IHH Healthcare Berhad

IHH HEALTHCARE BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
31 MARCH 2021

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

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

		1st quarter ended		
	Note	31 Mar 2021 RM'000	31 Mar 2020 RM'000	Variance %
Revenue	1	3,945,780	3,555,176	11%
Other operating income	2	95,189	105,596	-10%
Inventories and consumables		(818,232)	(715,898)	-14%
Purchased and contracted services		(355,936)	(367,208)	3%
Staff costs	3	(1,441,479)	(1,369,676)	-5%
Depreciation and impairment of property, plant and equipment		(237,161)	(238,836)	1%
Depreciation of right-of-use ("ROU") assets		(76,546)	(85,328)	10%
Amortisation and impairment of intangible assets		(12,420)	(17,004)	27%
Operating lease expenses		(17,420)	(15,897)	-10%
Other operating expenses	4	(443,546)	(894,031)	50%
Finance income	5	175,910	72,732	142%
Finance costs	5	(244,219)	(288,634)	15%
Share of profits of associates (net of tax)	6	7,401	980	NM
Share of profits of joint ventures (net of tax)	7	9,176	671	NM
Profit/(Loss) before tax		**586,497**	**(257,357)**	**NM**
Income tax expense	8	(153,610)	(109,303)	-41%
Profit/(Loss) for the period		**432,887**	**(366,660)**	**NM**
Other comprehensive income, net of tax				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences from foreign operations	9	84,843	(123,514)	169%
Realisation of FCTR[1] upon substantive liquidation of a joint venture		-	59,985	
Hedge of net investments in foreign operations	9	44,793	(129,294)	135%
Cash flow hedge		7,831	(2,419)	NM
Cost of hedging reserve		1,853	627	196%
		139,320	(194,615)	172%
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liabilities		2,145	(2,843)	175%
Total comprehensive income for the period		**574,352**	**(564,118)**	**NM**
Profit/(Loss) attributable to:				
Owners of the Company		375,621	(319,786)	NM
Non-controlling interests		57,266	(46,874)	NM
Profit/(Loss) for the period		**432,887**	**(366,660)**	**NM**
Total comprehensive income attributable to:				
Owners of the Company		467,550	(454,812)	NM
Non-controlling interests		106,802	(109,306)	198%
Total comprehensive income for the period		**574,352**	**(564,118)**	**NM**
Earnings per share (sen)				
Basic		4.04	(3.90)	NM
Diluted		4.03	(3.90)	NM

NM: Not meaningful

Note:
1. Foreign currency translation reserve

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

SUPPLEMENTARY INFORMATION

	Note	1st quarter ended 31 Mar 2021 RM'000	1st quarter ended 31 Mar 2020 RM'000	Variance %
Profit/(Loss) attributable to owners of the Company		**375,621**	**(319,786)**	**NM**
Add back/(less): Exceptional items ("EI")				
Gain on disposal of a subsidiary[i]		-	(13,188)	
Impairment loss on goodwill[ii]	4	-	400,483	
Realisation of FCTR upon substantive liquidation of a joint venture[iii]	4	-	59,985	
Provision for loan taken by a joint venture[iv]		-	1,162	
Change in fair value of cross currency swaps[v]	5	(155,893)	(52,964)	
Exchange loss on net borrowings[vi]	5	99,204	133,826	
		(56,689)	529,304	
Less: Tax effects on EI		12,472	(14,888)	
Less: Non-controlling interests' share of EI		4,422	(5,279)	
		(39,795)	509,137	
Profit attributable to owners of the Company, excluding EI[vii]		**335,826**	**189,351**	**77%**
Earnings per share, excluding EI[vii] (sen)				
Basic		3.58	1.90	88%
Diluted		3.58	1.90	88%

NM: Not meaningful

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

i. Disposal of 70% interest in Famicord Acibadem Kordon Kani Saglik Hizmetleri Anonim Sirketi
ii. Impairment of goodwill over Ravindranath GE Medical Associates Pte Ltd (also known as "Global Hospitals")
iii. Realisation of FCTR upon substantive liquidation of Khubchandani Hospital
iv. Provision for proportionate share of amounts owed by Khubchandani Hospitals (a joint venture) on its loans, that is unlikely to be repaid by it
v. Fair value changes of cross-currency swaps which were entered to hedge a portion of Acibadem Holdings' foreign currency denominated borrowings
vi. Exchange differences arising from foreign currency denominated borrowings/payables net of foreign currency denominated cash/receivables, recognised by Acibadem Holdings (As at 31 March 2021, Euro/TL=9.7741)
vii. Exceptional items, net of tax and non-controlling interests

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

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

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

1. Q1 2021 revenue was higher than Q1 2020 revenue mainly due to COVID-19 related-services rendered as well as contribution from Prince Court Medical Centre which was acquired on 1 September 2020.
2. Decrease in Q1 2021 other operating income was mainly due to a higher base last year with RM13.2m million gain on disposal of a subsidiary.
3. Increase in Q1 2021 staff costs was largely due to hire of contract employees for COVID-19 related services as well as consolidation of Prince Court Medical Medical Centre Sdn Bhd, acquired on 1 September 2020.
4. Q1 2020 other operating expenses included impairment of goodwill over Global Hospitals amounting to RM400.5 million and realisation of FCTR amounting to RM60.0 million loss upon the substantive liquidation of Khubchandani Hospital. Excluding the above and consolidation of Prince Court Medical Centre acquired on 1 September 2020, Q1 2021 other operating expenses was consistent with Q1 2020.
5. Acibadem Holdings recognised exchange gain or loss arising from the translation of its non-TL denominated borrowings/payables net of its non-TL denominated cash/receivables as finance income or finance cost respectively. Since Q3 2019, Acibadem Holdings periodically entered into cross-currency swaps ("CCS") to convert Euro 180.3 million of bank loans and related interest into Turkish Lira. CCS relating to Euro 9.8 million bank loans were settled along with repayment of these loans in Q1 2021.

   The Group recognised RM99.2 million exchange loss on translation of such non-TL balances in Q1 2021. These were more than offset by RM155.9 million fair value gain on the above-mentioned CCS in Q1 2021. As a result, a net gain of RM56.7 million was recorded for Q1 2021 as compared to a net loss RM80.9 million for Q1 2020.
6. Higher share of profits of associates in Q1 2021 was attributed to Gleneagles JPMC Sdn Bhd which became an associate of the Group since October 2020.
7. Higher share of profits of joint ventures in Q1 2021 was attributed to income from COVID-19 related services rendered by the joint ventures.
8. Refer to Section B5 for details on income tax expenses.
9. PLife REIT hedges its interest in the net assets of its Japanese operations. The effective portion of the hedge was recognised as a hedge of net investments in the statement of other comprehensive income, which offsets the foreign currency translation differences from the translation of the net assets of its Japanese operations. The Group's remaining foreign currency translation differences from foreign operations arise mainly from the translation of the net assets of its Singapore and Turkish operations.

