note	RM'mil	RM'mil
Equity			
Share capital		19,711	19,692
Other reserves		(118)	1,574
Retained earnings		8,908	7,840
Total equity attributable to owners of the Company		28,501	29,106
Non-controlling interests		2,997	3,253
Total equity		31,498	32,359
Liabilities			
Loans and borrowings	5	6,289	6,651
Lease liabilities		1,329	1,413
Employee benefits		183	183
Trade and other payables		500	454
Derivative liabilities		8	13
Deferred tax liabilities	6	1,433	1,663
Total non-current liabilities		9,742	10,377
Bank overdrafts		93	78
Loans and borrowings	5	1,078	1,661
Lease liabilities		252	248
Employee benefits		147	158
Trade and other payables	7	5,336	4,951
Derivative liabilities		1	7
Tax payable		313	353
		7,220	7,456
Liabilities directly associated with assets classified as held for sale		1	-
Total current liabilities		7,221	7,456
Total liabilities		16,963	17,833
Total equity and liabilities		48,461	50,192
Net assets per share attributable to owners of the Company ¹ (RM)		3.24	3.30

¹: Based on 8,809 million and 8,807 million shares issued as at 30 September 2024 and 31 December 2023 respectively.

The unaudited Consolidated Statement of Financial Position should be read in conjunction with the 2023 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

EXPLANATORY NOTES TO THE STATEMENT OF FINANCIAL POSITION

The Group's reported financial position as at 30 September 2024 was impacted by the movements in RM against the exchange rates of the countries that the Group operates in. The RM strengthened against SGD and TL for the period ended 30 September 2024.

The Group's reported financial position as at 30 September 2024 was also impacted by the movements of the price index in Turkiye, upon the application of MFRS 129 to the Group's entities in Turkiye. Inflation rates in Turkiye increased for the period ended 30 September 2024. Refer to Section A4 for details.

In addition to variances arising from the above-mentioned effects of the movement in exchange rates and inflation rates in Turkiye, the following notes explain the major fluctuations in the statement of financial position as at 30 September 2024.

1. Property, plant and equipment increased mainly due to additions during the period as the Group invests in expansion projects and new medical equipment and MFRS 129 effects. It was offset by translational effects during the period.
2. The acquisition of Bedrock Healthcare Sdn. Bhd. ("Bedrock") on 29 February 2024 gave rise to a goodwill on acquisition of RM165 million . Goodwill balances was impacted by translational effects and MFRS 129 effects during the period.
3. Trade and other receivables increased mainly due to higher revenue and advance given in relation to hospital renovations.
4. Other financial assets increased mainly due to placements in money market funds and fixed deposits with tenor of more than 3 months.
5. Loans and borrowings decreased mainly due to translational effects.
6. Deferred tax liabilities decreased mainly due to deferred tax credits arising from the revaluation of certain assets in the tax financials of the Group's entities in Turkiye, as allowed by the Turkiye government.
7. Trade and other payables increased mainly due to interim dividends payable to shareholders of the Company on 30 October 2024.

Note:

Key closing exchange rates used to translate the financial position of overseas subsidiaries into RM:

	30 Sep 2024	31 Dec 2023
1 SGD	3.2196	3.4990
1 TL	0.1211	0.1568

IHH HEALTHCARE BERHAD
Registration No. 201001018208
(Incorporated in Malaysia)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Share capital RM'mil	Share option reserve RM'mil	Revaluation reserve RM'mil	Fair value reserve RM'mil	Hedge reserve RM'mil	Cost of hedging reserve RM'mil	Capital reserve RM'mil	Legal reserve RM'mil	Foreign currency translation reserve RM'mil	Retained earnings RM'mil	Total RM'mil	Non- controlling interests RM'mil	Total equity RM'mil
At 1 January 2024	19,692	25	84	47	(55)	-	(4,040)	47	5,466	7,840	29,106	3,253	32,359
Foreign currency translation differences from foreign operations	-	-	-	-	-	-	-	-	(1,632)	-	(1,632)	(308)	(1,940)
Hyperinflationary adjustments	-	-	-	-	(4)	-	21	1	89	42	149	9	158
Hedge of net investments in foreign operations	-	-	-	-	-	-	-	-	30	-	30	54	84
Cash flow hedge	-	-	-	-	(56)	-	-	-	-	-	(56)	(9)	(65)
Costs of hedging	-	-	-	-	-	(1)	-	-	-	-	(1)	(1)	(2)
Remeasurement of defined benefit liabilities	-	-	-	-	-	-	-	-	-	(20)	(20)	(4)	(24)
Total other comprehensive income for the period	-	-	-	-	(60)	(1)	21	1	(1,513)	22	(1,530)	(259)	(1,789)
Profit for the period	-	-	-	-	-	-	-	-	-	1,925	1,925	399	2,324
Total comprehensive income for the period	-	-	-	-	(60)	(1)	21	1	(1,513)	1,947	395	140	535
<i>Contributions by and distributions to owners</i>													
Share-based payment transactions	-	4	-	-	-	-	-	-	-	-	4	-	4
Transfer to share capital for share options exercised	19	(4)	-	-	-	-	-	-	-	-	15	-	15
Cancellation of vested share options	-	(2)	-	-	-	-	-	-	-	2	-	-	-
Dividends to owners of the Company	-	-	-	-	-	-	-	-	-	(881)	(881)	-	(881)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(273)	(273)
Remeasurement of liabilities on put options granted to non-controlling interests	-	-	-	-	-	-	(90)	-	(24)	-	(114)	(129)	(243)
	19	(2)	-	-	-	-	(90)	-	(24)	(879)	(976)	(402)	(1,378)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	(25)	-	-	-	(25)	2	(23)
Total transactions with owners	19	(2)	-	-	-	-	(115)	-	(24)	(879)	(1,001)	(400)	(1,401)
Liquidation of subsidiary	-	-	-	-	-	-	1	-	-	-	1	4	5
At 30 September 2024	19,711	23	84	47	(115)	(1)	(4,133)	48	3,929	8,908	28,501	2,997	31,498

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Attributable to owners of the Company								Distributable				
	Non-distributable								Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	Share capital RM'mil	Share option reserve RM'mil	Revaluation reserve RM'mil	Fair value reserve RM'mil	Hedge reserve RM'mil	Cost of hedging reserve RM'mil	Capital reserve RM'mil	Legal reserve RM'mil	RM'mil	RM'mil	RM'mil	RM'mil	RM'mil
At 1 January 2023	19,685	23	83	-	8	1	(3,999)	36	3,690	6,665	26,192	2,967	29,159
Foreign currency translation differences from foreign operations	-	-	-	-	-	-	-	-	861	-	861	(256)	605
Realisation of FCTR upon disposal of subsidiaries	-	-	-	-	-	-	-	-	11	-	11	-	11
Hyperinflationary adjustments	-	-	-	-	14	-	91	4	1,095	(743)	461	5	466
Hedge of net investments in foreign operations	-	-	-	-	-	-	-	-	233	-	233	422	655
Cash flow hedge	-	-	-	-	(74)	-	-	-	-	-	(74)	(13)	(87)
Costs of hedging	-	-	-	-	-	(1)	-	-	-	-	(1)	(2)	(3)
Remeasurement of defined benefit liabilities	-	-	-	-	-	-	-	-	-	(6)	(6)	(2)	(8)
Total other comprehensive income for the period	-	-	-	-	(60)	(1)	91	4	2,200	(749)	1,485	154	1,639
Profit for the period	-	-	-	-	-	-	-	-	-	2,224	2,224	351	2,575
Total comprehensive income for the period	-	-	-	-	(60)	(1)	91	4	2,200	1,475	3,709	505	4,214
<i>Contributions by and distributions to owners</i>													
Share-based payment transactions	-	7	-	-	-	-	-	-	-	-	7	-	7
Transfer to share capital for share options exercised	7	(1)	-	-	-	-	-	-	-	-	6	-	6
Cancellation of vested share options	-	(2)	-	-	-	-	-	-	-	2	-	-	-
Dividends to owners of the Company	-	-	-	-	-	-	-	-	-	(1,770)	(1,770)	-	(1,770)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(263)	(263)
Issue of shares by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	10	10
Remeasurement of liabilities on put options granted to non-controlling interests	-	-	-	-	-	-	180	-	-	-	180	49	229
Transfer per statutory requirements	-	-	-	-	-	-	-	7	-	(7)	-	-	-
Others	-	-	-	-	-	-	-	-	-	9	9	1	10
	7	4	-	-	-	-	180	7	-	(1,766)	(1,568)	(203)	(1,771)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	(421)	-	-	-	(421)	4	(417)
Total transactions with owners	7	4	-	-	-	-	(241)	7	-	(1,766)	(1,989)	(199)	(2,188)
Disposal of subsidiaries	-	-	-	-	-	-	(20)	-	-	16	(4)	57	53
At 30 September 2023	19,692	27	83	-	(52)	-	(4,169)	47	5,890	6,390	27,908	3,330	31,238

The unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the 2023 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Financial period ended	
	30 Sep 2024	30 Sep 2023
	RM'mil	RM'mil
Cash flows from operating activities		
Profit before tax	2,655	3,348
Adjustments for:		
Dividend income	(4)	-
Finance income	(223)	(115)
Finance costs	724	694
Depreciation and impairment of property, plant and equipment	875	801
Depreciation of ROU assets	310	288
Amortisation of intangible assets	39	36
Impairment loss made:		
- Trade and other receivables	46	70
Write-off:		
- Property, plant and equipment	1	1
- Trade and other receivables	29	6
- Inventories	4	5
Gain on disposal of property, plant and equipment	(4)	(9)
Gain on disposal of subsidiaries	-	(991)
Gain on disposal of asset	(2)	(3)
Change in fair value of investment properties	(1)	2
Share of profits of associates (net of tax)	(20)	(17)
Share of profits of joint ventures (net of tax)	(2)	(1)
Equity-settled share-based payment	4	7
Net monetary gain arising from hyperinflationary economy	(323)	(430)
Operating profit before changes in working capital	4,108	3,692
Changes in working capital:		
Development properties	-	(2)
Inventories	(90)	(198)
Trade and other receivables	(1,493)	(600)
Trade and other payables	1,082	482
Cash generated from operations	3,607	3,374
Tax paid	(554)	(492)
Net cash from operating activities	3,053	2,882
Cash flows from investing activities		
Interest received	78	72
Acquisition of a subsidiary/businesses, net of cash and cash equivalents acquired	(233)	(251)
Acquisition of other financial assets	(1,234)	(1,554)
Net (placement)/withdrawal of fixed deposits with tenor of more than 3 months	(101)	69
Purchase of property, plant and equipment	(1,963)	(1,326)
Cost capitalised and purchase of investment properties	(78)	(10)
Development and purchase of intangible assets	(83)	(125)
Net cash inflow from disposal of subsidiaries	-	1,181
Proceeds from disposal of other financial assets	971	1,429
Proceeds from disposal of property, plant and equipment	17	28
Proceeds from disposal of asset	65	82
Dividends received from associates and joint ventures	2	29
Net cash used in investing activities	(2,559)	(376)

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Financial period ended	
	30 Sep 2024	30 Sep 2023
	RM mil	RM mil
Cash flows from financing activities		
Finance costs paid	(330)	(303)
Proceeds from loans and borrowings	2,748	4,609
Repayment of loans and borrowings	(2,552)	(4,775)
Proceeds from issuance of fixed rate notes	-	109
Redemption of fixed rate notes	-	(174)
Payment of lease liabilities	(539)	(238)
Dividends paid to owners of the Company	(484)	(1,462)
Dividends paid to non-controlling interests	(273)	(263)
Proceeds from exercise of share options	15	6
Acquisition of non-controlling interests	(24)	(419)
Proceeds from capital injection by non-controlling interests	5	10
Net cash used in financing activities	(1,434)	(2,900)
Net decrease in cash and cash equivalents	(940)	(394)
Effect of exchange rate fluctuations on cash and cash equivalents held	28	(22)
Cash and cash equivalents at beginning of the period	2,301	3,662
Cash and cash equivalents at end of the period	1,389	3,246

Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprises the following amounts from the statement of financial position:

	30 Sep 2024	30 Sep 2023
	RM mil	RM mil
Cash and bank balances	636	931
Fixed deposits with tenor of 3 months or less	828	478
Deposits placed in escrow account	17	1,894
Restricted cash	1	1
Cash and cash equivalents in the statement of financial position	1,482	3,304
Less:		
- Bank overdrafts	(93)	(58)
Cash and cash equivalents in the statement of cash flows	1,389	3,246

Deposits placed in escrow account

These are the amounts deposited in accordance with the requirements of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers Regulations) (“SEBI (SAST) Regulations”) relating to the Group’s Mandatory Open Offer (“Offer”) to acquire up to an additional 197,025,660 and 4,894,308 equity shares of Fortis Healthcare Limited (“Fortis”) and Fortis Malar Hospitals Limited (“Malar”) respectively (see Section A14). These amounts can only be released in the manner prescribed in Clause 17(10) of the SEBI (SAST) Regulations. In December 2023, approximately RM1,815 million placed in the escrow account was replaced by a bankers’ guarantee.

The unaudited Consolidated Statement of Cash Flows should be read in conjunction with the 2023 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

**A NOTES TO THE INTERIM FINANCIAL REPORT
 FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

A1 BASIS OF PREPARATION

a) Basis of accounting

These unaudited consolidated interim financial report are prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, MFRS 134, *Interim Financial Reporting* in Malaysia and IAS 34, *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 December 2023 (“2023 Audited Financial Statements”).

The 2023 Audited Financial Statements were prepared under Malaysian Financial Reporting Standards (“MFRSs”).

b) Material accounting policies

The accounting policies and presentation adopted for this consolidated interim financial report are consistent with those adopted for the 2023 Audited Financial Statements.

A2 AUDIT REPORT IN THE ANNUAL FINANCIAL STATEMENTS

The 2023 Audited Financial Statements were not subjected to any qualification.

A3 SEASONALITY OF OPERATIONS

Inpatient and outpatient revenue and volume are generally lower during festive periods and summer months in each of the relevant countries in which the Group operates and other holiday periods. Conversely, patient volumes and thus inpatient and outpatient revenue are highest during the winter months in some markets. As the Group is continuously expanding, the effects of seasonality may not be obvious from the Group’s financial statements.

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

**A4 SIGNIFICANT UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET
INCOME OR CASH FLOWS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the financial period ended 30 September 2024, other than the effects of the application to the Group's entities in Türkiye of MFRS 129 below.

Effects of application of MFRS129

	Before hyperinflationary adjustments RM'mil	Adjustments RM'mil	After hyperinflationary adjustments RM'mil
<u>Statement of profit or loss</u>			
Revenue	18,054	(363)	17,691
Other operating income	348	(7)	341
Inventories and consumables	(3,599)	40	(3,559)
Purchased and contracted services	(1,448)	10	(1,438)
Staff costs	(6,838)	190	(6,648)
Depreciation and impairment of property, plant and equipment	(729)	(146)	(875)
Depreciation of ROU assets	(253)	(57)	(310)
Amortisation of intangible assets	(32)	(7)	(39)
Operating lease expenses	(90)	2	(88)
Other operating expenses	(2,276)	12	(2,264)
Finance income	228	(5)	223
Finance costs	(764)	40	(724)
Net monetary gain from hyperinflationary economy	-	323	323
Share of profits of associates (net of tax)	20	-	20
Share of profits of joint ventures (net of tax)	2	-	2
Profit before tax	2,623	32	2,655
Income tax expense	(560)	229	(331)
Profit for the period	2,063	261	2,324
Profit attributable to:			
Owners of the Company	1,689	236	1,925
Non-controlling interests	374	25	399
Profit for the period	2,063	261	2,324

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Before hyperinflationary adjustments RM'mil	Adjustments RM'mil	After hyperinflationary adjustments RM'mil
<u>Statement of financial position</u>			
Non-current assets			
Property, plant and equipment	11,839	2,016	13,855
Right-of-use assets	6,158	633	6,791
Goodwill on consolidation	11,885	1,484	13,369
Other intangible assets	2,016	927	2,943
Trade and other receivables	200	2	202
Deferred tax assets	477	2	479
Curent assets			
Inventories	607	20	627
Equity			
Other reserves	(3,897)	3,779	(118)
Retained earnings	8,362	546	8,908
Non-controlling interests	2,486	511	2,997
Non-current liabilities			
Deferred tax liabilities	1,185	248	1,433

A5 CHANGE IN ACCOUNTING ESTIMATES

There were no changes in the estimates of amounts reported in prior financial years that may have a material effect in the current quarter and financial period.

