



IHH Healthcare Berhad

IHH HEALTHCARE BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
30 SEPTEMBER 2023

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

		3rd quarter ended			Financial period ended		
	Note	30 Sep 2023	30 Sep 2022	Variance	30 Sep 2023	30 Sep 2022	Variance
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue	1	5,825,890	4,595,244	27%	15,642,194	13,131,872	19%
Other operating income	2	96,319	148,110	-35%	1,316,049	363,963	NM
Inventories and consumables		(1,152,230)	(959,075)	-20%	(3,191,213)	(2,784,937)	-15%
Purchased and contracted services		(518,846)	(443,406)	-17%	(1,427,373)	(1,240,341)	-15%
Staff costs	3	(2,100,927)	(1,607,795)	-31%	(5,679,831)	(4,651,055)	-22%
Depreciation and impairment of property, plant and equipment	4	(294,216)	(247,229)	-19%	(800,532)	(738,325)	-8%
Depreciation of right-of-use ("ROU") assets	4	(109,123)	(90,615)	-20%	(287,624)	(268,484)	-7%
Amortisation of intangible assets	4	(13,459)	(11,988)	-12%	(35,704)	(35,216)	-1%
Operating lease expenses		(32,286)	(21,391)	-51%	(84,566)	(63,235)	-34%
Other operating expenses	5	(686,626)	(642,093)	-7%	(1,971,742)	(1,674,596)	-18%
Finance income	6	(107,049)	(68,454)	-56%	115,303	107,374	7%
Finance costs	6	(123,698)	(138,133)	10%	(694,399)	(449,882)	-54%
Net monetary gain from hyperinflationary economy		223,898	(9,795)	NM	429,668	285,747	50%
Share of profits of associates (net of tax)		5,272	9,514	-45%	16,529	28,428	-42%
Share of profits of joint ventures (net of tax)		310	363	-15%	969	1,601	-39%
Profit before tax		1,013,229	513,257	97%	3,347,728	2,012,914	66%
Income tax expense	7	(375,387)	(188,974)	-99%	(772,998)	(384,202)	-101%
Profit for the period		637,842	324,283	97%	2,574,730	1,628,712	58%
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	8	(354,103)	42,723	NM	605,379	147,102	NM
Realisation of FCTR ¹ upon disposal of subsidiaries		-	-	-	11,150	-	-
Hyperinflationary adjustments		672,840	126,952	NM	465,483	750,267	-38%
Hedge of net investments in foreign operations	8	59,465	57,685	3%	655,111	354,834	85%
Cash flow hedge		(77,702)	5,681	NM	(86,894)	17,594	NM
Costs of hedging		(880)	664	NM	(2,807)	1,450	NM
		299,620	233,705	28%	1,647,422	1,271,247	30%
<i>Items that will not be reclassified subsequently to profit or loss</i>							
Remeasurement of defined benefit liabilities		(6,631)	(4,095)	-62%	(8,573)	(1,193)	NM
Total other comprehensive income for the period, net of tax		292,989	229,610	28%	1,638,849	1,270,054	29%
Total comprehensive income for the period		930,831	553,893	68%	4,213,579	2,898,766	45%
Profit attributable to:							
Owners of the Company		532,070	251,762	111%	2,224,421	1,357,125	64%
Non-controlling interests		105,772	72,521	46%	350,309	271,587	29%
Profit for the period		637,842	324,283	97%	2,574,730	1,628,712	58%
Total comprehensive income attributable to:							
Owners of the Company		856,148	497,937	72%	3,708,671	2,662,724	39%
Non-controlling interests		74,683	55,956	33%	504,908	236,042	114%
Total comprehensive income for the period		930,831	553,893	68%	4,213,579	2,898,766	45%
Earnings per share (sen)							
Basic		6.04	2.78	117%	25.26	14.82	70%
Diluted		6.04	2.78	117%	25.26	14.82	70%

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 2023**

SUPPLEMENTARY INFORMATION

		3rd quarter ended			Financial period ended		
	Note	30 Sep 2023	30 Sep 2022	Variance	30 Sep 2023	30 Sep 2022	Variance
		RM'000	RM'000	%	RM'000	RM'000	%
Profit attributable to owners of the Company, excluding EIⁱⁱⁱ		368,915	315,416	17%	1,013,789	1,040,305	-3%
Add/(Less): Exceptional items ("EI")							
Gain on disposal of subsidiaries ⁱ	2	6,286	-		991,488	-	
Gain on disposal of asset ⁱⁱ		3,140	-		3,140	-	
Impairment of assets reversed/made ⁱⁱⁱ		-	(304)		-	15,923	
Reversal of lease payable upon project termination ^{iv}	2	205	-		21,212	-	
Exchange difference on net borrowings, net of changes in fair value of financial derivatives ^v	6	(62,312)	(43,509)		(147,777)	(88,118)	
Deferred tax benefits ^{vi}	7	-	(27,263)		-	125,445	
Net monetary gain from hyperinflationary economy ^{vii}		223,898	(9,795)		429,668	285,747	
		171,217	(80,871)		1,297,731	338,997	
Less: Tax effects on EI		9,898	10,007		29,556	20,267	
Less: Non-controlling interests' share of EI		(17,960)	7,210		(116,655)	(42,444)	
		163,155	(63,654)		1,210,632	316,820	
Profit attributable to owners of the Company		532,070	251,762	111%	2,224,421	1,357,125	64%
Earnings per share, excluding EIⁱⁱⁱ (sen)							
Basic		4.19	3.50	20%	11.51	11.23	2%
Diluted		4.19	3.50	20%	11.51	11.22	3%

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 RM872.5 million, Gleneagles Chengdu Hospital Company Limited ("Gleneagles Chengdu Hospital") of RM116.5 million and Angsana Holdings Pte Ltd and its subsidiaries (collectively, "Angsana") of RM2.4 million.
- Gain on disposal of Fortis Arcot Road Hospital.
- Reversal of impairment of assets of Gleneagles Chengdu Hospital upon receipt of recoverables.
- 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. (As at 30 September 2023, Euro/TL = 29.0305).
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 assets arising from indexation of property, plant and equipment in statutory books as allowed by the Türkiye government due to spike in inflation.
- 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*
- Exceptional items, net of tax and non-controlling interests

The unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the 2022 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 A1(c) and 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 and period ended 30 September 2023.

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

1. Q3 2023 and YTD 2023 revenues were higher as compared to last year due to the strong recovery from core non-COVID-19 revenues as both local and foreign patients returned to seek treatment at the Group's hospitals. The commencement of operations at Atasehir Hospital in September 2022, the continuous ramp-up of operations at GHK Hospital, as well as the acquisitions of Ortopedia Ozel Saglik Hizmetleri Anonim Sirketi ("Ortopedia") on 9 August 2022 and Ozel Kent Saglik Hizmetleri ve Malzemeleri Sanayi Ticaret A.S. ("Kent") on 14 February 2023 also contributed to the increase.

2. Q3 2023 other operating income decreased from a high base in Q3 2022 whereby foreign exchange gains was recognised upon the settlement of foreign exchange forward contracts, which was entered into in anticipation of the redemption of perpetual securities in July 2022.

YTD 2023 other operating income increased mainly due to the gain on disposal of IMU Health of RM872.5 million, Gleneagles Chengdu Hospital of RM116.5 million and Angsana of RM2.4 million. In addition, the Group reversed RM21.2 million lease payable upon termination of the Group's hospital project in Myanmar.

3. Q3 2023 and YTD 2023 staff costs increased as the Group expands its capacity to cater for higher demand for its services and annual increments. In addition, the consolidation of Ortopedia's and Kent's staff costs upon acquisition contributed to the increase.
4. Q3 2023 and YTD 2023 depreciation, amortisation and impairment expense increased mainly attributed to the increasing inflation rates in Turkiye as compared to the same period last year. With the application of MFRS 129, the carrying amounts of property, plant and equipment, right-of-use assets and intangible assets for the Group's subsidiaries in Turkiye were higher after reindexation, resulting in increased depreciation and amortisation.
5. Q3 2023 and YTD 2023 other operating expenses increased mainly due to the higher level of activities and higher cost of operations such as increased utilities costs, increased spend on repairs and maintenance as well as IT-related expenses.

YTD 2023 other operating expenses included professional fees in relation to the Group's acquisition and disposal of subsidiaries during the year, as well as donation to support humanitarian efforts for the earthquake victims when a massive earthquake struck Turkiye in February 2023.

6. Acibadem Holdings recognised exchange differences arising from the translation of its 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 higher net loss of RM62.3 million in Q3 2023 as compared to a net loss of RM43.5 million in Q3 2022. On the same basis, the Group recognised a higher net loss of RM147.8 million in YTD 2023 as compared to net loss of RM88.1 million in YTD 2022.

Excluding the above, Q3 2023 and YTD 2023 net finance costs increased mainly due to higher prevailing interest rates during 2023 and decrease in capitalisation of borrowing cost for Parkway Shanghai Hospital upon completion of construction. In addition, in Q3 2022, the Group derecognised fair value gains on foreign exchange forward contracts, which was entered into in anticipation of the redemption of perpetual securities in July 2022, upon settlement.