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

	31 Mar 2021	31 Mar 2020
1 SGD	3.0506	3.0166
1 TL	0.5522	0.6852

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Assets			
Property, plant and equipment		11,512,641	11,569,497
Right-of-use assets		6,570,567	6,612,132
Investment properties		3,543,420	3,612,547
Goodwill on consolidation		12,179,704	12,123,112
Intangible assets		1,959,718	1,990,429
Interests in associates		133,709	142,869
Interests in joint ventures		123,680	122,765
Other financial assets		63,957	63,891
Trade and other receivables		126,193	127,329
Tax recoverables		307,625	287,697
Derivative assets		211,571	108,304
Deferred tax assets		410,679	427,749
Total non-current assets		**37,143,464**	**37,188,321**
Development properties		77,473	90,083
Inventories		406,711	420,153
Trade and other receivables	1	2,167,818	1,953,142
Tax recoverables		24,577	21,760
Other financial assets	2	385,600	422,593
Derivative assets		69,753	33,410
Cash and cash equivalents		4,576,295	4,187,806
		7,708,227	7,128,947
Assets classified as held for sale	3	122,630	216,992
Total current assets		**7,830,857**	**7,345,939**
Total assets		**44,974,321**	**44,534,260**
Equity			
Share capital		19,483,491	19,473,364
Other reserves		(1,951,886)	(1,988,281)
Retained earnings		4,258,682	4,254,736
Total equity attributable to owners of the Company		**21,790,287**	**21,739,819**
Perpetual securities		2,134,998	2,158,061
Non-controlling interests		3,103,868	3,137,489
Total equity		**27,029,153**	**27,035,369**
Liabilities			
Loans and borrowings	4	8,266,966	8,664,676
Lease liabilities		1,697,950	1,704,084
Employee benefits		119,725	117,678
Trade and other payables	5	1,195,889	228,330
Derivative liabilities		691	800
Deferred tax liabilities		1,195,906	1,168,256
Total non-current liabilities		**12,477,127**	**11,883,824**
Bank overdrafts		24,613	22,401
Loans and borrowings	4	1,415,656	996,384
Lease liabilities		238,105	241,226
Employee benefits		160,665	147,238
Trade and other payables	5	3,320,594	3,891,883
Derivative liabilities		50	7,316
Tax payable		289,268	289,595
		5,448,951	5,596,043
Liabilities classified as held for sale		19,090	19,024
Total current liabilities		**5,468,041**	**5,615,067**
Total liabilities		**17,945,168**	**17,498,891**
Total equity and liabilities		**44,974,321**	**44,534,260**
Net assets per share attributable to owners of the Company[1] (RM)		2.48	2.48

[1] Based on 8,779.1 million and 8,777.2 million shares issued as at 31 March 2021 and 31 December 2020 respectively.

The unaudited Consolidated Statement of Financial Position should be read in conjunction with the 2020 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

EXPLANATORY NOTES TO THE STATEMENT OF FINANCIAL POSITION

The Group's reported financial position was also impacted by the relative movements in Ringgit Malaysia ("RM") against the exchange rates of the countries that the Group operates in. The RM weakened against SGD and strengthened against TL as at 31 March 2021 as compared to 31 December 2020.

1. Current trade and other receivables increased in 2021 in line with the higher revenues.
2. Other financial assets decreased with the withdrawal of RM38.7 million fixed deposits with tenor of more than 3 month.
3. Assets classified as held for sale decreased due to PLife REIT's divestment of an industrial property in Japan on 29 January 2021.
4. Loans and borrowings increased mainly due to the drawdown of facilities to finance working capital and capital expenditure.
5. On 30 March 2021, SRL Diagnostics Private Limited ("SRL"), Fortis Healthcare Limited ("Fortis") and certain non-controlling interests of SRL signed an amendment to their shareholders' agreement whereby, amongst other things, the certain non-controlling interests of SRL have agreed not to exercise their cash put option over SRL ("SRL Put Option") for a further period of 36 months from 5 February 2021. Accordingly, the SRL Put Option with a carrying value of RM927.1 million was classified as non-current trade and other payables as at 31 March 2021. The carrying value of the SRL Put Option was RM791.2 million as at 31 December 2020 and was classified as current trade and other payables.

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

	31 Mar 2021	31 Dec 2020
1 SGD	3.0817	3.0637
1 TL	0.5116	0.5453

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UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	<---------- Attributable to owners of the Company ---------->												
	<---------- Non-distributable ---------->								Distributable				
	Share capital RM'000	Share option reserve RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Cost of hedging reserve RM'000	Capital reserve RM'000	Legal reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual securities RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2021	19,473,364	80,168	83,434	12,454	408	(3,777,228)	55,590	1,556,893	4,254,736	21,739,819	2,158,061	3,137,489	27,035,369
Foreign currency translation differences from foreign operations	-	-	-	-	-	-	-	71,895	-	71,895	-	12,948	84,843
Hedge of net investments in foreign operations	-	-	-	-	-	-	-	15,938	-	15,938	-	28,855	44,793
Cash flow hedge	-	-	-	2,786	-	-	-	-	-	2,786	-	5,045	7,831
Cost of hedging reserve	-	-	-	-	659	-	-	-	-	659	-	1,194	1,853
Remeasurement of defined benefit liabilities	-	-	-	-	-	-	-	-	651	651	-	1,494	2,145
Total other comprehensive income for the period	-	-	-	2,786	659	-	-	87,833	651	91,929	-	49,536	141,465
Profit for the period	-	-	-	-	-	-	-	-	375,621	375,621	-	57,266	432,887
Total comprehensive income for the period	-	-	-	2,786	659	-	-	87,833	376,272	467,550	-	106,802	574,352
Contributions by and distributions to owners													
Share-based payment transactions	-	3,300	-	-	-	4	-	-	-	3,304	-	8	3,312
Dividends to owners of the Company	-	-	-	-	-	-	-	-	(351,163)	(351,163)	-	-	(351,163)
Transfer to share capital for share options exercised	10,127	(10,127)	-	-	-	-	-	-	-	-	-	-	-
Cancellation of vested share options	-	(385)	-	-	-	-	-	-	385	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	-	-	-	(262)	-	-	-	(262)	-	1,013	751
Transfer per statutory requirements	-	-	-	-	-	-	180	-	(180)	-	-	-	-
Changes in fair value of liabilities on put options granted to non-controlling interests	-	-	-	-	-	(49,050)	-	-	-	(49,050)	-	(85,209)	(134,259)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(56,235)	(56,235)
Payment of coupon on perpetual securities	-	-	-	-	-	1,457	-	-	-	1,457	(44,431)	-	(42,974)
Accrued perpetual securities distribution	-	-	-	-	-	-	-	-	(21,368)	(21,368)	21,368	-	-
Total transactions with owners	10,127	(7,212)	-	-	-	(47,851)	180	-	(372,326)	(417,082)	(23,063)	(140,423)	(580,568)
At 31 March 2021	19,483,491	72,956	83,434	15,240	1,067	(3,825,079)	55,770	1,644,726	4,258,682	21,790,287	2,134,998	3,103,868	27,029,153