In preparing the unaudited consolidated interim financial report, the significant judgments made by the management in applying the Group's accounting policies and key sources of estimating uncertainty were consistent with those applied to the 2023 Audited Financial Statements.

A6 DEBT AND EQUITY SECURITIES

Between 1 January 2024 to 30 September 2024, the Company issued 2,406,000 new ordinary shares pursuant to the exercise of vested Enterprise Option Scheme ("EOS") units.

Except as disclosed above, there were no other issuance of shares, share buy-backs and repayments of debt and equity securities by the Company during the financial period from 1 January 2024 to 30 September 2024.

As at 30 September 2024, the issued share capital of the Company comprised of 8,809,397,463 ordinary shares.

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

A7 DIVIDENDS PAID

	Sen per ordinary share	Total amount RM'mil	Date of payment
Final single tier cash dividend for the financial year ended 31 December 2023	5.50	484	26-Apr-24
Interim single tier cash dividend for the financial year ending 31 December 2024	4.50	397	30-Oct-24
	<u>10.00</u>	<u>881</u>	

A8 SEGMENT REPORTING

There has been no significant changes in the basis of segmentation or in the basis of measurement of segment profit or loss from the 2023 Audited Financial Statements.

The Group's reportable segments comprise:

- Hospital and healthcare
 - Singapore
 - Malaysia
 - India
 - Greater China
 - Turkiye and Europe
 - Southeast Asia
- IMU Health
- Labs
- PLife REIT
- Others

Except for IMU Health, Labs and PLife REIT, the strategic business units offer hospital and healthcare services in different locations and are managed separately. IMU Health is an educational service provider, Labs is a diagnostic laboratory service provider, while PLife REIT is a real estate investment trust. Others comprises the Group's corporate office as well as other investment holding entities.

Management monitors the operating results of each business unit for the purpose of making decisions on resource allocation and performance assessment. Performance is measured based on segment earnings before interest, tax, depreciation, amortisation, exchange differences and other non-operational items ("EBITDA").

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

A8 SEGMENT REPORTING

Financial period ended 30 September 2024

	Hospital and Healthcare										
	Singapore RM'mil	Malaysia RM'mil	India RM'mil	Greater China RM'mil	Turkiye and Europe RM'mil	Southeast Asia RM'mil	Labs RM'mil	PLife REIT RM'mil	Others RM'mil	Eliminations RM'mil	Total RM'mil
<u>Revenue and expenses</u>											
Revenue from external customers	4,659	3,040	3,042	1,145	4,917	-	772	111	5	-	17,691
Inter-segment revenue	11	6	2	-	8	-	560	202	196	(985)	-
Total segment revenue	<u>4,670</u>	<u>3,046</u>	<u>3,044</u>	<u>1,145</u>	<u>4,925</u>	<u>-</u>	<u>1,332</u>	<u>313</u>	<u>201</u>	<u>(985)</u>	<u>17,691</u>
EBITDA	1,410	776	555	100	939	-	279	245	2	(292)	4,014
Depreciation and impairment of property, plant and equipment	(155)	(178)	(110)	(75)	(302)	-	(29)	(21)	(5)	-	(875)
Depreciation of ROU assets	(253)	(21)	(19)	(44)	(113)	-	(31)	(10)	(6)	187	(310)
Amortisation of intangible assets	-	(1)	(9)	(1)	(11)	-	(17)	-	(8)	8	(39)
Foreign exchange differences	(1)	1	(18)	2	9	-	-	27	(1)	-	19
Finance income	31	3	36	-	161	-	15	10	72	(105)	223
Finance costs	(134)	(3)	(82)	(166)	(472)	-	(16)	(30)	(59)	238	(724)
Net monetary gain arising from hyperinflationary economy	-	-	-	-	318	-	5	-	-	-	323
Share of profits of associates (net of tax)	1	-	4	-	-	15	-	-	-	-	20
Share of profits of joint ventures (net of tax)	1	1	-	-	-	-	-	-	-	-	2
Others	-	-	2	-	-	-	-	-	-	-	2
Profit/(Loss) before tax	<u>900</u>	<u>578</u>	<u>359</u>	<u>(184)</u>	<u>529</u>	<u>15</u>	<u>206</u>	<u>221</u>	<u>(5)</u>	<u>36</u>	<u>2,655</u>
Income tax (expense)/credit	(172)	(149)	(86)	(11)	165	-	(44)	(15)	(19)	-	(331)
Profit/(Loss) for the period	<u>728</u>	<u>429</u>	<u>273</u>	<u>(195)</u>	<u>694</u>	<u>15</u>	<u>162</u>	<u>206</u>	<u>(24)</u>	<u>36</u>	<u>2,324</u>
<u>Assets and liabilities</u>											
Cash and cash equivalents	7	86	125	119	95	7	44	120	879	-	1,482
Other assets	19,747	7,188	5,993	2,643	10,651	66	2,281	5,249	4,590	(11,429)	46,979
Segment assets as at 30 September 2024	<u>19,754</u>	<u>7,274</u>	<u>6,118</u>	<u>2,762</u>	<u>10,746</u>	<u>73</u>	<u>2,325</u>	<u>5,369</u>	<u>5,469</u>	<u>(11,429)</u>	<u>48,461</u>
Loans and borrowings	-	-	378	3,345	765	-	7	2,851	21	-	7,367
Other liabilities	9,634	1,209	2,826	719	3,524	3	452	434	2,464	(11,669)	9,596
Segment liabilities as at 30 September 2024	<u>9,634</u>	<u>1,209</u>	<u>3,204</u>	<u>4,064</u>	<u>4,289</u>	<u>3</u>	<u>459</u>	<u>3,285</u>	<u>2,485</u>	<u>(11,669)</u>	<u>16,963</u>

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

Financial period ended 30 September 2023*

	Hospital and Healthcare						IMU	Labs	PLife REIT	Others	Eliminations	Total
	Singapore	Malaysia	India	Greater	Turkiye	Southeast	Health					
	RM'mil	RM'mil	RM'mil	China	and Europe	Asia	RM'mil	RM'mil	RM'mil	RM'mil	RM'mil	RM'mil
<u>Revenue and expenses</u>												
Revenue from external customers	4,131	2,719	2,643	955	4,280	-	54	740	116	4	-	15,642
Inter-segment revenue	7	6	-	-	4	-	1	509	190	808	(1,525)	-
Total segment revenue	4,138	2,725	2,643	955	4,284	-	55	1,249	306	812	(1,525)	15,642
EBITDA	1,214	726	456	50	897	(2)	13	260	238	605	(881)	3,576
Depreciation and impairment of property, plant and equipment	(128)	(164)	(97)	(85)	(275)	-	-	(29)	(20)	(3)	-	(801)
Depreciation of ROU assets	(242)	(18)	(18)	(51)	(100)	-	-	(26)	(10)	(5)	182	(288)
Amortisation of intangible assets	-	-	(9)	(1)	(10)	-	-	(17)	-	(7)	8	(36)
Foreign exchange differences	-	(2)	(8)	-	14	-	-	-	19	(10)	-	13
Finance income	7	9	8	1	50	-	1	12	20	29	(22)	115
Finance costs	(132)	-	(60)	(151)	(411)	-	(1)	(5)	(26)	(61)	153	(694)
Net monetary gain arising from hyperinflationary economy	-	-	-	-	424	-	-	6	-	-	-	430
Share of profits of associates (net of tax)	1	-	1	-	-	15	-	-	-	-	-	17
Share of profits of joint ventures (net of tax)	1	-	-	-	-	-	-	-	-	-	-	1
Others	-	-	3	116	-	21	-	-	-	875	-	1,015
Profit/(Loss) before tax	721	551	276	(121)	589	34	13	201	221	1,423	(560)	3,348
Income tax expense	(136)	(136)	(59)	(10)	(340)	-	(3)	(48)	(15)	(26)	-	(773)
Profit/(Loss) for the period	585	415	217	(131)	249	34	10	153	206	1,397	(560)	2,575
<u>Assets and liabilities</u>												
Cash and cash equivalents	155	224	41	125	394	8	-	56	100	1,276	-	2,379
Other assets	20,613	6,607	8,457	3,091	9,558	55	-	2,271	5,579	5,356	(13,774)	47,813
Segment assets as at 31 December 2023	20,768	6,831	8,498	3,216	9,952	63	-	2,327	5,679	6,632	(13,774)	50,192
Loans and borrowings	-	-	551	3,683	755	-	-	8	2,892	423	-	8,312
Other liabilities	10,478	1,033	2,768	797	3,522	2	-	465	465	3,927	(13,936)	9,521
Segment liabilities as at 31 December 2023	10,478	1,033	3,319	4,480	4,277	2	-	473	3,357	4,350	(13,936)	17,833

*: Segment information on assets and liabilities is based on the last financial year-end.

