Government Policy Limiting Mainland China Mothers Utilising the Public Maternity Services

Hong Kong maternity wards receive a high traffic of Mainland China mothers who choose to give birth in Hong Kong hospitals for their new-born to automatically obtain the Hong Kong citizenship. The demand exists in both public and private hospitals. To manage the limited resources in the public hospitals, the Hong Kong government has capped the number of Mainland China ladies allowed to utilise the public maternity services. As a result of this policy, the Mainland China mothers turn to the private HCS, contributing to the increase in demand for private maternity services. In 2010, 47.0% of new-borns out of 88,000 delivered in Hong Kong in 2010 were by mothers from Mainland China. Furthermore, out of the new-borns that were born in Hong Kong from Mainland China mothers, approximately 25.0% were delivered in public hospitals in Hong Kong, and the remaining 75.0% in private hospitals[23]. In future, the Hong Kong government has indicated that it may ultimately disallow Mainland China mothers to utilise the maternity service in public hospitals completely, and this will be a boost for the private HCS.

Increasing Demand for Complex Medical Procedures from Mainland China

With increasing confidence of Chinese patients in the treatment of complex procedures such as heart conditions, complicated renal conditions, etc from specialists from Hong Kong, there is a growing demand for doctors and surgeons from Hong Kong. China nationals are increasingly choosing Hong Kong as a destination for their medical needs as they feel that they are likely to receive higher quality services. This is expected to drive the demand for private sector medical services in Hong Kong.

Changing Lifestyle and Environmental Conditions in Hong Kong

The changing lifestyle, eating habits and stressful environment conditions- mainly due to the high urbanisation trend, access to vaccination and healthcare, growing wealth, competitive working lifestyles leading to a higher rate of sleeping disorders, anxiety and depression, lack of exercise and increased consumption of processed food, have affected the disease profile of the Hong Kong population. In 2010, the most prevalent lifestyle disease in Hong Kong was cancer, heart-related diseases and cerebrovascular diseases. Furthermore, Hong Kong is highly affected by pollution caused by the industrialisation of Southern China, resulting in a higher prevalence of respiratory diseases.

The increase in these lifestyle diseases in Hong Kong is the major cause for an increase in healthcare demand in the country.

Prevalence of Selected Diseases	2007	2010
Malignant neoplasms	12,316	13,075
Diseases of heart	6,372	6,636
Pneumonia	4,978	5,814
Cerebrovascular diseases	3,513	3,423
Chronic lower respiratory diseases	2,096	2,093
Nephritis, Nephritic syndrome and Nephrosis	1,347	1,493
Septicaemia	737	826
Dementia	317	767
Diabetes mellitus	506	522

Source: Centre for Health Protection, Hong Kong

[23] *China Daily*

4.6.6 Healthcare Expenditure

In 2011, Hong Kong's healthcare expenditure amounted to HKD 102.6 billion (US$ 13.2 billion), having grown from HKD 75.2 billion (US$ 9.7 billion) in 2006 at a CAGR of 6.4%. In 2011, public and private healthcare expenditure contributed approximately HKD 46.2 billion (US$ 5.9 billion) and HKD 56.4 billion (US$ 7.2 billion) respectively, having grown from HKD 38.8 billion (US$ 5.0 billion) and HKD 36.4 billion (US$ 4.7 billion) in 2006 respectively. The CAGR for public healthcare expenditure during the period 2006 to 2011 was 3.6% whereas the CAGR for private healthcare expenditure for the same duration was 9.2%.

4.6.7 Competitive Landscape

HCS industry in Hong Kong is mature and expanding. In 2011, there were 38 public hospitals and 12 private hospitals in Hong Kong registered under the Department of Health, Hong Kong. Most of the private hospitals are independent entities except the Caritas Group and Adventist Health which have a network of 2 hospitals each in Hong Kong. Most of the private hospitals in Hong Kong are not-for-profit organisations. Hence any surplus has to be invested back into the hospital by way of training, upgrading the equipment etc. The table below shows the list of the private hospitals in Hong Kong.

List of Private Hospitals in Hong Kong, 2012

Private Hospital	Revenue Model	Total No. of Beds
Hong Kong Baptist Hospital	Not-for-Profit	736
St. Teresa's Hospital	Not-for-Profit	675
Hong Kong Sanatorium & Hospital	Not-for-Profit	437
St. Paul's Hospital	Not-for-Profit	358
Union Hospital	For-Profit	294
Caritas Group (i) Canossa Hospital (ii) Precious Blood Hospital	Not-for-Profit	276
Adventist Health International (i) Hong Kong Adventist Hospital (ii) Tsuen Wan Adventist Hospital	Not-for-Profit	247 (134 undergoing expansion of new wing, target to reach 445 beds when renovation is estimated to complete by 2014)
Matilda International Hospital	Not-for-Profit	102
Hong Kong Central Hospital	Not-for-Profit	85
Evangel Hospital	Not-for-Profit	45

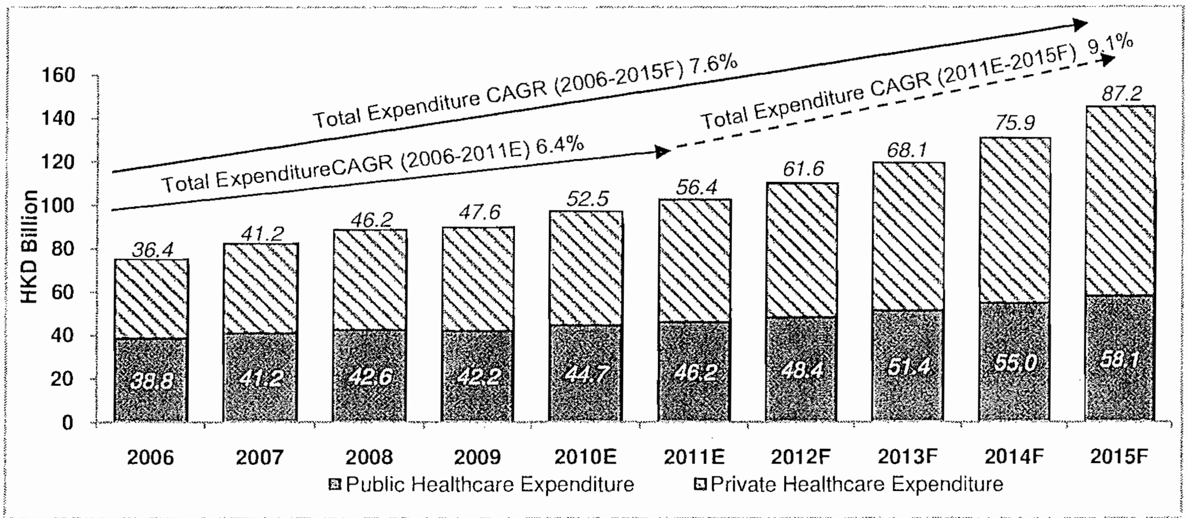
Source: Hong Kong Private Hospital Association

The two largest private hospitals by number of beds are Hong Kong Baptist Hospital, followed by St. Teresa's Hospital.

4.6.8 Industry Outlook / Prospects

The total healthcare expenditure in Hong Kong is forecast to grow to HKD 145.3 billion (US$ 18.7 billion) in 2015, from HKD 102.6 billion (US$ 13.2 billion) in 2011. The CAGR during the period 2006 to 2015 is estimated at 7.6%. Private healthcare expenditure is expected to contribute to HKD 87.2 billion (US$ 11.2 billion) in 2015, whereas public healthcare expenditure is expected to contribute to HKD 58.1 billion (US$ 7.5 billion). CAGR for private and public healthcare expenditure between 2006 and 2015 is estimated to be 10.2% and 4.6% respectively.

Healthcare Expenditure Growth and Forecast, 2006 to 2015F



Source: IMF, Forecast by Frost & Sullivan

HCS in Hong Kong are a legacy from the colonial days of Great Britain. It has an overburdened public healthcare system and private hospitals that mainly originate from Christian missionary groups. 11 of the 12 private hospitals in Hong Kong are non-profit organisations where their profits are reinvested back into the hospital by way of expansion, training, medical research and equipment upgrades. The charges of these private hospitals are unregulated, resulting in high charges to patients who are paying OOP. Growth in the industry will be determined by the issuance of four land parcels at Wong Chuk Hang, Tseung Kwan O, Tai Po and Lantau Island, earmarked for private hospital development.

Hong Kong is an attractive destination for mothers from mainland China to deliver their babies, thereby availing quality care and Hong Kong citizenship, and avoiding penalties of one child policy in the mainland. Thus, there are opportunities for new entrants to Hong Kong's private healthcare sector as public sector hospitals are unable to meet the local demand and the influx of Chinese patients seeking medical treatment.

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5 BRIEF OVERVIEW OF THE HCS MARKET IN SELECTED COUNTRIES

5.1 INDONESIA

5.1.1 Introduction and Background

The GDP in Indonesia was approximately 6,422.9 trillion Indonesian Rupiah (US$ 700 billion) in 2010 and the population reached 237.9 million in the same year. HCS in Indonesia are provided by public and private sectors. Authorities that are responsible for public HCS include the Ministry of Health Indonesia, provincial government, district and municipal government, armed forces, police and other ministries. According to Indonesia Department of Health, as of 2010, there were 1,632 hospitals in Indonesia, out of which 794 were public hospitals and 838 were private hospitals. There were 143,428 registered general beds in Indonesia out of which 63.4% were public registered beds and the remaining 36.6% were private registered beds. In the same year, there were a total of 9,005 primary care health centres in Indonesia.

In 2010, the healthcare expenditure in Indonesia stood at approximately 179,301.5 billion Indonesian Rupiah (US$ 19.8 billion) which accounted for 2.8% of total GDP. In 2009, private healthcare expenditure contributed approximately 48.3% of the total healthcare expenditure and approximately 73.2% of the private healthcare expenditure was OOP expenditure. The public HCS is heavily subsidised by the government. The general population pays a nominal fee to access public healthcare whereas the low income population in Indonesia is covered under a health insurance scheme that allows them to access HCS in both public and private sectors. This scheme is expected to benefit a population of approximately 76.4 million.

5.1.2 Industry Outlook / Growth Prospects

The government is currently implementing the Strategic Plan 2010-2014 with the objective of improving the national health status by controlling nutritional status, diseases and medicine usage in the country. In addition, the government also encourages development in the private healthcare sector, especially the development of secondary and tertiary HCS in order to mitigate capacity constraints in the public hospitals. The healthcare expenditure in Indonesia was recorded at approximately 203,999.8 billion Indonesian Rupiah (US$ 23.4 billion) in 2011. Going forward, the healthcare expenditure in Indonesia is forecast to reach approximately 416,757.3 billion Indonesian Rupiah (US$ 46.2 billion) in 2016, at a CAGR of 15.4% between 2011 and 2016.

Despite the healthcare development plans in Indonesia, it is a common practice for Indonesians to seek HCS in foreign countries such as Singapore and Malaysia for better quality HCS. Indonesia has therefore emerged as a medical travel source market for such neighbouring countries. According to the Indonesian Medical Association, Indonesians spend more than 8.8 trillion Indonesian Rupiah (US$ 1.0 billion) per year on medical treatments overseas.

5.2 VIETNAM

5.2.1 Introduction and Background

The GDP in Vietnam was VND (Vietnamese Dong) 1,980,914 billion (US$ 104 billion) in 2010 and the population reached 87.8 million in the same year. The healthcare expenditure was VND 135,505.7 billion (US$ 7.2 billion) in 2010, out of which VND 84,228.6 billion (US$ 4.5 billion) (around 62.2%) was private healthcare expenditure. The private healthcare expenditure comprised mainly of OOP expenditure.

HCS in Vietnam are dominated by the public sector based on the number of hospitals, although private healthcare expenditure is generally more than public healthcare expenditure. As of 2011, approximately 90% of all hospitals were public, with over 1,000 public hospitals and only 121 private hospitals. Public sector offers HCS through four service tiers - commune, district, provincial and central. The Ministry of Health of Vietnam (MOH Vietnam), which is part of the central tier, handles health policies and administration.

5.2.2 Industry Outlook / Growth Prospects

The government has drafted a 5 year health plan[24] which is targeted to improve several aspects of the healthcare sector including relieving the overburdened healthcare system through the building of new hospitals and clinics. The implementation of the plan is expected to cost approximately VND 436.8 billion (US$ 23.1 billion). Furthermore, the government is also providing fiscal incentives to the private sector for building new hospitals. There is a high level of demand for quality HCS in Vietnam. With its large population, Vietnam is recognised as a potential market offering opportunities for foreign investors in medicine and healthcare. According to the MOH Vietnam, around 40,000 Vietnamese citizens spend about VND 20.7 trillion (US$ 1.1 billion) on medical treatment services overseas each year. Vietnam can therefore be considered as a medical travel source market.

5.3 BRUNEI

5.3.1 Introduction and Background[25]

Brunei's population in 2010 was 398,920 and 3.5% of its population is greater than 65 years (ageing population). The leading causes of mortality were cancer, heart diseases, diabetes mellitus and cerebrovascular diseases. The total healthcare expenditure was estimated at BD 479.7 million (US$ 354.1 million) or 2.8% of GDP. Of this, the private sector constituted around BD 72.4 million (US$ 53.8 million) which mainly comprised OOP expenditure. Private expenditure on health registered a CAGR of 2.0% from BD 66.0 million (US$ 49.0 million) in 2005 to BD 72.4 million (US$ 53.8 million) in 2010.

In Brunei, HCS are provided by public and private sectors. In 2010, there were 4 public hospitals and 2 private hospitals. The private hospitals were Jerudong Park Medical Centre and Gleneagles JPMC Cardiac Centre. In the same year, there were 16 health centres, out of which 15 were public and 1 was private. Brunei had a large number of foreign doctors contributing 68.9% out of 563 doctors in 2010.

5.3.2 Industry Outlook / Growth Prospects

As of 2010, there were 1.35 doctors per 1,000 population and there were 0.1 pharmacists per 1,000 population. This low ratio of healthcare professionals to total population is expected to serve as a significant opportunity for healthcare professionals looking to enter the Brunei healthcare market. The government of Brunei has signed an agreement to develop the Brunei Healthcare Information System (Bru-HIMS), which is a nationwide project to digitise patient care documents and provide electronic medical records. This is expected to result in a single electronic health record that is accessible from any government hospital, clinic or healthcare centre. A key driver for the private healthcare industry in Southeast Asia, including Brunei, is the impending liberalisation of the services sector in 2015 under the ASEAN Economic Community (AEC). Under this agreement, investors will be able to hold over 70% stake in healthcare (one of the four services sectors).

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[24] *MOH Vietnam*
[25] *Source: Ministry of Health, Health Information Booklet 2010.*

5.4 MACEDONIA

5.4.1 Introduction and Background

Macedonia had a total population of 2,061,000 in 2010. Approximately 17.0% of the population were under 15 years of age and an approximate 11.0% of the population were over 65 years of age. Life expectancy at birth is around 72.8 years for men and 78.1 years for women. The country's disease prevalence pattern is similar to European countries with non-communicable diseases representing the major cause of morbidity and mortality.

The country has seen a steady improvement in the total healthcare expenditure as a percentage of GDP from 6.9% in 2007 to 7.1% in 2010. Private healthcare expenditure has registered a growth of 3.7%, from 9.1 billion Denar (US$ 179 million) in 2005 to 10.9 billion Denar (US$ 236 million) in 2010, accounting for approximately 36.2% of the total healthcare expenditure. Compulsory health insurance is the primary source of healthcare revenues. It is undertaken through the publicly owned health insurance fund. With the introduction of the recent health reforms, a large number of public primary health care (PHC) organisations have been privatised to improve the quality of care by encouraging competition. There has also been a marked shift from a fixed salary system to a per capita payment system for physicians in the public primary healthcare system. The higher salaries in the private healthcare industry are driving the outflow of qualified healthcare professionals, including clinicians, from the public sector to the private sector.

5.4.2 Industry Outlook / Growth Prospects

Enhancement of healthcare, increased satisfaction of patients, raising the quality of HCS, modernisation of equipment, education of doctors and overhaul of infrastructure are expected to be the main priorities of the Macedonian government in 2012. A majority of funds are expected to be allocated to preventive and curative programmes, such as securing insulin for diabetes patients, rare diseases programmes, etc. One of the main goals of the Ministry of Health of Macedonia is to attract more medical travellers into Macedonia. Macedonian and medical travellers currently pay the same price for health services in private hospitals, whereas medical travellers pay 100.0% more than Macedonians in state hospitals.

5.5 SAUDI ARABIA

5.5.1 Introduction and Background

The HCS in Saudi Arabia is categorised into 2 tiers. The first tier HCS mainly provides primary care and providers include public, private and not-for-profit healthcare institutions. Public institutions include healthcare centres and clinics monitored by the Ministry of Health of Saudi Arabia (MOH Saudi Arabia). On the other hand, private HCS providers include private clinics and private polyclinics. Not-for-profit foundations such as the Saudi Red Crescent Authority (SRCA) set up first aid centres and first aid ambulances. Second tier HCS provide specialist treatment and surgery and are mainly located in urban areas. Types of such HCS institutions include general hospitals, advanced hospitals and specialist hospitals, which may be operated by the government (MOH Saudi Arabia) and other government departments or are privately operated. The number of hospitals in Saudi Arabia reached 415 in 2010, of which 288 were public hospitals and 127 were private hospitals. The number of healthcare professionals has also seen an upward trend from 2006 to 2010.

Currently, all citizens of Saudi Arabia receive free healthcare treatment in public healthcare institutions. The healthcare expenditure in Saudi Arabia comprises both public and private expenditure. In 2009, total healthcare expenditure reached 67.0 billion Saudi Arabian Riyals (US$ 17.9 billion), of which 33.0% was accounted by private healthcare expenditure. The government also sponsors medical treatment for citizens in specialised foreign hospitals if their conditions require such treatments. This annual sponsorship amounts to approximately 1.0 billion Saudi Arabian Riyals (US$ 266.7 million).

HCS in Saudi Arabia is mainly driven by the increasing expatriate population that constituted approximately 31.0% or 8.4 million out of total population of 27.1 million in 2010. In January 2006, the government had made it compulsory for all expatriates to have medical insurance coverage provided by the private sector.

5.5.2 Industry Outlook / Growth Prospects

The healthcare expenditure in Saudi Arabia was estimated to be approximately 101.5 billion Saudi Arabian Riyals (US$ 27.1 billion) in 2011 and is forecasted to reach approximately 138.5 billion Saudi Arabian Riyals (US$ 36.9 billion) in 2015, at a CAGR of 8.1%. Private healthcare expenditure is expected to increase as a result of the growth in expatriate population. The Saudi Arabian government is currently planning to further reform the HCS industry. The objectives to be achieved through the reformation include:

- an increase in the number of local healthcare professionals;
- reorganisation and restructuring of the MOH Saudi Arabia;
- an increase in the autonomy of hospitals through decentralisation;
- an introduction of private insurance scheme for all citizens and pilgrims;
- privatisation of public hospitals;
- improvement of the accessibility to health services; and
- implementation of e-health and national health information system.

5.6 UNITED ARAB EMIRATES

5.6.1 Introduction and Background

The United Arab Emirates (UAE) is a federation of 7 emirates namely Abu Dhabi, Dubai, Sharjah, Ajman, Umm al-Quwain, Ras al-Khaimah and Fujairah. The country has a decentralised system in providing HCS. The table below illustrates the government bodies that oversee the UAE's HCS system:

Ministry of Health UAE (MOH UAE)	The MOH UAE is the federal authority in charge of regulating healthcare in the Northern Emirates of Sharjah, Ajman, Umm al-Quwain, Ras al-Khaimah and Fujairah.
Federal Health Authority (FHA UAE)	The FHA UAE was established in December 2009 to take over the responsibilities of the Ministry of Health.
Dubai Health Authority (DHA UAE)	The DHA UAE is the regulatory body that oversees the healthcare sector in Dubai.
Health Authority of Abu Dhabi (HAAD UAE)	The HAAD UAE is the regulatory body that oversees the healthcare sector in Abu Dhabi.

Source: *Ministry of Health UAE, FHA UAE, DHA UAE and HAAD UAE*

The rapid population growth in the UAE, driven mainly by the influx of expatriate workers, has exerted significant pressure on its healthcare infrastructure. From 2006 to 2010, the UAE's population grew from 4.7 million to 7.5 million, registering a growth of 63% for that period. Only approximately 13% of the total population are the UAE nationals. Meanwhile, the rise in chronic lifestyle diseases such as diabetes, respiratory, cardiovascular disease and cancer continue to boost demand for HCS in the UAE.

As a result, the private healthcare sector has become an important sector in providing HCS to UAE's population. As at the end of 2010, the UAE's total healthcare expenditure was recorded at 30.6 billion UAE Dirham (US$ 8.3 billion), out of which 33.3% is made up of private healthcare expenditure. Therefore, it can be seen that the significant increase in the UAE's population is expected to remain the key driver of demand for HCS.

Everyone in the UAE has access to healthcare via mandatory insurance. The UAE nationals enjoy free healthcare under the Thiqa national insurance scheme while expatriates must obtain health insurance in order to work in the UAE. These insurance schemes provide the UAE nationals and other residents access to both public and private healthcare providers. In addition, they can also utilise these insurance schemes to seek for treatment overseas.

5.6.2 Industry Outlook / Growth Prospects

The healthcare expenditure was estimated to be approximately 38.6 billion UAE Dirham (US$ 10.5 billion) in 2011. Going forward, healthcare expenditure is projected to reach approximately 78.1 billion UAE Dirham (US$ 21.3 billion) in 2016, at a CAGR of 15.2% between 2011 and 2016. The government continues to attract top healthcare institutions and medical personnel to the UAE by actively promoting health clusters like the Dubai Healthcare City and DuBiotech in order to provide better healthcare for its nationals and other residents.

5.7 EGYPT

5.7.1 Introduction and Background

According to the Egypt Central Agency for Public Mobilisation and Statistics, Egypt has a population of approximately 81 million and, has according to the CIA World Fact Book, over 31% of its population below the age of 15 years. The country has a high life expectancy at 70 years as compared with other countries in the region (for example, Nigeria has an average life expectancy of only 52 years). The healthcare system in Egypt is state funded through an extensive network of health facilities enabling ease of access to the majority of its population. Despite strong presence of government health insurance, there is a growing market for private spending. In 2010, the general government expenditure accounted for approximately 37.4% of the total healthcare expenditure. Private healthcare expenditure has registered a growth of 15.9% from EP (Egyptian Pound) 16.7 billion in 2005 (US$ 2.9 billion) to EP 35.1 billion (US$ 6.3 billion) in 2010. Healthcare spending contributed approximately 4.7% to Egypt's GDP in 2010. The figure may appear low when compared with a similar measurement in US and major European countries; but is relatively higher as compared with other emerging markets.

In 2007, the government of Egypt announced an intention to devise a new healthcare plan to provide complete insurance coverage to all its citizens by end of 2011. A funding of US$ 900 million was allocated to the development and modernisation of 4,500 local healthcare centres. Public sector accounts for the bulk of hospital care in Egypt. However, the share is steadily declining due to declining quality standards and funding. There has been a significant increase in private healthcare facilities. Between 2006 and 2010, the number of beds in private hospitals increased from 12,277 to 26,307 at a CAGR of 21%. An estimated 60%of primary healthcare visits took place at private clinics and hospitals, indicating a shift in interest to quality care and an increase in healthcare spending in the private healthcare sector.

5.7.2 Industry Outlook / Growth Prospects

The government has developed a comprehensive plan to deliver healthcare with a shift from curative to preventive care. There is an increase in the number of doctors at 2.1 doctors per 1,000 population in 2008 as compared with 0.8 doctors per 1,000 population in 1990. The implementation of this system is expected to increase the demand for private healthcare in Egypt. In November 2011, the public-private partnership unit of the Ministry of Finance of Egypt announced construction of a 200 bed gynaecology and obstetrics specialist hospital in the Smouha area and a new hospital in the Mowassat area specialising in neurosurgery and kidney ailments.

According to the WHO, the incidence of non-communicable diseases such as neuro-psychiatric and digestive diseases are rising in Egypt. An estimated 9.8% of the population were infected by Hepatitis C chronically and the study estimates 500,000 new infections a year. Deaths due to high instances of Hepatitis B also reveal poor hygiene standards in the medical field and open avenues for high quality private healthcare in Egypt.

5.8 UKRAINE

5.8.1 Introduction and Background

Owing to a steep decline in health and living standards, Ukraine reflects low healthcare indicators. The average life expectancy was estimated at 62 years in 2010, down by three years when compared with 1990. The regional average for European countries is 75 years. Adult mortality rates in Ukraine are the highest in the European region at 199 deaths per 10,000 adults with the regional average at 145 deaths per 10,000 adults. About a half of adult mortality is attributable to infection. The total expenditure on health as a percentage of GDP was 7.7% in 2010. Private expenditure on health has increased from 11.4 billion Hryvnia in 2005 (US$ 2.26 billion) to 36.6 billion Hryvnia in 2010 (US$ 4.7 billion) at a CAGR of 26.1%. During the same period OOP expenditure as % of private healthcare expenditure was 93.4%.

The eastern European region is an attractive HCS investment hub. Ukraine has a steadily growing market for medical consumption products with an ageing population, slow improvement in general health and rising disposable incomes. Hence, there is a significant need to improve standards of healthcare to boost investor confidence.

5.8.2 Industry Outlook / Growth Prospects

The HCS industry in Ukraine is transitioning from a capacity based system from the Soviet era to a modernised system. The current public healthcare system provides HCS to all citizens free of charge. However in practice, only basic services are covered. With rising income levels, ageing population and a growing demand for quality healthcare, private expenditure on healthcare is expected to increase. The private healthcare market is at an initial stage of development.

Steps were taken to legislate voluntary medical insurance with an announcement for introduction of a social medical scheme by 2015-2016, following the healthcare reform. A number of legal barriers need to be removed for the set-up of such a system including constitutional amendments guaranteeing healthcare. This system, if implemented, presents opportunities for private healthcare players as the expectation of quality healthcare would be higher than that was provided by the government system.

5.9 ROMANIA

5.9.1 Introduction and Background

Romania spends less on healthcare as a percentage of the budget than any other country in the European Union. In 2012, Romania is likely to spend about 29.14 billion Romanian New Lei (US$ 8.8 billion) which is only around 5.6% of its GDP on healthcare, almost half the EU average. In 2010 it ranked last in this aspect among 33 countries, according to the European Healthcare Consumer Index. In 2010, private healthcare constituted 21.9% of the total healthcare expenditure. Private expenditure on health has registered an annual growth of 15.9% from 3 billion Romania New Lei (US$ 1.02 billion) in 2005 to 6.3 billion Romanian New Lei (US$ 1.98 billion) in 2010. The country has a low prevalence of communicable diseases but an increasing rate of cardiovascular diseases, cancer and other external causes. There is also an increased incidence of preventable lifestyle diseases.

5.9.2 Industry Outlook / Growth Prospects

With a promising future for the private hospitals, private investors invested over 438.0 million Romanian New Lei (US$ 144.1 million) in 2011 in new private clinics and hospitals in the country to improve the same.

The proposed Healthcare bill, presently in its draft stages, could potentially mean major changes for the healthcare industry in the country. The draft law, which has been put out to the public for debate, is expected to allow the privatisation of all hospitals and public clinics, leaving a minimum package of services with the government. Additionally, the public sickness fund, is likely to be replaced by private insurance and contributions to a private healthcare contractor are likely to become mandatory. Industry sources opine that public hospitals could be transformed into joint stock companies or charitable institutions which will result in better management of these hospitals. This is expected to drive the private healthcare sector in Romania.

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6 OVERVIEW OF THE HEALTHCARE TERTIARY EDUCATION (HTE) MARKET IN SINGAPORE AND MALAYSIA

6.1 DEFINITION AND SEGMENTATION

HTE refers to education beyond the secondary school level up to postgraduate level, in medicine, dentistry, nursing and midwifery, and health sciences. The main objective of obtaining HTE is to ultimately be a healthcare worker and serve the general public. HTE is provided by colleges, polytechnics, medical schools, universities and other registered educational institutions. The course structure typically combines academic studies and practical trainings in teaching clinics and hospitals. Graduates of HTE may be awarded with the professional certificate, diploma, advanced diploma, Bachelor's degree, Master's degree or PhD degree (Doctorate), depending on the course attended. HTE is typically regulated by governments through their appointed bodies whose main function is to ensure that the education institutions comply with the regulations, standards and guidelines in order to maintain the quality of graduates produced.

6.2 EDUCATION REQUIREMENT FOR A CAREER IN HCS

The following table illustrates HTE education qualifications by discipline and the career options available within HCS and other related sectors. Generally, the track to pursuing a career in healthcare varies between disciplines as well as by the individual country's standards. All professional careers in HCS generally require the personnel to be registered with the relevant institutions or authorities prior to entering the workforce.

Discipline	HTE Qualifications	Career Options
Medicine	Bachelor's Degree (i.e. MBBS, B.Med)	General Practitioner, Healthcare Services Administrator, Occupational Health Officer, Medical Journalism
	Postgraduate (i.e. MRCP, MRCS, MD)	Specialist, Health Consultant, Medical Researcher, Health Educator, Lecturer
Nursing	Certificate / Diploma	Registered Nurse, Assistant Nurse, Nursing Aide
	Bachelor's Degree (i.e. BSc, BMid)	Registered Nurse, Nurse Anaesthetist, Nurse Midwife
Dentistry	Bachelor's Degree (BDS)	Dental Practitioner
	Postgraduate (i.e. MDPH, MRes, MSc. (Clin), PhD, MPhil)	Lecturer, Specialist
Health Sciences	Certification / Diploma	Clinical Laboratory Technician, Biomedical Equipment Technician, Radiographer, Radiation Therapist, Operating Room Technician, Optician, Oral Hygienist
	Bachelor's Degree (i.e. BSc)	Clinical Laboratory Technologist, Occupational Therapist, Physical Therapist Assistant, Optometrist (O.D), Pharmacist (Pharm.D), Physiotherapist
	Postgraduate (i.e. MSc, PGDip, PGCert	Lecturer, Clinical Laboratory Specialist, Specialist in Blood Banking, Specialist in Haematology, Research Scientist

Source: Compiled by Frost & Sullivan
Note: The examples above are typical of the British healthcare tertiary education.

6.3 HEALTH EDUCATORS AND CONTINUOUS PROFESSIONAL DEVELOPMENT (CPD)

In addition to supplying new healthcare workers, HTE is also a close collaboration between the educational institutions and the HCS industry to foster a culture of continuous learning. Practicing healthcare professionals may contribute their hours as health educators and share real-life experiences with students and at the same time, be kept informed of new research and breakthroughs in healthcare. Furthermore, HTE institutions are also the centre for CPD certifications. In most countries including Singapore and Malaysia, there is a mandatory requirement for practicing doctors, dentists and nurses to attend CPD training in order to maintain their license as a registered practitioner.

6.4 HTE IN SINGAPORE / MALAYSIA

HTE services market in Singapore and Malaysia are provided by public and private institutions. Programmes offered comprise pre-university, undergraduate and postgraduate programmes that include diploma, advanced diploma, Bachelor's degree, Master's degree and PhD degree (Doctorate) programmes. Students in public educational institutions complete their programmes domestically while students in private educational institutions have the option to complete their studies fully locally or partially abroad. Funding such as scholarships, education loans and financial aids are available to HTE students. The relevant authorities or councils/board governing the HTE market in Malaysia include the Ministry of Health (MOH Malaysia), Ministry of Higher Education (MOHE), Malaysian Qualifications Agency (MQA), MMC, Malaysian Dental Council and Nursing Board Malaysia. In Singapore, the authorities and other responsible governing parties are Ministry of Health (MOH Singapore), Ministry of Education (MOE Singapore), Singapore Medical Council, Singapore Dental Council, Singapore Nursing Board and Allied Health Professional Council.

For the purpose of this report, only the medical education programme in Malaysia and nursing education programme in Singapore are analysed in the following sections.

Generally, the academic duration for a medical program in Malaysia is 5 years. Doctors will need another 4 to 7 years of postgraduate training to qualify as a general specialist or sub-specialist and to be registered with the National Specialist Register. In terms of overseas career opportunities, medical graduates from HTE institutions in Malaysia may be required to complete a local language test and qualifying exams as well as undergo training or housemanship in order to become fully registered doctors.

In Singapore, nursing degree courses and nursing diploma courses / pre-registration courses take up to 3 years to complete. Registered and enrolled nurses in Singapore are able to work in the United Kingdom, United States and Malaysia without any additional tests or exam requirements. However, enrolled or registered nurses would have to be evaluated individually by authorities overseas prior to their recruitment.

6.4.1 Market Size and Growth

The following table shows total HTE medical programme and nursing programme enrolments and graduates in both Malaysia and Singapore.

		2006	2011E	CAGR (2006-2011E)
Malaysia	Total HTE Enrolment*	26,565	109,811	32.8%
	Total HTE Graduate*	4,642	17,592	30.5%
	Total Medical Programme Enrolment**	14,528	18,972	5.5%
	Total Medical Programme Graduate**	2,712	2,485	-1.7%
	Total Nursing, Health and Social Science Programmes Enrolment***	2,716	77,544	95.5%
	Total Nursing, Health and Social Science Programmes Graduate***	247	13,172	121.5%
		2006E	**2011E**	**CAGR (2006E-2011E)**
Singapore	Total HTE Enrolment	3,169	3,924	4.4%
	Total HTE Graduate	1,665	2,076	4.5%
	Total Medical Programme Enrolment	1,188	1,560	5.6%
	Total Medical Programme Graduate	229	251	1.9%
	Total Nursing Programme Enrolment	1,600	1,881	3.3%
	Total Nursing Programme Graduate	1,253	1,605	5.1%

Source: Department of Higher Education, MOHE, Malaysia; MOH Singapore; Analysis by Frost & Sullivan

Notes:

** Refers to total domestic HTE enrolment and graduate of medical, dental, nursing and health and social sciences programmes at Doctorate, Master's degree, Bachelor's degree, advanced diploma, diploma and certificate levels.*

*** Refers to domestic enrolment and graduate of medical programmes at Doctorate, Master's degree, Bachelor's degree, diploma and certificate levels.*
**** Refers to domestic enrolment and graduate of nursing and health and social sciences (presented as one category from the source) programmes at Doctorate, Master's degree, Bachelor's degree, advanced diploma, diploma and certificate levels.*

In Malaysia, the total HTE enrolment was estimated to increase more than four-fold from 2006 to 2011, mainly due to the growth in the number of HTE institutions from 21 to 36[26] during this period. The market share for private HTE enrolment was 73.3% in 2011, underlying the importance of private HTE in Malaysia. The enrolment of medical programmes constituted 17.3% of total HTE enrolments in 2011, and increased at a slower rate of 4.5% from 2010 due to the MOH Malaysia's announcement in 2011 to limit new medical programmes. Meanwhile, enrolments for domestic private undergraduate medical programmes were increased by 0.6% from 6,245 in 2009 to 6,280 in 2010. Similarly, the total HTE graduates were estimated to increase by almost four times from 2006 to 2011. The number of medical graduates was estimated to be reduced by 8.4% from 2006 to 2011, and was mainly attributed to the drop of the medical programme enrolment in the public educational institutions in 2005. Meanwhile, the number of domestic private undergraduates for medical programme had increased by 0.8% from 650 in 2009 to 655 in 2010.

The total HTE enrolment in Singapore was estimated to increase by approximately 20.0% from 2006 to 2011, mainly driven by the estimated increase in medical and dental programme enrolments. The enrolment of nursing programme was estimated to constitute 47.9% of total HTE enrolment in 2011, at a growth rate of 17.6% from the total nursing enrolment in 2006. Total HTE graduates in 2011 were estimated to grow by approximately 25.0% from 2006 whereas the growth rate of nursing graduates over the same period was 28.2%.

6.4.2 Demand / Supply

In 2011, there were a total of 36 HTE institutions in Malaysia. 11 of these institutions were public in nature while the remaining 25 were private institutions. From 2006 to 2011, 11 new medical educational institutions were established in Malaysia, bringing the total number of medical educational institutions in the country to 29 (refer to HTE institutions highlighted in bold in the footnote). 18 out of these 29 institutions were privately-run. The Malaysian HTE market is driven by factors such as the growing demand for healthcare professionals in the country and global market, the government's effort in driving the market, availability of education funding to students and partnerships with established foreign educational institutions. Constraints that exist in the HTE market include lack of training hospitals, shortage of nursing job vacancies, the ability of existing institutions to establish partnership with foreign educational institutions, rigorous educational path and course financing.

The number of HTE institutions in Singapore had grown from 13 in 2006 to 16 in 2011. In 2006, there were 11 HTE institutions offering nursing education in Singapore and the number had grown to 13 in 2011. The HTE market in Singapore is driven by factors such as the government's efforts to ease the shortage of healthcare professionals, availability of funding to students and the established profile of the domestic and foreign partnered educational institutions at the global level. Market restraints include the limited places in HTE institutions and the rigorous educational path.

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[26] *These 36 HTE institutions are institutions that offer undergraduate and postgraduate medical, dental and pharmaceutical programmes as well as institutions that offer nursing degree programme: Universiti Malaya, Universiti Kebangsaan Malaysia, Universiti Sains Malaysia, Universiti Putra Malaysia, International Islamic University Malaysia, University Malaysia Sarawak, University Malaysia Sabah, Universiti Sains Islam Malaysia, Univesiti Teknologi Malaysia, University Darullman Malaysia, Universiti Pertahanan Nasional Malaysia, IMU, Monash University Sunway Campus, Management & Science University - International Medical School, Bangalore, Melaka Manipal Medical College, Penang Medical College, AIMST University, University Kuala Lumpur, UCSI University, Allianze University College of Medical Science, Cyberjaya University College of Medical Sciences, MAHSA University College, Taylor's University, Newcastle University Medicine, University Tunku Abdul Rahman, MASTERSKILL University College of Health Science, SEGi University College, Insaniah University College, Perdana University, Open University Malaysia, Lincoln University College, KDU University College Malaysia, International University College of Arts & Science, HELP University, The University of Nottingham, Malaysia Campus and Penang International Dental College.*

The common barriers to entry for both Malaysian and Singaporean HTE markets include the high capital expenditure required to establish HTE institutions, the difficulty to obtain operating licenses to run private HTE institutions and competition with established HTE institutions.

6.4.3 Competition and Positioning

As of 2011, there were 29 HTE institutions providing medical programmes in Malaysia, out of which only 20 (including IMU) were recognised under the Medical Act 1971. According to the MMC, in 2010, only 7 private medical educational institutions out of these 20 recognised institutions produced doctors who had provisional registration with the MMC, as shown below. In addition, the ratings of these institutions under the 2009 'Rating System for Malaysian Higher Education Institutions (SETARA)' carried out by the MQA are also shown. The objective of SETARA is to measure the quality of teaching and learning at the undergraduate level of universities and university colleges in the country through six tiers (being Tier 6 as the highest tier).

Private Educational Institutions with Undergraduate Medical Programmes	No. of Provisionally Registered Doctors in 2010	Market Share (%)	SETARA Ranking 2009 (latest ranking)
Melaka Manipal Medical College	266	35.6	N/A
IMU	139*	18.6	Tier 5
AIMST University	136	18.2	Tier 4
Penang Medical College	115	15.4	N/A
University Kuala Lumpur Royal College of Medicine Perak	43	5.7	N/A
UCSI University	34	4.5	Tier 4
Monash University, Jeffrey Cheah School of Medicine and Health Sciences	15	2.0	Tier 5 (Sunway Campus)
Total	**748**	**100.0**	-

Source: MMC and MQA, Analysis by Frost & Sullivan
Note:
** Excluded medical students transferred to IMU's network of partnered medical educational institutions.*

The number of provisionally registered doctors who graduated from these 7 private medical educational institutions in Malaysia stood at 748 in 2010, out of which 139 were from the IMU and hence, indicated a market share of 18.6% for IMU. In terms of SETARA, IMU was ranked Tier 5 in 2009 and this was the highest achievable rating in the exercise.

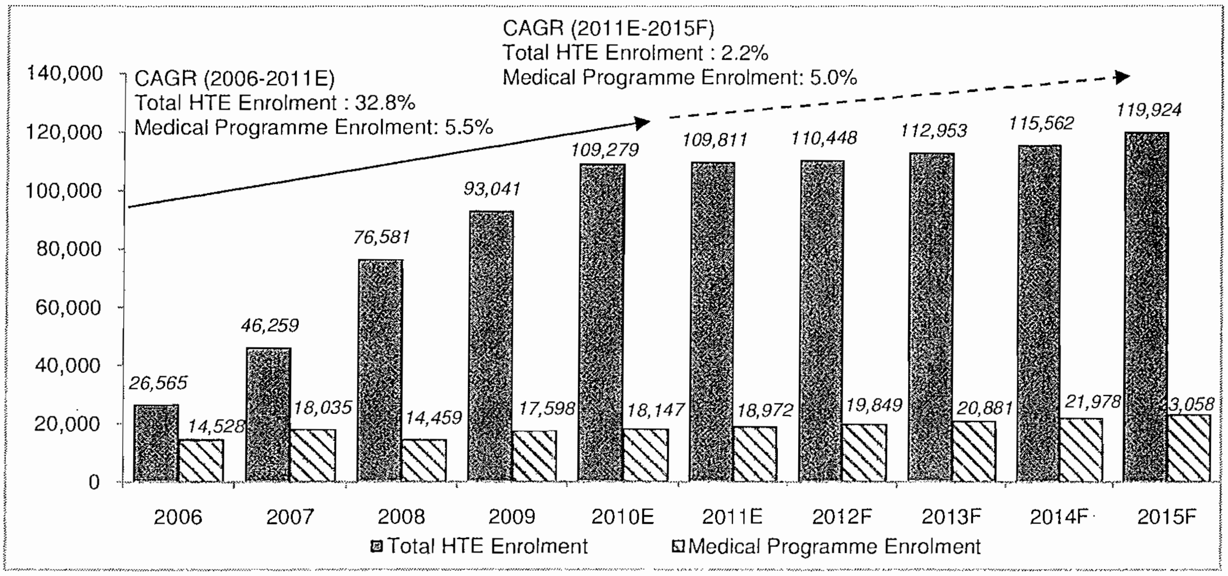
In terms of the total enrolment of undergraduates in the medical programme in private educational institutions, the number stood at 6,280 in 2010. IMU recorded 1,432 enrolments in the same year which translates to a market share of 22.8%.

Given the fairly significant market shares based on these two approaches and the high SETARA rating achieved by the IMU, IMU is considered as one of the leading HTE institutions in Malaysia. In addition, IMU is the first private HTE institution offering local and foreign programme in Malaysia.

The nursing education in Singapore is provided by 4 public HTE institutions and 9 private HTE institutions. In 2011, the estimated number of enrolment for nursing programmes was 1,881. Parkway College's nursing enrolments was recorded at 541 in the same year, indicating a market share of 28.8%.

6.4.4 Future Trends / Outlook

The following chart shows the growing trends for total HTE and medical programme forecast enrolments in Malaysia from 2006 to 2015.



Source: Department of Higher Education, MOHE Malaysia; Analysis by Frost & Sullivan
Notes: Total HTE enrolment refers to total domestic enrolment of medical, dental, nursing and health and social sciences programmes at Doctorate, Master's degree, Bachelor's degree, advanced diploma, diploma and certificate levels. Medical programme enrolment refers to domestic enrolment at Doctorate, Master's degree, Bachelor's degree, diploma and certificate levels.

The HTE and medical programme enrolment trends are expected to be on an upward trend from 2011 to 2015, achieving forecasted CAGRs of 2.2% and 5.0% respectively. CAGRs for total HTE and medical programme enrolments between 2006 and 2015 are forecasted to be 18.2% and 5.3% respectively. Meanwhile, the HTE graduates trend is forecasted to increase from approximately 17,592 in 2011 to approximately 19,704 in 2015, at a CAGR of 2.9%. Graduates from the medical programmes are expected to increase from approximately 2,485 in 2011 to approximately 2,934 in 2015, at a CAGR of 4.2%, indicating a higher supply of doctors to the healthcare workforce in Malaysia to meet the targeted doctor per population ratio of 1:600 by 2016. Private HTE institutions are expected to maintain a dominant market share in the HTE market in Malaysia, with enrolment market share forecasted to be 71.4% in 2015. The government will continue to develop the private education sector under the ETP. One of the entry point projects (EPPs), "Building A Health Sciences Education Discipline Cluster" is specifically set to drive the private healthcare education sector and a total fund of RM1.4 billion (US$ 458.9 million) has been allocated to drive this EPP.

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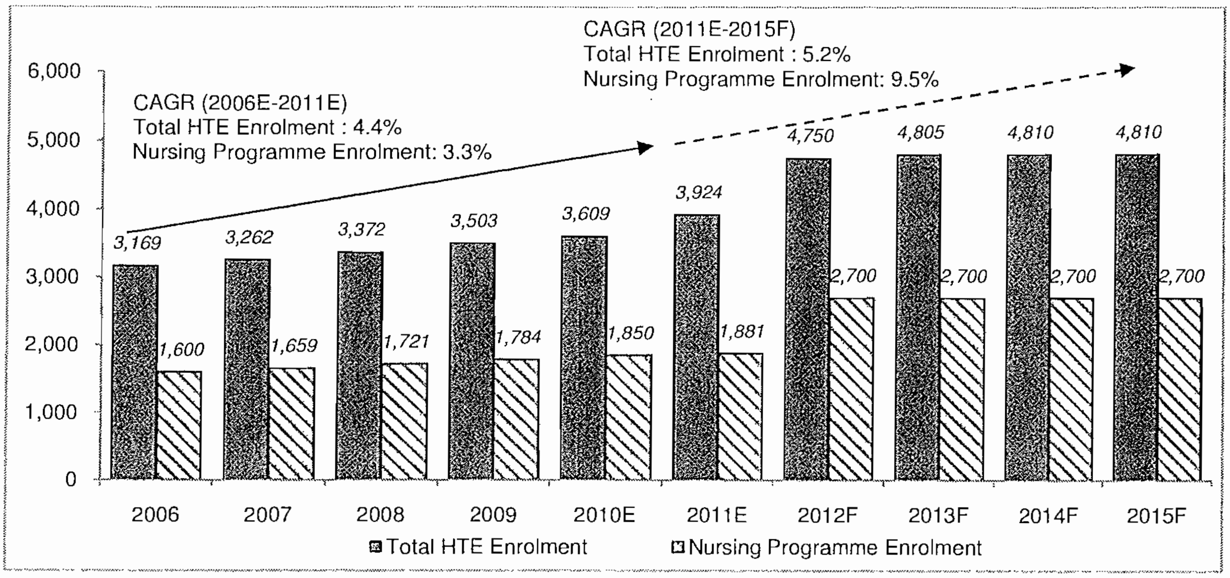
Similar trends are also expected in Singapore as depicted in the following chart:



Source: MOH Singapore, Analysis by Frost & Sullivan

Overall, enrolment trends are expected to be on an upward trend from 2011 to 2015 as the Singaporean government is putting efforts to ease the shortage of doctors and nurses in the country by increasing programme intakes. The annual nursing programme intake is expected to increase to 2,700 since 2012 as announced by the government. The forecasted CAGRs for total HTE and nursing programme enrolments between 2011 and 2015 are 5.2% and 9.5% respectively. CAGRs for total HTE and nursing programme enrolments between 2006 and 2015 are estimated to be 4.7% and 6.0% respectively. The HTE graduate trend is expected to increase from approximately 2,076 in 2011 to approximately 3,099 in 2015 at a CAGR of10.5%. Nursing graduates are forecast to increase from approximately 1,606 in 2011 to approximately 2,430 in 2015, at a CAGR of 10.9%. The increasing nursing enrolment and graduate trends are expected to be the main driver to the projected increasing trend of nurses/midwives in Singapore.

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7 APPENDIX

7.1 CURRENCY CONVERSION TABLE

All data against US$		2006	2007	2008	2009	2010	2011	2012
Singapore Dollar	SGD	1.5886	1.5067	1.4142	1.4545	1.3636	1.2558	1.2647
Malaysian Ringgit	MYR	3.6527	3.4266	3.3242	3.5151	3.2115	3.0511	3.0567
Turkish Lira	TRY	1.4305	1.3018	1.3024	1.5519	1.5048	1.6744	1.7963
Indian Rupee	INR	45.1772	41.3463	43.6470	48.4363	45.7127	46.7352	50.4999
Chinese Renminbi	CNY	7.9643	7.5980	6.9356	6.8214	6.7620	6.4554	6.2949
Hong Kong Dollar	HKD	7.7678	7.8013	7.7861	7.7511	7.7682	7.7841	7.7587
Thai Baht	THB	37.8533	32.0599	32.7474	34.0942	31.5150	30.2803	30.8485
Indonesian Rupiah	IDR	9,155.5600	9,124.2800	9,653.8100	10,389.8000	9,055.6300	8,717.9400	9,020.7200
Vietnamese Dong	VND	15,541.4000	15,738.3000	16,180.3000	17,483.3000	18,919.9000	20,452.0000	20,755.8000
Brunei Dollar	BND	1.5640	1.4866	1.3975	1.4371	1.3462	1.2390	1.2464
Saudi Riyal	SAR	3.7497	3.7448	3.7462	3.7466	3.7444	3.7489	3.7495
UAE Dirham	AED	3.6720	3.6713	3.6717	3.6718	3.6721	3.6724	3.6723
Egyptian Pound	EGP	5.6596	5.5675	5.3865	5.5083	5.5866	5.9156	6.0074
Ukraine Hryvnia	UAH	4.8534	4.8873	5.1576	7.9525	7.8509	7.8866	7.9217
Romanian New Lei	RON	2.7994	2.4271	2.5061	3.0405	3.1703	3.0394	3.3226
Macedonian Denar	MKD	47.7615	44.0582	41.6180	43.9831	46.1181	43.8309	46.7164
Russian Rouble	RUB	27.1770	25.5727	24.8484	31.6268	30.3087	29.3303	30.2245
Japanese Yen	JPY	116.2900	117.7700	103.4200	93.5800	87.7800	79.7000	78.8300
British Pound	GBP	0.5433	0.4997	0.5447	0.6409	0.6473	0.6235	0.6376
South-Korean Won	KRW	940.1610	922.8140	1,096.7400	1,272.6800	1,153.2600	1,105.7300	1,129.2100
Euro	EUR	0.7967	0.7306	0.6832	0.7190	0.7546	0.7188	0.7642

Notes: All currency exchange rates are sourced from http://www.oanda.com/currency/historical-rates/. The respective year's annual average exchange rate is applied to the local currencies throughout this report, to compute the US$ equivalent. Exchange rates for 2005 to 2011 are actual annual average exchange for the respective years. Exchange rates for 2012 is the average of the period January 1, 2012 to March 21, 2012 and is applied to all forward looking numbers in this report.

8.1 Corporate structure and history

8.1.1 History and development

Our Company was incorporated in Malaysia on 21 May 2010 as a holding company for Khazanah's healthcare investments in Parkway, Pantai, IMU Health and Apollo. Our Company was converted to a public company on 2 April 2012. On 20 April 2012, our Company changed its name to IHH Healthcare Berhad.

Our Company undertook a voluntary general offer for Parkway through its subsidiary, IHHL, which was successfully completed in August 2010, resulting in Parkway subsequently being delisted from the Main Board of SGX-ST on 24 November 2010.

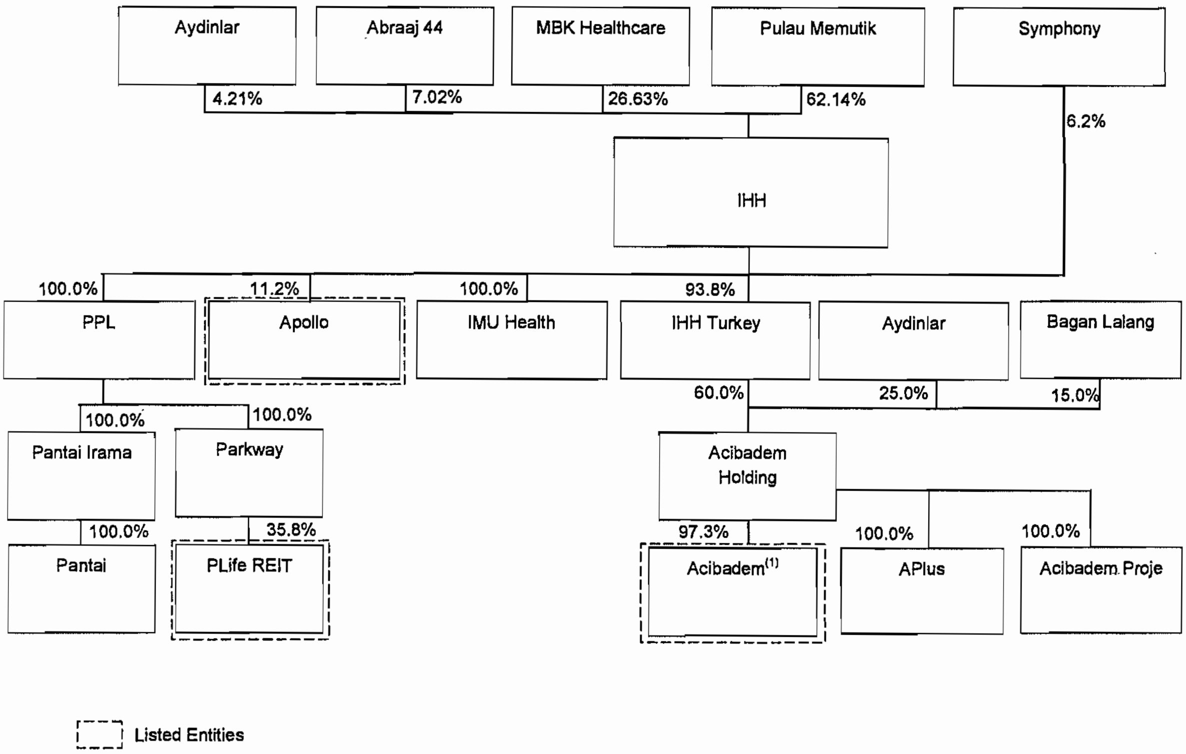
During 2011, our Company also underwent an internal restructuring that resulted in, among other things, the creation of PPL, an indirectly wholly-owned subsidiary of our Company, and in the transfer of Parkway and Pantai Irama (which holds a 100.0% equity interest in Pantai) to PPL. Following this restructuring, PPL holds 100.0% of each of Parkway and Pantai (through Pantai Irama), which we believe enabled us to streamline operations and achieve greater synergies and cost savings. On 16 May 2011, Mitsui, a company which is primarily listed on the Tokyo Stock Exchange, became Khazanah's strategic partner in our Company by acquiring a 30.0% equity interest in our Company through its wholly-owned subsidiary, MBK Healthcare.

On 24 January 2012, our Company completed the acquisition of an indirect 60.0% equity interest in Acibadem Holding in exchange for cash and shares for a total purchase consideration of approximately USD825.72 million, satisfied by cash payment of approximately USD275.24 million and issuance of our Shares valued at approximately USD550.48 million, which is subject to adjustments as described in Section 15.6(ii) of this Prospectus. On completion of this acquisition, Acibadem Holding held, through its wholly-owned subsidiary, Almond (Turkey), a 92.0% equity interest in Acibadem as well as a 100.0% equity interest in Acibadem Proje and a 100.0% equity interest in APlus. Following the acquisition, the shareholders of Acibadem Holding, Mehmet Ali Aydinlar, Hatice Seher Aydinlar and Almond (Netherlands) held equity interests of 3.91%, 0.30% and 7.02%, respectively, in our Company and the shareholding of each of MBK Healthcare and Pulau Memutik was diluted to 26.63% and 62.14%, respectively. Mehmet Ali Aydinlar and Hatice Seher Aydinlar have collectively transferred a portion of their shareholdings in our Company to SZA Gayrimenkul which is a company wholly-owned by Aydinlar. As at the LPD, SZA Gayrimenkul, Mehmet Ali Aydinlar and Hatice Seher Aydinlar held equity interests of 2.30%, 1.61% and 0.29% respectively, in our Company. On 5 April 2012, the shareholders of Almond (Netherlands) passed a resolution to dissolve Almond (Netherlands) and to approve the transfer of its 7.02% equity interest in our Company to Abraaj 44 in two tranches. The transfer was completed on 5 June 2012. The acquisition of Acibadem Holding is part of our strategy of expansion into the Middle East. Acibadem is a well-known brand in the private healthcare sector in Turkey. We believe that a strong presence in Turkey through Acibadem Holding allows our Company to scale-up our presence in the region and provides a stronger platform for further expansion there. In addition, we believe that, as a company, Acibadem Holding is also a strong fit with our Company in terms of targeting the mid- to high-end segment of the private healthcare services market with high-quality, cutting edge medical services and with its integrated business model incorporating hospitals, outpatient clinics as well as ancillary healthcare businesses.

Acibadem is a listed company on the ISE and is registered with the CMB. Under the rules of the CMB, our indirect acquisition of a majority stake in Acibadem through the acquisition of 60.0% equity interest in Acibadem Holding (which then owned 92.0% equity interest in Acibadem through its wholly-owned subsidiary, Almond (Turkey)), resulted in a mandatory tender offer requirement for the remaining 8.0% equity interest in Acibadem being triggered. The mandatory tender offer was launched by Almond (Turkey) on 27 March 2012 and was open for 10 business days, concluding on 9 April 2012. Upon completion of the mandatory tender offer, Almond (Turkey) held a 97.3% equity interest in Acibadem. The Board of Directors of Acibadem has resolved to delist Acibadem from the ISE, and has applied to the CMB and the ISE for voluntary delisting, which is conditional upon the approval of the general assembly of shareholders of Acibadem as well as the approval of the relevant regulators. In addition, other restructuring alternatives may be considered, such as a merger of Acibadem Holding, Almond (Turkey) and Acibadem under a single legal entity in order to streamline the Acibadem Group structure and management. No firm decision regarding the merger of the above companies has been taken as of the date of this Prospectus.

On 8 February 2012, Symphony acquired a 6.3% equity interest in IHH Turkey, a subsidiary of our Company, through a combination of new shares issued by IHH Turkey and the purchase of existing shares from IHT Yatirimlari, which was subsequently diluted to 6.2% due to the capitalisation of its shareholder's loan by IHT Yatirimlari. Upon completion of this Listing, Symphony's existing shareholding in IHH Turkey will have been exchanged for new Shares in our Company. Please refer to Section 6.3 of this Prospectus for IHH's current shareholding in IHH Turkey.

The resulting summarised shareholding and group structure of our Company is set forth below as at the LPD:



Note:

(1) In April 2012, the Board of Directors of Acibadem resolved to initiate delisting procedure from the ISE.

Please refer to Section 6 of this Prospectus for further details under Information on our Group.

As at the LPD, our Company held directly and indirectly 100.0% equity interest of PPL, 60.0% of Acibadem Holding, 100.0% of IMU Health, 35.8% of PLife REIT and 11.2% of Apollo.

Significant events

Listed below are the significant events in the development of PPL, Acibadem and IMU.

PPL

- 1974 - Pantai built its first hospital, Pantai Hospital Kuala Lumpur in Malaysia.
- 1987 - Parkway entered the healthcare business when it acquired Gleneagles Hospital in Singapore.
- 1989 - Parkway entered the healthcare business in Malaysia when it acquired a 70.0% equity interest in Pulau Pinang Clinic, which was later renamed Gleneagles Medical Centre, Penang.
- 1990 - Pantai was listed on Bursa Securities in Malaysia.
- 1995 - Parkway acquired Mount Elizabeth Hospital and East Shore Hospital (now known as Parkway East Hospital) and the Shenton Medical Group (now known as the Parkway Shenton) primary care clinic chain in Singapore.
- 2002 - Parkway entered into a joint venture agreement with the Brunei Investment Agency to own and operate the Gleneagles JPMC Cardiac Centre in Brunei Darussalam.
- 2002 - Parkway delisted Medi-Rad and Parkway Lab, which were originally listed in Singapore in 2000, from the Singapore Exchange Dealing and Automated Quotation System.
- 2003 - Parkway's Apollo Gleneagles Hospital in Kolkata, India became operational.
- 2005 - Parkway acquired a 31.0% equity interest in Pantai, which was then a group of seven hospitals in Malaysia.
- 2005 - Parkway entered the healthcare business in the PRC through a cooperative joint venture to develop medical and surgical centres, clinics and hospitals.
- 2006 - Parkway swapped its direct 31.0% equity interest in Pantai and formed a 40:60 joint venture company with Khazanah called Pantai Irama, which controlled Pantai.
- 2007 - Following the completion of a mandatory offer by Pantai Irama, Pantai was delisted from Bursa Securities.
- 2007 - Parkway entered into a HMA to manage Pantai's seven hospitals in Malaysia.
- 2007 - Parkway's wholly-owned subsidiary, Parkway Healthcare, entered into an agreement with Koncentric Investments Ltd. to develop and operate a hospital in Mumbai, India, which is expected to become operational at the end of 2012.

- 2007 - Parkway acquired a 60.0% effective equity interest in the World Link Group, a Shanghai-based chain of medical centres and clinics, which has an expatriate-focused outpatient network of clinics in the PRC, and opened Gleneagles Medical and Surgical Centre in Shanghai, the PRC. Parkway acquired an additional 10.0% equity interest in the World Link Group in 2009.
- 2007 - Parkway entered into lease and leaseback arrangements for each of its three Singapore hospital properties with a real estate investment trust, PLife REIT, which has been listed on the Main Board of SGX-ST since August 2007, and subsequently held a 35.8% equity interest in PLife REIT. Our Company owns 100.0% of Parkway Trust Management, the manager of PLife REIT.
- 2008 - Parkway successfully bid for land in Singapore to build its greenfield project, Mount Elizabeth Novena Hospital. The hospital is scheduled to open its first phase by July 2012.
- 2010 - Parkway entered into a consultancy agreement and HMA with Hoa Lam-Shangri-La Healthcare LLC to manage City International Hospital in Ho Chi Minh City, Vietnam.
- 2010 - Khazanah transferred its 60.0% equity interest in Pantai Irama and its 23.8% equity interest in Parkway to our Company. (Our Company effectively holds 69.5% in Pantai Irama).
- 2010 - Our Company made a successful voluntary general offer for Parkway's shares and subsequently delisted Parkway from the Main Board of SGX-ST. After the delisting, we held a 100.0% equity interest in Parkway and Pantai Irama.
- 2011 - Parkway entered into a consultancy agreement and HMA to manage SIMC in the Pudong district of Shanghai, the PRC, and opened its first medical centre in Hong Kong.
- 2012 - PPL acquired a 70.0% equity interest in Twin Towers Healthcare, the holding company of Twin Towers Medical Clinic in Kuala Lumpur, Malaysia. This marks PPL's first entry into the primary care business in Malaysia.

Acibadem

- 1991 - Acibadem commenced its operations with Acibadem Kadikoy Hospital in Istanbul.
- 2000 - Acibadem was listed on the ISE, becoming the first and only healthcare service provider to be listed in Turkey.
- 2003 - Acibadem entered into an affiliation agreement with Harvard Medical International for the education, training and professional development of Acibadem's staff, as well as know-how and experience sharing. The agreement was terminated in 2008.
- 2004 - The Aydinlar family contributed to Acibadem's development into an integrated healthcare business through the formation of Acibadem Proje (which is involved in hospital design, construction and supervision). Acibadem continued this development by acquiring a 50.0% equity interest in Acibadem Labmed (which is involved in laboratory services).
- 2005 - Acibadem acquired a 50.0% equity interest in International Hospital in Istanbul, which was Turkey's first private tertiary hospital.
- 2006 - APlus (which is involved in catering, laundering and cleaning services for hospitals) commenced operations.

- 2007 - Abraaj announced the acquisition of a 50.0% equity interest in Acibadem, which was completed in 2008.
- 2009 - Acibadem's flagship hospital, Acibadem Maslak Hospital, commenced operations along with Acibadem Adana Hospital and Acibadem Kayseri Hospital, all three within a two-month period.
- 2009 - Acibadem acquired an additional 40.0% equity interest in International Hospital.
- 2011 - Acibadem completed the acquisition of a 50.3% equity interest in Acibadem Sistina and a 50.0% equity interest in Acibadem Sistina Medikal, which is a provider of medical equipment, in Macedonia, approximately one year after first signing an affiliation agreement with Acibadem Sistina Skopje Clinical Hospital, the hospital operation that is owned and operated by Acibadem Sistina, in which Acibadem agreed to share its experience, know-how and brand recognition. This was Acibadem's first foreign investment outside Turkey.
- 2012 - Our Company acquired an indirect 60.0% equity interest in Acibadem Holding, which was restructured to include Acibadem Proje and APlus.
- 2012 - Acibadem signed a share purchase agreement in January 2012 to acquire a 65.0% equity interest in Jinemed Saglik, which operates Jinemed Hospital and Jinemed Medical Centre in Istanbul, Turkey. The share transfer is expected to be completed within 2012.
- 2012 - Following the completion of the mandatory tender offer in April 2012, the Board of Directors of Acibadem resolved to delist Acibadem shares from the ISE. Such delisting is subject to the approvals of the general assembly of shareholders and the relevant regulators such as the CMB and the ISE.

IMU

- 1992 - International Medical College was founded in Malaysia.
- 1992 - International Medical College partnered with five foreign medical universities in relation to its medical programme.
- 1996 - International Medical College partnered with University of Strathclyde to start a MSc in Pharmacy programme and initiated the two intake per year model for Phase One of its medical programme.
- 1999 - International Medical College was granted university status in February, becoming the International Medical University.
- 1999 - IMU launched its own MBBS programme.
- 2004 to 2005 - IMU launched its own pharmacy, nursing and postgraduate programmes.
- 2008 - IMU launched six new academic programmes, comprising dental, psychology, nutrition and dietetics, pharmaceutical chemistry, medical biotechnology and biomedical science programmes.
- 2010 - IMU Health became a 100.0% subsidiary of our Company.
- 2010 to 2011 - IMU launched chiropractic, Chinese medicine and MSc in Public Health programmes, bringing its total number of academic programmes to 17.
- 2011 - IMU increased the number of partner universities across several of its programmes.

8.2 Our business

8.2.1 Overview

We will be one of the largest listed private healthcare providers in the world based on market capitalisation upon Listing. We focus on markets in Asia and in the CEEMENA region, which we believe are highly attractive growth markets. We operate an integrated healthcare business and related services which have leading market positions in our home markets of Singapore, Malaysia and Turkey, and we also have healthcare operations and investments in the PRC, India, Hong Kong, Vietnam, Brunei and Macedonia. Our global healthcare network operates over 4,900 licensed beds in 30 hospitals with one additional hospital in Turkey, the acquisition of which is pending completion, as well as medical centres, clinics and ancillary healthcare businesses across eight countries. In addition, we have over 3,300 new beds in the pipeline to be delivered through new hospital developments and expansion of our existing facilities over the next five years which includes two potential hospital development projects in Turkey, which are under discussion as at the LPD (please refer to Section 8.2.6 of this Prospectus for further details). These new beds in the pipeline also include approximately 760 new beds in those facilities which we will expect to manage through HMAs, over the next five years. As at 31 March 2012, we employed more than 24,000 people worldwide. Our core businesses are operated through our key subsidiaries, namely PPL, Acibadem Holding and IMU Health. We believe our businesses provide us with the ability to successfully position and grow our assets in attractive markets, execute our operating plan and strengthen our operations and financial performance. For the year ended 31 December 2011 and the three months ended 31 March 2012, we had total historical combined revenues of RM3,328.8 million and RM1,276.2 million respectively, and total pro forma revenues of RM5,190.8 million and RM1,476.4 million respectively.

PPL is the holding company for our integrated Parkway and Pantai healthcare businesses in Singapore and Malaysia respectively, and also has investments and operations in the PRC, India, Hong Kong, Vietnam and Brunei. It is one of Asia's largest private healthcare providers with a network of 16 hospitals, six of which are JCI accredited, with more than 3,000 licensed beds, over 60 medical centres and clinics, and ancillary healthcare businesses. For the year ended 31 December 2011 and the three months ended 31 March 2012, PPL contributed 95.1%, and 66.3%, to our Company in terms of total historical combined revenue, respectively, and 59.4%, and 57.3%, to our Company in terms of total pro forma revenue, respectively.

Acibadem Holding owns Acibadem, an integrated private healthcare and diagnostics provider with an extensive network across Turkey and a leading player in the Turkish private healthcare sector. As at the LPD, Acibadem operates 14 hospitals and has one other hospital in Istanbul, Jinemed Hospital, the acquisition of which is pending completion. Of its 14 hospitals, eight hospitals are in Istanbul (one of which, Aile Hospital Goztepe, was operational until April 2012 and is currently undertaking structural reinforcement of the hospital building, which is leased) and five hospitals are in other large population centres across Turkey. Acibadem also operates a hospital in Macedonia through a subsidiary. Acibadem had eight JCI accredited hospitals but as at the LPD, have voluntarily withdrawn the JCI accreditation of two hospitals. Consequently, as at the LPD, six hospitals are JCI accredited. In addition, one hospital in Turkey is pending JCI accreditation and the hospital in Macedonia is in the process of preparing its application for JCI accreditation. Acibadem also operates nine outpatient clinics and has one other outpatient clinic in Istanbul, Jinemed Medical Centre, the acquisition of which is pending completion. In addition, Acibadem Holding owns stand-alone ancillary healthcare businesses, including Acibadem Mobil, APlus and Acibadem Proje, as well as laboratory services, such as Acibadem Labmed, which further support the integrated nature of its operations. For the year ended 31 December 2011 and the three months ended 31 March 2012, Acibadem Holding contributed 37.5%, and 39.8%, to our Company in terms of total pro forma revenue, respectively.