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UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	<------- Attributable to owners of the Company ------->												
	<------- Non-distributable -------								Distributable				
	Share capital RM'000	Share option reserve RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Cost of hedging reserve RM'000	Capital reserve RM'000	Legal reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual securities RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2020	19,455,138	83,500	83,434	15,251	325	(3,708,985)	53,091	1,943,889	4,413,888	22,339,531	2,158,169	3,596,269	28,093,969
Foreign currency translation differences from foreign operations	-	-	-	-	-	-	-	(147,765)	-	(147,765)	-	24,251	(123,514)
Realisation of FCTR upon substantive liquidation of a joint venture	-	-	-	-	-	-	-	59,985	-	59,985	-	-	59,985
Hedge of net investments in foreign operations	-	-	-	-	-	-	-	(46,029)	-	(46,029)	-	(83,265)	(129,294)
Cash flow hedge	-	-	-	(861)	-	-	-	-	-	(861)	-	(1,558)	(2,419)
Cost of hedging reserve	-	-	-	-	222	-	-	-	-	222	-	405	627
Remeasurement of defined benefit liabilities	-	-	-	-	-	-	-	-	(578)	(578)	-	(2,265)	(2,843)
Total other comprehensive income for the period	-	-	-	(861)	222	-	-	(133,809)	(578)	(135,026)	-	(62,432)	(197,458)
Loss for the period	-	-	-	-	-	-	-	-	(319,786)	(319,786)	-	(46,874)	(366,660)
Total comprehensive income for the period	-	-	-	(861)	222	-	-	(133,809)	(320,364)	(454,812)	-	(109,306)	(564,118)
Contributions by and distributions to owners													
Share-based payment transactions	-	6,192	-	-	-	66	-	-	-	6,258	-	146	6,404
Dividends to owners of the Company	-	-	-	-	-	-	-	-	(350,960)	(350,960)	-	-	(350,960)
Cancellation of vested share options	-	(5,360)	-	-	-	-	-	-	5,360	-	-	-	-
Transfer per statutory requirements	-	-	-	-	-	-	(349)	-	349	-	-	-	-
Change in fair value of liabilities on put options granted to non-controlling interests	-	-	-	-	-	(15,501)	-	-	-	(15,501)	-	(1,619)	(17,120)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(39,234)	(39,234)
Payment of coupon on perpetual securities	-	-	-	-	-	630	-	-	-	630	(44,214)	-	(43,584)
Accrued perpetual securities distribution	-	-	-	-	-	-	-	-	(22,340)	(22,340)	22,340	-	-
Total transactions with owners	-	832	-	-	-	(14,805)	(349)	-	(367,591)	(381,913)	(21,874)	(40,707)	(444,494)
At 31 March 2020	19,455,138	84,332	83,434	14,390	547	(3,723,790)	52,742	1,810,080	3,725,933	21,502,806	2,136,295	3,446,256	27,085,357

The unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the 2020 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	Financial period ended	
	31 Mar 2021	**31 Mar 2020**
	RM'000	**RM'000**
Cash flows from operating activities		
Profit/(Loss) before tax	586,497	(257,357)
Adjustments for:		
Dividend income	(643)	(1,813)
Finance income	(175,910)	(72,732)
Finance costs	244,219	288,634
Depreciation and impairment of property, plant and equipment	237,161	238,836
Depreciation of ROU assets	76,546	85,328
Amortisation and impairment of intangible assets	12,420	17,004
Impairment loss made/(written back):		
- Goodwill	-	400,483
- Trade and other receivables	15,177	13,124
- Inventories	(383)	101
Write-off:		
- Property, plant and equipment	54	187
- Trade and other receivables	648	1,924
- Inventories	620	661
(Gain)/Loss on disposal of property, plant and equipment	(1,527)	444
Gain on disposal of an investment property	(15,604)	-
Gain on disposal of a subsidiary	-	(13,188)
Realisation of FCTR upon substantive liquidation of a joint venture	-	59,985
Provision for loan taken by a joint venture	-	1,162
Share of profits of associates (net of tax)	(7,401)	(980)
Share of profits of joint ventures (net of tax)	(9,176)	(671)
Equity-settled share-based payment	3,312	6,404
Net unrealised foreign exchange differences	(1,088)	(7,845)
Operating profit before changes in working capital	**964,922**	**759,691**
Changes in working capital:		
Trade and other receivables	(277,245)	(4,111)
Development properties	38	-
Inventories	4,510	(72,109)
Trade and other payables	(7,482)	(34,737)
Cash generated from operations	**684,743**	**648,734**
Tax paid	(117,379)	(185,415)
Net cash from operating activities	**567,364**	**463,319**
Cash flows from investing activities		
Interest received	15,057	16,618
Development and purchase of intangible assets	(3,800)	(3,253)
Purchase of property, plant and equipment	(203,691)	(297,095)
Purchase of investment properties	(1,832)	(2,379)
Purchase of equity investments	-	(28,539)
Net cash inflow from disposal of a subsidiary	-	13,368
Net withdrawal/(placement) of fixed deposits with tenor of more than 3 months	38,656	(20,690)
Proceeds from disposal of property, plant and equipment	20,991	398
Proceeds from disposal of an investment property	109,728	-
Proceeds from disposal of intangible assets	960	196
Dividends received from associates	13,148	-
Dividends received from joint ventures	9,925	394
Net cash used in investing activities	**(858)**	**(320,982)**

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	Financial period ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000
Cash flows from financing activities		
Interest paid	(76,026)	(92,684)
Proceeds from loans and borrowings	317,811	1,473,759
Loan from non-controlling interest	-	627
Repayment of loans and borrowings	(251,165)	(643,563)
Payment of perpetual securities distribution	(42,974)	(43,584)
Payment of lease liabilities	(103,521)	(93,600)
Dividends paid to non-controlling interests	(56,235)	(39,234)
Capital injection into a subsidiary by non-controlling interests	369	-
Net cash (used in)/from financing activities	**(211,741)**	**561,721**
Net increase in cash and cash equivalents	**354,765**	**704,058**
Effect of exchange rate fluctuations on cash and cash equivalents held	5,617	15,229
Cash and cash equivalents at beginning of the period	2,264,047	2,641,426
Cash and cash equivalents at end of the period	**2,624,429**	**3,360,713**

Cash and cash equivalents

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

	31 Mar 2021 RM'000	31 Mar 2020 RM'000
Cash and bank balances	1,947,165	1,675,460
Fixed deposits with tenor of 3 months or less	2,629,130	3,721,932
	4,576,295	5,397,392
Add:		
- Cash and cash equivalents included in assets classified as held for sale	6,833	-
Less:		
- Bank overdrafts	(24,613)	(100,479)
- Deposits placed in escrow account	(1,919,939)	(1,930,154)
- Restricted cash	(14,147)	(6,046)
Cash and cash equivalents at end of the period	**2,624,429**	**3,360,713**

The unaudited Consolidated Statement of Cash Flows should be read in conjunction with the 2020 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

A1 BASIS OF PREPARATION

a) Basis of accounting

These consolidated financial report are unaudited and prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, MFRS 134: *Interim Financial Reporting* in Malaysia and IAS 34: *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 December 2020 ("2020 Audited Financial Statements").