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

A9 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The Group does not adopt a revaluation policy on its property, plant and equipment.

A10 SIGNIFICANT RELATED PARTY TRANSACTIONS

Related party transactions have been entered into in the normal course of business under negotiated terms. Other than the remuneration paid to the key management personnel, the significant related party transactions of the Group are as follows:

	Financial period ended	
	30 Sep 2024	30 Sep 2023
	RM'mil	RM'mil
Transactions with substantial shareholders*		
- Purchase and consumption of services	(18)	(13)
Transactions with key management personnel*		
- Sales and provision of services	6	7
- Purchase and consumption of services	(100)	(98)

*: Including parties directly/jointly-controlled by substantial shareholders or key management personnel.

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

A11 CHANGES IN THE COMPOSITION OF THE GROUP

- (a) On 29 February 2024, Pantai Holdings Sdn. Bhd. (“PHSB”), an indirect wholly-owned subsidiary of IHH, completed the acquisition of the entire equity interest in Bedrock Healthcare Sdn. Bhd. (“Bedrock”) for a total cash consideration of RM274 million on a cash free debt free basis, subject to closing adjustments (“Acquisition”). Upon completion of the Acquisition, Bedrock and its subsidiaries, namely Mestika Unik Sdn. Bhd. and Eminent Rock Sdn. Bhd. have been consolidated as subsidiaries of IHH.

The effects of the acquisition are as follows:

	Provisional RM'mil
Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	25
Right-of-use assets	47
Other intangible assets	18
Interests in joint ventures	12
Inventories	5
Trade and other receivables	7
Cash and cash equivalents	41
Loans and borrowings	(15)
Lease liabilities	(2)
Trade and other payables	(18)
Deferred tax liabilities	(10)
Tax payable	(1)
Fair value of net identifiable assets acquired	<u>109</u>
Net cash outflow arising from acquisition of subsidiary	
Purchase consideration in cash and cash equivalents	274
Less: cash and cash equivalents acquired	<u>(41)</u>
	<u>233</u>
Goodwill	
Total purchase consideration	274
Fair value of net identifiable assets acquired	<u>(109)</u>
Goodwill	<u>165</u>

As at 30 September 2024, the Group is in the midst of performing a purchase price allocation (“PPA”) for the acquisition of Bedrock and would adjust goodwill accordingly upon completion of the PPA.

- (b) On 6 and 28 March 2024, Gleneagles Development Pte. Ltd. (“GDPL”), an indirect wholly-owned subsidiary of IHH, completed the acquisition of a 0.88% shareholding in Gleneagles Healthcare India Private Limited (“GHIPL”) from the minority shareholders. Consequential thereto, the Group’s effective interest in GHIPL increased from 98.17% to 99.05%.
- (c) On 19 April 2024 and 21 May 2024, GDPL subscribed to 10,491,488 equity shares (First Tranche) and 91,479 equity shares (Second and Final Tranche) of GHIPL under the rights issue by GHIPL, for cash of approximately INR4,000 million (equivalent to RM227 million). Consequential thereto, the Group’s effective interest in GHIPL increased from 99.05% to 99.15%.

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

- (d) On 2 May 2024, Parkway Trust Management Limited (“PTM”), an indirect wholly-owned subsidiary of IHH, transferred 130,500 Parkway Life Real Estate Investment Trust (“PLife REIT”) units that it owned to its eligible employees in accordance to PTM’s long term incentive plan. Consequential thereto, the Group’s effective interest in PLife REIT was diluted from 35.56% to 35.53%.
- (e) On 21 May 2024, Chengdu Shenton Health Clinic Co., Ltd, an indirect 43.76% owned subsidiary of IHH, had been dissolved via Voluntary Liquidation.
- (f) On 6 June 2024, Acibadem International Healthcare GmbH, an indirect 89.79% owned subsidiary of IHH, had been de-registered via Member’s Voluntary Liquidation.
- (g) On 30 July 2024, Parkway Life Japan2 Pte Ltd (“TK Investor”) entered into a Tokumei Kumiai agreement (or silent partnership agreement, the “TK Agreement”) with Godo Kaisha Samurai 20 (the “TK Operator”). Pursuant to the TK Agreement, the purchase price of the property amounting to JPY2,446.15 million (equivalent to RM73 million) will be injected into the TK Operator by the TK Investor to facilitate the acquisition of a nursing home by the TK Operator.

PLife REIT does not have any direct or indirect equity in the TK Operator. However due to the nature of the arrangements under the TK Agreement, the TK Operator is under established terms that impose strict limitations on decision making powers of the TK Operator’s management, resulting in PLife REIT receiving the majority of the benefits relating to the TK Operator’s operations and net assets, being exposed to the majority of the risks incident to the TK Operator’s activities and retaining the majority of the residual or ownership risks related to the TK Operator and its assets. As such the TK Operator is regarded as an indirect subsidiary of IHH pursuant to MFRS10 *Consolidated Financial Statements*.

- (h) On 20 September 2024, Acibadem City Clinic B.V. (“ACC BV”), an indirect 71.13% owned subsidiary of IHH, acquired the remaining 30% equity interest in General Hospital Acibadem Bel Medic (“Acibadem Bel Medic”). Post completion of the acquisition, Acibadem Bel Medic became a direct wholly-owned subsidiary of ACC BV and IHH’s effective indirect shareholdings in Acibadem Bel Medic increased from 49.79% to 71.13%.

The above changes in the composition of the Group are not expected to have material effect on the earnings and net assets of the Group.

A12 SUBSEQUENT EVENTS

- (a) Between 1 October 2024 to 28 November 2024, IHH issued 2,447,000 new ordinary shares pursuant to the exercise of vested EOS units.
- (b) On 7 October 2024, PLife REIT, an indirect subsidiary of IHH, incorporated a wholly-owned subsidiary, Parkway Life Nova Pte. Ltd. (“PLife Nova”) in Singapore. The initial capital of PLife Nova is SGD1.00 (equivalent to RM3.00) and its intended principal activity is investment holding.
- (c) On 22 October 2024, PLife Nova entered into definitive agreements to acquire 11 nursing homes properties in France, in a sale and leaseback arrangement, for a total consideration of EUR111.2 million (equivalent to RM513 million).

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

- (d) On 29 October 2024, the Competition Commission of India approved Fortis’ acquisition of 31.52% stake in Agilus Diagnostics Limited (“Agilus”), a direct subsidiary of Fortis and an indirect subsidiary of IHH, following the exercise of the put option by three private equity investors (“PE Investors”) of Agilus on 7 August 2024 and 9 August 2024. The put option is exercised at fair market value in accordance with the processes and terms set out in the Shareholders’ Agreement between the PE Investors, Agilus and Fortis. Upon completion, IHH’s effective indirect shareholdings in Agilus would increase from 17.98% to 27.80%. As at 30 September 2024, the carrying value of the put option liability recognised by the Group amounted to INR17.8 billion (equivalent to RM880 million).

The acquisition of the PE Investors’ stake will be funded through the issuance of redeemable non-convertible debentures (“NCD”) of up to INR15.5 billion (equivalent to RM767 million) by Fortis and from internal funds. On 30 October 2024, Fortis received an in-principle approval from the Indian stock exchanges for the listing of the proposed NCD on private placement basis subject to fulfilment of necessary conditions at the time of listing.