IMU Health operates IMU, a private university based in Malaysia offering medical, dental, pharmacy, nursing, health science and complementary medicine programmes. It was Malaysia's first private healthcare university to offer local and foreign programmes. For the year ended 31 December 2011 and the three months ended 31 March 2012, IMU contributed 4.8%, and 3.3%, to our Company in terms of total historical combined revenue, respectively, and 3.1%, and 2.9%, to our Company in terms of total pro forma revenue, respectively.

In addition to its core businesses, our Company owns equity interests in PLife REIT and Apollo. PLife REIT, which is listed on the Main Board of the SGX-ST in Singapore, is one of Asia's largest healthcare real estate investment trusts with 36 properties with a carrying amount of SGD1,397.9 million (RM3,452.8 million) as at 31 March 2012, and a market capitalisation of SGD1,119.2 million (RM2,764.4 million) as at the LPD. As at the LPD, our Company indirectly owned a 35.8% equity interest in PLife REIT as well as a 100.0% equity interest in Parkway Trust Management, the manager of PLife REIT. Our Company is entitled to a share of PLife REIT's distributions and 100.0% of the management fees.

As at the LPD, our Company owned an 11.2% equity interest in Apollo, one of India's largest private healthcare providers, operating a wide network of hospitals predominantly based in India. Apollo's principal line of business is the provision of healthcare services, through hospitals, pharmacies, projects and consultancy services and primary care clinics. Apollo is listed on the Bombay Stock Exchange and the National Stock Exchange of India. It was voluntarily delisted from the Madras Stock Exchange with effect from 29 November 2006. Apollo had a market capitalisation of Rs.86,213.3 million (RM4,827.2 million) as at the LPD.

8.2.2 Our competitive strengths

We will be one of the largest listed private healthcare providers in the world based on market capitalisation upon Listing. Our integrated healthcare network provides the full spectrum of healthcare services, from primary healthcare clinics, to secondary and tertiary hospitals, to quaternary care and post-operative rehabilitation centres, complemented by a wide range of ancillary services including diagnostic laboratories, imaging centres, ambulatory care, medical education facilities, hospital project management and other related services. We have successfully developed our businesses through organic growth and acquisitions.

We believe our key competitive strengths include:

(i) Leading market positions in highly attractive growth markets

We focus on markets in Asia and the CEEMENA region, which we believe are highly attractive growth markets. Our global healthcare network operates over 4,900 licensed beds across 30 hospitals with one additional hospital in Turkey, the acquisition of which is pending completion, as well as medical centres, clinics and ancillary healthcare businesses across eight countries. In addition, we have over 3,300 new beds in the pipeline to be delivered through new hospital developments and expansion of our existing facilities over the next five years, which includes two potential hospital development projects in Turkey, which are under discussion as at the LPD (please refer to Section 8.2.6 of this Prospectus for further details). These new beds in the pipeline also include approximately 760 new beds in those facilities which we will expect to manage through HMAs, over the next five years. The markets in which we operate benefit from a range of attractive dynamics including increasingly affluent and rapidly ageing populations, as well as an increasing demand for quality private healthcare services, underpinned by supportive government policies.

We have leading market positions in our home markets:

- in Singapore, we are the largest private healthcare provider in terms of number of licensed beds with a market share of approximately 43.9% as at 31 December 2011, according to Frost & Sullivan. Our new high-end, state-of-the-art Mount Elizabeth Novena Hospital, which is scheduled to open by July 2012, will provide an additional 333 beds when it is fully operational and is expected to further consolidate our leadership in this market;

- in Malaysia, our hospital network, operating under the "Pantai" and "Gleneagles" brands, is the second largest private healthcare provider in the country in terms of number of licensed beds with a market share of approximately 15.1% as at 31 December 2010, according to Frost & Sullivan; and

- in Turkey, our Acibadem hospital network is the largest private healthcare provider in the country in terms of number of non-SGK and partial-SGK beds as at 31 December 2011, and had a market share of approximately 5.2% in terms of total private hospital beds (including full-SGK, partial-SGK and non-SGK beds) as at 31 December 2010 according to Frost & Sullivan. We are primarily focused on the affluent Istanbul region but are also building our presence across Turkey and into neighbouring countries.

Our home markets of Singapore, Malaysia and Turkey also act as important hubs for medical travel within their respective regions, which further expands our patient catchment area and provides growth potential for our business.

In addition, with respect to our healthcare operations in other key markets:

- in the PRC, we are a major foreign-owned private healthcare operator, operating eight medical centres and clinics in Shanghai and Chengdu, and intend to leverage our existing presence to become one of the leading private healthcare providers in the country. We also operate a medical centre in Hong Kong; and
- in India, we have a strong and growing presence and have a business relationship with Apollo, one of the largest private healthcare providers in the country with more than 8,200 beds across 51 hospitals in India and internationally as at 31 December 2011. Apollo Gleneagles Hospital in Kolkata is operated through our 50/50 joint venture with Apollo.

(ii) Highly recognised brands with a reputation for clinical excellence

Our key hospitals are recognised for regularly performing complex high-intensity clinical procedures requiring highly experienced surgeons and advanced facilities, adopting global best practices and achieving outstanding patient outcomes. The standard of healthcare services we provide has been acknowledged by renowned international and regional quality accreditation agencies such as the JCI, the ISO, the MSQH and the EFQM, which enhances our reputation for clinical excellence and helps us attract additional patients and doctors to our facilities.

All of our three existing hospitals in Singapore are accredited by the JCI. Our "Mount Elizabeth" and "Gleneagles" brands are the most admired and reputable private hospital brands in Singapore and Indonesia, according to a study by Millward Brown undertaken in 2011 for PPL. Our Mount Elizabeth Hospital and Gleneagles Hospital have significant experience in performing advanced procedures and are referral destinations for complex high intensity clinical cases. We believe Mount Elizabeth Hospital was the first private hospital in Singapore to offer cardiac catheterisation, cardiac surgery and neurosurgery and, together with Gleneagles Hospital, have successfully carried out more than 750 living donor kidney and liver transplant cases in over 10 years, as well as numerous haematopoietic stem cell transplants and bone marrow transplants. We believe our new high-end, state-of-the-art Mount Elizabeth Novena Hospital will complement our existing hospital network by further enhancing the scale and scope of our healthcare services and reinforcing our position as the leading provider of private healthcare services in Singapore.

In Malaysia, our "Pantai" brand has the strongest reputation among private hospitals, according to the same Milward Brown study. In addition, our "Pantai" and "Gleneagles" hospitals are among the preferred healthcare providers for many large domestic and multinational corporations.

Similarly, we believe our award-winning "Acibadem" brand is synonymous with quality healthcare services in Turkey. Our hospitals are able to perform and have had a high success rate in performing advanced clinical procedures, including living donor organ transplants. With a focus on clinical quality, patient safety and care, we believe Acibadem has a history of delivering clinical outperformance compared to industry benchmarks. Six of our Acibadem hospitals are accredited by the JCI, which is the most out of any private hospital group in Turkey.

We believe that our brands are also becoming increasingly recognised internationally, attracting additional patients from neighbouring regions through medical travel and assisting our expansion into new markets.

As a responsible corporate citizen, we are also committed to corporate and social responsibility and hold in high regard ethical, humanitarian and environmental aspects in the conduct of our business. For example, we regularly coordinate teams of doctors and other personnel to help with various global relief efforts, including in connection with the Haiti earthquake in 2010 and the Aceh tsunami in 2004.

(iii) Integrated healthcare service continuum in our home markets

Our hospitals and other healthcare facilities in our home markets offer the full spectrum of services across the healthcare value chain from primary healthcare clinics, to secondary and tertiary hospitals and to quaternary care and post-operative rehabilitation centres. They are positioned to complement each other and provide the most effective value propositions toward our target patient segments. This comprehensive and integrated service offering provides a convenient one-stop continuum of care together with quality clinical outcomes, which attracts new patients, promotes long-term patient retention and also enables us to realise synergies across our Group through, amongst others, cross-referrals and leveraging best practices.

In Singapore, our Mount Elizabeth Hospital is positioned to serve the needs of medical travellers from across Southeast Asia, whereas our Gleneagles Hospital is positioned to address the mid- to high-income domestic market, including local expatriates. Our Parkway East Hospital focuses on community patients and third party payers and has also recently agreed with the MOH Singapore to lease beds to the public sector. These hospitals are complemented by our various diagnostic laboratories, imaging centres and healthcare education facilities as well as our Parkway Shenton business, which is one of the leading private primary care groups in Singapore, with a total registered patient pool of more than 450,000, serving over 2,000 corporate clients and also acts as a feeder system for our hospitals.

Our new Mount Elizabeth Novena Hospital will be positioned to service demand from premium medical travellers and high-income domestic patients requiring complex, high-intensity clinical treatments. As compared to our other Singapore hospitals which have a combination of single-bed rooms and suites and double- and four-bed rooms, Mount Elizabeth Novena Hospital will have the capacity to operate up to 333 rooms and suites, all of which will have single beds. We view Mount Elizabeth Novena Hospital as a differentiated broadening of our healthcare service offering. Hence, we expect limited demand cannibalisation between it and our other hospitals in Singapore, especially considering the current shortage of premium hospital beds in Singapore.

We have adopted a dual-pronged brand positioning strategy in Malaysia. Our "Pantai" hospitals predominantly target the mid to high-income domestic segment whilst our "Gleneagles" hospitals serve the premium domestic, local expatriate and medical travel markets. Our hospitals are also segmented geographically and complement each other through our hub-and-spoke model, whereby spoke hospitals, generally operating in smaller cities and large towns, act as a source of referrals for more complex cases to hub hospitals, which generally operate in large urban centres and offer a greater number of clinical specialties. Our ongoing and planned new hospital developments will aim to address underpenetrated regional markets and provide greater pan-Malaysian coverage, including in East Malaysia.

Our business in Turkey is segmented both geographically and demographically, serving Istanbul and other large population centres across the country. Our premium "Acibadem" hospitals and outpatient clinics target affluent patients, who pay for their own medical expenses or have private insurance, and our other "Aile Hastanesi" hospitals target mid-income patients. In addition, our hospital network in Turkey is supported by a range of ancillary services, including Acibadem Mobil, APlus and Acibadem Proje, as well as laboratory services, such as Acibadem Labmed, to ensure quality control and efficiency of services provided.

(iv) Ability to attract high quality doctors and medical support staff

Our reputation for clinical excellence, premium healthcare facilities and advanced medical technology, together with our efficient management and information systems, enables us to attract not only patients, but also quality doctors and medical support staff. We believe our doctors are among the most experienced within their respective markets, with a number having previously served as departmental heads and recognised as leaders in their fields. This allows our hospitals to provide more complex and higher intensity clinical cases, which we believe acts as a strong barrier to entry to our competitors. In addition, we believe that the concentration of highly skilled professionals within our Group creates a high-performance culture and environment which attracts and further encourages other quality personnel to join us.

Our hospitals in Singapore have over 1,200 credentialed specialist doctors, representing approximately 36.0% of the total number of specialist doctors and over 90% of the total number of private specialist doctors in Singapore. Our flagship Singapore hospitals, Mount Elizabeth Hospital and Gleneagles Hospital, are strategically located within dense medical clusters, with 70.0% to 85.0% of private specialist doctors practising within close proximity. We believe these dynamics also attract additional doctors and patients to our facilities. In Malaysia, our hospitals have over 760 credentialed specialist doctors, one of the highest concentrations in the country. In Turkey, our Acibadem hospital and outpatient clinics network employs over 1,800 doctors, of whom approximately 1,300 are specialist doctors, and more than 350 are also professors or associate professors, which is one of the highest concentration of professors and associate professors amongst healthcare providers in the country.

We believe that the physician engagement business models we employ are attractive to doctors by offering them significant autonomy as well as opportunities to create and develop their personal brand name. At our PPL hospitals, doctors are typically self-employed practicing in medical suites, and at our Acibadem hospitals, the majority of doctors are contracted with a revenue sharing structure. We believe such business models also align interests and incentives between doctors and our hospitals and reflect the different business environments of the countries in which we operate. Going forward, we expect to continue to employ these respective physician engagement business models at our PPL and Acibadem hospitals. Our ability to attract leading doctors has recently been reflected by the strong demand for, and pricing achieved, in the sale of medical suites at our new Mount Elizabeth Novena Hospital, despite being launched during the financial crisis of 2008 to 2009. We believe the majority of doctors who will practise from Mount Elizabeth Novena Hospital's medical suites will be highly qualified and experienced specialist doctors.

In IMU, Parkway College and Pantai College, we also own a successful and dynamic healthcare education business, which offers ongoing training programmes for our personnel and addresses the development needs of the next generation of healthcare professionals. Nurses who are sponsored by us and trained at Parkway College and Pantai College are typically committed to practise at our hospitals for at least five to six years, including training time, which provides a steady supply of nurses to our hospitals. We also have an arrangement with Acibadem University whereby Acibadem University can use some of our hospitals' and medical centres' facilities for the practical training of its medical students. Acibadem University is an educational institution owned by a non-profit foundation outside of our Group, which has provided medical education and medical training programmes in Turkey since 2009 and provides academic teaching opportunities for our doctors. IMU and Acibadem University offer healthcare professionals in our Group opportunities for collaborative research and we believe that such opportunities may attract quality consultants, faculty, other educational staff and students to work in our Group.

(v) Strong track record of operational and financial performance

We have a strong track record of sustained revenue and EBITDA growth across our businesses. On a pro forma basis, revenues at our PPL and Acibadem businesses have grown at a 10.1% CAGR and a 23.2% CAGR, respectively, between 31 December 2009 and 31 December 2011 while their EBITDA has grown at a 7.4% CAGR and a 41.8% CAGR, respectively, over the same period. Our businesses have been resistant to adverse economic conditions, achieving revenue growth and remaining profitable even during the financial crisis of 2008 to 2009.

We adopt stringent methodologies and hurdle rates in the evaluation of new projects and investments. This coupled with our extensive experience and expertise in identifying, implementing and developing new hospital projects has allowed us to achieve strong organic growth and enjoy attractive returns on our investments. In the case of our brownfield development, Pantai Hospital Klang, we were able to turn around the operations of the hospital from an operating loss position prior to 2007 to achieving an operating profit margin of approximately 15.2%, 19.1% and 21.0% for the years ended 31 December 2008, 2009 and 2010, respectively. Similarly, under Acibadem's management, our Acibadem Maslak Hospital commenced operations in March 2009 and achieved a positive gross EBITDA within its first year of operation. Our strong track record provides us with the confidence in our ability to achieve similar successes with our upcoming new developments globally. We expect to complete our new Mount Elizabeth Novena Hospital, which raises the bar in standards of hospital layout and design, by July 2012, on schedule and within the allocated budget.

We intend to continue to expand and strengthen our business through selective mergers and acquisitions. We believe our acquisitions of Parkway, Pantai, Parkway Shenton and the World Link Group demonstrate our ability to successfully identify, execute and integrate value-enhancing transactions.

(vi) Experienced management team backed by reputable shareholders

We believe the experience, depth and diversity of our management team to be a distinct competitive advantage in the complex and rapidly evolving healthcare industry in which we operate. Many of our senior management team and hospital managers are also qualified doctors, which gives us first-hand and in-depth knowledge of the intricacies of hospital operations, as well as experience in working with other doctors.

The members of our senior management team have extensive industry experience and have been instrumental to and possess a strong track record of building our businesses in Asia and the CEEMENA region. Further, they have been and are empowered to drive the growth of the businesses in their respective geographic markets.

Dr Lim Cheok Peng, Managing Director of our Company and Vice Chairman of PPL, is a cardiologist by profession and has over 25 years of experience in the international healthcare sector. Dr Lim has been steering Parkway's healthcare efforts since 1987.

Dr Tan See Leng, Executive Director of our Company, Managing Director and Group Chief Executive Officer of PPL has over 20 years of experience in the healthcare industry. Dr Tan first joined Parkway in September 2004 as Chief Operating Officer of Mount Elizabeth Hospital.

Mehmet Ali Aydinlar, Director of our Company, Executive Director, Chairman and CEO of Acibadem, has been involved in the healthcare sector since 1993. He is currently Chairman of the Turkish Accredited Hospitals Association and has won numerous awards in Turkey including "2006 Male Entrepreneur of the Year", "2006 Businessman of the Year" and the "2008 Healthcare Management Prize" which were awarded by Ekonomist Magazine, Istanbul University Faculty of Management and Dunya Newspaper and Hastane (Hospital) Magazine, respectively.

Additionally, with the support of our major shareholders including Khazanah, the investment holding arm of the Government of Malaysia entrusted to hold and manage the Government of Malaysia's commercial assets and to undertake strategic investments, and Mitsui, one of the largest trading houses in the world, we see significant upside potential for our business from leveraging on their strong relationship networks and accessing future financing at attractive rates.

8.2.3 Our strategies and future plans

We aim to strengthen and expand our leading market positions, continuously improve the quality of our healthcare services and deliver long-term value for our shareholders via the following strategies:

(i) Grow and strengthen our leading presence in our home markets

To serve the growing demand for premium private healthcare services in our home markets of Singapore, Malaysia and Turkey, we are implementing plans to significantly increase the number of beds across our hospital networks through new hospital developments, expansion of existing facilities and selective acquisitions.

We expect our new high-end, state-of-the-art Mount Elizabeth Novena Hospital in Singapore, which will have the capacity to operate up to 333 beds, to benefit from significant demand for premium healthcare services, extend our leadership in the growing Asian medical travel market and alleviate single-bed capacity constraints from our other hospitals in Singapore. In addition, we seek to expand our facilities and upgrade infrastructure at our Mount Elizabeth, Gleneagles and Parkway East hospitals, extend our primary care clinic network, open additional CoEs and set up new advanced clinical programmes to increase the promotion of day surgery and outpatient services. In the ordinary course of our business, we also participate in tenders in the public and private sectors.

We plan to continue to grow our business via our established hub-and-spoke model in Malaysia and are in the process of increasing bed capacity at existing facilities as well as building new hospitals. Our planned Gleneagles Medini and Gleneagles Kota Kinabalu greenfield projects, both of which are intended to be hub hospitals and scheduled to open by 2015, are expected to add to an initial combined 400 beds, which will subsequently be expanded to 550 beds, and expand our presence to East Malaysia and southern Peninsular Malaysia. Pantai Hospital Manjung, which is being developed and scheduled to open by early 2014, is intended to be a new spoke hospital development, with the capacity to operate up to 100 beds and aimed at providing services to the community in the upcoming Manjung township. Additional initiatives in Malaysia include a targeted doctor recruitment programme, increasing the number of ambulatory care centres and setting up new specialised CoEs and advanced clinical programmes to achieve greater clinical differentiation from our competitors.

We are constantly seeking to implement initiatives to increase operational efficiency. For example in Singapore, we have been converting multi-bed wards at Mount Elizabeth Hospital and Gleneagles Hospital to single-bed wards and implementing greater clinical pricing segmentation to improve ward utilisation rates and achieve ward rate uplifts. In addition, we have arrangements with the MOH Singapore to lease a number of beds at Parkway East Hospital to Changi General Hospital, a public hospital in Singapore. Patients using these leased beds will be cared for by doctors from Changi General Hospital. This initiative will allow us to reach out to a wider segment of the local population and to optimise our bed occupancy rate while actively engaging in the MOH Singapore's Public Private Partnership initiative.

In Turkey, we intend to continue to enhance and expand our operations in both the premium and the mid-market hospital segments through selective acquisitions of hospitals and outpatient clinics, facility upgrades, capacity expansions and new greenfield developments in Istanbul and other large population centres across the country as well as potentially in other countries in the CEEMENA region. We are also planning to further develop our ancillary businesses, especially to third party customers. We currently have two greenfield hospital projects under development in Turkey, which are expected to add an initial combined 188 beds by 2013. In addition, as at the LPD, we have signed a letter of intent to develop a potential greenfield hospital project located in the Taksim neighbourhood of Istanbul, Turkey and are also in discussions to develop a potential hospital via a brownfield project that is also located in Istanbul, Turkey (please refer to Section 8.2.6 of this Prospectus for further details).

(ii) Further expand into attractive geographies in Asia and across the CEEMENA region

We believe there are attractive opportunities for us to continue to expand internationally. We intend to develop our presence across the markets where we have identified strong growth potential and where we can leverage our existing capabilities, expertise and reputation. We are currently primarily focused on expanding our businesses in the PRC, India, Hong Kong and selected countries in the CEEMENA region through greenfield and brownfield projects, HMAs, strategic partnerships and joint ventures together with selective acquisitions:

- in the PRC, we aim to be a leader in private healthcare with a strong base in Shanghai focusing on the premium healthcare segment by leveraging on our existing primary and secondary care network. We have been appointed as the start-up consultant and operator for SIMC, a 450-bed private hospital in the Shanghai International Medical Zone in the Pudong District of Shanghai. We have also signed a non-binding letter of intent to invest through a joint venture with a party in the PRC to develop a 450-bed private tertiary hospital in the New Hong Qiao Medical Hub in the Minhang District of Shanghai. As at the LPD, we intend to invest in the above mentioned project together with another Hong Kong based party. Additionally, we plan to expand our presence across the PRC through our established hub-and-spoke model;

- in India, we aim to be a leader in the premium tertiary care segment. Our new joint venture Gleneagles Khubchandani hospital, scheduled to open at the end of 2012, is located in Juhu, Mumbai and will target the high-income patient segment. We plan to expand our presence across major cities through brownfield and greenfield joint ventures and acquisitions with a focus on the northern and western regions of the country;
- in Hong Kong, we, potentially with a minority joint venture partner, intend to bid for landmark greenfield sites with the aim of developing premium tertiary hospitals. The tender process for two sites was publicly announced by the Hong Kong Government on 13 April 2012 and bidding is scheduled to close on 27 July 2012. We have also established our flagship clinic in Central and aim to expand our clinic network and ancillary businesses in the Hong Kong Special Administrative Region; and
- in the CEEMENA region, we plan to further expand our regional presence and are continually evaluating attractive new greenfield development and selective acquisition opportunities, such as our recent purchase of a controlling interest in Acibadem Sistina. We have also entered into a memorandum of understanding in November 2010 to explore developing a new greenfield hospital project in Egypt. In addition, our other potential expansion markets include Albania, Azerbaijan, Greece, Kazakhstan, Iraq, Libya, Romania, Russia, Saudi Arabia and Serbia.

In our secondary expansion markets, including a number of Southeast Asian countries, such as Vietnam and Indonesia, and Middle Eastern countries, such as the United Arab Emirates and Saudi Arabia, we intend to continue to adopt HMAs as the preferred entry model and to potentially position such facilities as referral centres for our hospitals in our home markets. We also plan to use medical centres and clinics, specialist units, as well as ancillary services as other market entry methods for such markets.

We are confident that our strong track record in developing and integrating healthcare services across multiple geographies will enable us to become a leader in these rapidly developing markets and achieve sustainable growth for our business.

(iii) Continue to capture growth in medical travel globally

We expect medical travel to continue to be a key growth driver for our business. The medical travellers we target typically favour a recognised brand name as well as a reputation for clinical excellence. We believe we are well positioned to enhance our leadership position in the medical travel market through the continued provision of quality healthcare services and a growing presence in strategic locations across Asia and the CEEMENA region.

Singapore is a key hub for medical travel in Asia, with an estimated 461,000 medical travellers in 2011, according to Frost & Sullivan. It also acts as an important evacuation centre for emergency treatments in the Southeast Asia region. With medical travellers representing more than 25.0% of total patients at our Singapore hospitals in 2011, we expect our leadership in this market to be further solidified following the opening of our Mount Elizabeth Novena Hospital, scheduled to open by July 2012, given its focus towards premium medical travellers and complex clinical procedures.

We anticipate strong growth in Malaysia's medical travel market, driven by the price competitiveness of its healthcare services together with increased regional connectivity and the upgrading of its domestic healthcare infrastructure. We aim to further strengthen our position in this market with our Malaysian hub hospitals through the continued enhancement of our facilities and service offering, as well as our new premium hospital developments such as Gleneagles Medini, which will serve as the flagship hospital in southern Peninsular Malaysia.

Strategically located between Europe, Asia and the Middle East, Turkey has emerged as one of the most popular destinations for medical travel in the CEEMENA region, with an estimated 125,000 medical travellers in 2011, according to Frost & Sullivan. Our Acibadem hospital network is a major provider to the medical travel market, catering to over 19,000 foreign patients in 2011. With a team of over 40 multi-lingual patient specialists and through initiatives including partnerships and special agreements with foreign governments and institutions in the region, we believe we are well-positioned to capture additional growth and extend our leadership in this attractive market segment.

(iv) Leverage our scale, market positions and business integration to enhance profitability

Following our recent acquisition of Acibadem Holding, we have significantly expanded our scale and geographic reach and are in the process of increasing collaboration and integration across our businesses globally to enhance profitability across our Group.

We believe our increasing scale and leading market positions provide us with attractive opportunities to realise quality, revenue and cost synergies through various initiatives including:

- more efficient sourcing and procurement of medical equipment and consumables;
- minimising duplication and utilising outsourcing efforts in financial reporting, information technology and other line functions;
- sharing of project development expertise and management best practices;
- coordination of marketing strategy across the markets we focus on; and
- cross-referrals within the Group, especially from our primary care facilities, as well as between our hub and spoke healthcare facilities.

We have a successful track record in integrating new businesses and realising synergies within our Group. After its acquisition in 1995, Mount Elizabeth Hospital was further developed by our management into a leading private hospital in the Southeast Asia region through the introduction of new clinical specialties and other quality enhancement initiatives, which has significantly improved revenues and profitability at the hospital. In addition, following our acquisition of Pantai and its integration with Parkway, we have been able to significantly improve business efficiency and extract synergies. For example, for the eight months commencing from the implementation of our internal synergies programme, up to 31 December 2011, we were able to achieve cost savings of approximately SGD19.0 million (as compared to our expected budgeted costs for the same period) within our Singapore and Malaysia operations through sharing of management expertise, centralising procurement of key capital expenditure and operating expense items and leveraging joint marketing efforts, as well as other operational best practices to improve hospital performance. Moreover, at Mount Elizabeth Novena Hospital, we were able to achieve capital expenditure savings of approximately SGD29.0 million for the year ended 31 December 2011 (as compared to our expected budgeted expenditures for the same period) in relation to key medical and non-medical equipment.

(v) Continue to attract, retain and develop quality medical personnel

Our ability to attract, retain and develop quality medical personnel to support our expansion plans is crucial to our growth strategy and we continue to implement initiatives to recruit leading doctors and medical support staff. We believe we offer an attractive working environment with quality brand names, a high concentration of quality healthcare specialists, sustained patient flow, world-class facilities and systems, ongoing training initiatives, high levels of doctor autonomy, as well as opportunities for personal career development.

We believe we are a pioneer in introducing the concept of providing medical suites that can be purchased or leased by doctors and which are strategically placed within close proximity to our hospitals. For example, such medical suites at our Mount Elizabeth Novena Hospital have proven extremely attractive for leading specialist doctors. We believe that being able to provide professional consultation services at their own suites on-site promotes the alignment of interests between doctors and our hospitals whilst maximising our ability to attract and retain such medical personnel and their patients at our facilities.

We expect our education businesses, IMU, Parkway College and Pantai College, to continue to provide quality healthcare professionals for Singapore and Malaysia as well as for our hospitals. We believe this will complement our Group's talent acquisition strategy, which also includes recruitment of quality foreign healthcare professionals.

8.2.4 Our business operations

Our core businesses currently own, manage or operate general and acute care hospitals, primary care clinics, freestanding surgery centres, outpatient centres, patient assistance centres, health screening facilities, radiology facilities, laboratories, rehabilitation and physical therapy centres, clinical research organisations and various other facilities. Through such facilities, we provide patients with primary care, secondary care, tertiary care and quaternary care. For a further discussion of these types of services, please refer to Section 7 of this Prospectus. We also own, manage and operate a medical university and two nursing colleges which provide a range of medical and healthcare programmes. In addition, we also provide a variety of management, consultancy and ancillary services to other healthcare companies, including hospital management services, project development and construction services.

8.2.5 Parkway Pantai

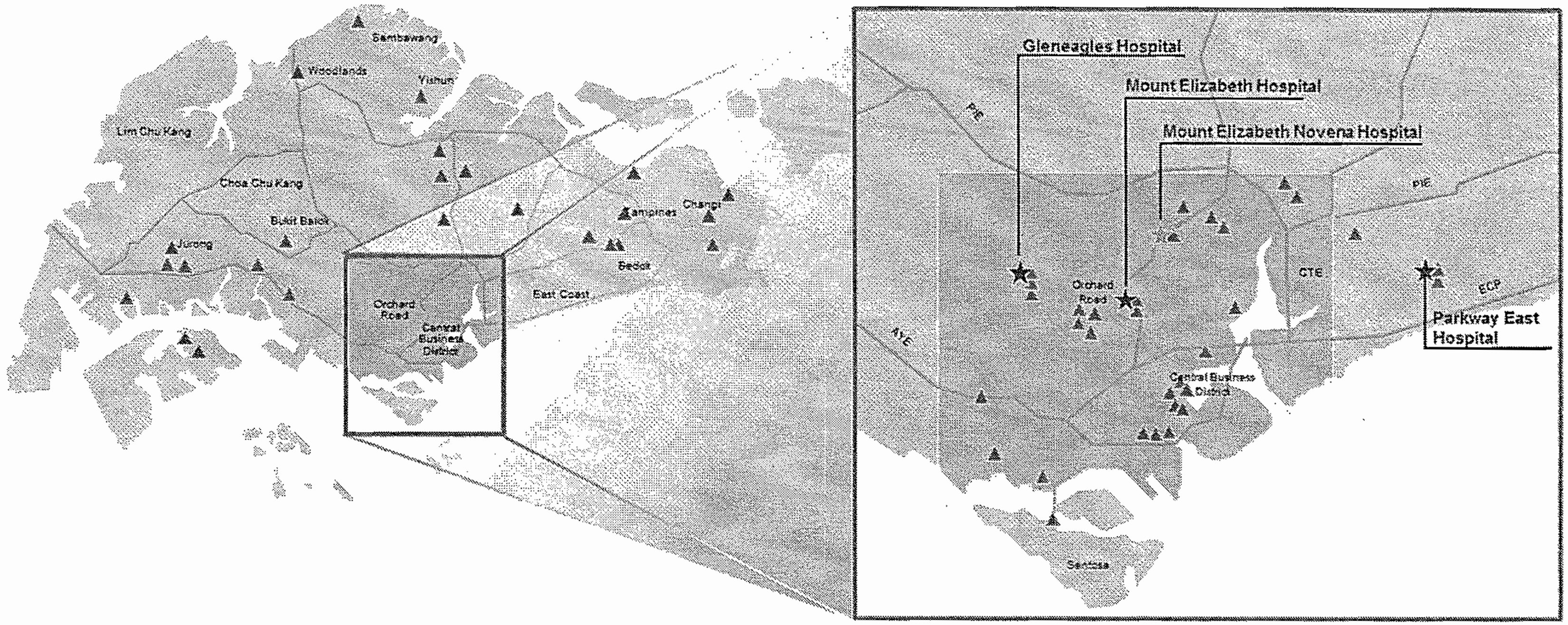
PPL is one of Asia's largest private healthcare providers and operates in six countries across Singapore, Malaysia, the PRC and Hong Kong, India, Vietnam and Brunei. PPL has integrated operations across the healthcare value chain; it has a network of 16 hospitals with more than 3,000 licensed beds in aggregate, as well as medical centres and clinics and ancillary healthcare businesses. PPL divides its business operations into three geographic categories, namely Singapore, Malaysia and International.

Singapore operations

PPL is the largest private healthcare provider in Singapore and operates the Mount Elizabeth, Gleneagles and Parkway East hospitals, all of which are JCI accredited. As at the LPD, over 1,200 specialist doctors were credentialed by PPL to admit patients to its three hospitals in Singapore. PPL's Singapore hospitals also house CoEs and advanced clinical programmes. In addition, PPL has medical centres and clinics, health screening facilities, radiology facilities, laboratories, education facilities, a clinical research organisation, rehabilitation services, a corporate insurance business and a third party administration business in Singapore which complement its hospital network. This broad range of services offered by PPL's businesses provides it with an integrated presence across the primary, secondary, tertiary and quaternary healthcare sectors in Singapore. PPL's Singapore operations contributed 62.1% in terms of PPL's total pro forma revenue for the year ended 31 December 2011 and 62.1% for the three months ended 31 March 2012.

8. BUSINESS OVERVIEW *(cont'd)*

The map below sets out the locations of PPL's hospitals and clinics in Singapore as at the LPD:



★ Existing hospital ✯ New hospital ▲ Clinic

Singapore hospitals

PPL is the largest private hospital provider in Singapore with a market share of approximately 43.9% as at 31 December 2011 in terms of the number of licensed beds, according to Frost & Sullivan. PPL operates Mount Elizabeth Hospital, located in the centre of the Orchard shopping and tourism district, which is the largest private hospital in Singapore in terms of the number of operational beds, Gleneagles Hospital, located in one of Singapore's most exclusive residential neighbourhoods, and Parkway East Hospital, which is the only private hospital on the eastern side of the island. These hospitals are multi-specialty hospitals and their facilities have been regularly upgraded and renovated to maintain their high standards. In addition, PPL is building Mount Elizabeth Novena, a high-end, state-of-the-art tertiary hospital with the capacity to operate up to 333 beds, which is expected to commence operations by July 2012.

For its Singapore hospitals, PPL grants qualified doctors, who must be specialist doctors accredited by the Singapore Medical Council, privileges to admit patients into PPL's hospitals. These doctors are considered to be credentialed doctors. A doctor may be credentialed at more than one of PPL's hospitals.

In Singapore, most of the credentialed specialist doctors are independent medical practitioners. They operate from clinics, which are either in medical office buildings co-located with PPL's hospitals or in PPL's hospitals itself or located in the vicinity of PPL's hospitals. These credentialed specialist doctors may refer patients to one of PPL's hospitals for further care and use of inpatient facilities. The credentialed specialist doctors continue to consult and treat the patient while PPL provides the inpatient facilities, equipment and services of PPL's medical staff for a fee. These specialist doctors may also refer patients to PPL's medical centres, clinics and ancillary healthcare businesses and receive patients who are referred to them by PPL's medical centres, clinics and ancillary healthcare businesses. PPL employs nurses, resident physicians and ancillary medical and support staff directly at its hospitals and other healthcare operations in Singapore.

PPL has established itself as a market leader in medical travel in the region, with 43.2% of its Singapore hospital revenue in 2011 being contributed by patients with a foreign country of residence, as set forth in the table below for the year ended 31 December 2011.

Country of residence	**Percentage of revenue**	
Singapore		56.8%
Indonesia	20.7%	
Malaysia	4.2%	
Bangladesh	2.6%	
Vietnam	1.4%	
Middle East/Africa	2.4%	
Eastern Europe	0.8%	
United States	0.4%	
Others(1)	10.7%	
Non-Singapore:		43.2%
Total		**100.0%**

Note:

(1) Includes the rest of Southeast Asia, China, India, Japan, Western Europe and Australia.

While the rates charged by PPL's Singapore hospitals are the same whether the patient is a Singapore resident or a visitor, medical travellers tend to require more complex treatments and procedures, thus resulting in the average revenue per medical traveller being higher than the average revenue per local patient.

In order to consolidate its position in the medical travel market, PPL has established over 30 CPACs across Asia, the Middle East, and Eastern Europe, which are service centres that handle medical travellers' patient files, refer them to the appropriate credentialed doctor in PPL's network and arrange their visa, travel and hospitality arrangements. CPACs also serve as PPL's sales and marketing presence in the medical travel market, liaising with individual patients, insurance providers, corporate clients and governments. PPL has established its own Parkway Air Ambulance Service and also works with third party evacuation companies.

The following table sets forth certain operating statistics for the hospitals in Singapore which PPL operates as at and for the periods indicated. Hospital operations are subject to certain seasonal fluctuations, including decreases in inpatient business primarily during school holidays and festive periods.

	Year ended 31 December			Three months ended 31 March
	2009	**2010**	**2011**	**2012**
Number of hospitals at end of period	3	3	3	3
Number of beds (licensed) at end of period[1]	1,008	743	730	730
Number of beds (operational) at end of period[1]	724	714	716	719
Inpatient admissions[2]	46,961	49,182	51,036	13,261
Average length of stay (days)[3]	3.4	3.3	3.3	3.3
Occupancy rate[4]	60%	62%	64%	67%
Average revenue per inpatient admission (in SGD/RM[5])	6,625/15,900	6,874/16,498	7,463/17,911	8,024/19,258
Average revenue per patient day (in SGD/RM[5])	1,962/4,709	2,091/5,018	2,275/5,460	2,437/5,849

Notes:

(1) Licensed beds are approved number of beds by MOH Singapore which a facility regularly maintains and staffs. Operational beds is an internal measure for which we include those of our licensed beds which we utilise for patients.

(2) Represents the total number of inpatients admitted to our hospitals.

(3) Represents the average number of days an inpatient stays in our hospitals.

(4) Represents the percentage of hospital operational beds occupied by inpatients.

(5) The SGD amounts have been translated for convenience into RM at the rate of SGD1.00 : RM2.40.

Notes (cont'd):

(6) PPL and Acibadem do not compile certain of their operational data, including the number of operational beds, the average length of stay and the occupancy rate, on the same basis and therefore, these amounts may not be comparable.

As part of our measurement of operational performance, we use "occupancy rates" as a performance indicator of the utilisation of our available operational beds. We use occupancy rates to alert us if our hospitals have a potential operational bed capacity issue which may affect doctors' ability to admit their patients. Occupancy rates are a measure of the number of inpatients against the number of available operational beds, not a measure of revenue or profitability. This is because revenue or profit derived from an inpatient also includes, over and above room charges, other healthcare and medical services and fees, pharmaceutical drugs and consumables and (in relation to Acibadem) doctors' fees, which can vary significantly from inpatient to inpatient.

The decrease in licensed beds between 2009 and 2010 was due to a re-classification by MOH Singapore under which the number of licensed beds became a closer reflection of the number of operational beds. The decrease in licensed beds between 2010 and 2011 was due to the conversion of double-bedded rooms to single-bed rooms, as well as to a reconfiguration of some of the wards in PPL's Singapore hospitals to increase operational efficiency. For the year ended 31 December 2011, single-bed rooms and suites, including those in the ICU and HDU wards, accounted for approximately half of the operational beds at each of Mount Elizabeth Hospital and Gleneagles Hospital.

Our hospital operations in Singapore began over 20 years ago. Each of our hospitals in Singapore is JCI accredited and provides a wide variety of medical and surgical services, which are described below as at the LPD.

Hospital	Key specialist services provided	Number of licensed beds	Number of operating theatres[1]
Mount Elizabeth Hospital	Cardiothoracic vascular surgery, neurosurgery, general surgery, orthopaedics, cardiology, oncology, living donor transplants, liver transplants, stem cell and bone marrow transplants and over 35 other specialty areas	345	13
Gleneagles Hospital	Cardiology, gastroenterology, liver transplants, obstetrics and gynaecology, paediatrics, fertility, oncology and orthopaedics and over 30 other specialty areas	272	12
Parkway East Hospital	Surgery, paediatrics, obstetrics and gynaecology, cardiology and fertility services (including IVF) and over 25 other specialty areas	92	5

Note:

(1) Does not include delivery suites and endoscopy rooms.

A description of PPL's three hospitals in Singapore is as follows:

Mount Elizabeth Hospital is a 345-licensed bed private tertiary acute care hospital which provides a wide range of medical and surgical services. We believe that it was the first private hospital in Southeast Asia to deploy the TomoTherapy Hi Art system, an advanced integrated cancer treatment system, and the first hospital in Asia, outside Japan, to install the Aquillion ONE 320-slice CT scanner, an advanced scanning machine that is able to image an entire organ in a single rotation. Mount Elizabeth Hospital is a regional referral centre across multiple disciplines that typically attracts patients who require complex medical procedures, a large proportion of whom are medical travellers and emergency air-evacuation cases from Southeast Asia as well as from the high-income local and expatriate population in Singapore, resulting in higher revenue intensity.

Gleneagles Hospital is a 272-licensed bed private tertiary acute care hospital providing a wide range of medical and surgical services, including cardiology, gastroenterology, liver transplant, obstetrics and gynaecology, oncology and orthopaedics. Gleneagles Hospital largely attracts the mid- to high-income domestic market, including local expatriates, and medical travellers for certain specialties such as liver transplants, obstetrics and gynaecology.

Parkway East Hospital is a 92-licensed bed private tertiary acute care hospital with an outreach specialist centre in eastern Singapore that provides a comprehensive range of clinical disciplines and sub-specialties. It has recently added fertility services, including IVF. Parkway East Hospital generally caters to residents and third party payers in the eastern part of Singapore. In March 2012, Parkway East Hospital agreed with the MOH Singapore to lease a number of beds to Changi General Hospital. Patients using these leased beds will continue to be cared for by doctors from Changi General Hospital.

All three hospital properties in Singapore are leased from PLife REIT for a lease term of 15 years ending in 2022 through a lease and leaseback arrangement. Please refer to Annexure H of this Prospectus for details of our material properties.

Projects under development

Mount Elizabeth Novena Hospital will have the capacity to operate up to 333 beds (all of which will be in single-bed patient suites) and 13 operating theatres. The hospital is scheduled to open in two phases, the first phase with 180 beds is expected to be operational by July 2012, and the remainder during the second phase, which is projected to be operational in the second half of 2013. Construction of the hospital commenced in November 2008. The overall land cost, cost of developing, equipping (medical and non-medical equipment), and financing of the hospital is estimated at approximately SGD2.0 billion, of which approximately SGD1.8 billion had been incurred as at 31 December 2011. The cost of developing and equipping the hospital (excluding land costs) that had been incurred as at 31 March 2012 is approximately SGD443.0 million. The cost of development has been and is expected to continue to be funded through borrowings and internally generated funds. The hospital received the Green Mark Platinum Award on 29 February 2012 from BCA Green Mark, a rating system that evaluates a building for its efficient and environment-friendly features and practices. PPL has received temporary occupation permits for Mount Elizabeth Novena Hospital and the medical suites located therein on 23 April 2012. MOH Singapore has also approved the issue of a 180-bed hospital licence on 29 May 2012.

Many of the doctors who are expected to establish practices in Mount Elizabeth Novena Hospital are highly-qualified specialists who come from various sources, including Singapore's private hospitals, private practice and doctors entering private practice. The hospital will be a state-of-the-art tertiary care hospital with a focus on the key specialty areas of heart and vascular, neurosciences, oncology, orthopaedics and general surgery.

Mount Elizabeth Novena Hospital intends to be the first private hospital in Singapore to offer various state-of-the-art medical technologies, such as the use of the cardiac hybrid operating theatre, which will facilitate a comprehensive spectrum of new cardiovascular therapies, including new minimally-invasive therapies, and the PET-MRI system, a hybrid imaging technology, as well as other new surgical and diagnostics imaging technology. We believe the application of such new technologies, coupled with the clinical skill sets from Mount Elizabeth Novena Hospital's expected pool of specialist doctors, will allow for new clinical approaches and will provide PPL with greater access to high-income domestic Singapore patients and medical travellers.

In addition, located within the Mount Elizabeth Novena Hospital will be Mount Elizabeth Novena Specialist Centre, which will house 254 dedicated medical office suites with a gross floor area of 16,159 square metres. 216 of the units have been sold to specialist doctors, with PPL retaining the balance. The average price paid for these medical office suites was SGD3,819 per square foot, while the last transacted price as at 31 March 2012 was SGD5,088 per square foot.

CoEs and clinical programmes

In selected specialties, PPL offers advanced medical services through the use of specialised equipment and integrated clinical services delivered through multi-disciplinary teams. PPL has developed various clinical delivery models within its hospitals in Singapore to provide complex treatments through CoEs, advanced clinical programmes and specialised wards.

In Singapore, through CoEs, advanced clinical programmes and specialised wards, PPL generates revenue from the treatment of patients who need specialised, state-of-the-art treatment or surgery. The sources of such revenue include consultation, surgical and hospitalisation services and the utilisation of its facilities, equipment, consumables and services by its patients.

The table below sets forth certain details of PPL's CoEs, clinical programmes and specialised wards in Singapore as at the LPD.

Medical specialty	CoEs and clinical programmes	Location	Description
Fertility	Parkway Fertility Centre	Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital	• Provides a range of assisted reproductive techniques. • Treats patients from various countries for a wide range of male and female infertility problems.

Medical specialty	CoEs and clinical programmes	Location	Description
General Surgery	General Surgery programme	Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital	• Covers eye, ear, nose, head and neck, gastrointestinal surgery and urology with a multi-disciplinary team of surgical specialists who are trained in specific sub-specialisations.
Heart and Vascular	Heart and Vascular programme	Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital	• Provides comprehensive services for preventive care, screen, advanced diagnostic tests, invasive and non-invasive procedures, as well as post-operative management, cardiac rehabilitation and a comprehensive range of surgical programmes.
Neuroscience	Gamma Knife Centre	Parkway Health Day Surgery and Medical Centre	• Treats patients with clinical conditions, including brain metastases, acoustic neuromas, meningioma and trigeminal neuralgia, amongst others, and is the only centre of its kind in Singapore.
	Neuroscience (Brain and Spine) programme	Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital	• Provides treatment for stroke, brain trauma, epilepsy, sleep disorders, and neck and spine conditions by specialist doctors in neurology, stroke neurology, neurosurgery, radiology and trauma, amongst others. • Provides a range of neuro-rehabilitation therapy services.
Oncology	Parkway Cancer Centre	Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital	• Provides a holistic care environment for cancer patients with a multi-disciplinary team comprising leading oncologists, nurses, counsellors and other para-medical professionals.

Medical specialty	CoEs and clinical programmes	Location	Description
Ophthalmology	Parkway Eye Centre	Mount Elizabeth Hospital and Gleneagles Hospital	• Performs LASIK eye surgery and treats cataracts, retinal problems, presbyopia, glaucoma, and childhood myopia, among other eye disorders, with specialist doctors.
Transplant	Haematology and Stem Cell Transplant Centre	Mount Elizabeth Hospital	• Provides comprehensive transplantation care for all ages with both malignant, benign, genetic and/or blood disorders. The transplant procedures may be performed in combination with other treatments, including leukaemia, solid tumours, thalassemia, sickle cell anaemia, immune deficiencies and autoimmune diseases.
	Transplant programme	Mount Elizabeth Hospital and Gleneagles Hospital	• Carries out living donor kidney and liver transplants. Gleneagles was the first private hospital in Southeast Asia to conduct a successful adult living donor liver transplant in 2002. Has had over 750 successful living kidney and liver donor transplants as at the LPD. • Gleneagles has the only private hospital programme in Singapore with a dedicated liver ward, Parkway Asian Liver Ward, and is the first fully integrated centre for liver transplant and treatment in Southeast Asia.
Women and Children	Parkway Gynaecology Screening & Treatment Centre	Gleneagles Hospital	• Provides comprehensive services for gynaecology and pregnancy-related needs with a team of obstetrician-gynaecologists.

Medical specialty	CoEs and clinical programmes	Location	Description
	Women and Children clinical programme	Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital	• Provides antenatal to postnatal care and tailored services for premature or ill babies, including preventive care, diagnostic services and treatment.

Singapore healthcare

Parkway Shenton

Parkway Shenton is the primary care network arm of PPL in Singapore, and is one of the leading private providers of primary healthcare in Singapore with a market share of 4.3% as at 31 December 2011 in terms of number of clinics, according to Frost & Sullivan. It has a total registered patient pool of more than 450,000, serves over 2,000 corporate clients and received over 1,800 patients per day on an annual average basis in 2011. Parkway Shenton operates primary care clinics, health screening clinics, accident and emergency clinics, ambulance services and other ancillary services. Parkway Shenton contributed 6.5% to PPL in terms of total pro forma revenue for the year ended 31 December 2011 and 6.2% for the three months ended 31 March 2012.

The table below sets forth certain information about Parkway Shenton's clinics and services as at the LPD.

Clinic / services	Number of location/clinics	Description
Shenton Medical Group and Shenton Family Medical Clinics	30 retail clinics 18 clinics located in corporate clients' premises[(1)]	• Provides high quality general healthcare services for corporate clients, including consultations, vaccinations, pre-employment examinations and statutory medical examinations. Integrative healthcare with complementary acupuncture services are also offered at selected clinics. • Shenton Medical Group is located in key business districts and largely focuses on corporate clients. • Shenton Family Medical Clinics are located in and serve the residential community areas of Singapore.
Executive Health Screeners Clinics	Six clinics	• Provides premier health screening and wellness consultations to top-level executives. • Located in business districts.

Clinic / services	Number of location/clinics	Description
Nippon Medical Care	One clinic at Gleneagles Hospital	• Provides quality healthcare and health screening services to the large Japanese expatriate community in Singapore and neighbouring countries with a team of experienced doctors and nurses from Japan.
Luxe Wellness Centre for Women	One clinic	• Located in the heart of Orchard Road, it is an upscale women's health specialty clinic.
Accident and Emergency and 24-Hour Walk-In Clinics	Three clinics at each of Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital	• Provides 24-hour, seven days a week, emergency medical services to urgent and walk in cases.
Land Ambulance Services unit	Three locations at each of Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital	• Involved in the transport of local patients.
Air Ambulance Services unit	Coordinates with each of Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital	• Involved in the transport of patients and helps to coordinate evacuation services for regional and global clients. • The air ambulance service is able to provide evacuation services into Singapore for critically ill patients from many locations in Southeast Asia.
Aviation and Psychiatry unit	One location	• Serves personnel in the aviation industry and specialises in medical examinations for pilots and air traffic controllers. • Carries out flight status review for air and cabin crew, including treatment programmes for passengers suffering from a fear of flying.

Note:

(1) Out of these 18 clinics, five of the clinics are operated through arrangements with these clients. Parkway Shenton does not hold the clinic licenses for these clinics.

Shenton Insurance and iXchange

Parkway Shenton works with Shenton Insurance, which underwrites short-term employee healthcare insurance policies, and iXchange, which provides third party healthcare administration and claims administration services as an outsourced service for corporate clients and insurers, all of which are wholly-owned subsidiaries of PPL.

Shenton Insurance is a direct general insurer specialising in health insurance and employee benefit solutions, with group employee benefit programmes forming the core business. Its programmes include outpatient coverage, traditional hospitalisation and surgical plans, managed care programmes and flexi-benefits schemes. Shenton Insurance is operated at arm's length from PPL and works with a panel of 200 clinics, with Parkway Shenton's clinics among the network clinic panel. Shenton Insurance contributed 2.8% to PPL in terms of total pro forma revenue for the year ended 31 December 2011 and 3.0% for the three months ended 31 March 2012.

iXchange is Parkway Shenton's third party administration business and offers a web-based platform for insurance and corporate clients to track medical insurance expenditure. iXchange offers an extensive suite of services, including internet solutions, transactions administration centre, channel management and communication, and provides information management services to Parkway Shenton's strategic partners. iXchange contributed 0.2% to PPL in terms of total pro forma revenue for the year ended 31 December 2011 and 0.2% for the three months ended 31 March 2012.

Parkway Radiology

Parkway Radiology provides a comprehensive range of diagnostic and therapeutic radiology services to patients in the three PPL hospitals in Singapore and to third party patients. Parkway Radiology is present in all three of PPL's Singapore hospitals, as well as in the outpatient settings under the banner of "Medi-Rad Associates Ltd," which operates a total of eight outpatient imaging centres at Mount Elizabeth Medical Centre, Gleneagles Hospital, Paragon Medical Centre, Novena Medical Centre, Mandarin Gallery, Jurong East, Arcade and Health Promotion Board. For the year ended 31 December 2011, Parkway Radiology contributed 3.3% to PPL in terms of total pro forma revenue and 3.5% for the three months ended 31 March 2012.

Parkway Radiology provides basic radiology services, including ultrasound, mammography and general radiography and MRI. In addition, Parkway Radiology provides full interventional services comprising biopsies, angiography, radio-frequency ablation, drainages and nuclear medicine as well as cardiac applications.

As at the LPD, the Parkway Radiology team comprised 26 professionally trained and experienced specialist radiologists and 222 healthcare professionals. Parkway Radiology provides the latest viable technology to patients and doctors in Singapore; for example, it introduced MRI in 1987 and a PET-CT scanner in 2003. The provision of the latest technology is complemented by a professional team of sub-specialised radiologists, radiographers and radiology nurses.

Parkway Laboratory Services

Parkway Lab provides efficient and high-quality services in clinical laboratory, histopathology and cytogenetics. Its experienced laboratory team and well-equipped laboratories serve the needs of inpatients and outpatients of the three PPL hospitals in Singapore and third party patients, as well as other medical practitioners who operate within and outside the hospitals' medical centres, the Parkway Shenton clinics and general practitioners. Parkway Lab operates in the three PPL Singapore hospitals, a satellite outpatient laboratory in Novena Medical Centre and a state-of-the-art central reference laboratory headquartered at Ayer Rajah Crescent. For the year ended 31 December 2011, Parkway Lab contributed 1.6% to PPL in terms of total pro forma revenue and 1.5% for the three months ended 31 March 2012.

Parkway Lab's clinical laboratory services include haematology, immunohaematology, biochemistry, immunology, serology, special chemistry, urine and stool analysis, microbiology and clinical molecular and specialised testing. Histopathology services and cytogenetics services are also offered.

Gleneagles Clinical Research Centre

Gleneagles CRC, a joint venture company which is 51.0% owned by us and 49.0% owned by Mitsui, is a full-service clinical research organisation with operations in Singapore, the PRC, Thailand, the Philippines, Australia and Indonesia. Gleneagles CRC also has strategic global collaboration arrangements with other clinical research organisations and academic institutions in Europe and the United States.

Others

Parkway College

Parkway College is a wholly-owned subsidiary of Parkway. Parkway College aspires to be a premier global private educational institution in the fields of nursing, allied health and healthcare management. Parkway College is one of the sources of nurses, management and allied health professionals for PPL's operations in Singapore.

Parkway College was one of the first six institutions to have been awarded the EduTrust certification from the Council for Private Education in Singapore. To achieve the EduTrust mark, schools must demonstrate high standards in six key areas including corporate governance, fee protection for all their students and academic processes, such as teacher selection and programme tracking and development.

Parkway College was established in February 2008 at its Bukit Merah campus, to cater to the growing needs for quality education in health sciences. It comprises three schools: a School of Allied Health, a School of Healthcare Management and a School of Nursing. Nurses who graduate from Parkway College and whose tuition has been sponsored by PPL are contractually obligated to work for PPL for a period of up to five to six years, including training time, in exchange. As at 31 December 2011, there were 514 full-time students enrolled in Parkway College, a majority of whom had their tuition fees sponsored by PPL.

Malaysia operations

PPL is the second largest private healthcare provider in Malaysia with a market share of approximately 15.1% as at 31 December 2010 in terms of the number of licensed beds, according to Frost & Sullivan. It owns and operates nine "Pantai" Hospitals and two "Gleneagles" Hospitals across Peninsular Malaysia. Over 760 specialist doctors are credentialed by PPL to admit patients to its hospitals in Malaysia. Two of the hospitals are JCI accredited and seven are accredited by the MSQH (including three hospitals which accreditations have expired and are pending re-accreditation survey results as at the LPD). PPL houses CoEs and advanced clinical programmes within its Malaysia hospitals that provide specialised equipment and services to the doctors who practise there. PPL also operates Pantai Premier Pathology, Pantai Integrated Rehab and one ambulatory care centre in Malaysia. PPL is currently developing three more hospitals in Malaysia which are expected to commence operations by 2015 and undertaking expansion projects in four of its existing hospitals. PPL's Malaysia operations contributed 31.1% to PPL's total pro forma revenue for the year ended 31 December 2011 and 30.8% for the three months ended 31 March 2012. For the year ended 31 December 2011, approximately 4.0% of the revenue from PPL's Malaysia operations was derived from medical travellers, approximately 90.0% of whom were from Indonesia.

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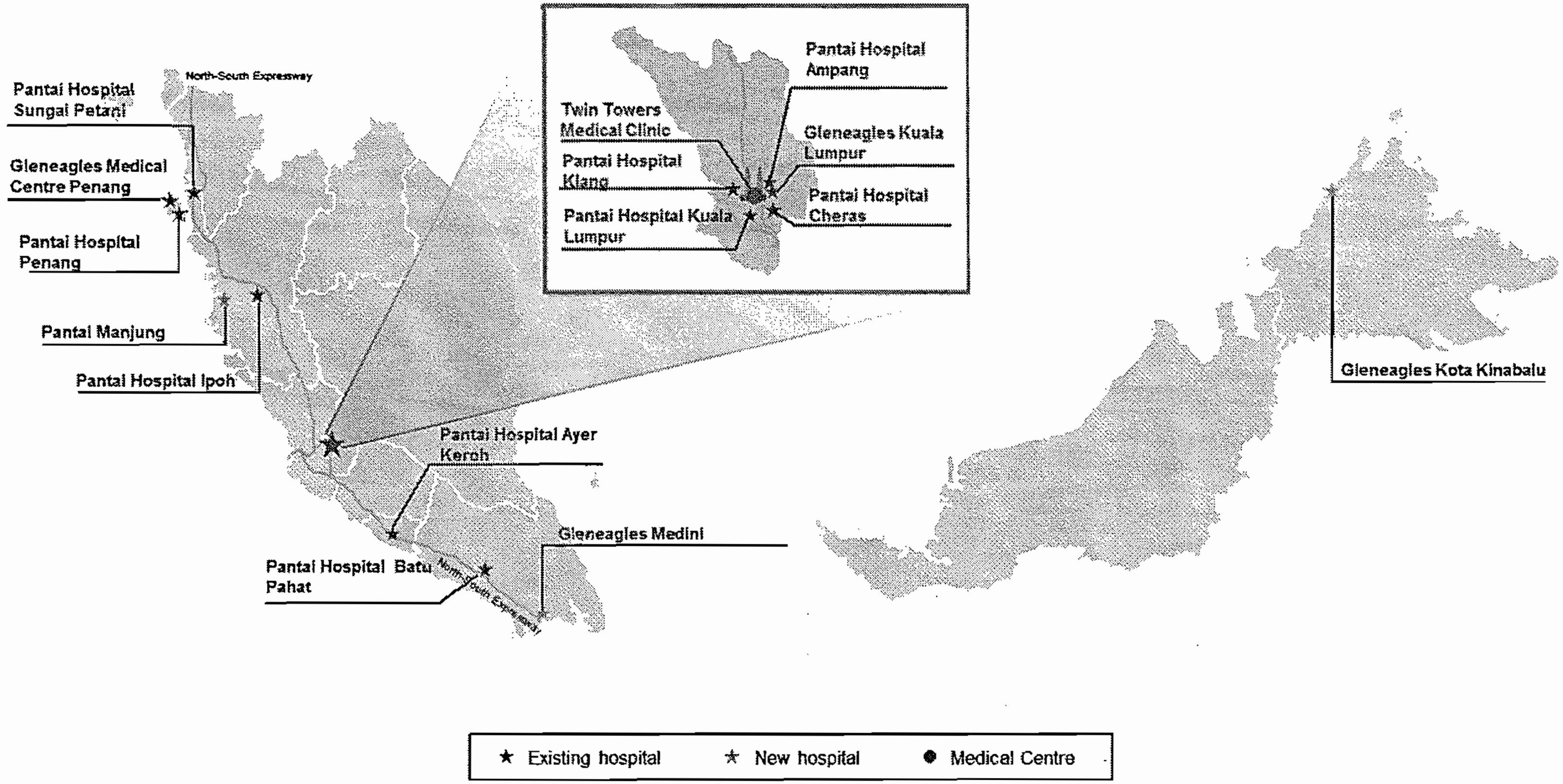
8. BUSINESS OVERVIEW *(cont'd)*

The map below sets out the locations of PPL's hospitals in Malaysia as at the LPD:



Malaysia hospitals

PPL's hospital network in Malaysia operates on a "hub and spoke" model. Hub hospitals have a higher number of specialist doctors, offering a wider array of medical specialty services and advanced medical equipment compared to spoke hospitals and typically operate in large urban centres. Spoke hospitals offer the more common specialties and typically operate in smaller urban centres or large towns. Generally, hub hospitals have 180 to 350 licensed beds and more than 30 specialist doctors, while spoke hospitals have 80 to 150 licensed beds and between 15 and 30 resident specialist doctors. Most of PPL's hospitals in Malaysia are located on the country's west coast along a major north-south highway. Spoke hospitals may, in some cases, refer patients to hub hospitals which offer most clinical specialties and provide more complex care. Each of PPL's Malaysian hospitals' credentialed doctors must be specialist doctors registered with the Malaysian Medical Council, possess a current Annual Practicing Certificate issued by the Council and be accredited by the National Specialist Register. Such specialist doctors are then required to apply to be credentialed to admit patients into PPL's hospitals. The process of credentialing is conducted by each hospital's credentialing committee and doctors who have gone through this process are considered to be credentialed doctors. A doctor may be credentialed at more than one of PPL's hospitals in Malaysia.

In Malaysia, most of our credentialed specialist doctors are independent medical practitioners. They operate from clinics, which are either in medical office buildings co-located with PPL's hospitals or in PPL's hospitals itself or located in the vicinity of PPL's hospitals. These credentialed specialist doctors typically refer patients to one of PPL's hospitals for further care and use of inpatient facilities. The credentialed specialist doctors continue to consult and treat the patient while PPL provides inpatient facilities, equipment and services of PPL's medical staff for a fee. These specialist doctors may also refer patients to PPL's medical centres, clinics and ancillary healthcare businesses and receive patients who are referred to them by PPL's medical centres, clinics and ancillary healthcare businesses. PPL employs nurses, resident physicians and ancillary medical and support staff directly for its hospitals and other healthcare operations in Malaysia.

The table below sets forth certain operating statistics for the hospitals PPL owns and operates in Malaysia as at and for the periods indicated. Hospital operations are subject to certain seasonal fluctuations such as decreases in inpatient business during school holidays and festive periods.

	Year ended 31 December			Three months ended 31 March
	2009	**2010**	**2011**	**2012**
Number of hospitals at end of period	11	11	11	11
Number of beds (licensed) at end of period(1)	1,993	1,993	2,010	2,025
Number of beds (operational) at end of period(1)	1,781	1,835	1,878	1,911
Inpatient admissions(2)	146,200	152,286	154,823	40,443
Average length of stay (days)(3)	2.8	2.8	2.8	2.7
Occupancy rate(4)	64.2%	65.1%	63.0%	63.5%
Average revenue per inpatient admission (in RM/SGD(5))	3,271/1,363	3,638/1,516	3,907/1,628	4,001/1,667
Average revenue per patient day (in RM/SGD(5))	1,156/482	1,301/542	1,399/583	1,461/609

Notes:

(1) *Licensed beds are approved number of beds by MOH Malaysia which a facility regularly maintains and staffs. Operational beds is an internal measure for which we include those of our licensed beds which we utilise for patients.*

(2) *Represents the total number of inpatients admitted to our hospitals.*

(3) *Represents the average number of days an inpatient stays in our hospitals.*

(4) *Represents the percentage of hospital operational beds occupied by inpatients.*

(5) *The RM amounts have been translated for convenience into SGD at the rate of RM2.40 : SGD1.00.*

(6) *PPL and Acibadem do not compile certain of their operational data, including the number of operational beds, the average length of stay and the occupancy rate, on the same basis and therefore, these amounts may not be comparable.*

As part of our measurement of operational performance, we use "occupancy rates" as a performance indicator of the utilisation of our available operational beds. We use occupancy rates to alert us if our hospitals have a potential operational bed capacity issue which may affect doctors' ability to admit their patients. Occupancy rates are a measure of the number of inpatients against the number of available operational beds, not a measure of revenue or profitability. This is because revenue or profit derived from an inpatient also includes, over and above room charges, other healthcare and medical services and fees, pharmaceutical drugs and consumables and (in relation to Acibadem) doctors' fees, which can vary significantly from inpatient to inpatient.

Our hospital operations in Malaysia began over 30 years ago. The table below sets forth certain information about PPL's hospitals in Malaysia as at the LPD.

Hospital	Key specialist services provided	Number of licensed beds	Number of operating theatres[(1)]
Pantai Hospital Kuala Lumpur	Cardiology and cardiothoracic surgery, orthopaedic, oncology, minimally invasive surgery, obstetrics and gynaecology, paediatric, trauma surgery and 22 other specialties	332	8
Gleneagles Kuala Lumpur	Cardiology and cardiothoracic surgery, neurosurgery, obstetrics and gynaecology, plastic surgery, reconstructive and maxillofacial, orthopaedic and trauma surgery and 17 other specialties	316	8
Gleneagles Medical Centre Penang	Cardiology and cardiothoracic surgery, oncology, hand and microsurgery, haematology, neurosurgery, nephrology, orthopaedic, urology and 18 other specialties	227	5
Pantai Hospital Ayer Keroh	Cardiology and cardiothoracic surgery, nephrology, oncology, obstetrics and gynaecology, paediatrics, ophthalmology and 16 other specialties	224	7
Pantai Hospital Ipoh	Cardiology and cardiothoracic surgery, orthopaedic and ophthalmology, haematology, obstetrics and gynaecology, paediatrics and 14 other specialties	180	4
Pantai Hospital Penang	ENT, neurology, neurosurgery, orthopaedic, cardiology and 15 other specialties	195	5
Pantai Hospital Cheras	ENT, general medicine, general surgery, obstetrics and gynaecology, orthopaedic and 12 other specialties	143	4
Pantai Hospital Ampang	ENT, general medicine, general surgery, obstetrics and gynaecology, orthopaedic and ten other specialties	114	4
Pantai Hospital Batu Pahat	General medicine, general surgery, obstetrics and gynaecology, orthopaedic, paediatric and five other specialties	106	3
Pantai Hospital Klang	General medicine, general surgery, obstetrics and gynaecology, orthopaedic, paediatric and 11 other specialties	108	3
Pantai Hospital Sungai Petani	General medicine, cardiology, general surgery, obstetrics and gynaecology, orthopaedic and eight other specialties	80	2

Note:

(1) Does not include delivery suites and endoscopy rooms.

Hub hospitals

The table below sets forth certain operating statistics for the hub hospitals PPL owns and operates in Malaysia as at and for the periods indicated.

	Year ended 31 December			Three months ended 31 March
	2009	**2010**	**2011**	**2012**
Number of hospitals at end of period	6	6	6	6
Number of beds (licensed) at end of period[(1)]	1,459	1,459	1,459	1,474
Number of beds (operational) at end of period[(1)]	1,312	1,346	1,359	1,392
Inpatient admissions[(2)]	108,425	109,743	111,175	28,458
Average length of stay (days)[(3)]	3.0	3.0	3.0	2.9
Occupancy rate[(4)]	66.4%	68.0%	66.7%	65.6%
Average revenue per inpatient admission (in RM/SGD[(5)])	3,498/1,458	3,980/1,658	4,290/1,788	4,450/1,854
Average revenue per patient day (in RM/SGD[(5)])	1,181/492	1,348/562	1,439/600	1,520/633

Notes:

(1) Licensed beds are approved number of beds by MOH Malaysia which a facility regularly maintains and staffs. Operational beds is an internal measure for which we include those of our licensed beds which we utilise for patients.

(2) Represents the total number of inpatients admitted to our hospitals.

(3) Represents the average number of days an inpatient stays in our hospitals.

(4) Represents the percentage of hospital operational beds occupied by inpatients.

(5) The RM amounts have been translated for convenience into SGD at the rate of RM2.40 : SGD1.00.

(6) PPL and Acibadem do not compile certain of their operational data, including the number of operational beds, the average length of stay and the occupancy rate, on the same basis and therefore, these amounts may not be comparable.

Further details of PPL's hub hospitals in Malaysia as at the LPD are set forth below.

Pantai Hospital Kuala Lumpur is PPL's flagship hospital in Malaysia. It is a 332-licensed bed hospital with more than 170 credentialed specialist doctors. It is located close to the city centre and within the residential neighbourhood of Bangsar. Pantai Hospital Kuala Lumpur is JCI accredited. MSQH accreditation for the hospital has expired and the re-accreditation is pending survey results as at the LPD, which is expected to be known by the end of 2012. Pantai Hospital Kuala Lumpur also has an ISO 9001:2008 certification. It is one of eight private hospitals in Malaysia to have been certified as a "baby friendly hospital" by the MOH Malaysia. The hospital is wholly-owned by PPL.

Gleneagles Kuala Lumpur is one of PPL's largest hospitals in Malaysia. It is a 316-licensed bed tertiary care hospital with more than 145 credentialed specialist doctors. It has a separate medical office building accommodating consultants of various specialties and sub-specialties for outpatient services with more than 110 specialist medical office suites for independent medical practitioners. Gleneagles Kuala Lumpur is JCI and MSQH accredited and has an ISO 9001:9002 certification. The hospital is wholly-owned by PPL.

Gleneagles Medical Centre Penang is a 227-licensed bed hospital located on Penang Island with more than 80 credentialed specialist doctors. It was the first for-profit private hospital in Malaysia and the first private hospital in the northern region of Peninsular Malaysia accredited by MSQH, which was in 2002. MSQH accreditation for the hospital has expired and the re-accreditation is pending survey results as at the LPD, which is expected to be known by the end of 2012. The hospital is 70.0% owned by PPL.

Pantai Hospital Ayer Keroh is a 224-licensed bed hospital that provides healthcare services to the city of Melaka and has more than 65 credentialed specialist doctors. The hospital is MSQH accredited. In the second half of 2012, Pantai Hospital Ayer Keroh's oncology centre will be upgraded with state-of-the-art equipment, which we expect to make it one of the most technologically-advanced oncology centres in southern Peninsular Malaysia. The hospital is wholly-owned by PPL.