The 2020 Audited Financial Statements were prepared under Malaysian Financial Reporting Standards ("MFRSs").

b) Significant accounting policies

The accounting policies and presentation adopted for this unaudited consolidated interim financial report are consistent with those adopted for the 2020 Audited Financial Statements, except for the adoption of the following new, revised and amendments to MFRS as issued by the Malaysian Accounting Standards Board.

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement*, MFRS 7, *Financial Instruments: Disclosures and MFRS 16, Leases – Interest Rate Benchmark Reform – Phase 2*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- Amendment to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

The Group had elected to early adopt the Amendments to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*. Consequently, rent concessions received, if any, have been recognised in profit or loss.

A2 AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements for the financial year ended 31 December 2020 were not subjected to any qualification.

A3 SEASONALITY OF OPERATIONS

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

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the financial period ended 31 March 2021, other than the COVID-19 pandemic impact on the performance of the Group.

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

A5 CHANGE IN ACCOUNTING ESTIMATES

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

In preparing the unaudited consolidated interim financial report, the significant judgments made by the management in applying the Group's accounting policies and key sources of estimating uncertainty were consistent with those applied to 2020 Audited Financial Statements.

A6 DEBT AND EQUITY SECURITIES

Between 1 January 2021 to 31 March 2021, IHH issued 1,854,000 new ordinary shares pursuant to the surrender of vested Long Term Incentive Plan ("LTIP") units.

The LTIP lapsed on 24 March 2021 and, accordingly, all the unvested LTIP units lapsed upon the expiry of the LTIP.

Except as disclosed above, there were no other issuance of shares, share buy-backs and repayments of debt and equity securities by IHH during the financial period 1 January 2021 to 31 March 2021.

As at 31 March 2021, the issued share capital of IHH comprised of 8,779,073,463 ordinary shares.

A7 DIVIDENDS PAID

There are no dividends paid during the financial period ended 31 March 2021.

A8 SEGMENT REPORTING

There had been no significant changes in the basis of segmentation or in the basis of measurement of segment profit or loss from the 2020 Audited Financial Statements.

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

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

A8 SEGMENT REPORTING

Financial period ended 31 March 2021

	Parkway Pantai[1]					Acibadem Holdings	IMU Health				
	Singapore RM'000	Malaysia RM'000	India RM'000	Greater China RM'000	PPL Others[2] RM'000	CEE[3] RM'000	Malaysia RM'000	PLife REIT[1] RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue and expenses											
Revenue from external customers	1,155,489	611,918	830,642	187,311	1,507	1,060,504	59,819	37,947	643	-	3,945,780
Inter-segment revenue	27,841	250	-	-	345,202	-	764	53,487	347,107	(774,651)	-
Total segment revenue	1,183,330	612,168	830,642	187,311	346,709	1,060,504	60,583	91,434	347,750	(774,651)	3,945,780
EBITDA	436,242	150,666	116,393	(36,262)	(7,704)	279,811	22,414	89,049	329,645	(419,626)	960,628
Depreciation and impairment of property, plant and equipment	(41,637)	(53,349)	(37,448)	(44,773)	(9)	(50,416)	(3,587)	(5,872)	(70)	-	(237,161)
Depreciation of ROU assets	(70,641)	(6,645)	(8,155)	(18,182)	(4)	(22,060)	(1,116)	(3,162)	(247)	53,666	(76,546)
Amortisation and impairment of intangible assets	-	(1,202)	(6,331)	(976)	-	(3,750)	(161)	-	-	-	(12,420)
Foreign exchange differences	(509)	(6)	2,758	598	(72)	83	(1)	434	443	-	3,728
Finance income	82	3,008	2,865	9,870	1,376	157,873	640	9,787	449	(10,040)	175,910
Finance costs	(3,916)	166	(30,978)	(25,150)	(5,658)	(187,489)	(9)	(3,274)	(108)	12,197	(244,219)
Share of profits of associates (net of tax)	85	-	1,364	-	5,952	-	-	-	-	-	7,401
Share of profits of joint ventures (net of tax)	207	-	8,969	-	-	-	-	-	-	-	9,176
Profit/(Loss) before tax	319,913	92,638	49,437	(114,875)	(6,119)	174,052	18,180	86,962	330,112	(363,803)	586,497
Income tax expense	(58,413)	(21,643)	(25,780)	(942)	(1,946)	(32,051)	(4,601)	(7,831)	(403)	-	(153,610)
Profit/(loss) for the period	261,500	70,995	23,657	(115,817)	(8,065)	142,001	13,579	79,131	329,709	(363,803)	432,887
Assets and liabilities											
Cash and cash equivalents	240,298	472,093	2,089,331	393,327	589,127	182,225	38,003	179,642	392,249	-	4,576,295
Other assets	13,015,339	6,073,930	7,202,103	3,867,100	2,719,996	4,905,143	582,941	4,751,842	266,557	(2,986,925)	40,398,026
Segment assets as at 31 March 2021	13,255,637	6,546,023	9,291,434	4,260,427	3,309,123	5,087,368	620,944	4,931,484	658,806	(2,986,925)	44,974,321
Loans and borrowings	-	-	942,693	2,998,096	1,410,458	1,937,031	18,661	2,375,683	-	-	9,682,622
Other liabilities	3,988,625	794,313	2,480,891	912,031	142,394	1,913,075	172,074	388,342	370,128	(2,899,327)	8,262,546
Segment liabilities as at 31 March 2021	3,988,625	794,313	3,423,584	3,910,127	1,552,852	3,850,106	190,735	2,764,025	370,128	(2,899,327)	17,945,168

1 Parkway Pantai Group, per the corporate structure, comprises of "Parkway Pantai" and "PLife REIT" segments
2 "PPL Others" comprises of mainly Parkway Pantai's hospital in Brunei, corporate office as well as other investment holding entities within Parkway Pantai
3 "CEE" refers to Central and Eastern Europe