- (e) On 1 November 2024, PLife REIT, an indirect subsidiary of IHH, issued and listed 47,369,000 new PLife REIT units pursuant to its private placement exercise. Consequential thereto, IHH Group’s effective interest in PLife REIT diluted from 35.53% to 32.95%.
- (f) On 1 November 2024, PHSB completed its issuance of an Islamic commercial paper programme (“ICP”) and the Islamic medium term notes (“IMTN”) of RM4 billion under its Sukuk Programmes¹.
- (g) On 4 November 2024, PHSB completed the acquisition of the entire equity interest in Island Hospital Sdn. Bhd. (“Island Hospital”) for an equity consideration of RM3,923.7 million in cash (“Acquisition”). Upon completion of the Acquisition, Island Hospital and its following wholly-owned subsidiaries, have been consolidated as subsidiaries of IHH:
- Island Retail Pharmacy Sdn Bhd
 - Coronation Springs Sdn Bhd
 - IMC Hospitality Sdn Bhd
 - Island Medisuite Sdn Bhd

¹ An Islamic commercial paper programme (the “ICP Programme”) for the issuance of Islamic commercial paper based on the Shariah Principle of Wakalah Bi Al-Istithmar (the “ICP”) which together with an Islamic medium notes programme (the “IMTN Programme”) for the issuance of Islamic medium term notes based on the Shariah Principle of Wakalah Bi Al-Istithmar (the “IMTN”), shall have a combined aggregate limit of up to RM15.0 billion in nominal value (collectively, the ICP and the IMTN shall be referred to as the “Sukuk Wakalah” and the ICP Programme and the IMTN Programme shall be referred to as the “Sukuk Programmes”)

A13 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no material contingent liabilities or contingent assets as at 28 November 2024.

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

A14 CAPITAL COMMITMENTS

	30 Sep 2024 RM'mil	31 Dec 2023 RM'mil
a. Capital expenditure commitments		
<i>Property, plant and equipment and investment properties</i>		
- Contracted but not provided for	1,170	1,272
b. Other commitments		
Maximum amount committed for Fortis Open Offer ¹	1,657	1,884
Maximum amount committed for Malar Open Offer ¹	4	16
	1,661	1,900

¹ The actual number of Fortis Healthcare Limited ("Fortis") shares and the actual number of Fortis Malar Hospitals Limited ("Malar") shares that Northern TK Venture Pte. Ltd. ("NTK") will be acquiring can only be determined at the end of the Fortis Open Offer and Malar Open Offer respectively.

On 13 November 2018, IHH acquired 31.17% equity interest in Fortis through a preferential allotment by Fortis to NTK, an indirect wholly-owned subsidiary of IHH. As a consequence of the preferential allotment by Fortis, NTK is required to carry out the following:

- (i) A mandatory open offer for acquisition of up to 197,025,660 equity shares of face value of INR10 each in Fortis, representing additional 26% of the Expanded Voting Share Capital of Fortis, at a price of not less than INR170 per share ("Fortis Open Offer") or such higher price as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- (ii) In light of the acquisition of the controlling stake of Fortis, a mandatory open offer for acquisition of up to 4,894,308 fully paid up equity shares of face value of INR10 each in Malar, representing 26% of the paid-up equity shares of Malar at a price of INR58 per share ("Malar Open Offer"). The Malar Open Offer is subject to the completion of the Fortis Open Offer. On 12 April 2024 and 30 July 2024, Malar declared an interim dividend of INR40 and a final dividend of INR2.5 per equity share to its shareholders respectively. Pursuant to such a declaration of dividend and in accordance with the SEBI (SAST) Regulations, the Malar Open Offer price was adjusted to INR17.6 per equity share.

On 13 July 2018, NTK, together with IHH and PPL had made a public announcement to all the public shareholders who are eligible to tender their shares in the Fortis Open Offer and Malar Open Offer.

Subsequently on 14 December 2018, the Supreme Court of India passed an order in the matter of "Mr Vinay Prakash Singh v. Sameer Gehlaut & Ors." [Contempt Petition (Civil) No. 2120 of 2018] ("Original Contempt Petition"), directing "status quo with regard to sale of the controlling stake in Fortis Healthcare to Malaysian IHH Healthcare Berhad be maintained" ("Interim Status Quo Order"). Pursuant thereto, decision was taken not to proceed with Fortis Open Offer and Malar Open Offer.

Vide its judgment dated 15 November 2019 ("Judgment"), the Supreme Court of India issued suo-moto contempt notice to, among others, Fortis, and its Registry to register a fresh contempt petition in regard to alleged violation of the Interim Status Quo Order ("Fortis Contempt Petition").

On 22 September 2022, the Supreme Court pronounced the final order and on 23 September 2022, the written judgment was made available. The Supreme Court held, among others, that:

- (i) The Special Leave Petition (Civil) No. 20417 of 2017, the Original Contempt Petition (in which the Interim Status Quo Order was passed) and the Fortis Contempt Petition are disposed of.

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

- (ii) The Delhi High Court may consider issuing appropriate process and appointing forensic auditor(s) to analyse the transactions entered into between Fortis and RHT Health Trust and other related transactions.
- (iii) It will be open to the Delhi High Court to pass such directions as the facts and circumstances presented before it may justify.

Neither IHH, NTK or PPL are party to Daiichi Sankyo Co. Ltd's ("Daiichi") pending execution proceedings* before the Delhi High Court. Daiichi had moved Delhi High Court requesting the Delhi High Court to pass appropriate directions (in view of the Supreme Court Judgment) in connection with the forensic audit and the execution proceedings are ongoing.

Following the decision of the Supreme Court of India, on 16 November 2022, the Securities and Exchange Board of India ("SEBI") had advised NTK to proceed with the Fortis Open Offer and the Malar Open Offer after obtaining an appropriate order from the Delhi High Court. Based on advice from legal counsel, NTK has made further representations to SEBI in relation to proceeding with the Fortis Open Offer and Malar Open Offer.

*: Daiichi filed execution proceedings before the Delhi High Court to enforce and execute an arbitral award issued in its favour ("Arbitral Award"). Pursuant to the Arbitral Award (which IHH Group is not a party to), Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh ("Singh Brothers") and persons and entities related to them were directed to pay an amount of approximately INR 26 billion with interest to Daiichi in connection with a dispute relating to the sale of shares of Ranbaxy Laboratories Limited by the Singh Brothers to Daiichi.

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

A15 FAIR VALUE HIERARCHY

Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: Inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability

	Level 1 RM'mil	Fair value Level 2 RM'mil	Level 3 RM'mil	Total RM'mil	Carrying amount RM'mil
<u>30 September 2024</u>					
Financial assets					
Unquoted shares at FVOCI ¹	-	-	199	199	199
Money market funds	-	369	-	369	369
Foreign exchange forward contracts	-	53	-	53	53
Cross currency swaps	-	12	-	12	12
Cross currency interest rate swaps	-	83	-	83	83
Interest rate caps	-	3	-	3	3
Financial liabilities					
Foreign exchange forward contracts	-	(1)	-	(1)	(1)
Interest rate swaps	-	(8)	-	(8)	(8)
Fixed rate medium term notes	-	(507)	-	(507)	(515)
<u>31 December 2023</u>					
Financial assets					
Unquoted shares at FVOCI ¹	-	-	206	206	206
Money market funds	-	120	-	120	120
Foreign exchange forward contracts	-	71	-	71	71
Cross currency swaps	-	193	-	193	193
Cross currency interest rate swaps	-	83	-	83	83
Interest rate caps	-	4	-	4	4
Financial liabilities					
Foreign exchange forward contracts	-	(10)	-	(10)	(10)
Interest rate swaps	-	(9)	-	(9)	(9)
Cross currency swaps	-	(1)	-	(1)	(1)
Fixed rate medium term notes	-	(580)	-	(580)	(580)

¹: Fair value through other comprehensive income

Refer to Section B13 for fair value gain/(loss) recognised in the statement of profit or loss.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES

	3rd quarter ended			Financial period ended		
	30 Sep 2024	30 Sep 2023	Variance	30 Sep 2024	30 Sep 2023	Variance
	RM'mil	RM'mil	%	RM'mil	RM'mil	%
<u>REVENUE¹</u>						
Singapore	1,547	1,468	5%	4,659	4,131	13%
Malaysia	1,073	967	11%	3,040	2,719	12%
India	1,034	952	9%	3,042	2,643	15%
Greater China	373	328	14%	1,145	955	20%
Turkiye and Europe	1,762	1,507	17%	5,275	4,380	20%
Hospital and Healthcare	5,789	5,222	11%	17,161	14,828	16%
IMU Health	-	-	-	-	54	-100%
Labs total revenue	452	437	3%	1,337	1,245	7%
Less: Labs inter-segment revenue	(188)	(178)	-6%	(560)	(509)	-10%
Labs	264	259	2%	777	736	6%
Others[^]	2	1	100%	5	4	25%
Group (Excluding PLife REIT)	6,055	5,482	10%	17,943	15,622	15%
PLife REIT total revenue	102	103	-1%	313	306	2%
Less: PLife REIT inter-segment revenue	(66)	(65)	-2%	(202)	(190)	-6%
PLife REIT	36	38	-5%	111	116	-4%
	6,091	5,520	10%	18,054	15,738	15%
Adjustment for hyperinflationary economy ⁴	(448)	306	NM	(363)	(96)	NM
Group	5,643	5,826	-3%	17,691	15,642	13%
<u>EBITDA²</u>						
Singapore	449	428	5%	1,410	1,214	16%
Malaysia	284	257	11%	776	726	7%
India	200	207	-3%	555	456	22%
Greater China	31	8	NM	100	50	100%
Turkiye and Europe	334	299	12%	1,046	866	21%
Southeast Asia	-	(2)	100%	-	(2)	100%
Hospital and Healthcare	1,298	1,197	8%	3,887	3,310	17%
IMU Health	-	-	-	-	13	-100%
Labs	100	87	15%	286	271	6%
Others[^]	(22)	(6)	NM	(81)	(83)	2%
Eliminations³	-	2	-100%	-	2	-100%
Group (Excluding PLife REIT)	1,376	1,280	8%	4,092	3,513	16%
PLife REIT	79	80	-1%	245	238	3%
Eliminations³	(67)	(65)	-3%	(209)	(195)	-7%
	1,388	1,295	7%	4,128	3,556	16%
Adjustment for hyperinflationary economy ⁴	(89)	126	-171%	(114)	20	NM
Group	1,299	1,421	-9%	4,014	3,576	12%

¹: Relates to external revenue only.

²: Relates to the EBITDA performance of each strategic business units, after elimination of dividend income from within the Group.

³: Relates to the elimination of inter-segment income and expenses.

⁴: Arises from the application of MFRS 129.

[^]: "Others" comprise mainly corporate office as well as other investment holding entities.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

Q3 2024 vs Q3 2023

The Group's Q3 2024 revenue and EBITDA decreased 3% and 9% respectively over Q3 2023. Excluding effects of MFRS 129, the Group's Q3 2024 revenue and EBITDA increased 10% and 7% respectively over Q3 2023.

The Group's Q3 2024 PATMI excluding exceptional items ("PATMI (Excl EI)") increased 43% to RM528 million. Excluding effects of MFRS 129, the Group's Q3 2024 PATMI (Excl EI) decreased 2% over Q3 2023.

Hospital and Healthcare

Hospital and Healthcare's Q3 2024 revenue increased 11% to RM5,789 million while its Q3 2024 EBITDA increased 8% to RM1,298 million. The growth in revenue was driven by a sustained demand for quality healthcare services, a case-mix of more acute patients and price adjustments to counter inflation.

Singapore hospital inpatient admissions increased 2% to 15,792 in Q3 2024 while its revenue per inpatient admission increased 9% to RM60,362. Malaysia hospital inpatient admissions increased 5% at 67,242 in Q3 2024 while its revenue per inpatient admission increased 7% to RM10,497. India hospital inpatient admissions increased 6% to 84,858 in Q3 2024 while its revenue per inpatient admission increased 7% to RM9,049. Türkiye and Europe hospital inpatient admissions increased 2% to 59,255 in Q3 2024 while its revenue per inpatient admission increased 39% to RM13,445 with price adjustments, especially in Türkiye, to counter hyperinflation.

The increase in Hospital and Healthcare's Q3 2024 EBITDA was mainly driven by higher revenue, offset by higher staff cost and other operating expense such as utilities.

Labs

Labs' Q3 2024 total revenue increased 3% to RM452 million while its Q3 2024 EBITDA increased 15% to RM100 million. Labs' Q3 2024 total test volumes increased 8% to 27 million.

PLife REIT

PLife REIT's Q3 2024 external revenue decreased 5% to RM36 million as a weakening Japanese Yen against RM eroded the revenue earned from the Japanese properties. PLife REIT's Q3 2024 EBITDA decreased 1% to RM79 million.

Others

Q3 2024 revenue was RM2 million while EBITDA losses increased to RM22 million. EBITDA losses increased mainly due to lower inter-segment management fee income from the other business units, offset by lower staff costs and other operating expenses.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

YTD 2024 vs YTD 2023

The Group's YTD 2024 revenue and EBITDA increased 13% and 12% over YTD 2023. Excluding effects of MFRS 129, the Group's YTD 2024 revenue and EBITDA increased 15% and 16% respectively over YTD 2023.

The Group's YTD 2024 PATMI (Excl EI) increased 35% to RM1,368 million. Excluding effects of MFRS 129, the Group's YTD 2024 PATMI (Excl EI) increased 21% over YTD 2023.

Hospital and Healthcare

Hospital and Healthcare's YTD 2024 revenue increased 16% to RM17,161 million while its YTD 2024 EBITDA increased 17% to RM3,887 million. The growth in revenue was driven by a sustained demand for quality healthcare services, a case-mix of more acute patients and price adjustments to counter inflation.

Singapore hospital inpatient admissions increased 2% to 47,094 in YTD 2024 while its revenue per inpatient admission increased 14% to RM59,439. Malaysia hospital inpatient admissions increased 5% at 187,920 in YTD 2024 while its revenue per inpatient admission increased 8% to RM10,636. India hospital inpatient admissions increased 4% to 234,952 in YTD 2024 while its revenue per inpatient admission increased 9% to RM9,226. Turkiye and Europe hospital inpatient admissions increased 2% to 188,246 in YTD 2024 while its revenue per inpatient admission increased 45% to RM12,567 with price adjustments, especially in Turkiye, to counter hyperinflation.

The increase in Hospital and Healthcare's YTD 2024 EBITDA was mainly driven by higher revenue, offset by higher staff cost and other operating expense such as utilities.

Labs

Labs' YTD 2024 total revenue increased 7% to RM1,337 million while its YTD 2024 EBITDA increased 6% to RM286 million. Labs' YTD 2024 total test volumes increased 8% to 76 million.

PLife REIT

PLife REIT's YTD 2024 external revenue decreased 4% to RM111 million as a weakening Japanese Yen against RM eroded the revenue earned from the Japanese properties. PLife REIT's YTD 2024 EBITDA increased 3% to RM245 million. EBITDA increased mainly due to contribution from two nursing homes acquired in October 2023, and higher inter-segment rental income from the hospitals in Singapore.

Others

YTD 2024 revenue increased 25% to RM5 million while EBITDA losses decreased 2% to RM81 million.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

B2 MATERIAL CHANGE IN QUARTERLY RESULTS

	3rd quarter ended 30 Sep 2024 RM'mil	2nd quarter ended 30 Jun 2024 RM'mil	Variance %
<u>REVENUE</u>¹			
Singapore	1,547	1,561	-1%
Malaysia	1,073	1,012	6%
India	1,034	1,027	1%
Greater China	373	403	-7%
Turkiye and Europe	1,762	1,719	3%
Hospital and Healthcare	5,789	5,722	1%
Labs total revenue	452	439	3%
Less: Labs inter-segment revenue	(188)	(181)	-4%
Labs	264	258	2%
Others [^]	2	2	0%
Group (Excluding PLife REIT)	6,055	5,982	1%
PLife REIT total revenue	102	104	-2%
Less: PLife REIT inter-segment revenue	(66)	(68)	3%
PLife REIT	36	36	0%
	6,091	6,018	1%
Adjustment for hyperinflationary economy ⁴	(448)	75	NM
Group	5,643	6,093	-7%
<u>EBITDA</u>²			
Singapore	449	492	-9%
Malaysia	284	253	12%
India	200	169	18%
Greater China	31	44	-30%
Turkiye and Europe	334	336	-1%
Hospital and Healthcare	1,298	1,294	0%
Labs	100	89	12%
Others [^]	(22)	(33)	33%
Group (Excluding PLife REIT)	1,376	1,350	2%
PLife REIT	79	83	-5%
Eliminations ³	(67)	(71)	6%
	1,388	1,362	2%
Adjustment for hyperinflationary economy ⁴	(89)	(13)	NM
Group	1,299	1,349	-4%

¹: Relates to external revenue only.