Pantai Hospital Ipoh is a 180-licensed bed hospital with more than 70 credentialed specialist doctors located a short drive from Ipoh city centre. Pantai Hospital Ipoh has an ISO 9001:2000 certification. It is the only private hospital in Perak with a resident haematologist. The hospital is 77.8% owned by PPL.

Pantai Hospital Penang is a 195-licensed bed hospital with more than 40 credentialed specialist doctors. It is located in the township of Bayan Baru and in the vicinity of the free trade zone in Bayan Lepas, located at the southeastern part of Penang. Pantai Hospital is MSQH accredited. The hospital is 80.7% owned by PPL.

Spoke hospitals

The table below sets forth certain operating statistics for the spoke hospitals PPL owns and operates in Malaysia as at and for the periods indicated.

	Year ended 31 December			Three months ended 31 March
	2009	**2010**	**2011**	**2012**
Number of hospitals at end of period	5	5	5	5
Number of beds (licensed) at end of period[(1)]	534	534	551	551
Number of beds (operational) at end of period[(1)]	469	489	519	519
Inpatient admissions[(2)]	37,775	42,543	43,648	11,985
Average length of stay (days)[(3)]	2.4	2.4	2.3	2.3
Occupancy rate[(4)]	58.0%	57.3%	53.4%	58.0%
Average revenue per inpatient admission (in RM/SGD[(5)])	2,616/1,090	2,755/1,148	2,930/1,221	2,933/1,222
Average revenue per patient day (in RM/SGD[(5)])	1,071/446	1,149/479	1,267/528	1,283/535

Notes:

(1) Licensed beds are approved number of beds by MOH Malaysia which a facility regularly maintains and staffs. Operational beds is an internal measure for which we include those of our licensed beds which we utilise for patients.

(2) Represents the total number of inpatients admitted to our hospitals.

(3) Represents the average number of days an inpatient stays in our hospitals.

(4) Represents the percentage of hospital operational beds occupied by inpatients.

(5) The RM amounts have been translated for convenience into SGD at the rate of RM2.40 : SGD1.00.

(6) PPL and Acibadem do not compile certain of their operational data, including the number of operational beds, the average length of stay and the occupancy rate, on the same basis and therefore, these amounts may not be comparable.

Further details of PPL's spoke hospitals in Malaysia as at the LPD are set forth below.

Pantai Hospital Cheras is a 143-licensed bed hospital with more than 75 credentialed specialist doctors located in Taman Cheras Makmur, Cheras. Pantai Hospital Cheras is accredited with MSQH. MSQH accreditation for the hospital has expired and the re-accreditation is pending survey results as at the LPD, which is expected to be known by the end of 2012. The hospital is wholly-owned by PPL.

Pantai Hospital Ampang is a 114-licensed bed hospital with more than 45 credentialed specialist doctors located in the centre of Pandan Indah township just short distance from Kuala Lumpur. The hospital is wholly-owned by PPL.

Pantai Hospital Batu Pahat is a 106-licensed bed hospital with more than 15 credentialed specialist doctors located in Johor. The hospital is wholly-owned by PPL.

Pantai Hospital Klang is a 108-licensed bed hospital with more than 35 credentialed specialist doctors located in Klang. Pantai Hospital Klang is accredited with MSQH. The hospital is wholly-owned by PPL.

Pantai Hospital Sungai Petani is an 80-licensed bed hospital with more than 20 credentialed specialist doctors located in Sungai Petani in the northern part of Malaysia. The hospital is wholly-owned by PPL.

Expansion projects

PPL is currently undertaking expansion projects in four hospitals, Gleneagles Medical Centre Penang, Pantai Hospital Kuala Lumpur, Pantai Hospital Klang and Gleneagles Kuala Lumpur.

- Gleneagles Medical Centre Penang is constructing a new building which is expected to be completed by the end of 2012 and which will add 188 beds to its existing capacity, which we expect will make it one of the largest private hospitals in Penang. Construction of the new building commenced in April 2010.

- Pantai Hospital Kuala Lumpur is developing a new 12-storey building with 200 consultant suites and eight CoEs and clinical programmes, which is expected to be completed in mid-2014 and which we expect will make it one of the most technologically-advanced medical facilities in Malaysia. Another 120 beds will be added to Pantai Hospital Kuala Lumpur by the end of 2014. Construction of the new building commenced in February 2011.

- Pantai Hospital Klang will be adding another building which is expected to increase capacity by 80 beds and adding additional medical office suites for specialist doctors. The project is currently at the planning stage. Construction of the new block is expected to commence in the first quarter of 2013 and is expected to be completed by mid-2014.

- Gleneagles Kuala Lumpur is also adding an additional 100 beds by leasing an adjacent block which is currently at the planning stage. Construction of the new block is expected to commence in the third quarter of 2012 and is expected to be completed in mid-2015. The expansion will be built by a third party and our main capital expenditure related to this project will be equipping the expansion. Gleneagles Kuala Lumpur has an option to purchase this adjacent block.

The overall expansion cost is estimated to be approximately RM454.4 million, of which RM93.8 million had been incurred as at 31 March 2012. The cost of expansion has been and is expected to continue to be funded through borrowings and internally generated funds.

Projects under development

PPL is also developing three greenfield projects, Gleneagles Kota Kinabalu, Pantai Hospital Manjung and Gleneagles Medini.

- Gleneagles Kota Kinabalu, which is scheduled to open in early 2015, will mark PPL's entry into East Malaysia. Construction work commenced in October 2011. The hospital will have 250 beds, providing tertiary hospital services to the community in Kota Kinabalu, Sabah.

- Pantai Hospital Manjung, situated an hour's drive from Ipoh city, will provide healthcare services to the community in the upcoming Manjung township by early 2014. Construction work commenced in March 2012. The hospital is expected to have 100 beds.

- Gleneagles Medini will be situated in Medini, Iskandar Malaysia, and will target the Malaysian market as well as medical travellers from Singapore who will be able to use Medisave, which is a national medical savings account system for Singapore citizens and permanent residents, at the hospital. The project is in the planning phase and the first phase of this state-of-the-art hospital with 150 beds is expected to be operational in early 2015 and it is expected that it will subsequently be expanded to its intended size of 300 beds. Construction work is expected to commence in the last quarter of 2012.

Gleneagles Kota Kinabalu and Pantai Hospital Manjung are being built by third parties and the proprietors have agreed to lease each hospital to PPL. PPL will then manage and operate the hospital business. Our main capital expenditure related to these projects will be equipping the hospital, which is estimated to be approximately RM50 million, which is expected to be funded through borrowings and internally generated funds.

For Gleneagles Medini, the hospital will be built, owned, developed, managed and operated by PPL. The overall cost of development of this greenfield project is estimated to be approximately RM400 million, of which none had been incurred as at 31 March 2012. The cost of development is expected to be funded through borrowings and internally generated funds.

CoEs and Clinical Programmes

In selected specialties, PPL offers advanced medical services through the use of specialised equipment and integrated clinical services delivered through multi-disciplinary teams. PPL has developed various clinical delivery models within its hospitals in Malaysia to provide complex treatments through CoEs, and advanced clinical programmes.

In Malaysia, through CoEs and advanced clinical programmes, PPL captures revenue from the treatment of patients who need specialised, state-of-the-art treatment or surgery. The sources of such revenue include consultation, surgical and hospitalisation services and the utilisation of its facilities, equipment, consumables and services by its patients.

The table below sets forth certain details of PPL's CoEs and clinical programmes in Malaysia as at the LPD.

Medical specialty	CoEs and clinical programmes	Location	Description
General Surgery	Minimally Invasive Surgery (MIS) Centre	Gleneagles Medical Centre Penang	• Provides minimally invasive surgery with a multi-disciplinary team of surgical specialists who are trained in specific sub-specialisations.
Heart and Vascular	Cardiac Centre	Gleneagles Kuala Lumpur	• Focuses on all aspects of cardiology and cardiothoracic surgery going from prevention and diagnosis to treatment and rehabilitation of cardiac patients. Provides treatment to both adult and paediatric patients. • Facilities include a high-tech cardiac catheterisation laboratory, one standby laboratory, two MRI units, cardiac CT scan, full non-invasive cardiac diagnostic centres, stress test, two cardiac operating theatres and a dedicated cardiology ward with 20 ICU beds and eight NICU beds.
	Gleneagles Heart Centre	Gleneagles Medical Centre Penang	• Focuses on all aspects of cardiology and cardiothoracic surgery going from prevention and diagnosis to treatment and rehabilitation of adult and paediatric cardiac patients. • Facilities include a high-tech cardiac catheterisation laboratory, one standby laboratory, an MRI unit, CT scan, stress test, one cardiac operating theatre and a health screening centre.

Medical specialty	CoEs and clinical programmes	Location	Description
	Pantai Heart Centre	Pantai Hospital Kuala Lumpur	• Provides comprehensive cardiac services with treatments that include complex cardiac interventional and surgical operations, as well as simpler cardiac surgeries with a specialised team of medical experts comprising dedicated adult interventional and paediatric cardiologists, cardiothoracic surgeons and critical care specialist doctors and nurses. • Carries out non-invasive diagnostic tests, as well as invasive diagnostic and therapeutic interventional procedures.
Musculoskeletal	Hand and Microsurgery Centre	Pantai Hospital Kuala Lumpur	• Provides consultation and both surgical and rehabilitative treatment, specialising in providing rehabilitation and physiotherapy modules for the upper limbs.
	Orthopaedic Centre	Gleneagles Kuala Lumpur	• Treats patients with bone and joint problems and provides medical services in orthopaedics, rheumatology and rehabilitation. Treatments include sports medicine and hand microsurgery for adult and paediatric patients.
	Spine and Joint Centre	Pantai Hospital Kuala Lumpur	• Provides invasive and non-invasive treatments of spine and joint conditions with a team of experienced orthopaedic surgeons, most of whom specialise in spine, joint and sports medicine. • Facilities include a comprehensive physical therapy unit that focuses on rehabilitation and patient education to prevent re-injury.

Medical specialty	CoEs and clinical programmes	Location	Description
	Orthopaedic and Trauma Surgery Centre	Gleneagles Medical Centre Penang	• Provides medical services in orthopaedics, advance trauma surgery, reconstructive surgery, spinal surgery and sports surgery.
Neuroscience	Neuroscience Centre	Gleneagles Kuala Lumpur	• Provides patients with nervous system diseases a comprehensive team of neurologists, neurosurgeons and radiologists with a full complement of intra-operative surgical equipment.
Oncology	Oncology Centre	Gleneagles Kuala Lumpur	• Comprised of a multi-disciplinary team of specialists, including radiation and medical oncologists, surgeons, radiologists, pathologists, specialised nursing staff, dieticians and physical therapists.
	Pantai Cancer Institute	Pantai Hospital Kuala Lumpur	• Provides multi-faceted cancer treatment and therapies through an experienced team of oncologists, nurses and radiographers. • Facilities include a chemotherapy day-care centre and a radiotherapy unit equipped with an "Elekta Synergy System" providing intensity modulated radiation therapy and image guided radiation therapy and stereotactic radiosurgery modalities.
Women and Children	Breast Care Centre	Pantai Hospital Kuala Lumpur	• Facilities are equipped with two mammography machines.
	Women and Children's Centre	Gleneagles Kuala Lumpur	• Provides specialist care and sub-specialty services in the areas of obstetrics-gynaecology and paediatrics.

Medical specialty	CoEs and clinical programmes	Location	Description
			• Specialist care is provided from the antenatal to the postnatal phase and for premature and ill babies, including diagnostic testing and treatment for emotional and psychological needs.

Malaysia healthcare

Malaysia healthcare services contributed 0.9% to PPL in terms of total pro forma revenue for the year ended 31 December 2011 and 1.4% for the three months ended 31 March 2012.

Twin Towers Medical Clinic

Twin Towers Medical Clinic is located in Kuala Lumpur and provides general practice and specialty consultations, including ENT, cardiology, dentistry, ophthalmology, orthopaedic and occupational health services. It was acquired in February 2012 and is PPL's first entry into primary care business in Malaysia. It is managed by a resident cardiologist and includes laboratory, pharmacy and radiology services. It generally provides services to corporate clients and the residential community in the Kuala Lumpur city centre area.

Pantai Premier Pathology

Pantai Premier Pathology provides a diverse range of high-quality diagnostic and analytical laboratory testing services to referring medical practitioners. Referrals are received from a broad serving base of general practitioners and specialist doctors, from medical clinics, medical centres to large tertiary hospitals in Malaysia. Pantai Premier Pathology's clinical laboratory services include haematology, immunohaematology, biochemistry, immunology, serology, special chemistry, urine and stool analysis, microbiology and clinical molecular and specialised testing. Histopathology services and cytogenetics services are also offered.

Pantai Integrated Rehab

Pantai Integrated Rehab provides comprehensive physiotherapy and rehabilitation services. The centres are well equipped and provide a wide range of professional services, including physiotherapy, occupational therapy, specialised exercise instruction and integrated rehabilitation. Pantai Integrated Rehab operates the rehabilitation centres in PPL's hospitals in Malaysia with a team of over 65 physiotherapists and occupational therapists.

International operations

PPL also has a presence in the PRC, India, Hong Kong, Vietnam and Brunei, with operations across the major healthcare sectors, namely hospitals, medical centres, clinics and ancillary healthcare businesses. PPL's international growth strategy is to identify latent demand in attractive markets and address that demand with a strategy tailored to each market's demographics and industry and regulatory landscape.

In the hospital segment internationally, PPL owns and operates hospitals via joint venture agreements, or enters into consultancy agreements or HMAs as appropriate to each market. Consultancy agreements relate to hospital design planning, development, construction and commissioning, while HMAs are agreements to manage hospitals which are operational. Typically, where PPL has entered into consultancy agreements in relation to a hospital under development, it has also subsequently entered into an HMA to manage these hospitals once completed.

We believe HMAs reinforce and complement PPL's core business and allow PPL to grow its presence, network and brand without major capital expenditure. This allows PPL to better understand new markets and develop entry strategies for these markets. PPL also has two consultancy agreements with hospitals that are under development in Taiwan and India. PPL's fees for HMAs and consultancy agreements are structured in a number of ways and generally consist of a base fee plus a percentage of the hospital's revenue or EBITDA. PPL's HMAs are generally entered into for a term of 10 years.

In the primary care segment, through joint ventures, PPL owns, manages and operates nine medical centres and clinics in the PRC and Hong Kong and one diagnostics centre in India.

PPL's international operations contributed 6.8% to PPL's total pro forma revenue for the year ended 31 December 2011 and 7.1% for the three months ended 31 March 2012. This does not include the revenues from joint ventures and our investments. Please refer to Section 12.13 of this Prospectus for the review of our past pro forma performance.

The PRC and Hong Kong

Healthcare

Through eight medical centres and clinics in the PRC and one medical centre in Hong Kong, PPL provides primary and specialist care to the premium self-pay or corporate insured segment, notably the affluent, urban and expatriate communities. As at the LPD, PPL's clinics in the PRC employed more than 75 doctors and have relationships with 23 private insurance companies.

PPL's medical centres and clinics in the PRC are operated through contractual and trusts arrangements with certain PRC operating entities. Please refer to Section 5.2 of this Prospectus for Risks related to our countries of operation – (iv) If the PRC government determined that the agreements that establish the structure for operating our business otherwise do not comply with applicable PRC laws, rules and regulations, we could be subject to penalties; (v) We rely on contractual arrangements with the PRC operating entities in the PRC and their shareholders for our business operations, which may not be as effective in providing operational control or enabling us to derive economic benefits as through ownership of controlling equity interests; and (vi) We may face risks arising from certain trust arrangements.

PPL's medical centres and clinics in the PRC and Hong Kong are set forth in the table below as at the LPD.

Medical centres and clinics	Location	Description
Chengdu Medical Centre	Chengdu, the PRC	• Provides a comprehensive range of general practice and specialised medical services.
Gleneagles Medical and Surgical Centre	Shanghai, the PRC	• Located in the same building as a 5-star hotel and provides a comprehensive range of services with an on-site operating theatre and luxury inpatient suites.
Luwan Specialty and Inpatient Centre	Shanghai, the PRC	• A women's health and birthing centre, paediatric centre and after hours consultation centre located in Ruijing Hospital with 12 beds.
Jin Qiao Medical and Dental Centre	Shanghai, the PRC	• A community-based primary care facility that also provides urgent care and non-medical ancillary services.
Mandarine City Medical Centre	Shanghai, the PRC	• Provides a broad range of women's health services.
Shanghai Centre Medical and Dental Centres	Shanghai, the PRC	• Located centrally in downtown Shanghai near many major office buildings and foreign consulates. The centres provide general medical services and also has a health screening centre on-site for work and visa-related health checks.
Shanghai Jin Mao Tower Medical Centre	Shanghai, the PRC	• Provides services in family medicine, paediatrics, psychiatry, physiotherapy, acupuncture and psychology. The centre has seven medical consultation rooms, an on-site laboratory, x-ray and pharmacy.
Hong Qiao Medical Centre	Shanghai, the PRC	• Provides services in family medicine, internal medicine, paediatrics, obstetrics and gynaecology with a team of international doctors. It provides on-site laboratory, pharmacy and radiological services.
Parkway Health Central Hong Kong Medical Centre	Hong Kong	• Located in Central district, the clinic covers 175 square meters and has space for general practitioners as well as space for a dentistry practice. The medical centre provides health screening, imaging services and pharmaceutical dispensing.

Projects under development

PPL entered into an HMA on 14 February 2011 for SIMC, which is expected to become operational in 2014. This is PPL's first entry into the hospital sector in the PRC. The SIMC HMA reinforces PPL's PRC strategy by helping to build PPL's experience while simultaneously growing its presence, network and brand recognition for future expansion in the PRC.

SIMC is located within the Shanghai International Medical Zone, which is an area in Shanghai designed to be a medical hub providing international standard healthcare services to the PRC's affluent population residing in the Yangtze River Delta and Bohai regions. The Shanghai International Medical Zone is expected to serve as a platform for companies engaged in the full supply chain of healthcare activities, fuelling opportunities for collaborations between medical institutions, medical device manufacturers and biomedical players. SIMC is a tertiary hospital and is expected to operate up to 450 beds. It is currently under construction and is supported by Shanghai's municipal government, Shanghai's healthcare bureau and the government of Pudong district. PPL has entered into a consultancy agreement and HMA to manage SIMC once operational in 2014.

Leveraging advanced medical technologies, SIMC intends to maintain PPL's high standards of healthcare services and clinical outcomes in serving affluent patients in Shanghai and the rest of the PRC. SIMC intends to partner Shanghai Jiaotong Medical University and its 12 affiliated hospitals to set up clinical CoEs staffed by top physicians from the hospitals. SIMC is expected to enhance PPL's presence in the PRC market, where we believe there are significant opportunities for growth due to the PRC's large and aging population, rapid economic growth and increasing affluence.

India

Hospitals

PPL operates hospitals in India with joint venture partners in line with our Group's strategy to complement its investment in Apollo. Please refer to Section 8.2.9 of this Prospectus on Apollo Hospitals Enterprise Limited. In India, the patient base is varied and consists of those who self-pay, are covered by private insurance and are sponsored by government programmes.

Apollo Gleneagles Hospital, located in Kolkata, is a 425-licensed bed multi-specialty tertiary hospital, which is currently in the process of increasing its licensed beds to 510, with a focus on cardiology, general surgery, orthopaedics and transplants. It is the only hospital in eastern India to be JCI accredited. It is also the only hospital in India to have received a NABL certification in five separate categories: clinical biochemistry, clinical pathology, haematology and immunohaematology, microbiology and serology, histopathology and cytopathology. The hospital project is a 50/50 joint venture between Apollo and PPL's subsidiary, Gleneagles Development.

Healthcare

PPL also operates a PET-CT centre through a 50/50 joint venture in India which is located inside Apollo Health City Hospital and provides diagnostic services to the patients there, as set forth in the table below.

Centres	Location	Description
Apollo Gleneagles PET-CT Centre	Hyderabad, India	• Located inside Apollo Health City, the centre receives patients from within the hospital and surrounding areas who require diagnostic services.

Projects under development

Gleneagles Khubchandani Hospital, located in Mumbai, is currently under development and will have 450 beds and provide specialties in heart and vascular and general surgery, orthopaedics, neurosurgery and transplant surgery. This hospital project is a 50/50 joint venture between Koncentric Investments Ltd and PPL's subsidiary, Parkway Healthcare. Construction work commenced in May 2010 and the hospital is expected to be operational end 2012. The majority of beds at the hospital will be single suite and it is intended to target the increasingly affluent segment of the Indian population. The overall land cost, cost of development and equipment cost of the hospital is estimated to be approximately Rs.4.5 billion, of which Rs.1.2 billion had been spent as at 31 March 2012. The cost of expansion has been and is expected to continue to be funded through borrowings and equity investment. Please refer to Section 5.2(i) of this Prospectus on the Risk factor relating to the non-receipt of certain approvals from the relevant authorities by Gleneagles Khubchandani Hospital required for its development activities.

GM Modi Hospital, located in New Delhi, India, is planned to be developed into a 300 beds hospital facility. PPL has entered into a consultancy agreement with GM Modi Hospitals Corporation Pte. Ltd. to design and plan this new facility.

Vietnam

City International Hospital, located in Ho Chi Minh City, Vietnam, will be managed by PPL through a consultancy agreement and HMA once operational, which is expected to be in 2013. The tertiary multi-specialty hospital is under construction. It is expected to have 313 beds and to include the latest medical technology and extensive facilities, including 10 operating theatres and 20 intensive care beds, as well as eight labour and delivery rooms. The hospital expects to offer comprehensive key clinical programmes in obstetrics and gynaecology, paediatrics, general surgery, cardiology, ears, nose and throat, eye, orthopaedic, gastroenterology and haematology, and internal medicine.

Brunei

The Gleneagles JPMC Cardiac Centre, located in Jerudong Park, Brunei, is owned and operated by PPL through a joint venture with the Brunei Investment Agency, with PPL holding a 75.0% equity interest as at the LPD. The hospital has 21 licensed beds, two major operating theatres, two cardiac catheterisation laboratories and is located in Jerudong Park. We believe the centre performed the first open heart surgery in Brunei. The centre provides a range of clinical services such as cardiac inpatient and outpatient specialist services, health and cardiac screening, coronary angiogram and interventional cardiology, open heart surgeries and cardiac rehabilitation. The centre is leased for a term of 15 years ending in 2017.

8.2.6 Acibadem

Acibadem is the largest private healthcare provider in Turkey in terms of number of non-SGK and partial-SGK beds, according to Frost & Sullivan. It has been one of the leading private healthcare providers of high-quality diagnostic and treatment services for Turkish and international patients since 1991. Acibadem's integrated healthcare network in Turkey and Macedonia as at the LPD spanned 14 hospitals (with one other hospital in Istanbul, Jinemed Hospital, the acquisition of which is pending completion) with more than 1,800 licensed and operational beds (which exclude the 23 licensed and/or operational beds in Jinemed Hospital), a majority of which were in private, single-bed patient suites. Of Acibadem's 14 hospitals, eight hospitals are in Istanbul (one of which, Aile Hospital Goztepe, was operational until April 2012 and is currently undertaking structural reinforcement of the hospital building, which is leased) and five hospitals are in other large population centres across Turkey. Acibadem employed over 1,800 doctors across 40 specialty areas, of whom approximately 1,300 are specialist doctors, and more than 350 were professors or associate professors as at the LPD. Most of these professors teach at Acibadem University, an institution owned and operated by Acibadem Health and Education Foundation, which is outside the Group. Acibadem hospitals are equipped with state-of-the-art medical technology, such as robotic surgery, intraoperative radiotherapy and digital tomosynthesis mammography.

Acibadem has substantially benefited from recent growth in medical travel across the CEEMENA region. Its International Patient Centre, located in Istanbul, Turkey, provides a wide range of intermediary services for foreign patients visiting Acibadem's facilities. Acibadem has over 40 multi-lingual patient specialists and has partnerships and special agreements with foreign governments and institutions in the surrounding and neighbouring region.

In Turkey, most of the doctors and physicians who practise in Acibadem's hospital network are either contracted under a revenue sharing sytem or employed by Acibadem under a full or part time employment contract. The majority of these doctors have annual rolling contracts with Acibadem while others have two-year to three-year contracts. The majority of the doctors practise under a revenue sharing model, under which Acibadem bills patients for all medical services rendered and then pays the doctors a portion of the fees received, whereas the remaining receive either a fixed salary or a combination of revenue-sharing and a salary.

In addition, as at the LPD, Acibadem operated nine outpatient clinics (with one other outpatient clinic in Istanbul, Jinemed Medical Centre, the acquisition of which is pending completion) which provide an array of primary care services such as emergency care and other specialty services to their local communities. Acibadem believes that the outpatient clinics serve as active feeders of patients into its healthcare network.

Acibadem Holding's integrated business network includes stand-alone ancillary healthcare businesses, such as Acibadem Mobil, APlus and Acibadem Proje, as well as laboratory services, such as Acibadem Labmed. Acibadem Labmed, with its ISO 15189 clinical laboratory accreditation, which we believe is the most state-of-the-art laboratory in the CEEMENA region, offers a large spectrum of services. Acibadem Mobil provides emergency assistance and transportation and home health services for patients before and after their hospital visits. APlus provides laundry, catering and housekeeping services at the hospitals to Acibadem patients and staff and plans to expand such services to third parties. Acibadem Proje plans, designs and refurbishes hospital projects in Turkey. Acibadem Proje has been responsible for developing and completing all of Acibadem's greenfield hospitals since its commencement of operations. Acibadem Labmed, Acibadem Mobil, APlus and Acibadem Proje provide their services to Acibadem, as well as third parties.

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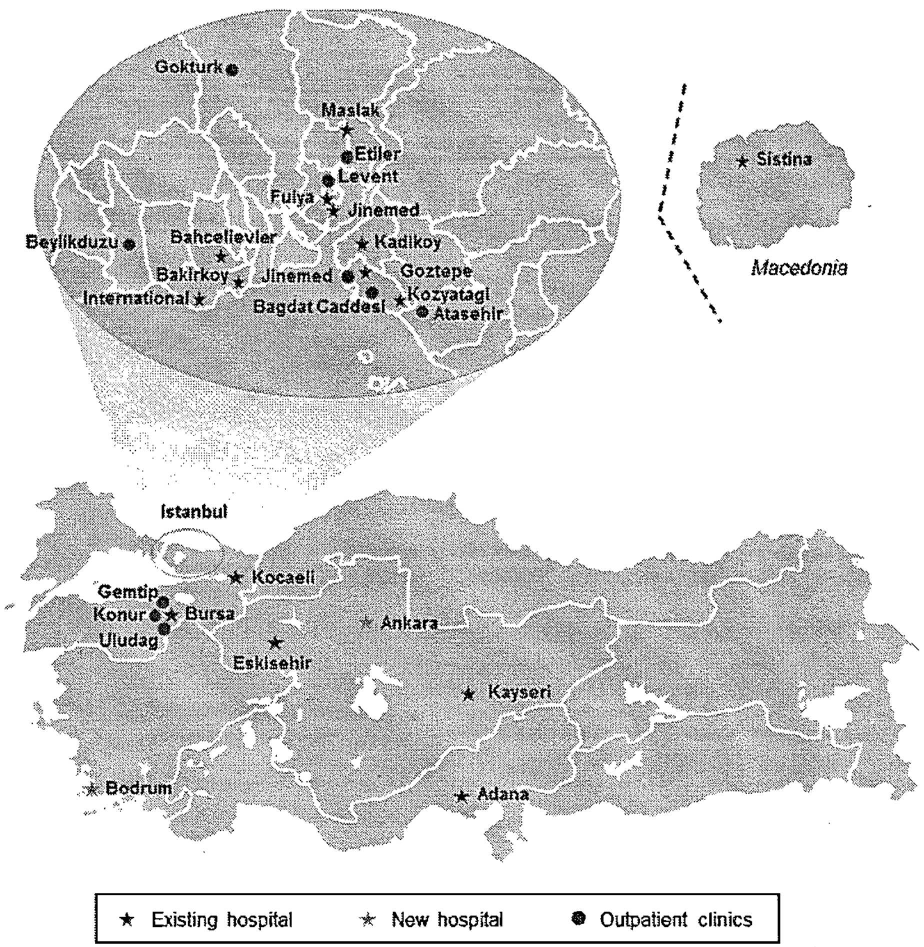
The map below sets out the locations of Acibadem's hospitals and outpatient clinics in Turkey and Macedonia as at the LPD. The map also shows the location of Jinemed Hospital and Jinemed Medical Centre, which Acibadem is in the process of acquiring.



The table below sets forth certain operating statistics for the hospitals and outpatient clinics which Acibadem operates as at and for the periods indicated. Hospital operations are subject to certain seasonal fluctuations such as decreases in inpatient business during school holidays and festive periods as well as during summer periods. Whilst in the winter months, the inpatient business usually peaks.

	Year ended 31 December			Three months ended 31 March
	2009	**2010**	**2011**	**2012**
Number of hospitals at end of period	9	11	14	14
Number of outpatient clinics at end of period	6	7	9	9
Number of beds (licensed and operational) at end of period[1]	1,232	1,473	1,751	1,801
Inpatient admissions[3]	52,869	66,428	88,525[2]	27,872[8]
Average length of stay (days)[4]	3.2	3.5	3.5[2]	3.3[8]
Occupancy rate[5]	54.9%[6]	66.5%	79.5%[2]	78.1%[8]
Average revenue per inpatient admission (in TL/SGD/RM[7])	4,907/3,518/ 8,440	5,553/3,982/ 9,551	5,600/4,015/ 9,632[2]	5,799/4,158/ 9,974[8]
Average revenue per patient day (in TL/SGD/RM[7])	1,513/1,085/ 2,602	1,584/1,136/ 2,724	1,580/1,133/ 2,718[2]	1,754/1,258/ 3,017[8]

Notes:

(1) Under Turkish law, "licensed beds" refer to the approved number of beds used for observation and treatment of at least 24 hours, including intensive care, premature and infant unit beds and beds in the burn care units and indicated in the hospital operation licenses. In addition to licensed beds, "operational beds" include beds used for treatments of less than 24 hours such as chemotherapy, radiotherapy and sedation or other beds such as incubators, labour beds, beds for examination, small treatments and relaxation, from which Acibadem derives revenue and does not require licensing.

(2) Comprises data for only 11 hospitals, which excludes Acibadem Sistina Skopje Clinical Hospital, Aile Hospital Bahcelievler and Aile Hospital Goztepe as the three hospitals were only acquired in the second half of 2011, where the operational data were recorded and classified differently with the rest of the other existing hospitals.

(3) Represents the total number of overnight patients admitted to our hospitals.

(4) Represents the average number of days an overnight patient stays in our hospitals.

(5) Represents the percentage of hospital licensed beds occupied by overnight patients.

(6) Reflects three hospitals opened in 2009 that were ramping up and not operational for the full year.

(7) The TL amounts have been translated for convenience into SGD at the rate of TL1.00 : SGD0.717 and into RM at the rate of TL 1.00 : RM1.72.

(8) Comprises data for only 13 hospitals, which excludes Acibadem Sistina Skopje Clinical Hospital as the hospital was only acquired in the second half of 2011, where the operational data were recorded and classified differently with the rest of the other existing hospitals.

Notes (cont'd):

(9) PPL and Acibadem do not compile certain of their operational data, including the number of operational beds, the average length of stay and the occupancy rate, on the same basis and therefore, these amounts may not be comparable.

As part of our measurement of operational performance, we use "occupancy rates" as a performance indicator of the utilisation of our available operational beds. We use occupancy rates to alert us if our hospitals have a potential operational bed capacity issue which may affect doctors' ability to admit their patients. Occupancy rates are a measure of the number of inpatients against the number of available operational beds, not a measure of revenue or profitability. This is because revenue or profit derived from an inpatient also includes, over and above room charges, other healthcare and medical services and fees, pharmaceutical drugs and consumables and (in relation to Acibadem) doctors' fees, which can vary significantly from inpatient to inpatient.

Acibadem hospitals

As at the LPD, Acibadem operates 14 hospitals across Turkey and Macedonia, of which six are JCI accredited, one is pending JCI accreditation and one is in the process of preparing its application for JCI accreditation. The acquisition by Acibadem of one other hospital in Turkey (Jinemed Hospital) is pending completion.

Our hospital operations in Turkey began in 1991. The table below sets forth certain information about Acibadem's hospitals as at the LPD.

Hospital	Key specialist services provided	Total number of beds (licensed and/or operational beds)[1]	Number of operating theatres[2]
Acibadem Maslak Hospital	Multi-specialty hospital with approximately 30 therapeutic areas and key specialist services, including radiation oncology, cardiac care and urology	183	8
Acibadem Bursa Hospital	Multi-specialty hospital with approximately 25 therapeutic areas and key specialist services including radiation oncology, cardiovascular surgery, general surgery, obstetrics and gynaecology	195	6
Acibadem Sistina Skopje Clinical Hospital (Macedonia)	Multi-specialty hospital, cardiology, cardiovascular surgery, urology, obstetrics and gynaecology	179	8
Acibadem Kayseri Hospital	Multi-specialty hospital with approximately 20 therapeutic areas and key specialist services including radiation oncology	119	6

Hospital	Key specialist services provided	Total number of beds (licensed and/or operational beds)[1]	Number of operating theatres[2]
Acibadem Bakirkoy Hospital	Multi-specialty hospital with approximately 25 therapeutic areas and key specialist services including paediatric cardiovascular surgery, orthopaedic and general surgery	136	7
Acibadem Kadikoy Hospital	Multi-specialty hospital with approximately 25 therapeutic areas and key specialist services including IVF, cardiology, paediatrics and internal medicine	127	6
Acibadem Adana Hospital	Multi-specialty hospital with approximately 25 therapeutic areas and key specialist services including radiation oncology	125	5
International Hospital	Multi-specialty hospital with approximately 20 therapeutic areas and key specialist services including organ transplantation and paediatric cardiovascular surgery	134	6
Acibadem Eskisehir Hospital	Multi-specialty hospital with approximately 20 therapeutic areas and key specialist services	135	5
Aile Hospital Bahcelievler	Multi-specialty hospital with approximately 20 therapeutic areas and key specialist services including general surgery, orthopaedic, obstetrics and gynaecology	109	5
Acibadem Fulya Hospital	Multi-specialty hospital with approximately 10 therapeutic areas and key specialist services including sports medicine	108	6
Aile Hospital Goztepe[3]	Multi-specialty hospital with approximately 20 therapeutic areas and key specialist services including general surgery, cardiology and cardiovascular surgery	89	4
Acibadem Kozyatagi Hospital	Multi-specialty hospital with approximately 25 therapeutic areas and key specialist services including adult and paediatric neurosurgery, medical oncology, nuclear medicine	87	4

Hospital	Key specialist services provided	Total number of beds (licensed and/or operational beds)[1]	Number of operating theatres[2]
Acibadem Kocaeli Hospital	Multi-specialty hospital with approximately 25 therapeutic areas and key specialist services including paediatrics, internal medicine, ENT and cardiovascular surgery	75	3
Jinemed Hospital[4]	Multi-specialty hospital with approximately 15 therapeutic areas and key specialist services including obstetrics-gynaecology, IVF, general surgery, internal medicine, paediatrics and orthopaedics	23	3

Notes:

(1) *Under Turkish law, "licensed beds" refer to the approved number of beds used for observation and treatment of at least 24 hours, including intensive care, premature and infant unit beds and beds in the burn care units and indicated in the hospital operation licenses. In addition to licensed beds, "operational beds" include beds used for treatments of less than 24 hours such as chemotherapy, radiotherapy and sedation or other beds such as incubators, labour beds, beds for examination, small treatments and relaxation, from which Acibadem derives revenue and does not require licensing.*

(2) *Does not include delivery suites, IVF, minor procedures and endoscopy rooms.*

(3) *Aile Hospital Goztepe was operational until April 2012 and is currently undertaking structural reinforcements of the hospital building, which is leased.*

(4) *As at the LPD, Jinemed Saglik, which is the license owner of Jinemed Hospital, is not a subsidiary of Acibadem. On 1 February 2012, Acibadem and the shareholders of Jinemed Saglik executed a share purchase agreement pursuant to which, 65.0% of the equity interest of Jinemed Saglik will be purchased by and transferred to Acibadem. On 8 March 2012, the Turkish Competition Authority granted clearance for this transaction; however, the share transfer has not yet been completed. Jinemed Hospital is included in the pro forma financial information of the Group under Section 12.12 of this Prospectus. The share transfer is expected to be completed within 2012.*

Eight of Acibadem's private hospitals have partial agreements with the SGK and four of Acibadem's hospitals have full agreements with the SGK to treat patients whose healthcare spending is publicly funded. The SGK imposes fee caps on services provided to SGK patients by hospitals that have partial or full agreements with it. The agreements are automatically renewed on an annual basis, unless the hospital notifies the SGK that it intends to terminate the agreement. Prior to renewal, the hospital may also notify the SGK to change its agreement type from full to partial, or vice versa. Those hospitals with partial agreements with the SGK provide publicly-funded healthcare in four main therapeutic areas, namely, cardiac care, including cardiology and cardiovascular surgery, oncology, including medical oncology, radiation oncology, gamma knife and cyber knife, organ transplants and emergency room treatment. If patients with SGK coverage choose to have medical treatment outside these four therapeutic areas, their treatment will not be covered by the SGK, the SGK fee cap will not apply and they will have to pay through other means.

Those hospitals with full agreements with the SGK provide publicly-funded healthcare in all specialty areas that they provide treatment services and the SGK will pay in full for all services at such hospitals, except for any additional medical treatment and hotel expenses requested by an SGK patient. In the year ended 31 December 2011, approximately 52.0% of Acibadem's patients paid for the healthcare services provided by Acibadem with private insurance, 21.0% self-paid, 17.0% paid through the SGK and 10.0% paid with corporate-sponsored insurance or other means.

Some of the patients who pay for their healthcare services through private insurance subscribe to the healthcare insurance offered by Acibadem Sigorta, which is jointly controlled by Aydinlar and an entity within the Abraaj group. For the past 3 years ended 31 December 2009, 31 December 2010 and 31 December 2011 and the three months ended 31 March 2012, revenue generated from Acibadem Sigorta by Acibadem for the provision of healthcare services to Acibadem Sigorta insured members amounted to TL39.2 million (RM67.4 million), TL52.2 million (RM89.8 million), TL66.0 million (RM113.5 million) and TL23.7 million (RM40.8 million) respectively. The fee charges, including volume-based discounts, applicable to such patients are on an arm's length basis and on terms which are consistently applied to all other insurance operators. These arrangements are expected to continue on the basis of the same terms.

Six of Acibadem's hospitals are JCI accredited, with one hospital pending accreditation and one hospital preparing its application for accreditation. We seek to achieve JCI accreditation as we develop new hospitals. However, when our hospitals mature and maintain the levels of quality that JCI accreditation requires, we may seek to voluntarily withdraw from such accreditation in order to eliminate the unnecessary cost of maintaining the accreditation while maintaining the same levels of quality. For example, Acibadem Bursa Hospital and Acibadem Kocaeli Hospital were previously JCI accredited and as at the LPD, Acibadem has voluntarily withdrawn its JCI accreditation at these two hospitals.

Acibadem owns 100.0% of all of its hospitals in Turkey, except for International Hospital, in which Acibadem indirectly holds a 90.0% equity interest, and is in the process of acquiring a 65.0% equity interest in Jinemed Hospital, which is pending completion. In Macedonia, Acibadem holds 50.3% of Acibadem Sistina Skopje Clinical Hospital. Further details of Acibadem's hospitals as at the LPD are set forth below.

Acibadem Maslak Hospital is a 183-licensed and operational bed hospital with 312 doctors located in the Maslak neighbourhood of Istanbul, Turkey. The hospital provides infertility treatment and IVF and has an intensive care unit for neonatology. In addition, the hospital has high level diagnosis and treatment laboratories with electrophysiology and interventional radiology, such as Rapidarc technology oncology treatments, the da Vinci robotic surgical system and Cyberknife technology. The hospital has five intensive care units used for cardiology, internal diseases, general surgery, cardiac surgery and neonatology. The hospital also focuses on medical travellers, in addition to local patients. Acibadem Maslak Hospital has "intelligent building" technology, which operates different premises systems by integrating them from a single centre. In addition, we believe that Acibadem Maslak Hospital is the only "paperless" hospital in the CEEMENA region, where all patient paperwork and records are kept electronically and there are touchscreen computers in each patient's room. The hospital is expected to commence an expansion project within 2012 to manage the hospital's activities more efficiently and to increase its service capacity. The hospital is JCI accredited.

Acibadem Bursa Hospital is a 195-licensed and operational bed hospital with 102 doctors located in Bursa, Turkey. The hospital has five intensive care units which are used for cardiology, internal diseases, general surgery, cardiac surgery and neonatology. The hospital also focuses on medical travellers, in addition to local patients. The hospital receives referrals from doctors located outside Istanbul within the Marmara region, particularly because of its radiation oncology capability and growing cardiovascular surgery capacity. The hospital was previously JCI accredited and Acibadem voluntarily withdrew the accreditation in 2011.

Acibadem Sistina Skopje Clinical Hospital is a 179-licensed and operational bed hospital with 109 doctors located in Skopje, Macedonia. It is the first private hospital in Macedonia. The hospital has two CT laboratories and five intensive care units which are used for cardiology, general surgery, cardiac surgery and neonatology. The hospital is in the process of preparing its application for JCI accreditation.

Acibadem Kayseri Hospital is a 119-licensed and operational bed hospital with 74 doctors located in Kayseri, Turkey. The hospital has five intensive care units used for cardiology, internal diseases, general surgery, cardiac surgery and neonatology. The hospital has one of the leading radiation oncology facilities in Turkey and the surrounding region.

Acibadem Bakirkoy Hospital is a 136-licensed and operational bed hospital with 253 doctors located in the Bakirkoy neighbourhood of Istanbul, Turkey. The hospital has five intensive care units used with 27 licensed and operational beds which are used for neonatology, general surgery, internal diseases, cardiology and cardiac surgery and a 25-licensed and operational bed emergency-care room. The hospital also focuses on medical travellers, in addition to local patients. The hospital building has "intelligent building" technology and is fully computerised. The hospital is JCI accredited.

Acibadem Kadikoy Hospital is a 127-licensed and operational bed hospital with 174 doctors located in the Kadikoy neighbourhood of Istanbul, Turkey. It was Acibadem's first hospital and commenced its operations in 1991. The hospital has five intensive care units which are used for cardiology, internal diseases, general surgery, cardiac surgery and neonatology. The hospital is JCI accredited.

Acibadem Adana Hospital is a 125-licensed and operational bed hospital with 77 doctors located in Adana, Turkey. The hospital has five intensive care units used for cardiology, internal diseases, general surgery, cardiac surgery and neonatology. In addition, the hospital has two sleep laboratories. The hospital also focuses on medical travellers, in addition to local patients. Acibadem Adana Hospital has an agreement with the Iraq Ministry of Health and the Incirlik U.S. Air Force Base to provide healthcare services to Iraqi and American patients. Due to its location, the hospital also provides healthcare services to Syrian and Libyan patients. The hospital is JCI accredited.

International Hospital is a 134-licensed and operational bed hospital with 128 doctors located in the Yesilkoy neighbourhood of Istanbul, Turkey. The hospital underwent a redevelopment project which began in 2006 and was completed in 2008, which upgraded its polyclinic areas, physician examination rooms and inpatient floors. The hospital operates an organ transplantation centre. The hospital also focuses on medical travellers, in addition to local patients. Given International Hospital's history as the first private hospital in Turkey and strong brand recognition in the market, Acibadem has continued to operate the hospital under its original name following its acquisition in 2005. However, International Hospital uses the "Acibadem" trademark so that it is recognisable as part of the Acibadem group. The hospital is JCI accredited.

Acibadem Eskisehir Hospital is a 135-licensed and operational bed hospital with 56 doctors located in Eskisehir, Turkey. The hospital has one neonatology unit, one baby-care room, a decontamination room, emergency follow-up rooms and isolated single-bed intensive care units. The hospital has five intensive care units which are used in general surgery, internal diseases, cardiology, cardiac surgery and neonatalogy.

Aile Hospital Bahcelievler (previously known as John F. Kennedy Hospital) is a 109-licensed and operational bed hospital with 86 doctors located in Bahcelievler neighbourhood of Istanbul, Turkey. The hospital has four intensive care units used for cardiac surgery, cardiology, general surgery and neonatology. In 2012, the hospital has been rebranded as "Aile Hospital".

Acibadem Fulya Hospital is a 108-licensed and operational bed hospital with 137 doctors located in Besiktas neighbourhood of Istanbul, Turkey. The hospital is the first one in Turkey to specialise in sports injuries and professional athletes' healthcare. The hospital is one of a few in Turkey that does not have any agreement with SGK and only serves patients who are able to pay by themselves, through private insurance or through corporate-sponsored insurance or other means. The hospital is pending JCI accreditation and expects to receive accreditation within 2012.

Aile Hospital Goztepe (previously known as Goztepe Safak Hospital) is an 89-licensed and operational bed hospital with 60 doctors located in Goztepe neighbourhood of Istanbul, Turkey. The hospital is intended to have four intensive care units used for cardiac surgery, cardiology, general surgery and neonatology. In 2012, the hospital has been rebranded as "Aile Hospital". Acibadem decided in April 2012 to suspend the operations of the hospital to facilitate the undertaking of structural reinforcement of the hospital building, which is leased. The completion of the reinforcement will be determined, pending further assessment of the building structure. Please refer to Section 5.2(i) of this Prospectus on the Risk factor relating to the prolonged suspension of hospital operations.

Acibadem Kozyatagi Hospital is an 87-licensed and operational bed hospital with 128 doctors located in the Kozyatagi neighbourhood of Istanbul, Turkey. The hospital is known for its neurology and cancer treatment centre, as well as its sleep disorder laboratory and motion analysis laboratory. Designed to provide specialty-institute level treatment for the whole spectrum of neurological diseases, Acibadem Kozyatagi Hospital performs adult paediatric neurosurgeries, supported by intra-operative MRI, Gamma Knife, brain lab, gait and motion analysis centre, neuro-pathologists and paediatric rehabilitation teams. The hospital has an intensive care unit and nine emergency follow-up beds. The hospital is JCI accredited.

Acibadem Kocaeli Hospital is a 75-licensed and operational bed hospital with 62 doctors located in Kocaeli, Turkey. The hospital has five intensive care units with 18 licensed and operational beds which are used for cardiology, internal diseases, general surgery, cardiac surgery and neonatology. The hospital was previously JCI accredited and Acibadem voluntarily withdrew the accreditation in 2011.

Jinemed Hospital is a 23-licensed and operational bed hospital with 43 doctors located in the Besiktas neighbourhood of Istanbul, Turkey. The hospital has two intensive care units used for general surgery and neonatology. The acquisition and share tranfser of Jinemed Saglik, which is the license owner of Jinemed Hospital, is expected to be completed within 2012.

Expansion projects

Acibadem is currently undertaking expansion projects in two hospitals, Acibadem Sistina Skopje Clinical Hospital and Acibadem Maslak Hospital.

- Acibadem is currently in the midst of expanding the facilities of Acibadem Sistina Skopje Clinical Hospital which will add 81 beds to its existing capacity and is expected to open its oncology department in 2012. A new oncology facility is currently under construction and will provide, among others, an extension of the cardiac surgery and general surgery departments, an expanded department of nuclear medicine equipped with PET-scan and an emergency department with a trauma centre. Construction work was ongoing when Acibadem acquired Acibadem Sistina and is expected to be completed by the end of 2012. The cost of expansion is funded by the other shareholder of Acibadem Sistina. Acibadem plans to transfer medical equipment from its existing hospitals to Acibadem Sistina Skopje Clinical Hospital upon completion of the expansion.

- Acibadem Maslak Hospital will be constructing an additional hospital building with a built-up area of 50,000 square metres which will add 120 beds to its existing capacity. Construction work is expected to commence within 2012 and expected to be completed within the next two to three years. The cost of expansion will be funded through borrowings and internally generated funds. Acibadem Proje will be responsible for the completion of the design and construction management of this project.

The overall expansion cost is estimated to be approximately TL99.9 million, of which none had been incurred as at 31 March 2012.

Projects under development

Acibadem is also developing two greenfield projects, Acibadem Ankara Hospital and Acibadem Bodrum Hospital.

- **Acibadem Ankara Hospital** is currently under development in Ankara, Turkey. Construction work commenced at the beginning of the first quarter of 2011 and the hospital is expected to become operational in the third quarter of 2012. It is expected to have an indoor area of approximately 9,000 square metres with approximately 78 beds and four operating theatres. This multi-specialty hospital is expected to offer high quality medical services and to be equipped with advanced technology.

- **Acibadem Bodrum Hospital** was, as at the LPD, under development in Bodrum, Turkey, a popular holiday destination. Construction work commenced in the end of the first quarter 2010 and phase one of Acibadem Bodrum Hospital has commenced operations following the LPD, on 11 June 2012. Phase one of Acibadem Bodrum Hospital has an indoor area of approximately 12,000 square meters with 76 beds. Following the completion of phase two, which is currently expected in 2013, Acibadem Bodrum Hospital is expected to have an indoor area of approximately 21,800 square meters with approximately 110 beds in total, and four operating theatres. This multi-specialty hospital is expected to offer high quality medical services to local residents and to medical travellers.

The overall cost of development of these two greenfield projects is estimated to be approximately TL99.5 million, of which TL36.7 million had been incurred as at 31 March 2012. The costs of development has been and is expected to continue to be funded by borrowings and internally generated funds.

In addition to the above, as at the LPD, Acibadem has signed a letter of intent to develop a potential greenfield hospital project located in the Taksim neighbourhood of Istanbul, Turkey and is also in discussions to develop a potential hospital via a brownfield project, also located in Istanbul, Turkey. These two hospitals are expected to add a total of approximately 330 beds to our Group upon completion, which we anticipate to be within the next five years. The details of these two hospital development projects are not yet finalised and, as at the LPD, no binding agreements have been entered into with regard to them.

CoEs

In selected specialties, Acibadem offers advanced medical services and treatments and advanced biomedical technology and equipment. The CoEs also employ specialist doctors. Acibadem's CoEs include the following:

Medical specialty	CoEs	Location	Description
Cardiovascular Surgery	Cardiac Care, Adult Cardiology, Cardiovascular surgery	Acibadem Kadikoy Hospital, Acibadem Bakirkoy Hospital, Acibadem Maslak Hospital, International Hospital, Acibadem Bursa Hospital, Acibadem Kocaeli Hospital, Acibadem Eskisehir Hospital, Acibadem Adana Hospital, Acibadem Kayseri Hospital, Acibadem Sistina Skopje Clinical Hospital, Aile Hospital Goztepe and Aile Hospital Bahcelievler	• Focuses on all aspects of adult cardiology and cardiovascular surgery going from prevention and diagnosis to treatment and rehabilitation of cardiac patients.
Paediatric Cardio-vascular Surgery	Paediatric Cardiac care and cardiovascular surgery	Acibadem Bakirkoy Hospital and International Hospital	• Focuses on all aspects of paediatric cardiology and cardiovascular surgery. Dedicated teams at these two hospitals treat almost 500 congenital paediatric cases each year

Medical specialty	CoEs	Location	Description
Adult and Paediatric Neuro-surgery	Neurosciences	Acibadem Kozyatagi Hospital and Acibadem Bakirkoy Hospital	• Designed to provide specialty-institute level treatment for a broad spectrum of neurological diseases. Acibadem Kozyatagi Hospital performs adult and paediatric neurosurgeries, supported by intra-operative MRI, Gamma Knife, brain lab, gait and motion analysis center, neuro-pathologists and paediatric rehabilitation teams.
Organ Transplantation	Organ Transplantation	International Hospital, Acibadem Bursa Hospital and Acibadem Kozyatagi Hospital	• Dedicated to provide specialty services in organ transplantation in kidney (at International Hospital and Acibadem Bursa Hospital), liver (at Acibadem Bursa Hospital) and bone marrow (at Acibadem Kozyatagi Hospital). Transplant operations performed using sophisticated laparoscopic techniques.
Cancer Centre	Medical Oncology and Radiation Oncology	Acibadem Kozyatagi Hospital, Acibadem Maslak Hospital, Acibadem Bursa Hospital, Acibadem Kayseri Hospital and Acibadem Adana Hospital	• Comprised of a highly trained and qualified clinical support staff, including radiation and medical oncologists, surgeons, radiologists, pathologists, specialised nursing staff, dieticians, physical therapist and psychologists. The experienced medical teams treat their patients with advanced medical techniques and focus on their continuous well being during the treatment process. The radio-therapy planning and treatment information is completely integrated across these centers, enabling continuity of care.

Medical specialty	CoEs	Location	Description
Sports Medicine	Sportsman Health Centre, Advanced treatments for sports injuries, Physical Treatment and Rehabilitation Centre	Acibadem Fulya Hospital	• Planned, designed and developed in connection with Acıbadem's involvement in sports. Acibadem Fulya Hospital's Orthopaedics and Sports Medicine Center has applied for designation as a FIFA Clinic of Medical Excellence.
IVF – Obstetrics and Gynaecology	In Vitro Fertilisation, Obstetrics and Gynaecology, High-Risk Pregnancy Programmes	Acibadem Kadikoy Hospital, Acibadem Maslak Hospital, International Hospital, Acibadem Bursa Hospital, Acibadem Kayseri Hospital, Acibadem Sistina Skopje Clinical Hospital and Jinemed Hospital	• Provides advanced medical treatments with modern techniques in obstetrics and gynaecology services and focuses on IVF treatments. Acibadem Kadikoy Hospital is a MOH Turkey designated IVF training and certification center.
Robotic Surgery	Robotic Surgery	Acibadem Maslak Hospital, Acibadem Kadikoy Hospital and Acibadem Bakirkoy Hospital	• Utilises robotic surgery (da Vinci robotic surgery system) in certain branches i.e. urology, general surgery, gynaecology and obstetrics. This technique requires highly qualified and trained medical professionals who are trained in robotic surgeries.
Breast Clinic	Breast Cancer and Specialized Treatments for Women	Acibadem Maslak Hospital and Acibadem Bakirkoy Hospital	• Provides screening, consultation and treatment to women with breast cancer with a highly qualified and reputable team of surgeons, trained breast care nurses and medical support staff.

Acibadem Healthcare

Outpatient Clinics

In addition to its network of hospitals as at the LPD, Acibadem also operates nine outpatient clinics across Turkey. The acquisition by Acibadem of one other outpatient clinic in Istanbul (Jinemed Medical Centre) is pending completion. These outpatient clinics offer primary healthcare and perform outpatient operations and day surgeries. The outpatient clinics also refer patients to Acibadem hospitals. Acibadem owns 100.0% of all of its outpatient clinics, except for Konur Surgical Medical Centre and Gemtip Medical Centre, which are held 92.5% and 53.6%, respectively, by Acibadem. Acibadem is in the process of acquiring a 65.0% interest in Jinemed Medical Centre which is pending completion. Please refer to Section 5.2(i) of this Prospectus on the Risk factor relating to the shareholding of the outpatient clinics held by Acibadem.

The table below sets forth certain information about Acibadem's outpatient clinics as at the LPD.

Outpatient Clinic	Location	Services provided
Acibadem Beylikduzu Surgical Medical Centre	Istanbul, Turkey	Walk-in emergency services seven days a week; panoramic X-ray, USG, mammography, bone density, direct X-ray, CT and echocardiography technology; fully-equipped physiotherapy and rehabilitation unit which offers a full suite of pre and post-operation physiotherapy services
Acibadem Bagdat Caddesi Medical Centre	Istanbul, Turkey	Walk-in emergency service six days a week; diabetes centre; dermatological services such as laser hair removal, laser skin treatments and Botox; two surgical intervention rooms and six observation rooms
Acibadem Etiler Medical Centre	Istanbul, Turkey	Walk-in emergency services six days of week; endoscopy unit provides gastroscopy, colonoscopy, rectoscopy and cauterisation operations; uses advanced technology for the diagnosis and treatment of gastrointestinal disorders; digital mammography; panoramic digital X-ray capability used in the diagnosis of dental problems
Acibadem Gokturk Medical Centre	Istanbul, Turkey	Primarily a family practise clinic; medical laboratory and radiology services; 24-hour emergency unit and ambulance service; utilises the "Integrated Patient Admissions System" which tracks a patient's medical history and includes diagnosis, treatment, results and physician notes from any Acibadem hospital or medical centre

Outpatient Clinic	Location	Services provided
Acibadem Atasehir Surgical Medical Centre	Istanbul, Turkey	Radiology department with advanced technology such as MRI, CT, mammography, X-ray, ultrasound and panoramic X-ray equipment; specialised treatment for sports-related injuries; dermatological services such as laser hair removal; fractional laser and ultrasonic local weight loss methods
Acibadem Uludag Outpatient Clinic	Bursa, Turkey	The Acibadem Skiing Patrol, first aid and search and rescue responders, patrols Uludag daily during the winter ski season with specially-equipped snow motorcycles or tracked snow mobiles; treatment at the scene for emergency cases such as head-neck injuries and limb indispositions; advanced medical treatment is performed in Acibadem Uludag Outpatient Clinic, which only serves in the winter season
Konur Surgical Medical Centre	Bursa, Turkey	Internal diseases, general surgery, neurology, neuropsychiatry, neurosurgery, paediatrics, paediatric surgery, gynaecology, plastic surgery, microsurgery and hand surgery, cardiovascular surgery, urology, ENT, ophthalmic, orthopaedics and traumatology, dermatology, physiotherapy and rehabilitation, microbiology and infection diseases, pathology, nuclear medicine, radiology, biochemistry, algology, acupuncture and anaesthesia reanimation
Gemtip Medical Centre	Bursa, Turkey	Walk-in emergency services seven days a week; dental health, paediatrics, obstetrics and gynaecology, general surgery, internal medicine, ophthalmology, ENT, orthopaedics and traumatology and urology; radiology department equipped with X-ray, ultrasound and mammography
Levent Medical Centre(1)	Istanbul, Turkey	Walk-in emergency services six days a week; CT scan, X-ray, panoromic X-ray, medical laboratory, internal medicine, ENT, neurology, obstetrics and gynaecology, orthopaedics, general surgery, urology, dentistry, dermatology (including laser epilation, ultrashape, botox and other skin treatments) and family medicine
Jinemed Medical Centre(2)	Istanbul, Turkey	Multi specialty medical centre focusing on obstetrics and gynaecology and IVF, provides services in approximately 10 clinics, including general surgery, paediatrics and urology

Notes:

(1) As at the LPD, Tolga Saglik, which is the license owner of Levent Medical Centre, is not a subsidiary of Acibadem. Acibadem Poliklinik executed a future share sale agreement and future asset transfer agreement with Tolga Saglik. The potential share purchase and asset transfer is expected to be realised in 2012.

(2) As at the LPD, Jinemed Saglik, which is the license owner of Jinemed Medical Centre, is not a subsidiary of Acibadem. Please see note (4) of the table setting forth certain information about Acibadem's hospitals as at the LPD, for further details of the share purchase agreement dated 1 February 2012 between Acibadem and the shareholders of Jinemed Saglik for the purchase of 65.0% equity interest of Jinemed Saglik.

Laboratories

To support its network of hospitals and outpatient clinics, Acibadem also operates five laboratories. The table below sets forth certain information about Acibadem's laboratories as at the LPD.

Laboratory	Location	Description
Acibadem Labmed Clinical Laboratory	Istanbul, Turkey	• In 2010, it became the first laboratory in Turkey to be accredited by the Turkish Accreditation Institution. • Operated through a joint venture with Labmed Dortmund GmbH, a Germany laboratory operator.
Acibadem Central Pathology Laboratories	Istanbul, Turkey	• Two locations: stand-alone laboratory in Altunizade, Istanbul and within Acibadem Maslak Hospital. • Connected to every Acibadem hospital through terminals. • Cooperate with Acibadem Labmed Clinical Laboratory and with the Acibadem Genetic Diagnosis Centre, enabling personalised treatment methods to be provided to cancer patients. • Oldest cord blood bank and has the largest storage capacity in Turkeywith a storage and production facility where all scientifically-approved tissues can be kept and all treatment-purpose cell procedures are conducted with good manufacturing practise standards.

Acibadem Stem Cell Laboratory and Cord Blood Bank	Istanbul, Turkey	• As of January 2011, it has approval from the MOH Turkey to produce stem cells, such as chondrocyte, fibroblast and mesenchymal stem cells, in a cell culture environment for autologous purposes.
Acibadem Genetic Diagnosis Centre	Istanbul, Turkey	• A well-equipped and high-standard genetic diagnosis laboratory which offers services for the purpose of diagnosis and prevention of genetic diseases. • Genetic testing and diagnostic services are offered for over 200 illnesses.
Acibadem Labvital Food Control Laboratory	Istanbul, Turkey	• Analyses food from production to consumption stages and all food-related equipment in accordance with international standards and with approval from the Turkish Ministry of Agriculture and Rural Affairs. • Performs hygiene and sanitation auditing and observation for food production facilities and provides training for the staff working in such facilities.

Ancillary services

Acibadem Holding also owns complementary stand-alone ancillary healthcare businesses such as Acibadem Proje, Acibadem Mobil and APlus, which further support the integrated nature of Acibadem's hospitals. These three businesses provide support services to Acibadem's network of hospitals, as well as third parties.

Acibadem Mobil was established in July 2008 and provides emergency assistance and transportation and home health services for patients before and after their hospital visits, such as intensive care ambulance transportation, air ambulance, and in home and work place nursing services such as examination/physiotherapy, injection, medical dressing, laboratory, disease tracking and dietician services. As at 31 March 2012, Acibadem Mobil had approximately 300 employees, of whom 100 are physicians, and has advanced technology equipment and mobile medicine technology. Patients can access its services by calling the mobile healthcare line 24 hours a day. Acibadem Mobil has received ISO 9001 accreditation for both its ambulance and home health services.

APlus commenced operations in 2006 and offers health sector-oriented food-catering, cleaning, laundry, facility management and human resources services. APlus is a pioneer in the industrial catering production sector, owns one of the largest hygienic laundry rooms in Turkey and utilises the "Healthguard" system which is used in the health sector in the European Union and offers high standard cleaning and disinfection services that minimise cross-contamination risk. APlus has achieved the following certifications: ISO 9001 (Quality Management System) and ISO 22000 (Food Safety Quality Management System).

Acibadem Proje commenced operations in 2004 and provides planning, implementation, control and "turn-key" consultancy services for major investments such as hospitals. Acibadem Proje began its operations by conducting all the planning, implementation, medical allocation and project financing operations for Acibadem's hospital investments following its commencement of operations. It is responsible for the completion of the design and construction management of all of Acibadem's new greenfield projects, such as Acibadem Bakirkoy Hospital and Acibadem Maslak Hospital. On average, Acibadem Proje is able to plan a hospital design in five to eight months and complete the construction in 18 to 22 months. Acibadem Proje also refurbishes and redesigns Acibadem's acquired hospitals. It has now grown to provide services to other domestic and international healthcare investors for the design and project management of certain domestic social responsibility projects, which are mainly for affiliated foundations. Acibadem Proje's primary capabilities are in hospital design and planning, supervision and management of the construction of healthcare facilities and medical equipment and technical infrastructure procurement and installation, and it improves its planning and designs based on feedback obtained from the operational hospitals it has designed.

8.2.7 International Medical University

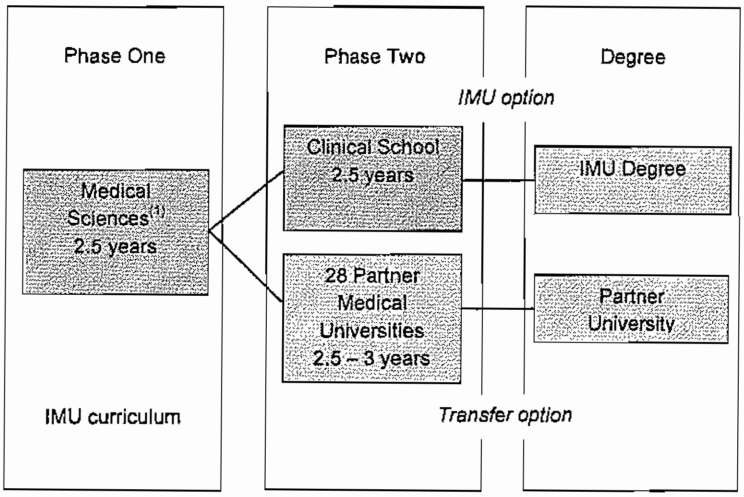
Through IMU Health, we own and operate IMU, a private university that offers a total of 18 academic programmes as at the LPD, including medical, dental, pharmacy, nursing, health sciences and complementary medicine programmes. It is Malaysia's first private healthcare university offering both local and foreign academic programmes. IMU has a unique educational model. It partners with foreign universities which accept credits earned by students at IMU following a curriculum developed by IMU (instead of adopting the curricula of its partner universities). As at the LPD, IMU has 37 international renowned or established partner universities, which, we believe, is the largest network of partner universities in Asia. IMU has trained about 7,000 students since it was founded in 1992 and had an enrolment of 2,963 students as at 31 December 2011. As at 31 March 2012, 3,179 students were enrolled at IMU.

IMU Health will focus on our education business in Malaysia for our Group. On 3 April 2012, IMU Health and Pantai Resources entered into a conditional share sale agreement for the acquisition of the entire equity interest in Pantai Education, which trains nurses for PPL's hospitals in Malaysia, from PPL as part of an internal restructuring process.

IMU educational model

The educational model at IMU is unique as it enables a student to pursue Phase One of their studies at IMU using an IMU curriculum and subsequently transfer to one of a number of partner universities to complete their studies at the partner university. Students who choose this transfer option will receive the degree from the partner university, which is identitical to the degree obtained by students who complete their full course of studies at the partner university. Students who choose the IMU option complete their studies at IMU and receive an IMU degree. This educational model applies to almost all of the undergraduate programmes offered by IMU, including the medical, dental, pharmacy, psychology, nutrition and dietetic, pharmaceutical chemistry, medical biotechnology, biomedical science, chiropractic and Chinese medicine programmes, thus differentiating it from other public and private education institutions.

The chart below illustrates the educational model for IMU's medical programme.



Note:

(1) Students transferring to a graduate partner medical school are required to complete an additional year of research for a BMedSc (IMU) degree.

Students must decide on their option of study prior to their enrollment. In the medical programme approximately 40% of students choose the IMU option, while the remaining 60% of incoming students choose the transfer option. Between 2007 and 2011, IMU's partner medical schools offered an average of over 250 places each year to IMU transfer students.

IMU's educational model gives students access to renowned partner universities at a lower cost as they are able to undertake Phase One in Malaysia where the total cost of tuition and living expenses are lower than at overseas universities. IMU's students are able to choose from a large selection of partner medical schools through a matching system in their fifth semester. In 2011, 28 partner medical schools participated in the medical programme.

For students who choose the transfer option, all fees in Phase One are paid to IMU while fees in Phase Two are paid to the respective partner universities. For students who choose the IMU option, all fees for the entire programme are paid to IMU. IMU's programmes operate on a semester model in which each semester is half a year. Certain undergraduate programmes have more than one intake a year. There are multiple intakes a year for the postgraduate programmes.

The table below sets forth the total tuition fees for each programme for the 2012 academic year.

IMU programmes	Range of tuition fees[(1)]
	(RM)
Undergraduate programmes	
Medical, dental	390,000 to 475,000
Pharmacy, nutrition and dietetics and complementary medicine[(2)]	120,000 to 193,600
Nursing and health sciences[(3)]	70,800 to 93,000
Postgraduate programmes	9,600 to 44,100

Notes:

(1) Tuition fees (rounded figures) are for the duration of programmes completed entirely at the IMU and after bursary.

(2) Complementary medicine includes the chiropractic and Chinese medicine programmes.

(3) Health sciences include the pharmaceutical chemistry, medical biotechnology, biomedical science and psychology programmes.

IMU academic programmes

As at the LPD, IMU offers 18 healthcare undergraduate programmes and related postgraduate programmes, all of which are taught in English. The programmes offered are: medical, dental, pharmacy, nursing, psychology, nutrition and dietetics, pharmaceutical chemistry, medical biotechnology, biomedical science, chiropractic, Chinese medicine, public health and postgraduate programmes for masters and doctoral degrees. IMU's programmes are accredited by the MQA and the appropriate professional registration boards, such as the Malaysian Medical Council and the Malaysian Pharmacy Board. New programmes are given provisional accreditation until the first cohort graduates. Full accreditation is awarded to all established programmes and reaccreditation exercises are conducted when necessary.

The following table shows the details of IMU's programmes for the academic year 2011.

Undergraduate and Postgraduate programmes	Year established	Options	Duration of IMU option degree	Partner universities	Faculty (full-time)	Students enrolled[5][6]
Medical[1]	1993	Transfer option and IMU option	MBBS—5 years; BMedSc—3.5 years	28	117	1,450[2]
Dental	2008	Transfer option and IMU option	BDS—5 years	4	21	137
Pharmacy[3]	1996	Transfer option and IMU option	BPharm—4 years	3	49	657
Nursing	2005	IMU option	BNursing (Hons) —4 years; B Nursing Science—2 years	N/A	15	109
Psychology	2008	Transfer option and IMU option	BSc (Hons)—3 years	2	6	39
Nutrition and dietetics	2008	Transfer option and IMU option	BSc (Hons)—4 years	2	15	223
Pharmaceutical chemistry	2008	Transfer option and IMU option	BSc (Hons)—3 years	1	5	56
Medical biotechnology	2008	Transfer option and IMU option	BSc (Hons)—3 years	1	8	34
Biomedical science	2008	Transfer option and IMU option	BSc (Hons)—3 years	4	11	119
Chiropractic	2010	Transfer option and IMU option	BSc (Hons)—4 years	2	7	67
Chinese medicine	2010	Transfer option and IMU option	BSc (Hons)—4 years	4	5	12
Postgraduate	2005	IMU option	MSc[4]—1 to 4 years (full time)/ 2 to 6 years (part time); PhD—2 to 6 years	N/A	N/A[5]	60

Notes:

(1) *Includes students in Phase One, mainly besic medical science, and Phase Two, which is the clinical training.*

(2) *Comprises 1,069 students in Phase One and 381 students in Phase Two.*

(3) *Does not include Master of Pharmacy (Honours) as the degree on completion is conferred by a partner university. As at the LPD, the programme is pending reaccreditation by MQA.*

(4) *Refers to MSc in Medical and Health Science (by research) and MSc in Public Health. In January 2012, IMU received approval from MOHEM for its MSc in Analytical and Pharmaceutical Chemistry programma.*

(5) *There is no dedicated faculty for the postgraduate programmes, as they are distributed throughout all of IMU's programmes.*

(6) *Total student numbers in both transfer and IMU options.*

IMU partner universities

IMU has partnerships with 37 universities around the world, as set forth in the table below.