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

Financial period ended 31 March 2020

	Parkway Pantai[1]					Acibadem Holdings	IMU Health				
	Singapore RM'000	Malaysia RM'000	India RM'000	Greater China RM'000	PPL Others[2] RM'000	CEE[3] RM'000	Malaysia RM'000	PLife REIT[1] RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue and expenses											
Revenue from external customers	1,014,839	555,433	750,576	128,709	43,012	955,777	67,295	37,722	1,813	-	3,555,176
Inter-segment revenue	26,672	250	-	-	326	-	830	52,290	346,927	(427,295)	-
Total segment revenue	1,041,511	555,683	750,576	128,709	43,338	955,777	68,125	90,012	348,740	(427,295)	3,555,176
EBITDA	346,554	149,610	69,086	(66,705)	6,404	217,260	28,476	70,439	330,832	(417,540)	734,416
Depreciation and impairment of property, plant and equipment	(39,306)	(44,717)	(43,214)	(44,769)	(1,250)	(57,546)	(2,988)	(4,967)	(79)	-	(238,836)
Depreciation of ROU assets	(68,829)	(4,942)	(10,813)	(17,477)	(1,652)	(26,441)	(1,218)	(4,015)	(4)	50,063	(85,328)
Amortisation and impairment of intangible assets	(910)	(177)	(8,981)	(2,447)	-	(4,328)	(161)	-	-	-	(17,004)
Foreign exchange differences	1,253	30	5,921	459	4,997	(183)	16	247	(651)	-	12,089
Finance income	142	6,440	2,775	15,210	4,297	59,894	1,263	8	3	(17,300)	72,732
Finance costs	(6,895)	(848)	(41,317)	(38,766)	(8,988)	(193,938)	175	(17,830)	(960)	20,733	(288,634)
Share of profits/(loss) of associates (net of tax)	360	-	694	-	-	(74)	-	-	-	-	980
Share of profits/(loss) of joint ventures (net of tax)	394	-	756	(479)	-	-	-	-	-	-	671
Others	-	-	(461,630)	-	-	13,188	-	-	(1)	-	(448,443)
Profit/(Loss) before tax	232,763	105,396	(486,723)	(154,974)	3,808	7,832	25,563	43,882	329,140	(364,044)	(257,357)
Income tax expense	(40,865)	(26,527)	(26,769)	(1,938)	(5,556)	4,314	(6,530)	(5,007)	(425)	-	(109,303)
Profit/(Loss) for the period	191,898	78,869	(513,492)	(156,912)	(1,748)	12,146	19,033	38,875	328,715	(364,044)	(366,660)
Assets and liabilities											
Cash and cash equivalents	442,189	1,114,163	2,059,314	478,989	483,619	174,026	64,653	85,159	495,280	-	5,397,392
Other assets	12,863,406	5,012,512	7,517,846	3,953,389	3,136,344	5,450,422	547,168	4,770,169	211,143	(3,489,318)	39,973,081
Segment assets as at 31 March 2020	13,305,595	6,126,675	9,577,160	4,432,378	3,619,963	5,624,448	611,821	4,855,328	706,423	(3,489,318)	45,370,473
Loans and borrowings	-	300,000	953,748	2,808,506	1,377,636	2,192,852	847	2,362,791	-	-	9,996,380
Other liabilities	5,177,267	636,905	2,349,057	868,522	(278,754)	2,033,670	180,526	413,779	397,082	(3,489,318)	8,288,736
Segment liabilities as at 31 March 2020	5,177,267	936,905	3,302,805	3,677,028	1,098,882	4,226,522	181,373	2,776,570	397,082	(3,489,318)	18,285,116

1 Parkway Pantai Group, per the corporate structure, comprises of “Parkway Pantai” and “PLife REIT” segments
2 “PPL Others” comprises of mainly Parkway Pantai's hospital in Brunei, corporate office as well as other investment holding entities within Parkway Pantai
3 “CEE” refers to Central and Eastern Europe

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

A9 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

A10 SIGNIFICANT RELATED PARTY TRANSACTIONS

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

	Financial period ended	
	31 Mar 2021	**31 Mar 2020**
	RM'000	**RM'000**
Transactions with substantial shareholders and their related companies		
- Sales and provision of services	56	132
- Purchase and consumption of services	(3,213)	(1,370)
Transactions with Key Management Personnel and their related companies		
- Sales and provision of services	608	1,000
- Purchase and consumption of services	(17,473)	(17,280)

A11 CHANGES IN THE COMPOSITION OF THE GROUP

(a) On 4 February 2021, Medical Resources International Pte Ltd (“MRI”) increased its interest in Chengdu Shenton Health Clinic Co., Ltd (“Chengdu Shenton Clinic”) following MRI’s cash contribution of RMB1.41 million (equivalent to RM884,789) to the registered capital of Chengdu Shenton Clinic. Post the cash contribution, MRI’s interest in Chengdu Shenton Clinic increased from 60.95% to 61.75%.

(b) On 4 March 2021, MRI increased its interest in Chengdu Shenton Clinic following the conversion of the shareholder’s loan of RMB1.41 million (equivalent to RM884,789) to the registered capital of Chengdu Shenton Clinic. Post the conversion of the shareholder’s loan, MRI’s interest in Chengdu Shenton Clinic increased from 61.75% to 62.42%.

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

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

A12 SUBSEQUENT EVENTS

(a) On 5 April 2021, Parkway Trust Management Limited ("PTM") transferred 130,600 Parkway Life Real Estate Investment Trust ("Parkway Life REIT") units that it owned to its eligible employees in accordance to PTM's long term incentive plan. Consequential thereto, IHH Group's effective interest in Parkway Life REIT was diluted from 35.62% to 35.60%.

(b) On 5 April 2021, SRL acquired the remaining 50% equity interest in DDRC SRL Diagnostics Private Limited ("SRL DDRC") for a total cash consideration of INR350.0 crore (equivalent to RM197.5 million). Post the acquisition, SRL's equity interest in SRL DDRC increased from 50% to 100% and SRL DDRC has become an indirect subsidiary of IHH.

(c) On 22 April 2021, Gleneagles Development Pte Ltd disposed its entire 50% equity interest in Apollo Gleneagles Hospital Limited ("AGHL") for a consideration of INR410 crores (equivalent to RM227.1 million). Consequential thereto, AGHL ceased to be a joint venture of the Group.

(d) On 3 May 2021, Acibadem Sağlık Hizmetleri ve Ticaret A.S. ("ASH") established a wholly-owned subsidiary, LifeClub Sağlıklı Yaşam Hizmetleri A.Ş. ("LifeClub") in Turkey. The initial capital of LifeClub is TL50,000 (equivalent to RM24,871) and its intended principal activity is providing e-consulting activities, wellness services and marketplace activities relating to all health-related products and memberships to its subscribers.

A13 CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

In 2019, Continental Hospitals Private Limited received letters from the Reserve Bank of India ("RBI") pointing out certain non-compliances with Foreign Exchange Management Act 1999 ("FEMA"). RBI sought clarifications on the status of this matter before the Singapore Arbitral Tribunal. During the year, RBI has directed that the compounding application be re-submitted upon receipt of the final orders from the Singapore Arbitral Tribunal, where the dispute continues to remain pending. Arbitration has been deferred at the mutual request of the parties until 31 August 2021.

The financial implication of such non-compliances is currently unascertainable and will be known upon the acceptance and disposal of the compounding application by the RBI.

Except for above development to the contingent liabilities disclosed in Note 45 and 46 of the 2020 Audited Financial Statements, there were no other material changes in the contingent liabilities or contingent assets as at 24 May 2021 from that disclosed in the 2020 Audited Financial Statements.