²: Relates to the EBITDA performance of each strategic business units, after elimination of dividend income from within the Group.

³: Relates to the elimination of inter-segment income and expenses.

⁴: Arises from the application of MFRS 129.

[^]: "Others" comprise mainly corporate office as well as other investment holding entities.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

Q3 2024 vs Q2 2024

The Group's quarter-on-quarter revenue and EBITDA decreased 7% and 4% respectively. Excluding effects of MFRS 129, the Group's quarter-on-quarter revenue and EBITDA increased 1% and 2% respectively.

The Group's quarter-on-quarter PATMI (Excl EI) increased 21%. Excluding effects of MFRS 129, the Group's quarter-on-quarter PATMI (Excl EI) decreased 1%.

Hospital and Healthcare

Hospital and Healthcare quarter-on-quarter revenue increased 1% and EBITDA was flat.

Singapore hospital quarter-on-quarter inpatient admissions decreased 1%, while its revenue per inpatient admission increased 3%. Malaysia hospital quarter-on-quarter inpatient admissions increased 7%, while its revenue per inpatient admission decreased 1%. India hospital quarter-on-quarter inpatient admissions increased 10%, while its revenue per inpatient admission decreased 3%. Turkiye and Europe hospital quarter-on-quarter inpatient admissions decreased 5% on seasonality, while its revenue per inpatient admission increased 7%.

Labs

Labs quarter-on-quarter total revenue and EBITDA increased 3% and 12% respectively.

PLife REIT

Plife REIT's quarter-on-quarter external revenue was flat while EBITDA decreased 5%.

Others

Revenue was flat quarter-on-quarter while EBITDA losses decreased 33% due to higher professional fee expense in relation to a transformation project recognised in Q2 2024.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

B3 CURRENT YEAR FINANCIAL PROSPECTS

With growing healthcare needs both locally and from around the region, the Group is poised to meet the increasing demand for quality healthcare services. As a Group, its network of hospitals across its key markets will further enhance its clinical offerings.

The Group's strategic priorities encompasses both organic and inorganic growth drivers, expansion of IHH's services in the healthcare continuum, developing new engines of growth as well as turning around underperforming assets.

The acquisition of Island Hospital, a 600-bed facility in Penang, on 4 November 2024, further strengthened the Group's position as a leading healthcare provider in Malaysia. The Group expects more than RM200 million in synergies over the next 5 years from the acquisition when Island Hospital is integrated into the Group. In addition, PLife REIT's acquisition of 11 nursing home properties in France, which is expected in the fourth quarter of 2024, would expand the Group's footprint into Europe. The Group is mindful that its net finance cost would increase following these acquisitions and would actively manage its cashflows and interest costs.

Despite the strong underlying demand for quality healthcare services, the Group is cognisant of the cost pressures arising from sustained inflation, rising energy prices and higher staff costs. These challenges are not unique to the healthcare industry. The Group is confident that it would be able to maintain a tight rein on costs and leverage operational synergies from its international network to achieve cost savings. The Group is also in the midst of transforming some of its workflows and processes through greater digitisation and optimisation for greater efficiency. The Group's focus on value-based healthcare will also play a crucial role in enhancing patient outcomes while managing costs effectively.

Looking forward, the Group anticipates navigating a landscape that continues to be marked by global economic and geo-political headwinds. However, the Group is confident that it would be able to manage these macroeconomic uncertainties and keep to its long-term growth trajectory that is underpinned by its strong fundamentals, driven by its robust expansion initiatives and fueled by healthcare megatrends.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

B4 PROFIT FORECAST/GUARANTEE

Not applicable as no profit forecast/guarantee was issued.

B5 TAXATION

	3rd quarter ended		Financial period ended	
	30 Sep 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023
	RM'mil	RM'mil	RM'mil	RM'mil
Current tax expense	168	172	492	438
Deferred tax expense/(credit)	4	203	(161)	335
	<u>172</u>	<u>375</u>	<u>331</u>	<u>773</u>

Q3 2024 and YTD 2024 effective tax rates* were 21.1% and 12.6% respectively. Q3 2023 and YTD 2023 effective tax rates* were 37.3% and 23.2% respectively.

Acibadem Holdings recognised RM27 million and RM406 million in Q3 2024 and YTD 2024 respectively, of deferred tax credit relating to an exemption allowed by the Turkiye government to increase the tax base of the assets in the local tax books. Excluding these deferred tax credit recognised, Q3 2024 and YTD 2024 effective tax rates* would be 24.4% and 28.0% respectively.

The Group's effective tax rates differ from the Malaysia statutory tax rate mainly due to certain non-taxable income and non-tax deductible expenses (refer to page 2 for list of exceptional items).

*: Effective tax rate, after adjusting for the Group's share of profits of associates and joint ventures.

B6 STATUS OF CORPORATE PROPOSALS

Save as disclosed below, there were no other corporate proposals announced but not completed as at 28 November 2024:

1. Following the subscription of 235,294,117 new equity shares of face value of Indian Rupee ("INR") 10 each ("Fortis Shares") in Fortis Healthcare Limited ("Fortis") through preferential allotment by Fortis to an indirect wholly-owned subsidiary of IHH, Northern TK Venture Pte Ltd ("NTK" or the "Acquirer");
 - (i) Mandatory Open Offer for acquisition of up to 197,025,660 Fortis Shares representing additional 26.10% of the Expanded Voting Share Capital (as defined herein) of Fortis by the Acquirer ("Fortis Open Offer"); and
 - (ii) Mandatory Open Offer for acquisition of up to 4,894,308 fully paid up equity shares of face value of INR10 each, representing 26.11% of the fully diluted voting equity share capital of Fortis Malar Hospitals Limited ("Malar") by the Acquirer ("Malar Open Offer").

Refer to Section A14 for details and status of the Fortis Open Offer and Malar Open Offer.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

B7 LOANS, BORROWINGS AND OVERDRAFTS

(a) Breakdown of the Group's loans, borrowings and overdrafts:

	30 Sep 2024	31 Dec 2023
	RM'mil	RM'mil
Non-current		
Secured		
Bank loans	1,004	1,086
Loans from corporates	4	4
Unsecured		
Bank loans	3,907	4,004
Fixed rate medium term notes	515	580
Loans from corporates*	859	977
	<u>6,289</u>	<u>6,651</u>
Current		
Secured		
Bank overdrafts	93	78
Bank loans	169	135
Loans from corporates	-	2
Unsecured		
Bank loans	908	1,523
Loans from corporates	1	1
	<u>1,171</u>	<u>1,739</u>
Total	<u><u>7,460</u></u>	<u><u>8,390</u></u>

*: Includes loans from non-controlling interests of RM858 million (2023: RM977 million).