Countries	Programmes
Australia and New Zealand	
University of Adelaide, Australia	Medical, Dental
Australian National University, Australia	Medical
University of New South Wales, Australia	Medical
University of Newcastle, Australia	Medical, Nutrition and Dietetics, Biomedical Science, Medical Biotechnology, Psychology
RMIT University, Australia	Chiropractic, Chinese Medicine
University of Queensland, Australia	Medical, Dental, Pharmacy
University of Sydney, Australia	Medical, Pharmaceutical Chemistry
University of Tasmania, Australia	Medical
University of Western Australia, Australia	Medical, Dental
University of Western Sydney, Australia	Medical
University of Auckland, New Zealand	Medical
University of Otago, New Zealand	Dental, Pharmacy, Biomedical Sciences, Nutrition, Dietetics
Canada and United States	
Dalhousie University, Canada	Medical
Jefferson Medical College, United States	Medical
United Kingdom and Ireland	
Anglo-European College of Chiropractic, England	Chiropractic
Brighton-Sussex Medical School, England	Medical
University of Keele, England	Medical
University of Leeds, England	Medical
University of Leicester, England	Medical
University of Liverpool, England	Medical
University of Manchester, England	Medical
University of Nottingham, England	Medical
University of Southampton, England	Medical
St. George's University of London, England	Medical, Biomedical Science
University of Warwick, England	Medical
University of Aberdeen, Scotland	Medical
University of Dundee, Scotland	Medical
University of Edinburgh, Scotland	Medical
University of Glasgow, Scotland	Medical
University of Strathclyde, Scotland	Pharmacy, Psychology, Biomedical Science, Medical Biotechnology
National University of Ireland, Galway, Ireland	Medical
Queen's University of Belfast, Northern Ireland	Medical
University of Glamorgan, South Wales	Chiropractic

Countries	Programmes
The PRC	
Beijing University of Chinese Medicine, the PRC[(1)]	Chinese Medicine
Guangzhou University of TCM, the PRC	Chinese Medicine
Shandong University of TCM, the PRC	Chinese Medicine
Shanghai University of TCM, the PRC	Chinese Medicine

Note:

(1) Students have the option for an internship at Beijing University of Chinese Medicine after successful completion of the BSc (Hon) Chinese Medicine at IMU.

Each year, the Academic Council, a council of the medical and dental deans or their representatives from IMU's partner universities and IMU's senior staff, meet in Kuala Lumpur, Malaysia, to discuss admissions, curriculum, assessment, research, faculty appointments and other academic issues, including future developments central to IMU's medical and dental programmes. In 2010, IMU undertook a major curriculum review of its medical programme to better integrate the various disciplines in medicine, their application in disease processes, principles of diagnosis and treatment and their implications in hospital and community practice. The new curriculum was implemented in August 2011.

In addition, the members of the Academic Council serve as liaisons between IMU and its partner universities. The Academic Council has been held annually since 1992 and the most recent meeting was held on 6 and 7 March 2012.

IMU has also established a Professional Education Advisory Committee comprising leading educationists from North America, United Kingdom, Australasia and Malaysia. This committee meets twice a year to audit and provide advice on the quality of all of IMU's programmes.

IMU faculty

IMU's faculty is recruited both locally in Malaysia and from other countries. As at the LPD, 42.3% of IMU's faculty were expatriates. All faculty is employed on a contract basis, both full-time and part-time. In addition, IMU provides its faculty with career development training, including performance coaching, problem solving, decision making, mentorship and presentation skills.

IMU's faculty take part in the academic management of IMU through participation in the Faculty Board and Senate. They are responsible for their respective programmes, which are managed through curriculum and examination committees.

IMU campuses and facilities

IMU's main campus is at Bukit Jalil in Kuala Lumpur, Malaysia, and its main clinical school is at Seremban, Negeri Sembilan, Malaysia. The clinical school is supported by smaller clinical schools, which are located in Kuala Pilah, Negeri Sembilan and in Batu Pahat, Johor. IMU also has access to a network of MOH Malaysia hospitals in Wilayah Persekutuan (Kuala Lumpur and Putrajaya), Selangor, Negeri Sembilan, Penang, Perak, Melaka, Johor, Terengganu, Sabah and Sarawak where it provides clinical training for students in its medical, dental, pharmacy, nursing, nutrition and dietetics and biomedical sciences programmes. This network of healthcare facilities exposes IMU's students to a continuum of different levels of healthcare. They gain practical experience in a wide spectrum of healthcare facilities ranging from community clinics providing primary healthcare to large hospitals providing tertiary care.

In addition, IMU has established four centres in Bukit Jalil which provide healthcare services and train students, the Oral Health Centre, the IMU Chiropractic Centre, the IMU Chinese Medicine Centre and the IMU Medical Clinic. These centres also serve as clinical facilities for IMU's students and a place of practise for its faculty.

IMU campus capacity

IMU has capacity at its main campus and clinical schools to accommodate approximately 750 full-time and part-time faculty and staff and approximately 4,500 full-time and part-time students. IMU is starting to add extended teaching hours to its programmes and will progressively expand these.

As at 31 December 2009, 2010 and 2011, respectively, 2,631, 2,928 and 2,963 students were enrolled at IMU. As at 31 March 2012, 3,179 students were enrolled at IMU.

The table below sets forth certain details of IMU's student breakdown, number of courses offered as well as the average revenue per student for the periods indicated.

	Year ended 31 December			Three months ended 31 March
	2009	**2010**	**2011**	**2012**
Malaysian students	95.4%	95.5%	94.9%	94.5%
International students	4.6%	4.5%	5.1%	5.5%
Part-time students	0.2%	0.4%	0.4%	0.2%
Full-time students	99.8%	99.6%	99.6%	99.8%
IMU option	65.7%	68.3%	72.9%	71.7%
Transfer option	34.3%	31.7%	27.1%	28.3%
Total programmes offered	14	15	17	18
Total student enrolment	2,631	2,928	2,963	3,179
Average revenue per student per year/period (rounded to the nearest thousand)	RM46,000	RM47,000	RM53,000	RM13,000

The majority of IMU's students are Malaysian and attend the university on a full-time basis. Other than in the medical and dental programmes, where up to approximately 60% of students choose the transfer option, IMU's students in the other academic programmes generally complete their studies entirely at IMU as these are undergraduate programmes.

The average years of study per student at IMU for undergraduate programmes (including the transfer option) is two to five years, for full-time Masters programmes it is one to four years, for part-time Masters programmes it is two to six years, for full-time PhD programmes it is two to six years and for part-time PhD programmes it is four to eight years.

IMU research

IMU began to fund medical science research in 2000 and focuses on six areas: environmental health, cancer biology and related stem cell research, active bio-molecules and cellular mechanisms, pharmaceutics and drug delivery systems and natural compounds and nutra-ceuticals. Basic science and medical education research is carried out at IMU in Bukit Jalil, while some clinical research is carried out in selected government hospitals in Malaysia.

IMU provides seed money funding for approximately 69% of the research conducted at IMU for the past three years, while the remainder is from external sources. IMU's faculty engaged in research also competes for and receive external funding, including from the Malaysian Ministry of Science, Technology and Innovation. The number of internal and external research projects funded increased from 24 and six in 2009, to 56 and 15 in 2010, and to 71 and 34 in 2011, respectively. IMU invested RM2.1 million and RM0.8 million in 2009, RM3.1 million and RM0.7 million in 2010 and RM1.5 million and RM1.5 million in 2011 into such internal and external research projects, respectively. Publications resulting from research at IMU totalled 113, 146 and 171 in 2009, 2010 and 2011, respectively.

IMU financial assistance

IMU offers scholarships and awards to its students through various programmes, including the John Beck Scholarship, the IMU Medical Scholarship, the IMU Bachelor of Pharmacy Scholarship, the IMU Bachelor of Nursing Scholarships, the High Achiever Awards and the Merit Awards. In addition, a majority of the Malaysian students who complete their degree at IMU receive loans from the National Higher Education Fund. As at 31 December 2011, approximately 39.0% of its students received study loans from the National Higher Education Fund and 13.0% received government sponsored financial assistance. In addition, as at the same date, approximately 6.0% of IMU's students received financial assistance from IMU in the form of the High Achiever and Merit Awards and full scholarships, which are fully funded by IMU.

IMU career placement

Throughout their time at IMU, students in IMU's health sciences programmes can take advantage of a wide range of opportunities offered through IMU's partnerships with potential employers and training hospitals as well as community service programmes in Malaysia. For example, as part of IMU's medical biotechnology programme, students undertake a two-month training programme with key players in the biotechnology industry. The programme has also incorporated e-learning as a method of delivering its curriculum. In June 2010, in relation to its biomedical science programme, IMU signed a memorandum of understanding with the MOH Malaysia to allow three hospitals, Hospital Serdang, Hospital Sungai Buloh and Hospital Batu Pahat, to be utilised for the training and teaching of students. In addition, as part of these students' training, they undertake an eight-week internship at private diagnostic laboratories such as BP Healthcare, Pantai Premier Pathology and Lablink. These internships allow IMU students to form relationships with potential employers and for the industry employers to provide feedback on the relevance of the curriculum.

IMU students are also introduced to leaders in their respective fields through various colloquia and conferences held at IMU, which students are encouraged to attend. For example, IMU conducts a monthly research colloquium, inviting individual staff and external researchers to present on their research activities.

We believe that most of the students who have graduated from IMU's programmes find employment in their respective fields soon after graduation.

Pantai College

Pantai College was established in 1993 by Pantai Education to train nurses for the PPL's hospitals in Malaysia. Pantai College has two locations in Malaysia, namely Subang Jaya, Selangor and Ayer Keroh, Melaka which train and develop nurses and allied health professionals.

With the support of the 11 PPL hospitals in Malaysia, Pantai College has a long history of providing nursing education. Pantai College's trained nurses are accepted for employment outside Malaysia in places including the Middle East, Australia, New Zealand, Britain and Canada. To date, more than 2,000 registered nurses and assistant nurses have graduated and, as at the LPD, more than 500 trainees were undergoing training at various stages of the three-year diploma programme and 18-month conversion course. The accreditation by MQA for this diploma programme has expired and the reaccreditation audit was conducted by MQA and Malaysian Nursing Board on 9 May 2012 and 10 May 2012 for the renewal of the diploma programme. The renewal is still pending the evaluation report pursuant to the audit as at the LPD.

The vision and mission of Pantai College is to provide a conducive learning environment. Pantai College's faculty members are professional healthcare educators with substantial teaching, clinical experience and specialisation.

As at the LPD, more than 50% of those who have graduated from the Pantai College have been employed by PPL's hospitals or medical centres and clinics and the rest are employed by other private hospitals or MOH Malaysia hospitals.

8.2.8 PLife REIT

PLife REIT was listed on the Main Board of SGX-ST in August 2007. In 2007, we entered into a lease and leaseback arrangement with the trustee of PLife REIT pursuant to which three of PPL's hospital properties, Gleneagles Hospital, Mount Elizabeth Hospital and Parkway East Hospital, were leased to the trustee and subsequently leased back to us. Please refer to Annexure H under details of our material properties. For a further description of the terms of the lease and leaseback arrangement and of our rental income from PLife REIT, please refer to Sections 12.2.4(viii)(c) and 12.2.6(i)(d), respectively, of this Prospectus. As at the LPD, PLife REIT also owned 29 nursing homes and one pharmaceutical product distributing and manufacturing facility in Japan. It is one of Asia's largest healthcare real estate investment trusts with 36 properties with a carrying amount of SGD1,397.9 million (RM3,452.8 million) as at 31 March 2012 and a market capitalisation of SGD1,119.2 million (RM2,764.4 million) as at the LPD. Our Company owns 35.8% of PLife REIT as well as 100% of Parkway Trust Management, the manager of PLife REIT. As a result, our Company is entitled to a share of dividends distributed and management fees.

Parkway has granted PLife REIT a right of first refusal over future sales by Parkway or its wholly-owned subsidiaries, of assets in the Asia-Pacific region (including Singapore) which are primarily used for healthcare and/or healthcare-related purposes. This right of first refusal is subject to certain conditions and notification procedures as agreed between the parties and will operate for a period of five years commencing on 23 August 2007, which duration is extendable subject to the approval of the shareholders of Parkway in accordance with the terms of the said right of first refusal.

PLife REIT has granted a reciprocal right of first refusal to Parkway over future sales by PLife REIT of assets in the Asia-Pacific region (including Singapore) which are primary used for healthcare and/or healthcare-related purposes that had originally been acquired by PLife REIT from Parkway or its subsidiaries. This right of first refusal is subject to certain conditions and notification procedures as agreed between the parties and will operate for so long as Parkway Hospitals or any of Parkway's wholly-owned subsidiaries remains the master lessee of the properties under the lease and leaseback arrangements.

In addition, PLife REIT has granted Parkway a right of first refusal to lease and operate future healthcare or healthcare-related assets acquired by PLife REIT that is without an operator at the time of acquisition of such assets. This right of first refusal is subject to certain conditions and notification procedures as agreed between the parties and will operate for a duration of five years commencing on 23 August 2007.

8.2.9 Apollo Hospitals Enterprise Limited

Apollo, headquartered in Chennai, is one of India's largest private healthcare service providers, operating a wide network of hospitals predominantly based in India. Apollo's primary line of business is the provision of healthcare services, through hospitals, pharmacies, projects and consultancy services and primary care clinics. In addition, it provides business process outsourcing ("**BPO**") services through an associate and health insurance services through a joint venture company. Apollo was listed on the Bombay Stock Exchange and the Madras Stock Exchange in 1983 and subsequently voluntarily delisted from the Madras Stock Exchange with effect from 29 November 2006 and was listed on the National Stock Exchange of India in 1996 with a market capitalisation of Rs.86,213.3 million (RM4,957.3 million) as at the LPD. Our Company owns an 11.2% equity interest in Apollo. Currently, shares in Apollo are being traded on the Bombay Stock Exchange and the National Stock Exchange of India.

As at 31 December 2011, Apollo had more than 8,200 beds across 51 hospitals in India and internationally of which 7,762 are operational beds. Of these beds, over 5,800 are in 37 hospitals owned by Apollo and over 2,300 are in 14 hospitals under Apollo's management through operations and management contracts. Apollo also has a network of 100 primary care clinics, an extensive chain of Apollo pharmacies, BPO as well as health insurance services and clinical research divisions. Apollo has a presence outside India including in the Republic of Mauritius and Bangladesh and has signed a preliminary joint venture agreement with the Board of Trustees of the National Social Security Fund, Tanzania and the Tanzanian Ministry of Health & Social Welfare, in connection with the establishment of an advanced healthcare facility in Dar es Salaam.

Apollo has 32,490 employees (including employees of its subsidiaries, joint ventures and associated companies), including 4,540 doctors, 7,992 nurses, and 2,749 paramedical personnel, as at 31 December 2011. Apollo also has 2,625 fee for service doctors working in its hospitals who are paid by the number of tests and services performed. During the year ended 31 March 2011, hospitals owned by Apollo provided care to over 2.5 million patients.

Seven of Apollo's hospitals have received JCI accreditations for meeting international healthcare quality standards for patient care and organisation management, and three of its hospitals have received accreditations from the NABH in India. Apollo's healthcare facilities provide treatment for acute and chronic diseases across primary, secondary, and tertiary care sectors. Its tertiary care hospitals provide advanced levels of care in over 50 specialties, including cardiac sciences, oncology, radiology and imaging, gastroenterology, neurosciences, orthopaedics and emergency services. In addition, Apollo has a focus on core specialties such as cardiology, oncology, neurology, orthopaedics and transplants.

For the years ended 31 March 2010, 2011 and 2012, Apollo reported total revenues of Rs.20,265 million, Rs.26,054 million and Rs.31,475 million, respectively.

8.2.10 Business interruption

There was no interruption to our businesses which had a significant effect on operations during the past 12 months.

8.2.11 Marketing

PPL

PPL's brand portfolio includes the "Gleneagles", "Mount Elizabeth", "Pantai" and "Parkway" hospital brands, the "ParkwayHealth" and "Shenton" primary care and ancillary brands, and the "Luxe" women's health specialty primary care brand, which have their own distinctive strengths that help them connect with their target markets. Instead of standardising the brands across all of the markets in which it operates, PPL has adopted a brand strategy to appeal to unique customer preferences in each market. "Gleneagles", "Mount Elizabeth", and "Pantai" are particularly well-known hospital brand names across Southeast Asia and PPL leverages these brands to enhance the image of new hospitals and ancillary services while PPL as the parent company lends additional credibility. According to Frost & Sullivan, the "Mount Elizabeth" brand enjoys premium market positioning and the "Gleneagles" brand enjoys high market positioning in Singapore. Our "Mount Elizabeth" and "Gleneagles" brands are the most admired and reputable private hospital brands in Singapore and Indonesia and our "Pantai" brand has the strongest reputation among private hospitals in Malaysia, according to a study by Millward Brown undertaken in 2011 for PPL.

Acibadem

Acibadem's brand portfolio includes the "Acibadem" and "Aile Hastanesi" brands, which are used for its hospitals as well as its outpatient clinics, laboratories and ancillary services. The "Acibadem" brand name is used for its premium private hospitals, which are known for their high quality services in Turkey and the CEEMENA region. The "Aile Hastanesi" brand name which is still in roll-out stage of implementation will be used for those hospitals which cater to patients who cannot otherwise afford our premium hospital services at "Acibadem" brand hospitals and prefer fully SGK-funded hospitals. While such hospitals also seek to provide quality services to patients, the brand name is intended to distinguish them from hospitals which primarily serve privately-funded patients. Acibadem promotes its brand names through affiliations with popular sports teams, especially football teams, through which it provides medical services on the field during matches. In addition, Acibadem conducts social responsibility campaigns, such as providing pamphlets that educate the public on various diseases and preventive measures.

8.2.12 Customers

No individual customer or organisation accounted for 5.0% or more of our Group's total revenue for the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012. Our customers are primarily individual patients, corporate clients and government clients.

8.2.13 Suppliers and sourcing

PPL procurement

PPL groups and sources pharmaceutical drugs, medical devices and consumable products as a single entity wherever possible, unless it is not possible to supply across borders due to government regulations, in which case, purchase of supplies will be made locally through direct negotiation with the supplier. For example, cross-border shipment of patented pharmaceutical drugs are often strictly regulated by government policies, so purchase of such drugs are typically negotiated locally with the local suppliers within each country in which PPL operates. In addition, in Singapore and Malaysia, as a result of industry practise, pharmaceutical drugs are purchased through distributors appointed by the manufacturers.

PPL has also negotiated a slab pricing model with some of the major medical devices manufacturers so that individual hospitals are able to place orders directly, which allows PPL to leverage on its economy of scale. Once purchases have been negotiated with suppliers at the PPL level, each individual hospital or healthcare facility can then purchase orders directly from such suppliers in its country of operation. This direct liaison between the hospital or healthcare facility with suppliers helps to avoid any double handling of processes and makes procurement more efficient. In addition, PPL has set up stand-alone electronic systems in each of its Singapore and Malaysia operations to keep track of inventory and supply efficiency for the hospitals and healthcare facilities in those two countries. The management of procurement as a group helps PPL to manage and control the increase of its operating costs.

Acibadem procurement

Acibadem's broad geographical footprint in Turkey delivers significant economies of scale for our Group. Acibadem operates a procurement system with a single centralised warehouse in Istanbul from which it distributes supplies to all its hospitals. The warehouse keeps track of the stock keeping units of all of its inventory, so that it is able to tell at any time whether it is necessary to purchase more of any particular item. In addition, Acibadem holds a pharmaceutical import and distribution license, which allows it to purchase inventory wholesale directly from pharmaceutical companies rather than from distributors. This provides Acibadem with significant savings over retail prices.

Major suppliers

The following table sets out the supplier who accounted for 5.0% or more of our Group's total purchases for the last three years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012:

		Percentage of Group's purchases			
		FYE 31 December			Three months ended 31 March 2012
Supplier	**Nature of supplies**	**2009**	**2010**	**2011**	
Zuellig entities (Zuellig Pharma Pte Ltd and Zuellig Pharma Sdn Bhd)	Pharmaceutical supplies	12.3%	12.8%	12.4%	9.2%

Zuellig Pharma Pte Ltd is a pharmaceutical distributor in Singapore, and Zuellig Pharma Sdn Bhd is a pharmaceutical distributor in Malaysia, and each represents many major international pharmaceutical companies. Our business and profitability is not materially dependent on Zuellig entities or any single supplier.

8.2.14 Accreditation and certification

Internationally, hospitals are accredited by the JCI, a group that has been working with healthcare organisations, ministries of health and global organisations in over 80 countries since 1994 to survey the performance of healthcare service providers. Through JCI accreditation, healthcare service providers have access to an international quality measurement system for benchmarking, risk reduction strategies and best practices. In addition to the JCI, our hospitals are also accredited by local agencies, such as the MSQH in Malaysia. Our hospitals have also received ISO and NABL certifications.

As at the LPD, PPL had six JCI accredited hospitals and seven hospitals with MSQH accreditation (including three hospitals which accreditations are pending re-accreditation survey results as at the LPD). As at the LPD, Acibadem had six JCI accredited hospitals, one hospital with accreditation pending and one hospital preparing its application for accreditation.

Hospital	International Accreditation	Local Accreditation
PPL		
Mount Elizabeth Hospital	JCI	
Gleneagles Hospital	JCI	
Parkway East Hospital	JCI	
Pantai Hospital Kuala Lumpur	JCI	MSQH(1)
Gleneagles Kuala Lumpur	JCI	MSQH
Pantai Hospital Ayer Keroh		MSQH
Gleneagles Medical Centre Penang		MSQH(1)
Pantai Hospital Ipoh		
Pantai Hospital Penang		MSQH
Pantai Hospital Cheras		MSQH(1)
Pantai Hospital Ampang		
Pantai Hospital Batu Pahat		
Pantai Hospital Klang		MSQH
Pantai Hospital Sungai Petani		
Apollo Gleneagles Hospital	JCI	
Gleneagles JPMC Cardiac Centre		
Acibadem		
Acibadem Kadikoy Hospital	JCI	
Acibadem Bakirkoy Hospital	JCI	
Acibadem Kozyatagi Hospital	JCI	
International Hospital	JCI	
Acibadem Bursa Hospital		
Acibadem Kocaeli Hospital		
Acibadem Kayseri Hospital		
Acibadem Adana Hospital	JCI	
Acibadem Maslak Hospital	JCI	

Hospital	International Accreditation	Local Accreditation
Acibadem Eskisehir Hospital		
Acibadem Fulya Hospital	JCI pending	
Acibadem Sistina Skopje Clinical Hospital	JCI application in progress	
Aile Hospital Goztepe		
Aile Hospital Bahcelievler		
Jinemed Hospital(2)		

Notes:

(1) MSQH accreditation for the hospital has expired and the re-accreditation is pending survey results as at the LPD.

(2) As at the LPD, Jinemed Saglik, which is the license owner of Jinemed Medical Centre, is not a subsidiary of Acibadem. Please see note (4) of the table setting forth certain information about Acibadem's hospitals as at the LPD, for further details of the share purchase agreement dated 1 February 2012 between Acibadem and the shareholders of Jinemed Saglik for the purchase of 65.0% equity interest of Jinemed Saglik.

8.2.15 Awards

We have received numerous awards in recognition of our brands, including "Superbrands Singapore 2003-2005" by our Mount Elizabeth Hospital and our Gleneagles Hospital, "Superbrands Malaysia 2009" by our Pantai hospitals, the "Singapore Experience Award" by our ParkwayHealth brand in 2010, and "Reader's Digest Trusted Brands Gold Award" by both our Gleneagles Kuala Lumpur Hospital and our Pantai Hospital Kuala Lumpur in 2011.

Acibadem has been awarded numerous prizes, such as "Most Admired Turkish Companies" by Forbes Magazine in 2010, "Most Valuable Turkish Brands" by Capital Magazine in 2010, "Most Widely Known Healthcare Brand" by the Nielsen Top Brands Survey in 2004, 2005 and 2006, "Fastest Fish Award" for the most admired Turkish company by Referans Daily Newspaper in 2006, "Superbrand in Turkey" by Superbrands in 2010 and "Best Healthcare Group in Western Europe" by New Economy Magazine in 2011.

8.2.16 Personnel

As at 31 March 2012, we have 24,967 employees. As at the date of this Prospectus, some of our employees in Singapore and Malaysia belong to labour unions whilst none of our employees in Turkey belong to labour unions. As at the date of this Prospectus, we have not experienced any strikes or other disruptions due to labour disputes. We provide performance incentive schemes and long-term incentive schemes, retirement benefits and contribution plans to our employees.

Through our subsidiaries, we have established training and development programmes for our employees and provide a wide range of such programmes for them. In addition to providing internal courses, our subsidiaries also engage outside professionals and consultants to organise seminars and training courses to equip employees with new knowledge in the healthcare industry. Our subsidiaries also sponsor employees to attend external training programmes organised by local and overseas institutions to acquire advanced knowledge and skills.

As at 31 March 2012, our Company had one employee. The following table shows the breakdown of our Group's employees by entity and function as at 31 December 2009, 2010 and 2011 and 31 March 2012:

	As at 31 December 2009	As at 31 December 2010	As at 31 December 2011	As at 31 March 2012
PPL(1)				
Nursing	3,836	4,015	4,538	4,747
Allied Health(2)	2,633	2,676	2,620	2,719
Others(3)	5,023	5,309	5,489	5,587
	11,492	12,000	12,647	13,053
Acibadem				
Doctors(4)	1,512	1,810	1,973	1,812
Support and Administrative Staff(5)	3,228	3,989	5,282	5,416
Nursing	1,644	1,855	1,879	2,110
Allied Health	393	413	197	270
Others(6)	883	1,281	1,764	1,766
	7,660	9,348	11,095	11,374
IMU				
Academic(7)	203	237	259	270
Academic Support(8)	112	135	155	162
Administrative	81	96	104	107
	396	468	518	539
Total	19,548	21,816	24,261(9)	24,967(9)

Notes:

(1) Singapore operations staff were not separately classified until 2011; Malaysia operations staff were classified only as executive versus non-executive prior to 2011; International operations staff includes staff in Brunei, India, the PRC and others, but does not include Vietnam. In addition, PPL's staff do not include doctors who are independent medical practitioners as they are not employed by PPL.

(2) Includes resident physicians.

(3) Includes support and non-hospital staff.

(4) Includes full-time, part-time, and night-shift physicians.

(5) Includes part-time employees and the employees of Acibadem Mobil.

(6) Includes Acibadem Proje and APlus.

(7) Full-time academic staff.

(8) Includes nine healthcare support staff in 2010, 14 healthcare support staff in 2011, and 18 healthcare support staff in 2012.

(9) Includes the Company's one employee.

The following table shows the breakdown of our Group's employees by geography as at 31 December 2009, 2010 and 2011:

	As at 31 December 2009	As at 31 December 2010	As at 31 December 2011	As at 31 March 2012
Singapore	3,596	3,779	4,317	4,474
Malaysia	6,309	6,416	6,458	6,730
Turkey	7,660	9,348	10,455	10,733
Others[1]	1,983	2,273	3,031	3,030
Total	19,548	21,816	24,261	24,967

Note:

(1) Includes the PRC, India, Hong Kong, Macedonia and Brunei, but does not include Vietnam.

8.2.17 Competition

We compete with public hospitals, other private hospitals, smaller clinics, hospitals owned or operated by non-profit and charitable organisations and hospitals affiliated with medical colleges in the regions in which we operate.

PPL

In Singapore, PPL's three hospitals compete with private wards of public health cluster hospitals and the following private sector hospitals: Mount Alvernia Hospital, Raffles Hospital and Thomson Medical Centre. We anticipate that Farrer Park (Connexions) Hospital, which is currently under development, may also be a competing hospital. PPL's medical centres, clinics and ancillary healthcare businesses face competition from stand-alone practices and other corporate players.

In Malaysia, PPL's hospitals compete with some large public hospitals and nationwide corporate chains such as KPJ Healthcare and Columbia Asia, in addition to single private hospitals such as Sime Darby Medical Centre, Sunway Medical Centre and Island Hospital. We also face competition from regional groups in certain regions of Malaysia, especially Klang Valley and Penang.

In the PRC, PPL faces competition from other medical centres and clinics that target high-income local patients and expatriate population, such as United Family. In India, PPL faces competition from other tertiary hospitals that provide services to high-income patients.

Acibadem

In Turkey, given that Acibadem predominantly targets high-income patients and has a relatively large number of healthcare facilities, we believe that our competition in the private healthcare market is limited. We do not believe that we directly compete with public healthcare groups in Turkey.

IMU

In Malaysia, IMU competes with other local medical universities, as well as private institutions offering health-related programmes, such as Monash University Malaysia and Newcastle University Medicine Malaysia.

For a more detailed discussion of competition in the hospital and healthcare industry, please refer to Section 7 of this Prospectus.

8.2.18 Insurance

Each of our subsidiaries maintains policies in amounts we believe are sufficient, or as may be operationally appropriate to the businesses of the relevant subsidiary and risks that it faces, which may include risks related to fire, burglary, business interruption, legal liability to third parties and other losses. Our subsidiaries also maintain personal accident policies for certain permanent personnel and group medical insurance policies for our personnel and dependents of our employees. Each of these insurance policies is renewable annually. Each of our subsidiaries maintains policies with respect to professional indemnity for our doctors and other healthcare professionals. We also maintain liability policies for the directors and officers of our Company.

The cost and availability of insurance coverage has varied in recent years and may continue to vary in the future. While we believe that our insurance policies are adequate in amount and coverage for our operations, we may experience unanticipated issues or incur liabilities beyond our current coverage and we may be unable to obtain similar coverage in the future.

8.2.19 Intellectual property and trademarks

Among others, the brands and trademarks, "Gleneagles", "Mount Elizabeth","Pantai", "Parkway", "ParkwayHealth", "Shenton", "Luxe" and the associated logos, are owned by PPL and its subsidiaries. Among others, the brands and trademarks, "Acibadem", "Aile Hospital *(Aile Hastanesi)*" and the associated logos, are owned by Acibadem. The brand and trademark, "IMU" and the associated logos, are owned by IMU Education. Please refer to Annexure F of this Prospectus for Details of our major trademarks and patents.

8.2.20 Information technology and technology

As described in this Section 8.2 on Our business, we and each of our operating subsidiaries leverage the latest information technology to support sustainable and efficient daily operations as well as the latest state-of-the-art equipment to maintain our competitive edge in our operation.

8.2.21 Environmental matters

Our operations are subject to regulatory requirements and potential liabilities arising under applicable environmental, health or safety-related laws and regulations in each of the countries in which we operate.

We believe that we are in compliance in all material respects with applicable environmental regulations in Singapore, Malaysia, Turkey and the other countries in which we operate. To date, no material environmental, health or safety-related incident involving us or any of our subsidiaries has occurred.

8.2.22 Research and development

We perform clinical research at Acibadem's laboratories. PPL also operates a clinical research organisation, Gleneagles CRC and IMU conducts basic science research. Please refer to Section 8.2 of this Prospectus for details of various research and development activities undertaken by our Group.

8.2.23 Licenses and permits

Our Group has obtained all key regulatory approvals and licenses required to conduct our business activities. Please refer to Annexure G of this Prospectus for Details of our major licenses and permits.

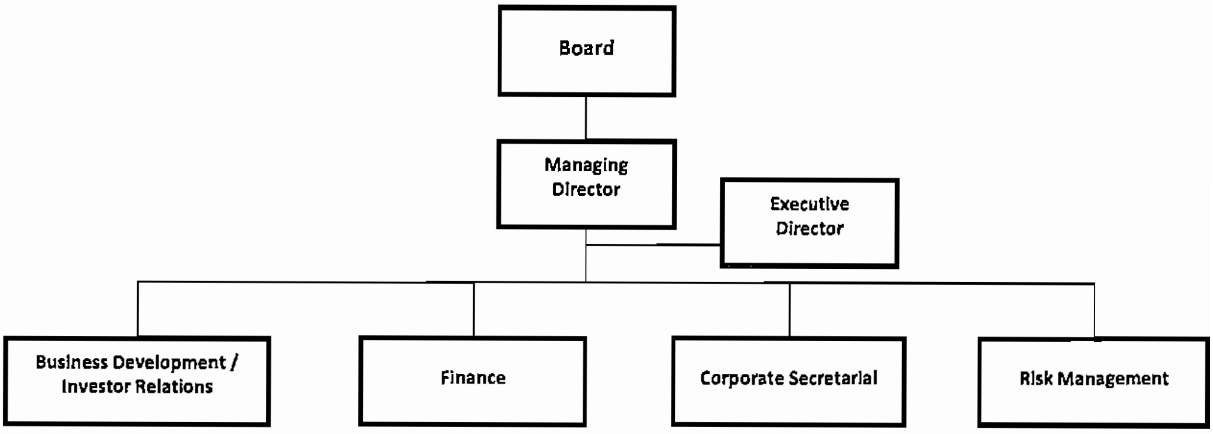
8.2.24 Dependence on material contracts/agreements/other matters

As at the LPD, save as disclosed in Annexure G on Details of our major licences and permits, there are no material contracts, agreements, arrangements or other matters which have been entered into by us which we are highly dependent on.

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SELLING SHAREHOLDER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT

9.1 Directors

Below is the management organisation structure of IHH which sets out the key four divisions in our Group. The heads of these divisions and the Executive Director will effectively report to the Managing Director of IHH:



Business Development / Investor Relations
- Oversee and monitor our Group's business development and corporate activities
- Engagement with various stakeholders

Finance
- Coordination of our Group's finance for reporting purposes
- Maintains our Group's treasury functions

Corporate Secretarial
- Maintains secretarial records of IHH
- Ensures compliance of IHH with the applicable listing requirements and relevant guidelines

Risk Management
- Maintains the risk management framework of IHH
- Monitors and reports to the Board on the risk framework of the Group

9.1.1 Board

Within the limits set by our Articles of Association, our Board is responsible for the governance and management of our Group. Our Board has adopted the following corporate governance guidelines for effective discharge of its functions:

(i) reviewing and adopting a strategic plan for our Group;

(ii) overseeing the conduct of our Group's businesses to evaluate whether our businesses are being properly managed;

(iii) identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;

(iv) succession planning, including appointing, training, fixing the compensation of, and where appropriate, replacing key management;

(v) developing and implementing an investor relations programme or shareholders' communications policy for our Group;

(vi) reviewing the adequacy and the integrity of our Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives, and guidelines;

(vii) reviewing and approving our financial statements;

(viii) reviewing and approving our Audit and Risk Management Committee Report at the end of each financial year;

(ix) reviewing and approving our Annual Report; and

(x) to prepare a corporate governance statement in compliance with the Malaysian Code of Corporate Governance and an internal control statement for the Annual Report.

IHH Board acknowledges and takes cognisance of the Malaysian Code of Corporate Governance 2012 ("**MCCG 2012**"), which contains recommendations to improve upon or to enhance corporate governance as an integral part of the business dealings and culture of such companies. The MCCG 2012 applies to all listed companies on Bursa Securities, and listed companies with financial year ending 31 December 2012 onwards will be required to report on the adoption of the principles and recommendations of MCCG 2012 in their annual reports. In connection with the above, as at the date of this Prospectus, IHH has yet to adopt the recommendation of MCCG 2012 to appoint an Independent Non-Executive Chairman, or to have a Board with a majority of Independent Directors where the Chairman is not an Independent Director. The Board believes that its current Board composition provides the appropriate balance in terms of skills, knowledge and experience to promote the interests of all shareholders and to govern the Group effectively. It also represents the ownership structure of the Company fairly, with appropriate representations of minority interests through the Independent Directors. The Board is committed to achieving and sustaining high standards of corporate governance. The Board will provide a statement on the extent of compliance with the MCCG 2012 in its annual report for the year ending 31 December 2012.

There are nine members on the IHH Board. It is the intention of IHH to have 11 Board members eventually, where Pulau Memutik will appoint one more nominee director to the Board once IHH is able to secure the appointment of another Independent Director. Under our Articles of Association, at the first annual general meeting of our Company, all our Directors shall retire from office, and at the annual general meeting in every subsequent year, one third of our Directors must retire at each annual general meeting of shareholders but are eligible for re-election.

Our Board comprises the following Directors:

Name	Address	Age	Date of appointment	Designation
Tan Sri Dato' Dr Abu Bakar Bin Suleiman	14 Jalan 5/21 46000 Petaling Jaya Selangor Darul Ehsan Malaysia	68	30 March 2011	Chairman, Non-Independent, Executive
Dato' Mohammed Azlan Bin Hashim	17 Lorong Setiabudi Bukit Damansara 50490 Kuala Lumpur Malaysia	55	30 March 2011	Deputy Chairman, Non-Independent, Non-Executive
Dr Lim Cheok Peng	10 Cluny Road Singapore 259576	65	30 March 2011	Managing Director, Non-Independent, Executive
Dr Tan See Leng	16 Siglap Plain Singapore 456005	47	5 April 2012	Executive Director, Non-Independent, Executive
Mehmet Ali Aydinlar	Kandilli Idman Sokak No.5 Demirevler Sitesi Uskudar Istanbul Turkey	55	24 January 2012	Non-Independent, Executive
Satoshi Tanaka	2-18-14-306 Tamagawadai Setagaya-Ku Tokyo Japan	54	16 May 2011	Non-Independent, Non-Executive
Michael Jude Fernandes (alternate to Dato' Mohammed Azlan Bin Hashim)	13th Floor Suraj Millenium Apartment Breach Candy Road 400026 Mumbai India	42	19 April 2012	Non-Independent, Non-Executive
Ahmad Shahizam Bin Mohd Shariff (alternate to Dr Tan See Leng)	2 Leonie Hill Road #18-05 Leonie Condotel Singapore 239192	41	5 April 2012	Non-Independent, Executive
Kaichi Yokoyama (alternate to Satoshi Tanaka)	2-15-1-202 Shimouma Setagaya-Ku Tokyo Japan	39	16 April 2012	Non-Independent, Non-Executive
Rossana Annizah Binti Ahmad Rashid	26 Changkat Semantan1 Semantan Villas Damansara Heights 50490 Kuala Lumpur Malaysia	46	17 April 2012	Independent, Non-Executive
Chang See Hiang	80 Kim Seng Road #30-07 Singapore 239426	58	5 April 2012	Independent, Non-Executive
Kuok Khoon Ean	House B Deep Water Bay Road Deep Water Bay Hong Kong	56	17 April 2012	Independent, Non-Executive

Dato' Mohammed Azlan Bin Hashim (Michael Jude Fernandes as alternate) is the nominee director of Pulau Memutik.

Satoshi Tanaka (Kaichi Yokoyama as alternate) is the nominee director of Mitsui.

The details of the date of appointment and the period that each of our Directors has served in that office as at the LPD are as follows:

Name	Date of appointment	Approximate no. of months/years in office
Tan Sri Dato' Dr Abu Bakar Bin Suleiman	30 March 2011	1 year 2 months
Dato' Mohammed Azlan Bin Hashim	30 March 2011	1 year 2 months
Dr Lim Cheok Peng	30 March 2011	1 year 2 months
Dr Tan See Leng	5 April 2012	*
Mehmet Ali Aydinlar	24 January 2012	4 months
Satoshi Tanaka	16 May 2011	1 year
Michael Jude Fernandes(1) (alternate to Dato' Mohammed Azlan Bin Hashim)	19 April 2012	*
Ahmad Shahizam Bin Mohd Shariff (alternate to Dr Tan See Leng) (2)	5 April 2012	*
Kaichi Yokoyama(3) (alternate to Satoshi Tanaka)	16 April 2012	*
Rossana Annizah Binti Ahmad Rashid	17 April 2012	*
Chang See Hiang	5 April 2012	*
Kuok Khoon Ean	17 April 2012	*

The Directors are subject to retirement by rotation once every 3 years, but shall be eligible for re-election.

Notes:

* *Less than 2 months from LPD.*

(1) *Michael Jude Fernandes served as director of IHH from 26 May 2010 until his resignation on 19 April 2012. He was subsequently re-appointed as alternate director to Dato' Mohammed Azlan Bin Hashim on 19 April 2012.*

(2) *Ahmad Shahizam Bin Mohd Shariff was appointed as the first director of IHH until his resignation on 3 October 2011. He was subsequently re-appointed as the alternate director to Dr Tan See Leng on 5 April 2012.*

(3) *Kaichi Yokoyama was appointed as alternate director to Toshio Yamamura (a former director of IHH) on 25 July 2011. He ceased to be an alternate director on 13 April 2012 following the resignation of Toshio Yamamura on 13 April 2012. Kaichi Yokoyama was subsequently re-appointed as alternate director to Satoshi Tanaka on 16 April 2012.*

9.1.2 Biographies of Directors

Tan Sri Dato' Dr Abu Bakar Bin Suleiman is a Non-Independent, Executive Director and the Chairman of our Company. He is also the President of IMU Education and Chief Executive Officer of IMU Education. He was a Consultant Nephrologist and Head of the Department of Nephrology in Hospital Kuala Lumpur. He developed the Nephrology and Dialysis services at Hospital Kuala Lumpur and in other hospitals around Malaysia. In 1987, he joined the MOH Malaysia as the Director of Medical Services. In 1989 he was the Deputy Director General of Health and in 1991 he was appointed as the Director General of Health. He was appointed the President of IMU in 2001. He is the founding president of the Malaysian Society of Nephrology and the Malaysian Society of Transplantation. He holds a Bachelor of Medicine, Bachelor of Surgery degree from Monash University and obtained a Master of Medicine (Internal Medicine) from the University of Singapore. He became a fellow of the Royal Australasian College of Physicians and did his training in Nephrology at Georgetown, University Hospital, Washington DC and Prince Henry's Hospital in Melbourne. He attended the Advanced Management Programme at Harvard Business School in 1991. He has honorary degrees in Doctor of Medicine from Monash University, Doctor of Medical Science from Universiti Kebangsaan Malaysia and Doctor of Science from Universiti Putra Malaysia.

Dato' Mohammed Azlan Bin Hashim is a Non-Independent, Non-Executive Director and the Deputy Chairman of our Company. He has more than 20 years of experience in the fields of accountancy, finance and corporate management. He began his career with Peat Marwick, Mitchell & Co., Melbourne as an Auditor in 1979 and later at Peat Marwick, Mitchell Kuala Lumpur from 1981 to 1983. He then joined Amanah-Chase Merchant Bank Berhad from 1983 to 1986 as Manager, Corporate Finance Department and subsequently promoted to Head of Corporate Finance Department. In 1986 he moved to Sapura Holdings Sdn Bhd as Group General Manager of Finance and Investment. In 1989, he was appointed Chief Executive Officer/Executive Director of Bumiputra Merchant Bankers Berhad. In 1991 he was appointed as Executive Director of Kumpulan Fima Berhad till 1994. He later joined Komplek Kewangan Malaysia Berhad as Group Managing Director from 1994 to 1998. He was then appointed as Executive Chairman of the Kuala Lumpur Stock Exchange Group from 1998 to 2004. He holds a Bachelor of Economics from Monash University. He is also a Fellow Member of the Institute of Chartered Accountants in Australia, a member of the Malaysian Institute of Accountants, a Fellow Member of the Malaysian Institute of Directors, a Fellow of the Institute of Chartered Secretaries and Administrators, an Honorary Fellow of the Institute of Company Secretaries Malaysia and an Honorary Member of the Institute of Internal Auditors Malaysia.

Dr Lim Cheok Peng is a Non-Independent, Executive Director and the Managing Director of our Company. He is also the Vice Chairman of Parkway Pantai. He has extensive experience both as a medical practitioner and in managing hospital businesses. He is one of the founding doctors of the Kuantan Specialist Centre, a 100-bed private hospital in Kuantan, Pahang. In 1985 he practised internal medicine and cardiology in Mount Elizabeth Hospital and in 1987 became a consultant to Parkway and was instrumental in expanding Parkway's healthcare business. He spearheaded the redevelopment of Gleneagles Hospital in Kuala Lumpur, Gleneagles Hospital in Jakarta, Gleneagles Hospital in Medan and Gleneagles Hospital in Kolkata. He became Managing Director of Parkway in 2000 and was subsequently appointed as Executive Vice Chairman in 2010. In 2011, he joined the Company and was appointed Executive Director. He graduated from the University of Singapore with a Bachelor of Medicine, Bachelor of Surgery in 1972 and obtained a Masters of Medicine (Internal Medicine) from the same university in 1976. In 1977, he become a Fellow of the Royal College of Physicians of the United Kingdom and later became a Fellow of the Royal College of Physicians and Surgeons of Glasgow and Edinburgh.

Dr Tan See Leng is a Non-Independent, Executive Director of our Company. He is also the Managing Director and Group Chief Executive Officer of Parkway Pantai. He first joined Parkway in September 2004 as Chief Operating Officer of Mount Elizabeth Hospital. He was subsequently appointed Senior Vice President, International Operations in November 2006 and was later seconded to Pantai as Chief Executive Officer of the Hospitals Division, a position he held till February 2008. In 2009, he held the position of Executive Vice President of Singapore and Malaysia Operations at Parkway till April 2010 when he was appointed as Managing Director and Group Chief Executive Officer of Parkway. Following the restructuring of the Group, Dr Tan was concurrently appointed as Group Chief Executive Officer and Managing Director of Parkway Pantai in May 2011. Prior to joining Parkway and Pantai, he founded a private primary healthcare group in Singapore. He has over 20 years of experience in the healthcare industry and is an active member of various medical committees in Singapore. This includes serving as Vice President of College of Family Physicians for 2011 to 2013 as well as Council Member for a few terms. He holds a Bachelor of Medicine, Bachelor of Surgery as well as a Master of Medicine (Family Medicine) from the National University of Singapore. He also has a Master of Business Administration from the University Of Chicago Booth School Of Business.

Mehmet Ali Aydinlar is a Non-Independent, Executive Director of our Company and the Chairman and Chief Executive Officer of the Acibadem Group. He started his career in 1981 as a Certified Public Accountant. As an entrepreneur with extensive management experience, he has been involved in the healthcare sector with Acibadem Hospital since 1993. In 2006, he was chosen as the Male Entrepreneur of the Year in the Business Person of the Year survey conducted by Ekonomist Magazine. He was also chosen as the "Business Executive of the Year" by Dunya Newspaper and Istanbul University, School of Business Administration. In 2007, Mehmet Ali Aydinlar was chosen to be "The Person who volunteers the most in contributing towards healthcare" by Turkish Healthcare Volunteers Organisation. In 2010, he was awarded with "The Eminent Services Award of the Grand National Assembly of Turkey" by the Turkish Grand National Assembly. Currently, Mehmet Ali Aydinlar is the Chairman of Turkish Accredited Hospitals Association. He holds a business administration degree from Galatasaray Economy and Management Business College *(Galatasaray Iktisat ve Isletmecilik-Yuksek Okulu)*, and an honorary doctorate degree from Dumlupinar University, Institute of Social Sciences.

Satoshi Tanaka is a Non-Independent, Non-Executive Director of our Company. He began his career with Mitsui in 1981. In 2004 he was appointed as General Manager of Investor Relations Division and became General Manager of the Corporate Planning & Strategy Division in 2007 and Deputy Chief Operating Officer of the Consumer Service Business Unit in 2010. Currently he is the Managing Officer and Chief Operating Officer in the Consumer Service Business Unit of Mitsui. He obtained a Bachelor of Arts Degree in Literature from the University of Tokyo, Japan and a Master Degree in Business Administration from Harvard Graduate School of Business Administration.

Michael Jude Fernandes is Non-Independent, Non-Executive Director of our Company and an Alternate Director to Dato' Mohammed Azlan Bin Hashim. Michael is also Executive Director, Investments in Khazanah. Prior to Khazanah, Michael was an Executive Director and Member of the Board of Nicholas Piramal India Ltd ("**NPIL**"), the second largest pharmaceutical healthcare company in India, and was in charge of its custom manufacturing business group. Among his key achievements were the acquisition and integration of businesses in the UK and Canada with sales of USD200 million, developing the organisation with a well-working matrix structure, implementing a new Economic Value Added (EVA) driven incentive structure and establishing strategic business units. Prior to NPIL, Michael spent 13 years as a consultant and later a Partner at McKinsey & Company.

He was part of the leadership group of the pharmaceutical and healthcare practice in Asia and globally and leader of select high profile public policy and retail work in India and Asia. He obtained a Bachelor of Science (Hons) in Economics from St Xavier's College, Calcutta University, India and a Post-Graduate Diploma in Management from the Indian Institute of Management, Calcutta, India.

Ahmad Shahizam Bin Mohd Shariff is a Non-Independent, Executive Director of our Company and an Alternate Director to Dr Tan See Leng. He is also the Head of Business Development and Investor Relations of our Company and Executive Director of Corporate Services of Parkway Pantai. In 2008, he was appointed as an alternate director of Parkway and director of Pantai and IMU Health. He was appointed director of Parkway in August 2010 and was re-designated to Executive Director since November 2010. Following the restructuring of the Group, Ahmad Shahizam was concurrently appointed as Executive Director of Parkway Pantai in May 2011. He began his career with HSBC Bank, Kuala Lumpur in 1994 and in 1996 he joined ING Barings in Kuala Lumpur. Subsequently he joined Citigroup, Salomon Smith Barney as Vice President of Equity Research. In 2004 he joined Khazanah in the Managing Director's office, and eventually held the position of Director of Investments responsible for all investments in the healthcare and power sectors, including company monitoring and engagement as well as leading value creation plans and related transactions. He holds a Bachelor of Laws (Hons) from the London School of Economics and Political Science, University of London and obtained a Master in Public Administration from Harvard University, US.

Kaichi Yokoyama is a Non-Independent, Non-Executive Director of our Company and an Alternate Director to Satoshi Tanaka. He began his career in Mitsui in 1995. In 2002 he was appointed as Manager of Mitsui Benelux, General Merchandise Department. In 2008 he was appointed as Manager of the Medical Healthcare Business Department, Consumer Service Business Unit. In 2009, he was appointed as Manager of the Strategic Planning Department, Consumer Service Business Unit. Since 2011 he has served as the General Manager of the Medical Service Business Department. He obtained a Bachelor of Arts Degree in Economics from Keio University, Japan.

Rossana Annizah Binti Ahmad Rashid is an Independent, Non-Executive Director of our Company. She began her career with Citibank NA as a Management Associate in 1988 and later became an Assistant Vice President in the institutional bank division in 1993. In 1994, she joined RHB Bank Berhad as a Senior Manager and was subsequently promoted to Senior General Manager in 1998. In 2003, she joined Maxis Communication Berhad/Maxis Berhad as Deputy Chief Financial Officer and was appointed Chief Financial Officer in 2004 until 2011. She obtained a Bachelor of Arts in Banking and Finance in 1987 from Canberra College of Advanced Education (now known as University of Canberra), Australia.

Chang See Hiang is an Independent, Non-Executive Director of our Company. He is an Advocate and Solicitor of the Supreme Court, Singapore, since 1979 and he is the Senior Partner of his law practice, Chang See Hiang & Partners. Currently, he serves as an independent director on the boards of Yeo Hiap Seng Limited and Jardine Cycle & Carriage Limited, both of which are listed on the Main Board of SGX-ST. He had previously sat on the boards of four other companies listed on SGX-ST and one on the Hong Kong Stock Exchange. He is a member of the Casino Regulatory Authority of Singapore Board since 2 April 2011. He is also a member of the Appeal Advisory Panel appointed by the Minister of Finance, Singapore since June 2003 under the Securities and Futures Act of Singapore, Financial Advisers Act of Singapore and Insurance Act of Singapore.

Kuok Khoon Ean is an Independent, Non-Executive Director of our Company. He is currently the Chairman and Chief Executive Officer of Shangri-La Asia Limited. He holds numerous directorships including Kuok (Singapore) Limited, Kuok Brothers Sdn Bhd, Wilmar International Limited and Kerry Holdings Limited. From 2002 to 2008 he was a council member of the Hong Kong University of Science and Technology, Hong Kong. He is also currently a trustee of the Singapore Management University. He obtained a Bachelor degree in Economics from Nottingham University, UK.

9.1.3 Principal business activities outside of our Company and principal directorships of our Directors

The following table sets out the principal directorships of our Directors as at the LPD and that which were held within the past five years up to the LPD, and the principal business activities performed outside of our Company by our Directors as at the LPD:

Name	Directorships	Involvement in business activities other than as a director
Tan Sri Dato' Dr Abu Bakar Bin Suleiman	*Present directorships:* • CCM Duopharma Biotech Berhad • IMU Healthcare • United Malaysian Medical Industries Sdn Bhd (in the process of voluntary liquidation) • UMMI Manufacturing Sdn Bhd (in the process of voluntary liquidation) • Al-Hidayah Investment Bank Ltd • Bioven Sdn Bhd • Bioven Industries Sdn Bhd • Novotech Clinical Research (Malaysia) Sdn Bhd • Supreme Health Consultants Sdn Bhd • Renal Medicine Services Sdn Bhd (in the process of being struck-off) *Previous directorships:* • Chemical Company of Malaysia Berhad • KPJ Healthcare Berhad • IMU Health • IMU Education	• Chairman and shareholder of CCM Duopharma Biotech Berhad • Shareholder of Bioven Holdings Sdn Bhd
Dato' Mohammed Azlan Bin Hashim	*Present directorships:* • Labuan Financial Services Authority • Omega Semiconductor Sdn Bhd • Khazanah • Scomi Group Bhd • D&O Green Technologies Berhad • Porterhouse Capital Limited • Asiasons Partners Sdn Bhd • Asiasons Investment Managers Inc. • Aseana Properties Limited • Scenic Streams Sdn Bhd • Asiasons Capital Limited • Infra Bumitek Sdn Bhd • Labuan IBFC Incorporated Sdn Bhd • SILK Holdings Berhad • Sistem Lingkaran Lebuhraya Kajang Sdn Bhd • Parkway	• Chairman and shareholder of D&O Green Technologies Berhad • Director and shareholder of Porterhouse Capital Limited • Indirect shareholder of Asiasons WFG Financial Limited • Director and shareholder of Asiasons Partners Sdn Bhd • Director and shareholder of Asiasons Investment Managers Inc • Chairman and indirect shareholder of Asiasons Capital Limited

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SELLING SHAREHOLDER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

<table>
<tr><th>Name</th><th>Directorships</th><th>Involvement in business activities other than as a director</th></tr>
<tr><td>Dato' Mohammed Azlan Bin Hashim (Cont'd)</td><td>• Chaswood Resources Sdn Bhd
• Parkway Pantai
• Prima Ekuiti (UK) Limited
• Acibadem Holding
• Acibadem
• Chaswood Resources Holdings Ltd

Previous directorships:
• IHHL
• Terengganu Incorporated Sdn Bhd
• Golden Pharos Berhad Group
• PECD Berhad (involuntarily wound up)
• Proton Holdings Berhad Group
• Employees Provident Fund
• Genesis Malaysia Maju Fund Limited (Liquidated)
• University Darul Iman Malaysia
• Pantai
• Asiasons WFG Financial Limited</td><td>• Chairman and shareholder of Infra Bumitek Sdn Bhd
• Chairman and indirect shareholder of SILK Holdings Berhad
• Chairman and shareholder of Sistem Lingkaran Lebuhraya Kajang Sdn Bhd
• Chairman and indirect shareholder of Chaswood Resources Sdn Bhd
• Chairman and indirect shareholder of Chaswood Resources Holdings Limited</td></tr>
<tr><td>Dr Lim Cheok Peng</td><td>Present directorships:
• Pulau Pinang Clinic
• Gleneagles KL
• Gleneagles Medical Centre KL
• Elya Impressions Sdn Bhd
• Gleneagles Malaysia
• Mount Elizabeth Healthcare
• Orifolio Options
• Medi Innovations Sdn Bhd
• Swiss Zone
• Pantai
• Cheras Medical Centre
• Pantai Ayer Keroh
• Pantai Indah
• Paloh Medical Centre
• Pantai Klang
• Pantai Medical Centre
• Syarikat Tunas Pantai Sdn Bhd
• Pantai Irama
• GEH Management
• Pantai Sungai Petani
• Pantai Education
• IMU Health
• IMU Education
• IHH Turkey
• IH Capital
• Clinic C.P. Lim Pte Ltd
• Gleneagles Medical Holdings
• Gleneagles International
• Gleneagles Management
• Gleneagles Medical Centre
• Gleneagles Development
• Gleneagles Pharmacy
• East Shore Medical
• Mount Elizabeth Healthcare
• Mount Elizabeth Medical
• Parkway Healthcare
• Gleneagles Technologies
• Parkway Shenton International
• Medi-Rad
• Parkway Lab</td><td>• Director and shareholder of Clinic C.P. Lim Pte Ltd</td></tr>
</table>

Name	Directorships	Involvement in business activities other than as a director
Dr Lim Cheok Peng *(Cont'd)*	• iXchange • Radiology Consultants • Shenton Family • Nippon Medical • Gleneagles CRC • Parkway Healthtech • Parkway • Parkway Promotions • M&P Investments • Worldeyes International Pte Ltd • Drayson Investments • Goldlink Investments • Parkway Shenton • Gleneagles Clinical Research • Parkway Hospitals • Shenton Insurance • Asia Renal Care (Katong) • Asia Renal Care • Parkway Trust Management • Medical Resources • Parkway Investments • Parkway Education • Parkway College • Parkway Novena Holdings • Parkway Novena • Parkway Irrawaddy • Matsudo Investment Pte. Ltd. • Parkway Life Japan2 Pte. Ltd. • Parkway Life Japan3 Pte. Ltd. • Parkway Life Japan4 Pte. Ltd. • Parkway Life MTN Pte. Ltd. • Parkway Pantai • IHHL • IHT Yatirimlari • Gleneagles CRC (Australia) • Gleneagles JPMC • Gleneagles CRC (China) • Parkway Shanghai • Gleneagles Shanghai • Shanghai Rui Xin • Shanghai Xin Rui • Shanghai Rui Hong • Shanghai Rui Xiang • Shanghai Shu Kang • Shanghai Gleneagles • Shanghai Hui Xing • Shanghai Rui Pu • Shanghai Hui Xing Jin Pu • Parkway Healthcare HK • Parkway HK • Apollo Gleneagles • Apollo PET • Khubchandani Hospitals • Parkway Healthcare Mauritius • Gleneagles CRC (Thailand) • Acibadem Proje • Acibadem • Acibadem Holding • Almond (Turkey) • APlus • Gleneagles UK • The Heart Hospital (Struck-off) • Parkway Shenton Vietnam • Kidney Dialysis Foundation Limited	

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SELLING SHAREHOLDER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
Dr Lim Cheok Peng *(Cont'd)*	*Previous directorships:* • Pantai Hospitals • Pantai Diagnostics • PT NusaUtama Medicalindo • Gleneagles Medical Global Care Pte Ltd (voluntarily wound-up) • C-Med Pte Ltd (voluntarily wound-up) • Parkway Informatics Pte Ltd (voluntarily wound-up) • Weian Investments Pte. Ltd. (voluntarily wound-up) • Gleneagles Dialysis Centre Pte Ltd • Gleneagles Dialysis International Pte Ltd • Republic Polytechnic • Ko Djeng Gleneagles Pte Ltd • Gleneagles Academy of Nursing (M) Sdn Bhd • EHS Health Screeners Pte. Ltd. (voluntarily wound-up) • GMMC Maritime Medical Centre Pte. Ltd. (voluntarily wound-up) • Shenton Medical Centre Pte Ltd (voluntarily wound-up) • Karington Holdings Pte Ltd (Struck-off) • Gleneagles Radiology Consultants Pte Ltd (Struck-off) • Wholebond Ltd (Struck-off) • Merlion Health Care Ltd (Struck-off) • Cavendish Clinic Ltd (Struck-off) • Gleneagles International Hospitals (Lanka) Ltd (Struck-off) • Fomema Sdn Bhd • Pantai Support Services Sdn Bhd • Pantai Fomema & Systems Sdn Bhd (now known as Unitab Medic Sdn Bhd) • Pantai Medivest Sdn Bhd • Bright Vision Hospital • S.P.I. Pte Ltd (Struck-off) • Shenton Medical Holdings Pte Ltd (Struck-off) • MENA Services • Parkway Properties Pte. Ltd. (Struck-off) • SMG Medical Group Pte. Ltd. (Struck-off) • Nephrocare GDC Pte. Ltd. • Nephrocare GDI Pte. Ltd. • Ko Djeng Dental Centre Pte. Ltd. • Westront Pte Ltd (Struck-off) • Gleneagles Maritime Medical Centre (China) Ltd (Liquidated) • VCM Technology S'pore (Pte) Ltd (Struck-off) • Positron Tracers	

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SELLING SHAREHOLDER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
Dr Tan See Leng	*Present directorships:* • Apollo Gleneagles • Apollo PET • Cheras Medical Centra • CFPS Holdings Pte. Ltd. • College of Family Physicians Singapore • Drayson Investments • East Shore Medical • Gleneagles Development • Gleneagles Clinical Research Gleneagles CRC • Gleneagles KL • Gleneagles International • Gleneagles JPMC • Gleneagles Malaysia • Gleneagles Management • GEH Management • Gleneagles Medical Centre • Gleneagles Medical Centre KL • Gleneagles Medical Holdings • Gleneagles Pharmacy • Gleneagles Technologies • Goldlink Investments • Pantai Ayer Keroh • Pantai Indah • iXchange • M&P Investments • Medical Resources • Medi-Rad • Mount Elizabeth Healthcare • Mount Elizabeth Medical • Mount Elizabeth Ophthalmic • Mount Elizabeth Services • Nippon Medical • Orifolio Options • Paloh Medical Centre • Pantai Resources • Pantai • Pantai Johor • Pantai Sungai Petani • Pantai Hospitals • Pantai Integrated Rehab • Pantai Irama • Pantai Klang • Pantai Management • Pantai Medical Centre • Pantai Premier Pathology • Parkway College • Parkway Education • Parkway Healthcare • Parkway Healthcare HK • Parkway Healthtech • Parkway HK • Parkway • Parkway Hospitals • Parkway Investments • Parkway Irrawaddy • Parkway Lab • Parkway Novena Holdings • Parkway Novena • Parkway Pantai • Parkway Promotions • Parkway Shanghai • Parkway Shenton International	• Shareholder of Trenic Healthcare Pte. Ltd. • Director, trustee and shareholder of CFPS Holdings Pte Ltd

Name	Directorships	Involvement in business activities other than as a director
Dr Tan See Leng *(Cont'd)*	• Parkway Shenton • Parkway Trust Management • Positron Tracers • Pulau Pinang Clinic • Radiology Consultants • Shanghai Gleneagles • Gleneagles Shanghai • Shanghai Hui Xing • Shanghai Hui Xing Jin Pu • Shanghai Rui Hong • Shanghai Rui Pu • Shanghai Rui Xin • Shanghai Rui Xiang • Shanghai Shu Kang • Shanghai Xin Rui • Shenton Insurance • Shenton Family • Swiss Zone • Syarikat Tunas • Twin Towers Healthcare • Twin Towers Medical Centre *Previous directorships:* • Angiography • Cheras Medical Centre • Fomema Sdn Bhd • Gleneagles KL • Glossmere Investments Limited (voluntarily wound-up) • Healthpac Industries Sdn Bhd • Pantai Ayer Keroh • Pantai Indah • KL Medical Centre • Magnetom Imaging • Maxgold Investments Group Limited (voluntarily wound-up) • MENA Services • Oncology Centre KL • Paloh Medical Centre • Pantai-ARC Dialysis • Pantai Diagnostics • Pantai Fomema & Systems Sdn Bhd (now known as Unitab Medic Sdn Bhd) • Pantai Resources • Pantai • Pantai Hospitals • Pantai Integrated Rehab • Pantai Klang • Pantai Management • Pantai Medical Centre • Pantai Medivest Sdn Bhd • Pantai Premier Pathology • Pantai Support Services Sdn Bhd • Pengkalan Usaha (M) Sdn Bhd • Shenton Medical Holdings Pte Ltd (Struck-off) • SMG Medical Group Pte. Ltd. (Struck-off) • S.P.I. Pte Ltd (Struck-off) • Syarikat Tunas • Parkway Properties Pte. Ltd. (Struck-off) • Westront Pte Ltd (Struck-off)	

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SELLING SHAREHOLDER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
Mehmet Ali Aydinlar	*Present directorships:* • Acibadem • Acibadem Sigorta • SZA Gayrimenkul Yatirim Insaat ve Ticaret A.S. • Acibadem Egitim ve Saglik Vakfi • Telepati Tanitim • Acibadem Universitesi • Kerem Aydinlar Vakfi • Acim Cimento Sanayii A.S. • Therapy Yachting Ltd • APlus • Acibadem Proje • Almond Turkey • Acibadem Holding • Acıbadem Sistina • Acibadem Sistina Medikal • Acibadem Poliklinik • Acibadem Labmed • International Hospital • Acibadem Mobil • Yeni Saglik *Previous directorships:* • Nil	• Chairman and shareholder of Acibadem Sigorta • Chairman of the Board of Trustees of Acibadem Egitim ve Saglik Vakfi • Chairman and shareholder of SZA Gayrimenkul Yatirim Insaat ve Ticaret A.S. • Chairman and shareholder of Telepati Tanitim • Chairman of the Board of Trustees of Acibadem Universitesi • Member of Board of Trustees of Kerem Aydinlar Vakfi • Chairman and shareholder of Acim Cimento Sanayii A.S. • Chairman and shareholder of Therapy Yachting Ltd
Satoshi Tanaka	*Present directorships:* • Parkway Pantai *Previous directorships:* • Mitsui Global Strategic Studies Institute • Mitsui & Co Korea Ltd • Bussan Real Estate Co Ltd • Mitsui Bussan Inter Fashion • Max Mara Japan Ltd	• Managing Officer and Chief Operating Officer of Consumer Service Business Unit of Mitsui and shareholder of Mitsui
Michael Jude Fernandes	*Present directorships:* • Infrastructure Development Finance Company Ltd • Khazanah India Advisors Pvt Ltd • Apollo • IHHL • Pantai Support Services Sdn Bhd • IMU Health • Parkway Pantai • Uniquest Infra Ventures Pvt Ltd • Jetpur Somnath Tollways Ltd • Teluk Belanga Investments Ltd • Bagan Lalang *Previous directorships:* • Pantai • Gleneagles KL • Pantai Medical Centre • Pantai Irama • IHH Cayman • Parkway • Pulau Memutik • Piramal Healthcare Ltd (formerly known as Nicholas Piramal India Ltd) • Piramal Healthcare UK Ltd (formerly known as NPIL Pharmaceuticals (UK) Ltd)	• Executive director of Khazanah India Advisors Pvt Ltd

Name	Directorships	Involvement in business activities other than as a director
Michael Jude Fernandes *(Cont'd)*	• Piramal Healthcare Canada Ltd (formerly known as Torcan Chemicals Limited, Canada) • NPIL Overseas Limited, U.K.	
Ahmad Shahizam Bin Mohd Shariff	*Present directorships:* • Gleneagles Malaysia • GEH Management • IMU Health • Mount Elizabeth Services • Orifolio Options • Pantai Education • Pantai Resources • Pantai • Pantai Hospitals • Pantai Irama • Pantai Management • Paloh Medical Centre • Pantai Medivest • Syarikat Tunas • Pantai Fomed Sdn Bhd • The MCKK Foundation • Layang-Layang Ventures Sdn Bhd • Swiss Zone • Bisikan Bayu Investment (Mauritius Limited) • Parkway • Parkway Pantai • Parkway Trust Management *Previous directorships:* • Fomema Sdn Bhd • Malaysia Shoaiba Consortium Sdn Bhd • Desaru Investments (Cayman Islands Limited) • Gleneagles KL • IHH Bharat • IHH Cayman • IHHL • IHH Mauritius • Pantai Fomema & Systems Sdn Bhd (now known as Unitab Medic Sdn Bhd) • Pantai Johor • Pantai Medical Centre • Pantai Support Services Sdn Bhd	Nil
Kaichi Yokoyama	*Present directorships:* • IMU Health • Parkway Pantai • Acibadem Holding • APlus • Acibadem Proje *Previous directorships:* • Nil	• General Manager of Medical Service Department of Mitsui and shareholder of Mitsui