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

A14 CAPITAL COMMITMENTS

	31 Mar 2021 RM'000	31 Dec 2020 RM'000
a. Capital expenditure commitments		
Property, plant and equipment and investment properties		
- Contracted but not provided for in the financial statements	604,918	631,682
b. Other commitments		
Maximum amount committed for Fortis Open Offer[1]	1,915,733	1,890,215
Maximum amount committed for Malar Open Offer[1]	16,236	16,020
	1,931,969	1,906,235

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

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

(i) A mandatory open offer for acquisition of up to 197,025,660 equity shares of face value of INR10 each in Fortis, representing additional 26% of the Expanded Voting Share Capital (as defined in Section B6(1)) of Fortis, at a price of not less than INR170 per share ("Fortis Open Offer") or such higher price as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

(ii) In light of the acquisition of the controlling stake of Fortis, a mandatory open offer for acquisition of up to 4,894,308 fully paid up equity shares of face value of INR10 each in Malar, representing 26% of the paid-up equity shares of Malar at a price of INR58 per share ("Malar Open Offer"). The Malar Open Offer is subject to the completion of the Fortis Open Offer.

In light of the 14 December 2018 status quo Order, and the 15 November 2019 Judgment mentioned in Section B6(1), the Fortis Open Offer as well the Malar Open Offer (which is subject to the completion of the Fortis Open Offer) will not proceed for the time being.

A15 FAIR VALUE HIERARCHY

Fair value hierarchy

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

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

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021**

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 March 2021				
Assets				
Unquoted shares at FVOCI	-	-	60,063	60,063
Money market funds at FVTPL	-	191,810	-	191,810
Foreign exchange forward contracts	-	16,766	-	16,766
Interest rate caps	-	4,501	-	4,501
Cross currency interest rate swaps	-	18,719	-	18,719
Cross currency swaps	-	241,338	-	241,338
	-	473,134	60,063	533,197
Liabilities				
Liabilities on put options granted to non-controlling interest[i]	-	-	(1,275,464)	(1,275,464)
Interest rate swaps	-	(741)	-	(741)
	-	(741)	(1,275,464)	(1,276,205)
31 December 2020				
Assets				
Unquoted shares at FVOCI	-	-	59,714	59,714
Money market funds at FVTPL	-	190,915	-	190,915
Mutual funds at FVTPL	-	690		690
Foreign exchange forward contracts	-	6,778	-	6,778
Interest rate caps	-	2,704	-	2,704
Cross currency interest rate swaps	-	3,883	-	3,883
Cross currency swaps	-	128,349	-	128,349
	-	333,319	59,714	393,033
Liabilities				
Liabilities on put options granted to non-controlling interest[i]	-	-	(1,137,658)	(1,137,658)
Interest rate swaps	-	(886)	-	(886)
Foreign exchange forward contracts	-	(373)	-	(373)
Cross currency interest rate swaps	-	(6,857)	-	(6,857)
	-	(8,116)	(1,137,658)	(1,145,774)

i. Liabilities on put options granted to non-controlling interests are stated at fair value based on the subsidiary's equity value and the discounted cash flow method based on present value of expected payment discounted using a risk-adjusted discount rate.

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

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

A16 UPDATE ON INVESTIGATIONS BY SEBI AND SFIO ON FORTIS

SEBI issued a show cause notice ("SCN") dated 20 November 2020 to Fortis and FHsL in furtherance of the SEBI investigation. In response to the SCN, a joint representation was filed by Fortis and FHsL on 28 December 2020 submitting reasons as to why the SCN ought to be quashed. Oral submissions on the representation have also been completed on 20 January 2021 and written synopsis of the same has been filed. No orders have yet been passed.

SEBI issued another SCN dated 9 April 2021 ("EHIRCL SCN") to various noticees including Escorts Heart Institute and Research Centre Limited ("EHIRCL"), a subsidiary of Fortis in furtherance of the SEBI investigation. Based on legal advice received, EHIRCL is preparing a written submission explaining why the EHIRCL SCN should be quashed.

As at 24 May 2021, there were no further developments in the ongoing investigation on Fortis by the SFIO, Ministry of Corporate Affairs of India, from that disclosed in Note 46 of the 2020 Audited Financial Statements.

A17 UPDATE ON THE SUO-MOTO CONTEMPT NOTICE TO FORTIS ON 15TH NOVEMBER 2019

As at 24 May 2021, there were no further developments in the suo-moto contempt notice to Fortis, from that disclosed in Note 47 of the 2020 Audited Financial Statements. Please refer to section B6(1) for details.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

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

	1st quarter ended		
	31 Mar 2021	**31 Mar 2020**	**Variance**
	RM'000	**RM'000**	**%**
REVENUE[1]			
Parkway Pantai:			
- Singapore	1,155,489	1,014,839	14%
- Malaysia	611,918	555,433	10%
- India	830,642	750,576	11%
- Greater China	187,311	128,709	46%
- PPL Others*	1,507	43,012	-96%
Parkway Pantai	**2,786,867**	**2,492,569**	**12%**
Acibadem Holdings	**1,060,504**	**955,777**	**11%**
IMU Health	**59,819**	**67,295**	**-11%**
Others^	**643**	**1,813**	**-65%**
Group (Excluding PLife REIT)	**3,907,833**	**3,517,454**	**11%**
PLife REIT total revenue	91,434	90,012	2%
Less: PLife REIT inter-segment revenue	(53,487)	(52,290)	-2%
PLife REIT	**37,947**	**37,722**	**1%**
Group	**3,945,780**	**3,555,176**	**11%**
EBITDA[2]			
Parkway Pantai:			
- Singapore	417,460	328,231	27%
- Malaysia	150,666	149,610	1%
- India	116,393	69,086	68%
- Greater China	(36,262)	(66,705)	46%
- PPL Others*	(7,704)	6,404	NM
Parkway Pantai	**640,553**	**486,626**	**32%**
Acibadem Holdings	**279,811**	**217,260**	**29%**
IMU Health	**22,414**	**28,476**	**-21%**
Others^	**(17,462)**	**(16,095)**	**-8%**
Group (Excluding PLife REIT)	**925,316**	**716,267**	**29%**
PLife REIT[3]	**89,049**	**70,439**	**26%**
Eliminations[4]	**(53,737)**	**(52,290)**	**-3%**
Group	**960,628**	**734,416**	**31%**

[1]: *Relates to external revenue only*
It excludes PLife REIT's rental income earned from Parkway Pantai
Similarly, it excludes Parkway Pantai's dividend and management fee income earned from PLife REIT
[2]: *Relates to the EBITDA performance of each SBUs, after elimination of dividend income from within the Group*
[3]: *Includes rental income earned from lease of hospitals to Parkway Pantai*
[4]: *Relates to the elimination of inter-segment income and expenses*
*: *PPL Others comprise mainly Parkway Pantai's hospital in Brunei, corporate office as well as other investment holding entities within Parkway Pantai*
^: *Others comprise mainly IHH Group's corporate office as well as other investment holding entities*

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

Q1 2021 vs Q1 2020

The Group's Q1 2021 revenue and EBITDA increased by 11% and 31% over Q1 2020. Although the Group was impacted by the COVID-19 pandemic since late January 2020, revenue has increased largely due to COVID-19 related services rendered. The Group was in active collaboration with the public healthcare sector of the countries it operates in since late January 2020 to provide COVID-19 screening, laboratory testing and vaccination services. The Group's operations in Singapore also treated COVID-19 patients, performed temperature screenings and on-arrival tests at the Singapore borders as well as other COVID-19 related medical services. In addition, the Group's hospitals in Malaysia, Turkey and India treated walk-in COVID-19 patients. The acquisition of Prince Court Medical Centre in September 2020 also contributed to the increase in revenue.