7. Refer to Section B5 for details on income tax expenses.
8. 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 2023	30 Sep 2022
1 SGD	3.3647	3.1539
1 TL	0.1724	0.2491

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023**

	Note	30 Sep 2023 RM'000	31 Dec 2022 RM'000
Assets			
Property, plant and equipment		12,971,864	11,882,760
Right-of-use assets		6,996,087	6,685,030
Investment properties		3,919,912	3,938,335
Goodwill on consolidation	1	14,069,524	13,209,372
Other intangible assets		2,926,532	2,737,840
Interests in associates		146,196	133,076
Interests in joint ventures		6,625	6,751
Other financial assets	2	173,704	127,620
Trade and other receivables	3	136,351	196,563
Tax recoverables		396,861	374,905
Derivative assets		143,125	258,970
Deferred tax assets		534,917	633,943
Total non-current assets		42,421,698	40,185,165
Development properties		79,495	76,471
Inventories		657,444	519,431
Trade and other receivables	3	3,171,704	2,625,424
Tax recoverables		27,904	73,641
Other financial assets	2	293,985	249,717
Derivative assets		251,688	149,816
Cash and cash equivalents		3,304,099	3,663,511
		7,786,319	7,358,011
Assets classified as held for sale	4	204	924,311
Total current assets		7,786,523	8,282,322
Total assets		50,208,221	48,467,487

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023**

	Note	30 Sep 2023 RM'000	31 Dec 2022 RM'000
Equity			
Share capital		19,691,630	19,684,881
Other reserves		1,825,280	(158,140)
Retained earnings		6,391,155	6,665,236
Total equity attributable to owners of the Company		27,908,065	26,191,977
Non-controlling interests		3,329,874	2,967,080
Total equity		31,237,939	29,159,057
Liabilities			
Loans and borrowings	5	6,665,845	7,565,989
Lease liabilities		1,398,119	1,407,923
Employee benefits		172,001	172,261
Trade and other payables	6	421,426	1,255,005
Deferred tax liabilities		1,958,950	1,648,525
Total non-current liabilities		10,616,341	12,049,703
Bank overdrafts		57,665	44,135
Loans and borrowings	5	2,195,764	1,592,791
Lease liabilities		250,091	223,118
Employee benefits		160,042	148,470
Trade and other payables	6	5,345,692	4,208,470
Derivative liabilities		253	4,379
Tax payable		344,434	378,637
		8,353,941	6,600,000
Liabilities directly associated with assets classified as held for sale	4	-	658,727
Total current liabilities		8,353,941	7,258,727
Total liabilities		18,970,282	19,308,430
Total equity and liabilities		50,208,221	48,467,487
Net assets per share attributable to owners of the Company ¹ (RM)		3.17	2.97

¹ Based on 8,807.0 million and 8,806.0 million shares issued as at 30 September 2023 and 31 December 2022 respectively.

The unaudited Consolidated Statement of Financial Position should be read in conjunction with the 2022 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 2023 was impacted by the movements in RM against the exchange rates of the countries that the Group operates in. The RM weakened against SGD and strengthened against TL for the period ended 30 September 2023.

The Group's reported financial position as at 30 September 2023 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 2023. Refer to Section A1(c) and 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 2023.

1. Goodwill increased mainly due to acquisition of Kent on 14 February 2023 which resulted in goodwill on acquisition of RM59.4 million, translational effects from a strengthened SGD against RM during in the period, and from MFRS 129 effects.
2. Other financial assets increased mainly due to placements in Money Market Funds ("MMF") and investments in unquoted shares of start-up companies.
3. Trade and other receivables increased mainly due to higher revenue and acquisition of Kent.
4. Assets classified as held for sale and liabilities directly associated with assets classified as held for sale decreased upon the completion of the divestment of Gleneagles Chengdu Hospital and IMU Health during the year.
5. Loans and borrowings decreased due to net repayment of loans.
6. Current trade and other payables increased due to reclass from non-current payables during the period and RM308.2 million relating to interim dividend declared by the Company during the period and payable on 27 October 2023.

Note:

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

	30 Sep 2023	31 Dec 2022
1 SGD	3.4270	3.2468
1 TL	0.1724	0.2325

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	Attributable to owners of the Company												
	Non-distributable						Distributable						
	Share capital RM'000	Share option reserve RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Cost of hedging reserve RM'000	Capital reserve RM'000	Legal reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual securities RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2023	19,684,881	22,783	83,434	8,274	791	(3,998,823)	36,380	3,689,021	6,665,236	26,191,977	-	2,967,080	29,159,057
Foreign currency translation differences from foreign operations	-	-	-	-	-	-	-	861,753	-	861,753	-	(256,374)	605,379
Realisation of FCTR upon disposal of subsidiaries	-	-	-	-	-	-	-	11,150	-	11,150	-	-	11,150
Hyperinflationary adjustments	-	-	-	13,424	-	91,318	3,726	1,095,032	(743,131)	460,369	-	5,114	465,483
Hedge of net investments in foreign operations	-	-	-	-	-	-	-	232,761	-	232,761	-	422,350	655,111
Cash flow hedge	-	-	-	(73,881)	-	-	-	-	-	(73,881)	-	(13,013)	(86,894)
Costs of hedging	-	-	-	-	(998)	-	-	-	-	(998)	-	(1,809)	(2,807)
Remeasurement of defined benefit liabilities	-	-	-	-	-	-	-	-	(6,904)	(6,904)	-	(1,669)	(8,573)
Total other comprehensive income for the period	-	-	-	(60,457)	(998)	91,318	3,726	2,200,696	(750,035)	1,484,250	-	154,599	1,638,849
Profit for the period	-	-	-	-	-	-	-	-	2,224,421	2,224,421	-	350,309	2,574,730
Total comprehensive income for the period	-	-	-	(60,457)	(998)	91,318	3,726	2,200,696	1,474,386	3,708,671	-	504,908	4,213,579
Contributions by and distributions to owners													
Share-based payment transactions	-	6,656	-	-	-	-	-	-	-	6,656	-	-	6,656
Transfer to share capital for share options exercised	6,749	(1,260)	-	-	-	-	-	-	-	5,489	-	-	5,489
Cancellation of vested share options	-	(1,632)	-	-	-	-	-	-	1,632	-	-	-	-
Dividends declared	-	-	-	-	-	-	-	-	(1,770,205)	(1,770,205)	-	(262,917)	(2,033,122)
Issue of shares by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	9,943	9,943
Remeasurement of liabilities on put options granted to non-controlling interests	-	-	-	-	-	179,567	-	-	-	179,567	-	49,507	229,074
Transfer per statutory requirements	-	-	-	-	-	-	6,816	-	(6,916)	(100)	-	100	-
Other	-	-	-	-	-	-	-	-	9,573	9,573	-	1,064	10,637
	6,749	3,764	-	-	-	179,567	6,816	-	(1,765,916)	(1,569,020)	-	(202,303)	(1,771,323)
Changes in ownership interests in subsidiaries	-	-	-	(3)	-	(421,039)	-	1	-	(421,041)	-	3,748	(417,293)
Disposal of subsidiaries	-	-	-	-	-	(19,971)	-	-	17,449	(2,522)	-	56,441	53,919
Total transactions with owners	6,749	3,764	-	(3)	-	(261,443)	6,816	1	(1,748,467)	(1,992,583)	-	(142,114)	(2,134,697)
At 30 September 2023	19,691,630	26,547	83,434	(52,186)	(207)	(4,168,948)	46,922	5,889,718	6,391,155	27,908,065	-	3,329,874	31,237,939

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	Attributable to owners of the Company												
	Non-distributable						Distributable						
	Share capital RM'000	Share option reserve RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Cost of hedging reserve RM'000	Capital reserve RM'000	Legal reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual securities RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2022	19,614,918	33,874	83,434	16,587	332	(4,451,467)	57,814	1,413,034	5,656,406	22,424,932	2,158,358	2,693,541	27,276,831
Hyperinflationary restatement to 1 January 2022	-	-	-	-	-	421,267	(26,450)	1,064,261	59,161	1,518,239	-	259,758	1,777,997
	19,614,918	33,874	83,434	16,587	332	(4,030,200)	31,364	2,477,295	5,715,567	23,943,171	2,158,358	2,953,299	29,054,828
Foreign currency translation differences from foreign operations	-	-	-	-	-	-	-	423,261	-	423,261	-	(276,159)	147,102
Hyperinflationary adjustments	-	-	-	-	-	74,505	2,165	705,420	(32,174)	749,916	-	351	750,267
Hedge of net investments in foreign operations	-	-	-	-	-	-	-	126,134	-	126,134	-	228,700	354,834
Cash flow hedge	-	-	-	6,254	-	-	-	-	-	6,254	-	11,340	17,594
Costs of hedging	-	-	-	-	515	-	-	-	-	515	-	935	1,450
Remeasurement of defined benefit liabilities	-	-	-	-	-	-	-	-	(481)	(481)	-	(712)	(1,193)
Total other comprehensive income for the period	-	-	-	6,254	515	74,505	2,165	1,254,815	(32,655)	1,305,599	-	(35,545)	1,270,054
Profit for the period	-	-	-	-	-	-	-	-	1,357,125	1,357,125	-	271,587	1,628,712
Total comprehensive income for the period	-	-	-	6,254	515	74,505	2,165	1,254,815	1,324,470	2,662,724	-	236,042	2,898,766
Contributions by and distributions to owners													
Share-based payment transactions	-	1,067	-	-	-	-	-	-	-	1,067	-	-	1,067
Transfer to share capital for share options exercised	69,963	(14,221)	-	-	-	-	-	-	-	55,742	-	-	55,742
Cancellation of vested share options	-	(189)	-	-	-	-	-	-	189	-	-	-	-
Dividends declared	-	-	-	-	-	-	-	-	(528,162)	(528,162)	-	(165,795)	(693,957)
Redemption and payment of coupon on perpetual securities	-	-	-	-	-	(47,158)	-	-	-	(47,158)	(2,210,570)	-	(2,257,728)
Accrued perpetual securities distribution	-	-	-	-	-	-	-	-	(52,212)	(52,212)	52,212	-	-
Remeasurement of liabilities on put options granted to non-controlling interests	-	-	-	-	-	106,730	-	-	-	106,730	-	218,034	324,764
Transfer per statutory requirements	-	-	-	-	-	-	2,487	-	(2,487)	-	-	-	-
Others	-	-	-	(16,180)	-	-	-	-	16,180	-	-	-	-
	69,963	(13,343)	-	(16,180)	-	59,572	2,487	-	(566,492)	(463,993)	(2,158,358)	52,239	(2,570,112)
Changes in ownership interests in subsidiaries	-	-	-	(2)	-	(15,853)	-	(5)	-	(15,860)	-	(39,037)	(54,897)
Total transactions with owners	69,963	(13,343)	-	(16,182)	-	43,719	2,487	(5)	(566,492)	(479,853)	(2,158,358)	13,202	(2,625,009)
At 30 September 2022	19,684,881	20,531	83,434	6,659	847	(3,911,976)	36,016	3,732,105	6,473,545	26,126,042	-	3,202,543	29,328,585

The unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the 2022 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 2023**

	Financial period ended	
	30 Sep 2023	30 Sep 2022
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	3,347,728	2,012,914
Adjustments for:		
Dividend income	(345)	(63)
Finance income	(115,303)	(107,374)
Finance costs	694,399	449,882
Depreciation and impairment of property, plant and equipment	800,532	738,325
Depreciation of ROU assets	287,624	268,484
Amortisation of intangible assets	35,704	35,216
Impairment loss made/(written back):		
- Trade and other receivables	70,362	28,048
- Inventories	-	(118)
Write-off:		
- Property, plant and equipment	604	873
- Trade and other receivables	5,845	5,356
- Inventories	5,234	3,235
Gain on disposal of property, plant and equipment	(8,922)	(8,893)
Gain on disposal of subsidiaries	(991,488)	-
Gain on disposal of asset	(3,140)	-
Change in fair value of investment properties	2,052	4,030
Share of profits of associates (net of tax)	(16,529)	(28,428)
Share of profits of joint ventures (net of tax)	(969)	(1,601)
Equity-settled share-based payment	6,656	1,067
Net monetary gain from hyperinflationary economy	(429,668)	(285,747)
Operating profit before changes in working capital	3,690,376	3,115,206
Changes in working capital:		
Development properties	(2,241)	(2,609)
Inventories	(198,486)	(79,853)
Trade and other receivables	(599,775)	(253,439)
Trade and other payables	483,816	525,002
Cash generated from operations	3,373,690	3,304,307
Tax paid	(491,661)	(501,461)
Net cash from operating activities	2,882,029	2,802,846
Cash flows from investing activities		
Interest received	72,875	77,301
Acquisition of a subsidiary/businesses, net of cash and cash equivalents acquired	(251,388)	(50,125)
Acquisition of investments	(1,553,951)	(50,596)
Net withdrawal/(placement) of fixed deposits with tenor of more than 3 months	68,635	(106,430)
Purchase of property, plant and equipment	(1,325,958)	(1,258,533)
Cost capitalised and purchase of investment properties	(10,142)	(199,291)
Development and purchase of intangible assets	(125,124)	(31,068)
Net cash inflow from disposal of subsidiaries	1,180,500	-
Proceeds from disposal and redemption of investments	1,429,075	123,482
Proceeds from disposal of property, plant and equipment	28,280	18,616
Proceeds from disposal of asset	81,985	-
Dividends received from associates and joint ventures	29,403	23,579
Net cash used in investing activities	(375,810)	(1,453,065)

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

	Financial period ended	
	30 Sep 2023	30 Sep 2022
	RM'000	RM'000
Cash flows from financing activities		
Finance costs paid	(303,137)	(235,918)
Proceeds from loans and borrowings	4,609,064	3,366,420
Repayment of loans and borrowings	(4,774,473)	(2,788,561)
Issuance of fixed rate notes	109,051	-
Redemption of fixed rate notes	(174,327)	-
Payment of lease liabilities	(237,965)	(298,625)
Payment of perpetual securities distribution	-	(2,257,728)
Dividends paid	(1,724,878)	(693,957)
Proceeds from exercise of share options	5,489	55,742
Repurchase of shares from non-controlling interests	-	(56,795)
Acquisition of non-controlling interests	(419,111)	-
Capital injection by non-controlling interests	9,943	-
Net cash used in financing activities	(2,900,344)	(2,909,422)
Net decrease in cash and cash equivalents	(394,125)	(1,559,641)
Effect of exchange rate fluctuations on cash and cash equivalents held	(21,793)	(196,129)
Hyperinflationary restatement of cash and cash equivalents at beginning of the period	-	146,074
Cash and cash equivalents at beginning of the period	3,662,352	4,993,451
Cash and cash equivalents at end of the period	3,246,434	3,383,755

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 2023	30 Sep 2022
	RM'000	RM'000
Cash and bank balances	931,894	1,126,338
Fixed deposits with tenor of 3 months or less	566,724	396,241
Deposits placed in escrow account	1,804,834	1,893,380
Restricted cash	647	645
Cash and cash equivalents in the statement of financial position	3,304,099	3,416,604
Add:		
- Cash and cash equivalents included in assets classified as held for sale	-	30,215
Less:		
- Bank overdrafts	(57,665)	(63,064)
Cash and cash equivalents in the statement of cash flows	3,246,434	3,383,755

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.

The unaudited Consolidated Statement of Cash Flows should be read in conjunction with the 2022 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 2023**

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 2022 (“2022 Audited Financial Statements”).

The 2022 Audited Financial Statements were prepared under Malaysian Financial Reporting Standards (“MFRSs”).

b) Significant accounting policies

The accounting policies and presentation adopted for this consolidated interim financial report are consistent with those adopted for the 2022 Audited Financial Statements.

c) MFRS 129, *Financial Reporting in Hyperinflationary Economies*

The Turkish economy was designated as a hyperinflationary economy starting April 2022. As a result, MFRS 129, *Financial Reporting in Hyperinflationary Economies* has been applied for component entities whose functional currency is the Turkish Lira.

The assets, liabilities, equity items, income and expenses of foreign operations in hyperinflationary economies are translated to RM at the exchange rate at the end of the reporting period. Prior to translating the financial statements of foreign operations in hyperinflationary economies, their financial statements for the current period are restated to account for changes in the general purchasing power of the local currency. The restatement is based on relevant price indices at the end of the reporting period. Amounts shown for prior periods for comparative purposes are not modified.

The application of MFRS 129 includes:

- Adjustment of historical cost non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the period end date;
- Adjustment of the income and expenses for inflation during the reporting period;
- The income and expenses are translated at the period-end foreign exchange rate instead of an average rate; and
- Adjustment of the income and expenses to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency.

Price index

The financial statements of component entities, of which their functional currency is denominated in Turkish Lira, have been restated to reflect the price index and the exchange rate at 30 September 2023 in accordance with MFRS 129 requirements. Hyperinflationary adjustments are based on available data for changes in the Consumer Price Index published by the Turkish Statistical Institute (“TURKSTAT”).

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

Net monetary gain/(loss) arising from hyperinflationary economies

Net monetary gain/(loss) arising from hyperinflationary economies is derived as the difference resulting from the restatement of non-monetary assets and liabilities, owners' equity and items in the statement of profit or loss and other comprehensive income and the adjustment of index linked assets and liabilities.

Refer to Section A4 for the effects of applying MFRS 129 on the Group's reported results.

A2 AUDIT REPORT IN THE ANNUAL FINANCIAL STATEMENTS

The 2022 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 2023**

**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 2023, other than the effects of the application to the Group's entities in Turkiye of MFRS 129 below and the disposal of IMU Health as disclosed in Section A11.

Effects of application of MFRS129

	Before hyperinflationary adjustments RM'000	Adjustments RM'000	After hyperinflationary adjustments RM'000
<u>Statement of profit or loss</u>			
Revenue	15,738,210	(96,016)	15,642,194
Other operating income	1,315,708	341	1,316,049
Inventories and consumables	(3,226,278)	35,065	(3,191,213)
Purchased and contracted services	(1,429,401)	2,028	(1,427,373)
Staff costs	(5,740,121)	60,290	(5,679,831)
Depreciation and impairment of property, plant and equipment	(675,833)	(124,699)	(800,532)
Depreciation of right-of-use ("ROU") assets	(239,660)	(47,964)	(287,624)
Amortisation of intangible assets	(30,502)	(5,202)	(35,704)
Operating lease expenses	(86,290)	1,724	(84,566)
Other operating expenses	(1,988,355)	16,613	(1,971,742)
Finance income	114,639	664	115,303
Finance costs	(660,311)	(34,088)	(694,399)
Net monetary gain from hyperinflationary economy	-	429,668	429,668
Share of profits of associates (net of tax)	16,529	-	16,529
Share of profits of joint ventures (net of tax)	969	-	969
Profit before tax	3,109,304	238,424	3,347,728
Income tax expense	(475,554)	(297,444)	(772,998)
Profit for the period	2,633,750	(59,020)	2,574,730
Profit attributable to:			
Owners of the Company	2,273,785	(49,364)	2,224,421
Non-controlling interests	359,965	(9,656)	350,309
Profit for the period	2,633,750	(59,020)	2,574,730

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

Statement of financial position	Before hyperinflationary adjustments RM'000	Adjustments RM'000	After hyperinflationary adjustments RM'000
Non-current assets			
Property, plant and equipment	11,370,663	1,601,201	12,971,864
Right-of-use assets	6,465,261	530,826	6,996,087
Goodwill on consolidation	12,748,213	1,321,311	14,069,524
Other intangible assets	2,044,082	882,450	2,926,532
Trade and other receivables	134,875	1,476	136,351
Deferred tax assets	533,084	1,833	534,917
Current assets			
Inventories	604,222	53,222	657,444
Trade and other receivables	3,168,326	3,378	3,171,704
Equity			
Other reserves	(2,168,766)	3,994,046	1,825,280
Retained earnings	7,111,807	(720,652)	6,391,155
Non-controlling interests	2,927,389	402,485	3,329,874
Non-current liabilities			
Deferred tax liabilities	1,239,133	719,817	1,958,950

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 2022 Audited Financial Statements.

A6 DEBT AND EQUITY SECURITIES

Between 1 January 2023 to 30 September 2023, the Company issued 948,000 new ordinary shares pursuant to the exercise of vested Enterprise Option Scheme ("EOS") units.

On 31 July 2023, the Company granted a total of 15,725,000 EOS options to eligible employees of the Group.

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 1 January 2023 to 30 September 2023.

As at 30 September 2023, the issued share capital of the Company comprised of 8,806,991,463 ordinary shares.