Name	Directorships	Involvement in business activities other than as a director
Rossanna Annizah Binti Ahmad Rashid	*Present directorships:* • Kampong Kravers (M) Sdn Bhd • Gudang Damansara Sdn Bhd *Previous directorships:* • Maxis International Sdn Bhd • Maxis Mobile Services Sdn Bhd • Maxis Broadband Sdn Bhd • Maxis Mobile Sdn Bhd • Maxis Collections Sdn Bhd • Maxis Online Sdn Bhd • Maxis Management Services Sdn Bhd • Maxis Multimedia Sdn Bhd • Maxis Mobile (L) Ltd • Advanced Wireless Technologies Sdn Bhd • UMTS (Malaysia) Sdn Bhd • Castle Rock Equity Sdn Bhd • Rawa Utara Sdn Bhd • Hotlink Prepaid Sdn Bhd • Hotlink Services Sdn Bhd • Maxis Data Services Sdn Bhd • Maxis Events Sdn Bhd • Maxis Lifestyle Sdn Bhd • Maxis One Club Sdn Bhd • Maxis SMS Games Sdn Bhd • Hotlink Telecommunications Sdn Bhd • Hotlink Entertainment Sdn Bhd • Hotlink Communications Berhad • Hotlink Data Services Sdn Bhd • Hotlink Events Sdn Bhd • Hotlink Interactive Services Sdn Bhd • Hotlink Lifestyle Sdn Bhd • Hotlink One Club Sdn Bhd • Hotlink SMS Games Sdn Bhd • Hotlink Touch Sdn Bhd • PT AXIS Telekom Indonesia (formerly known as PT Natrindo Telepon Seluler) • PT Maxis Communications • Maxis Sdn Bhd • Maxis Malaysia Sdn Bhd • Maxis Asia Access Pte Ltd • Aircel Malaysia Sdn Bhd	• Director and shareholder of Kampong Kravers (M) Sdn Bhd
Chang See Hiang	*Present directorships:* • Yeo Hiap Seng Limited • Jardine Cycle & Carriage Limited • STT Communications Ltd • Parkway Pantai • Texas Five Pte Ltd • Natuzi Trading Pte Ltd • Singapore Technologies Telemedia Pte Ltd • Singbridge Holdings Pte Ltd *Previous directorships:* • Parkway • MCL Land Limited • Singapore Technologies Aerospace Ltd	• Equity partner of Chang See Hiang & Partners

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SELLING SHAREHOLDER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Involvement in business activities other than as a director
Kuok Khoon Ean	*Present directorships:* • Able Time Group Limited • Allerlon Limited • Allerlon Limited • Always Best International Limited • Ample Key Limited • Balkane Investment Pte Ltd • Belgravia Assets Limited • Besiktas Emlak Yatirim ve Truizm Anonim Sirketi • Billion Choices Limited • C Tech Fund • Cabo Investments S.A. • Celdes Limited • China World Trade Centre Ltd • Clearsky Investments Limited • Cuscaden Properties Pte Ltd • Dartburn Limited • Dateline Assets Limited • Dragon Era Holdings Limited • Eagle Trading Limited • Edensor Limited • Epsilon Global Communications Pte Ltd • Epsilon Telecommunications Holdings Limited • Eternal Treasure Investment Limited • Fast Champ Investments Limited • Fast Era Limited • Formano Investments Pte Ltd • Fort Bonifacio Shangri-La Hotel Inc • Fujian Kerry World Trade Centre Co. Ltd • Full Wing Holdings Limited • Fuzhou Shangri-La Hotel Co. Ltd • Gamma Telecom Holdings Limited • Gold Pilot International Limited • Haysland Company Limited • Infobridge Limited • Intense Power Limited • Jetfly Development Limited • Jinyao Real Estate (Yinghou) Co. Ltd • Ji Xiang Real Estate (Nanjing) Co. Ltd • Kaikoura Maritime Inc. • Kellum Limited • Kerong (China) Limited • Kerry Cash Management Limited • Kerry Funding Limited • Kerry Group Limited • Kerry Holdings (Beverages) Limited • Kerry Holdings Limited • Kerry Industrial Company Limited • Kerry Shanghai (Jingan Nanli) Ltd • Kerry Shanghai (Pudong) Ltd • Kerry (Shenyang) Real Estate Development Co. Ltd • Kerry Technology Limited • Kerry Treasury Limited • Key Asset Investments Limited	• Director and shareholder of Allerlon Limited • Director and shareholder of Allerlon Limited • Director and shareholder of Great Cheer Limited • Director and shareholder of Maplegain Investments Limited • Director and shareholder of Top Beat Limited • Chairman and Chief Executive Office of Shangri-La Asia Limited

Name	Directorships	Involvement in business activities other than as a director
Kuok Khoon Ean *(Cont'd)*	• KHN Pte Ltd • Khoon Investments Pte Ltd • Komeld Company Limited • Kota Johore Realty Sdn Bhd • Kuok (Singapore) Limited • Kuok Brothers Sdn Berhad • Kuok Investments (Singapore) Pte Ltd • Kuok Traders (C.I.) Limited • Kuok Traders (Hong Kong) Limited • Labrador Associates Limited • Limpopo Company Inc. • Makonde Investments Limited • Mailarock Internetional Limited • Mazowie International Limited • Million Color Investments Limited • Narembim Limited • Neen Developments Sdn Bhd • Newington Pte Ltd • Novel Magic Limited • Orient Moon Group Limited • Pacific China Holdings (Zhoushan) Pte Ltd • Pacific China Holdings (Zhuhai) Pte Ltd • Playgain Company Limited • Portfolio Investments Inc. • Presstime Limited • Prime City Holdings Limited • Pristine Holdings Limited • Propartner Holdings Limited • PT Nerendra Interpacific Indonesia • PT Saripuri Permai Hotel • Ranhill Limited • Redlore Pty Limited • Reeson Limited • Richsky Investments Limited • Rosy Frontier Limited • SA Lanka Development (Mauritius) Limited • SA Lanka Holdings (Mauritius) Limited • SA Lanka Investments (Mauritius) Limited • Safetide Sdn Bhd • Sanya Shangri-La Hotel Co. Ltd • Sealovers Company Limited • Seanoble Assets Limited • Sentosa Beach Resort Pte Ltd • Shang Global City Properties Inc. • Shanghai Ji Xiang Properties Co. Ltd • Shanghai Pudong Kerry City Properties Co. Ltd • Shanghai Pu Dong New Area Shangri-La Hotel Co. Ltd • Shangri-La Asia Limited • Shangri-La China Limited • Shangri-La Hotel Limited • Shangri-La Hotel (Ghana) Limited • Shangri-La Hotel (Kowloon) Limited	

Name	Directorships	Involvement in business activities other than as a director
Kuok Khoon Ean *(Cont'd)*	• Shangri-La Hotel Public Company Limited • Shangri-La Hotels Lanka (Private) Limited • Shangri-La International Hotel Management Limited • Shangri-La International Hotels (Pacific Place) Limited • Shangri-La Investments Lanka (Private) Limited • Shangri-La Mongolia Limited • Shenzhen Xili Golf Development Co. Ltd • Shine Up Holdings Limited • Siam Suite Holding Limited • Singapore Management University • SLIM International Limited • Smart Delight Investments Limited • Soaring Dragon Holdings Limited • Stand Fast Limited • Starfame International Limited • Sucres et Denrees S.A. • Sunny Fame International Limited • Tandridge Limited • Tangkakji Limited • The Bank of East Asia Limited • The Post Publishing Public Company Limited • Tianjin Kerry Real Estate Development Co. Ltd • Top Beat Limited • Trendfield Inc. • Ubagan Limited • Willgo Limited • Willpower Resources Limited • Wilmar International Limited • Wolverine International Limited • Zhanfeng Real Estate (Yinghou) Co. Ltd • Zhanye Real Estate (Yinghou) Co. Ltd • Zooming Star Corporation • Great Cheer Limited • Maplegain Investments Limited *Previous directorships:* • Accomplishments Limited • Cahaya Utara Sdn Bhd • Chomel Pte Ltd • Didier Holdings Limited • Dymocks Franchise Systems (China) Limited • Fexos Limited • Firecracker Inc. • Fly High Assets Limited • Formbright Investments Limited • Hillier Limited • Image Renovation Limited • Jalamu Investments Limited • KSM Commodities Limited • Line Trace Assets Limited • Milton Developments Limited • Netmail Resources Limited	

Name	Directorships	Involvement in business activities other than as a director
Kuok Khoon Ean *(Cont'd)*	• New Found Limited • New Trend International Limited • Papenda International Limited • Robenex Investments Limited • SCMP Group Limited • SCMP Newspapers Limited • SCMP Nominees Limited • South China Morning Post Publishers Limited • Terrific Assets Limited • Trekeddy Holdings Limited • Wilmar Trading (China) Pte Ltd	-

9.1.4 Involvement of our Directors in other businesses or corporations which carry on a similar trade as our Group or which are our Key Customers or Key Suppliers

Save as disclosed below, as at the LPD, none of our Directors has any interest, direct or indirect, in other businesses and corporations which (i) are carrying on a similar trade as that of our Group; or (ii) are our Key Customers and/or Key Suppliers:

Name	Businesses/Corporations	Nature of Interest
Dr Lim Cheok Peng	*Similar trade as that of our Group:*	
	• Clinic C.P. Lim Pte Ltd	• Director and shareholder
Mehmet Ali Aydinlar	*Similar trade as that of our Group:*	
	• Acibadem Sigorta	• Chairman and shareholder
	• Acibadem Egitim ve Saglik Vakfi	• Chairman of the Board of Trustees
	• Acibadem University	• Chairman of the Board of Trustees
	Our key customer:	
	• Acibadem Sigorta	• Chairman and shareholder
	Similar trade as that of our Group:	
Ahmad Shahizam Bin Mohd Shariff	• Pantai Medivest Sdn Bhd	• Director

Note:

* *As at the date of this Prospectus, Ahmad Shahizam Bin Mohd Shariff has resigned as a director of Pantai Medivest Sdn Bhd*

Our Directors are of the view that the interests held by them in other businesses and corporations which carry out similar trade as that of our Group or which are our Key Customers and/or Key Suppliers do not compete directly with our businesses on the basis of the following:

(i) Clinic C.P. Lim Pte Ltd, in its operations as a medical clinic, does not in the ordinary course receive referrals from our Group's hospitals and clinics. Rather, Clinic C.P. Lim Pte Ltd typically refers all laboratory radiology and patient admissions to our Group's hospitals unless otherwise preferred or requested for by the patient;

(ii) Acibadem Sigorta provides private healthcare insurance to corporations in Turkey for their employees, whereas our Group's business as corporate healthcare insurance is currently provided through Shenton Insurance, which underwrites short-term employee healthcare insurance policies, and iXchange, which provides third-party healthcare administration and claims administration services as an outsourced service for corporate clients and insurers, in Singapore;

(iii) Acibadem Egitim ve Saglik Vakfi and Acibadem University provide medical education and medical training programmes in Turkey, whereas the healthcare education business of our Group is currently in Singapore (through Parkway College) and in Malaysia (through Pantai College and IMU); and

(iv) Pantai Medivest Sdn Bhd provides ancillary healthcare services such as managing non-clinic hospital support services and facilities management in Malaysia which does not compete directly with our core business.

Transactions between our Group and our Directors in their personal capacity or the abovementioned companies and businesses in which they have interests as directors or substantial shareholders, if any, are carried out on an arm's length basis and on usual business terms.

The interests held by our Directors in the businesses and corporations mentioned in this Section 9.1.4 of this Prospectus may give rise to a conflict of interests situation with our businesses. Our Directors have fiduciary duties, under Malaysian law, to act in the best interests of our Company and are required to declare any conflicts of interests. On matters or transactions requiring the approval of our Board, Directors who are deemed interested or conflicted in such matters shall be required to abstain from deliberations and voting on the resolutions relating to these matters or transactions.

9.1.5 Audit and Risk Management Committee

The Audit and Risk Management Committee of our Company comprises three Non-Executive Directors, two of whom are Independent. The Audit and Risk Management Committee, constituted on 18 April 2012, was established by our Board with the function of assisting our Board in fulfilling its oversight responsibilities. Our Audit and Risk Management Committee has full access to both internal and external auditors who in turn have access at all times to the Chairman of our Audit and Risk Management Committee. Our Audit and Risk Management Committee has the following primary responsibilities:

(i) assisting the Board in fulfilling its responsibilities in financial reporting, management of financial, operational and reputational risks and monitoring of the internal control systems;

(ii) reviewing reports from internal and external auditors to validate scope, evaluate existing policies, establish audit quality and ensure compliance with the Group's policies, including those pertaining to medical and clinical issues;

(iii) assisting the Board in ensuring that the management maintains a sound system of internal controls and risk management processes to safeguard and enhance enterprise value;

(iv) ensuring that proper processes and procedures are in place to comply with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies;

(v) overseeing the implementation of the Whistleblower Policy and Procedures for the Group, and ensuring effective administration thereof by the Group Internal Audit function; and

(vi) following up with any observations and/or recommendations which the Group's external auditors may provide to the Group's management after the conduct of their annual audits to ensure that the matters highlighted by the Group's external auditors are appropriately addressed and/or implemented, as the case may be.

Under its terms of reference, our Audit and Risk Management Committee must consist of at least three Non-Executive Directors, a majority of whom shall be Independent, Non-Executive Directors. At least one Audit and Risk Management Committee member must either be a member of the MIA, or if he is not a member of the MIA, he must have at least three years' working experience and must have passed certain examinations under the Accountants Act, 1967 or fulfils such other requirement as prescribed by Bursa Securities (which includes having seven years of experience as the Chief Financial Officer of a corporation) or by the SC. The Chairman of our Audit and Risk Management Committee must be an Independent, Non-Executive Director and is selected by the members of our Audit and Risk Management Committee. Our Board will review the composition, term of office, performance and effectiveness of our Audit and Risk Management Committee annually.

The Board, with the concurrence of the Audit and Risk Management Committee, believes that the system of internal controls maintained by the Company's management is adequate to safeguard against financial, operational and compliance risks.

The current members of our Audit and Risk Management Committee are set forth below:

Name	Position	Date of appointment	Directorship
Rossana Annizah Binti Ahmad Rashid	Chairman	18 April 2012	Independent, Non-Executive
Chang See Hiang	Member	18 April 2012	Independent, Non-Executive
Satoshi Tanaka	Member	18 April 2012	Non-Independent, Non-Executive

9.1.6 Nomination and Remuneration Committee

Our Nomination and Remuneration Committee, constituted on 18 April 2012, was established by our Board and comprises three members, the majority of whom are Independent, Non-Executive Directors. Our Nomination and Remuneration Committee has the following primary responsibilities:

(i) proposing candidates to the Board and Board Committees of the Group;

(ii) assessing the effectiveness of the Board as a whole (including whether the Board possess the required mix of skills, size and composition, experience, core competencies and other qualities), the Board Committees and contribution of each individual Director (including Independent Directors) on an annual basis;

(iii) overseeing the succession planning for the Board;

(iv) proposing continuous training to ensure the Directors' competencies;

(v) proposing to the Board, appointment and remuneration of Executive Directors, Non-Executive Directors (including Independent Directors) and Senior Management of the Group (as prescribed in the Group's Limits of Authority); and

(vi) recommending to the Board, the Group's executive remuneration policy, remuneration framework and performance measures criteria, including the LTIP and EPP and any other incentive or retention schemes.

The current members of our Nomination and Remuneration Committee are set forth below:

Name	Position	Date of appointment	Directorship
Chang See Hiang	Chairman	18 April 2012	Independent, Non-Executive
Rossana Annizah Binti Ahmad Rashid	Member	18 April 2012	Independent, Non-Executive
Dato' Mohammed Azlan Bin Hashim	Member	18 April 2012	Deputy Chairman, Non-Independent, Non-Executive

9.1.7 Shareholding of Directors in our Company

The following table sets forth the direct and indirect shareholdings of each Director before the IPO (as of the LPD) and after the IPO (assuming full subscription of the IPO Shares reserved for our Directors under the preferential share allocation scheme under the IPO):

	Before IPO				After Listing[1]				After conversion/exercise of outstanding LTIP units and EPP options post-Listing[2]			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%
Tan Sri Dato' Dr Abu Bakar Bin Suleiman	-	-	-	-	1,000	0.01	-	-	5,099	0.06	-	-
Dato' Mohammed Azlan Bin Hashim	-	-	-	-	250	*	-	-	250	*	-	-
Dr Lim Cheok Peng	-	-	-	-	1,000	0.01	-	-	43,479	0.53	-	-
Dr Tan See Leng	-	-	-	-	1,000	0.01	-	-	42,955	0.52	-	-
Mehmet Ali Aydinlar	100,000	1.61	160,791[3]	2.60	101,000	1.25	160,791[3]	2.00	101,000	1.23	160,791[3]	1.95
Satoshi Tanaka	-	-	-	-	-	-	-	-	-	-	-	-
Michael Jude Fernandes	-	-	-	-	-	-	-	-	-	-	-	-
Ahmad Shahizam Bin Mohd Shariff	-	-	-	-	500	*	-	-	7,165	0.09	-	-
Kaichi Yokoyama	-	-	-	-	-	-	-	-	-	-	-	-
Rossana Annizah Binti Ahmad Rashid	-	-	-	-	250	*	-	-	250	*	-	-
Chang See Hiang	-	-	-	-	250	*	-	-	250	*	-	-
Kuok Khoon Ean	-	-	-	-	250	*	-	-	250	*	-	-

Notes:

* *Negligible*

(1) *Based on the enlarged share capital upon Listing as set out in Section 4.3.7 of this Prospectus.*

(2) *Based on share capital after taking into account the conversion/exercise of outstanding LTIP units and EPP options post-Listing, as set out in Section 4.3.7 of this Prospectus.*

(3) *Deemed interest by virtue of his wife, Hatice Seher Aydinlar's shareholding in IHH pursuant to Section 6A of the Act and SZA Gayrimenkul's shareholding in IHH, a company wholly-owned by Aydinlar, pursuant to section 6A of the Act.*

As of the LPD, the number of LTIP units and EPP options granted to our Directors is as follows:

Directors	LTIP units	EPP options
Tan Sri Dato' Dr Abu Bakar Bin Suleiman	99,000	4,000,000
Dr Lim Cheok Peng	4,979,000	37,500,000
Dr Tan See Leng	4,455,000	37,500,000
Ahmad Shahizam Bin Mohd Shariff	1,165,000	5,500,000

Notwithstanding the preferential share allocation scheme under the IPO, our Directors may subscribe for the IPO Shares under the Malaysia Public Offering and Singapore Offering.

9.1.8 Remuneration and material benefits-in-kind of Directors, Chief Executive Officer and top five key management

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors, Chief Executive Officer and top five key management, including any deferred compensation accrued for the relevant financial year and payable at a later date, for services rendered in all capacities to our Group for FYE 31 December 2010, FYE 31 December 2011 and estimated for FYE 31 December 2012 are as follows:

Category	Actual FYE 31 December 2010	Actual FYE 31 December 2011	Estimate FYE 31 December 2012
Executive Directors			
Tan Sri Dato' Dr Abu Bakar Bin Suleiman	II	KK	LL
Dr Lim Cheok Peng	RR	UU	VV
Dr Tan See Leng	QQ	TT	SS
Mehmet Ali Aydinlar	MM	NN	PP
Ahmad Shahizam Bin Mohd Shariff (alternate to Dr Tan See Leng)	CC	OO	MM
Non-Executive Directors			
Dato' Mohammed Azlan Bin Hashim	FF	HH	JJ
Michael Jude Fernandes (alternate to Dato' MohammedAzlan Bin Hashim)	BB	GG	FF
Satoshi Tanaka	-	CC	GG

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SELLING SHAREHOLDER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Category	Actual FYE 31 December 2010	Actual FYE 31 December 2011	Estimate FYE 31 December 2012
Rossana Annizah Binti Ahmad Rashid	-	-	DD
Chang See Hiang	II	DD	HH
Kuok Khoon Ean	-	-	CC
Top 5 Key Management			
Dr Lim Suet Wun	-	C	D
Tan See Haw	B	C	C
Lee Swee Hee	-	A	C
Jamaluddin Bin Bakri	-	A	B
Dr Mei Ling Young	A	A	A

Notes:

(1) *Remuneration Bands:*

"AA" refers to remuneration between RM50,001 and RM100,000

"BB" refers to remuneration between RM100,001 and RM150,000

"CC" refers to remuneration between RM150,001 and RM200,000

"DD" refers to remuneration between RM250,001 and RM300,000

"EE" refers to remuneration between RM300,001 and RM350,000

"FF" refers to remuneration between RM350,001 and RM400,000

"GG" refers to remuneration between RM400,001 and RM450,000

"HH" refers to remuneration between RM500,001 and RM550,000

"II" refers to remuneration between RM650,001 and RM700,000

"JJ" refers to remuneration between RM700,001 and RM750,000

"KK" refers to remuneration between RM900,001 and RM950,000

"LL" refers to remuneration between RM1,300,001 and RM1,350,000

"MM" refers to remuneration between RM1,600,001 and RM1,650,000

"NN" refers to remuneration between RM1,650,001 and RM1,700,000

"OO" refers to remuneration between RM1,700,001 and RM1,750,000

"PP" refers to remuneration between RM1,850,001 and RM1,900,000

"QQ" refers to remuneration between RM3,250,001 and RM3,300,000

"RR" refers to remuneration between RM4,250,001 and RM4,300,000

"SS" refers to remuneration between RM4,550,001 and RM4,600,000

"TT" refers to remuneration between RM4,600,001 and RM4,650,000

"UU" refers to remuneration between RM4,650,001 and RM4,700,000

"VV" refers to remuneration between RM5,100,001 and RM5,150,000

"A" refers to remuneration between RM500,001 and RM1,000,000

"B" refers to remuneration between RM1,000,001 and RM1,500,000

"C" refers to remuneration between RM1,500,001 and RM2,000,000

"D" refers to remuneration between RM2,000,001 and RM2,500,000

(2) *LTIP units and EPP options as well as the performance incentive scheme of 2010 of Parkway, which was in effect while Parkway was listed on SGX-ST, were not included in the calculation of remuneretion.*

(3) *The estimated amount of remuneration payable excludes any bonus or profit-sharing plan or any other profit-linked agreement or arrangement peyable for FYE 31 December 2012.*

The remuneration of our Directors which includes salaries, bonuses, fees and allowances as well as other benefits, will be approved by the Board, following recommendations that will be made by our Remuneration Committee and subject to our Articles of Association. Any change in Directors' fees as set out in our Articles of Association must be approved by shareholders of our Company pursuant to an ordinary resolution passed at a general meeting where appropriate notice of any increase proposed should be given. Please refer to Section 15.2 of this Prospectus for further details.

Save as disclosed in this section and Sections 9.1.7 and 9.2.3 of this Prospectus on LTIP units and EPP options held by some of our Directors and top five key management, no option to subscribe for shares in, or debentures of, the Company or its subsidiaries has been granted to, or exercised by, any Director or top five key management within the two financial years preceding the date of this Prospectus.

As set out in Section 4.3 of this Prospectus, the eligible Directors and eligible employees of our Group are entitled to partake in the Malaysia Public Offering and the Singapore Offering by receiving preferential share allocation under the IPO. Please refer to Section 4.3.2 and Section 4.3.3 of this Prospectus for the allocation to the eligible Directors and eligible employees of our Group.

On the basis of the Group's consolidated financial statements for the three months ended 31 March 2012, the total amounts set aside or accrued by our Group for the purposes of providing pension, retirement or similar benefits for our employees is RM19.0 million.

9.2 Key management

9.2.1 Key management

Our key management as at the LPD is set out below:

Name / Address	Age	Designation/Function
Dr Lim Cheok Peng 10 Cluny Road Singapore 259576	65	Managing Director of IHH and Vice Chairman of Parkway Pantai
Dr Tan See Leng 16 Siglap Plain Singapore 456005	47	Executive Director of IHH and Managing Director and Group Chief Executive Officer of Parkway Pantai
Ahmad Shahizam Bin Mohd Shariff 2 Leonie Hill Road #18-05 Leonie Condotel Singapore 239192	41	Director of IHH (alternate to Dr Tan See Leng), Head of Business Development /Investor Relations of IHH and Executive Director of Corporate Services of Parkway Pantai
Dr Lim Suet Wun 11 Jalan Chengam Singapore 578295	52	Executive Vice President of Singapore Operations, of Parkway Healthcare

Name / Address	Age	Designation/Function
Lee Swee Hee 18 Lorong Canning Canning Garden 31400 Ipoh Perak Malaysia	54	Chief Executive Officer of Malaysian Operations, of Parkway Pantai
Tan See Haw 52 Greenmead Avenue Hillcrest Park Singapore 289444	55	Group Chief Financial Officer of Parkway Pantai
Jamaluddin Bin Bakri 12 Jalan Pidato U2/47 Taman TTDI Jaya 40150 Shah Alam Selangor Malaysia	51	Group Head of Human Resources of Parkway Pantai
Mehmet Ali Aydinlar Kandilli Idman Sokak No.5 Demirevler Sitesi Uskudar Istanbul Turkey	55	Director of IHH and Chairman and Chief Executive Officer of Acibadem Holding
Murat Yalcin Nak Bagdat Caddesi Korupark Sok Selvili Sitesi E Blok Daire: 4 Suadiye Istanbul Turkey	47	Deputy General Manager of Acibadem (Regional Operations and Marketing)
Birol Sumer Erguvan Cad. Ata 2 Sitesi No.43 Cengelkoy Uskudar Istanbul Turkey	49	Deputy General Manager of Acibadem (Central Operations)
Rengin Yigitbas Akillioglu Agaoglu My Country K1 C1 Cekmekoy-Istanbul Turkey	47	Deputy General Manager, Chief Financial Officer and board secretary of Acibadem
Dr Ahmet Sahin Biyikli Mehmet Pasa Sok. Yılmazlar 2 Apt. No: 24–1 Etiler / Besiktas İstanbul Turkey	52	Medical Director of Acibadem
Tan Sri Dato' Dr Abu Bakar Bin Suleiman 14 Jalan 5/21 46000 Petaling Jaya Selangor Malaysia	68	Chairman of IHH, President of IMU Education and Chief Executive Officer of IMU Education
Dr Mei Ling Young 2A Jalan Nusa Bukit Tunku 50480 Kuala Lumpur Malaysia	62	Provost of IMU and Executive Director of IMU Education

Name / Address	Age	Designation/Function
Chiu Lai Heng 46 Jalan SS22/17 Damansara Jaya 47400 Petaling Jaya Selangor Malaysia	48	Chief Financial Officer of IMU Education

We do not currently have a Group Chief Financial Officer ("**CFO**") and are currently in the process of identifying a suitable candidate as the person primarily responsible for the financial management of our Group. Such person will satisfy the Listing Requirements and will be appointed in time for him/her to be the signatory of our Group's annual audited financial statements for the financial year ending 31 December 2012. As we are still in the process of recruiting a suitable person as the group CFO, we are unable to provide a proposal on the timeframe for such recruitment. Nonetheless, it is our intention that the group CFO will be recruited with reasonably sufficient lead time to familiarise himself/herself with our finance and accounting systems to enable him/her to take responsibility for the issuance of our Group's annual audited financial statements for the financial year ending 31 December 2012. We will release the appropriate announcements as and when such a person is appointed.

In the interim, Tan See Haw, Rengin Yigitbas Akillioglu and Chiu Lai Heng (together, the "**Supporting CFOs**") who are the CFOs from Parkway Pantai, Acibadem Holding and IMU Health respectively, co-ordinated by Tan See Haw, will take collective responsibility for the financial results announcements that will be released by us following the Listing.

Each of the Supporting CFOs possesses relevant professional experience and has been the CFO of the relevant key subsidiary groups for least 18 months. It is intended that the Supporting CFOs will also continue in their current positions. Our Audit and Risk Management Committee has formed the view that the Supporting CFOs have demonstrated their knowledge and experience in accounting, financial reporting, the business of their relevant key subsidiary groups and the industry our Group operates in. Based on the foregoing, and after making all reasonable inquiries, and to the best of its knowledge and belief, nothing has come to the attention of the Audit and Risk Management Committee to cause them to believe that the Supporting CFOs do not have the competence, character and integrity expected to jointly undertake the finance management functions of our Group.

9.2.2 Biographies of key management

Details of the profiles of Dr Lim Cheok Peng, Dr Tan See Leng, Ahmad Shahizam Bin Mohd Shariff, Mehmet Ali Aydinlar and Tan Sri Dato' Dr Abu Bakar Bin Suleiman are set out in Section 9.1.2 of this Prospectus.

Dr Lim Suet Wun

Dr Lim Suet Wun was appointed as Executive Vice President of Singapore Operations of Parkway Healthcare in March 2011. Dr Lim has 25 years of experience in the public healthcare sector. In 1991 he was appointed as Chief Operating Officer of KK Women and Children's Hospital and in 1996 became the Chief Executive Officer of the National University Hospital. In 2001 he joined Tan Tock Seng Hospital as the Chief Executive Officer and in 2004 became the Cluster Chief Executive Officer of the National Healthcare Group Singapore. He obtained a Bachelor of Medicine, Bachelor of Surgery from the National University of Singapore in 1983. In 1990 he obtained his Master of Public Health and Master of Business Administration degrees from the University of California, Los Angeles.

He has been appointed Chairman of the Board of Joint Commission Resources International, which is an international hospital accreditation organisation. He previously sat on several boards of companies under the National Healthcare Group as well as those of National University Health System Pte Ltd and the Ministry of Health Holdings Pte Ltd.

Lee Swee Hee

Lee Swee Hee was appointed the Chief Executive Officer of Malaysian Operations of Parkway Pantai since 1 August 2011. He began his career with Coopers & Lybrand (now known as PricewaterhouseCoopers), in 1977 and left as an audit supervisor in 1984. He joined a property firm, Syarikat Hup Aik Realty Sdn Bhd in 1985 and in 1987 worked as an accountant in a subsidiary of Hong Leong Group, Malaysia. He joined Ipoh Specialist Centre in 1988 as a Finance Manager. He was promoted as Chief Financial Officer of KPJ Healthcare Berhad in 1990. He was awarded Kesatria Mangku Negara (KMN) by the Yang di-Pertuan Agong in 2011. He is a Certified Public Accountant and a member of both the Malaysian Association of Certified Public Accountants and the Malaysian Institute of Accountants.

Tan See Haw

Tan See Haw was appointed as the Group Chief Financial Officer of Parkway since 5 January 2009. He was subsequently appointed as Group Chief Financial Officer of Parkway Pantai after Parkway Pantai's acquisition of Parkway in April 2011. Prior to his appointment with Parkway, he was the Vice President of IT and Supply Chain of Unisem (M) Bhd from 2007 to 2008. He was also the Group Chief Financial Officer of Advanced Interconnect Technologies ("**AIT**"), a position which he held since 1999 before its acquisition by Unisem (M) Bhd. Before joining AIT, Mr. Tan held key regional positions in major corporations such as Asia-Pacific Breweries Ltd (Director of Group Finance) from 1994 to 1999 and Pepsi-Cola International (Asia Division Financial Controller) from 1986 to 1994. He also held finance and audit positions at NL Petroleum (Far East) Pte Ltd and Price Waterhouse & Co. (now known as PricewaterhouseCoopers). Mr Tan holds a Bachelor of Accountancy from the University of Singapore (now known as the National University of Singapore). He is also a Fellow of the Institute of the Certified Public Accountants of Singapore.

Jamaluddin Bin Bakri

Jamaluddin Bin Bakri was appointed as Group Head of Human Resources of Parkway Pantai in March 2011. He has 25 years of work experience, based both locally and internationally. Prior to PPL, Jamaluddin worked with Microsoft Corporation for 14 years, holding various Human Resource leadership positions with Regional HR Director – Asia Services as his final position. Previously he was with the Tioxide (Malaysia) Sdn Bhd (part of the ICI Group of Companies) for six years where he became the first Malaysian to replace an expatriate position as Training Manager. He started his career with Petroliam Nasional Berhad where he spent six years in various offshore and onshore facilities. He holds a Master of Business Administration in Human Resource Development from University of Hull, U.K. as well as a Certificate of Coaching (Results Coaching System) from the International Coach Federation.

Murat Yalcin Nak

Murat Yalcin Nak is the Deputy General Manager of Acibadem (Regional Operations and Marketing). Yalcin started his career as a Planning Engineer at Procter & Gamble Turkey's laundry products factory and worked there from 1988 to 1989. Upon obtaining his Master in Business Administration, he rejoined Procter & Gamble in Germany from 1991 to 1995 as Assistant Brand Manager and Planning Group Manager. He worked at McKinsey & Co. in its Turkish and Swiss offices from 1995 to 2001 as a Senior Engagement Manager. From 2002 to 2004, he worked as the Turkish Office Director of PricewaterhouseCoopers (Consulting Division). His final post before joining Acibadem was serving from 2005 to 2008 as the Chief Executive Officer and Board Member of Memorial Healthcare Group in Turkey. Since January 2008, he has been serving as the Deputy General Manager at Acibadem. Yalcin holds a Bachelor of Science Degree in Industrial Engineering from Bogazici (Bosphorus) University and a Master in Business Administration from Northwestern University's J. L. Kellogg School of Management, US.

Birol Sumer

Birol Sumer is the Deputy General Manager of Acibadem (Central Operations). He held various information technology and executive positions in banking and consulting between 1988 and 2004. He served as a board consultant to Acibadem from 2004 to 2008. He has been working as the Deputy General Manager at Acibadem since 2008 and is responsible for centralised functions such as procurement, logistics, information technologies, technical services and human resources, and is also responsible for APlus, laboratory services and Acibadem Mobil activities. He holds a B.S. in Electronics Engineering from Bogazici (Bosphorus) University, Turkey and received his Masters Degree in International Economics and Development from Marmara University, Turkey.

Rengin Yigitbas Akillioglu

Rengin Yigitbas Akillioglu is the Deputy General Manager, Chief Financial Officer and board secretary of Acibadem. She began her career at NASAS Aluminium Inc. in Istanbul, Turkey in 1987 and worked with Turkish Airlines Inc. ("**THY**") from 1989 to 2010 in various positions in management and finance, the last being Chief Financial Officer of THY. She was also an auditing member of the Board of Directors at Sun Express Airlines, an Antalya based joint venture company with Lufthansa and THY between 1996 and 2006. Since 2010, she has been the Executive Committee Member of DEIK/SAIK (Healthcare Business Council/Foreign Economic Relations Board) and Turkish Accredited Hospitals Association, and a Member of TAIK (Turkish American Business Council) at TUSİAD (Turkish Industrialists' and Businessmen's Association), all based in Istanbul, Turkey. She has been working as Chief Financial Officer, Coordinator USA and the board secretary at Acibadem since 2010. Rengin holds a B.Sc. in Management Engineering from Istanbul Technical University and a Masters Degree in Economics from Bogazici (Bosphorus) University, Turkey.

Dr Ahmet Sahin

Dr Ahmet Sahin is the Medical Director of Acibadem. He began his academic career at the University of Hacettepe, Turkey as a specialist and later after consecutive academic achievements became an Associate Professor of Urology in 1995 and Professor of Urology in 2002. During his academic career he was also appointed as the Physician in Chief. In the beginning of 2008 he joined the Acibadem Group as the Medical Director. He obtained a Diploma in Medicine from the University of Hacettepe, Turkey and became a specialist in urology at the same university in 1991. He has many national and international publications in the fields of urology and endourology, and has also contributed to and organised many scientific meetings on health care administration, patient safety and healthcare quality.

Dr Mei Ling Young

Dr Mei Ling Young is the Provost of IMU and Executive Director of IMU Education. Dr Mei Ling Young completed her undergraduate and postgraduate studies in Geography and Demography in the University of Auckland and the Australian National University respectively. Her field of study in demography is migration, structural change, and the labour force. Dr Mei Ling Young joined Universiti Sains Malaysia in 1979 as a lecturer in Development Studies and left in 1985 to set up Sesama Consulting Group Sdn. Bhd. She was also an Associate Research Fellow with the Malaysia Institute of Economic Research where she wrote on regional development, manpower planning and private education. In 1992, she established the International Medical College (which became IMU Education in 1999) with two partners. Dr Mei Ling Young is the Deputy President of the Malaysian Association of Private Colleges & Universities (MAPCU).

Chiu Lai Heng

Chiu Lai Heng is the Chief Financial Officer of IMU Education. She started her career with KMG Hew & Tan for two years before leaving as an audit assistant. For the next six years, she worked with Beca Carter Hollings & Ferner Ltd, the largest consulting engineering firm in New Zealand, in various financial positions. She returned to Malaysia in 1992 and was employed by Jurutera Perunding Beca Carter Sdn Bhd as the Regional Accountant for South East Asia.

She joined IMU Education (formerly known as Sesama Medical College Management Sdn Bhd) in 1993 and was responsible for setting up the Finance Department. In 1996, she became the Financial Controller of Batu Tiga Quarry Sdn Bhd, a subsidiary of a YTL company. She resumed the position of Financial Controller of IMU Education in 1999 and was re-designated as Chief Financial Officer in 2004. She holds a Bachelor of Economics from Monash University and is a Fellow of CPA Australia and a member of the Malaysian Institute of Accountants.

9.2.3 Shareholding of key management in our Company

The following table sets forth the direct and indirect shareholding of each member of the key management before the IPO (as of the LPD) and after the IPO (assuming full subscription of the IPO Shares reserved for them under the preferential share allocation scheme under the IPO):

	Before IPO				After Listing[1]				After conversion/exercise of outstanding LTIP units and EPP options post-Listing [2]			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%
	000		000		000		000		000		000	
Dr Lim Cheok Peng	-	-	-	-	1,000	0.01	-	-	43,479	0.53	-	-
Dr Tan See Leng	-	-	-	-	1,000	0.01	-	-	42,955	0.52	-	-
Ahmad Shahizam Bin Mohd Shariff	-	-	-	-	500	*	-	-	7,165	0.09	-	-
Dr Lim Suet Wun	-	-	-	-	500	*	-	-	12,451	0.15	-	-
Lee Swee Hee	-	-	-	-	500	*	-	-	5,854	0.07	-	-
Tan See Haw	-	-	-	-	750	0.01	-	-	6,369	0.08	-	-
Jamaluddin Bin Bakri	-	-	-	-	250	*	-	-	3,004	0.04	-	-
Mehmet Ali Aydinlar	100,000	1.61	160,791[3]	2.60	101,000	1.25	160,791[3]	2.00	101,000	1.23	160.791[3]	1.95
Murat Yalcin Nak	-	-	-	-	-	-	-	-	-	-	-	-
Birol Sumer	-	-	-	-	-	-	-	-	-	-	-	-

Name	Before IPO				After Listing[1]				After conversion/exercise of outstanding LTIP units and EPP options post-Listing [2]			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%
Rengin Yigitbas Akillioglu	-	-	-	-	-	-	-	-	-	-	-	-
Dr Ahmet Sahin	-	-	-	-	-	-	-	-	-	-	-	-
Tan Sri Dato' Dr Abu Bakar Bin Suleiman	-	-	-	-	1,000	0.01	-	-	5,099	0.06	-	-
Dr Mei Ling Young	-	-	-	-	500	*	-	-	4,588	0.06	-	-
Chiu Lai Heng	-	-	-	-	500	*	-	-	1,571	0.02	-	-

Notes:

* *Negligible*

(1) Based on the enlarged share capital upon Listing as set out in Section 4.3.7 of this Prospectus.

(2) Based on share capital after taking into account the conversion/exercise of outstanding LTIP units and EPP options post-Listing, as set out in Section 4.3.7 of this Prospectus.

(3) Deemed interest by virtue of his wife, Hatice Seher Aydinlar's shareholding in IHH and SZA Gayrimenkul's shareholding in IHH, a company wholly-owned by Aydinlar, pursuant to section 6A of the Act.

As of the LPD, the number of LTIP units and EPP options granted to our top five key management is as follows:

Key Management	LTIP units	EPP options
Dr Lim Suet Wun	1,451,000	10,500,000
Lee Swee Hee	353,795	5,000,000
Tan See Haw	619,000	5,000,000
Jamaluddin Bin Bakri	254,277	2,500,000
Dr Mei Ling Young	88,000	4,000,000

Note:

* *Please refer to Section 9.1.7 of this Prospectus on the number of LITP units and EPP options granted to Dr Lim Cheok Peng, Dr Tan See Leng, Ahmad Shahizam Bin Mohd Shariff and Tan Sri Dato' Dr Abu Bakar Bin Suleiman.*

Notwithstanding the preferential share allocation scheme under the IPO, our key management may subscribe for the IPO Shares under the Malaysia Public Offering and Singapore Offering.

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9.2.4 Principal business activities outside of our Company and principal directorships of key management

The following table sets out the principal directorships of our key management as at the LPD and that which were held within the past five years up to the LPD, and the principal business activities performed outside of our Group by our key management as at the LPD:

Name	Directorships	Involvement in business activities other than as a director
Dr Lim Suet Wun	*Present directorships:* • Joint Commission Resources, Inc • MENA Services • Parkway *Previous directorships:* • Energhy Pte Ltd • NHG Gulf Pte Ltd • Integrated Health Information Systems Pte Ltd • John Hopkins Singapore International Medical Centre Pte Ltd • MOH Holdings Pte Ltd • National Healthcare Group Pte Ltd • National Skin Centre Pte Ltd • National University Health System Pte Ltd • Tan Tock Seng Hospital Pte Ltd	Nil
Lee Swee Hee	*Present directorships:* • GEH Management • Gleneagles Malaysia • Mount Elizabeth Services • Orifolio Options • Pantai-ARC Dialysis • Pantai • Pantai Johor • Pantai Manjung • Pantai Sungai Petani • Pantai Irama • Pantai Medical Centre • Twin Towers Healthcare • Twin Towers Medical Centre *Past directorships:* • Malaysian Institute of Healthcare Management Sdn Bhd • Sentosa Medical Centre Sdn Bhd • Ipoh Specialist Hospital Sdn Bhd • Ampang Puteri Specialist Hospital Sdn Bhd • Bandar Baru Klang Specialist Hospital Sdn Bhd • Kota Kinabalu Specialist Hospital Sdn Bhd • Kajang Specialist Hospital Sdn Bhd • Bayan Baru Specialist Hospital Sdn Bhd • Damansara Specialist Hospital Sdn Bhd • Diaper Technology Industries Sdn Bhd • Freewell Sdn Bhd • Pharmacare Surgical Technologies Sdn Bhd • Kuching Specialist Hospital Sdn Bhd	Nil

Name	Directorships	Involvement in business activities other than as a director
Lee Swee Hee *(cont'd)*	• Point Zone (M) Sdn Bhd • Amity Development Sdn Bhd • SMC Healthcare Sdn Bhd • Sibu Geriatric Health & Nursing Centre Sdn Bhd • Sibu Medical Centre Corporation Sdn Bhd • FP Marketing (Singapore) Pte Ltd	
Tan See Haw	*Present directorships:* • Apollo PET • Apollo Gleneagles • Ban Lee Juan Sdn Bhd • Gleneagles JPMC • Gleneagles Medical Centre KL • Khubchandani Hospitals • IHH Bharat • IHH Cayman • IHH Mauritius • Medical Resources • Mount Elizabeth Ophthalmic • Paloh Medical Centre • Parkway Shanghai • Shanghai Gleneagles • Gleneagles Shanghai • Shanghai Hui Xing • Shanghai Hui Xing Jin Pu • Shanghai Rui Hong • Shanghai Rui Pu • Shanghai Rui Xin • Shanghai Shu Kang • Shanghai Xin Rui • Parkway Healthcare HK • Parkway Healthcare Mauritius • Parkway HK • Parkway Trust Management • Pulau Pinang Clinic *Previous directorships:* • AIT Holdings Limited • Fomema Sdn Bhd • Gleneagles Academy of Nursing (M) Sdn Bhd • Gleneagles KL • Shanghai Rui Xiang • Unisem GMbH • Unisem (S) Pte Ltd • Unisem International (HK) Ltd	• Director and shareholder of Ban Lee Juan Sdn Bhd • Shareholder of Tan Chee Joon & Sons Sdn Bhd
Jamaluddin Bin Bakri	*Present directorships:* • Pantai Education *Previous directorships:* • Esprit Frozen Seafood Sdn Bhd	Nil
Murat Yalcin Nak	*Present directorships:* • Acibadem Sistina Medikal • Konur Saglik • Acibadem Sistina • Yeni Saglik • Toga Saglik Hizmetleri ve Ticaret A.S. • Acibadem Poliklinik	Nil

Name	Directorships	Involvement in business activities other than as a director
Murat Yalcin Nak *(cont'd)*	*Previous directorships:* • Memorial Healthcare Group	
Birol Sumer	*Present directorships:* • Yeni Saglik *Previous directorships:* • Nil	• Partner and shareholder of Ekofer Tekstil ve Parfumer San. Paz. Ltd Sti.
Rengin Yigitbas Akillioglu	*Present directorships:* • Nil *Previous directorships:* • Nil	Nil
Dr Ahmet Sahin	*Present directorships:* • Nil *Previous directorships:* • Nil	• Partner and shareholder of Sedanil Saglik Hizmetleri Limited Sirketi
Dr Mei Ling Young	*Present directorships:* • IMU Health • IMU Healthcare • IMU Education • IMU Foundation • Enzo Corporation (M) Sdn Bhd • Duta View Sdn Bhd • Nusa View Sdn Bhd *Previous directorships:* • Nil	• Director and shareholder of Enzo Corporation (M) Sdn Bhd • Director and shareholder of Duta View Sdn Bhd • Director and shareholder of Nusa View Sdn Bhd
Chiu Lai Heng	*Present directorships:* • IMU Holdings Berhad • IMU Ilmu Berhad *Previous directorships:* • B&C Management Sdn Bhd (formerly known as Beca Management Sdn Bhd) • Beca Management Sdn Bhd Ltd	Nil

Details on the principal directorships as at the LPD and that which were held within the past five years up to the LPD and the principal business activities performed outside the Group for Dr Lim Cheok Peng, Dr Tan See Leng, Ahmad Shahizam Bin Mohd Shariff, Mehmet Ali Aydinlar and Tan Sri Dato' Dr Abu Bakar Bin Suleiman are set out in Section 9.1.3 of this Prospectus.

9.2.5 Involvement of our key management in other businesses or corporations which are our Key Customers or Key Suppliers

Save as disclosed in Section 9.1.4, as at the LPD, none of our key management has any interest, direct or indirect, in other businesses and corporations which are our Key Customers and/or Key Suppliers or any arrangement or understanding with any Key Customers or Key Suppliers to which such key management was appointed.

9.2.6 Involvement of Executive Directors and key management in other principal business activities

Save as disclosed in Section 9.1.3 and Section 9.2.4 of this Prospectus, none of our Executive Directors or our key management are involved in other principal business activities outside of our Company as at the LPD.

The involvement of our Directors and key management in other businesses and/or corporations as highlighted above are not expected to affect their contribution to our Group as our Directors and key management are not actively involved in the management and day-to-day operations of these businesses and/or corporations as their involvement relates to an oversight role or to a certain extent, attending board meetings.

9.3 Promoter

Pulau Memutik

Pulau Memutik is the Promoter for the IPO, a substantial shareholder of our Company and an Over-Allotment Option Provider. It has been involved in the affairs and business of IHH since 29 March 2011. Pulau Memutik is currently the single largest shareholder of IHH and controls IHH.

Pulau Memutik was incorporated as private company limited by shares in Malaysia under the Malaysian Companies Act on 21 January 2010. The principal activity of Pulau Memutik is investment holding. Pulau Memutik is wholly-owned by Khazanah. Save for one share owned by the Federal Land Commissioner of Malaysia, all of the issued share capital of Khazanah is owned by the MOF. As at the LPD, the authorised share capital of Pulau Memutik is RM8,000,000,000.00 comprising 8,000,000,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Pulau Memutik as at LPD is RM4,000,000,000.00 comprising 4,000,000,000 ordinary shares of RM1.00 each.

Ganendran (Ganen) Sarvananthan, T. Azmil Zahruddin bin Raja Abdul Aziz and Quek Pei Lynn are directors of Pulau Memutik. None of the directors of Pulau Memutik have any direct or indirect voting interest in the shares of Pulau Memutik.

In addition to the lock-up referred to in Section 4.10 of this Prospectus, in accordance with the Equity Guidelines, Pulau Memutik, in its capacity as the Promoter, has given separate undertakings to the SC that it will not sell, transfer or assign it shareholdings in our Company as at the date of Listing, for six months from the date of Listing as set out in Section 10.2 of this Prospectus. Further, Khazanah, in its capacity as the shareholder of Pulau Memutik, has also given an undertaking to the SC that it will not sell, transfer or assign its shareholding in Pulau Memutik as at the date of Listing, for six months from the date of Listing.

The Board of Directors of Pulau Memutik has informed the Company that it views its shareholding in IHH following the Global Offering (including after any exercise of the Over-allotment Option), as a strategic investment.

Other than Pulau Memutik, our Company will not be owned or controlled by any corporation immediately after the completion of the IPO, nor is our Company indirectly or directly owned or controlled, whether severally or jointly, by any government or other natural or legal person.

We are not currently aware of any arrangements, the operation of which may at a subsequent date result in a change of control of our Company.

9.4 Substantial shareholders

9.4.1 Pulau Memutik

Please refer to the description in Section 9.3 above for details on Pulau Memutik.

9.4.2 MBK Healthcare Partners Limited

MBK Healthcare has been a substantial shareholder of our Company since 16 May 2011.

MBK Healthcare was incorporated as a private company limited by shares under the Companies Act 2006 of the United Kingdom on 5 April 2011. The principal activity of MBK Healthcare is investment in healthcare business. As at the LPD, the authorised share capital of MBK Healthcare is SGD1,375,885,428.00 comprising 1,375,885,428 ordinary shares of SGD1.00 each of which SGD1,375,885,428.00 comprising 1,375,885,428 ordinary shares of SGD1.00 each have been issued and paid up. MBK Healthcare is a 100% owned subsidiary of Mitsui, which is listed on the Tokyo, Osaka, Nagoya, Sapporo and Fukuoka stock exchanges. Based on public records as at the LPD, there is no person holding more than 15% of the shares in Mitsui.

In addition to the lock-up referred to in Section 4.10 of this Prospectus, Mitsui has informed the Company that it views its shareholding in IHH through MBK Healthcare following the Global Offering as a strategic investment.

9.4.3 Abraaj 44

Abraaj 44 was incorporated on 9 May 2007 in the Cayman Islands as an exempted company with limited liability. It is an investment holding company. As at the LPD, Abraaj 44 has an authorised capital of USD 50,000.00 comprising one ordinary share of USD1.00 each and 49,999 preference shares of USD1.00 each, of which one ordinary share and 30 preference shares have been issued and paid up. Abraaj 44 is the Selling Shareholder.

As at LPD, the directors of Abraaj 44 are Omar Khan Lodhi and Selcuk Yorgancioglu, all of whom have no direct or indirect voting interest in the shares of Abraaj 44.

Abraaj 44 is a wholly-owned subsidiary of Almond Holding Limited, which in turn is a subsidiary of Abraaj SPV 53 Limited, which in turn is a subsidiary of Almond Holding (Cayman) Limited, which in turn is a wholly-owned subsidiary of IGCF GP. For purposes of Section 6A of the Companies Act and Section 4 of the SF Act, Almond Holding Limited, Abraaj SPV 53 Limited, Almond Holding (Cayman) Limited and IGCF GP are deemed substantial shareholders of our Company by virtue of having an interest in the shares of our Company held by Abraaj 44.

IGCF GP is the general partner of The Infrastructure & Growth Capital Fund L.P. ("**IGCF LP**" or "**the Fund**").

IGCF LP is a USD2 billion private equity fund registered on 27 July 2006 as a Cayman Islands domiciled limited partnership. The Fund has 98 limited partners. The Fund invests for its own account in various sectors such as healthcare, energy and education sectors, mainly in the Middle East, North Africa and South Asia region.

IGCF GP was incorporated on 15 July 2005 in the Cayman Islands as an exempt company with limited liability. IGCF GP is part of the Abraaj group. Abraaj Investment Management Limited, which is a wholly-owned subsidiary of Abraaj, has a shareholding interest of 75.5% in IGCF GP. The Abraaj group manages a number of private equity funds that invest in fast growing economies in the Middle East, North Africa, Turkey and Asia. The investor base comprises corporates, financial institutions, high net worth individuals, pension funds, family offices, sovereign wealth funds and other funds.

IGCF GP, as the general partner, acts for and on behalf of the Fund and has ultimate responsibility for the management and control of the activities and affairs of the Fund and has the power and authority to do all things necessary to carry out the purpose and objectives of the Fund. The limited partners do not actively take part in the management or control of the activities and affairs of the Fund, and have no right or authority to act for the Fund or to take any part in or in any way interfere in management of the Fund.

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9.4.4 Shareholding of Substantial Shareholders

The following table sets forth the shareholding of the substantial shareholders, being a person who holds not less than 5% of the Shares, based on our Register of Substantial Shareholders before and after the listing:

		Before IPO				After Listing[1]				After conversion/exercise of outstanding LTIP units and EPP options post-Listing[2]			
		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name of substantial shareholder	Country of incorporation	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%	No. of Shares held 000	%
Pulau Memutik	Malaysia	3,850,000	62.14	-	-	3,850,000	47.78	-	-	3,850,000	46.80	-	-
MBK Healthcare	U.K.	1,650,000	26.63	-	-	1,650,000	20.48	-	-	1,650,000	20.06	-	-
Abraaj 44	Cayman Islands	434,651	7.02	-	-	-	-	-	-	-	-	-	-
Khazanah	Malaysia	-	-	3,850,000[3]	62.14	-	-	3,850,000[3]	47.78	-	-	3,850,000[3]	46.80
Mitsui	Japan	-	-	1,650,000[4]	26.63	-	-	1,650,000[4]	20.48	-	-	1,650,000[4]	20.06
IGCF GP	Cayman Islands	-	-	434,651[5]	7.02	-	-	-	-	-	-	-	-

Notes:

(1) *Based on the enlarged share capital upon Listing as set out in Section 4.3.7 of this Prospectus.*

(2) *Based on share capital after taking into account the conversion/exercise of outstanding LTIP units and EPP options post-Listing, as set out in Section 4.3.7 of this Prospectus.*

(3) *Deemed interest by virtue of its shareholding in Pulau Memutik pursuant to Section 6A of the Act.*

(4) *Deemed interest by virtue of its shareholding in MBK Healthcare pursuant to Section 6A of the Act.*

(5) *Deemed interest by virtue of its interest in Abraaj 44 through a number of intermediate entities, pursuant to Section 6A of the Act.*

The above assumes that the Over-Allotment Option is not exercised.

9.4.5 The table below sets out the direct and indirect interests of our Substantial Shareholders, the Promoter, the Selling Shareholder and our Directors in our Company since its incorporation on 21 May 2010 up to the LPD:

	21 May 2010				31 March 2011				As at the LPD			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%
Substantial Shareholders and/or Promoter and/or Selling Shareholder												
Pulau Memutik	-	-	-	-	3,850,000	100.00	-	-	3,850,000	62.14	-	-
Khazanah	*[1]	100.00	-	-	-	-	3,850,000 [2]	100.00	-	-	3,850,000[2]	62.14
MBK Healthcare	-	-	-	-	-	-	-	-	1,650,000	26.63	-	-
Mitsui	-	-	-	-	-	-	-	-	-	-	1,650,000[3]	26.63
Abraaj 44[6]	-	-	-	-	-	-	-	-	434,651	7.02	-	-
IGCF GP	-	-	-	-	-	-	-	-	-	-	434,651[4]	7.02
Directors												
Tan Sri Dato' Dr Abu Bakar Bin Suleiman	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Mohammed Azlan Bin Hashim	-	-	-	-	-	-	-	-	-	-	-	-
Dr Lim Cheok Peng	-	-	-	-	-	-	-	-	-	-	-	-
Dr Tan See Leng	-	-	-	-	-	-	-	-	-	-	-	-
Mehmet Ali Aydinlar	-	-	-	-	-	-	-	-	100,000	1.61	160,791[5]	2.60
Satoshi Tanaka	-	-	-	-	-	-	-	-	-	-	-	-

9. INFORMATION ON OUR DIRECTORS, PROMOTER, SELLING SHAREHOLDER, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

	21 May 2010				31 March 2011				As at the LPD			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%	No. of Shares 000	%
Ahmad Shahizam Bin Mohd Shariff	-	-	-	-	-	-	-	-	-	-	-	-
Michael Jude Fernandes	-	-	-	-	-	-	-	-	-	-	-	-
Kaichi Yokoyama	-	-	-	-	-	-	-	-	-	-	-	-
Rossanna Annizah Binti Ahmad Rashid	-	-	-	-	-	-	-	-	-	-	-	-
Chang See Hiang	-	-	-	-	-	-	-	-	-	-	-	-
Kuok Khoon Ean	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

(1) Comprising two subscriber shares of RM1.00 each.

(2) Deemed interest by virtue of its direct equity interests in Pulau Memutik pursuant to Section 6A of the Act.

(3) Deemed interest by virtue of its shareholding in MBK Healthcare pursuant to Section 6A of the Act.

(4) Deemed interest by virtue of its shareholding in Abraaj 44 pursuant to Section 6A of the Act.

(5) Deemed interest by virtue of his wife, Hatice Seher Aydinlar's shareholding in IHH and SZA Gayrimenkul's shareholding in IHH, a company wholly-owned by Aydinlar, pursuant to Section 6A of the Act.

(6) On 5 April 2012, the shareholders of Almond (Netherlands) passed a resolution to dissolve Almond (Netherlands) and to approve the transfer of its 7.02% equity interest in our Company to Abraaj 44 in two tranches. The transfer was completed on 5 June 2012.

9.4.6 Involvement in other businesses and corporations carrying on a similar trade as that of our Group or in other businesses and corporations which are our Key Customers and/or Key Suppliers

Save as disclosed below, as at LPD none of our substantial shareholders has direct or indirect interests in other businesses and corporations carrying on a similar trade as that of our Group or in other businesses and corporations which are our Key Customers and/or Key Suppliers.

Khazanah's declaration of conflict of interest has been limited pursuant to a waiver granted by the SC. Please refer to Section 10.1 of this Prospectus for further details on the abovementioned waiver as well as the waiver granted by the SC in relation to the conflict of interest disclosure by the substantial shareholders of IHH.

Substantial shareholder	Businesses/Corporations	Nature of interest	Direct Interest	Indirect Interest
			%	%
Khazanah	*Similar trade as that of our Group:*			
	Pulau Indah Ventures Sdn Bhd *(proposed development of a wellness centre in Medini, Johor, Malaysia)*	Direct shareholding	50.0	-
	John Keells Holdings PLC *(investments in a company which owns and manages a hospital in Sri Lanka and investments in an insurance company providing healthcare insurance solutions inSri Lanka)*	Deemed interest in shares	-	8.8
	New China Life Insurance Company Ltd. *(provision of life insurance and proposing to enter into health care business in the PRC)*	Deemed interest in shares	-	1.3
	Oriental University City Limited *(manegement and operation of universities and colleges offering medical and health care related programmes in the PRC)*	Deemed interest in shares	-	10.0
	AIA Group Limited *(a life insurance based financial services provider operating in 15 jurisdictions throughout the Asia Pacific region. The Group's principal activity is the writing of life insurance business, providing life, pensions and accident and health insurance throughout Asia, and distributing related investment and other financial services products to its customers)*[1]	Deemed interest in shares	-	0.77
Khazanah and Pulau Memutik	*Similar trade as that of our Group:*			
	Pantai Medivest Sdn Bhd[2] *(managing non-clinic hospital support services and facilities management in Malaysia)*	Deemed interest in shares	-	100.0

Substantial shareholder	Businesses/Corporations	Nature of interest	Direct Interest	Indirect Interest
			%	%
Khazanah and Pulau Memutik *(cont'd)*	Pantai Fomema & Systems Sdn Bhd (now known as Unitab Medic Sdn Bhd) *(supervision, monitoring and quality control of laboratories in the medical examination of foreign workers in Malaysia through its 75% owned subsidiary, Fomema Sdn Bhd)*	Deemed interest in shares	-	30.0
IGCF GP	*Similar trade as that of our Group:*			
	Al Borg Laboratories *(private laboratory group in Egypt, Jordan and North Sudan)*	Deemed interest in shares	-	90.0[(3)]
	Saudi Tadawi Company for Healthcare *(pharmaceuticals supplier in the Kingdom of Saudi Arabia)*	Deemed interest in shares	-	31.5
	Acibadem Sigorta *(health insurance provider in Turkey)*[(4)]	Deemed interest in shares	-	50.0
Abraaj 44	*Our key customer and similar trade as that of our Group:*			
	Acibadem Sigorta *(health insurance provider in Turkey)*	Deemed interest in shares	-	50.0
Mitsui	*Similar trade as that of our Group:*			
	Shokando *(pharmaceutical business operator and pharmaceutical drugs supplier in Japan)*	Direct shareholding	90.0	-
	Sogo Medical *(healthcare consulting firm and pharmarcy business in Japan)*	Direct shareholding	21.0	-
	Aim Services Co. Ltd *(provision of catering services to general hospitals and corporations in Japan)*	Direct shareholding	50.0	-
	Aramark Uniform Services Japan Corporation *(provision of uniform design, production and industrial laundry in Japan)*	Direct shareholding	50.0	-
	UE Managed Solutions Pte Ltd *(provision of facility management services to medical institutions in Singapore, Malaysia, Taiwan and Hong Kong)*	Direct shareholding	30.0	-
	Mitsui & Co. Facilities *(provision of facility management services to office buildings and housing in Japan)*	Direct shareholding	100.0	-
	Duskin Hong Kong Company Limited *(provision and operation of facility management services in Hong Kong)*	Direct shareholding	40.0	-

Substantial shareholder	Businesses/Corporations	Nature of interest	Direct Interest	Indirect Interest
			%	%
Mitsui *(cont'd)*	Mitsuibussan Insurance Co. Ltd *(insurance providers in Japan)*	Direct shareholding	100.0	-

Notes:

(1) *Also a Key Customer of our Group.*

(2) *Pantai Support Services Sdn Bhd (the holding company of Pantai Medivest Sdn Bhd) has entered into an agreement to dispose 70% of its equity interest in Pantai Medivest Sdn Bhd. This disposal was completed on 8 June 2012.*

(3) *This shareholding interest may change pursuant to an ongoing internal restructuring exercise.*

(4) *Also a Key Customer of our Group.*

Having regard to the specific geographical jurisdictions in which the abovementioned businesses and corporations operate, and the nature of the operations and investments, as the case may be, our Directors and substantial shareholders are of the view that the interests held by our substantial shareholders in other businesses and corporations which carry out similar trade as that of our Group or which are our Key Customers and/or Key Suppliers do not compete directly with our businesses. Furthermore, with respect to those abovementioned businesses and corporations, the activities of such businesses and corporations relate to the provision of ancillary healthcare services and as such do not compete directly with the core business of our Group.

Furthermore, transactions between our substantial shareholders in their personal capacity or the abovementioned companies and businesses in which they have interests as directors or substantial shareholders, if any, are carried out on an arm's length basis and on usual business terms.

Although such interests may give rise to a conflict of interest situation where applicable, such substantial shareholders and persons connected to them shall abstain from deliberations and voting on the resolutions relating to any of these matters or transactions that may require the approval of our shareholders in respect of their direct or indirect interests. Such transactions, if any, are carried out on an arm's length basis and on usual business terms.

9.5 Relationships and associations between our Directors, Promoter, Selling Shareholder, substantial shareholders and key management

Save as disclosed in Section 9.1.1 and 9.4 of this Prospectus, there is no family relationship/association between any of our Directors, Promoter, Selling Shareholder, substantial shareholders and key management as at the LPD.

9.6 Declaration by our Directors, Promoter and key management

Each of our Directors, Promoter, and key management has confirmed to us that he is not and has not been involved in any of the following events (whether in or outside Malaysia):

(i) a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he is or was a partner or any corporation of which he was a director or key personnel;

(ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(iii) charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;

(iv) any judgment entered against each person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or

(v) the subject of any order, judgement or ruling of any court, government or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity.

In addition to the above, except as otherwise set out below, as of the date of this Prospectus, none of our Directors or Key Management has:

(i) at any time during the last 10 years, had an application or a petition under any bankruptcy laws of any jurisdiction filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within two years from the date he ceased to be a partner;

(ii) at any time during the last 10 years, had an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within two years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency;

(iii) any unsatisfied judgment against him;

(iv) ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty, which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose;

(v) ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach;

(vi) at any time during the last 10 years, had judgment entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part;

(vii) ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;

(viii) ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust;

(ix) ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity;

(x) ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:

(a) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;

(b) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;

(c) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

(d) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during the period when he was so concerned with the entity or business trust; and

(xi) been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the MAS or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere.

Lim Cheok Peng, Ahmad Shahizam Bin Mohd Shariff, Tan See Haw and Tan See Leng were directors (in the case of Tan See Haw, alternate director to Lim Cheok Peng) of Fomema Sdn Bhd ("**FSB**") from September 2005 till January 2011, July 2008 to November 2011, April 2009 till January 2011 and March 2007 till February 2008/April 2009 till January 2011 respectively. On 24 May 2010, Malaysian Anti-Corruption Commission ("**MACC**") issued an Order pursuant to Section 30(1)(b) of the Malaysian Anti-Corruption Commission Act 2009 ("**MACC Act**") to FSB in connection with an anonymous complaint letter dated 1 March 2010 addressed to the MACC, alleging irregularities in the laboratory panel allocation. The MACC had subsequently via its letter dated 9 July 2010 advised FSB that based on the investigation carried out, there was no evidence of wrong doing pursuant to the MACC Act on the part of any party and the investigation had been ceased.

Tan See Haw was appointed as a Director of AIT International Ltd, a company incorporated in Hong Kong, on 19 January 2000 and resigned on 9 Dec 2008. AIT International trades in integrated circuits and was a joint borrower in a loan facility. During the semi-conductor cycle down turn that occurred between 2001 and late 2004, various loan covenants were breached resulting in receivers being appointed on 12 November 2004. Upon successful restructuring of the loan, AIT International was taken out of the receivership three months later on 8 February 2005. AIT International Ltd is now renamed as Unisem International (HK) Ltd.

On 13 January 2010, Asiasons Capital Limited ("**ACL**"), Asiasons Investments Managers, Inc and Dato' Mohammed Azlan Bin Hashim received a supervisory warning from the MAS and a warning from the Accounting and Corporate Regulatory Authority ("**ACRA**") to comply with applicable laws and regulatory requirements relating to the timely disclosure of change in substantial shareholdings. The background leading up to such warnings is as follows: On 19 October 2009, Annica Holdings Limited, a company listed on the SGX-ST ("**Annica**"), announced that it had issued 23 million shares in Annica to ACL as part consideration for the acquisition of certain assets. ACL did not receive any statement from CDP to conclusively state that the shares were actually issued or allotted. On 21 October 2009, calls were made to CDP to enquire on the statement. ACL was informed by CDP to await the statement which would be sent through the mail. On 3 November 2009, email correspondence was sent to CDP to enquire about the statement. On 4 November 2009, CDP replied that the statement "might be loss (sic) in mail". On 5 November 2009, the Company received the securities movement notification for October 2009 from CDP. ACL immediately notified Annica on the same day of its substantial shareholding in Annica. ACL had required confirmation from CDP that the relevant shares had been credited into its CDP account before it could notify Annica of its substantial shareholding in Annica as there was no other means of verifying the fact that the relevant shares had in fact been issued to ACL.

9.7 Service agreements

Save as disclosed below, as at the LPD, there is no existing or proposed service agreement entered into or to be entered into by our Directors nor any member of our key management and our Group:

(i) Dr Lim Cheok Peng was appointed as the Vice Chairman of Parkway Pantai and seconded to our Company as the Executive Director and Managing Director. On 31 March 2011, he entered into a service agreement with Parkway Healthcare for his appointment as the Vice Chairman of Parkway Pantai. The terms of his secondment to our Company are governed by a secondment agreement entered into between our Company and Dr Lim Cheok Peng on 31 March 2011. His appointment under the service agreement is effective from 1 April 2011 until 31 March 2015. His employment may be terminated by six months' notice in writing or payment in lieu of such notice period. Further, if Parkway Healthcare terminates his employment without cause prior to the expiry of the term, he will be entitled to receive a severance payment equivalent to his annual salary for the unexpired term of his service agreement (minus the payment in lieu of six months' notice if such payment has been made).

(ii) Dr Tan See Leng was appointed as the Managing Director and Group Chief Executive Officer of the Parkway Pantai pursuant to a service agreement with Parkway Healthcare dated 31 March 2011. His appointment under the service agreement is effective from 1 January 2011 until the expiry of four years thereafter. As the Chief Executive Officer of Parkway Pantai and its subsidiaries, he is in charge of the management and operation of the Parkway Pantai group. His employment may be terminated by six months' notice in writing or payment in lieu of such notice period. Further, if Parkway Healthcare terminates his employment without cause prior to the expiry of the term, he will be entitled to receive a severance payment equivalent to his annual salary for the unexpired term of his service agreement (minus the payment in lieu of six months' notice if such payment has been made).

(iii) Ahmad Shahizam Bin Mohd Shariff was seconded to Parkway Pantai as the Executive Director, Corporate Services of Parkway Pantai pursuant to a secondment letter issued by Parkway Healthcare dated 1 October 2010 and the secondment agreement executed between Khazanah and Parkway Healthcare dated 14 December 2010. The secondment is effective from 1 November 2010 until 30 October 2013, subject to any extension as mutually agreed between Khazanah and Parkway Healthcare. Khazanah has retained its right to recall Ahmad Shahizam from this secondment at anytime by giving Parkway Healthcare three months' prior notice. This secondment may also be terminated by either Khazanah or Parkway Healthcare by giving three months' prior notice to the other. Upon termination, he is not entitled to any termination benefits.

(iv) Dr Lim Suet Wun was appointed as the Executive Vice President, Singapore Operations of Parkway Healthcare pursuant to a letter of appointment issued by Parkway Healthcare on 8 December 2010. His employment may be terminated by six months' notice in writing or payment in lieu of such notice period. Upon termination, he is not entitled to any termination benefits.