Other than the above, patient volume was softer as compared to the corresponding period last year due to postponement of non-urgent treatment and visits to hospitals and healthcare facilities. Foreign patient volume remained low since March 2020 as a result of the various travel restrictions implemented across the countries the Group operates in.

The growth in EBITDA was driven by higher revenue, offset by higher staff costs mainly from hire of contract staff for COVID-19 related services.

The Group's Q1 2021 PATMI excluding exceptional items ("PATMI (Excl EI)") increased 77% to RM335.8 million on the back of a higher EBITDA and higher share of profits from joint ventures and associates. In addition, depreciation and amortisation expenses as well as net finance costs were lower compared to Q1 2020.

Parkway Pantai

Parkway Pantai's Q1 2021 revenue increased by 12% to RM2,786.9 million and its Q1 2021 EBITDA increased 32% to RM640.6 million. The growth in revenue was largely due to COVID-19 related services rendered. Patient volumes remained lower than last year as the COVID-19 pandemic rages. In particular, Parkway Pantai's hospitals had fewer foreign patients, which are usually more revenue intense, as a result of travel restrictions.

Parkway Pantai's Singapore hospital inpatient admissions decreased by 3% to 16,782 in Q1 2021 while its revenue per inpatient admission was slightly lower at RM35,454. Parkway Pantai's Malaysia hospital inpatient admissions decreased by 30% to 34,944 in Q1 2021 while its revenue per inpatient admission increased by 37.6% to RM9,946. Parkway Pantai's India hospital inpatient admissions decreased by 2% to 81,898 in Q1 2021 while its revenue per inpatient admission increased by 15.2% to RM7,420. Although patient volumes decreased, revenue per inpatient admissions increased as patients with more serious and urgent ailments sought treatment at the hospitals.

Parkway Pantai's Q1 2021 EBITDA was driven by higher revenue, offset by higher staff costs mainly from hire of contract staff for COVID-19 related services.

Acibadem Holdings

Acibadem Holdings' Q1 2021 revenue increased by 11% to RM1,060.5 million and its EBITDA increased by 29% to RM279.8 million. On a constant currency basis, Acibadem Holdings' Q1 2021 revenue increased 29% while its EBITDA increased 51% over the corresponding period last year.

Acibadem Holdings' hospital inpatient admissions decreased 2% to 51,641 in Q1 2021. Meanwhile, its revenue per inpatient admission increased 28.7% to RM10,358 with more complex cases undertaken and price adjustments to counter inflation.

IMU Health

IMU Health's Q1 2021 revenue decreased by 11% to RM59.8 million and its Q1 2021 EBITDA decreased by 21% to RM22.4 million. The drop in revenue was mainly due to a higher base in Q1 2020 with RM3.8 million seminar income from a major conference organised by IMU Health. In addition, revenue was affected by the COVID-19 pandemic as IMU Health had to prolong its academic calendar following the various movement restriction orders. Student intake for certain courses also decreased.

IMU Health's lower EBITDA was due to the decrease in revenue.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

PLife REIT

PLife REIT's Q1 2021 external revenue is consistent with Q1 2020 while its EBITDA increased by 26% to RM89.0 million, mainly due to a RM15.6 million gain on divestment of an investment property in Japan.

Others

Q1 2021 revenue decreased by 65% to RM0.6 million and Q1 2021 EBITDA losses increased by 8% due to lower dividends received from investments in Money Market Funds ("MMF").

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

B2 MATERIAL CHANGE IN QUARTERLY RESULTS

	1st quarter ended 31 Mar 2021 RM'000	4th quarter ended 31 Dec 2020 RM'000	Variance %
REVENUE[1]			
Parkway Pantai:			
- Singapore	1,155,489	1,065,249	8%
- Malaysia	611,918	618,471	-1%
- India	830,642	794,133	5%
- Greater China	187,311	198,752	-6%
- PPL Others*	1,507	15,910	-91%
Parkway Pantai	**2,786,867**	**2,692,515**	**4%**
Acibadem Holdings	**1,060,504**	**969,867**	**9%**
IMU Health	**59,819**	**64,139**	**-7%**
Others^	**643**	**641**	**0%**
Group (Excluding PLife REIT)	**3,907,833**	**3,727,162**	**5%**
PLife REIT total revenue	91,434	92,258	-1%
Less: PLife REIT inter-segment revenue	(53,487)	(53,433)	0%
PLife REIT	**37,947**	**38,825**	**-2%**
Group	**3,945,780**	**3,765,987**	**5%**
EBITDA[2]			
Parkway Pantai:			
- Singapore	417,460	456,424	-9%
- Malaysia	150,666	174,834	-14%
- India	116,393	115,155	1%
- Greater China	(36,262)	(15,904)	-128%
- PPL Others*	(7,704)	(3,206)	-140%
Parkway Pantai	**640,553**	**727,303**	**-12%**
Acibadem Holdings	**279,811**	**280,209**	**0%**
IMU Health	**22,414**	**12,423**	**80%**
Others^	**(17,462)**	**(16,517)**	**-6%**
Group (Excluding PLife REIT)	**925,316**	**1,003,418**	**-8%**
PLife REIT[3]	**89,049**	**91,571**	**-3%**
Eliminations[4]	**(53,737)**	**(53,433)**	**-1%**
Group	**960,628**	**1,041,556**	**-8%**

[1]: *Relates to external revenue only*
It excludes PLife REIT's rental income earned from Parkway Pantai
Similarly, it excludes Parkway Pantai's dividend and management fee income earned from PLife REIT
[2]: *Relates to the EBITDA performance of each SBUs, after elimination of dividend income from within the Group*
[3]: *Includes rental income earned from lease of hospitals to Parkway Pantai*
[4]: *Relates to the elimination of inter-segment income and expenses*
*: *PPL Others comprise mainly Parkway Pantai's hospital in Brunei, corporate office as well as other investment holding entities within Parkway Pantai*
^: *Others comprise mainly IHH Group's corporate office as well as other investment holding entities*

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

Q1 2021 vs Q4 2020

The Group reported a 5% quarter-on-quarter increase in revenue while its EBITDA decreased 8% quarter-on-quarter. Lockdowns and travel restrictions implemented in the major countries that the Group operates have gradually eased to varying extent in different countries since Q3 2020. Patients, including elective cases, have increasingly returned to the Group's hospitals. Besides, revenue from COVID-19 related services continued to increase as the Group's operations in Singapore took on new COVID-19 projects. Despite a higher revenue, EBITDA declined quarter-on-quarter as a result of higher staff costs and lower government grants and reliefs.

The Group's PATMI (Excl EI) decreased 10% quarter-on-quarter due to a lower EBITDA and higher net finance cost in Q1 2021 as ASYH Group entered into more CCS contracts during Q4 2020 to swap its Euro loans for Turkish Lira loans at higher interest rates. These are partially offset by lower depreciation expense and tax expense.