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

A7 DIVIDENDS PAID

	Sen per ordinary share	Total amount RM'000	Date of payment
First and final single tier cash dividend for financial year ended 31 December 2022	7.00	616,489	28-Apr-23
Special cash dividend for the financial year ending 31 December 2023	9.60	845,472	30-Jun-23
Interim cash dividend for the financial year ending 31 December 2023	3.50	308,244	27-Oct-23

A8 SEGMENT REPORTING

Since 1 January 2023, the Group's segment reporting has been changed to reflect the Group's new reporting structure that includes Laboratories ("Labs") as a separate segment. The results for the comparative year have been restated on the same basis.

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 2023**

A8 SEGMENT REPORTING

Financial period ended 30 September 2023

	Hospital and Healthcare											
	Singapore RM'000	Malaysia RM'000	India RM'000	Greater China RM'000	Turkiye and Europe RM'000	Southeast Asia RM'000	IMU Health RM'000	Labs RM'000	PLife REIT RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<i>Revenue and expenses</i>												
Revenue from external customers	4,131,061	2,719,480	2,642,566	954,584	4,280,037	-	53,899	740,623	115,679	4,265	-	15,642,194
Inter-segment revenue	6,951	5,928	-	-	3,690	-	635	508,828	189,981	808,040	(1,524,053)	-
Total segment revenue	4,138,012	2,725,408	2,642,566	954,584	4,283,727	-	54,534	1,249,451	305,660	812,305	(1,524,053)	15,642,194
EBITDA	1,214,284	725,994	456,099	50,265	896,549	(1,753)	13,029	260,234	238,045	604,661	(883,093)	3,574,314
Depreciation and impairment of property, plant and equipment	(128,254)	(163,607)	(96,801)	(85,031)	(274,827)	-	-	(29,184)	(20,449)	(2,379)	-	(800,532)
Depreciation of right-of-use assets	(241,678)	(18,433)	(18,044)	(50,506)	(100,151)	-	-	(25,712)	(9,930)	(4,990)	181,820	(287,624)
Amortisation of intangible assets	-	(293)	(8,557)	(1,485)	(9,644)	-	-	(16,512)	-	(7,328)	8,115	(35,704)
Foreign exchange differences	(413)	(2,260)	(7,543)	(232)	14,192	16	(1)	321	19,153	(9,869)	-	13,364
Net monetary gain from hyperinflationary economy	-	-	-	-	423,309	-	-	6,359	-	-	-	429,668
Finance income	6,701	8,662	8,268	590	49,793	136	1,014	12,176	20,422	29,062	(21,521)	115,303
Finance costs	(131,684)	-	(59,591)	(151,040)	(410,802)	-	(738)	(5,278)	(25,969)	(61,486)	152,189	(694,399)
Share of profits of associates (net of tax)	870	-	1,376	-	-	14,283	-	-	-	-	-	16,529
Share of profits of joint ventures (net of tax)	1,027	-	21	-	-	-	-	(79)	-	-	-	969
Others	-	-	3,140	116,536	-	21,212	-	-	-	874,952	-	1,015,840
Profit/(Loss) before tax	720,853	550,063	278,368	(120,903)	588,419	33,894	13,304	202,325	221,272	1,422,623	(562,490)	3,347,728
Income tax expense	(135,595)	(136,448)	(58,829)	(10,328)	(340,458)	-	(2,500)	(47,657)	(14,925)	(26,258)	-	(772,998)
Profit/(Loss) for the period	585,258	413,615	219,539	(131,231)	247,961	33,894	10,804	154,668	206,347	1,396,365	(562,490)	2,574,730
<i>Assets and liabilities</i>												
Cash and cash equivalents	(13,981)	488,078	1,917,230	155,912	418,595	7,661	-	42,704	122,655	165,245	-	3,304,099
Other assets	20,536,565	6,372,855	6,436,180	3,088,973	9,442,348	50,440	-	2,304,883	5,361,370	4,981,271	(11,670,763)	46,904,122
Segment assets as at 30 September 2023	20,522,584	6,860,933	8,353,410	3,244,885	9,860,943	58,101	-	2,347,587	5,484,025	5,146,516	(11,670,763)	50,208,221
Loans and borrowings	-	-	515,261	3,609,019	853,284	-	-	8,952	2,817,649	1,057,444	-	8,861,609
Other liabilities	10,195,591	1,053,944	2,646,370	802,181	3,719,728	2,392	-	467,868	415,912	2,557,315	(11,752,628)	10,108,673
Segment liabilities as at 30 September 2023	10,195,591	1,053,944	3,161,631	4,411,200	4,573,012	2,392	-	476,820	3,233,561	3,614,759	(11,752,628)	18,970,282

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

Financial period ended 30 September 2022*

	Hospital and Healthcare						IMU					
	Singapore	Malaysia	India	Greater	Turkiye	Southeast	Health	Labs	PLife REIT	Others	Eliminations	Total
	RM'000	RM'000	RM'000	China	and Europe	Asia	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue and expenses</u>												
Revenue from external customers	3,614,014	2,219,235	2,331,326	712,317	3,125,317	-	190,767	823,702	111,828	3,366	-	13,131,872
Inter-segment revenue	5,210	5,682	-	1	2,129	-	978	437,855	168,089	402,630	(1,022,574)	-
Total segment revenue	3,619,224	2,224,917	2,331,326	712,318	3,127,446	-	191,745	1,261,557	279,917	405,996	(1,022,574)	13,131,872
EBITDA	1,105,425	616,764	367,114	(47,884)	666,537	(318)	65,427	247,826	217,601	216,989	(477,465)	2,978,016
Depreciation and impairment of property, plant and equipment	(126,227)	(157,740)	(99,040)	(92,264)	(206,818)	-	(5,279)	(31,330)	(18,245)	(1,382)	-	(738,325)
Depreciation of ROU assets	(220,011)	(18,390)	(16,207)	(57,011)	(84,522)	-	(1,235)	(21,531)	(9,633)	(4,492)	164,548	(268,484)
Amortisation of intangible assets	-	(1,317)	(10,130)	(3,019)	(8,344)	-	(255)	(12,151)	-	(6,870)	6,870	(35,216)
Foreign exchange differences	(291)	(1,274)	15,504	750	1,664	(5,222)	(12)	969	9,668	67,915	-	89,671
Net monetary gain from hyperinflationary economy	-	-	-	-	273,848	-	-	11,899	-	-	-	285,747
Finance income	167	4,891	3,422	2,511	53,194	15	2,303	7,511	24,589	16,126	(7,355)	107,374
Finance costs	(20,244)	(5,067)	(61,941)	(63,553)	(290,150)	-	(663)	(3,222)	(11,560)	(20,226)	26,744	(449,882)
Share of profits of associates (net of tax)	1,313	-	13,322	-	-	13,793	-	-	-	-	-	28,428
Share of profits of joint ventures (net of tax)	1,201	-	398	-	-	-	-	2	-	-	-	1,601
Others	-	-	-	13,984	-	-	-	48	-	-	(48)	13,984
Profit/(Loss) before tax	741,333	437,867	212,442	(246,486)	405,409	8,268	60,286	200,021	212,420	268,060	(286,706)	2,012,914
Income tax expense/(credit)	(139,386)	(121,988)	(49,872)	(1,944)	17,028	-	(12,879)	(45,339)	(13,450)	(16,372)	-	(384,202)
Profit/(Loss) for the period	601,947	315,879	162,570	(248,430)	422,437	8,268	47,407	154,682	198,970	251,688	(286,706)	1,628,712
<u>Assets and liabilities</u>												
Cash and cash equivalents	287,470	381,008	1,870,320	212,551	332,955	7,551	-	120,366	129,903	321,387	-	3,663,511
Other assets	18,642,961	6,287,281	6,023,249	3,233,926	8,350,388	60,042	640,710	2,000,837	5,308,363	3,931,608	(9,675,389)	44,803,976
Segment assets as at 31 December 2022	18,930,431	6,668,289	7,893,569	3,446,477	8,683,343	67,593	640,710	2,121,203	5,438,266	4,252,995	(9,675,389)	48,467,487
Loans and borrowings	-	-	537,531	3,446,473	1,079,663	-	-	5,133	2,759,055	1,330,925	-	9,158,780
Other liabilities	9,730,773	957,659	2,517,986	1,079,894	3,041,060	21,841	210,149	425,113	407,974	1,394,128	(9,636,927)	10,149,650
Segment liabilities as at 31 December 2022	9,730,773	957,659	3,055,517	4,526,367	4,120,723	21,841	210,149	430,246	3,167,029	2,725,053	(9,636,927)	19,308,430

*: 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 2023**

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 2023	30 Sep 2022
	RM'000	RM'000
Transactions with substantial shareholders*		
- Sales and provision of services	357	264
- Purchase and consumption of services	(12,541)	(9,843)
	<hr/>	<hr/>
Transactions with key management personnel*		
- Sales and provision of services	6,611	3,016
- Purchase and consumption of services	(97,521)	(52,426)
	<hr/>	<hr/>

*: 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 2023**

A11 CHANGES IN THE COMPOSITION OF THE GROUP

- (a) On 14 February 2023, Acibadem Saglik Hizmetleri ve Ticaret A.S. (“ASH”, an indirect subsidiary of IHH) acquired the entire equity stake in Ozel Kent Saglik Hizmetleri ve Malzemeleri Sanayi Ticaret A.S. (“Kent”) for a total consideration of EUR55.0 million (equivalent to RM235.8 million). Kent is a private healthcare operator in Izmir, Turkiye and it currently operates a 340-bedded Kent Hospital and 2 medical centres. Post completion of the acquisition, Kent and its subsidiaries, namely Alsancak Ozel Kent Tıp Merkezi A.S. (“Kent Tıp Merkezi”) and Ozel Kent Radyoloji Goruntuleme ve Ticaret A.S. (“Kent Radyoloji”) became indirect subsidiaries of IHH.