(v) Lee Swee Hee was appointed by Pantai Management as the Chief Executive Officer, Head of Malaysian Operations of Parkway Pantai on 1 August 2011 for a fixed term of three years. His employment is subject to mutual termination provisions by giving six months' prior written notice or six months' salary in lieu of notice. Upon termination, he is not entitled to any termination benefits.

(vi) Tan See Haw was appointed as the Group Chief Financial Officer at Parkway Pantai pursuant to a letter of employment issued by Parkway Healthcare on 15 December 2011. His appointment is effective from 5 January 2012 until 4 January 2015, subject to extension by mutual agreement. His employment may be terminated by three months' notice in writing or payment in lieu of such notice period. He would also be entitled to continuation of his base salary for a year if his service is terminated without cause or for good reason.

(vii) Jamaluddin Bin Bakri was appointed as Group Head of Human Resources of Parkway Pantai on 21 March 2011 for a fixed term of three years. His employment is subject to mutual termination provisions by giving three months' prior written notice or three months' salary in lieu of notice. Upon termination, he is not entitled to any termination benefits.

(viii) Tan Sri Dato' Dr Abu Bakar Bin Suleiman was appointed by IMU Education as Chief Executive Officer cum President of IMU pursuant to an employment contract dated 1 March 2006. This employment contract was subsequently terminated and on 8 February 2007, Tan Sri Dato' Dr Abu Bakar Bin Suleiman entered into a new employment contract with IMU Education for a fixed period of five years which expired on 31 December 2011. The contract was subsequently renewed for a further term of 4 years, expiring on 31 December 2015, for his appointment as President and Chief Executive Officer of IMU Education and, once a replacement has been found for the position of President and Chief Executive Officer, to be Chairman of IMU Education. His employment is subject to mutual termination provisions by giving six months' prior notice in writing or six months' salary in lieu of notice. Upon termination, he is not entitled to any termination benefits.

(ix) Dr Mei Ling Young was appointed by IMU Education as Executive Director cum Provost of IMU pursuant to an employment contract dated 5 June 2006. This employment contract was subsequently terminated and on 8 February 2007, Dr Mei Ling Young entered into a new employment contract with IMU Education for a fixed period of five years which expired on 31 December 2011. This contract was subsequently renewed for a further term of four years, expiring on 31 December 2015. Her employment is subject to mutual termination provisions by giving six months' prior notice in writing or six months' salary in lieu of notice. Upon termination, she is not entitled to any termination benefits.

(x) Chiu Lai Heng was appointed by Sesama Medical College Management Sdn Bhd (now known as IMU Education) as Financial Controller on 5 July 1999 and was subsequently appointed as Chief Financial Officer effective 1 April 2004. Her employment is subject to mutual termination provisions by giving three months' prior written notice or three months' salary in lieu of notice. Upon termination, she is not entitled to any termination benefits.

(xi) Our key management, namely Murat Yalcin Nak, Birol Sumer, Rengin Yigitbas Akillioglu and Dr Ahmet Sahin, employed by Acibadem in Turkey execute a standard employment agreement without a definite period, which prohibits the key management from working in other companies during their employment. Pursuant to the terms of a standard employment agreement, the key management are required to keep the information they obtain during their duties confidential, the breach of which would result in the termination of such and a six months' net salary will become payable as a penalty. The agreement also includes a non-compete period of two years following termination, upon a breach of which a penalty of the last three months' net salary will become due and payable. Under Turkish law, both Acibadem Holding and key management have the right to unilaterally terminate the agreement on the basis of a valid cause indicated in the relevant legislation. If Acibadem Holding or the key management terminates the agreement without a just cause, certain penalties will apply. Upon termination, the key managements are not entitled to any termination benefits.

9.8 Other matters

No amount has been paid or benefit given within the 2 years preceding the LPD, nor is it intended to be so paid or given, to our Promoter, substantial shareholders and Directors except for the following:

(i) salaries and benefits-in-kind paid and payable to our Directors as set out in Sections 9.1.8 of this Prospectus and LTIP units and EPP options granted to our Directors as set out in Section 9.1.7 of this Prospectus;

(ii) historical and future payments to our substantial shareholders in the ordinary course of business;

(iii) as part of a restructuring exercise of our Group in 2011, while we were a wholly-owned subsidiary of Pulau Memutik, 100% of Pantai Support Services Sdn Bhd ("**PSSB**") being a non-core asset, was transferred by Pantai Irama (our wholly-owned subsidiary) to Pulau Memutik for a consideration of RM2.00, being the cost of investment for such shares. Pantai Irama had advanced a sum of RM55,183,240.00 to PSSB as shareholders' advance in 2010. The total amount owing by PSS to Pantai Irama amounting to RM158,000,000.00 was irrevocably and unconditionally waived by Pantai Irama prior to the transfer of PSSB to Pulau Memutik;

(iv) in relation to our investment in Acibadem, some payments which have been made and are still to be made by IHH Turkey to Mehmet Ali Aydinlar and Almond (Netherlands) due to adjustments of the purchase consideration as described in Section 15.6(ii)(a)(3) of this Prospectus, and payments which may be made by Acibadem to Mehmet Ali Aydinlar due to adjustments of the purchase consideration for Acibadem's acquisition of APlus and Acibadem Proje as described in Section 15.6(ii)(b) of this Prospectus; and

(v) the amounts paid by our Group to Khazanah or its subsidiaries as set out in Section 6.1(iv) of this Prospectus.

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10. APPROVALS AND CONDITIONS

10.1 Approvals and conditions

The SC has, via its letter dated 7 June 2012, approved the IPO under the Section 212(5) of the CMSA, subject to CIMB, as the Principal Adviser, and our Company, fully complying with the relevant requirements under the Equity Guidelines and Prospectus Guidelines - Equity and Debt pertaining to the implementation of the proposal.

The SAC has, via its letter dated 10 May 2012, classified our Shares as Shariah-compliant.

The SC has, via its letter dated 10 April 2012, approved the waivers sought from having to comply with certain requirements under the Equity Guidelines and Prospectus Guidelines. The details of the waivers sought and accompanying conditions imposed by the SC are as follows:

Paragraph under the Equity Guidelines for which waiver was sought	Details of the waiver granted and conditions (if applicable)	Status of compliance of conditions (if any)
Paragraph 5.29(a) and 5.30	Waiver for all direct and indirect shareholders of Khazanah from the requirement to provide a moratorium undertaking and to allow only Khazanah to provide the moratorium undertaking.	Not Applicable
Paragraph 4.02 and 4.04	Waiver from the requirement to disclose any conflict of interest by the substantial shareholders of IHH other than the following: (i) The direct shareholders of IHH, namely Pulau Memutik, MBK Healthcare and Almond (Netherlands)[1] (ii) Khazanah, (iii) Mitsui; and (iv) IGCF L.P.[2]	Not Applicable
Paragraph 6, Practice Note 4	Waiver from the requirement to submit a final list of placees to the SC prior to the Proposed Listing and to allow the submission of the said list as soon as practicable after the Proposed Listing.	Not Applicable
Paragraph 5.13	Waiver from the requirement for the exercise price of the options that have already been granted pursuant to the EPP to be not lower than the price of the ordinary shares offered to the general public under the IPO, subject to full disclosure of the following: (i) Number of IHH Shares to be issued pursuant to the exercise of the EPP options granted; (ii) Potential dilutive effects from the exercise of the EPP options granted; and (iii) Salient terms of the EPP.	Complied. The relevant disclosures have been made in Section 4, Section 12, Section 15 and Annexure I of this Prospectus

10. APPROVALS AND CONDITIONS *(cont'd)*

Paragraph under the Equity Guidelines for which waiver was sought	Details of the waiver granted and conditions (if applicable)	Status of compliance of conditions (if any)
Paragraph 5.13	Waiver from the requirement for the LTIP units that have been granted before the Proposed IPO to comply with Paragraph 5.13 of the Equity Guidelines, subject to full disclosure of the following: (i) Number of IHH Shares to be issued pursuant to the conversion of the LTIP units granted; (ii) Actual and potential dilutive effects from the conversion of LTIP units granted; and (iii) Salient terms of the LTIP.	Complied. The relevant disclosures are made in Section 4, Section 12, Section 15 and Appendix I of this Prospectus
Paragraph 5.13	Waiver from restriction in Paragraph 5.13 for the issuances of new IHH Shares after the Proposed IPO in exchange for Acibadem Holding shares held by Mehmet Ali Aydinlar and Bagan Lalang pursuant to the exercise of the conversion option under the Shareholders Agreement dated 23 December 2011, at a price which may be lower than the price of the ordinary shares offered to the public under the IPO.	Not applicable

Equity Guidelines – Contents of Application for Equity Offerings and Listings	Details of the waiver granted and conditions (if applicable)	Status of compliance of conditions (if any)
Paragraph 2(e), Appendix I	Waiver from the requirement to provide: (i) Information on previous proposals submitted by Pantai and its subsidiaries ("**Pantai Group**") to the SC prior to the delisting of Pantai; (ii) Information on the previous proposals submitted by Pantai Irama as the offeror pursuant to the privatisation of Pantai that was submitted by Pantai Irama to SC; and (iii) Information on previous proposals submitted by subsidiaries of IHH other than the Pantai Group to the SC more than 7 years ago.	Not applicable
Paragraph 2(f), Appendix I	Waiver from strict compliance with Paragraph 2(f) Appendix I of the Equity Guidelines to allow the due diligence working group to provide a modified confirmation such that the disclosures on non-compliance with the relevant laws, regulations, rules and requirements governing the conduct of the businesses of the IHH Group will be made only with respect to any breach of any relevant laws, regulations, rules and requirements which may have a material adverse impact on the business operations and/or financial position of the IHH Group.	Not applicable

Paragraph under the Prospectus Guidelines for which waiver was sought	Details of the waiver granted and conditions (if applicable)	Status of compliance of conditions (if any)
Paragraph 12.15	Waiver from the requirement for pro forma consolidated financial information for the 3-month period ended 31 March 2012 to be prepared based on reviewed financial statements subject to the following disclosures: (i) That the pro forma consolidated financial information for the 3-month period ended 31 March 2012 is based on reviewed financial statements instead of audited financial statements; and (ii) That the application of the relevant International Standard on Review Engagement, issued by the Malaysian Institute of Accountants, in the review of the review of the interim financial information be disclosed.	Complied. The relevant disclosures are made in Section 12 of this Prospectus
Paragraph 9.01	Waiver from the requirement to disclose direct and indirect interest and changes of the substantial shareholders of IHH in the past 3 years, other than the following: (i) The direct substantial shareholders of IHH, namely Pulau Memutik, MBK Healthcare and Almond (Netherlands)[(1)]; (ii) Khazanah; (iii) Mitsui; and (iv) IGCF L.P.[(2)], subject to disclosure on the background on IGCF LP and a general description of its investors.	Complied. The relevant disclosure is made in Section 9 of this Prospectus
Paragraph 11.03(a)	Waiver from having to disclose any conflict of interest by the substantial shareholders of IHH other than the following: (i) The direct substantial shareholders of IHH, namely Pulau Memutik, MBK Healthcare and Almond (Netherlands)[(1)]; (ii) Khazanah; (iii) Mitsui; and (iv) IGCF L.P.[(2)].	Not applicable

Paragraph under the Prospectus Guidelines for which waiver was sought	Details of the waiver granted and conditions (if applicable)	Status of compliance of conditions (if any)
Paragraph 18.01(h) and (i) of the Prospectus Guidelines – Equity and Debt Paragraph 1.10(i) and (j) of the Prospectus Guidelines – Procedures for Registration	Waiver from the following registration procedures: (i) The provision of 3-year audited financial statements of all subsidiaries, except Parkway Pantai, Pantai Irama, Parkway, IMU Health and Acibadem Holding (on a consolidated basis) for registration and public inspection; (ii) Making available for registration and public inspection the interim financial statements for all subsidiaries; and (iii) Submission to the SC of the reviewed consolidated and pro forma financial statements of our Group for the 3-month period ended 31 March 2012 as soon as they become available but prior to SC's approval.	Not Applicable
Paragraph 8.01(c)	Waiver from the requirement to disclose the changes to the authorised share capital and paid-up capital for the past 3 years for associate companies and jointly-controlled entities.	Not Applicable
Paragraph 11.01(b)	Waiver from having to disclose outstanding loans made by Khazanah to or for the benefit of its related parties other than our Group.	Not Applicable
Paragraph 11.01(a)	Waiver from the requirement to disclose any related party transactions between our Group and the persons connected with Khazanah and the MOF and persons connected with them.	Not Applicable
Paragraph 16.09	To limit the description of foreign laws of foreign jurisdictions in which our Group has material operations, which significantly contribute to the financial performance of our Group.	Complied. The relevant disclosures are made in Annexures A, B, C and D of this Prospectus
Paragraph 13.13(b)(ii) and 13.16	Waiver from disclosing stand alone audited financials of all subsidiaries if IHH (except for the consolidated financials of Acibadem Group) in the Accountants' Report and instead to disclose the combined and consolidated financials of our Group.	Not Applicable

Notes:

(1) On 5 April 2012, the shareholders of Almond (Netherlands) passed a resolution to dissolve Almond (Netherlands) and to approve the transfer of its 7.02% equity interest in our Company to Abraaj 44 in two tranches. The transfer was completed on 5 June 2012. As such, in light of the waiver which was sought and obtained under Paragraphs 4.02 and 4.04 of the Equity Guidelines and under Paragraphs 9.01 and 11.03(a) of the Prospectus Guidelines, the relevant disclosure in this Prospectus has been made with respect Abraaj 44 instead of Almond (Netherlands).

(2) In accordance with Section 6A of the Malaysia Companies Act, IGCF GP which is the general partner of IGCF L.P., is a substantial shareholder in this Prospectus.

10. APPROVALS AND CONDITIONS *(cont'd)*

The SC has, via its letter dated 24 April 2012, approved the waivers sought from having to comply with certain requirements under the Prospectus Guidelines. The details of the waivers sought and accompanying conditions imposed by the SC are as follows:

Paragraph under the Prospectus Guidelines for which waiver was sought	Details of the waiver granted and conditions (if applicable)	Status of compliance of conditions (if any)
Paragraph 11.03(a)(ii)	Waiver from having to disclose the details of the direct and indirect interests of directors and substantial shareholders in other businesses and corporations which are the customers or suppliers of our Group, subject to the disclosure being extended to the top 10 largest customers and suppliers of PPL and Acibadem Holding (excluding customers or suppliers which are companies within the IHH Group).	Complied. The relevant disclosure is made in Section 9 of this Prospectus
Paragraph 12.02(b)	Waiver from the requirement to disclose the gross profit and gross profit margin of our Group, subject to disclosure of EBITDA margin of our Group.	Not applicable
Paragraph 11.03(a)(i)	Waiver from the requirement to disclose certain indirect interests of Khazanah, specifically businesses and corporations that are carrying on a similar trade as IHH held by the direct investee companies of Khazanah, where Khazanah does not have operational control over the said direct investee companies, subject to disclosure on the criteria used in determining operational control.	Complied. The relevant disclosure is made in Section 10 of this Prospectus

The SC has, via its letter dated 7 June 2012, approved the waivers sought from having to comply with certain requirements under the Prospectus Guidelines. The details of the waivers sought and accompanying conditions imposed by the SC are as follows:

Paragraph under the Prospectus Guidelines for which waiver was sought	Details of the waiver granted and conditions (if applicable)	Status of compliance of conditions (if any)
Paragraph 18.01(c), Part I and Paragraph 1.10(h), Part III	Waiver to allow the registration with the SC of material contracts that have certain confidential provisions redacted and to allow redacted material contracts to be made available for public inspection	Not applicable
Paragraph 18.01(c), Part I and Paragraph 1.10(h), Part III	Waiver to allow the registration with the SC of cornerstone agreement(s) that have certain confidential provisions redacted and to allow redacted cornerstone agreement(s) to be made available for public inspection	Not applicable
Paragraph 18.01(c), Part I and Paragraph 1.10(h), Part III	Waiver to allow the registration with the SC of service contracts that have certain confidential provisions redacted and to allow redacted contracts to be made available for public inspection	Not applicable

10. APPROVALS AND CONDITIONS *(cont'd)*

The SC has, via its letter dated 8 March 2012, granted our Company a waiver from complying with Paragraph 4, Practice Note 4 of the Equity Guidelines, thereby allowing the placement of securities to persons connected to Khazanah, Mitsui, Pulau Memutik and MBK Healthcare, only if such persons are connected, by virtue of them being partners or persons connected to partners of Khazanah, Mitsui, Pulau Memutik and MBK Healthcare.

Bursa Securities has, via its letter dated 14 March 2012, granted our Company approval to list on Bursa Securities with a minimum public shareholding spread of 20.0%. In connection with the granting of this approval, Bursa Securities has requested that our Company immediately notifies Bursa Securities of any decrease in our issued and paid-up capital and if our public shareholding spread falls below 20.0%. We are further required, upon Listing, to make an announcement in relation to Bursa Securities' approval to accept a public shareholding spread of 20.0% as being in compliance with its public shareholding spread requirements and to provide details of our actual public shareholding spread.

We have received a letter of eligibility from the SGX-ST dated 12 June 2012 for the listing of and quotation for all our issued Shares (including the IPO Shares) on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Prospectus. Our eligibility to list and admission to the Official List of the SGX-ST are not to be taken as an indication of the merits of the Global Offering, us or our Shares.

Pursuant to a waiver granted by the SC on 24 April 2012, Khazanah's declaration of conflict of interest is limited to:

(i) Details on the direct interests of Khazanah in other businesses and corporations carrying on a similar trade as our Group;

(ii) Details of the indirect interests of Khazanah in other businesses and corporations carrying on a similar trade as our Group which are held through a direct subsidiary of Khazanah (save for special purpose vehicles that function solely as investment holding vehicles) and where Khazanah controls a majority of the board of directors in that company; and

(iii) Details of the indirect interests of Khazanah in other businesses and corporations carrying on a similar trade as our Group which are held through a direct subsidiary of Khazanah (save for special purpose vehicles that function solely as investment holding vehicles) and where Khazanah controls a majority of the board of directors which comprise Khazanah employees.

With respect to items (ii) and (iii) above, the basis of the waiver from the requirement to disclose certain indirect interests of Khazanah in other businesses and corporations carrying on a similar trade as our Group is whether Khazanah has operational control over its investee companies. The determination of operational control by Khazanah is premised on the following:

(i) if such investee companies are subsidiaries of Khazanah; and

(ii) if Khazanah employees are nominee directors of such investee companies and constitute more than 50% of the board of directors of such investee companies.

The SC has, by way a letter dated 18 April 2012, noted the notification letter dated 2 April 2012 from CIMB, that IHH is a company with predominantly foreign-based operations pursuant to the equity requirement for public companies and therefore exempted from the Bumiputera equity requirements. CIMB is required to notify the SC in the event that IHH would no longer be considered as a company with predominantly foreign-based operations at the time of listing, whereby in such case equity conditions may be imposed on IHH.

Bursa Securities had on 28 June 2012 given its approval for IHH to pay such cash distribution to its Singapore investors by directly crediting their dividend entitlements and/or cash distribution into CDP's bank account(s) which will then be distributed by CDP to the respective Singapore investors. IHH is required to submit an undertaking letter to Bursa Securities prior to Listing to ensure accuracy of the relevant CDP's bank account(s) for crediting of the dividend entitlements and/or cash distribution.

10.2 Moratorium on our Shares

In accordance with the Equity Guidelines, our Promoter, namely Pulau Memutik, will not be allowed, and has undertaken not to sell, transfer or assign its entire shareholdings in our Company being 3,850,000,000 Shares representing 47.78% of our total issued and paid up share capital upon the Listing for a period of six months from the date of Listing.

The above restrictions do not apply:

(i) in respect of the Shares that may be sold pursuant to the Over-Allotment Option to be granted by the Over-Allotment Option Provider to the Stabilising Manager (on behalf of the Placement Managers); and

(ii) to the transfer of Shares by the Over-Allotment Option Provider as contemplated under the Share Lending Agreement provided that these restrictions will apply to the Shares returned to the Over-Allotment Option Provider pursuant to the Share Lending Agreement.

In accordance with the Equity Guidelines, Khazanah, as the shareholder of Pulau Memutik, has undertaken not to sell, transfer or assign its entire shareholding in Pulau Memutik for a period of six months from the date of Listing.

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11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

11.1 Related party transactions

As a company listed on the Main Market of Bursa Securities, our Company will be required to comply with the Listing Requirements, including requirements applicable to related party transactions.

Under the Listing Requirements, a "related party transaction" is a transaction entered into by a listed issuer or its subsidiaries, which involves the interests, direct or indirect, of a related party, unless exempted under the Listing Requirements. One of the exemptions under the Listing Requirements is in relation to the provision or receipt of goods and services (such as the provision or usage of public utility services such as electricity, telecommunications and medical services) that are purchased, sold or rendered based on a non-negotiable fixed price or rate which is published or publicly quoted; and all material terms including the prices or charges are applied consistently to all customers or classes of customers.

A "related party" of a listed issuer (not being a special purpose acquisition company) is:

(i) a director having the meaning given in section 2(1) of the CMSA and includes any person who is or was within the preceding six months of the date on which the terms of the transaction were agreed upon a director of the listed issuer, its subsidiary or holding company; or a chief executive of the listed issuer, its subsidiary or holding company; or

(ii) a major shareholder, and includes any person who is or was within the preceding six months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or its subsidiaries or holding company, and has or had an interest or interests in one or more voting shares in a corporation and the nominal amount of that share or the aggregate of the nominal amounts of those shares is:

   (a) 10.0% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or

   (b) 5.0% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation; or

(iii) a person connected with such director or major shareholder.

As set out in Section 10.1 of this prospectus, we have on 10 April 2012 obtained approval from the SC for a waiver from disclosing related party transactions, which we or our subsidiaries have entered into with (i) persons connected with Khazanah; or (ii) MOF (and persons connected with it).

For the avoidance of doubt, as our Shares are quoted on the Main Board of SGX-ST as a secondary listing, we are not subject to any of the "Interested Person Transactions" obligations under Chapter 9 of the Listing Manual of the SGX-ST.

11.1.1 Non-recurrent related party transactions

Save as disclosed below, there are no existing or proposed non-recurrent related party transactions for the past three years ended 31 December 2011 and three months ended 31 March 2012, and proposed for the year ending 31 December 2012 that we have entered into in respect of which rights and obligations are subsisting and/or proposed as at the date of this Prospectus:

(a) Our Company acquired the remaining 32.5% equity in IMU Health in 2010 which resulted in IMU Health becoming a wholly-owned subsidiary of our Company, as follows:

(i) 20.0% equity in IMU Health from SEASAF Education Sdn Bhd (a person connected to Khazanah) for RM77,128,371.40;

(ii) 11.0% equity in IMU Health from Dr Mei Ling Young (a director of IMU Health and was a major shareholder of IMU Health) for RM42,420,604.27; and

(iii) 1.5% equity in IMU Health from Tan Sri Dato' Dr Abu Bakar Bin Suleiman (a director of IMU Health then) for RM5,784,627.85.

The share sale agreements for the above are described in Section 15.6(iv) of this Prospectus.

(b) In relation to our investment in Acibadem Holding, details of which are described in Section 15.6(ii) of their Prospectus, Aydinlar and Bagan Lalang have the right to convert shares of Acibadem into our Shares under the Aydinlar Option and the Bagan Lalang Option, respectively. The Aydinlar Option and the Bagan Lalang Option are described in Section 15.1(iv)(b) of this Prospectus.

Our Directors are of the view that all the above non-recurrent related party transactions were conducted on an arm's length basis and on terms not more favourable to the related parties than those generally available to the public.

11.1.2 Recurrent related party transactions

Related party transactions can be deemed as recurrent, if they are entered into at least once every three years, in the ordinary course of business and are of a revenue nature necessary for the day-to-day operations of the company listed on the Main Market of Bursa Securities.

After the Listing, our Company will be required to seek shareholders' approval each time it enters into a related party transaction as determined under the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions in accordance with the Listing Requirements, our Company may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such related party transactions during the validity period of the mandate.

Under the Listing Requirements, related party transactions may be aggregated to determine its materiality if the transactions occur within a 12-month period, are entered into with the same party or with parties connected to one another, or if the transactions involve the acquisition or disposal of securities or interests in one corporation/asset or of various parcels of land contiguous to each other.

Based on the above, there are no existing or proposed recurrent related party transactions for the past three years ended 31 December 2011 and three months ended 31 March 2012, and proposed for the year ending 31 December 2012 that we have entered into in respect of which rights and obligations are subsisting and/or proposed as at the date of this Prospectus.

11.2 Transactions entered into that are unusual in their nature or conditions

There were no transactions entered into that are unusual in their nature or conditions involving goods, services, tangible or intangible assets to which we or any of our parent or subsidiaries were a party in respect of the past three years ended 31 December 2011 and the three months ended 31 March 2012.

11.3 Loans made to or for the benefit of related parties

There were no outstanding loans (including guarantees of any kind) made by our Group to or for the benefit of any of our related parties, for the past three years ended 31 December 2011 and the three months ended 31 March 2012, and up to 1 June 2012.

11.4 Transactions with key management

Please refer to note 30 of our combined financial statements as set out in Section 13 of this Prospectus for a description of certain transactions between our Company and key management.

11.5 Conflicts of interest

Save as disclosed in Sections 9.1.4 and 9.4.5 of this Prospectus, none of our Directors and substantial shareholders has any interest, direct or indirect, in other businesses or corporations which are (i) carrying on a similar trade as that of our Group; or (ii) our key customers and/or key suppliers.

11.6 Monitoring and oversight of related party transactions and conflicts of interest

11.6.1 Audit and Risk Management Committee review

The Audit and Risk Management Committee reviews any related party transactions and conflicts of interests that may arise within our Group. The Audit and Risk Management Committee periodically reviews the procedures set by our Company to monitor related party transactions to ensure that these transactions are carried out on normal commercial terms not more favourable to the related party than those generally available to the third parties dealing at arm's length and are not to the detriment of our Company's minority shareholders. All reviews by the Audit and Risk Management Committee are reported to our Board for its further action.

11.6.2 Conflicts of interest

The related party transactions disclosed above, by their very nature, involve a conflict of interest between our Group and the related parties with whom our Group has entered into such transactions. Some of the officers and the Directors of our Group are also officers, directors and in some cases, shareholders of or have interest in the shares of the related parties of our Group, as disclosed herein and, with respect to these related party transactions, may individually and in aggregate have conflicts of interest. It is the policy of our Group not to enter into transactions with related parties unless these transactions are carried out on normal commercial terms not more favourable to the related party than those generally available to third parties dealing at arm's length with our Group and are not to the detriment of our Company's minority shareholders.

11.7 Declarations by advisers on conflicts of interest

11.7.1 Declaration by CIMB Group

CIMB, its subsidiaries and associated companies, as well as its holding company, CIMB Group Holdings Berhad and the subsidiaries and associated companies of its holding company ("**CIMB Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction service businesses. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for any member of the IHH Group and any of its respective affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with any member of the IHH Group, its affiliates and/or any other persons, hold long or short positions in securities issued by IHH and/or its affiliates, make investment recommendation and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or for the account of its customers in debt or equity securities or senior loans of any member of the IHH Group or its affiliates. This is a result of the businesses of CIMB Group generally acting independent of each other, and accordingly there may be situations where parts of the CIMB Group and/or its customers currently have or in the future, may have interest or take actions that may conflict with the interests of the IHH Group.

CIMB Group has in the ordinary course of its banking business, granted credit facilities to the IHH Group. As at the LPD, the CIMB Group has extended credit facilities of RM808.8 million in aggregate to the IHH Group, comprising term loans, trade facilities, foreign exchange and leasing facilities of which the total amount of outstanding borrowings owing by the IHH Group to the CIMB Group was RM402.6 million. It is expected that the IHH Group will channel part of the proceeds arising from the Global Offering to repay in full or substantially the amount owing to the CIMB Group.

Of the above outstanding amount, RM195.8 million relates to a term loan facility jointly provided by CIMB Bank and a number of other banks to the IHH Group to, amongst others, part finance the acquisition of Acibadem Holding, the acquisition of which was completed in January 2012 ("**CIMB Portion of Acibadem Borrowings**"). The details of the financing facility are set out in Section 15.6(ii)(e) of this Prospectus. Albeit the term loan has tenure of 3 years, it was agreed pursuant to the relevant facility agreement that in the event of a listing of any member of the IHH Group on any stock exchanges, the proceeds raised from the said listing shall be used to repay the said loan.

Khazanah, which is the holding company of IHH, holds approximately 29.9% equity interest in CIMB Group Holdings Berhad as at the LPD.

CIMB Group is of the view that the above does not result in a conflict of interest situation which prevents it from acting in its capacity as the Principal Adviser, Managing Underwriter, Joint Underwriter, Sole Coordinator and Joint Bookrunner for the MITI Tranche, Joint Global Coordinator, Joint Bookrunner, Joint Lead Manager, Singapore Issue Manager and Singapore Underwriter for the Global Offering as:

(i) the granting of the financing facilities is part of the ordinary course of business of the CIMB Group;

(ii) the conduct of the CIMB Group in its banking business is strictly regulated by the Banking and Financial Institution Act, 1989 and CIMB Group's own internal controls and checks;

(iii) the total outstanding amount owed by the IHH Group is not material when compared to CIMB Group's audited consolidated total assets of RM300.2 billion as at 31 December 2011;

(iv) a large portion of the total outstanding amount due to CIMB Group by the IHH Group relates to the CIMB Portion of the Acibadem Borrowing of which pursuant to the relevant facility agreement, is contemplated to be repaid from the proceeds of the IPO; and

(v) Khazanah does not have operational control over the management of the CIMB Group, which is governed autonomously by its own Board of Directors who are fully authorised to manage its affairs. In addition Khazanah, a sovereign wealth fund, is the investment holding arm of the Government of Malaysia.

11.7.2 Declaration by Merrill Lynch (Singapore) Pte. Ltd.

Bank of America Corporation, the ultimate parent company of BofAML, and/or its subsidiaries, branches, affiliates and associates (collectively, the "**BAC Group**"), in its capacity as principal or agent, is and may be in the future, involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, wealth management, research, securities insurance, trading (customer and proprietary) and brokerage) from which conflicting interests or duties may arise. Members of the BAC Group have engaged, and may perform in the future services for IHH and/or its affiliates and shareholders, in addition to the role set out in the Prospectus. In addition, in the ordinary course of its global investment banking and commercial banking activities, BofAML and other members of the BAC Group may at any time offer or provide services to or engage in any transaction (on its own account or otherwise) with IHH, its affiliates and/or any other persons, or make investment recommendations and/or publish or express independent research views in respect of such securities, or hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of its customers, in debt or equity securities (or related derivative securities) or financial investments (including bank loans) of IHH or any of its affiliates.

As at the LPD, a member of the BAC Group has extended a term loan facility of SGD135.0 million to the IHH Group and the total amounts owing by the IHH Group to the BAC Group under such term loan facility amounted to SGD37.4 million. It is expected that IHH will repay all outstanding amounts under the term loan facility with the proceeds from this offering and an affiliate of BofAML will receive their portion of such repayment.

BofAML is of the view that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as a Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager for the Global Institutional Tranche.

11.7.3 Declaration by Deutsche Bank AG

Deutsche Bank AG, Singapore Branch and Deutsche Bank AG, Hong Kong Branch, together with their respective holding companies, affiliates, branches and subsidiaries (together, the "**Deutsche Bank Group**"), is a full service securities firm engaged in securities trading and brokerage activities as well as investment banking and financial advisory services. In the ordinary course of its trading and brokerage activities, members of the Deutsche Bank Group may hold position, for their own account or the accounts of customers, in equity, debt or other securities of members of the IHH Group and/or IHH's shareholders. In addition, members of the Deutsche Bank Group have provided, and may in future provide investment banking services to the IHH Group and/or IHH's shareholders, for which members of the Deutsche Bank Group have received or may receive compensation.

As at the LPD, members of the Deutsche Bank Group have extended credit facilities of SGD135.0 million to the IHH Group and the total amounts owing by the IHH Group to the Deutsche Bank Group under such or part of the term loan facility amounted to SGD37.4 million. It is expected that IHH will repay all outstanding amounts under the credit facilities with the proceeds from this offering and members of the Deutsche Bank Group will receive their portion of such repayment.

A member of the Deutsche Bank Group acted as the financial advisor to IHH Group on its recent acquisition of Acibadem. Following the completion of the acquisition on 24 January 2012, a member of the Deutsche Bank Group continues to advise the IHH Group and has undertaken the broker role for the mandatory tender offer on the minority shareholders in Acibadem.

DB is of the view that notwithstanding the above, they do not have a conflict of interest which prevents them from acting in their capacity as a Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager for the Global Institutional Tranche.

11.7.4 Declaration by Credit Suisse (Singapore) Limited

Credit Suisse AG, together with its affiliates, branches and subsidiaries (together, the "Credit Suisse Group"), is a full service securities firm engaged in securities trading and brokerage activities as well as investment banking and financial advisory services. In the ordinary course of its trading and brokerage activities, members of the Credit Suisse Group may hold position, for their own account or the accounts of customers, in equity, debt or other securities of members of the IHH Group and/or IHH's shareholders. In addition, members of the Credit Suisse Group have provided, and may in future provide investment banking services to the IHH Group and/or IHH's shareholders, for which members of the Credit Suisse Group have received or may receive compensation.

As at the LPD, a member of the Credit Suisse Group has extended a term loan facility of SGD29.9 million to the IHH Group and the total amounts owing by the IHH Group to the Credit Suisse Group under such term loan facility amounted to SGD18.0 million. It is expected that IHH will repay all outstanding amounts under the term loan facility with the proceeds from this offering and a member of the Credit Suisse Group will receive their portion of such repayment.

Credit Suisse (Singapore) Limited is of the view that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as a Joint Bookrunner and Joint Lead Manager for the Global Institutional Tranche and the Cornerstone Offering.

11.7.5 Declaration by DBS Bank Ltd.

DBS Bank Ltd., its subsidiaries, associates and affiliates, as well as its holding company, DBS Group Holdings Ltd, its subsidiaries, associates and affiliates (collectively, the "**DBS Group**") are, and may in the future be, involved in a wide range of commercial banking, investment banking and other activities (including but not limited to investment management, asset management, corporate finance and advisory, and securities issuing, brokerage, trading and research) out of which conflicting interests or duties may arise. The DBS Group has engaged in, and may perform in the future, transactions and services for IHH and/or its affiliates, in addition to its roles as set out in this Prospectus. In addition, in the ordinary course of its commercial and investment banking activities, members of the DBS Group may at any time offer or provide services to or engage in any transaction (on its own account or otherwise) with IHH, its affiliates and/or any other persons, including but not limited to, holding long or short positions in securities issued by IHH and/or its affiliates, making investment recommendations and/or publishing independent research views in respect of such securities and trading or otherwise effecting transactions, for its own account or the accounts of its customers, in debt or equity securities or senior loans of IHH or any of its affiliates.

As at LPD, DBS Bank Ltd. has extended loan facilities of an aggregate principal amount of SGD614.1 million to the IHH Group and the total amounts owing by the IHH Group to DBS Bank Ltd. under such loan facilities amount to SGD480.0 million. Such loan facilities were granted to the IHH Group in the ordinary course of business and are on an arm's length basis, based on normal commercial terms. It is expected that IHH will repay to DBS Bank Ltd., a portion of the outstanding amounts under the loan facilities with the proceeds from this IPO.

DBS Bank Ltd. is of the view that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as Joint Lead Manager and Joint Bookrunner for the Global Institutional Tranche and as Singapore Issue Manager and Singapore Underwriter. The total outstanding amount owed by the IHH Group is also not material when compared to the DBS Group's audited consolidated total assets of SGD341 billion as at 31 December 2011.

11.7.6 Declaration by Goldman Sachs (Singapore) Pte.

Goldman Sachs and members of the Goldman Sachs Group, Inc., ("**Goldman Sachs Group**") form a full service securities firm engaged, either directly or through its affiliates in various activities, including securities trading, investment banking and financial advisory, investment management, principal investment, hedging, financing and brokerage activities and financial planning and benefits counseling for both companies and individuals. In the ordinary course of these activities, members of the Goldman Sachs Group may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. In addition, members of the Goldman Sachs Group have provided, and may in future provide investment banking services to the IHH Group and/or IHH's shareholders, for which members of the Goldman Sachs Group have received or may receive compensation. A member of the Goldman Sachs Group acted as the financial advisor to the sellers in connection with the IHH Group's recent acquisition of Acibadem.

As at the LPD, a member of the Goldman Sachs Group has extended a term loan facility of SGD7.6 million to the IHH Group and the total amounts owing by the IHH Group to the Goldman Sachs Group under such term loan facility amounted to SGD4.6 million. It is expected that IHH will repay all outstanding amounts under the term loan facility with the proceeds from this offering and an affiliate of Goldman Sachs (Singapore) Pte. will receive their portion of such repayment.

Goldman Sachs has concluded that, in its opinion, it does not have a conflict of interest that prevents it from acting as Joint Bookrunner and Joint Lead Manager in relation to the Global Institutional Tranche of the Institutional Placement outside Malaysia.

11.7.7 Declaration by Maybank Investment Bank Berhad

MIB, its subsidiaries and associated companies, as well as its holding company, Malayan Banking Berhad and the subsidiaries and associated companies of its holding company ("**Maybank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and fund management and credit transaction services businesses. The Maybank Group has engaged and may in the future, engage in transactions with and perform services for IHH and/or its group of companies, in addition to the role undertaken in the Offering. In addition, in the ordinary course of business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of IHH and/or its group of companies, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of IHH and/or its group of companies. This is a result of the business of the Maybank Group generally acting independent of each other and accordingly, there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of IHH.

As at the LPD, IHH and/or its group of companies have credit facilities with the Maybank Group. The said credit facilities have been extended by the Maybank Group in its ordinary course of business in view of the Maybank Group's extensive participation in the Malaysian capital market and banking industry. Part of the proceeds to be raised from the Offering will be used to repay some or the entire drawndown portion of such credit facilities, subject to the terms of the credit facilities. Notwithstanding this, Maybank Group is of the opinion that the aforesaid lending relationship does not result in a conflict of interest situation in respect of its capacities in relation to the IPO.

Maybank Group also confirms that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest situation in its capacity as Joint Bookrunner for the MITI Tranche, Joint Underwriter for the Malaysia Public Offering and Singapore Underwriter for the Singapore Offering.

11.7.8 Declaration by Nomura Securities Singapore Pte Ltd

Nomura and its affiliates (collectively, the "**Nomura Group**") are engaged in a wide range of financial services and businesses (including, without limitation, advisory services, asset and investment management, securities and derivatives trading, financing, investment banking and research). Each member of the Nomura Group provides such services and pursues such businesses for its own account and for the account of its respective clients.

As with other global financial institutions, in the ordinary course of their businesses, the members of the Nomura Group and their respective clients may now or in the future have interests or take actions that conflict with the interests of IHH, which may include, among other things, holding long or short positions in debt, equity or other securities of IHH or IHH's affiliates. In order to address such potential conflicts of interest, the Nomura Group has procedures to identify when a conflict arises that could adversely affect the services that the Nomura Group provides to its clients. Based on such procedures, Nomura has not identified any conflict of interest as of the date hereof that would, in its opinion, affect or impair Nomura's services to IHH in its capacity as a Co-Lead Manager in the Global Institutional Tranche.

11.7.9 Declaration by Oversea-Chinese Banking Corporation Limited

OCBC, its subsidiaries and associated companies (collectively the "**OCBC Group**") may, in the ordinary course of their businesses, extend credit facilities or engage in commercial banking, investment banking, private banking, securities trading, asset and funds management, research, and insurance with any member of the IHH Group, their respective affiliates and/or IHH's shareholders, in addition to the roles set out in this Prospectus.

In addition, in the ordinary course of its business, any member of the OCBC Group may at any time offer or provide services to or engage in any transactions (on its own account or otherwise) with any member of the IHH Group, their respective affiliates, IHH's shareholders, or any other entity or person. This includes but is not limited to, holding long or short positions in securities issued by any member of the IHH Group and their respective affiliates, and trading or otherwise effecting transactions, for its own account or the accounts of its customers, in debt or equity (or related derivative instruments) of any member of the IHH Group and their respective affiliates. This is a result of the businesses of OCBC Group generally acting independent of each other, and accordingly there may be situations where parts of the OCBC Group and/or its customers now have interests or may in the future, have interests or take actions that may conflict with the interests of the Company.

The OCBC Group has from time to time, extended credit facilities including term loans, bridging loans, trade and hedging facilities, to the IHH Group. OCBC is of the view that the above-mentioned extension of credit facilities does not result in a conflict of interest situation in respect of its capacity as set out in this Prospectus and the extension of credit facilities is in the ordinary course of the OCBC Group's business.

11.7.10 Declaration by RHB Investment Bank Berhad

RHB Investment Bank Berhad together with its affiliates, branches and subsidiaries (together, the "**RHB Banking Group**"), is a full service securities firm engaged in securities trading and brokerage activities as well as investment banking and financial advisory services. In the ordinary course of its trading and brokerage activities, members of the RHB Banking Group may hold position, for their own account or the accounts of customers, in equity, debt or other securities of members of the IHH Group and/or IHH's shareholders. In addition, members of the RHB Banking Group have provided, and may in future provide investment banking services to the IHH Group and/or IHH's shareholders, for which members of the RHB Banking Group have received or may receive compensation.

RHB Investment Bank Berhad is of the view that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as a Co-Lead Manager for the Global Institutional Tranche.

11.7.11 Declaration by UBS AG, Singapore Branch

UBS AG and/or its subsidiaries, branches, affiliates and associates (the "**UBS Group**"), in its capacity as principal or agent, is and may be in the future, involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, wealth management, research, securities issuance, trading (customer and proprietary) and brokerage) from which conflicting interests or duties may arise. The UBS Group has engaged, and may in the future engage, in transactions with, and has performed, and may in the future perform, services for members of the IHH Group, in addition to the role set out in this Prospectus.

In addition, in the ordinary course of its global investment banking and commercial banking activities, UBS and other members of the UBS Group may at any time offer or provide services to or engage in any transaction (on its own account or otherwise) with members of the IHH Group and/or any other persons, or hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of its customers, in debt or equity securities (or related derivative instruments) or senior loans of members of the IHH Group.

UBS is of the view that notwithstanding the above, it does not have a conflict of interest which prevents it from acting in its capacity as a Co-Lead Manager for the Global Institutional Tranche.

11.7.12 Declaration by AFFIN Investment Bank Berhad

AFFIN confirms that there is no conflict of interest in its capacity as the Joint Underwriter in relation to the Malaysia Public Offering.

11.7.13 Declaration by Alliance Investment Bank Berhad

Alliance confirms that there is no conflict of interest in its capacity as the Joint Underwriter in relation to the Malaysia Public Offering.

11.7.14 Declaration by AmInvestment Bank Berhad

AIBB confirms that there is no conflict of interest in its capacity as the Joint Underwriter in relation to the Malaysia Public Offering.

11.7.15 Declaration by Bank Muamalat Malaysia Berhad

BMMB confirms that there is no conflict of interest in its capacity as the Joint Underwriter in relation to the Malaysia Public Offering.

11.7.16 Declaration by HwangDBS Investment Bank Berhad

HwangDBS confirms that there is no conflict of interest in its capacity as the Joint Underwriter in relation to the Malaysia Public Offering.

11.7.17 Declaration by Kenanga Investment Bank Berhad

KIBB confirms that there is no conflict of interest in its capacity as the Joint Underwriter in relation to the Malaysia Public Offering.

11.7.18 Declaration by MIDF Amanah Investment Bank Berhad

MIDF confirms that there is no conflict of interest in its capacity as the Joint Underwriter in relation to the Malaysia Public Offering.

11.7.19 Declaration by OSK Investment Bank Berhad

OSK confirms that there is no conflict of interest in its capacity as the Joint Underwriter in relation to the Malaysia Public Offering.

11.7.20 Declaration by Phillip Securities Pte Ltd

Phillip Securities confirms that there is no conflict of interest in its capacity as the Singapore Underwriter in relation to the Singapore Offering.

11.7.21 Declaration by United Overseas Bank Limited

UOB confirms that there is no conflict of interest in its capacity as the Singapore Underwriter in relation to the Singapore Offering.

11.7.22 Declaration by KPMG

KPMG and KPMG, Akis Bagimsiz Denetim ve SMMM A.S. have confirmed that there is no conflict of interest in its capacity as the Auditors and Reporting Accountants of our Company.

KPMG LLP has confirmed that there is no conflict of interest in its capacity as the Auditors of Parkway Pantai Limited and Parkway Holdings Limited.

11.7.23 Declaration by Kadir, Andri & Partners

Kadir, Andri & Partners has confirmed that there is no conflict of interest in its capacity as the Legal Adviser to our Company as to Malaysian law in relation to the IPO.

11.7.24 Declaration by Linklaters Singapore Pte. Ltd. (formerly Linklaters Allen & Gledhill Ptd Ltd)

Linklaters Singapore Pte. Ltd. (formerly Linklaters Allen & Gledhill Pte Ltd) has confirmed that there is no conflict of interest in its capacity as the Legal Adviser to our Company as to the United States and English laws in relation to the IPO.

11.7.25 Declaration by Allen & Gledhill LLP

Allen & Gledhill LLP has confirmed that there is no conflict of interest in its capacity as the Legal Adviser to our Company as to Singapore law in relation to the IPO.

11.7.26 Declaration by Akol Avukatlik Burosu

Akol Avukatlik Burosu has confirmed that there is no conflict of interest in its capacity as the Legal Adviser to our Company as to Turkish law in relation to the IPO.

11.7.27 Declaration by King & Wood Mallesons

King & Wood Mallesons has confirmed that there is no conflict of interest in its capacity as the Legal Adviser to our Company as to PRC law in relation to the IPO.

11.7.28 Declaration by Talwar Thakore & Associates

Talwar Thakore & Associates has confirmed that there is no conflict of interest in its capacity as the Legal Adviser to our Company as to Indian law in relation to the IPO.

11.7.29 Declaration by Frost & Sullivan (S) Pte Ltd

Frost & Sullivan (S) Pte Ltd has confirmed that there is no conflict of interest in its capacity as the Independent Market Researcher.

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12.1 Combined financial information

You should read the following selected historical combined financial information for the periods and as at the dates indicated in conjunction with Sections 12.2 and 13 of this Prospectus on Management's discussion and analysis of financial condition and results of operations and our historical combined financial statements and the accompanying notes respectively. Our financial statements are reported in Ringgit Malaysia and are prepared and presented in accordance with MFRS and IFRS. MFRS and IFRS reporting practices and accounting principles differ in certain respects from US GAAP.

The selected combined financial information as at and for the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2011 and 2012 have been derived from our audited historical combined financial statements included in this Prospectus and should be read together with those financial statements and the notes thereto. Our historical financial results for any prior or interim periods are not necessarily indicative of results to be expected for a full fiscal year or for any future periods.

12.1.1 Selected combined income statement information

	Audited			Unaudited	Audited
	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
	(RM 000 except for share and margin information)				
Revenue	121,081	1,214,085	3,328,849	859,927	1,276,192
Other operating income	2,983	21,812	159,768	48,864	18,955
Inventories and consumables	–	(191,198)	(680,242)	(189,019)	(252,332)
Purchased and contracted services	–	(216,151)	(398,590)	(113,860)	(131,182)
Depreciation and impairment losses on property, plant and equipment	(9,244)	(57,350)	(165,751)	(38,348)	(74,367)
Amortisation and impairment losses on intangible assets	(34)	(44,298)	(54,989)	(29,911)	(14,650)
Staff costs	(52,622)	(372,440)	(1,073,066)	(266,890)	(460,344)
Operating lease expenses	(573)	(72,514)	(186,605)	(44,650)	(59,853)
Operating expenses	(22,052)	(225,618)	(456,162)	(90,327)	(133,800)
Finance income	656	6,476	28,907	10,232	55,410
Finance costs	(3,526)	(84,111)	(106,420)	(28,638)	(47,404)
Gain on remeasurement of investment previously accounted for as associates and joint ventures	–	530,120	–	–	–
Share of profits of associates (net of tax)	59,480	70,794	79,937	12,160	14,472
Share of profits of joint ventures (net of tax)	4,447	34,039	13,909	2,742	3,407
Profit before income tax	**100,596**	**613,646**	**489,545**	**132,282**	**194,504**
Income tax expense	(8,115)	(38,892)	(95,428)	(26,737)	(42,203)
Profit for the year/period	**92,481**	**574,754**	**394,117**	**105,545**	**152,301**

	Audited			Unaudited	Audited
	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
	(RM 000 except for share and margin information)				
Profit before income tax margin (%)	83.1	50.5	14.7	15.4	15.2
Profit for the year/period margin (%)	76.4	47.3	11.8	12.3	11.9
Profit attributable to:					
Owners of our Company	83,201	554,424	379,903	101,875	123,839
Non-controlling interest	9,280	20,330	14,214	3,670	28,462
Profit for the year/period	**92,481**	**574,754**	**394,117**	**105,545**	**152,301**
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations	–	(54,566)	88,910	22,738	8,656
Net change in fair value of available-for-sale financial assets	–	–	22,641	–	76,294
Cumulative changes in fair value of cash flow hedges transferred to profit or loss	–	15,935	–	–	–
Share of other comprehensive income/(expense) of associates	17,796	(21,502)	(108)	427	(136)
	17,796	(60,133)	111,443	23,165	84,814
Total comprehensive income for the year/period	**110,277**	**514,621**	**505,560**	**128,710**	**237,115**
Total comprehensive income attributable to:					
Owners of our Company	100,997	486,515	501,434	128,807	190,915
Non-controlling interests	9,280	28,106	4,126	(97)	46,200
Total comprehensive income for the year/period	**110,277**	**514,621**	**505,560**	**128,710**	**237,115**
Earnings per Share (sen)					
Basic[(1)]	1.51	10.08	6.91	1.85	2.00
Diluted, based on enlarged share capital at Listing[(2)]	1.03	6.88	4.72	1.26	1.54
Diluted, based on MFRS/IFRS[(3)]	1.51	10.08	6.90	1.85	1.99

Notes:

(1) *Based on 5,500.0 million Shares in issue for the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2011 and 6,195.4 million Shares in issue for the three months ended 31 March 2012.*

(2) *Based on the enlarged share capital at Listing of 8,057.1 million Shares, after taking into account the new Shares to be issued pursuant to the surrender of outstanding LTIP units which have been granted and vested before the Listing, the exercise of the Symphony Conversion (based on the maximum number of new Shares) and the Public Issue (referred as the "**Enlarged Share Capital at Listing**"). The above does not account for new Shares that may arise from the surrender/exercise of the outstanding LTIP units and EPP options which were granted before the Listing but become vested or exercisable only after the Listing (of up to 168.7 million Shares), and the exercise of any of the Aydinlar Option and Bagan Lalang Option (of up to 611.0 million Shares). Please refer to Section 4.3.7 of this Prospectus for further details.*

(3) *Based on the number of Shares used in the basic earnings per Share in note 1 above, adjusted for dilution effects of outstanding LTIP units and EPP options (where applicable) as calculated in accordance with MFRS 133 and IAS 33 "Earnings per share". Please refer to the Accountants' Report as set out in Section 13 of this Prospectus for further details.*

12.1.2 Selected combined balance sheet information

	Audited			Audited
	Year ended 31 December			Three months ended 31 March
	2009	2010	2011	2012
	(RM 000)			
Non-current assets				
Property, plant and equipment	155,816	4,136,786	4,726,753	6,290,970
Goodwill on consolidation	106,621	6,321,413	6,487,070	8,553,089
Intangible assets	1,038	1,768,611	1,618,598	3,032,753
Interest in associates	2,193,304	820,471	862,273	864,238
Interest in joint ventures	4,517	5,642	28,009	31,302
Other financial assets	–	35,249	529,881	591,542
Other receivables	–	–	–	42,313
Deferred tax assets	–	28,308	24,279	57,682
	2,461,296	**13,116,480**	**14,276,863**	**19,463,889**
Current assets				
Assets classified as held for sale	–	7,840	1,463	1,463
Development property	–	939,870	1,121,195	1,160,548
Inventories	–	74,968	78,784	120,936
Trade and other receivables	4,389	482,834	518,496	854,194
Tax recoverable	1,993	12,095	20,422	26,092
Other financial assets	–	–	27,066	26,967
Derivative assets	–	–	–	3,007
Cash and cash equivalents	42,843	1,209,465	1,310,803	1,599,558
	49,225	**2,727,072**	**3,078,229**	**3,792,765**
Total assets	**2,510,521**	**15,843,552**	**17,355,092**	**23,256,654**

	Audited			Audited
	Year ended 31 December			Three months ended 31 March
	2009	2010	2011	2012
		(RM 000)		
Non-current liabilities				
Bank borrowings	97,525	6,535,608	4,991,264	7,361,564
Employee benefits	–	25,142	15,544	19,085
Other payables	881	22,102	8,580	77,081
Deferred tax liabilities	17,506	456,749	446,127	801,248
Derivative liabilities	–	15,820	–	–
	115,912	**7,055,421**	**5,461,515**	**8,258,978**
Current liabilities				
Bank overdrafts	–	10,549	584	9,433
Trade and other payables	54,379	5,257,408	1,576,158	2,168,497
Bank borrowings	14,224	164,971	46,500	268,047
Derivative liabilities	–	6,041	1,252	6,369
Employee benefits	943	42,485	41,935	20,865
Tax payable	2,530	110,737	118,703	148,372
	72,076	**5,592,191**	**1,785,132**	**2,621,583**
Total liabilities	**187,988**	**12,647,612**	**7,246,647**	**10,880,561**
Equity				
Equity and reserves attributable to owners of our Company	2,313,343	2,936,394	9,861,827	11,539,936
Non-controlling interests	9,190	259,546	246,618	836,157
Total equity	**2,322,533**	**3,195,940**	**10,108,445**	**12,376,093**
Total equity and liabilities	**2,510,521**	**15,843,552**	**17,355,092**	**23,256,654**
Net assets(1)	2,313,343	2,936,394	9,861,827	11,539,936
Net tangible assets/(liabilities)(2)	2,205,684	(5,153,630)(3)	1,756,159	(45,906)(3)
Net assets per Share(4) (RM)	0.42	0.53	1.79	1.86
Net tangible assets/(liabilities) per Share(4) (RM)	0.40	(0.94)	0.32	(0.01)

Notes:

(1) Being NA attributable to ordinary shareholders (excluding non-controlling interests).

(2) Net tangible assets are computed as NA less goodwill on consolidation and intangible assets.

Notes (cont'd):

(3) *Based on the combined balance sheet as at 31 December 2010, our Group was in a net tangible liabilities position, which is illustrated as RM5,153.6 million. This is derived after deducting goodwill on consolidation of RM6,321.4 million and intangible assets of RM1,768.6 million from the total shareholders' funds of RM2,936.4 million. As at 31 March 2012, our Group was in a net tangible liabilities position, which is illustrated as RM45.9 million. This is derived after deducting goodwill on consolidation of RM8,553.1 million and intangible assets of RM3,032.8 million from the total shareholders' funds of RM11,539.9 million. Goodwill on consolidation and intangible assets represent a substantial portion of our assets due largely to past mergers and acquisitions. In any event, our Group expects to return to a net tangible assets position upon completion of the Listing.*

(4) *Based on 5,500.0 million Shares in issue for the years ended 31 December 2009, 2010 and 2011 and 6,195.4 million Shares in issue for the three months ended 31 March 2012.*

12.1.3 Selected combined statement of cash flows information

	Audited			Unaudited	Audited
	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
			(RM 000)		
Net cash generated from operating activities	35,314	398,764	887,111	240,021	394,087
Net cash used in investing activities	(14,816)	(5,960,179)	(1,285,719)	(578,721)	(1,062,906)
Net cash generated from financing activities	2,720	6,924,752	423,645	44,167	910,946
Net increase/ (decrease) in cash and cash equivalents	23,218	1,363,337	25,037	(294,533)	242,127
Cash and cash equivalents at beginning of the year/period	18,443	41,661	1,158,109	1,158,109	1,251,485
Effect of exchange rate fluctuations on cash held	–	(246,889)	68,339	(3,359)	(24,007)
Cash and cash equivalents at end of the year/period	**41,661**	**1,158,109**	**1,251,485**	**860,217**	**1,469,605**

12.1.4 Selected Non-IFRS financial information

12.1.4.1 EBITDA reconciliation

	Unaudited				
	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
			(RM million)		
Net profit for the year/period	92.5	574.8	394.1	105.5	152.3
Income tax	8.1	38.8	95.4	26.7	42.2
Profit before income tax	100.6	613.6	489.5	132.2	194.5
Depreciation on property, plant and equipment	9.2	57.4	165.8	38.3	74.4
Amortisation on intangible assets	–	39.4	55.0	29.9	14.7
Other exchange (gain)/loss	–	4.8	(95.5)	(33.8)	3.8
Finance income	(0.7)	(6.5)	(28.9)	(10.2)	(55.4)
Finance costs	3.5	84.1	106.4	28 6	47.4
Share of profits of associates (net of tax)	(59.5)	(70.8)	(79.9)	(12.2)	(14.5)
Share of profits of joint ventures (net of tax)	(4.4)	(34.0)	(13.9)	(2.7)	(3.4)
Impairment loss on:					
Intangible and other financial assets	–	4.9	2.4	–	–
Deposits paid to non-controlling shareholders	–	65.1	–	–	–
Write off of property, plant and equipment	–	–	19.4	–	0.1
(Gain)/loss on disposal of property, plant and equipment	–	(0.4)	0.2	(0.4)	0.2
Gain on remeasurement of investment previously accounted for as associates and joint ventures	–	(530.1)	–	–	–
Fair value loss on contingent consideration payable	–	–	–	–	10.8
Professional and consultancy fees incurred for:					
Internal restructuring	–	–	9.1	1.9	–
Acquisitions	–	27.9	35.1	–	6.3
EBITDA	**48.7**	**255.4**	**664.7**	**171.6**	**278.9**
Real estate rental expenses	0.5	56.8	182.8	43.7	58.0
EBITDAR	**49.2**	**312.2**	**847.5**	**215.3**	**336.9**
EBITDA margin (%)	**40.2**	**21.0**	**20.0**	**20.0**	**21.9**
EBITDAR margin (%)	**40.6**	**25.7**	**25.5**	**25.0**	**26.4**

Note:

(1) EBITDA and EBITDAR are not calculations required by or presented in accordance with MFRS and IFRS. EBITDA and EBITDAR presented in this document is a supplemental measure of our operating performance and liquidity, and should not be considered as an alternative to net profit as an indicator of our operating performance or as an alternative to operating cash flows as a measure of our liquidity. Moreover, you should be aware that EBITDA and EBITDAR measures presented in this Prospectus may not be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation. Therefore, the table above provides you with further information to reconcile EBITDA and EBITDAR to net profit, which we believe is the most directly comparable MFRS and IFRS financial measure.

EBITDA margin and EBITDAR margin are not calculations required by or presented in accordance with MFRS and IFRS. EBITDA margin and EBITDAR margin are calculated by dividing each of EBITDA and EBITDAR by revenue.

12.1.4.2 Joint ventures in Apollo Gleneagles, Apollo PET and ten Shenton Family Medical Clinics partnerships

	Year ended 31 December 2011
	(RM million)
Share of profits of joint ventures (net of tax)[1]	13.9
Income tax expense	0.1
Profit before income tax	14.0
Finance income	(0.3)
Finance costs	5.3
Depreciation and amortisation	5.2
EBITDA[2]	24.2
Real estate rental expenses	0.7
EBITDAR	24.9
Revenue[3]	78.3
Debt[4]	37.2
Cash[5]	4.2

Notes:

(1) Represents our share of profits (net of tax) of our joint ventures in Apollo Gleneagles, Apollo PET and ten Shenton Family Medical Clinics partnerships, on an aggregate basis accounted for using the equity method of accounting. Under equity accounting, our Group recognises our 50.0% equity interest in these joint ventures' profit after tax and minority interests.

(2) Represents 50.0% of the pro forma EBITDA and EBITDAR of our joint ventures on an aggregate basis. Pro forma EBITDA and EBITDAR are not calculations required by or presented in accordance with MFRS and IFRS. Furthermore, we have not presented other measures of operating performance or liquidity for these entities on a standalone basis in this Prospectus. Therefore, these EBITDA and EBITDAR amounts should not be considered as an alternative to operating cash flows of our Group presented elsewhere in this Prospectus as a measure of our liquidity

(3) Represents 50.0% of the revenue of our joint ventures on an aggregate basis. Includes inpatient and outpatient revenue, net of discounts and subsidies.

(4) Represents 50.0% of the indebtedness of our joint ventures on an aggregate basis. Includes bank borrowings, finance leases and overdrafts.

(5) Represents 50.0% of the cash balances of our joint ventures on an aggregate basis.

12.2 Management's discussion and analysis of financial condition and results of operations

In the following section we discuss the historical combined financial statements of our Group for the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2011 and 2012, which appear elsewhere in this Prospectus. The audited annual historical combined financial statements discussed below do not reflect the consolidation of Acibadem Holding, which was acquired by our Company on 24 January 2012. The interim historical combined financial statements for the three months ended 31 March 2011 discussed below are unaudited and do not reflect the consolidation of Acibadem Holding. The audited interim historical combined financial statements for the three months ended 31 March 2012 discussed below reflect the consolidation of Acibadem Holding from 1 February 2012.

This discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including those set out under Risk Factors and Forward-Looking Statements in Section 5 and page xiii of this Prospectus respectively. We have prepared our combined financial statements in accordance with MFRS and IFRS, which may differ in certain significant respects from generally accepted accounting principles in other countries, including the United States.

12.2.1 Overview

We will be one of the largest listed private healthcare providers in the world based on market capitalisation upon Listing. We focus on markets in Asia and in the CEEMENA region, which we believe are highly attractive growth markets. We operate an integrated healthcare business and related services which have leading market positions in our home markets of Singapore, Malaysia and Turkey, and we also have healthcare operations and investments in the PRC, India, Hong Kong, Vietnam, Macedonia and Brunei. Our global healthcare network operates over 4,900 licensed beds in 30 hospitals with one additional hospital in Turkey, the acquisition of which is pending completion, as well as medical centres, clinics and ancillary healthcare businesses across eight countries. In addition, we have over 3,300 new beds in the pipeline to be delivered through new hospital developments and expansion of our existing facilities over the next five years, which includes two potential hospital development projects in Turkey, which are under discussion as at the LPD (please refer to Section 8.2.6 of this Prospectus for further details). These new beds in the pipeline also include approximately 760 new beds in those facilities which we will expect to manage through HMAs, over the next five years. As at 31 March 2012, we employed more than 24,000 people worldwide. Our core businesses are operated through our key subsidiaries, namely PPL, Acibadem Holding and IMU Health. We believe our businesses provide us with the ability to successfully position and grow our assets in attractive markets, execute our operating plan and strengthen our operations and financial performance.

(i) Parkway Pantai

PPL is one of Asia's largest private healthcare providers and operates in six countries across Singapore, Malaysia, the PRC and Hong Kong, India, Vietnam and Brunei. PPL has integrated operations across the healthcare value chain; it has a network of 16 hospitals with more than 3,000 beds, over 60 medical centres and clinics, and ancillary healthcare businesses. PPL divides its business operations into three geographic categories, namely Singapore, Malaysia and International.

In Singapore, PPL is the largest private healthcare provider with a market share of approximately 43.9% as at 31 December 2011 in terms of the number of licensed beds, according to Frost & Sullivan. PPL operates Mount Elizabeth Hospital, located in the centre of the Orchard shopping and tourism district, which is the largest private hospital in Singapore in terms of the number of operational beds; Gleneagles Hospital, located in one of Singapore's most exclusive residential neighbourhoods; and Parkway East Hospital, which is the only private hospital on the eastern side of the island. These hospitals are multi-specialty hospitals and their facilities have been regularly upgraded and renovated to maintain their high standards. In addition, PPL is building Mount Elizabeth Novena, a high-end, state-of-the-art tertiary hospital with the capacity to operate up to 333 beds, which is expected to commence operations by July 2012.

In Malaysia, PPL is the second largest private healthcare provider with a market share of approximately 15.1% as at 31 December 2010 in terms of the number of licensed beds, according to Frost & Sullivan. It owns and operates nine "Pantai" Hospitals and two "Gleneagles" Hospitals across Peninsular Malaysia. Over 760 specialists and doctors were credentialed by PPL to admit patients to its hospitals in Malaysia. Two of the hospitals are JCI accredited and seven are accredited by the MSQH (including three hospitals which accreditations have expired and are pending re-accreditation survey results as at the LPD). PPL houses CoEs and advanced clinical programmes within its Malaysia hospitals that provide specialised equipment and services to the doctors who practise there. PPL also operates Pantai Premier Pathology, Pantai Integrated Rehab and one ambulatory care centre in Malaysia. PPL is currently developing three more hospitals in Malaysia which are expected to commence operations by 2015 and undertaking expansion projects in four of its existing hospitals. For the year ended 31 December 2011, approximately 4.0% of the revenue from PPL's Malaysia operations was derived from medical travellers, approximately 90.0% of whom were from Indonesia.

PPL also has a presence in the PRC, India, Hong Kong, Vietnam and Brunei, with operations across the major healthcare sectors: hospitals, medical centres, clinics and ancillary healthcare businesses. PPL's international growth strategy is to identify latent demand in attractive markets and address that demand with a strategy tailored to each market's demographics and industry and regulatory landscape.

(ii) Acibadem

Acibadem is the largest private healthcare provider in Turkey in terms of number of non-SGK and partial-SGK beds, according to Frost & Sullivan. It has been one of the leading private healthcare providers of high-quality diagnostic and treatment services for Turkish and international patients since 1991. Acibadem's integrated healthcare network in Turkey and Macedonia as at the LPD spanned 14 hospitals (with one other hospital in Istanbul, Jinemed Hospital, the acquisition of which is pending completion) with more than 1,800 licensed and operational beds (which exclude the 23 licensed and/or operational beds in Jinemed Hospital), a majority of which were in private, single-bed patient suites. Of Acibadem's 14 hospitals, eight hospitals are in Istanbul (one of which, Aile Hospital Goztepe, was operational until April 2012 and is currently undertaking structural reinforcement of the hospital building, which is leased) and five hospitals are in other large population centres across Turkey. Acibadem employed over 1,800 doctors across 40 specialty areas, of whom approximately 1,300 are specialist doctors, and more than 350 were professors or associate professors as at the LPD. Most of these professors teach at Acibadem University, an institution owned and operated by Acibadem Health and Education Foundation, which is outside the Group. Acibadem hospitals are equipped with state-of-the-art medical technology, such as robotic surgery, intraoperative radiotherapy and digital tomosynthesis mammography.

Acibadem has substantially benefited from recent growth in medical travel across the CEEMENA region. Its International Patient Centre located in Istanbul, Turkey, provides a wide range of intermediary services for foreign patients visiting Acibadem's facilities. Acibadem has over 40 multi-lingual patient specialists and has partnerships and special agreements with foreign governments and institutions in the surrounding and neighbouring region.

In addition, as at the LPD, Acibadem operated nine outpatient clinics (with one other outpatient clinic in Istanbul, Jinemed Medical Centre, the acquisition for which is pending completion) which provide an array of primary care services such as emergency care and other specialty services to their local communities. Acibadem believes that the outpatient clinics serve as active feeders of patients into its healthcare network. Acibadem Holding's integrated business network includes stand-alone ancillary healthcare businesses, such as Acibadem Mobil, APlus and Acibadem Proje, as well as laboratory services, such as Acibadem Labmed.

(iii) International Medical University and Pantai College

Through IMU Health, we own and operate IMU, a private university that offers a total of 18 academic programmes as at the LPD, including medical, dental, pharmacy, nursing, health sciences and complementary medicine programmes. It is Malaysia's first private healthcare university offering both local and foreign academic programmes. IMU has a unique educational model. It partners with foreign universities which accept credits earned by students at IMU following a curriculum developed by IMU (instead of adopting the curricula of its partner universities). As at the LPD, IMU has 37 international renowned or established partner universities, which we believe is the largest network of partner universities in Asia. IMU has trained about 7,000 students since it was founded in 1992 and had an enrolment of 2,963 students as at 31 December 2011. As at 31 March 2012, 3,179 students were enrolled at IMU.

IMU Health will focus on our education business in Malaysia for our Group. On 3 April 2012, IMU Health and Pantai Resources entered into a conditional share sale agreement for the acquisition of the entire equity interest in Pantai Education, which trains nurses for PPL's hospitals in Malaysia, from PPL as part of an internal restructuring process. As at the LPD, more than 50.0% of the graduates from Pantai College, which was established in 1993 by Pantai Education to train nurses for PPL's hospitals in Malaysia, have been employed by PPL's hospitals or medical centres and clinics and the rest are employed by other private hospitals or MOH Malaysia hospitals.

12.2.2 Recent developments

12.2.2.1 Mandatory Tender Offer for Acibadem

On 24 January 2012, our Company completed the acquisition of an indirect 60.0% equity interest in Acibadem Holding in exchange for cash and shares for a total purchase consideration of approximately USD825.72 million, satisfied by cash payment of approximately USD275.24 million and issuance of our Shares valued at approximately USD550.48 million, which is subject to adjustments as described in Section 15.6(ii) of this Prospectus. On completion of this acquisition, Acibadem Holding held, through its wholly-owned subsidiary, Almond (Turkey), a 92.0% equity interest in Acibadem as well as a 100.0% equity interest in Acibadem Proje and a 100.0% equity interest in APlus. Acibadem is a listed company on the ISE and is registered with the CMB. Under the rules of the CMB, our indirect acquisition of a majority stake in Acibadem through the acquisition of 60.0% equity interest in Acibadem Holding (which then owned 92.0% equity interest in Acibadem through its wholly-owned subsidiary, Almond (Turkey)), resulted in a mandatory tender offer requirement for the remaining 8.0% equity interest in Acibadem being triggered. The mandatory tender offer was launched by Almond (Turkey) on 27 March 2012 and was open for 10 business days, concluding on 9 April 2012. Upon completion of the mandatory tender offer, Almond (Turkey) held a 97.3% equity interest in Acibadem. The Board of Directors of Acibadem has resolved to delist Acibadem from the ISE and applied to the CMB and ISE for voluntary delisting, which is conditional upon the approval of the general assembly of shareholders of Acibadem as well as the approval of relevant regulators. In addition, other restructuring alternatives may be considered, such as a merger of Acibadem Holding, Almond (Turkey) and Acibadem under a single legal entity in order to streamline the Acibadem Group structure and management. No firm decision regarding the merger of the above companies has been taken as of the date of this Prospectus.