Breakdown of the Group's loans, borrowings and overdrafts by source currency, in RM equivalent:

	30 Sep 2024	31 Dec 2023
	RM'mil	RM'mil
Hong Kong Dollar	2,693	3,095
Japanese Yen	2,145	2,102
Singapore Dollar	706	789
Renminbi	675	602
Indian Rupees	471	630
Turkish Lira	454	321
Euro	295	832
Macedonian Denar	21	17
Others	-	2
	<u><u>7,460</u></u>	<u><u>8,390</u></u>

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

B8 FINANCIAL DERIVATIVE INSTRUMENTS

The Group's outstanding net derivative financial instruments as at 30 September 2024:

	Notional amount as at 30 Sep 2024 RM'mil	Fair value amount as at 30 Sep 2024 RM'mil
Derivative assets		
Foreign exchange forward contracts		
- Within 1 year	174	14
- Between 1 - 3 years	7	33
- More than 3 years	119	6
	<u>300</u>	<u>53</u>
Interest rate caps		
- Within 1 year	682	-
- Between 1 - 3 years	321	3
	<u>1,003</u>	<u>3</u>
Cross currency interest rate swaps		
- Within 1 year	264	83
Cross currency swaps		
- Within 1 year	256	4
- Between 1 - 3 years	282	6
- More than 3 years	85	2
	<u>623</u>	<u>12</u>
	<u>2,190</u>	<u>151</u>
Derivative liabilities		
Interest rate swaps		
- Between 1 - 3 years	225	(3)
- More than 3 years	1,235	(5)
	<u>1,460</u>	<u>(8)</u>
Foreign exchange forward contracts		
- Within 1 year	6	(1)
	<u>1,466</u>	<u>(9)</u>

Foreign exchange forward contracts

Foreign exchange forward contracts are entered by the Group to hedge against exchange rate exposures on some balances denominated in currencies other than the functional currency of the entity that recognised the foreign currency balances. The fair value of foreign exchange forward contract is determined based on prevailing market rate.

Interest rate caps

Interest rate caps are entered by the Group to protect against an increase in interest rates beyond the pre-determined cap rate.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

Cross currency interest rate swaps and cross currency swaps

Cross currency interest rate swaps and cross currency swaps are entered by the Group to hedge the interest rate fluctuations on the floating rate borrowings, and to realign certain borrowings to the same currency of the Group's foreign investments to achieve a natural hedge. The fair values of cross currency interest rate swaps and cross currency swaps are determined based on bank quotes.

Interest rate swaps

Interest rate swaps are entered by the Group to hedge against interest rate fluctuations on some floating rate borrowings. The fair value of interest rate swaps is determined based on bank quotes.

There are no changes to the Group's financial risk management policies and objectives in managing these derivative financial instruments and its related accounting policies. Refer to Section B13 for the fair value gain/loss recognised in the statement of profit or loss.

B9 FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

Other than as disclosed in Section A15 the Group does not remeasure its financial liabilities and derivatives at reporting date. The changes in fair value recognised through profit or loss are disclosed in Section B13.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

B10 MATERIAL LITIGATIONS

The following are the material litigations of the Group:

- 1) In respect of Escorts Heart Institute and Research Centre Limited ("EHIRCL"), an indirect subsidiary of IHH:
 - (a) The Delhi Development Authority ("DDA") had terminated the lease deeds and allotment letters relating to land parcels on which a hospital of EHIRCL exists. The matter is currently pending before the High Court of Delhi. Consequent to the termination, DDA issued show cause notice and initiated eviction proceedings against EHIRCL. The eviction proceedings initiated before the Estate Officer were challenged before the Supreme Court of India. The Supreme Court of India, vide its order dated 14 November 2019, has quashed the show cause notice for eviction proceedings. Based on external legal counsel advice, EHIRCL will be able to suitably defend the termination of lease deeds and allotment letters and accordingly considers that no adjustments are required to the financial statements.
 - (b) In relation to the judgement of the High Court of Delhi relating to provision of free treatment/beds to patients of the economically weaker sections of society, the Directorate of Health Services ("DoHS"), Government of NCT of Delhi, appointed a firm to calculate "unwarranted profits" arising to EHIRCL due to alleged non-compliance. Following various hearings and appeals between 2014 and 2018, DoHS in May 2018, passed an order imposing a demand of INR5 billion (equivalent to RM286 million) which was challenged by EHIRCL before the High Court of Delhi. Through an order dated 1 June 2018, the High Court of Delhi has issued notice and directed that no coercive steps may be taken subject to EHIRCL depositing a sum of INR50 million (equivalent to RM3 million) before the DoHS. EHIRCL deposited INR50 million (equivalent to RM3 million) on 20 June 2018. Matter is sub judice before the High Court of Delhi. Based on its internal assessment and advice from its counsel, on the basis of the documents available, EHIRCL believes that it is in compliance of the conditions of free treatment and free beds to patients of economic weaker sections, has a good case of success. and expects the demand to be set aside.
- 2) In respect of Northern TK Venture Pte Ltd ("NTK"), an indirect wholly-owned subsidiary of IHH:
 - (a) On 16 October 2023, NTK had filed a claim against Daiichi in the Tokyo District Court ("Court") in Japan ("Claim"). NTK's position is that Daiichi has caused losses to NTK by preventing NTK from proceeding with the Fortis Open Offer and the Malar Open Offer. The Claims filed by NTK against Daiichi are tort claims premised on Daiichi's unlawful interference with NTK's trade or business, conspiracy of Daiichi and other persons, malicious falsehood and defamation under the applicable substantive laws. NTK is seeking inter alia the following reliefs from Daiichi in accordance with the applicable substantive laws: (i) JPY 20 billion as damages to NTK, plus interest at 3% per annum; (ii) an injunction to restrain Daiichi from defaming NTK in the future; and (iii) Daiichi to publish a statement on its website, and to deliver a statement to SEBI, to vindicate NTK's reputation. NTK has expressly reserved its rights to amend and/or supplement the reliefs it is seeking from Daiichi. The next hearing is scheduled for 13 February 2025.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

B11 DIVIDENDS

For details of the dividends declared by the Company during the financial period ended 30 September 2024 and paid as at 28 November 2024, please refer to Section A7.

B12 EARNINGS PER SHARE ("EPS")

Basic earnings per share were calculated by dividing the Group's net profit attributable to shareholders less distribution to holders of the perpetual securities, by the weighted average number of ordinary shares in issue during the financial period.

	3rd quarter ended		Financial period ended	
	30 Sep 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023
	RM'mil	RM'mil	RM'mil	RM'mil
Basic and diluted earnings per share is based on:				
Net profit attributable to ordinary shareholders	534	532	1,925	2,224
Net profit attributable to ordinary shareholders (excluding EI)	528	369	1,368	1,014

Basic EPS

	million	million	million	million
Weighted average number of shares	8,807	8,807	8,807	8,807
	sen	sen	sen	sen
Basic EPS	6.06	6.04	21.86	25.26
Basic EPS (excluding EI)	6.00	4.19	15.53	11.51

Diluted earnings per share

For diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive ordinary shares.

	3rd quarter ended		Financial period ended	
	30 Sep 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023
	million	million	million	million
Weighted average number of ordinary shares used in calculation of basic earnings per share	8,807	8,807	8,807	8,807
Weighted average number of unissued ordinary shares from share options under EOS	2	-	2	-
Weighted average number of dilutive ordinary shares for computation of diluted EPS	8,810	8,807	8,809	8,807
	sen	sen	sen	sen
Diluted EPS	6.06	6.04	21.85	25.26
Diluted EPS (excluding EI)	5.99	4.19	15.53	11.51

At 30 September 2024, 136,000 (30 September 2023: 2,955,000) outstanding EOS options were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

**B13 NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME**

	3rd quarter ended		Financial period ended	
	30 Sep 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023
	RM'mil	RM'mil	RM'mil	RM'mil
Dividend income	4	-	4	-
Other operating income	73	77	281	253
Foreign exchange differences	-	1	19	13
Impairment loss made:				
- Trade and other receivables	(24)	(19)	(46)	(70)
Write off:				
- Property, plant and equipment	-	(1)	(1)	(1)
- Trade and other receivables	(10)	(2)	(29)	(6)
- Inventories	-	(1)	(4)	(5)
Change in fair value of investment properties	1	-	1	(2)
Gain on early termination of leases	-	-	34	-
Gain on disposal of property, plant and equipment	2	3	4	9
Gain on disposal of subsidiaries	-	6	-	991
Finance income				
Interest income	12	29	77	71
Exchange gain on net borrowings	83	-	136	-
Fair value (loss)/gain on financial instruments	(20)	(136)	10	44
	75	(107)	223	115
Finance costs				
Interest on loans and borrowings	(117)	(140)	(385)	(361)
Interest on lease liabilities	(35)	(47)	(129)	(123)
Exchange gain/(loss) on net borrowings	-	78	-	(170)
Fair value loss on financial instruments	(56)	-	(163)	-
Other finance costs	(16)	(14)	(47)	(40)
	(224)	(123)	(724)	(694)