The effects of the acquisition are as follows:

	RM'000
Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	196,487
Right-of-use assets	6,202
Intangible assets	81,800
Tax recoverables	1,071
Inventories	7,679
Trade and other receivables	29,989
Cash and cash equivalents	5,996
Loans and borrowings	(51,080)
Employee benefits	(8,371)
Trade and other payables	(54,453)
Deferred tax liabilities	(38,902)
Fair value of net identifiable assets acquired	<u>176,418</u>
Net cash outflow arising from acquisition of subsidiary	
Purchase consideration in cash and cash equivalents	235,773
Less: cash and cash equivalents acquired	<u>(5,996)</u>
	<u>229,777</u>
Goodwill	
Total purchase consideration	235,773
Fair value of net identifiable assets acquired	<u>(176,418)</u>
Goodwill	<u>59,355</u>

As at 30 September 2023, the Group had completed the purchase price allocation (“PPA”) for the acquisition of Kent.

- (b) On 27 February 2023, M&P Investments Pte. Ltd., an indirect wholly-owned subsidiary of IHH, completed the disposal of its 70% equity interest in Gleneagles Chengdu Hospital Company Limited to Perennial Healthcare Pte. Ltd.
- (c) On 28 March 2023, General Hospital Acibadem Bel Medic, an indirect subsidiary of IHH, established a wholly-owned subsidiary, Acibadem Bel Medic Logistics D.O.O. Beograd (“ABML”) in Serbia. The initial capital of ABML is Serbian Dinar 1,000 (equivalent to RM41) and its intended principal activity is wholesale trade of medical devices and medical materials.

**A NOTES TO THE INTERIM FINANCIAL REPORT
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- (d) On 31 March 2023, Parkway Trust Management Limited (“PTM”, an indirect wholly-owned subsidiary of IHH), transferred 133,400 Parkway Life Real Estate Investment Trust (“PLife REIT”, an indirect subsidiary of IHH) units that it owned to its eligible employees in accordance to PTM’s long term incentive plan. Consequential thereto, the IHH’s effective interest in PLife REIT was diluted from 35.58% to 35.55%.
- (e) On 31 March 2023, IHH completed the disposal of the entire issued ordinary share capital of IMU Health Sdn. Bhd. (“IMU Health”) to Inbound Education Holdings Sdn. Bhd. Post completion of the disposal, IMU Health and its subsidiaries, namely IMU Education Sdn. Bhd., IMU Healthcare Sdn. Bhd., IMC Education Sdn. Bhd., IMU Dialysis Sdn. Bhd. and IMU Omega Sdn. Bhd. ceased to be subsidiaries of IHH on 31 March 2023. The disposals were completed for a total cash consideration of approximately RM1,403 million. For the financial period ended 30 September 2023, the Group recognised a gain on disposal amounting to RM872.5 million.
- (f) On 2 May 2023, Ortopedia merged with ASH. All assets and liabilities of Ortopedia were transferred to ASH and Ortopedia was subsequently dissolved. The internal reorganisation was undertaken in order to streamline the Acibadem Group structure and management.
- (g) On 5 May 2023, Parkway Pantai Limited (“PPL”, an indirect wholly-owned subsidiary of IHH), acquired an additional 10% equity stake comprising 928,154 ordinary shares in Angsana Holdings Pte. Ltd. (“AHPL”, a direct subsidiary of PPL and an indirect subsidiary of IHH). Consequential thereto, the IHH’s effective interest in AHPL increased from 55% to 65%.

On 28 June 2023, PPL had disposed its entire 65% equity stake comprising 6,033,003 ordinary shares in AHPL to a minority shareholder of AHPL. Consequential thereto, AHPL and its subsidiaries namely, Angsana Molecular & Diagnostics Laboratory Pte. Ltd., Angsana Molecular and Diagnostics Laboratory (HK) Limited and Angsana Molecular and Diagnostics Laboratory Sdn. Bhd. ceased to be direct subsidiaries of PPL and indirect subsidiaries of IHH.
- (h) On 24 May 2023, all shares in Kent Tip Merkezi and Kent Radyoloji were transferred to Acibadem Poliklinikleri Anonim Şirketi (“POL”, an indirect subsidiary of IHH). Post completion of the transfer, Kent Tip Merkezi and Kent Radyoloji remain as indirect subsidiaries of IHH.
- (i) On 12 June 2023, the amalgamation between Fortis Asia Healthcare Pte Ltd (“FAHPL”, an indirect subsidiary of IHH) and Fortis Healthcare International Pte Ltd (“FHIPL”, an indirect subsidiary of IHH) was completed. Post completion of the amalgamation, FHIPL was dissolved and its direct subsidiary, namely Mena Healthcare Investment Company Limited, became a direct subsidiary of FAHPL and an indirect subsidiary of IHH.
- (j) On 31 August 2023, Kent Tip Merkezi and Kent Radyoloji merged with POL. All assets and liabilities of Kent Tip Merkezi and Kent Radyoloji were transferred to POL and these companies were subsequently dissolved. The internal reorganisation was undertaken in order to streamline the group structure and management of Acibadem Holdings.
- (k) On 31 August 2023, Kent merged with ASH. All assets and liabilities of Kent were transferred to ASH and Kent was subsequently dissolved. The internal reorganisation was undertaken in order to streamline the group structure and management of Acibadem Holdings.

**A NOTES TO THE INTERIM FINANCIAL REPORT
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- (l) On 25 September 2023, Gleneagles Development Pte Ltd (“GDPL”, an indirect wholly-owned subsidiary of IHH), completed the acquisition of the entire 24.53% shareholding held by Dr. Ravindranath Kancharla and his persons connected (collectively “Dr. Ravi Group”) in Ravindranath GE Medical Associates Private Limited (“RGE”, an indirect subsidiary of IHH) for a total consideration of approximately INR7.4 billion (equivalent to RM417.4 million). Consequential thereto, the IHH’s effective interest in RGE increased from 73.64%* to 98.17%.

On 25 September 2023, GDPL completed the acquisition of a 0.32% equity stake in Global Clinical Research Services Private Limited (“GCRS”, a direct subsidiary of RGE and an indirect subsidiary of IHH) for a total consideration of approximately INR72,000 (equivalent to approximately RM4,060). Consequential thereto, the IHH’s effective interest in GCRS increased from 99.68% to 100.00%. Please refer to note B6 for further details of the Transactions (as defined below).

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.

*: Based on the shareholdings, on a fully diluted basis, immediately prior to the completion for the RGE Shares Acquisition, in accordance with the SPAs, following the conversion of certain compulsorily convertible preference shares held by Dr. Ravi Group into equity shares.

A12 SUBSEQUENT EVENTS

- (a) On 6 October 2023, the entire equity shares of Acibadem Sistina Medikal Kompani DOO Skopje (“Medikal”) had been transferred to Clinical Hospital Acibadem Sistina Skopje (“Sistina”, an indirect subsidiary of IHH), at nominal value. Consequential thereto, Medikal has become a direct wholly-owned subsidiary of Sistina and an indirect subsidiary of IHH.
- (b) On 18 October 2023, Parkway Life Japan2 Pte Ltd (“TK Investor”) entered into a Tokumei Kumiai agreement (or silent partnership agreement, the “TK Agreement”) with Godo Kaisha Samurai 19 (the “TK Operator”). Pursuant to the TK Agreement, the purchase price of the properties amounting to JPY1,766.4 million (equivalent to RM55.8 million) will be injected into the TK Operator by the TK Investor to facilitate the acquisition of two nursing homes 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 indirect subsidiary of the Group pursuant to MFRS10: *Consolidated Financial Statements*.

- (c) On 31 October 2023, Matsudo Investment Pte Ltd (“Matsudo”, an indirect subsidiary of IHH) was dissolved pursuant to Member’s voluntary liquidation. Consequential thereto, Matsudo ceased to be an indirect subsidiary of IHH.
- (d) On 8 November 2023, Fortis acquired 9,990 equity shares representing 99.9% of the paid-up equity share capital of Artistry Properties Private Limited (“Artistry”) for a purchase consideration of INR99,900 (equivalent to RM5,594). On 16 November 2023, Artistry has allotted 32 million equity shares of Rs. 10 each by way of rights issue for consideration of INR320 million (equivalent to RM17.9 million). Artistry’s principal activity is acquiring, maintaining, improving, developing, and managing land. Consequent thereto, Artistry has become a direct subsidiary of Fortis.

**A NOTES TO THE INTERIM FINANCIAL REPORT
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A13 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no material contingent liabilities or contingent assets as at 30 November 2023.

A14 CAPITAL COMMITMENTS

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
a. Capital expenditure commitments		
<i>Property, plant and equipment and investment properties</i>		
- Contracted but not provided for	1,177,546	1,152,671
b. Other commitments		
Maximum amount committed for Fortis Open Offer ¹	1,889,367	1,830,228
Maximum amount committed for Malar Open Offer ¹	16,013	15,511
	<u>1,905,380</u>	<u>1,845,739</u>

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 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").

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

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.
- (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. In view of the aforementioned, IHH is obtaining advice from legal counsel.