12.2.2.2 Mount Elizabeth Novena Hospital

PPL has received temporary occupation permits for Mount Elizabeth Novena Hospital and the medical suites located therein on 23 April 2012 and expects the hospital to commence operations by July 2012. As a result, we expect the following accounting consequences:

(i) Sales of medical suites

In accordance with MFRS and IFRS, the total contracted amounts for the sales of medical suites will be recognised as revenue in our combined statement of comprehensive income once the risk of ownership of the medical suites is transferred from us to the purchasers, which will occur when the medical suites receive their temporary occupation permits.

The costs of construction and development of the medical suites, which had been capitalised during the period of construction, will be allocated between medical suites which have been sold and those which are held by the Group for rental. The capitalised costs related to medical suites which have been sold will be expensed in our combined statement of comprehensive income when the medical suites receive their temporary occupation permits. The capitalised costs related to medical suites held by the Group for rental will be recorded as investment properties in our combined statement of financial position when the medical suites receive their temporary occupation permits.

Our expected total proceeds from sales of medical suites is approximately SGD493.0 million (RM1,217.7 million). Purchasers of the medical suites are required to pay in stages upon the achievement of agreed milestones. Contractually, 90.0% of the purchase amount is due by the time the hospital receives its temporary occupation permit. The remaining 10.0% will be due 12 months after receipt of the temporary occupation permit. As at 31 March 2012, progress billing in respect of the sales of medical suites at Mount Elizabeth Novena Hospital was SGD290.2 million (RM708.0 million, translated based on the closing exchange rate of SGD1.00 : RM2.4397 as at 31 March 2012), which represents billing pursuant to the agreed milestones as at such date.

(ii) Hospital building

Once the hospital commences operations, costs that had been recorded as construction-in-progress will be reflected as hospital land and buildings in our combined statement of financial position.

Once the hospital commences operations, construction and finance costs that had already been capitalised as part of the cost of the new hospital building will be depreciated over the useful life of the hospital building.

On account of the foregoing, we expect our financial condition and results of operations to vary upon the commencement of operations of Mount Elizabeth Novena Hospital as well as the receipt of the temporary occupation permits for the medical suites located there.

12.2.3 Basis of presentation

The presentation of the historical combined financial statements of our Group reflects the various acquisition and reorganisation transactions that we have undertaken during the periods under discussion. Specifically:

(i) In the year ended 31 December 2009, we owned 67.5% of IMU Health and consolidated its results. In addition, we equity accounted for 23.8% of Parkway and 69.5% of Pantai Irama, both of which were owned by Khazanah.

(ii) In the year ended 31 December 2010, we owned:

(a) 67.5% of IMU Health from 1 January 2010 until August 2010, following which our ownership increased to 87.5% in September 2010. In November 2010, we increased our ownership to 100.0%. We consolidated IMU Health's results for the entire year;

(b) 23.8% of Parkway from 1 January 2010 until August 2010 during which period we equity accounted for this interest. Beginning in September 2010, our ownership of Parkway increased to 94.8% and we consolidated its results. In December 2010, our ownership of Parkway increased to 100.0%; and

(c) 69.5% of Pantai Irama from 1 January 2010 until August 2010, during which we equity accounted for this interest as a joint venture in our combined financial statements as Pantai Irama is jointly-controlled by Khazanah and Parkway by virtue of a contractual agreement entered into by both parties, and required unanimous consent for strategic financial and operating decisions. Beginning in September 2010, our ownership of Pantai Irama increased to 97.9% and we consolidated its results. In December 2010, our ownership of Pantai Irama increased to 100.0%.

(iii) In the three months ended 31 March 2011, we owned:

(a) 100.0% of IMU Health;

(b) 100.0% of Parkway; and

(c) 100.0% of Pantai Irama,

and we consolidated the results of all three subsidiaries fully.

(iv) In the year ended 31 December 2011, we owned:

(a) 100.0% of IMU Health;

(b) 100.0% of Parkway; and

(c) 100.0% of Pantai Irama,

and we consolidated the results of all three subsidiaries fully.

On 28 April 2011, we transferred our shareholdings in Parkway and Pantai Irama to PPL, of which we owned 100.0%.

(v) In the three months ended 31 March 2012, we owned:

(a) 100.0% of IMU Health;

(b) 100.0% of PPL; and

(c) 56.2% effective interest in Acibadem Holding from 24 January 2012 onwards,

and we consolidated the results of IMU Health and PPL fully for the period and the results of Acibadem Holding from 1 February 2012.

From 1 February 2012, 3.8% effective interest in Acibadem Holding was held by Symphony, which will be swapped for new Shares in our Company at Listing. As at the LPD, Symphony's effective interest is 3.7%.

Since the parts of our business that are reflected in our historical combined financial statements have changed from period to period, these financial statements are not comparable to one another and are not indicators of our financial performance as a combined business in future periods.

Our statutory audited consolidated financial statements have historically been prepared in accordance with FRSM. We are presenting historical combined financial statements in accordance with MFRS, which is equivalent to IFRS, for the first time in connection with this Global Offering; however, we will continue publishing our statutory audited consolidated financial statements in FRSM for the year ended 31 December 2011. There will be differences between the MFRS and IFRS amounts presented in this Prospectus and the FRSM amounts that will be presented in our statutory audited consolidated financial statements. Significant differences can be expected in terms of our treatment of the acquisition of additional equity stakes in Parkway, Pantai Irama and IMU Health in 2010 that will result in the carrying amount of goodwill in our historical combined financial statements for the year ended 31 December 2011 to be higher than the statutory audited consolidated financial statements by approximately RM71.1 million. Similarly, the retained earnings of our historical combined financial statements for the year ended 31 December 2011 is higher than the statutory audited consolidated financial statements for the year ended 31 December 2011 by approximately RM84.8 million.

The following table shows the reconciliation of the carrying amount of goodwill between FRSM and MFRS/IFRS as at 31 December 2011.

	As at 31 December 2011
	(RM million)
Goodwill per statutory audited consolidated financial statements (under FRSM)	**6,416.0**
Add/(Less):	
Application of MFRS/IFRS 3, Business Combination	
- remeasurement gain of investments previously accounted for as associate and joint venture, i.e. Parkway and Pantai Irama	530.1
- acquisition related cost recognised as expense	(26.1)
- acquisitions of non-controlling interests[1] treated as transactions with owners and no goodwill to be recognised	(432.9)
Total difference	71.1
Goodwill per historical combined financial statements (under MFRS/IFRS)	**6,487.1**

The following table shows the reconciliation of the retained earnings between FRSM and MFRS/IFRS as at 31 December 2011.

	As at 31 December 2011
	(RM million)
Retained earnings per statutory audited consolidated financial statements (under FRSM)	**300.2**
Add/(Less):	
Application of MFRS/IFRS 3, Business Combination:	
- remeasurement gain of investments previously accounted for as associate and joint venture, i.e. Parkway and Pantai Irama	530.1
- acquisition related cost recognised as expense	(26.1)
- recognised in income statement	504.0
- acquisitions of non-controlling interests[1] where excess of consideration paid over the carrying amount of non-controlling interests is recognised directly in retained earnings	(432.9)
- recognised in retained earnings	71.1
Retained earnings of Parkway, Pantai Irama and IMU Health attributable to Khazanah before the formation of IHH	13.7
Total difference	84.8
Retained earnings per historical combined financial statements (under MFRS/IFRS)	**385.0**

Note:

(1) Primarily comprises acquisitions of non-controlling interests of 32.5% in IMU Health, 5.2% in Parkway and 2.1% in Pantai Irama during the financial year ended 31 December 2010. Please refer to Section 12.2.3(ii) of this Prospectus for further details.

For the year ending 31 December 2012, we will adopt MFRS and IFRS as the basis of our statutory audited consolidated financial statements. Please refer to Section 5.1.1(vi) of this Prospectus on Risks related to our business - The financial information presented in the historical combined financial statements prepared for inclusion in this Prospectus will not be the same as compared to the audited consolidated financial statements prepared by our Company after our Listing for statutory purposes.

12.2.4 Factors affecting our results of operations

Our financial condition and results of operations have been and will continue to be affected by a number of events and actions, some of which are beyond our control. However, there are some specific items that we believe have affected our results of operations and, in some cases, will continue to affect our results on a consolidated level and at our individual facilities. In this section, we discuss several factors that we believe have, or could have, an impact on these results. Please refer to Section 5 of this Prospectus on Risks Factors.

(i) **Acquisitions**

In the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012, we undertook a series of acquisitions, which were the main reasons for the increase in our revenue, tangible and intangible assets and, in particular, goodwill on consolidation and the overall growth of our business.

(a) Parkway and Pantai Irama

The acquisition of Parkway in August 2010 resulted in Parkway subsequently being delisted from the SGX-ST on 24 November 2010. As part of the acquisition, SGD750.0 million (RM1,852.5 million) of indebtedness of Parkway and RM605.0 million of indebtedness of Pantai Irama was assumed by our Group. The acquisition of Parkway and Pantai Irama was financed with a combination of external borrowings, equity consideration and cash on hand.

During 2011, we underwent an internal restructuring that resulted in, among other things, the creation of PPL to hold 100.0% of each of Parkway and Pantai Irama.

(b) Acibadem Holding

On 24 January 2012, our Company completed the acquisition of an indirect 60.0% equity interest in Acibadem Holding in exchange for cash and shares for a total purchase consideration of approximately USD825.72 million, satisfied by cash payment of approximately USD275.24 million and issuance of our Shares valued at approximately USD550.48 million, which is subject to adjustments as described in Section 15.6(ii) of this Prospectus. At the time of this acquisition, Acibadem Holding held, through its wholly-owned subsidiary, Almond (Turkey), a 92.0% equity interest (which was later increased to 97.3% following the completion of the mandatory tender offer on 9 April 2012) in Acibadem as well as a 100.0% equity interest in Acibadem Proje and a 100.0% equity interest in APlus. In addition, Acibadem Holding and its subsidiaries had TL1,061.9 million (RM1,746.8 million, translated based on the closing exchange rate of TL1.00 : RM1.6450 as at 31 December 2011) and TL987.5 million (RM1,692.6 million, translated based on the closing exchange rate of TL1.00 : RM1.7141 as at 31 March 2012) of indebtedness outstanding as at 31 December 2011 and 31 March 2012, respectively. There was no material difference in Acibadem Holding's indebtedness from that date until the date of the acquisition. The acquisition of Acibadem Holding was settled with a combination of cash, which was funded by external borrowings, and equity consideration.

Acibadem Holding normally takes on indebtedness to fund capital expenditures, such as the acquisition of new hospitals and equipment in addition to the replacement of existing medical equipment and expansion of existing hospitals, and we expect to continue to do the same going forward in order to fund Acibadem Holding's expansion and new hospital projects. As the new hospitals ramp up and gain economies of scale, over time the debt levels as a multiple of EBITDA are expected to decrease. Post Listing, the indebtedness level at our Group is expected to become lower as the majority of the proceeds will be utilised to pare down the debts at our Company and PPL. While we may choose to keep incurring debt at certain individual subsidiaries (such as Acibadem Holding), we believe that the overall low gearing ratio of our Group, which was 0.62 for the three months ended 31 March 2012 and the availability of debt capacity at our Group level decreases the risk associated with higher levels of total borrowings relative to total equity at selected individual subsidiaries. For additional information on the Group's and Acibadem Holding's key financial ratios, including gearing ratios, please refer to Section 12.3.10 of this Prospectus.

Acibadem Holding's interest coverage ratio increased over the last three financial years from 2.1 for the year ended 31 December 2009 to 3.0, 3.7 and 4.9, for the years ended 31 December 2010 and 2011 and the three months ended 31 March 2012, respectively, primarily due to the increase in operating profit.

In 2011, Acibadem Holding has generated positive EBITDA and operating income. However, it generated a net loss. The net loss was due to higher unrealised foreign exchange losses of TL193.4 million (RM350.3 million, translated based on the average exchange rate of TL1.00 : RM1.8107 as at 31 December 2011) in 2011 as compared to a foreign exchange loss of TL25.5 million (RM54.5 million, translated based on the average exchange rate of TL1.00 : RM2.1405 as at 31 December 2010) in 2010. Such losses were primarily due to the fact that a significant portion of Acibadem Holding's debt is in foreign currency, mainly in US Dollar, against which the Turkish Lira weakened in 2011. Going forward, we intend to evaluate different options for managing this foreign exchange risk and assess the cost of these options in order to decide on the path forward. In addition, Acibadem Holding has opened multiple hospitals since 2009, which are still ramping-up their operations. The private hospital industry is capital intensive, so that the first few years of operations will generally post lower earnings. As these hospitals ramp-up their operations, their increased revenue contribution is expected to help increase Acibadem Holding's net income.

For the year ended 31 December 2011 and the three months ended 31 March 2012, Acibadem Holding would have comprised 37.5% and 39.8% of our total pro forma revenue, respectively. Accordingly, our results for the year ending 31 December 2012 and future periods, consolidating the results of Acibadem Holding, will differ significantly from our results for the year ended 31 December 2011, which do not consolidate the results of Acibadem Holding.

Please refer to Section 12.12.2 of this Prospectus for a description of the effects of these acquisitions on our historical combined financial statements.

(ii) Integrating and realising synergies from acquisitions

Our growth and current form have largely been dependent on the various acquisitions discussed above. We may acquire other hospital and healthcare businesses in the future, the viability of which will depend on a number of considerations, such as market attractiveness, location, including the number of target patients in the area, available talent pool at that location, price, and for existing facilities, the quality of the infrastructure, the reputation of the staff and the institution's work culture. These factors also determine the ease with which we are able to integrate and realise synergies from our acquisitions. For example, the centralisation of Parkway and Pantai Irama's respective operations under PPL within a relatively short period of time has enabled us to streamline operations and achieve synergies and cost savings. As a result, PPL has been able to significantly improve business efficiency and extract synergies. For example, our Singapore and Malaysia operations began an initiative involving the sharing of management expertise, centralising procurement of key capital expenditure and operating expense items and leveraging joint marketing efforts, as well as other operational best-practices to improve hospital performance, which resulted in cost savings (as compared to our expected budgeted costs) from April to December 2011 of approximately SGD19.0 million (RM46.9 million). Moreover, at Mount Elizabeth Novena Hospital, we were able to achieve capital expenditure savings of approximately SGD29.0 million (RM71.6 million) for the year ended 31 December 2011 (as compared to our expected budgeted expenditures for the same period) in relation to key medical and non-medical equipment. We expect to be able to achieve similar synergies and cost savings with the integration of Acibadem Holding and expect to do so for future acquisitions.

(iii) Goodwill on consolidation

For acquisitions, we measure the cost of goodwill at the acquisition date as:

(a) the fair value of the consideration transferred; plus

(b) the recognised amount of any non-controlling interests in the acquiree; plus

(c) if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less

(d) the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in the combined statement of comprehensive income. For goodwill, the recoverable amount is estimated each period at the same time or when there is an indicator of impairment. In the event that the recoverable amount is lower than the carrying amount of the goodwill, an impairment loss will be recognised in the combined statement of comprehensive income.

The following table shows the carrying amount of goodwill for the periods indicated:

	Year ended 31 December			Three months ended 31 March
	2009	2010	2011	2012
	(RM million)			
Singapore hospital and healthcare services	-	4,248.0	4,382.0	4,387.0
Malaysia hospital and healthcare services	-	1,967.4	1,995.0	2,005.6
Turkey hospital and healthcare services	-	-	-	2,050.4
Education	106.6	106.0	110.1	110.1
Total carrying amount of goodwill	**106.6**	**6,321.4**	**6,487.1**	**8,553.1**

(iv) **Capital expenditure**

We have implemented plans to significantly increase the number of licensed and operating beds across our hospital network through new hospital developments, expansion of existing facilities and selective acquisitions. We operate a network of 30 hospitals and have one other hospital in Turkey of which the acquisition is pending completion, with more than 4,900 licensed beds as well as medical centres, clinics and ancillary healthcare businesses across eight countries. In addition, at the time we acquired Parkway, it was in the midst of building Mount Elizabeth Novena Hospital, a 333 bed, high-end, state-of-the-art medical facility, with respect to which the overall land cost and the cost of developing, equipping (with medical and non-medical equipment) and financing is estimated at approximately SGD2.0 billion (RM4.9 billion). As at 31 March 2012, Parkway had incurred SGD1.8 billion (RM4.4 billion) of expenditure on this project, of which, the entire amount had been capitalised in our historical combined statements of financial position. The finance costs for the construction of our new hospital developments and any expansion of existing facilities will be capitalised during the period of construction, but once the new hospital or expansion commences operations, those finance costs incurred in relation to the construction loans will be expensed in our consolidated statement of comprehensive income. Construction and finance costs that have been capitalised as part of the cost of the new hospital building will be depreciated over the useful life of the hospital building.

We are also currently developing one new greenfield project in India, three new greenfield projects in Malaysia and two new greenfield projects in Turkey. Certain details of capital expenditure for these projects are set out in Sections 8.2.5, 8.2.6 and 12.3.5 of this Prospectus.

(v) Economic conditions

Our healthcare business operations and related services are primarily located in Malaysia, Singapore and Turkey. Our Singapore, Malaysian and Turkish business operations accounted for approximately 36.9%, 21.5% and 37.5% of our total pro forma revenue for the year ended 31 December 2011, respectively, and 35.5%, 20.5% and 39.8% of our total pro forma revenue for the three months ended 31 March 2012, respectively. This concentration makes us particularly sensitive to the condition of the economy, foreign exchange rates, changes in the population and demographics and regulatory changes in these countries.

(a) Singapore and Malaysia

The growth in private hospital admissions has been attributable to the availability of hospital beds and the demand for higher-quality healthcare services, coupled with economic growth that has increased disposable income and private insurance coverage.

We believe that stronger volume growth for the Malaysian and Singapore private healthcare sectors will be driven by:

(i) capacity constraints at key public hospitals, with these constraints likely further stretching the length of hospital bed waiting times and lead patients that need quick attention to look towards private hospitals;

(ii) growing affluence of the populations in these countries coupled with economic growth and a preference for private hospitals due to affordability and increasing private insurance coverage;

(iii) push by the governments of these countries for less dependence on public healthcare for the higher income population through various measures, such as means testing in Singapore, which has reduced subsidies provided to patients with higher annual income, thereby providing a further incentive for the use of private services to those that can afford such services;

(iv) a continued increase in the percentage of the population aged 65 years or more, which increased by approximately 6.4% and 5.7% between 2006 and 2010 in Singapore and Malaysia, respectively, according to Frost & Sullivan; and

(v) the continued growth of the medical travel market, where revenue grew at an estimated CAGR of 1.9% and 19.0% in Singapore and Malaysia, respectively, from 2007 to 2011, according to Frost & Sullivan.

(b) Turkey

According to Frost & Sullivan, the private sector plays a critical role in expanding the accessibility of healthcare coverage in Turkey as the number of inpatients visiting private hospitals increased from 1.2 million in 2006 to over 2.7 million in 2010, growing by a CAGR of 22.5%. In 2010, the number of private inpatients accounted for 25.5% of total inpatients in Turkey, according to Frost & Sullivan.

We believe that stronger volume growth for the Turkish private healthcare sector will be driven by:

(i) capacity constraints at public hospitals, with these constraints likely further stretching the length of hospital bed waiting times and lead patients that need quick attention to look towards private hospitals;

(ii) insurance premiums for private health insurance becoming more affordable, allowing inpatients to seek higher quality healthcare services from private hospitals. The number of people with private health coverage almost doubled from 1.3 million in 2008 to 2.3 million in 2011, even though the total insurance premium collection only increased by 46.1% from TL1.2 billion in 2008 to TL1.7 billion in 2011, according to Frost & Sullivan;

(iii) investment in healthcare infrastructure by the private sector, where the number of beds increased by a CAGR of 16.2% from 2006 to 2010, according to Frost & Sullivan; and

(iv) government incentives and active promotion by MOH Turkey of medical travel, which has contributed to the continued growth of revenue from medical travel at an estimated CAGR of 20.3% from 2008 to 2011, according to Frost & Sullivan.

(vi) Revenue sources

(a) Hospitals and healthcare

Our hospitals and other healthcare facilities offer a wide spectrum of services across the healthcare value chain. We have integrated the range of services and programmes we provide in our various facilities to help ensure a broad spectrum of revenue sources across service lines, income levels and geographies. Hospitals in our primary businesses generally generate revenue from patient services, which are paid through private and government healthcare insurance programmes, managed care plans, private insurers and directly from patients.

In Singapore, our Mount Elizabeth Hospital targets medical travellers and emergency air-evacuation cases from the Southeast Asia region, whereas our Gleneagles Hospital targets the mid- to high-income domestic market, including local expatriates, and our Parkway East Hospital focuses on community patients and third-party payers in the eastern part of Singapore. These hospitals are complemented by our various diagnostic laboratory services, imaging centres and education facilities as well as our Parkway Shenton primary care clinic business. In addition, we intend to position our upcoming Mount Elizabeth Novena Hospital to service premium medical travellers and high-end domestic patients requiring complex, high-intensity treatments.

We utilise a dual-pronged brand positioning strategy in Malaysia. Our "Pantai" hospitals predominantly target the middle-to-high income domestic segment while our "Gleneagles" hospitals serve the premium domestic, local expatriate and medical travel markets.

Our business in Turkey is diversified both geographically and demographically, serving Istanbul and other large population centres across the country with premium "Acibadem" brand hospitals targeting affluent patients who pay for their own medical expenses or have private insurance, and "Aile Hastanesi" brand hospitals mostly catering to government-funded patients. In addition, our hospital network is supported by a range of ancillary services.

In selected specialties, PPL offers advanced medical services through the use of specialised equipment and integrated clinical services delivered through multi-disciplinary teams. PPL has developed various clinical delivery models within its hospitals in Singapore and Malaysia to provide complex treatments in a range of specialties through CoEs, advanced clinical programmes and specialised wards. Through these, PPL generates revenue from the treatment of patients who need specialised, state-of-the-art treatment or surgery. The sources of such revenue include consultation, surgical and hospitalisation services and the utilisation of its facilities, equipment, consumables and services by its patients.

In Singapore and Malaysia, most of the credentialed specialist doctors are independent medical practitioners. They operate from clinics, which are either in medical office buildings co-located with PPL's hospitals or in PPL's hospitals itself or located in the vicinity of PPL's hospitals. These credentialed specialist doctors may refer patients to one of PPL's hospitals for further care and use of inpatient facilities. The credentialed specialist doctors continues to consult and treat the patient while PPL provides the inpatient facilities, equipment and services of PPL's medical staff for a fee. These specialist doctors may also refer patients to PPL's medical centres, clinics and ancillary healthcare businesses and receive patients who are referred to them by PPL's medical centres, clinics and ancillary healthcare businesses. PPL employs nurses, resident physicians and ancillary medical and support staff directly at its hospitals and other healthcare operations in Singapore and Malaysia.

In Turkey, most of the doctors and physicians who practise in Acibadem's hospital network are either contracted or employed by Acibadem under a full or part time employment contract. The majority of the doctors have annual rolling contracts with Acibadem while others have two to three year contracts. The majority of doctors practise under a revenue-sharing model, under which Acibadem bills patients for all medical services rendered and then pays the doctors a portion of the fees received, whereas the remaining receive either a fixed salary or a combination of revenue-sharing and a salary.

In the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012, our hospital and other healthcare business services contributed nil, RM1,051.7 million, RM3,085.6 million and RM1,212.0 million to our combined revenue, representing nil, 86.6%, 92.7% and 95.0%, respectively.

(b) Education

At IMU, Pantai College and Parkway College, revenue is derived from tuition fees from students who pursue their studies at each institution. Tuition fees are paid in advance of each semester. At IMU, once registered, a student's tuition fees are set for the entire duration of his or her academic programme and there are no annual tuition fee increases for that student. However, tuition fees may increase from year to year for newly registered students.

In the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012, our education services contributed RM121.1 million, RM138.5 million, RM162.2 million and RM44.6 million to our combined revenue, representing 100.0%, 11.4%, 4.9% and 3.5%, respectively.

(c) Inpatient revenue

Our inpatient revenue is highly dependent on the number of admissions, complexity of cases of inpatient admissions and, to a certain extent, the average length of stay at our hospitals. Balancing these factors with our available beds and operating theatres is critical to optimising profitability at our facilities and is an integral part of our management system. The inpatient admissions of a hospital for any given period is a function of, among others, inpatient admission volume, the efficient management of available beds and operating theatres and increasing patient turnover as a result of better surgical outcomes and recovery.

Inpatient admission volumes are driven by, among other things, the hospital image and brand reputation, the type of services offered, the economic and social conditions of local and regional communities, the degree of competition from other hospitals, the clinical reputation of our accredited doctors and their retention and attrition, the effectiveness of our marketing programmes, corporate contracts, seasonal climate and weather conditions and seasonal religious and cultural periods. We aim to increase the average revenue per patient day at our hospitals and healthcare facilities by (i) increasing the mix of inpatients who need complex procedures with higher margins and (ii) increasing patient turnover by having successful surgical outcomes as a result of credentialing the most experienced specialist doctors, having quality nursing care and introducing less invasive new and advanced technologies and medical procedures, so that the inpatient is able to recover more quickly.

For a discussion of the performance of our individual hospitals and outpatient clinics for Parkway Pantai and Acibadem, please refer to Sections 8.2.5 and 8.2.6 of this Prospectus.

(vii) **Costs of operations**

Our primary costs in our operations relate to costs such as inventories and consumables, purchased and contracted services, rental costs, staff costs and benefits (excluding physician staff), utilities, property taxes, maintenance and depreciation cost of the hospital properties, machinery, equipment, laboratory and support services.

(a) Inventories and consumables

Our cost of inventories and consumables is predominantly driven by the amounts we use and our procurement costs. The amount of inventories and consumables we use is principally driven by inpatient admissions and outpatient visits, the number and complexity of treatments, procedures and other medical services provided. In addition, our procurement costs are principally driven by the terms of our contracts with suppliers, our relative purchasing power and other market factors, which may be outside of our control. Our costs may also be driven by the nature of the inventories and consumables requested by doctors, such as the prescription of generic pharmaceutical drugs as opposed to brand-name pharmaceutical drugs.

(b) Purchased and contracted services

Our purchased and contracted services principally comprise equipment service contracts and outsourcing of certain medical tests. Our cost of purchased and contracted services generally increases along with our operational levels, primarily driven by the amount of equipment, its age and utilisation rate. We generally outsource certain medical tests where we believe that there is insufficient demand to warrant the necessary investment or development of the expertise and infrastructure. In addition, our cost of purchased and contracted services is driven by the terms of our service agreements with doctors who are contracted by our CoEs.

(c) Rental costs

We lease some of our hospital facilities. In particular, we lease our three existing hospital properties in Singapore, and the majority of our hospitals (10 out of 14 hospitals) and all outpatient clinic properties in Turkey and Macedonia as at LPD. In addition, we lease a substantial portion of our medical centres and clinics utilised by our healthcare businesses. The majority of our lease expenditures relate primarily to the lease of our three hospital properties in Singapore, which we lease from PLife REIT. Under the terms of these lease and lease-back arrangements, the hospital properties are leased for a period of 15 years commencing from the date on which PLife REIT was listed on the SGX-ST. The leases will expire in 2022, with an option to extend the leases for a further term of 15 years upon the expiry of the initial term by giving a written notice. Under the terms of the leases, the rent payable for each of these Singapore hospitals is the higher of (a) the aggregate of a base rent and a variable rent which is tied to 3.8% of the hospital's adjusted revenue for the relevant financial year; and (b) the total rent paid in the immediately preceding year, adjusted for any growth in the Singapore consumer price index plus 1% of such total rent paid in the immediately preceding year. For a further description of our income from PLife REIT, please refer to Section 12.2.6(i)(d) of this Prospectus.

(d) Staff costs

In Turkey, most of the doctors and physicians who practise in Acibadem's hospital network are either contracted or employed by Acibadem under a full or part-time employment contract. The majority of the doctors have annual rolling contracts with Acibadem while others have two to three year contracts. The majority of doctors practise under a revenue-sharing model, under which Acibadem bills patients for all medical services rendered and then pays the doctors a portion of the fees received, whereas the remaining receive either a fixed salary or a combination of revenue-sharing and a salary. For the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012, 49.0%, 46.7%, 47.0% and 45.8%, respectively, of Acibadem Holding's total consolidated revenue were personnel expenses (including specialist doctors). Please refer to Acibadem Holding's consolidated financial statements as at and for the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012 included in Appendix I, II and III of the Accountants' Report in Section 13 of this Prospectus.

Although in Singapore and Malaysia, most of the specialist doctors who practise in or refer patients to PPL's hospital network are independent medical practitioners and not salaried employees of PPL, PPL employs nurses, resident physicians and ancillary medical and support staff directly for its hospitals and other healthcare operations in Singapore and Malaysia. For the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012, 43.5%, 30.7%, 32.2% and 36.1%, respectively, of our total combined revenue were staff costs, which in the year ended 31 December 2009 consisted primarily of IMU Health's staff costs.

(viii) Contribution from associates and others

As at the LPD, we had a 35.8% equity interest in PLife REIT. In 2007, we entered into a lease and leaseback arrangement with the trustee of PLife REIT pursuant to which three of PPL's hospital properties, Gleneagles Hospital, Mount Elizabeth Hospital and Parkway East Hospital, were leased to the trustee and subsequently leased back to us. Please refer to Annexure H for details of our material properties. As at the LPD, PLife REIT also owned 29 nursing homes and one pharmaceutical product distributing and manufacturing facility in Japan. It is one of Asia's largest healthcare real estate investment trusts with 36 properties with a carrying amount of SGD1,397.9 million (RM3,452.8 million) as at 31 March 2012, and a market capitalisation of SGD1,119.2 million (RM2,764.4 million) as at the LPD. We equity accounted for the profits of PLife REIT as a result of our 35.8% equity interest in it. We receive quarterly dividends from PLife REIT. We also own 100.0% equity interest in Parkway Trust Management, the manager of PLife REIT. As such, we are also entitled to a share of dividends distributed and management fees.

As at the LPD, we had an 11.2% equity interest in Apollo, which is accounted for as an available-for-sale investment in our combined statement of financial position. Apollo operates healthcare facilities that provide treatment for acute and chronic diseases across primary, secondary, and tertiary care sectors. As at 31 December 2011, Apollo had more than 8,200 beds in 51 hospitals in India and overseas. Apollo also has a network of 100 primary care clinics, an extensive chain of Apollo pharmacies, business process outsourcing as well as health insurance services and clinical research divisions. Apollo has a presence outside India including in the Republic of Mauritius and Bangladesh and has signed a preliminary joint-venture agreement with the Board of Trustees of the National Social Security Fund, Tanzania and the Tanzanian Ministry of Health & Social Welfare, in connection with the establishment of an advanced healthcare facility in Dar es Salaam.

(ix) Regulatory conditions

We are subject to national and local laws, rules and regulations in Malaysia, Singapore, Turkey, the PRC, India and the other countries in which we operate. These laws, rules and regulations are generally stringent and it is possible that they will become significantly more stringent in the future. If we are held to be in violation of such regulatory requirements, including conditions in the permits required for our operations, by courts or governmental agencies, we may have to pay fines, modify or discontinue our operations, incur additional operating costs or make capital expenditures. Any public interest or class action legal proceedings related to such safety, health or environmental matters could also result in the imposition of financial or other obligations on us. Any such costs may have a material adverse effect on our business, financial condition, results of operations and prospects. Please refer to Sections 5.1 and 5.2 of this Prospectus for Risks related to our business and Risks related to our countries of operation, respectively.

(x) Foreign exchange rates

Most of our operating subsidiaries' functional currencies are denominated in currencies other than Ringgit Malaysia, such as Singapore Dollar and Turkish Lira, and will be translated into Ringgit Malaysia for consolidation into our Group's combined financial statements. Generally, assets and liabilities are translated from the respective functional currencies into Ringgit Malaysia using the exchange rate on the relevant reporting balance sheet date. Statements of comprehensive income are generally translated using the average exchange rate for the reporting period. Any currency exchange gain or loss arising from the translation process is recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity. Significant changes in exchange rates from period to period would affect the comparability of the financial statements across periods.

In addition, we and our subsidiaries do not fully hedge against exchange rate fluctuations, so any decline in the value of Singapore Dollar, Ringgit Malaysia and Turkish Lira against the currency in which our liabilities, in particular, indebtedness, may be denominated may lead to a decrease in our net income, and cash flow amounts, caused by effective increases in payments of interest expenses and repayment of principal amounts on fixed obligations and indebtedness denominated in US Dollar, Euro or currencies other than the functional currencies of our key operating subsidiaries. For example, in the years ended 31 December 2010 and 2011, adverse movements in the Turkish Lira against several foreign currencies resulted in a foreign exchange loss of TL25.5 million (RM54.5 million, translated based on the average exchange rate of TL1.00 : RM2.1405 as at 31 December 2010) and TL193.4 million (RM350.3 million, translated based on the average exchange rate of TL1.00 : RM1.8107 as at 31 December 2011). This was primarily because of US Dollar- and Euro-denominated credit facilities at Acibadem Holding and a Swiss franc-denominated equipment lease agreement, the foreign currency exposure in respect of which was not fully hedged. For the three months ended 31 March 2012, Acibadem Holding had a foreign exchange gain of TL62.7 million (RM107.2 million, translated based on the average exchange rate of TL1.00 : RM1.7097 as at 31 March 2012), primarily due to the appreciation of the Turkish Lira against several foreign currencies, such as the US Dollar and Euro.

12.2.5 Critical accounting policies and estimates

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates. The methods, estimates and judgments that we use in applying our accounting policies may have a significant impact on our results as reported in our historical combined financial statements included elsewhere in this Prospectus. Some of the accounting policies require us to make judgments, often as a result of the need to make estimates of matters that are inherently uncertain. Below is a summary of the accounting policies in accordance with MFRS and IFRS that we believe are both important to the presentation of our financial results and involve the need to make estimates and judgments about the effect of matters that are inherently uncertain. We also have other policies that we consider to be key accounting policies, which are set out in detail in note 2 to the historical combined financial statements included in Section A-1 of the Accountants' Report in Section 13 of this Prospectus.

(i) Basis of combination

(a) Subsidiary

Subsidiaries are entities controlled by our Group. Control exists when our Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The accounting policies of subsidiaries are changed when necessary to align them with the policies adopted by our Group.

(b) Business combination

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to our Group.

Acquisitions on or after 1 January 2009

For acquisitions on or after 1 January 2009, we measure the cost of goodwill at the acquisition date as:

(i) the fair value of the consideration transferred; plus

(ii) the recognised amount of any non-controlling interests in the acquiree; plus

(iii) if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less

(iv) the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in our combined statement of comprehensive income.

For each business combination, we elect whether we measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date. Transaction costs, other than those associated with the issue of debt or equity securities, that we incurred in connection with a business combination are expensed as incurred.

When a business combination is achieved in stages, the acquirer's previously held non-controlling equity interest in the acquiree is remeasured to fair value at the acquisition date, with any resulting gain or loss recognised in our combined statement of comprehensive income.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is considered as equity, then it is remeasured and settlement is recognised in equity. Otherwise, subsequent changes in fair value of the contingent consideration are recognised in our combined statement of comprehensive income.

Acquisitions before 1 January 2009

In preparing this first set of combined financial statements under MFRS and IFRS, we elected not to restate those business combinations undertaken by Khazanah that occurred before 1 January 2009. Goodwill arising from acquisitions before 1 January 2009 has been carried forward from the consolidated financial statements of Khazanah as at 1 January 2009.

(c) Acquisition of non-controlling interests

We treat all changes in our ownership interest in a subsidiary that do not result in a loss of control as equity transactions between our Group and our non-controlling interest holders. Any difference between our share of net assets before and after the change, and any consideration received or paid, is adjusted to or against our reserves.

(ii) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of our Group's entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting period are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are translated at exchange rates at the date of the transactions except for those that are measured at fair value, which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Foreign currency differences arising on retranslation are recognised in the combined statement of comprehensive income, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a cash flow hedge of currency risk, which are recognised in other comprehensive income.

(iii) Property, plant and equipment

(a) Recognition and measurement

Items of property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour and, for qualifying assets, borrowing costs are capitalised in accordance with our accounting policy. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items when available and replacement costs when appropriate.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" or "other operating expenses" respectively in the combined statement of comprehensive income.

(b) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to our Group and its cost can be measured reliably. The carrying amount of those parts that are replaced is derecognised to combined statement of comprehensive income. The costs of the day-to-day servicing of property, plant and equipment are recognised in the combined statement of comprehensive income as incurred.

(c) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in combined statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the lease term. Freehold land is not depreciated. Property, plant and equipment under construction (building-in-progress) are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

(i) Leasehold land: remaining term of the lease;

(ii) Buildings: 5 to 50 years;

(iii) Motor vehicles: 5 years;

(iv) Laboratory and teaching equipment: 2 to 10 years; and

(v) Hospital and medical equipment, renovation and furniture, fittings and equipment: 3 to 25 years.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate at the end of the reporting period.

(iv) Goodwill on consolidation

Goodwill arises on business combinations and is measured at cost less any accumulated impairment losses. In respect of equity accounted associates and jointly controlled entities, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity accounted associates and jointly controlled entities.

(v) Intangible assets

(a) Land use rights

Land use rights are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged on a straight-line basis over the lease term unless usage of the land use rights is dependent upon the construction of additional property, plant and equipment. In such a case, amortisation is charged on a straight line basis over the remaining term of the land use rights once the additional property, plant and equipment is ready for its intended use.

(b) Other intangible assets

Customer relationships and concession rights that are acquired by our Group, which have finite useful lives, are measured at cost less accumulated amortisation and impairment losses. Brand names that have indefinite lives and other intangible assets that are not available for use are stated at cost less impairment losses. Such intangible assets are tested for impairment annually and whenever there is an indication that they may be impaired.

(c) Amortisation

Amortisation is based on the cost of an asset less its residual value. Goodwill, intangible assets with indefinite useful lives and intangible assets not yet in use are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired. Other intangible assets are amortised from the date that they are available for use.

Amortisation is recognised in combined statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives are as follows:

(i) Concession rights: 15 years;

(ii) Land use rights: 65 years;

(iii) Customer relationships: 5 years; and

(iv) Development costs: 5 to 20 years.

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

(vi) Development property

Development property is stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in selling the property. The cost of property under development comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure that can be allocated on a reasonable basis to the property under development. Borrowing costs payable on loans funding a development property are also capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development.

(vii) Impairment – other assets

The carrying amounts of other assets (except for inventories, development property, deferred tax asset, assets arising from employee benefits and non-current assets (or disposal groups) classified as held for sale), are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in combined statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to combined statement of comprehensive income in the year in which the reversals are recognised.

(viii) Employee benefits – share-based payments transactions

We recognise the grant date fair value of share-based payment awards granted to employees as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of employee share options are measured using a binomial lattice model and a market value approach on a minority, non-marketable basis for EPP and LTIP respectively. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average cost of capital, EBITDA multiples, expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(ix) Revenue recognition

(a) Goods sold

Revenue from the sale of pharmaceutical products is measured at fair value of the consideration received or receivable, net of returns and allowances and trade discounts. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

(b) Services rendered

Revenue from provision of medicine and medical services, including healthcare support services rendered and service fees charged on the management of medical examination of foreign worker is recognised in the profit or loss net of service tax and discount as and when the services are performed.

(c) Sale of development property

We recognise income on property development projects when the significant risks and rewards of ownership have been transferred to the purchasers. Revenue and associated expenses will be recognised upon the transfer of significant risks and rewards of ownership, which generally coincides which the time the development units are delivered to the purchasers, such as upon the completion of the construction and when the rest of the purchase price is paid. Revenue excludes goods and services or other sale taxes and is after deduction of any trade discounts. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of the unit sold.

12.2.6 Principal income statement components

(i) Revenue

Our revenue is mainly derived from the provision of hospital and other healthcare services, consisting of inpatient and outpatient services, the provision of educational services, rental income and management and acquisition fees.

Due to differences in the underlying business models of Acibadem and PPL, Acibadem's revenue is accounted for on a gross basis (inclusive of doctor consultation fees), while PPL's revenue is accounted for on a net basis (exclusive of doctor consultation fees). For example, in Singapore and Malaysia, most of the specialist doctors who practise in or refer patients to PPL's hospital network are independent medical practitioners who may buy or lease clinic space from PPL and will bill their patients upon discharge for consulting and surgical fees either directly through their clinics or through PPL's hospital billing system for doctor consultation fees. PPL bills patients for hospital charges for the use of its operating theatres, medical equipment and other facilities and for the provision of pharmaceutical drugs, implants, consumables, diagnostic and other ancillary services to patients and recognises only these hospital charges as revenue. In Turkey, however, most of the doctors and physicians who practise in Acibadem's hospital network are either contracted or employed by Acibadem under a full or part-time employment contract. A majority of the doctors do not receive a set salary, but operate under a revenue-sharing model by which Acibadem bills patients for all medical services rendered, including consultations with the doctors, and then pays the doctors a portion of the fees received.

The components of our revenue are set out below:

(a) Hospital and other healthcare services income

For the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012, hospital and other healthcare services revenue represented approximately nil, 86.6%, 92.7% and 95.0% of our combined revenue, respectively.

(i) Inpatient revenue

Inpatient revenue represents revenue generated from the provision of inpatient services, including fees for medical services, such as operating theatre fees, pharmaceutical drugs and consumables, doctors' fees (in relation to our Turkish operations), nursing services, food and beverages for patients and room charges, with fees for medical services representing the majority of the income. Inpatient revenue is recognised as and when the services are rendered. We expect inpatient revenue to increase in the future both in absolute terms and as a percentage of total income as we expand our hospital network and continue to focus on sophisticated procedures which require more complex and increased instances of medical treatments and for which there is an increasing demand.

(ii) Outpatient revenue

Outpatient revenue represents revenue generated from the provision of outpatient services at the hospitals we operate, including fees for physiotherapy, imaging and diagnostic services. It also includes consulting fees and pharmacy revenue from our CoEs and primary care medical centres and clinics, diagnostic services rendered at our medical centres and clinics and health screening services. Outpatient income is recognised as and when the services are rendered. We expect outpatient income to increase in the future as a result of both higher demand for healthcare services in the countries in which we operate and the expansion of our hospital network.

(iii) Discounts and subsidies

Discounts and subsidies represent discounts on healthcare services for individual patients. For our Group, discounts and subsidies also include the discounts provided under arrangements with government-sponsored insurance, corporate clients and private healthcare insurers. We expect discounts and subsidies to increase in absolute terms as a result of higher patient volumes and, in respect of our Acibadem hospitals, we also expect discounts and subsidies to increase as a percentage of total revenue as the number of negotiated arrangements with SGK and the number of patients covered by such arrangements increase.

(b) Educational services income

Educational services income is generated from tuition fees paid by students enrolled at our educational institutions, IMU, Pantai College and Parkway College. Tuition fees are recognised at the time service is rendered. For the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012, educational services income represented approximately 100.0%, 11.4%, 4.9% and 3.5% of our combined revenue, respectively. We expect educational services income to increase in the future as a result of both higher demand for healthcare education in Malaysia and Singapore and the expansion of our academic programmes.

(c) Rental income

Our rental income consists primarily of rent paid to us by independent medical practitioners in respect of the medical office suites, the rental of wards for clinical research, teaching or public sector outsourcing and the rental of retail space located at our hospitals in Singapore and Malaysia. For the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012, rental income represented approximately nil, 1.1%, 1.6% and 1.0% of our combined revenue, respectively. We expect rental income to increase due to the limited supply of hospital space in the markets in which we operate.

(d) Management and acquisition fees

Management fees are derived mainly from HMA fees as well as from the management of PLife REIT through Parkway Trust Management, our wholly-owned subsidiary. We enter into HMAs to provide consultancy and advisory services for the construction and operation of hospitals. We earn management fees when these hospitals become operational based on the higher of a minimum fee or a certain percentage of revenue at the hospital. As we add new HMA hospitals to our network and improve the operating efficiencies at our existing HMA hospitals, we expect to experience increases in management fees from new and existing HMA hospital partners. Parkway Trust Management, as the manager of PLife REIT, earns acquisition and annual management fees from PLife REIT upon each successful acquisition of a property and for the ongoing management of PLife REIT's portfolio of properties. As a percentage of our revenue, management and acquisition fees could either increase or decrease depending on the rate and nature of our expansion and upon the growth of the hospitals we manage.

(ii) Other operating income

Other operating income consists primarily of foreign exchange gains and other miscellaneous income such as car park fee income, retail pharmacy rental income and administrative fee income from doctors.

(iii) Costs of operations

The primary categories of our costs of operations include inventories and consumables, purchased and contracted services, staff costs, operating expenses, operating lease expenses and finance costs. We exclude from our costs of operations those expenses that are recoverable from our HMA hospitals in accordance with the terms of our HMAs. In our financial statements, all operating expenses are recorded net of discounts given to us by third party vendors.

(a) Inventories and consumables

Inventories and consumables include the cost of consumable medical supplies, as well as pharmaceutical drugs and consumables administered or sold to a patient at one of our hospitals or healthcare facilities, and include customs duty and freight charges. Our most significant costs include the costs for medical implants, pharmaceutical drugs, consumables and spare parts for medical and other equipment. We expect inventories and consumables expense to increase in absolute terms as our volume of patients increases. However, inventories and consumable expense may increase or decrease as a percentage of combined total revenue due to an increase in the mix of more expensive pharmaceutical drugs and implants that are used for increasingly more complex cases, which effect is partially offset by the economies of scale and greater negotiating leverage that comes with a larger hospital network. For example, joint replacement surgeries will consume higher amounts of material costs than maternity cases.

(b) Purchased and contracted services

Purchased and contracted services include equipment service contracts, outsourcing of certain medical tests and the terms of our service agreements with doctors who are contracted by our CoEs. We expect that these expenses will increase in the future, primarily as a result of the increase in patient volume and our expansion plans. Purchased and contracted services may increase or decrease as a percentage of consolidated total revenue depending on the proportion of service agreements with doctors as compared to other service agreements. Fees paid to those doctors with whom we have a service agreement will generally vary with the revenue and profits of our CoEs. Maintenance and equipment service contract expenses are generally fixed and these costs are spread out over a larger income base as revenue increase.

(c) Staff costs

Staff costs consist primarily of salaries and wages, staff welfare expenses, contributions to the statutory provident fund, statutory gratuities, bonus payments, share-based payments and staff recruitment and training. In the future, we expect staff costs to increase in absolute terms, as a result of both growth in our business and upward pressure on wages for healthcare professionals, especially doctors and nurses. Although many of our doctors in Singapore and Malaysia are independent medical practitioners, we employ most of our doctors in Turkey. Opening a new hospital requires us to install a basically full complement of doctors even if occupancy rates have not yet reached target levels. As a result of ramping up our staffing levels for doctors and nurses and, to a lesser degree, other staff at new hospitals in anticipation of higher patient volumes in the future, personnel expenses will represent a higher percentage of revenue in respect of a newly acquired or opened hospital before it reaches maturity. This will decline as patient volumes and manpower utilisation rates increase at a hospital. During periods of expansion in which newly acquired or opened hospitals make up the majority of our portfolio, staff costs will represent a higher percentage of consolidated total revenue.

(d) Operating expenses

Operating expenses consist primarily of repairs and maintenance of buildings, plant and machinery, utility charges (including power and water), property taxes, insurance premiums, professional fees, security, housekeeping expenses and food and beverage expenses. As we expand our business, operating expenses will increase correspondingly in absolute terms. Much of the infrastructure for a hospital must be put in place when a hospital commences operations and many operating expenses are required to be incurred regardless of patient admission levels, and thus initially, operating expenses will represent a higher percentage of a hospital's total revenue until patient volumes reach targeted levels.

(e) Operating lease expenses

Operating lease expenses consist primarily of the lease amounts we paid to PLife REIT for Gleneagles Hospital, Mount Elizabeth Hospital and Parkway East Hospital in Singapore as well as lease amounts of medical centre and clinic premises. We also lease land and buildings for our hospitals and outpatient clinics in Turkey. We expect that these expenses will increase in the future, primarily as a result of our expansion plans. We expect operating lease expenses to decrease as a percentage of consolidated total revenue as these costs (many of which are fixed) are spread out over a larger revenue base as we expand our network.

(f) Finance costs

Finance costs are primarily composed of interest paid on loans, foreign exchange losses on foreign currency-denominated loans and also include other bank charges. Although a portion of the proceeds from this Global Offering will help repay a portion of our existing loans and fund our future projects, we expect to incur additional indebtedness in the future to help finance our expansion plans, which would increase our finance costs. Finance costs may increase or decrease as a percentage of revenue depending on our currency exposure to foreign currency-denominated loans, our rate of expansion and also on our mix of greenfield hospitals and acquisitions. The finance costs for the construction of our new hospital developments are capitalised during the period of construction, but once the new hospital commences operations, those finance costs are recognised in our combined statement of comprehensive income. Finance costs incurred for acquisitions are immediately recognised in our statement of comprehensive income as an expense.

(iv) Depreciation and amortisation

Our intangible assets that have a finite useful life are amortised from the date that they are available for use. We expect amortisation expenses to increase in the future as we invest in the development of intangible assets such as educational curriculums and customised information systems. In addition, the land use rights for Gleneagles Khubchandani Hospital will be amortised upon the completion of the hospital. We also expect depreciation expenses to increase upon the completion of Mount Elizabeth Novena Hospital. Depreciation of the land and building of the hospital over its useful life will commence from the date that it commences operations.

(v) Share of profits of associates and joint ventures

Share of profits of associates and joint ventures consist primarily of our share of earnings from PLife REIT, Apollo Gleneagles Hospital, Apollo Gleneagles PET-CT Centre and Shenton Family Medical Clinics. We expect that this share of profits will increase in the future primarily as a result of the growth of these operations and our expansion plans. Prior to August 2010, we also accounted for share of profits from Pantai Irama and Parkway.

12.2.7 Results of operations

This table shows our combined statement of comprehensive income for the periods indicated.

	Audited			Unaudited	Audited
	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
	(RM million except for share and margin information)				
Revenue	121.1	1,214.1	3,328.8	859.9	1,276.2
Other operating income	2.9	21.8	159.8	48.9	19.0
Inventories and consumables	–	(191.2)	(680.2)	(189.0)	(252.3)
Purchased and contracted services	–	(216.2)	(398.6)	(113.9)	(131.2)
Depreciation and impairment losses on property, plant and equipment	(9.2)	(57.4)	(165.8)	(38.3)	(74.4)
Amortisation and impairment losses on intangible assets	–	(44.3)	(55.0)	(29.9)	(14.7)
Staff costs	(52.6)	(372.4)	(1,073.0)	(266.9)	(460.3)
Operating lease expenses	(0.6)	(72.5)	(186.6)	(44.7)	(59.9)
Operating expenses	(22.1)	(225.6)	(456.2)	(90.3)	(133.8)
Finance income	0.7	6.5	28.9	10.2	55.4
Finance costs	(3.5)	(84.1)	(106.4)	(28.6)	(47.4)
Gain on remeasurement of investment previously accounted for as associates and joint ventures	–	530.1	–	–	–
Share of profits of associates (net of tax)	59.5	70.8	79.9	12.2	14.5
Share of profits of joint ventures (net of tax)	4.4	34.0	13.9	2.7	3.4
Profit before income tax	**100.6**	**613.6**	**489.5**	**132.3**	**194.5**
Income tax expense	(8.1)	(38.8)	(95.4)	(26.8)	(42.2)
Profit for the year/period	**92.5**	**574.8**	**394.1**	**105.5**	**152.3**
Profit before income tax margin (%)	83.1	50.5	14.7	15.4	15.2
Profit for the year/period margin (%)	76.4	47.3	11.8	12.3	11.9
Profit attributable to:					
Owners of our Company	83.2	554.4	379.9	101.8	123.8
Non-controlling interests	9.3	20.4	14.2	3.7	28.5
Profit for the year/period	**92.5**	**574.8**	**394.1**	**105.5**	**152.3**

	Audited			Unaudited	Audited
	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
	(RM million except for share and margin information)				
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations	–	(54.6)	88.9	22.7	8.7
Net change in fair value of available-for-sale financial assets	–	–	22.6	–	76.2
Cumulative changes in fair value of cash flow hedges transferred to profit or loss	–	15.9	–	–	–
Share of other comprehensive income/(expense) of associates	17.8	(21.5)	(0.1)	0.5	(0.1)
	17.8	(60.2)	111.4	23.2	84.8
Total comprehensive income for the year/period	**110.3**	**514.6**	**505.5**	**128.7**	**237.1**
Total comprehensive income attributable to:					
Owners of our Company	101.0	486.5	501.4	128.8	190.9
Non-controlling interests	9.3	28.1	4.1	(0.1)	46.2
	110.3	**514.6**	**505.5**	**128.7**	**237.1**
Earnings per Share (sen)					
Basic[1]	1.51	10.08	6.91	1.85	2.00
Diluted, based on enlarged share capital at Listing[2]	1.03	6.88	4.72	1.26	1.54
Diluted, based on MFRS/IFRS[3]	1.51	10.08	6.90	1.85	1.99

Notes:

(1) Based on 5,500.0 million Shares in issue for the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2011 and 6,195.4 million shares in issue for the three months ended 31 March 2012.

(2) Based on the Enlarged Share Capital at Listing of 8,057.1 million Shares. The above does not account for new Shares that may arise from the surrender/exercise of the outstanding LTIP units and EPP options which were granted before the Listing but became vested or exercisable only after the Listing (of up to 168.7 million Shares), and the exercise of any of the Aydinlar Option and Bagan Lalang Option (of up to 611.0 million Shares) Please refer to Section 4.3.7 of this Prospectus for further details.

(3) Based on the number of Shares used in the basic earnings per Share in note 1 above, adjusted for dilution effects of outstanding LTIP units and EPP options (where applicable) as calculated in accordance with MFRS 133 and IAS 33 "Earnings per share". Please refer to the Accountants' Report as set out in Section 13 of this Prospectus for further details.

12.2.8 Review of past performance

(i) Three months ended 31 March 2012 compared to three months ended 31 March 2011

(a) Revenue

Our revenue increased by 48.4% to RM1,276.2 million for the three months ended 31 March 2012 from RM859.9 million for the three months ended 31 March 2011, primarily due to an increase in hospital and other healthcare services revenue. This was mainly due to our acquisition of Acibadem Holding.

Revenue breakdown

The following table provides a breakdown of our revenue by revenue type and operating segments for the periods indicated.

	Unaudited	Audited
	Three months ended 31 March	
	2011	2012
	(RM million)	
Hospital and other healthcare	797 2	1,212.0
Education services	43.7	44.6
Rental income	12.5	12.4
Management and acquisition fees	6.5	7.2
Total	**859.9**	**1,276.2**

	Three months ended 31 March											
	Singapore		Malaysia		CEEMENA		China		Other regions		Total	
	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012
	(RM million)											
Total revenue from external customers[(1)]	458.5	524.7	351.1	303.1	–	388.2	33.4	41.1	16.9	19.1	**859.9**	**1,276.2**

Note:

(1) This does not include associates and joint ventures.

Our revenue from hospital and other healthcare services increased by 52.0% to RM1,212.0 million for the three months ended 31 March 2012 from RM797.2 million for the three months ended 31 March 2011, primarily due to our acquisition of Acibadem Holding, which contributed RM388.2 million, or 32.0%, of our hospital and other healthcare services revenue for the three months ended 31 March 2012.

In addition, hospital and other healthcare revenue generally increased in respect of PPL's operations in Singapore and internationally due to increases in inpatient admissions and average revenue per patient day. This increase was partially offset by a slight decrease in hospital and other healthcare revenue in Malaysia due to the sale in March 2011 of Pantai Irama's concession business, Pantai Support Services Sdn Bhd and its subsidiaries, which primarily provided clinical waste management, cleaning and maintenance services for hospitals, as well as laundry and dry cleaning services, and supervised the medical examination of foreign workers in Malaysia. Besides that, our Malaysian hospital and healthcare revenue increased for the three months ended 31 March 2012 compared to the three months ended 31 March 2011, primarily due to increases in inpatient admissions and average revenue per patient day. Acibadem Holding's hospital and other healthcare services revenue increased for the three months ended 31 March 2012 compared to the three months ended 31 March 2011, primarily due to increases in the number of hospitals and inpatient admissions.

Our revenue from education services increased by 2.1% to RM44.6 million for the three months ended 31 March 2012 from RM43.7 million for the three months ended 31 March 2011, primarily due to increased student enrolment in IMU's existing and new academic programmes.

Our revenue from rentals decreased slightly by 0.8% to RM12.4 million for the three months ended 31 March 2012 from RM12.5 million for the three months ended 31 March 2011.

Our revenue from management and acquisition fees increased by 10.8% to RM7.2 million for the three months ended 31 March 2012 from RM6.5 million for the three months ended 31 March 2011, primarily due to increased management and acquisition fees earned from PLife REIT.

(b) Other operating income

Our other operating income decreased by 61.1% to RM19.0 million for the three months ended 31 March 2012 from RM48.9 million for the three months ended 31 March 2011, primarily due to foreign exchange gains of RM33.8 million that were recognised for the three months ended 31 March 2011. These foreign exchange gains arose primarily from translation gains on non-Ringgit Malaysia amounts owing to Khazanah and its subsidiaries. These amounts have since been capitalised during 2011.

(c) Inventories and consumables

Our inventories and consumables expenses increased by 33.5% to RM252.3 million for the three months ended 31 March 2012 from RM189.0 million for the three months ended 31 March 2011, primarily due to our acquisition of Acibadem Holding, which accounted for RM81.2 million, or 32.2%, of our inventories and consumables expenses for the three months ended 31 March 2012, and increased use of inventories and consumables in PPL and IMU Health as a result of our revenue growth and was offset by cost savings in procurement.

(d) Purchased and contracted services

Our purchased and contracted services expenses increased by 15.2% to RM131.2 million for the three months ended 31 March 2012 from RM113.9 million for the three months ended 31 March 2011, primarily due to our acquisition of Acibadem Holding, which accounted for RM32.0 million, or 24.4% of our purchased and contracted services for the three months ended 31 March 2012, and increased utilisation of purchased and contracted services in PPL and IMU Health to support our revenue growth.

(e) Staff costs

Our staff costs increased by 72.5% to RM460.3 million for the three months ended 31 March 2012 from RM266.9 million for the three months ended 31 March 2011, primarily due to our acquisition of Acibadem Holding, where doctors' salaries are recognised as staff costs and comprise a higher percentage of Acibadem Holding's costs of operations as compared to the rest of our Group. In addition, there was a slight increase in PPL's staff costs for the three months ended 31 March 2012 due to share-based payments from our LTIP and EPP plans to employees in Singapore and Malaysia.

(f) Operating lease expenses

Our operating lease expenses increased by 34.0% to RM59.9 million for the three months ended 31 March 2012 from RM44.7 million for the three months ended 31 March 2011, primarily due to our acquisition of Acibadem Holding.

(g) Operating expenses

Our operating expenses increased by 48.2% to RM133.8 million for the three months ended 31 March 2012 from RM90.3 million for the three months ended 31 March 2011, primarily due to our acquisition of Acibadem Holding as well as increased operating expenses at PPL due to the expanded scope of its operations.

(h) Finance income

Our finance income increased by 443.1% to RM55.4 million for the three months ended 31 March 2012 from RM10.2 million for the three months ended 31 March 2011, primarily due to Acibadem Holding's net foreign exchange gain of RM41.8 million, which resulted from net exchange gains on translation of Acibadem Holding's foreign currency-denominated loans to Turkish Lira when the Turkish Lira appreciated against such foreign currencies.

(i) Finance costs

Our finance costs increased by 65.7% to RM47.4 million for the three months ended 31 March 2012 from RM28.6 million for the three months ended 31 March 2011, primarily due to our acquisition of Acibadem Holding, which was principally due to the consolidation of Acibadem Holding's finance costs of RM25.7 million and finance costs incurred for borrowings taken up to acquire Acibadem Holding of RM3.5 million, which were partially offset by lower finance costs incurred by Pantai Irama and IMU Health upon repayment of their borrowings in 2011.

(j) Share of profits of associates and joint ventures

Our share of profits of associates (net of tax) increased by 18.9% to RM14.5 million for the three months ended 31 March 2012 from RM12.2 million for the three months ended 31 March 2011, primarily due to share of higher results contribution from PLife REIT.

Our share of profits of joint ventures (net of tax) increased by 25.9% to RM3.4 million for the three months ended 31 March 2012 from RM2.7 million for the three months ended 31 March 2011, primarily due to an increase in profits at Apollo Gleneagles.

(k) Profit before income tax

Principally as a result of the foregoing factors, our profit before income tax increased by 47.0% to RM194.5 million for the three months ended 31 March 2012 from RM132.3 million for the three months ended 31 March 2011. Our profit before income tax margin decreased to 15.2% for the three months ended 31 March 2012 from 15.4% for the three months ended 31 March 2011.

(l) Income tax expense

Our income tax expense increased by 57.5% to RM42.2 million for the three months ended 31 March 2012 from RM26.8 million for the three months ended 31 March 2011, primarily due to the increase in our profit before income tax as well as our acquisition of Acibadem Holding.

(m) Profit for the period

Principally as a result of the foregoing factors, our profit for the period increased by 44.4% to RM152.3 million for the three months ended 31 March 2012 from RM105.5 million for the three months ended 31 March 2011. Our profit for the period margin decreased to 11.9% for the three months ended 31 March 2012 from 12.3% for the three months ended 31 March 2011.

(ii) Year ended 31 December 2011 compared to year ended 31 December 2010

(a) Revenue

Our revenue increased by 174.2% to RM3,328.8 million for the year ended 31 December 2011 from RM1,214.1 million for the year ended 31 December 2010, primarily due to general increases across the business segments in which we operate, principally driven by an increase in hospital and other healthcare services revenue. This was due to the fact that we consolidated a full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010.

Revenue breakdown

The following table provides a breakdown of our revenue by revenue type and geographical segments for the periods indicated.

	Audited	
	Year ended 31 December	
	2010	**2011**
	(RM million)	
Hospital and other healthcare	1,051.7	3,085.6
Education services	138.5	162.2
Rental income	13.2	51.8
Management and acquisition fees	10.7	26.3
Dividend income	–	2.9
Total	**1,214.1**	**3,328.8**

	Audited									
	Year ended 31 December									
	Singapore		**Malaysia**		**China**		**Other regions**		**Total**	
	2010	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**
	(RM million)									
Total revenue from external customers[(1)]	573 5	1,916.0	568.5	1,199.7	48.9	143.3	23.2	69.8	**1,214.1**	**3,328.8**

Note:

(1) This does not include associates and joint ventures.

Our revenue from hospital and other healthcare services increased by 193.4% to RM3,085.6 million for the year ended 31 December 2011 from RM1,051.7 million for the year ended 31 December 2010, primarily due to the full year consolidation of revenue from operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010. In addition, hospital and other healthcare revenue generally increased in respect of operations in Singapore, Malaysia and internationally. This increase was partially offset by the sale in March 2011 of Pantai Irama's concession business, Pantai Support Services Sdn Bhd and its subsidiaries.

Our revenue from education services increased by 17.1% to RM162.2 million for the year ended 31 December 2011 from RM138.5 million for the year ended 31 December 2010, primarily due to increased student enrolment in IMU's existing and new academic programmes.

Our revenue from rentals increased by 292.4% to RM51.8 million for the year ended 31 December 2011 from RM13.2 million for the year ended 31 December 2010, primarily due to the full year consolidation of revenue from operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010.

Our revenue from management and acquisition fees increased by 145.8% to RM26.3 million for the year ended 31 December 2011 from RM10.7 million for the year ended 31 December 2010, primarily due to the full year consolidation of revenue from operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010.

Our revenue from dividend income increased to RM2.9 million for the year ended 31 December 2011 from nil for the year ended 31 December 2010, primarily due to our investment in a 8.2% stake in Apollo in March 2011, which we subsequently increased to a 11.2% stake in October 2011.

(b) Other operating income

Our other operating income increased by 633.0% to RM159.8 million for the year ended 31 December 2011 from RM21.8 million for the year ended 31 December 2010, primarily due to the fact that we had full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010 and foreign exchange gains in 2011.

(c) Inventories and consumables

Our inventories and consumables expenses increased by 255 8% to RM680.2 million for the year ended 31 December 2011 from RM191.2 million for the year ended 31 December 2010, primarily due to the fact that we had a full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010.

(d) Purchased and contracted services

Our purchased and contracted services expenses increased by 84.4% to RM398.6 million for the year ended 31 December 2011 from RM216.2 million for the year ended 31 December 2010, primarily due to the fact that we had a full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010. The increase was partially offset by our disposal of Pantai Support Services Sdn Bhd and its subsidiaries in March 2011.

(e) Staff costs

Our staff costs increased by 188.1% to RM1,073.0 million for the year ended 31 December 2011 from RM372.4 million for the year ended 31 December 2010, primarily due to the fact that we had a full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010. Our staff costs of RM372.4 million for the year ended 31 December 2010 includes a one-off increase in staff cost resulting from a revaluation of our employee performance incentive scheme conducted in December 2010.

(f) Operating lease expenses

Our operating lease expenses increased by 157.4% to RM186.6 million for the year ended 31 December 2011 from RM72.5 million for the year ended 31 December 2010, primarily due to the fact that we had a full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010. In addition, our lease payments to PLife REIT increased in 2011 compared to 2010.

(g) Operating expenses

Our operating expenses increased by 102 2% to RM456.2 million for the year ended 31 December 2011 from RM225.6 million for the year ended 31 December 2010, primarily due to the fact that we consolidated a full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010. This was partially offset by a decrease in one-off expenses to RM66.3 million in 2011, which included a RM19.5 million write-off of property, plant and equipment, professional and consultancy fees of RM9.1 million for internal restructuring and RM35.1 million for the acquisition of Acibadem Holding. We had one-off expenses of RM97.5 million in 2010, which included an impairment loss on goodwill and an impairment loss on deposits of RM4.9 million and RM65.1 million, respectively, and expenses incurred relating to the acquisition of Parkway and Pantai Irama amounting to RM27.9 million.

(h) Finance income

Our finance income increased by 344.6% to RM28.9 million for the year ended 31 December 2011 from RM6.5 million for the year ended 31 December 2010, primarily due to a RM12.6 million fair value gain on financial instruments and an increase of interest income by RM9.5 million. The fair value gain on financial instruments refers primarily to interest-rate swap derivatives which need to be fair valued at each reporting date.

(i) Finance costs

Our finance costs increased by 26.5% to RM106.4 million for the year ended 31 December 2011 from RM84.1 million for the year ended 31 December 2010, primarily due to the fact that we had a full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010. In addition, we recognised a RM15.1 million fair value loss on financial instruments in 2010 due to the restructuring of a SGD500 million term loan and a SGD850 million term loan facilities once Parkway was taken private in December 2010, whereas no such loss was recognised in 2011.

(j) Share of profits of associates and joint ventures

Our share of profits of associates (net of tax) increased by 12.9% to RM79.9 million for the year ended 31 December 2011 from RM70.8 million for the year ended 31 December 2010, primarily due to share of higher results contribution from PLife REIT.

Our share of profits of joint ventures (net of tax) decreased by 59.1% to RM13.9 million for the year ended 31 December 2011 from RM34.0 million for the year ended 31 December 2010, primarily due to the consolidation of Pantai Irama from September 2010 onwards after we attained control. Prior to September 2010, we equity accounted for Pantai Irama.

(k) Profit before income tax

Principally as a result of the foregoing factors, as well as the fact that we did not have a gain on remeasurement of investment previously accounted for as associates and joint ventures, in the year ended 31 December 2011, our profit before income tax decreased by 20.2% to RM489.5 million for the year ended 31 December 2011 from RM613.6 million for the year ended 31 December 2010. Our profit before income tax margin decreased to 14.7% for the year ended 31 December 2011 from 50.5% for the year ended 31 December 2010.

(l) Income tax expense

Our income tax expense increased by 145.9% to RM95.4 million for the year ended 31 December 2011 from RM38.8 million for the year ended 31 December 2010, primarily due to the fact that we had a full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010.

(m) Profit for the year

Principally as a result of the foregoing factors, our profit for the year decreased by 31.4% to RM394.1 million for the year ended 31 December 2011 from RM574.8 million for the year ended 31 December 2010. Our profit margin for the year decreased to 11.8% for the year ended 31 December 2011 from 47.3% for the year ended 31 December 2010.

(iii) Year ended 31 December 2010 compared to year ended 31 December 2009

(a) Revenue

Our revenue increased by 902.6% to RM1,214.1 million for the year ended 31 December 2010 from RM121.1 million for the year ended 31 December 2009, primarily due to the fact that our revenue in 2010 included four months of operations from Parkway and Pantai Irama as compared to 2009 (when our revenue only included IMU Health's operations), which had an ensuing impact on all of our line items for 2010.

Revenue breakdown

The following table provides a breakdown of our revenue by revenue type and geographical segments for the periods indicated.

	Audited	
	Year ended 31 December	
	2009	2010
	(RM million)	
Hospital and other healthcare	–	1,051.7
Education services	121.1	138.5
Rental income	–	13.2
Management and acquisition fees	–	10.7
Total	**121.1**	**1,214.1**

	Audited									
	Year ended 31 December									
	Singapore		Malaysia		China		Other regions		Total	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
	(RM million)									
Total revenue from external customers[(1)]	–	573.5	121.1	568.5	–	48.9	–	23.2	**121.1**	**1,214.1**

Note:

(1) This does not include associates and joint ventures.

Our revenue from hospital and other healthcare services increased to RM1,051.7 million for the year ended 31 December 2010 from nil for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control.

Our revenue from education services increased by 14.4% to RM138.5 million for the year ended 31 December 2010 from RM121.1 million for the year ended 31 December 2009, primarily due to increased tuition revenue due to higher student enrolment in IMU's existing and new academic programmes.

Our revenue from rentals increased to RM13.2 million for the year ended 31 December 2010 from nil for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control.

Our revenue from management and acquisition fees increased to RM10.7 million for the year ended 31 December 2010 from nil for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control.

(b) Other operating income

Our other operating income increased by 651.7% to RM21.8 million for the year ended 31 December 2010 from RM2.9 million for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control.

(c) Inventories and consumables

Our inventories and consumables expenses increased to RM191.2 million for the year ended 31 December 2010 from nil for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control.

(d) Purchased and contracted services

Our purchased and contracted services expenses increased to RM216.2 million for the year ended 31 December 2010 from nil for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control.

(e) Staff costs

Our staff costs increased by 608.0% to RM372.4 million for the year ended 31 December 2010 from RM52.6 million for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control and an increase in staff costs at each of Parkway and Pantai Irama.

(f) Operating lease expenses

Our operating lease expenses increased to RM72.5 million for the year ended 31 December 2010 from RM0.6 million for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control.

(g) Operating expenses

Our operating expenses increased by 920.8% to RM225.6 million for the year ended 31 December 2010 from RM22.1 million for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control. We also recognised one-off expenses of RM97.5 million in 2010, which included an impairment loss on goodwill and an impairment loss on deposits of RM4.9 million and RM65.1 million, respectively, and expenses incurred relating to the acquisition of Parkway and Pantai Irama amounting to RM27.9 million.

(h) Finance income

Our finance income increased by 828.6% to RM6.5 million for the year ended 31 December 2010 from RM0.7 million for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control.

(i) Finance costs

Our finance costs increased to RM84.1 million for the year ended 31 December 2010 from RM3.5 million for the year ended 31 December 2009, primarily due to our consolidation of the results of Parkway and Pantai Irama after attaining control. In addition, we recognised a RM15.1 million fair value loss on financial instruments in 2010 due to the restructuring of a SGD500 million term loan and a SGD850 million term loan facilities once Parkway was taken private in December 2010.

(j) Gain on remeasurement of investment previously accounted for as associates and joint ventures

We recorded a gain on remeasurement of investment previously accounted for as associates and joint ventures of RM530.1 million for the year ended 31 December 2010 on the derecognition of our non-controlling interest in Parkway and our joint venture interest in Pantai Irama prior to our consolidation of the results of Parkway and Pantai Irama after attaining control. We did not have a similar gain on remeasurement of investment previously accounted for as associates and joint ventures in the years ended 31 December 2009 or 2011.

(k) Share of profits of associates and joint ventures

Our share of profits of associates (net of tax) increased by 19.0% to RM70.8 million for the year ended 31 December 2010 from RM59.5 million for the year ended 31 December 2009, primarily due to an increase in profits of Parkway, which was accounted for as an associate, as well as an increase in profits of PLife REIT.

Our share of profits of joint ventures (net of tax) increased by 672.7% to RM34.0 million for the year ended 31 December 2010 from RM4.4 million for the year ended 31 December 2009, primarily due to an increase in profits of Pantai Irama, which was accounted for as a joint venture from January 2009 to August 2010.

(l) Profit before income tax

Principally as a result of the foregoing factors, our profit before income tax increased by 509.9% to RM613.6 million for the year ended 31 December 2010 from RM100.6 million for the year ended 31 December 2009. Our profit before income tax margin decreased to 50.5% for the year ended 31 December 2010 from 83.1% for the year ended 31 December 2009.

(m) Income tax expense

Our income tax expense increased by 379.0% to RM38.8 million for the year ended 31 December 2010 from RM8.1 million for the year ended 31 December 2009, primarily due to our increase in revenue related to our consolidation of the results of Parkway and Pantai Irama after attaining control.

(n) Profit for the year

Principally as a result of the foregoing factors, our profit for the year increased by 521.4% to RM574.8 million for the year ended 31 December 2010 from RM92.5 million for the year ended 31 December 2009. Our profit for the year margin decreased to 47.3% for the year ended 31 December 2010 from 76.4% for the year ended 31 December 2009.

12.3 Liquidity and capital resources

12.3.1 Working capital

Our principal source of liquidity is cash generated from our operations and borrowings from financial institutions. Following the Listing, we may, from time to time, also rely on additional equity and debt offerings to raise capital. Our ability to rely on these sources of funding could be affected by our results of operations and financial position and by the conditions in the local and global financial markets.

Our principal liquidity requirements are for capital expenditures, such as for our greenfield and brownfield projects under development, including Mount Elizabeth Novena Hospital, acquisitions, technical upgrades of our medical equipment and other technological systems, and working capital.

As at 31 March 2012, we had cash and cash equivalents of RM1,599.6 million and total borrowings of RM7,639.0 million. Our working capital, calculated as current assets minus current liabilities, was RM1,171.2 million as at 31 March 2012. Taking into consideration our funding requirements for our committed capital expenditure, expected funds to be generated from cash flows from operations, as well as our existing level of cash and cash equivalents and credit sources, our Board believes that in their reasonable opinion, the working capital available to us is sufficient for the present requirements of our Group and for a period of twelve months from the date of this Prospectus.

12.3.2 Cash flows

The following is a summary of our cash flow statements for the periods indicated.

	Audited			Unaudited	Audited
	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
			(RM million)		
Net cash generated from operating activities	35.3	398.7	887.1	240.0	394.1
Net cash used in investing activities	(14.8)	(5,960.2)	(1,285.7)	(578.7)	(1,062.9)
Net cash generated from financing activities	2 7	6,924.8	423.6	44.2	911.0
Net increase/(decrease) in cash and cash equivalents	23.2	1,363.3	25.0	(294.5)	242.2
Cash and cash equivalents at beginning of the year/period	18.4	41.7	1,158.1	1,158.1	1,251.4
Effect of exchange rate fluctuations on cash held	–	(246.9)	68.3	(3.4)	(24.0)
Cash and cash equivalents at end of the year/period	**41.6**	**1,158.1**	**1,251.4**	**860.2**	**1,469.6**

We need cash primarily to fund our working capital needs, expansion, capital expenditure and service our indebtedness. Our ability to expand our business operations has been largely dependent upon, and will continue to depend upon, our ability to finance these activities through cash from operations, bank borrowings and the issuance of equity and debt securities. We believe that existing cash and cash equivalent balances and credit lines, together with existing and future bank borrowings and the proceeds of this Global Offering will be sufficient to fund our anticipated working capital and capital expenditure requirements for 2012 and for a period of twelve months from the date of this Prospectus. However, if adequate funds are not available on satisfactory terms or at all, we may be required to delay our business plans.

Save as disclosed in Financing activities below and Exchange Rates in Section 12.14 of this Prospectus, our Board of Directors is of the opinion that there are no legal, financial or economic restrictions on our subsidiaries' ability to transfer funds to our Company in the form of cash dividends, loans or advances.

Net cash generated from operating activities

Net cash generated from operating activities increased by 64.2% to RM394.1 million in the three months ended 31 March 2012 from RM240.0 million in the three months ended 31 March 2011, primarily as a result of an increase in operating profit before changes in working capital to RM281.9 million and trade and other payables to RM187.9 million, partially offset by an increase in development property (consisting of Mount Elizabeth Novena Hospital's medical suites) to RM36.2 million. Net cash generated from operating activities increased by 122.5% to RM887.1 million in the year ended 31 December 2011 from RM398.7 million in the year ended 31 December 2010, primarily as a result of an increase in operating profit before changes in working capital to RM706.1 million and trade and other payables to RM569.7 million, partially offset by an increase in development property (consisting of Mount Elizabeth Novena Hospital's medical suites) to RM181.4 million and income taxes paid to RM110.0 million primarily due to the fact that we had a full year of operations from Parkway and Pantai Irama in 2011 as compared to four months of operations in 2010. Net cash generated from operating activities increased by 1,029.5% to RM398.7 million in the year ended 31 December 2010 from RM35.3 million in the year ended 31 December 2009, primarily as a result of an increase in operating profit before changes in working capital to RM234.6 million and trade and other payables to RM309.0 million, partially offset by an increase in development property (consisting of Mount Elizabeth Novena Hospital's medical suites) to RM61.7 million and trade and other receivables to RM63.5 million.

Net cash used in investing activities

Net cash used in investing activities was RM14.8 million, RM5,960.2 million, RM1,285.7 million and RM1,062.9 million in the year ended 31 December 2009, 2010, and 2011 and the three months ended 31 March 2012, respectively. These amounts mostly reflected our acquisition of subsidiaries, net of cash acquired and capital expenditures for property, plant and equipment. Our Group's capital expenditures in the year ended 31 December 2010 were primarily for the acquisition of Parkway and Pantai Irama. Our Group's capital expenditures in the year ended 31 December 2011 were primarily for the development of its new greenfield projects, including Mount Elizabeth Novena Hospital in Singapore. Our Group's capital expenditures in the three months ended 31 March 2012 were primarily for the acquisition of Acibadem Holding as well as the development of our new greenfield projects, including Mount Elizabeth Novena Hospital in Singapore.

Net cash generated from financing activities

Net cash generated from financing activities was RM911.0 million in the three months ended 31 March 2012, primarily reflecting proceeds from bank borrowings of RM1,159.1 million and the partial disposal of interests in IHH Turkey to a non-controlling shareholder of RM109.4 million, which was partially offset by repayment of bank borrowings of RM273.5 million. Net cash generated from financing activities was RM423.6 million in the year ended 31 December 2011, primarily reflecting proceeds of issue of ordinary shares of RM1,978.0 million and advances from holding company of RM485.3 million, partially offset by a repayment of bank borrowings of RM1,907.6 million and interest paid of RM170.1 million. Net cash generated from financing activities was RM6,924.8 million in the year ended 31 December 2010, primarily reflecting advances from holding company of RM3,623.7 million, proceeds from bank borrowings of RM3,573.8 million and proceeds of issue of ordinary shares of RM2,782.4 million, partially offset by an acquisition of non-controlling interests of RM703.4 million and an acquisition of equity interest in subsidiaries, associates, and joint ventures of RM2,238.2 million from holding company. Net cash generated from financing activities was RM2.7 million in the year ended 31 December 2009, primarily reflecting proceeds from disposal of investment in financial assets of RM18.4 million and proceeds from bank borrowings of RM9.9 million, partially offset by dividends paid to the owner of our Company of RM11.4 million, repayment of bank borrowings of RM3.8 million and interest paid of RM3.7 million.

Financing activities

Our credit facilities contain various covenants that limit our ability to engage in specified types of transactions. These covenants limit our and certain of our subsidiaries' ability to, among other things:

(a) incur additional indebtedness or issue certain preferred shares;

(b) pay dividends on, repurchase or make distributions in respect of our capital stock or make other restricted payments;

(c) make certain investments;

(d) sell or transfer assets;

(e) create liens;

(f) consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and

(g) enter into certain transactions with our affiliates.

Under our credit facilities, we are required to satisfy and maintain specified financial ratios. Our ability to meet those financial ratios can be affected by events beyond our control, and there can be no assurance we will continue to meet those ratios. A breach of any of these covenants could result in a default under our credit facilities.

Upon the occurrence of an event of default under the credit facilities, the lenders there under could elect to declare all amounts outstanding under the credit facilities to be immediately due and payable and terminate all commitments to extend further credit. If we were unable to repay those amounts, the lenders under the credit facilities could proceed against the collateral granted to them to secure such indebtedness. We have pledged a significant portion of our assets under our senior secured credit facilities.

As at 31 March 2012, we have the following material borrowings:

(a) SGD1.8 billion (RM4.4 billion) facility due in 2013, which is secured by a charge on the shares of Parkway and Pantai Irama and a guarantee from our Company. Under the facility, PPL must maintain at least a reserve amount of six months' interest in its Singapore Dollar account before it is able to pay any dividends to us;

(b) Two Murabaha facilities, comprising a Murabaha term facility of SGD500.0 million (RM1,235.0 million) and a Murabaha revolving credit facility of SGD250.0 million (RM617.5 million) due in 2015, under which Parkway's net debt to tangible net worth ratio cannot exceed 1.5:1;

(c) Two term loan facilities due in 2014 of SGD470.0 million (RM1,160.9 million) and RM450.0 million each, which are secured by a guarantee from our Company and were entered into for the purpose of the acquisition of Acibadem Holding. Under the facilities, effective from 1 January 2013, the consolidated net tangible assets of our Group must not fall below RM1.6 billion at any time and this covenant is tested on a semi-annual basis;

(d) Two tranches of facilities consisting of (i) a USD200.0 million (RM638.0 million) facility due in 2015 ("**Tranche I**") by Almond (Turkey) (as borrower) and Acibadem Holding (as guarantor), which was entered into for the purpose of the acquisition of Acibadem by Almond (Turkey) and (ii) a USD200.0 million (RM638.0 million) fixed facility due in 2018 ("**Tranche II Facility 1**"), which was entered into by Acibadem (as borrower) for the purpose of refinancing the financial indebtedness under the then-existing facility agreements and financing capital expenditures of Acibadem, and a facility up to USD100 million (RM319.0 million) ("**Tranche II Facility 2**") due in 2018, which was entered into for the purpose of Acibadem's acquisition of Acibadem Sistina. Tranche II Facility 2 may be utilised only upon Acibadem's request. As at 31 March 2012, there was an outstanding principal amount of USD168.0 million (RM535.9 million) under Tranche II Facility 1 and an outstanding amount of USD35.6 million (RM113.6 million), which comprised an outstanding principal amount of USD28.0 million (RM89.3 million) and an outstanding fixed interest amount of USD7.6 million (RM24.2 million), under Tranche II Facility 2. Almond (Turkey) has not yet repaid any of the principal amounts due under Tranche I and as at 31 March 2012, there was an outstanding principal amount of USD257.1 million (RM820.1 million). Under these facilities, before Acibadem Holding, Almond (Turkey) or Acibadem, as the case may be, is able to pay any dividends, it must be: (i) in compliance with its financial covenants under the respective facility agreement and no default should be continuing or no default would occur as a result of the dividend payment; (ii) for the purpose of meeting a scheduled interest or fee payment or principal repayment by Almond (Turkey); or (iii) fall under another exception as set out in the respective facility agreement. Tranche I, Tranche II Facility 1 and Tranche II Facility 2 are secured by a security package which includes first- or second-ranking share pledges over the shares of Almond (Turkey), Acibadem and Acibadem's subsidiaries (including its subsidiaries in Macedonia), account pledges, assignments of receivables, assignment of insurance receivables, commercial enterprise pledge, security assignment in relation to hedging and numerous mortgages on real estate and hedging arrangements;

(e) RM138 million credit facilities due in 2014, comprising a term loan facility and overdraft facility, which is secured by a third party first land charge;

(f) RM107.5 million term loan facility due in 2020, which is secured, among others, by land for the new building of Gleneagles Medical Centre that is being funded by the facility. Under the facility, a subsidiary of our Company, Pulau Pinang Clinic, may not declare or pay any dividend in excess of 12.0% per annum, issue bonuses or make any other distribution in respect of its share capital without a written consent from the banks providing the facility; and

(g) Euro13.4 million (RM52.8 million) loan agreement due in October 2012, of which there was Euro1.6 million (RM6.3 million) outstanding as at 31 March 2012. The loan agreement is secured.

The effective interest rate for our fixed rate bank loans as at 31 March 2012 ranged from 6.35% to 6.70% per annum for US Dollar loans, from 11.50% to 13.50% per annum for Turkish Lira loans, 7.50% per annum for Euro loans and from 5.50% to 9.75% per annum for Macedonia Denar loans for our borrowings in Turkey. As at the LPD, we did not have any fixed rate bank loans in Singapore and Malaysia.

12.3.3 Borrowings

Our total outstanding borrowings as at 31 March 2012 were as follows:

	(RM million)
Current borrowings	
Secured bank borrowings	218.4
Secured finance lease liabilities	49.6
Secured bank overdrafts	9.4
Total current borrowings	277.4
Non-current borrowings	
Secured bank borrowings	4,998.1
Secured finance lease liabilities	168.2
Unsecured bank borrowings	2,195.3
Total non-current borrowings	7,361.6
Total borrowings	**7,639.0**
Cash and cash equivalents	1,599.6
Gearing ratio (times)(1)	0.62(3)
Net gearing ratio (times)(2)	0.49(3)

Notes:

(1) The gearing ratio is calculated by dividing total borrowings over total equity.

(2) The net gearing ratio is calculated by dividing total borrowings less cash and cash equivalents over total equity.

(3) Based on the pro forma cash and cash equivalents as at 31 March 2012 of RM1,660.3 million, as set out in Section 12.16 of this Prospectus, the gearing and net gearing ratio were 0.17 times and 0.08 times respectively

The table below shows, as at 31 March 2012, our outstanding borrowings, by the currency in which they are denominated:

Borrowings	Original currency amount (million)	Translated amount (RM million)
Ringgit Malaysia	RM330.5	330.5
Singapore Dollar(1)	SGD2,291.5	5,590.7
Turkish Lira (2)	TL29.3	50.2
US Dollar(3)	USD475.1	1,443.8
Euro(4)	Euro18.6	75.2
Swiss franc(5)	CHF28.7	96.4
Others(6)		52.2
Total borrowings		7,639.0

Notes:

(1) The Singapore Dollar amounts have been translated based on the exchange rate of SGD1.00 : RM2.4397.

(2) The Turkish Lira amounts have been translated based on the exchange rate of TL1.00 . RM1.7133.

(3) The US Dollar amounts have been translated based on the exchange rate of USD1.00 . RM3.0389

(4) The Euro amounts have been translated based on the exchange rate of Euro1 00 · RM4 0430.

(5) The Swiss franc amounts have been translated based on the exchange rate of CHF1.00 : RM3.3612.

(6) Includes Hong Kong Dollar, Indian Rupee, Australian Dollar, Brunei Dollar and Macedonian Denar.

There has been no default on payments of either interest or principal for any of our borrowings throughout the year ended 31 December 2011 and the three months ended 31 March 2012.

We are not in breach of any terms and conditions or covenants associated with the credit arrangements or bank loans which can materially affect our financial position and results or business operations, or the investment by holders of our securities.

The maturity profile of our borrowings as at 31 March 2012 was as follows:

	Audited (RM million)
Within 1 year	540.4
After 1 year but within 5 years	7,426.0
After 5 years	134.2
Total	**8,100.6**[1]

Note:

(1) Includes interest payable.

The table below shows the interest rate profile of our borrowings as at 31 March 2012:

	Audited
	(RM million)
Fixed rate borrowings	389.1
Floating rate borrowings	7,249.9
Total	7,639.0

12.3.4 Interest expense

As part of our finance cost, the following table shows the breakdown of our interest paid as at and for the periods indicated.

	Audited			Unaudited	Audited
	Year ended 31 December			Three months ended 31 March	
	2009	**2010**	**2011**	**2011**	**2012**
			(RM million)		
Interest paid and payable to					
Banks and financial institutions	3.5	42.6	82.6	25.9	36.0
Others	–	1.6	1 3	–	0.2
Total	**3.5**	**44.2**	**83.9**	**25.9**	**36.2**

Interest paid and payable to banks and financial institutions was primarily due to the interest due on our borrowings. Please refer to Section 12.3.3 of this Prospectus for further information on our borrowings.

12.3.5 Capital expenditure and divestment

Historical capital expenditure and divestment

Our capital expenditures of RM246.9 million in the three months ended 31 March 2012 were mainly due to three months' recognition of the cost of construction of Mount Elizabeth Novena Hospital and the purchase of medical equipment. There were no material changes from 1 April 2012 up to the LPD, in our capital expenditure as compared to our capital expenditure in the three months ended 31 March 2012.

Our capital expenditures of RM743.7 million in the year ended 31 December 2011 were mainly due to a full year's recognition of the cost of construction of Mount Elizabeth Novena Hospital and the purchase of medical equipment. In March 2011, we also divested our ownership of Pantai Support Services Sdn Bhd to Pulau Memutik for a consideration of RM2.00, which is equivalent to the Pantai Irama's cost of investment in the shares of Pantai Support Services Sdn Bhd, as the businesses of Pantai Support Services Sdn Bhd were not identified as part of the Group's core businesses.

Our capital expenditures of RM201.3 million in the year ended 31 December 2010 were mainly due to four months recognition of the cost of construction of Mount Elizabeth Novena Hospital.

Our capital expenditures of RM15.4 million in the year ended 31 December 2009 were mainly for the purchase of fixed assets at IMU.

Planned capital expenditure

Our actual and planned capital expenditures for the year ending 31 December 2012 are RM1,593.7 million which we intend to use primarily as described below.

Planned capital expenditures	Company/Project	Actual: Prior to January 2012	Actual: 3 months – January 2012 to March 2012	Planned: 9 months – April 2012 to December 2012	Planned: Year ending 31 December 2012 Subtotal	Planned: January 2013 to completion of construction	Total	Expected year of completion of construction
		(a)			(b)	(c)	(a) + (b) + (c)	
		(RM million)						
(i) Expansion capital expenditure								
Singapore								
Construction cost and medical equipment	Mount Elizabeth Novena Hospital	**913.8**	158.3	356.0[1]	**514.3**	-	**1,428.1**	2012
Malaysia								
Construction cost and medical equipment	Gleneagles Medical Centre Penang	**57.0**	11.0	46.0	**57.0**	43.0	**157.0**	2012
Construction cost	Pantai Hospital Kuala Lumpur	**24.0**	1.7	44.7	**46.4**	152.5	**222.9**	2014
Consultation, design and construction related costs	Gleneagles Medini	-	-	45 5	**45.5**	348.5	**394.0**	2014
Construction cost and medical equipment	Gleneagles Kuala Lumpur	-	-	-	-	25.0	**25.0**	2015
Construction cost and medical equipment	Pantai Hospital Klang	-	0.1	5.8	**5.9**	43.5	**49.4**	2014
Subtotal - Malaysia		**81.0**	**12.8**	**142.0**	**154.8**	**612.5**	**848.3**	

12. FINANCIAL INFORMATION *(cont'd)*

Planned capital expenditures	Company/Project	Actual		Planned				
		Prior to January 2012	3 months – January 2012 to March 2012	9 months – April 2012 to December 2012	Year ending 31 December 2012	January 2013 to completion of construction	Total	Expected year of completion of construction
					Subtotal			
		(a)			(b)	(c)	(a) + (b) + (c)	
					(RM million)			
India								
Construction cost and medical equipment	Gleneagles Khubchandani Hospital	61.3	20.2	199.5	219.7	26.7	307.7	2012
Turkey								
Construction cost and medical equipment	Acibadem Ankara Hospital	27.6	5.6	64 8	70.4	-	98.0	2012
Construction cost and medical equipment	Acibadem Bodrum Hospital	23.2	6 7	41.6	48.3	26.3	97.8	2012 - 2013
Construction cost and medical equipment	Acibadem Sistina Skopje Clinical Hospital	-	-	13.8	13.8	-	13.8	2012
Construction cost and medical equipment	Acibadem Maslak Hospital	-	-	30.4	30.4	126.9	157.3	2014
Consultation, design and construction related costs	Budgeted capital expenditure[(2)]	-	-	72.5	72.5	164 1	236.6	2014
Subtotal -Turkey		50.8	12.3	223.1	235.4	317.3	603.5	
Total expansion capital expenditure		1,106.9	203.6	920.6	1,124.2	956.5	3,187.6	

Planned capital expenditures	Company/Project	Actual: Prior to January 2012	Actual: 3 months – January 2012 to March 2012	Planned: 9 months – April 2012 to December 2012	Planned: Year ending 31 December 2012 Subtotal	Planned: January 2013 to completion of construction	Total	Expected year of completion of construction
		(a)			(b)	(c)	(a) + (b) + (c)	
				(RM million)				
(ii) Maintenance capital expenditure								
Singapore and Malaysia								
General renovation of wards and medical and other equipment	Other PPL and IMU Health entities	-		292 0	292.0	-	292.0	-
Turkey								
General construction cost and medical equipment (existing healthcare businesses – Acibadem Proje, APlus, Acibadem Labmed, Acibadem Mobil)	Other Acibadem locations[2]	-		177.5	177.5	-	177.5	-
Total maintenance capital expenditure		-		469 5	469.5	-	469.5	
Total capital expenditure		1,106.9		1,593.7	1,593.7	956.5	3,657.1[3]	

Notes:

(1) *For Mount Elizabeth Novena Hospital, for the three months ending 30 June 2012 and the six months ending 31 December 2012, we have a planned capital expenditure of RM245.4 million and RM110 6 million, respectively.*

(2) *As at the LPD, the budget for these projects has been approved, but agreements for development or purchase, as applicable, have not yet been finalised, and there have been no regulatory applications for the relevant licences or the initiation of development.*

Notes (cont'd):

(3) This excludes total land cost of RM3,168.8 million, of which RM3,144.7 million has been incurred as at 31 March 2012. Of the amount incurred as at 31 March 2012:

- *RM3,081.6 million relates to the land acquired in relation to the Mount Elizabeth Novena Hospital project;*
- *RM22.5 million relates to the land acquired in relation to the Gleneagles Medical Centre Penang project;*
- *RM14.7 million relates to the land acquired in relation to the Gleneagles Medini project;*
- *RM5.6 million relates to the land acquired in relation to the Pantai Hospital Klang project; and*
- *RM20.3 million relates to the land acquired in relation to the Acibadem Ankara Hospital project.*

In addition, total land use rights of RM159.8 million has been recognised for Gleneagles Khubchandani Hospital, but is not included in the total land cost mentioned above and is instead accounted for as an intangible asset in our combined financial statements as at 31 December 2011.

Our actual capital expenditures may vary from projected amounts due to various factors, including changes in market conditions, unplanned cost overruns, our ability to generate sufficient cash flows from operations, our ability to obtain adequate financing for these planned capital expenditures, demand for our services and the state of local and global economies. In addition, our planned capital expenditures do not include any expenditures for acquisitions of potential companies or businesses that we may evaluate from time to time.

We expect to meet our capital expenditure requirements through our cash and cash equivalents on hand, cash generated from future operations and financing activities. Our ability to obtain external financing and to make timely repayments of our debt obligations are subject to various uncertainties, including our future results of operations, financial condition and cash flows, the condition of the local and global economies and the markets for our services, the cost of financing and the condition of financial markets, the issuance of relevant government approvals and other project risks associated with the development of infrastructure in the countries in which we operate and the continuing willingness of banks to provide new loans as we pay down existing debt. For more information, please refer to Section 5.1.1(iv) of this Prospectus for Risks related to our business – Our substantial leverage could adversely affect our ability to raise additional capital to fund our operations or generate sufficient cash to service all of, or refinance our indebtedness, limit our ability to react to opportunities and expose us to interest rate risk and currency exchange risk.

Except as disclosed in Section 12.3.5 of this Prospectus on Historical capital expenditure and divestment, there have not been any material divestments undertaken by us for the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012. There were no material changes from 1 April 2012 up to the LPD, in divestments undertaken by us as compared to divestments undertaken by us in the three months ended 31 March 2012.

For more information, please refer to Section 12.2.4(i) of this Prospectus on Factors affecting our results of operations – Acquisitions.

12.3.6 Material commitments and contractual obligations

We had capital commitments of RM1,341.5 million and non-cancellable operating lease payables of RM2,279.6 million as at 31 March 2012. These commitments consisted of the following:

	Audited			
	Within one year	More than one year but within five years	More than five years	Total
	(RM million)			
Property, plant and equipment				
Amounts authorised and contracted for	543.0	36.0	–	579.0
Amounts authorised and not contracted for	402.5	360.0	–	762.5
	945.5	**396.0**	–	**1,341.5**
Non-cancellable operating lease payables	**254.9**	**875.4**	**1,149.3**	**2,279.6**

Except as disclosed above, as at the LPD, we are not aware of any material capital commitments incurred or known to be incurred by us that have not been provided for which, upon becoming enforceable, may have a material impact on our financial results or financial position.

There were no material changes, as at the LPD, to our commitments as compared to the amount shown above as at 31 March 2012.

We expect to meet our material commitments through our cash and cash equivalents on hand, cash generated from future operations and financing activities.

12.3.7 Off-balance sheet arrangements and contingent liabilities

We do not have any off-balance sheet arrangements which are reasonably likely to have a current and future material effect on the results of operations or our financial condition.

Except as disclosed in Note 29 to the historical combined financial statements included in Sections A-1 and A-2 of the Accountants' Report included in Section 13 of this Prospectus, we do not have any contingent liabilities.

12.3.8 Qualitative and quantitative disclosures about risks

We are exposed to certain financial risks that arise in our normal course of business, such as credit risk, liquidity risk and market risk. We have implemented risk management policies and guidelines that set out our tolerance for risk and our general risk management philosophy. Accordingly, we have established a framework and process to monitor the exposures to implement appropriate measures in a timely and effective manner.

We do not enter into derivative financial instruments for speculative purposes.

(i) Credit risk

Credit risk is the risk of a financial loss to our Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Our Group's exposure to credit risk arises principally from our receivables from customers. Our management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on major customers requiring credit over a certain amount. For our hospital operations, we do not grant credit to non-corporate customers. Instead, a non-corporate customer is requested to place an initial deposit at the time of admission to the hospital. An additional deposit is requested from the customer when the hospital charges exceed a certain level.

(ii) Liquidity risk

Liquidity risk is the risk that our Group will not be able to meet our financial obligations as they fall due. Our Group's exposure to liquidity risk arises principally from our various payables, loans and borrowings. Our Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by our management to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they fall due.

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect our Group's financial position or cash flows.

(iv) Foreign exchange risk

Our Group is exposed to foreign exchange risk on sales, purchases, cash and cash equivalents, receivables and payables that are denominated in a currency other than the respective financial currencies of our Group entities. In respect of exposure that is certain, our Group will partially hedge these risks in order to keep them at an acceptable level. Please refer to Section 5.1.1(viii) of this Prospectus for Risks related to our business – Exchange rate instability may adversely affect our business, financial condition, results of operations and prospects.

(v) Interest rate risk

Interest rate risk relates to changes in interest rates which affect mainly our Group's fixed deposits and our debt obligations with banks and financial institutions. Our Group's fixed-rate financial assets and borrowings are exposed to a risk of change in their fair value due to changes in interest rates while our variable-rate financial assets and borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Our Group's policy is to manage our interest cost using a mix of fixed and variable rate debts as well as by rolling over our fixed deposits and variable rate borrowings on a short-term basis. In respect of long-term borrowings, our Group may enter into interest rate derivatives to manage our exposure to adverse movements in interest rates. Please refer to Section 5.1.1(iv) of this Prospectus for Risks related to our business – Our substantial leverage could adversely affect our ability to raise additional capital to fund our operations or generate sufficient cash to service all of, or refinance, our indebtedness, limit our ability to react to opportunities and expose us to interest rate risk and currency exchange risk.

(vi) Equity price risk

Equity price risk mainly arises from our investments in quoted equity security classified as available-for-sale financial assets. The equity investments are held for long term strategic purposes. Their performance is assessed periodically together with assessment of their relevance to our Group's long term strategic plans.

12.3.9 Fair value of financial instruments

(i) Quoted investments

The fair value of financial assets at fair value through profit or loss and available-for-sale financial assets is determined by reference to their quoted bid prices at the reporting date.

(ii) Derivatives

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual period to maturity of the contract using a risk-free interest rate (based on government bonds).

The fair value of interest rate swaps and caps is based on broker quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

(iii) Non-derivatives interest-bearing borrowings

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements. The notional amounts of financial liabilities with a maturity of less than one year or which reprice frequently appropriate their fair values.

(iv) Other financial assets and liabilities

The notional amounts of financial assets and liabilities with a maturity of less than one year including trade and other receivables, cash and cash equivalents, trade and other payables approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

(v) Government debt securities

The fair values of government debt securities are determined by reference to their quoted closing bid price at the end of the reporting period.

12.3.10 Key financial ratios

Our Group

Our key financial ratios based on the combined financial statements for the periods indicated are as follows:

	As at 31 December			As at 31 March
	2009	2010	2011	2012
	(RM 000, except as otherwise indicated)			
Trade receivables[1]	4,029	513,674	538,741	772,687
Trade receivables turnover period[2] (days)	12.1	51.5	59.1	55.1
Trade payables[3]	5,200	473,889	406,297	517,274
Trade payables turnover period[4] (days)	83.9	81.7	86.1	81.6
Inventories[5]	–	74,968	78,784	120,936
Inventories turnover period[6] (days)	–	47.7	42.3	43.6
Current ratio[7]	0.7	0.5	1.7	1.4
Borrowings[8]	111,749	6,711,128	5,038,348	7,639,044
Gearing ratio[9]	0.05	2.10	0.50	0.62

Notes:

(1) Trade receivables reflect outstanding amount receivable from customers, before impairment of trade receivables. Included in trade receivables are amounts due from related companies that are trade in nature.

(2) Trade receivables at each year end divided by total revenue. As Parkway and Pantai Irama were consolidated for four months from September 2010, total revenue for Parkway and Pantai Irama in 2010 is extrapolated to 12 months for purposes of determining the trade receivables turnover period for the year ended 31 December 2010.

(3) Trade payables reflect outstanding amount payable to suppliers and vendors for purchase of goods and services. Included in trade payables are amounts due to holding and related companies that are trade in nature.

(4) Trade payables at each year end divided by total inventories and consumables, purchased and contracted services, operating lease expenses and other operating expenses. As Parkway and Pantai Irama were consolidated for four months from September 2010, total inventories and consumables, purchased and contracted services, operating lease expenses and other operating expenses for Parkway and Pantai Irama in 2010 are extrapolated to 12 months for purposes of determining the trade payables turnover period for the year ended 31 December 2010.

(5) Inventories comprise of pharmaceutical, surgical and medical supplies.

(6) Inventories at each year end divided by total inventories and consumables. As Parkway and Pantai Irama were consolidated for four months from September 2010, total inventories and consumables expense for Parkway and Pantai Irama in 2010 is extrapolated to 12 months for purposes of determining the inventories turnover period for the year ended 31 December 2010

(7) Current assets divided by current liabilities.

(8) Borrowings comprise bank borrowings, finance lease liabilities and bank overdrafts.

(9) Total borrowings divided by total equity

Our trade receivables turnover period was 12.1 days for the year ended 31 December 2009, reflecting the trade receivables turnover period of IMU Health, where IMU's students typically make upfront payment for their tuition fees before the commencement of the semester. It increased to 51.5 days for the year ended 31 December 2010, reflecting the fact that it is computed by dividing our trade receivables balances as at 31 December 2010, which included Parkway, Pantai Irama and IMU Health, by revenue that was extrapolated to a full year of operations from each of Parkway, Pantai Irama and IMU Health. Our trade receivables turnover period was 59.1 days for the year ended 31 December 2011. Our trade receivables turnover period increased once Parkway and Pantai Irama joined our Group due to the nature of their business, as they grant credit to their customers. In contrast to the students enrolled at IMU, certain of Parkway and Pantai Irama's customers, such as insurance companies, typically take a longer time to pay, as they need to verify invoices and may ask for additional information before making payments. Our trade receivables turnover period was 55.1 days for the three months ended 31 March 2012. Our trade receivables turnover period decreased as a result of the consolidation of Acibadem Holding for the three months ended 31 March 2012, whereby Acibadem Holding's trade receivables turnover period is generally lower than the rest of our Group.

Our trade payables turnover period was 83.9 days for the year ended 31 December 2009, reflecting the trade payables turnover period of IMU Health. This trade payables turnover period was in line with the credit terms of approximately 90 days extended by IMU Health's creditors, whereas some of Parkway and Pantai Irama's creditors extended a shorter credit period to Parkway and Pantai, resulting in a lower overall trade payables turnover period in 2010 of 81.7 days for the year ended 31 December 2010. This decrease also reflects the fact that the trade payables turnover period for the year ended 31 December 2010 is computed by dividing our trade payables balances as at 31 December 2010, which included Parkway, Pantai Irama and IMU Health, by inventories and consumables, purchased and contracted services, operating lease expenses and other operating expenses that were extrapolated to a full year of operations from each of Parkway, Pantai Irama and IMU Health. Our trade payables turnover period was 86.1 days for the year ended 31 December 2011. Our trade payables turnover period was 81.6 days for the three months ended 31 March 2012. Our trade payables turnover period decreased mainly as a result of the settlement of trade payables as at end of March 2012.

Our inventories turnover period was nil for the year ended 31 December 2009, reflecting the fact that IMU Health did not have any inventories. It increased to 47.7 days for the year ended 31 December 2010, reflecting the fact that it is computed by dividing our inventories balances as at 31 December 2010, which included Parkway and Pantai Irama, by inventories and consumables that was extrapolated to a full year of operations from each of Parkway and Pantai Irama. Our inventories turnover period was 42.3 days for the year ended 31 December 2011. Our inventories turnover period was 43.6 days for the three months ended 31 March 2012. Our inventories turnover period increased as a result of the consolidation of Acibadem Holding for the three months ended 31 March 2012 whereby Acibadem Holding's inventories turnover period is generally higher than the rest of our Group.

Our current ratio was 0.7 for the year ended 31 December 2009 due to the fact that IMU Health bills its students in advance and recognises such advance billings as current liabilities. Our current ratio decreased to 0.5 for the year ended 31 December 2010 primarily due to an increase in current liabilities, particularly the amount due to holding company of RM4.2 billion, for the financing of our acquisition of Parkway and Pantai Irama. Our current ratio increased to 1.7 for the year ended 31 December 2011 due to a decrease in current liabilities, particularly the amount due to holding company of RM4.6 billion, which was capitalised during 2011. Our current ratio decreased slightly to 1.4 for the three months ended 31 March 2012 due to the recognition of contingent consideration payable in relation to our acquisition of Acibadem Holding of approximately RM51.2 million.

Our gearing ratio increased from 0.05 for the year ended 31 December 2009 to 2.10 for the year ended 31 December 2010 primarily due to the increase in borrowings to finance our acquisition of Parkway in 2010. Our gearing ratio decreased to 0.50 for the year ended 31 December 2011 as a result of an increase in share capital in 2011 as set out in Section 6.2 of this Prospectus. Our gearing ratio increased to 0.62 for the three months ended 31 March 2012 as a result of the increase in borrowings to finance our acquisition of Acibadem Holding during the period as well as the consolidation of Acibadem Holding's borrowings.

Our normal credit period given to our trade debtors generally ranges from 30 days to 90 days. Trade and other receivables that are neither past due nor impaired are credit-worthy debtors with good payment records with our Group.

The aging analysis for trade receivables and trade amounts due from related companies, net of impairment, as at 31 March 2012 is as follows:

		Past due				
	Current	**1-30 days**	**31-180 days**	**181 days - 1 year**	**More than 1 year**	**Total**
Trade receivables and trade amounts due from related companies (RM million)	446.3	109.5	99.4	16.5	3.6	**675.3**
Percentage of total trade receivables and trade amounts due from related companies (%)	66.1	16.2	14.7	2.5	0.5	**100.0**

We believe that adequate allowance has been made for doubtful debts based on historical experience and the balance of the trade receivables is recoverable.

The aging analysis for trade payables as at 31 March 2012 is as follows:

		Past due				
	Current	**1-30 days**	**31-60 days**	**61-90 days**	**More than 90 days**	**Total**
Trade payables (RM million)	396.5	100.2	3.4	1 1	16 1	**517.3**
Percentage of total trade payables (%)	76.6	19.4	0.7	0.2	3.1	**100.0**

The normal credit period extended by our suppliers generally ranges from 30 days to 90 days.

Acibadem Holding

The key financial ratios of Acibadem Holding based on Acibadem Holding's audited financial statements for the periods indicated are as follows:

	As at 31 December			As at 31 March
	2009	2010	2011	2012
	(RM 000, except as otherwise indicated)			
Trade receivables[1]	150,061	167,099	211,472	259,664
Trade receivables turnover period[2] (days)	44.5	38.9	42.2	40.8
Trade payables[3]	167,697	177,041	264,254	238,981
Trade payables turnover period[4] (days)	137.5	116.8	156.7	117.9
Inventories[5]	26,758	28,243	36,050	42,428
Inventories turnover period[6] (days)	59.5	47.7	53 3	45.3
Current ratio[7]	0.9	0.7	0.7	1.1
Borrowings[8]	1,748,349	1,709,989	1,746,848	1,692,628
Gearing ratio[9]	1.4	1.6	2.7	1 3

Notes:

(1) Trade receivables reflect outstanding amount receivable from customers, before impairment of trade receivables Included in trade receivables are amounts dua from related companies that are trade in nature.

(2) Trade receivables at each year end divided by total revenue.

(3) Trade payables reflect outstanding amount payable to suppliers and vendors for purchase of goods and services and notes payable. Included in trade payables are amounts due to related companies that are trade in nature.

(4) Trade payables at each year end divided by total cost of revenue, selling, marketing and distribution expenses, general administrative and other operating expenses excluding depreciation, amortisation and personnel expenses.

(5) Inventones comprise of medical materials and medicine and other inventories.

(6) Inventories at each year end divided by total cost of inventories.

(7) Current assets divided by current liabilities.

(8) Borrowings comprise bank borrowings and finance lease liabilities.

(9) Total borrowings divided by total equity.

(10) The Turkish Lira amounts have been translated to Ringgit Malaysia based on the average and closing exchange rates in the Accountants' Report of Acibadem Holding included in Section 13 of this Prospectus

Acibadem Holding's trade receivables turnover period was 44.5 days for the year ended 31 December 2009. For the year ended 31 December 2009, Acibadem Maslak Hospital, Acibadem Kayseri Hospital and Acibadem Adana Hospital commenced operations but they did not contribute revenue over the full financial year. Acibadem Holding's trade receivables turnover period decreased to 38.9 days for the year ended 31 December 2010, showing a lower increase in Acibadem Holding's overdue balances compared to the increase in Acibadem Holding's total revenue for the year ended 31 December 2010. This decrease primarily reflected shorter collection periods for a portion of Acibadem Holding's receivables due to better credit terms obtained pursuant to agreements entered with private insurance companies. Acibadem Holding's trade receivables turnover period increased to 42.2 days for the year ended 31 December 2011, primarily due to an increase in patient receivables. Acibadem Holding's trade receivables turnover period decreased to 40.8 days for the three months ended 31 March 2012, primarily due to the improved collection of its receivables against the increase in its revenue during the period. The normal credit period given to Acibadem Holding's trade debtors is generally approximately 45 days. Such trade debtors are typically private insurance companies.

Acibadem Holding's trade payables turnover period was 137.5 days for the year ended 31 December 2009. It decreased to 116.8 days for the year ended 31 December 2010, reflecting shorter credit periods and faster payments made to suppliers by Acibadem Holding. Acibadem Holding's trade payables turnover period increased to 156.7 days for the year ended 31 December 2011, primarily due to better credit terms obtained from suppliers. Acibadem's trade payables turnover period decreased to 117.9 days for the three months ended 31 March 2012, primarily due to an increase in payments made to its suppliers during the period as trade payables decreased by 9.6% from 31 December 2011. Acibadem's trade payables turnover period for the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012 was higher than our Group's trade payables turnover period for the same period due to an increase in Acibadem Holding's trade payables. In order to mitigate the negative effect of such increase, Acibadem Holding extended the dates of its payments with the consent of its suppliers. In addition, due to the differing business environments in which they operate, Acibadem Holding generally receives longer credit periods from its suppliers than PPL.

Acibadem Holding's inventories turnover period was 59.5 days for the year ended 31 December 2009. It decreased to 47.7 days for the year ended 31 December 2010, reflecting a faster turnover on purchased inventories. Acibadem Holding's inventories turnover period increased to 53.3 days for the year ended 31 December 2011 due to the higher level of inventory maintained for medical materials and medicine purchases. Acibadem Holding's inventories turnover period decreased to 45.3 days for the three months ended 31 March 2012, primarily due to faster turnover of inventories in conjunction with an increase in revenue for the period.

Acibadem Holding's current ratio declined from 0.9 for the year ended 31 December 2009 to 0.7 for the year ended 31 December 2010, primarily due to the increase in current financial liabilities and trade and other payables for the year ended 31 December 2010. Acibadem Holding's current ratio remained at 0.7 for the year ended 31 December 2011. Acibadem Holding's current ratio increased to 1.1 for the three months ended 31 March 2012, primarily due to higher cash balances compared to 31 December 2011 that were held by Acibadem Holding with regard to payments to be made for the mandatory tender offer by Almond (Turkey) described in Section 12.2.2.1. If the impact of this funding were to be excluded, Acibadem Holding's current ratio for the three months ended 31 March 2012 would have remained at 0.7. Acibadem Holding's total borrowings have been increasing for the years ended 31 December 2009, 2010 and 2011 as a result of the loans obtained for financing acquisitions and capital expenditures at existing and greenfield hospitals. However, the total borrowings in RM equivalent decreased from RM1,748.3 million as at 31 December 2009 to RM1,710.0 million as at 31 December 2010 due to foreign exchange translation differences arising from the conversion of the borrowings from Turkish Lira to RM. With that, the gearing ratio increased from 1.4 for the year ended 31 December 2009 to 1.6 and 2.7 for the years ended 31 December 2010 and 2011, respectively. Acibadem Holding's gearing ratio decreased to 1.3 for the three months ended 31 March 2012, primarily due to the reduction in total borrowings and increase in share capital and share premium as a result of capital injection by Acibadem Holding's shareholders for the acquisitions of APlus and Acibadem Proje. In addition, there was an increase in capital advances received in relation to the mandatory tender offer by Almond (Turkey).

12.4 Government / economic / fiscal / monetary policies

Our facilities are based in Malaysia, Singapore, Turkey, the PRC, India, Hong Kong, Vietnam, Macedonia and Brunei. As a result, changes in political, economic, fiscal and monetary conditions in local and global markets generally, could materially or adversely affect our business, financial condition, results of operations and future growth.

For a more detailed description of risks relating to government, economic, fiscal or monetary policies or factors that may materially affect our operations, please refer to Section 5.2(i) of this Prospectus on Risks related to our countries of operation – We are subject to political, economic and social developments as well as the laws, regulations and the licensing requirements in Singapore, Malaysia, Turkey, the PRC, India and the other countries in which we operate.

12.5 Seasonality

Our inpatient and outpatient volumes are lowest during festive periods and summer months in each of the relevant countries in which we operate and other holiday periods as both patients and doctors may take vacation. These lower volumes result in lower inpatient and outpatient revenue during these periods, especially for elective or non-urgent procedures. Conversely, patient volumes and thus inpatient and outpatient revenue are highest during the winter months in each of the relevant countries in which we operate. As we are continuously expanding, the effects of seasonality may be difficult to ascertain from our financial statements.

12.6 Inflation

We do not believe that inflation has a material impact on our business, financial condition or result of operations. However, any increase in inflation rate beyond levels experienced in the past may affect our operations and performance if we are unable to fully offset higher costs through increases in our prices.

12.7 Order book

Due to the nature of our business, we do not maintain an order book. Please refer to Our business in Section 8.2 of this Prospectus.

12.8 Prospects

The results of our operations for the year ending 31 December 2012 have been and are expected to continue to be primarily influenced by the following factors, in addition to the factors included in Risk Factors and Factors affecting our results of operations in Sections 5 and 12.2.4 of this Prospectus respectively:

- our ability to maintain our market share and grow our revenue;
- local and global economies and expectations on growth; and
- management of operating costs.

Except as disclosed above and in Risk Factors and Factors affecting our results of operations, to the best of our Board's knowledge and belief, there are no other known trends, factors, demands, commitments, events or uncertainties that are reasonably likely to have a material effect on our financial condition and results of operations.

Subject to the factors described in this section of this Prospectus, our Board expects the results of our operations for the financial year ending 31 December 2012 to be satisfactory.

12.9 Changes in accounting policies

We have not made any significant changes in our accounting policies during the years ended 31 December 2009, 2010 and 2011 and the three months ended 31 March 2012.

12.10 Recent accounting pronouncements

We do not expect any upcoming accounting pronouncements to have a material effect on our financial conditions or results of operations. Please refer to note 1(a) to the historical combined financial statements included in Sections A-1 and A-2 of the Accountants' Report included in Section 13 of this Prospectus.

12.11 Selected pro forma financial information

12.11.1 Selected pro forma income statement information

	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
	(RM 000 except for share and margin information)				
Revenue	3,946,250	4,506,735	5,190,764	1,273,647	1,476,374
Other operating income	102,121	70,590	176,885	56,495	21,484
Inventories and consumables	(720,469)	(809,322)	(1,025,237)	(234,478)	(282,966)
Purchased and contracted services	(509,214)	(558,620)	(580,358)	(128,827)	(146,358)
Depreciation and impairment losses on property, plant and equipment	(374,982)	(370,272)	(369,297)	(90,924)	(89,996)
Amortisation and impairment losses on intangible assets	(80,181)	(84,068)	(72,268)	(18,707)	(17,820)
Staff costs	(1,511,717)	(1,725,308)	(1,988,251)	(492,941)	(545,287)
Operating lease expenses	(211,567)	(230,559)	(258,252)	(59,769)	(65,706)
Operating expenses	(430,738)	(435,795)	(421,539)	(98,645)	(139,357)
Finance income	37,254	37,685	58,339	16,069	122,804
Finance costs	(404,122)	(344,176)	(584,827)	(65,162)	(76,866)
Gain on remeasurement of investment previously accounted for as associates and joint ventures	530,120	–	–	–	–
Share of profits of associates (net of tax)	57,562	52,196	79,937	12,160	14,472
Share of profits of joint ventures (net of tax)	3,725	8,776	13,909	2,742	3,407
Profit before income tax	**434,042**	**117,862**	**219,805**	**171,660**	**274,185**
Income tax expense	(6,797)	(76,407)	(87,760)	(37,473)	(57,751)
Profit for the year/period	**427,245**	**41,455**	**132,045**	**134,187**	**216,434**
Profit before income tax margin (%)	11.0	2.6	4 2	13.5	18.6
Profit for the year/period margin (%)	10.8	0.9	2 5	10.5	14.7

	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
	(RM 000 except for share and margin information)				
Profit attributable to:					
Owners of our Company	463,547	78,717	245,655	118,121	164,504
Non-controlling interests	(36,302)	(37,262)	(113,610)	16,066	51,930
Profit for the year/period	**427,245**	**41,455**	**132,045**	**134,187**	**216,434**
Earnings per Share (sen)					
Basic[1]	5.76	0.98	3.05	1 47	2 04
Diluted[2]	5.75	0.98	3.05	1.47	2.04

Notes:

(1) Based on 8,053.3 million Shares in issue, being 5,500.0 million Shares issued at 31 December 2011, 695.4 million new Shares issued as share consideration for the Acibadem Holding Acquisition, the maximum of 57.9 million new Shares arising from the Symphony Conversion and 1,800.0 million new Shares issues pursuant to the Public Issue.

(2) Based on the Enlarged Share Capital at Listing of 8,057.1 million Shares. The above does not account for new Shares that may arise from the surrender/exercise of the outstanding LTIP units and EPP options which were granted before the Listing but become vested or exercisable only after the Listing (of up to 168.7 million Shares), and the exercise of any of the Aydinlar Option and Bagan Lalang Option (of up to 611.0 million Shares). Please refer to Section 4.3.7 of this Prospectus for further details.

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12.11.2 Selected pro forma balance sheet information

The pro forma balance sheets presented below are after taking into consideration the effects of the utilisation of proceeds from the Public Issue. Please refer to Section 12.12.2 of this Prospectus on Adjustments to combined balance sheets for further details.

	As at 31 December 2011	As at 31 March 2012
	(RM 000)	
Non-current assets		
Property, plant and equipment	6,044,178	6,300,609
Intangible assets	2,992,066	3,038,754
Goodwill on consolidation	8,562,159	8,499,464
Interest in associates	862,273	864,238
Interest in joint ventures	28,009	31,302
Other financial assets	568,494	591,542
Other receivables	–	42,313
Deferred tax assets	70,709	57,682
	19,127,888	**19,425,904**
Current assets		
Assets classified as held for sale	1,463	1,463
Development property	1,121,195	1,160,548
Inventories	117,909	120,936
Trade and other receivables	814,160	854,194
Tax recoverable	29,879	26,092
Other financial assets	39,637	26,967
Derivative assets	–	3,007
Cash and cash equivalents	1,768,218	1,660,336
	3,892,461	**3,853,543**
Total assets	**23,020,349**	**23,279,447**
Non-current liabilities		
Bank borrowings	2,797,276	2,698,802
Employee benefits	21,112	19,085
Other payables	91,716	77,081
Deferred tax liabilities	784,757	804,126
	3,694,861	**3,599,094**

	As at 31 December 2011	As at 31 March 2012
	(RM 000)	
Current liabilities		
Bank overdrafts	584	9,433
Trade and other payables	2,019,207	2,168,497
Bank borrowings	246,019	268,047
Derivative liabilities	1,252	6,369
Employee benefits	41,935	20,865
Tax payable	119,860	148,372
	2,428,857	**2,621,583**
Total liabilities	**6,123,718**	**6,220,677**
Equity attributable to owners of our Company		
Share capital	8,053,294	8,053,294
Share premium	7,975,665	7,975,665
Reserves	275,604	415,673
	16,304,563	**16,444,632**
Non-controlling interests	592,068	614,138
Total equity	**16,896,631**	**17,058,770**
Total equity and liabilities	**23,020,349**	**23,279,447**
Net assets[(1)]	16,304,563	16,444,632
Net tangible assets[(2)]	4,750,338	4,906,414
Net assets per Share[(3)] (RM)	2.02	2.04
Net tangible assets per Share[(3)] (RM)	0.59	0.61

Notes:

(1) Being NA attributable to ordinary shareholders (excluding non-controlling interests).

(2) Net tangible assets are computed as NA less goodwill on consolidation and intangible assets.

(3) Based on 8,053.3 million Shares in issue, being 5,500.0 million Shares issued at 31 December 2011, 695.4 million new Shares issued as share consideration for the Acibadem Holding Acquisition, the maximum of 57.9 million new Shares arising from the Symphony Conversion and 1,800.0 million new Shares issued pursuant to the Public Issue.

12.11.3 Selected pro forma statement of cash flow information

The pro forma statement of cash flow presented below is after taking into consideration the effects of the utilisation of proceeds from the Public Issue. Please refer to Section 12.12.2 of this Prospectus on Adjustments to combined balance sheets for further details.

	Year ended 31 December 2011	Three months ended 31 March 2012
	(RM 000)	
Net cash generated from operating activities	1,356,032	275,106
Net cash used in investing activities	(2,267,335)	(224,202)
Net cash generated from financing activities	1,324,276	204,452
Net increase in cash and cash equivalents	412,973	255,356
Cash and cash equivalents at beginning of the year/period	1,158,109	1,256,900
Effect of exchange rate fluctuations on cash held	68,339	(22,852)
Cash and cash equivalents at end of the year/period	**1,639,421**	**1,489,404**

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12.11.4 Selected non-IFRS pro forma financial information

12.11.4.1 Pro forma EBITDA reconciliation

	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
			(RM million)		
Net profit for the year/period	**427.2**	**41.5**	**132.0**	**134.2**	**216.4**
Income tax	6.8	76.4	87.8	37.5	57.8
Profit before income tax	**434.0**	**117.9**	**219.8**	171.7	**274.2**
Depreciation on property, plant and equipment	355.5	370.3	369.3	90.9	90.0
Amortisation on intangible assets	80.2	81.7	72.3	18.7	17.8
Other exchange loss/(gain)	2.3	6.7	(95.6)	(33.8)	3.8
Finance income	(37.3)	(37.7)	(58.3)	(16.1)	(122.8)
Finance costs	404.1	344.2	584.8	65.2	76.9
Share of profits of associates (net of tax)	(57.6)	(52 2)	(79.9)	(12.2)	(14.5)
Share of profits of joint ventures (net of tax)	(3.7)	(8.8)	(13.9)	(2.7)	(3.4)
Impairment loss on:					
Property, plant and equipment	19.5	–	–	–	–
Goodwill	–	2.4	–	–	–
Available-for-sale financial assets	5.3	–	2.4	–	–
Deposits paid to non-controlling shareholders	–	65.1	–	–	–
Write off of property, plant and equipment	10.7	–	19.4	–	0.1
Loss/(gain) on disposal of:					
Property, plant and equipment	0.4	(0.8)	0.3	(0.4)	0.2
Available-for-sale financial assets	(1.3)	–	–	–	–
Gain on remeasurement of investment previously accounted for as associates and joint ventures	(530.1)	–	–	–	–

	Year ended 31 December			Three months ended 31 March	
	2009	2010	2011	2011	2012
			(RM million)		
Fair value loss on contingent consideration payable	–	–	–	–	10.8
Professional and consultancy fees incurred for:					
Internal restructuring	–	–	9.1	1 9	–
Acquisitions	92.6	–	–	–	–
EBITDA	**774.6**	**888.8**	**1,029.7**	**283.2**	**333.1**
Real estate rental expenses	202.8	213.9	242.8	58.2	63.0
EBITDAR	**977.4**	**1,102.7**	**1,272.5**	**341.4**	**396.1**
EBITDA margin (%)	**19.6**	**19.7**	**19.8**	**22.2**	**22.6**
EBITDAR margin (%)	**24.8**	**24.5**	**24.5**	**26.8**	**26.8**

Note:

(1) Pro forma EBITDA and EBITDAR are not calculations required by or presented in accordance with MFRS and IFRS. Pro forma EBITDA and EBITDAR presented in this document is a supplemental measure of our operating performance and liquidity, and should not be considered as an alternative to net profit as an indicator of our operating performance or as an alternetive to operating cash flows as a measure of our liquidity. Moreover, you should be aware that pro forma EBITDA and EBITDAR measures presented in this Prospectus may not be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation. Therefore, the table above provides you with further information to reconcile pro forma EBITDA and EBITDAR to pro forma net profit, which is also not a calculation presented in accordance with MFRS and IFRS.

Pro forma EBITDA margin and EBITDAR margin are not calculations required by or presented in accordance with MFRS and IFRS. Pro forma EBITDA margin and EBITDAR margin are calculated by dividing each of pro forma EBITDA and EBITDAR by pro forma revenue

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12.11.4.2 Pro forma segmental EBITDA breakdown

EBITDA and EBITDAR are primarily a function of revenue and costs across our various business segments, which in turn are impacted by various factors. As a result of the different underlying revenue and cost structures of these segments, various segments have differing EBITDA as a proportion of revenue as compared to other segments. For example, due to the nature of the specific businesses, EBITDA as a percentage of revenue for our education business has typically been higher than our hospital and healthcare businesses during the years ended 31 December 2009, 2010 and 2011. Furthermore, during the years ended 31 December 2009, 2010 and 2011, within PPL, EBITDA as a percentage of revenue for our Singapore operations has typically been lower than our Malaysian operations, partially as a result of the fact our Singapore hospitals incur rental expenses payable to PLife REIT whereas we own a significant portion of our hospitals in Malaysia, as well as the fact that our Singapore hospitals target different patient markets and demographics as compared to our hospitals in Malaysia, among other reasons. In addition, during the years ended 31 December 2009, 2010 and 2011, overall EBITDA as a percentage of revenue for PPL has been similar to that of Acibadem Holding. For a further discussion of the specific factors affecting our revenue and costs, please refer to Section 12.2.4 on factors affecting our results of operations, including Section 12.2.4(vi) on Factors affecting our results of operations — revenue sources and Section 12.2.4(vii) on Factors affecting our results of operations — costs of operations".

	PPL								Acibadem Holding		IMU Health		Others[2]		Total	
	Singapore		Malaysia		International		Sub-total		CEEMENA		Malaysia					
	Three months ended 31 March															
	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012
EBITDA[1]	(RM million)															
Hospital[3]	38.9	57.4	54 5	62.7	3.8	4.1	97.2	124.2	115.5	122.3	–	–	–	–	212.7	246.5
Healthcare[3]	24.7	35.6	5.5	5.5	10.1	0.8	40.3	41.9	10.2	14.6	–	–	–	–	50 5	56.5
Education[4]	1.1	1 3	0 7	1.6	–	–	1.8	2.9	–	–	18.9	17.4	–	–	20.7	20.3
Non-healthcare	1.9	18.3	0.1	0.2	–	–	2.0	18.5	–	(0.8)	–	–	(2.7)	(7.9)	(0.7)	9.8
Total EBITDA	66.6	112 6	60.8	70 0	13.9	4 9	141 3	187.5	125.7	136.1	18 9	17.4	(2.7)	(7.9)	283.2	333.1
Real estate rental expenses	39.8	43.1	1.4	2.0	2 4	2 8	43.6	47.9	14.5	15.0	0.1	0.1	–	–	58.2	63.0
Total EBITDAR	106.4	155.7	62.2	72.0	16.3	7 7	184.9	235.4	140.2	151.1	19 0	17.5	(2.7)	(7.9)	341.4	396.1

Notes:

(1) EBITDA represents profit before income tax adjusted for depreciation. amortisation, foreign exchange gains and losses, net finance costs, share of profits of associates and joint ventures (net of tax), and other various non-recurring gains and losses, certain impairment losses and write-offs, gains and losses on disposals and various professional and consultancy fees incurred for internal restructuring and acquisitions, as applicable.

(2) Includes the corporate office of our Company.

(3) The "Hospital" segment includes our hospitals operated by PPL and Acibadem Holding. The "Healthcare" segment includes the operation of medical clinics and provision of primary healthcare services, ownership and management of radiology clinics, provision of diagnostic laboratory services and provision of managed care and related services by PPL and Acibadem Holding.

(4) Our PPL Singapore "Education" segment comprises Parkway College. Our PPL Malaysia "Education" segment comprises Pantai College, which will be transferred from PPL to IMU Health upon completion of the conditional share sale agreement dated 3 April 2012 between IMU Health and Pantai Resources for the sale of the entire equity interest in Pantai Education. Our IMU Health "Education" segment currently comprises IMU.

(5) Pro forma EBITDA and EBITDAR are not calculations required by or presented in accordance with MFRS and IFRS. Pro forma EBITDA and EBITDAR should not be considered as an alternative to net profit as an indicator of our operating performance or as an alternative to operating cash flows as a measure of our liquidity. Moreover, you should be aware that pro forma EBITDA and EBITDAR measures presented in this Prospectus may not be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.

(6) The classification of pro forma EBITDA and EBITDAR among our business segments and geographic areas has been done on a legal-entity and profit centre basis. This does not include associates and joint ventures

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12. FINANCIAL INFORMATION *(cont'd)*

	PPL								Acibadem Holding		IMU Health		Others[2]		Total	
	Singapore		Malaysia		International		Sub-total		CEEMENA		Malaysia					
	Year ended 31 December															
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
	(RM million)															
EBITDA[1]																
Hospital[3]	147.6	179 6	193 4	222.3	10.4	15.5	351.4	417.4	281 2	343.6	–	–	–	–	632 6	761.0
Healthcare[3]	110.7	109 0	20.2	15.3	43.1	49.8	174.0	174.1	18.5	36.1	–	–	–	–	192.5	210.2
Education[4]	0.1	5.0	3.4	4.0	–	–	3.5	9.0	–	–	55.9	61.2	–	–	59.4	70.2
Non-healthcare	6.6	6 4	1.6	2.8	(0.3)	(0.1)	7.9	9.1	(0.9)	(0.3)	–	–	(2.7)	(20.5)	4.3	(11.7)
Total EBITDA	265.0	300 0	218.6	244.4	53.2	65.2	536.8	609.6	298.8	379.4	55.9	61.2	(2.7)	(20.5)	888.8	1,029 7
Real estate rental expenses[5]	153 6	166.3	5.2	5.7	9 8	10.1	168.6	182 1	44.7	60.0	0.6	0.7	–	–	213 9	242.8
Total EBITDAR	418.6	466.3	223.8	250.1	63.0	75.3	705.4	791 7	343 5	439.4	56.5	61.9	(2.7)	(20.5)	1,102.7	1,272.5

Notes:

(1) EBITDA represents profit before income tax adjusted for depreciation, amortisation, foreign exchange gains and losses, net finance costs, share of profits of associates and joint ventures (net of tax), and other various non-recurring gains and losses, certain impairment losses and write-offs, gains and losses on disposals and various professional and consultancy fees incurred for internal restructuring and acquisitions, as applicable.

(2) Includes the corporate office of our Company.

(3) The "Hospital" segment includes our hospitals operated by PPL and Acibadem Holding. The "Healthcare" segment includes the operation of medical clinics and provision of primary healthcare services, ownership and management of radiology clinics, provision of diagnostic laboratory services and provision of managed care and related services by PPL and Acibadem Holding.

(4) Our PPL Singapore "Education" segment comprises Parkway College Our PPL Malaysia "Education" segment comprises Pantai College, which will be transferred from PPL to IMU Health upon completion of the conditional share sale agreement dated 3 April 2012 between IMU Health and Pantai Resources for the sale of the entire equity interest in Pantai Education. Our IMU Health "Education" segment currently comprises IMU.

(5) Singapore contributes approximately 75 3%. 71.8% and 68.5%, respectively, of our Group's total real estate rental expenses for the years ended 31 December 2009, 2010 and 2011, of which Singapore hospitals' rental expenses amounts to RM136.1 million, RM135 8 million and RM145.1 million, respectively, for the same periods.

(6) Pro forma EBITDA and EBITDAR are not calculations required by or presented in accordance with MFRS and IFRS Pro forma EBITDA and EBITDAR should not be considered as an alternative to net profit as an indicator of our operating performance or as an alternative to operating cash flows as a measure of our liquidity. Moreover, you should be aware that pro forma EBITDA and EBITDAR measures presented in this Prospectus may not be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.

(7) The classification of pro forma EBITDA and EBITDAR among our business segments and geographic areas has been done on a legal-entity and profit centre basis. This does not include associates and joint ventures.

12. FINANCIAL INFORMATION *(cont'd)*

	PPL								Acibadem Holding		IMU Health		Others[2]		Total	
	Singapore		Malaysia		International		Sub-total		CEEMENA		Malaysia					
	Year ended 31 December															
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
	(RM million)															
EBITDA[1]																
Hospital[3]	132.5	147.6	198.4	193.4	8.6	10.4	339 5	351.4	172.4	281.2	–	–	–	–	511.9	632.6
Healthcare[3]	122 2	110.7	18 7	20 2	37.7	43.1	178.6	174.0	24.9	18.5	–	–	–	–	203 5	192.5
Education[4]	2 1	0.1	2.6	3.4	–	–	4.7	3.5	–	–	48 9	55 9	–	–	53.6	59.4
Non-healthcare	6 4	6.6	–	1.6	(0.4)	(0.3)	6 0	7.9	(0.4)	(0.9)	–	–	–	(2.7)	5.6	4.3
Total EBITDA	263.2	265.0	219.7	218.6	45.9	53.2	528.8	536.8	196.9	298.8	48.9	55.9	–	(2.7)	774.6	888.8
Real estate rental expenses[5]	152 7	153 6	6.5	5.2	10.5	9.8	169.7	168.6	32 6	44.7	0.5	0.6	–	–	202.8	213.9
Total EBITDAR	415.9	418 6	226.2	223.8	56.4	63.0	698.5	705.4	229.5	343.5	49.4	56.5	–	(2.7)	977.4	1,102.7

Notes:

(1) EBITDA represents profit before income tax adjusted for depreciation, amortisation, foreign exchange gains and losses, net finance costs, share of profits of associates and joint ventures (net of tax), and other various non-recurring gains and losses, certain impairment losses and write-offs, gains and losses on disposals and various professional and consultancy fees incurred for internal restructuring and acquisitions, as applicable.

(2) Includes the corporate office of our Company.

(3) The "Hospital" segment includes our hospitals operated by PPL and Acibadem Holding. The "Healthcare" segment includes the operation of medical clinics and provision of primary healthcare services, ownership and management of radiology clinics, provision of diagnostic laboratory services and provision of managed care and related services by PPL and Acibadem Holding.

(4) Our PPL Singapore "Education" segment comprises Parkway College. Our PPL Malaysia "Education" segment comprises Pantai College, which will be transferred from PPL to IMU Health upon completion of the conditional share sale agreement dated 3 April 2012 between IMU Health and Pantai Resources for the sale of the entire equity interest in Pantai Education. Our IMU Health "Education" segment currently comprises IMU.

(5) Singapore contributes approximately 75.3%, 71.8% and 68.5%, respectively, of our Group's total real estate rental expenses for the years ended 31 December 2009, 2010 and 2011, of which Singapore hospitals' rental expenses amounts to RM136.1 million, RM135.8 million and RM145.1 million, respectively, for the same periods.

(6) Pro forma EBITDA and EBITDAR are not calculations required by or presented in accordance with MFRS and IFRS. Pro forma EBITDA and EBITDAR should not be considered as an alternative to net profit as an indicator of our operating performance or as an alternative to operating cash flows as a measure of our liquidity. Moreover, you should be aware that pro forma EBITDA and EBITDAR measures presented in this Prospectus may not be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.

(7) The classification of pro forma EBITDA and EBITDAR among our business segments and geographic areas has been done on a legal-entity and profit centre basis. This does not include associates and joint ventures