*: 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 25.62 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 2023**

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'000	Fair value Level 2 RM'000	Level 3 RM'000	Total RM'000	Carrying amount RM'000
30 September 2023					
Financial assets					
Unquoted shares at FVOCI	-	-	149,566	149,566	149,566
Foreign exchange forward contracts	-	93,470	-	93,470	93,470
Cross currency swaps	-	210,425	-	210,425	210,425
Cross currency interest rate swaps	-	85,503	-	85,503	85,503
Interest rate caps	-	5,415	-	5,415	5,415
Financial liabilities					
Foreign exchange forward contracts	-	(212)	-	(212)	(212)
Interest rate swaps	-	(41)	-	(41)	(41)
Fixed rate medium term notes	-	(553,194)	-	(553,194)	(562,195)
Liabilities on put options granted to non-controlling interest	-	-	(1,297,961)	(1,297,961)	(1,297,961)
31 December 2022					
Financial assets					
Unquoted shares at FVOCI	-	-	114,573	114,573	114,573
Foreign exchange forward contracts	-	42,475	-	42,475	42,475
Cross currency swaps	-	291,978	-	291,978	291,978
Cross currency interest rate swaps	-	61,410	-	61,410	61,410
Interest rate caps	-	12,799	-	12,799	12,799
Interest rate swaps	-	124	-	124	124
Financial liabilities					
Foreign exchange forward contracts	-	(4,379)	-	(4,379)	(4,379)
Fixed rate medium term notes	-	(647,919)	-	(647,919)	(654,440)
Liabilities on put options granted to non-controlling interest	-	-	(1,592,665)	(1,592,665)	(1,592,665)

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 2023

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

	3rd quarter ended			Financial period ended		
	30 Sep 2023	30 Sep 2022	Variance	30 Sep 2023	30 Sep 2022	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
REVENUE¹						
Singapore	1,467,198	1,231,411	19%	4,131,061	3,614,014	14%
Malaysia	967,757	817,995	18%	2,719,480	2,219,235	23%
India	951,548	859,411	11%	2,642,566	2,331,326	13%
Greater China	328,005	265,412	24%	954,584	712,317	34%
Turkiye and Europe	1,507,370	1,104,153	37%	4,380,770	3,120,919	40%
Hospital and Healthcare	5,221,878	4,278,382	22%	14,828,461	11,997,811	24%
IMU Health	-	59,624	-100%	53,899	190,767	-72%
Labs total revenue	436,789	399,904	9%	1,244,735	1,255,223	-1%
Less: Labs inter-segment revenue	(178,081)	(153,605)	-16%	(508,828)	(437,855)	-16%
Labs	258,708	246,299	5%	735,907	817,368	-10%
Others[^]	1,524	1,003	52%	4,265	3,366	27%
Group (Excluding PLife REIT)	5,482,110	4,585,308	20%	15,622,532	13,009,312	20%
PLife REIT total revenue	102,194	92,263	11%	305,660	279,917	9%
Less: PLife REIT inter-segment revenue	(64,548)	(56,624)	-14%	(189,981)	(168,089)	-13%
PLife REIT	37,646	35,639	6%	115,679	111,828	3%
	5,519,756	4,620,947	19%	15,738,211	13,121,140	20%
Adjustment for hyperinflationary economy ⁴	306,134	(25,703)	NM	(96,017)	10,732	NM
Group	5,825,890	4,595,244	27%	15,642,194	13,131,872	19%
EBITDA²						
Singapore	427,946	351,641	22%	1,214,284	1,105,425	10%
Malaysia	257,344	234,330	10%	725,994	616,764	18%
India	206,993	142,154	46%	456,099	367,114	24%
Greater China	9,100	(7,547)	NM	50,265	(47,884)	NM
Turkiye and Europe	298,174	224,473	33%	865,171	707,610	22%
Southeast Asia	(1,674)	(35)	NM	(1,753)	(318)	NM
Hospital and Healthcare	1,197,883	945,016	27%	3,310,060	2,748,711	20%
IMU Health	-	15,563	-100%	13,029	65,427	-80%
Labs	87,376	82,057	6%	271,495	263,964	3%
Others[^]	(4,893)	(35,619)	86%	(81,640)	(92,950)	12%
Group (Excluding PLife REIT)	1,280,366	1,007,017	27%	3,512,944	2,985,152	18%
PLife REIT	80,522	73,030	10%	238,045	217,601	9%
Eliminations³	(66,851)	(56,368)	-19%	(196,792)	(167,526)	-17%
	1,294,037	1,023,679	26%	3,554,197	3,035,227	17%
Adjustment for hyperinflationary economy ⁴	126,448	(21,100)	NM	20,117	(57,211)	135%
Group	1,420,485	1,002,579	42%	3,574,314	2,978,016	20%

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
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Q3 2023 vs Q3 2022

The Group's Q3 2023 revenue and EBITDA increased 27% and 42% respectively over Q3 2022. Excluding effects of MFRS 129, the Group's Q3 2023 revenue and EBITDA increased 19% and 26% respectively over Q3 2022.

The increase in EBITDA was mainly driven by higher revenue, cost management and a credit adjustment in Q3 2023 relating to the application of MFRS 129, offset by translational effects from a weakened TL against RM during the period.

The Group's Q3 2023 PATMI excluding exceptional items ("PATMI (Excl EI)") increased 17% to RM368.9 million mainly driven by higher EBITDA, offset by higher net finance costs and lower exchange gain. In addition, there was a higher debit adjustment in Q3 2023 relating to the application of MFRS 129 which mainly resulted from higher depreciation and amortisation on reindexation, deferred tax recognised on the uplifted carrying value of the reindexed assets and translational effects from a weakened TL against RM during the period. Excluding effects of MFRS 129, the Group's Q3 2023 PATMI (Excl EI) increased 53% over Q3 2022.

The divestment of IMU Health was completed on 31 March 2023, upon which, IMU Health ceased to contribute to the Group's results.

Hospital and Healthcare

Hospital and Healthcare's Q3 2023 revenue increased 22% to RM5,221.9 million while its Q3 2023 EBITDA increased 27% to RM1,197.9 million. The growth in revenue was mainly due to the strong recovery from core non-COVID-19 revenues as both local and foreign patients returned to seek treatment at the Group's hospitals, a case-mix of more acute patients and price adjustments to counter inflation. The commencement of operations at Atasehir Hospital in September 2022, the continuous ramp-up of operations at GHK Hospital, as well as the acquisitions of Ortopedia on 9 August 2022 and Kent on 14 February 2023 also contributed to the increase.

Singapore hospital inpatient admissions increased 1% to 15,503 in Q3 2023 while its revenue per inpatient admission increased 17% to RM60,004. Malaysia hospital inpatient admissions increased 11% to 63,779 in Q3 2023 while its revenue per inpatient admission increased 6% to RM9,852. India hospital inpatient admissions increased 2% to 80,050 in Q3 2023 while its revenue per inpatient admission increased 8% to RM10,509. Turkiye and Europe hospital inpatient admissions increased 8% to 58,235 in Q3 2023 while its revenue per inpatient admission increased 40% to RM12,247 with price adjustments, especially in Turkiye, to counter hyperinflation.

The increase in Hospital and Healthcare's Q3 2023 EBITDA was mainly driven by higher revenue and cost management, offset by translational effects from a weakened TL against RM during the period.

IMU Health

The divestment of IMU Health was completed on 31 March 2023, upon which, IMU Health ceased to contribute to the Group's results.

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Labs

Labs' Q3 2023 total revenue increased 9% to RM436.8 million while its Q3 2023 EBITDA increased 6% to RM87.4 million. Labs' Q3 2023 total test volumes increased 10% to 25.5 million, notwithstanding that there were more COVID-related tests undertaken Q3 2022. Labs' Q3 2023 non-COVID revenues increased 18% compared to Q3 2022.

PLife REIT

PLife REIT's Q3 2023 external revenue increased 6% to RM37.6 million while EBITDA increased 10% to RM80.5 million. EBITDA increased mainly due to contribution from five nursing homes acquired in September 2022 and higher inter-segment rental income from the hospitals in Singapore.

Others

Q3 2023 revenue increased 52% to RM1.5 million while EBITDA losses decreased 86% to RM4.9 million. EBITDA losses decreased mainly due to higher inter-segment management fee income from the other business units.

YTD 2023 vs YTD 2022

The Group's YTD 2023 revenue and EBITDA increased 19% and 20% respectively over YTD 2022. Excluding effects of MFRS 129, the Group's YTD 2023 revenue and EBITDA increased 20% and 17% respectively over YTD 2022.

The increase in EBITDA was mainly driven by higher revenue and a credit adjustment in YTD 2023 relating to the application of MFRS 129. It is offset by higher cost of operations, and translational effects from a weakened TL against RM during the period.

The Group's YTD 2023 PATMI (Excl EI) decreased 3% to RM1,013.8 million mainly due to higher net finance costs and lower exchange gain. In addition, there was a higher debit adjustment in YTD 2023 relating to the application of MFRS 129 which mainly resulted from higher depreciation and amortisation on reindexation, deferred tax recognised on the uplifted carrying value of the reindexed assets and translational effects from a weakened TL against RM during the period. Excluding effects of MFRS 129, the Group's YTD 2023 PATMI (Excl EI) increased 16% over YTD 2022.

The divestment of IMU Health was completed on 31 March 2023, upon which, IMU Health ceased to contribute to the Group's results.

Hospital and Healthcare

Hospital and Healthcare's YTD 2023 revenue increased 24% to RM14,828.5 million while its YTD 2023 EBITDA increased 20% to RM3,310.1 million. The growth in revenue was mainly due to the strong recovery from core non-COVID-19 revenues as both local and foreign patients returned to seek treatment at the Group's hospitals, a case-mix of more acute patients and price adjustments to counter inflation. The commencement of operations at Atasehir Hospital in September 2022, the continuous ramp-up of operations at GHK Hospital, as well as the acquisitions of Ortopedia on 9 August 2022 and Kent on 14 February 2023 also contributed to the increase.

Singapore hospital inpatient admissions decreased 2% to 46,200 in YTD 2023 while its revenue per inpatient admission increased 15% to RM57,308. Malaysia hospital inpatient admissions increased 21% to 179,485 in YTD 2023 while its revenue per inpatient admission increased 3% to RM9,848. India

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hospital inpatient admissions was flat in YTD 2023 at 226,001 while its revenue per inpatient admission increased 16% to RM10,515. Turkiye and Europe hospital inpatient admissions increased 8% to 184,138 in YTD 2023 while its revenue per inpatient admission increased 42% to RM10,801 with price adjustments, especially in Turkiye, to counter hyperinflation.

The increase in Hospital and Healthcare's YTD 2023 EBITDA was mainly driven by higher revenue offset by higher staff cost and other operating expenses, as well as translational effects from a weakened TL against RM in YTD 2023.

IMU Health

The divestment of IMU Health was completed on 31 March 2023, upon which, IMU Health ceased to contribute to the Group's results.

Labs

Labs' YTD 2023 total revenue decreased 1% to RM1,244.7 million while its YTD 2023 EBITDA increased 3% to RM271.5 million. Labs' YTD 2023 total test volumes increased 5% to 71.7 million, notwithstanding that there were more COVID-related tests undertaken in YTD 2022. Labs' YTD 2023 non-COVID revenues increased 19% compared to YTD 2022.

PLife REIT

PLife REIT's YTD 2023 external revenue increased 3% to RM115.7 million while EBITDA increased 9% to RM238.0 million. EBITDA increased mainly due to contribution from five nursing homes acquired in September 2022 and higher inter-segment rental income from the hospitals in Singapore.

Others

YTD 2023 revenue increased 27% to RM4.3 million while EBITDA losses decreased 12% to RM81.6 million. EBITDA losses decreased mainly due to higher intersegment management fee income from the other business units, partially offset by higher staff cost from annual increment, completion bonus recognised upon the successful divestment of IMU Health, as well as higher IT and travel expenses.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
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B2 MATERIAL CHANGE IN QUARTERLY RESULTS

	3rd quarter ended 30 Sep 2023 RM'000	2nd quarter ended 30 Jun 2023 RM'000	Variance %
<u>REVENUE¹</u>			
Singapore	1,467,198	1,346,526	9%
Malaysia	967,757	876,755	10%
India	951,548	875,614	9%
Greater China	328,005	327,946	0%
Turkiye and Europe	1,507,370	1,417,311	6%
Hospital and Healthcare	5,221,878	4,844,152	8%
IMU Health	-	-	-
Labs total revenue	436,789	400,675	9%
Less: Labs inter-segment revenue	(178,081)	(162,769)	-9%
Labs	258,708	237,906	9%
Others[^]	1,524	1,310	16%
Group (Excluding PLife REIT)	5,482,110	5,083,368	8%
PLife REIT total revenue	102,194	102,494	0%
Less: PLife REIT inter-segment revenue	(64,548)	(63,499)	-2%
PLife REIT	37,646	38,995	-3%
	5,519,756	5,122,363	8%
Adjustment for hyperinflationary economy ⁴	306,134	(448,465)	168%
Group	5,825,890	4,673,898	25%
<u>EBITDA²</u>			
Singapore	427,946	395,466	8%
Malaysia	257,344	220,376	17%
India	206,993	125,734	65%
Greater China	9,100	32,108	-72%
Turkiye and Europe	298,174	270,165	10%
Southeast Asia	(1,674)	(46)	NM
Hospital and Healthcare	1,197,883	1,043,803	15%
IMU Health	-	-	-
Labs	87,376	90,946	-4%
Others[^]	(4,893)	(35,337)	86%
Group (Excluding PLife REIT)	1,280,366	1,099,412	16%
PLife REIT	80,522	78,939	2%
Eliminations³	(66,851)	(65,753)	-2%
	1,294,037	1,112,598	16%
Adjustment for hyperinflationary economy ⁴	126,448	(108,226)	NM
Group	1,420,485	1,004,372	41%

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 2023**

Q3 2023 vs Q2 2023

The Group's quarter-on-quarter revenue and EBITDA increased 25% and 41% respectively. Excluding effects of MFRS 129, the Group's quarter-on-quarter revenue and EBITDA increased 8% and 16% respectively.

EBITDA increased quarter-on-quarter on the back of a higher revenue, cost management and a credit adjustment in Q3 2023 relating to the application of MFRS 129.

The Group's PATMI (Excl EI) increased 17% quarter-on-quarter. Excluding effects of MFRS 129, the Group's quarter-on-quarter PATMI (Excl EI) increased 43%.

Hospital and Healthcare

Hospital and Healthcare quarter-on-quarter revenue and EBITDA increased 8% and 15% respectively.

Singapore hospital inpatient admissions increased 2% quarter-on-quarter, while its revenue per inpatient admission increased 5%. Malaysia hospital inpatient admissions increased 12% quarter-on-quarter, while its revenue per inpatient admission decreased 2%. India hospital inpatient admissions increased 9% quarter-on-quarter, while its revenue per inpatient admission decreased 1%. Turkiye and Europe hospital inpatient admissions decreased 3% quarter-on-quarter, while its revenue per inpatient admission increased 17%.

EBITDA increased 15% quarter-on-quarter on the back of higher revenue and cost management.

IMU Health

The divestment of IMU Health was completed on 31 March 2023, upon which, IMU Health ceased to contribute to the Group's results.

Labs

Labs total revenue increased 9% quarter-on-quarter while EBITDA decreased 4%. EBITDA decreased quarter-on-quarter mainly due to costs incurred for the rebranding of the diagnostics business in India to "Agilus Diagnostics".

PLife REIT

PLife REIT's external revenue decreased 3% quarter-on-quarter as a weakening Japanese Yen against RM eroded the revenue earned from the Japanese properties. EBITDA increased 2% quarter-on-quarter mainly due to lower professional fees, travel expenses and property taxes.

Others

Revenue increased 16% quarter-on-quarter while EBITDA losses decreased 86%. EBITDA losses decreased quarter-on-quarter mainly due to higher inter-segment management fees income from the other business units.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

B3 CURRENT YEAR FINANCIAL PROSPECTS

As the Group enters into its second decade as a listed company, it remains steadfast in its commitment to meeting the growing demand for quality healthcare services. The Group is strategically poised to expand its reach and enhance its offerings across key regions.

To meet the growing healthcare needs and demand both locally and from the region, the Group's organic growth trajectory is set to be significantly enhanced by an increase in bed capacity of more than 30%, or close to 4,000 beds, over the next five years. This includes adding new beds across Malaysia, India, Turkiye and Europe, while exploring strategic opportunities across Asia and Europe. The capacity expansion will also encompass facelifts and renovations to existing facilities, building of extensions, new constructions and relocating some of its complementary ancillary services to alternative sites near the hospitals to avail more space for inpatients.

Besides capacity expansion, the Group is expanding its portfolio across the healthcare continuum, from ambulatory and primary care to tertiary hospital services, to provide comprehensive patient care. For example, it opened Parkway MediCentre Woodleigh, a new concept ambulatory care facility in Singapore and Gleneagles Healthcare Wong Chuk Hang clinic in Hong Kong during the year. The Group is also focused on new growth engines such as its laboratory and diagnostic business. In addition, the Group is investing into digital health services and innovative technologies to provide better patient care and to drive operational efficiencies.

Notwithstanding the strong underlying demand for quality healthcare services, the Group expects cost pressures from elevated inflation, and rising interest rates. The Group continues to maintain a tight rein on costs and leverage operational synergies from its international network to achieve cost savings, while at the same time, delivering appropriate care and value to its patients. The Group is transforming some of its workflows and processes to streamline and optimise its operations.

Meanwhile, the Group continually reviews and strategically re-calibrates its asset portfolio. It will also take steps to turn around the performance of underperforming assets to enable these assets to reach its full potential.

The Group's approach to value creation for all its stakeholders is encapsulated in its "ACE" Framework – "A": Align on shared aspiration to Care. For Good, to propel profitable growth; "C": Challenge to transform and future-proof the Group; "E": Empower markets, operations and functions with stronger mandates to excel. Anchored by healthcare megatrends and robust expansion initiatives, the Group is confident of its long-term growth trajectory.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

B4 PROFIT FORECAST/GUARANTEE

Not applicable as no profit forecast/guarantee was issued.

B5 TAXATION

	3rd quarter ended		Financial period ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Current tax expense	171,864	126,086	437,694	426,680
Deferred tax expense/(credit)	203,523	62,888	335,304	(42,478)
	<u>375,387</u>	<u>188,974</u>	<u>772,998</u>	<u>384,202</u>

Q3 2023 and YTD 2023 effective tax rates* were 37.3% and 23.2% respectively. Q3 2022 and YTD 2022 effective tax rates* were 37.5% and 19.4% 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), as well as unrecognised tax losses arising from some subsidiaries' operations and hospitals that are under construction or in a start-up phase. In addition, the re-indexation of non-monetary assets upon the application of MFRS 129 to the Group's entities in Turkiye results in the recognition of deferred tax liabilities during the period, which leads to a higher effective tax rate.

In 2022, Acibadem Holdings recognised RM125.4 million deferred tax assets relating to the effect of prior period's indexation of property, plant and equipment in the local tax books, as allowed by the Turkiye government to cushion the effects of higher inflation. Excluding these deferred tax assets recognised, Q3 2022 and YTD 2022 effective tax rates* would be 32.1% and 25.7% respectively.

* 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 30 November 2023:

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 2023**

2. Acquisition of Bedrock Healthcare Sdn Bhd by Pantai Holdings Sdn Bhd

On 10 August 2023, Pantai Holdings Sdn. Bhd., an indirect wholly-owned subsidiary of IHH, entered into a share purchase agreement ("SPA") with Saravita Holdings Sdn. Bhd. and 9 individual founders to acquire the entire equity interest in Bedrock Healthcare Sdn. Bhd. ("Bedrock") for a total consideration of RM245.0 million on a cash free debt free basis ("Acquisition"), subject to closing adjustments, to be fully satisfied in cash. Bedrock, through its wholly-owned subsidiaries, operates an 82-bed hospital, namely Timberland Medical Centre in Kuching, Sarawak, and has earmarked a vacant land in central Kuching for the construction of a 200-bed hospital. The Acquisition is expected to be completed by the first half of 2024, subject to regulatory approvals and satisfaction of conditions precedent in accordance with the SPA. Upon completion of the Acquisition, Bedrock and its subsidiaries will be consolidated as subsidiaries of the Group.

Refer to IHH's announcement dated 10 August 2023 for details.

3. Entry into agreements for the proposed RGE Shares Acquisition by GDPL and other Ancillary Transactions

On 25 August 2023, Gleneagles Development Pte. Ltd. ("GDPL", an indirect wholly-owned subsidiary of IHH), entered into sale and purchase agreements ("SPAs") to acquire from the minority shareholders of Ravindranath GE Medical Associates Private Limited ("RGE", an indirect subsidiary of IHH), namely, Dr Ravindranath Kancherla and his persons connected (collectively, "Dr Ravi Group") of the entire stake held by Dr Ravi Group in RGE, for a total consideration of approximately INR7.4 billion (equivalent to RM417.4 million) ("RGE Shares Acquisition"). The RGE Shares Acquisition is expected to be completed by the fourth quarter of 2023. Upon completion of the RGE Shares Acquisition, IHH's effective interest in RGE would increase from 73.64%* to 98.17%.

In addition to the RGE Shares Acquisition, the following ancillary transactions ("Ancillary Transactions") were entered into with Dr Ravi Group:

(i) Global Clinical Research Services Private Limited ("GCRS", a direct subsidiary of RGE) Share Acquisition

Purchase by GDPL of 0.32% equity stake in GCRS for a total consideration of approximately INR72,000 (equivalent to approximately RM4,060). Upon completion of the GCRS Share Acquisition, IHH's effective interest in GCRS would increase from 99.68% to 100.00%.

(ii) Chennai Properties Transaction

Purchase by RGE of a parcel of land and existing building in Chennai, India, that is used for RGE's hospital operations ("Chennai Properties"), for a total consideration of INR305.5 million (equivalent to approximately RM17.1 million), including payment of a one-time fee for the historical usage of the Chennai Properties.

The Chennai Properties Transaction was completed on 12 September 2023 while the RGE Shares Acquisition and GCRS Shares Acquisition was completed on 25 September 2023.

Please refer to IHH's announcements dated 25 August 2023, 13 September 2023 and 26 September 2023 for further details of the Transactions.

*: Based on the shareholdings, on a fully diluted basis, immediately prior to the completion for the RGE Shares Acquisition, in accordance with the SPAs, following the conversion of certain compulsorily convertible preference shares held by Dr. Ravi Group into equity shares.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

4. Proposed Divestment of Fortis Malar Hospital, Chennai by Fortis Healthcare Limited

On 24 November 2023, certain subsidiaries of Fortis have entered into definitive agreements with MGM Healthcare Private Limited ("MGM Healthcare"), in relation to the sale and divestment of Fortis Malar Hospital, Chennai ("Malar Hospital") and related assets to MGM Healthcare ("Proposed Divestment"). The Proposed Divestment will be undertaken for an aggregate consideration of approximately INR1.3 billion (equivalent to RM71.9 million) (subject to customary closing adjustments as agreed in the definitive agreements). The consummation of the Proposed Divestment is subject to fulfilment of certain conditions precedent and closing conditions, as agreed under the terms of the respective agreements specifically, the consummation of the Proposed Divestment is subject to the receipt of approval of the shareholders of Fortis and Malar.

Please refer to IHH's announcement dated 24 November 2023 for further details of the Proposed Divestment.

B7 LOANS, BORROWINGS AND OVERDRAFTS

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

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Non-current		
Secured		
Bank loans	483,154	522,857
Loans from corporates	4,084	2,792
Unsecured		
Bank loans	4,653,617	5,534,248
Fixed rate medium term notes	562,195	588,418
Loans from corporates*	962,795	917,674
	6,665,845	7,565,989
Current		
Secured		
Bank overdrafts	57,665	44,135
Bank loans	649,856	634,656
Loans from corporates	2,299	1,533
Unsecured		
Bank loans	1,542,548	889,896
Fixed rate medium term notes	-	66,022
Loans from corporates	1,061	684
	2,253,429	1,636,926
Total	8,919,274	9,202,915

* Includes loans from non-controlling interests of RM962,325,000 (2022: RM916,992,000)

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

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

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Hong Kong Dollar	3,075,120	2,928,559
Japanese Yen	1,992,066	2,084,418
Singapore Dollar	1,471,437	2,005,562
Euro	868,113	669,559
Indian Rupees	573,498	581,761
Renminbi	546,723	517,914
Turkish Lira	365,111	388,075
Macedonian Denar	25,671	25,698
Others	1,535	1,369
	<u>8,919,274</u>	<u>9,202,915</u>

B8 FINANCIAL DERIVATIVE INSTRUMENTS

The Group's outstanding net derivative financial instruments as at 30 September 2023:

	Notional amount as at 30 Sep 2023 RM'000	Fair value amount as at 30 Sep 2023 RM'000
Derivative assets		
Foreign exchange forward contracts		
- Within 1 year	486,230	41,263
- Between 1 - 3 years	176,005	40,160
- More than 3 years	83,767	12,047
	<u>746,002</u>	<u>93,470</u>
Interest rate caps		
- Between 1 - 3 years	744,249	1,221
- More than 3 years	350,545	4,194
	<u>1,094,794</u>	<u>5,415</u>
Cross currency interest rate swaps		
- Between 1 - 3 years	280,586	85,503
Cross currency swaps		
- Within 1 year	63,914	210,425
	<u>2,185,296</u>	<u>394,813</u>
Derivative liabilities		
Interest rate swaps		
- Within 1 year	138,876	(41)
Foreign exchange forward contracts		
- Within 1 year	239,890	(212)
	<u>378,766</u>	<u>(253)</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.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

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.

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 2023**

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 INR5.0 billion (equivalent to RM286.0 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 INR50.0 million (equivalent to RM2.9 million) before the DoHS. EHIRCL deposited INR50.0 million (equivalent to RM2.9 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; (ii) an injunction to refrain Daiichi from defaming NTK in the future; and (iii) Daiichi to publish a statement 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 Court has scheduled the first hearing to be held on 26 December 2023.

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA’S LISTING REQUIREMENTS
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

B11 DIVIDENDS

On 29 August 2023, the Board of Directors have declared that an interim cash dividend of 3.5 sen per ordinary share for the financial year ending 31 December 2023 to be paid on 27 October 2023 to shareholders whose names appear in the Record of Depositors of Bursa Malaysia Depository Sdn. Bhd. and The Central Depository (Pte) Limited (“CDP”) at the close of business on 29 September 2023. The Company applied the RM:SGD noon middle rate as disclosed in the Bank Negara Malaysia’s website on 29 September 2023 as the basis for computing the dividend quantum to be paid in SGD to the Singapore investors whose Company’s shares are traded on SGX-ST.

For details of the dividends declared by the Company during the financial period ended 30 September 2023 and paid as at 30 November 2023, please refer to Section A7.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

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 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Basic and diluted earnings per share is based on:				
i) <u>Net profit attributable to ordinary shareholders</u>				
Profit after tax and non-controlling interests	532,070	251,762	2,224,421	1,357,125
Perpetual securities distribution accrued	-	(6,983)	-	(52,212)
	<u>532,070</u>	<u>244,779</u>	<u>2,224,421</u>	<u>1,304,913</u>
ii) <u>Net profit attributable to ordinary shareholders (excluding EI)</u>				
Profit after tax and non-controlling interests (excluding EI)	368,915	315,416	1,013,789	1,040,305
Perpetual securities distribution accrued	-	(6,983)	-	(52,212)
	<u>368,915</u>	<u>308,433</u>	<u>1,013,789</u>	<u>988,093</u>
Basic EPS				
	'000	'000	'000	'000
Weighted average number of shares	<u>8,806,991</u>	<u>8,805,541</u>	<u>8,806,734</u>	<u>8,802,604</u>
	sen	sen	sen	sen
Basic EPS	6.04	2.78	25.26	14.82
Basic EPS (excluding EI)	<u>4.19</u>	<u>3.50</u>	<u>11.51</u>	<u>11.23</u>

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 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	'000	'000	'000	'000
Weighted average number of ordinary shares used in calculation of basic earnings per share	8,806,991	8,805,541	8,806,734	8,802,604
Weighted number of unissued ordinary shares from share options under EOS	47	97	43	1,118
Weighted average number of dilutive ordinary shares for computation of diluted EPS	<u>8,807,038</u>	<u>8,805,638</u>	<u>8,806,777</u>	<u>8,803,722</u>
	sen	sen	sen	sen
Diluted EPS	6.04	2.78	25.26	14.82
Diluted EPS (excluding EI)	<u>4.19</u>	<u>3.50</u>	<u>11.51</u>	<u>11.22</u>

At 30 September 2023, 2,955,000 (30 September 2022: 3,339,000) 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 2023**

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

	3rd quarter ended		Financial period ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Dividend income	141	-	345	63
Other operating income	77,072	73,635	253,449	243,142
Foreign exchange differences	1,178	67,314	13,364	89,671
Impairment loss (made)/written back:				
- Property, plant and equipment	(1)	-	(115)	34
- Trade and other receivables	(18,921)	(21,187)	(70,362)	(28,048)
- Inventories	-	(16)	-	118
Write off:				
- Property, plant and equipment	(449)	(599)	(604)	(873)
- Trade and other receivables	(1,926)	(1,489)	(5,845)	(5,356)
- Inventories	(968)	(748)	(5,234)	(3,235)
Change in fair value of investment properties	(473)	(409)	(2,052)	(4,030)
Gain/(Loss) on disposal of property, plant and equipment	3,324	(815)	8,922	8,893
Gain on disposal of subsidiaries	6,286	-	991,488	-
Finance income				
Interest income	29,344	18,104	71,480	68,965
Fair value (loss)/gain on financial instruments	(136,393)	(86,558)	43,823	38,409
	(107,049)	(68,454)	115,303	107,374
Finance costs				
Interest on loans and borrowings	(140,777)	(86,931)	(361,463)	(204,291)
Interest on lease liabilities	(46,604)	(39,590)	(122,900)	(109,144)
Exchange gain/(loss) on net borrowings	77,776	(6,532)	(169,842)	(100,920)
Fair value (loss)/gain on financial instruments	(208)	243	(208)	(1,062)
Other finance costs	(13,885)	(5,323)	(39,986)	(34,465)
	(123,698)	(138,133)	(694,399)	(449,882)