Parkway Pantai

Parkway Pantai's revenue increased 4% quarter-on-quarter while its EBITDA decreased 12% quarter-on-quarter.

Parkway Pantai's Singapore hospital inpatient admissions decreased 4% quarter-on-quarter, while its revenue per inpatient admission increased 5.1%. Parkway Pantai's Malaysia hospitals inpatient admissions decreased 9% quarter-on-quarter, while its revenue per inpatient admission increased 6.9%. Parkway Pantai's India hospitals inpatient admissions increased 10% quarter-on-quarter, while its revenue per inpatient admission decreased 4.3%.

The decrease in EBITDA quarter-on-quarter is mainly due to higher staff costs and lower government grants and reliefs.

Acibadem Holdings

Acibadem Holdings' revenue increased 9% quarter-on-quarter while its EBITDA was marginally lower quarter-on-quarter.

Acibadem Holdings' inpatient admissions increased 4% quarter-on-quarter while its revenue per inpatient is consistent with Q4 2020.

IMU Health

IMU Health's revenue decreased 7% quarter-on-quarter as due to a prolonged academic calendar following the various movement restriction orders implemented in Malaysia in Q1 2021.

EBITDA jumped 80% quarter-on-quarter despite a lower revenue as Q4 2020 EBITDA was a low base with the recognition of a RM3.0 million grant for Student Hardship and Welfare Assistance. In addition, expenses for 2020 were deferred to Q4 due to lower level of activities in earlier quarters as a result of the COVID-19 pandemic.

PLife REIT

PLife REIT's Q1 2021 external revenue was slightly lower than Q4 2020 due to depreciation of Japanese Yen quarter-on-quarter.

Q1 2021 EBITDA decreased 3% despite recording a RM15.6 million gain on divestment of investment property. The decrease was from a high base in Q4 2020 whereby EBITDA was boosted by revaluation gains on investment properties of RM19.7 million.

Others

Revenue was consistent with Q4 2020 while EBITDA losses increased 6% quarter-on-quarter due to higher staff costs from new hire.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

B3 CURRENT YEAR FINANCIAL PROSPECTS

The COVID-19 pandemic has presented unprecedented challenges to the global economy, across all industries including healthcare. The Group is adapting to the new normal and seeking new opportunities amidst this pandemic.

Although patient volume is impacted by the resurgence of COVID-19 cases across the globe and by the various movement restrictions implemented, the Group's diversified earnings across 10 markets provides it with more resilience as key markets are at different phases of the COVID-19 pandemic. Notwithstanding that, the Group will continue to take proactive initiatives to mitigate the effects of lower patient volumes by improving case mix and diversifying into new revenue streams. The Group is in active collaboration with the public healthcare sector to provide COVID-19 screening services and laboratory testing, In support of mass vaccination efforts around the world, our teams in Malaysia, Singapore, India, Turkey, and Hong Kong have stepped up to assist the governments and public sector in administrating COVID-19 vaccine to its residents. COVID-19 related services contributed about between 5% - 17% of the Q1 2021 revenues from the Group's operations in its home markets.

Given the nature of hospital operations, some costs, such as staff costs and depreciation, remains relatively fixed despite lower patient volumes. The Group continually maintains a tight rein on costs and has strict cash management, which includes deferment of non-critical purchases and non-critical capital expansion projects. The Group expects start-up costs of new facilities in China to partially erode its profitability, which will be managed by a gradual phasing in of resources as patient volumes ramp up.

The Group is confident that its longer-term growth trajectory remains intact. It remains disciplined in delivering its Refreshed Strategy, which is centered on becoming the world's most trusted healthcare services provider, even as it stays nimble in adapting to the pandemic. The Group will also align its efforts to innovate and deliver healthcare digitally, leverage synergies from IHH's international network and build platforms for growth through its cluster strategy. With an international network of hospitals, it seeks to extract greater synergies by leveraging economies of scale to achieve lower costs and better optimization of resources.

With the completion of the divestment of Apollo Gleneagles Hospital Limited on 22 April 2021, the Group will explore options on recycling the capital to optimise returns. The Group continues to deepen its metro cluster strategy to drive efficient growth by constantly reviewing and calibrating its asset portfolio.

Whilst the Group is optimistic of progressive recovery, it expects continued impact from the COVID-19 pandemic for the rest of the year, especially if there are further disruptions from subsequent outbreaks and renewed lockdown. With the Group's robust financial position, strong cash flow, operational resilience and continued focus on delivering its refreshed strategy, the Group believes it is well-prepared to ride out this pandemic in the short-term and deliver long-term growth.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

B4 PROFIT FORECAST/GUARANTEE

Not applicable as no profit forecast/guarantee was issued.

B5 TAXATION

	1st quarter ended	
	31 Mar 2021	**31 Mar 2020**
	RM'000	**RM'000**
Current tax expense	102,678	79,701
Deferred tax expense	50,932	29,602
	153,610	109,303

Q1 2021 effective tax rate* was 27.0% which is higher than the Malaysia statutory tax rate. Q1 2021 tax expense included RM15.5 million reversal of deferred tax assets by Fortis.

Q1 2020 effective tax rate* was -42.2% due to certain non-taxable income and non-tax deductible expenses (refer to page 2 for list of exceptional items), and unrecognised tax losses arising from the Group's new hospitals and hospitals under construction.

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

B6 STATUS OF CORPORATE PROPOSALS

Save as disclosed below, there were no other corporate proposals announced but not completed as at 24 May 2021:

1. <u>Proposed subscription of 235,294,117 new equity shares of face value of Indian Rupee ("INR") 10 each ("Fortis Shares") in Fortis Healthcare Limited ("Fortis") through preferential allotment by Fortis to an indirect wholly-owned subsidiary of IHH, Northern TK Venture Pte Ltd ("NTK" or the "Acquirer") ("Proposed Subscription");</u>

   <u>Mandatory Open Offer for acquisition of up to 197,025,660 Fortis Shares representing additional 26% of the Expanded Voting Share Capital (as defined herein) of Fortis by the Acquirer ("Fortis Open Offer"); and</u>

   <u>Mandatory Open Offer for acquisition of up to 4,894,308 fully paid up equity shares of face value of INR10 each, representing 26% of the fully diluted voting equity share capital of Fortis Malar Hospitals Limited ("Malar") by the Acquirer ("Malar Open Offer").</u>

   On 13 July 2018, pursuant to a board resolution passed by the Board of Directors of Fortis, NTK, as subscriber, entered into a share subscription agreement ("Fortis SSA") with Fortis, as issuer, where NTK has agreed to subscribe 235,294,117 new equity shares of Fortis with a face value of INR10 each ("Subscription Shares"), constituting approximately 31.17% of the total voting equity share capital of Fortis on a fully diluted basis ("Expanded Voting Share Capital") for a total consideration of INR4,000 crore and Fortis has agreed to issue and allot the Subscription Shares by way of preferential allotment in accordance with the terms of the Fortis SSA ("Proposed Subscription"). The Proposed Subscription was completed in accordance with the terms of the Fortis SSA on 13 November 2018 and NTK has become the controlling shareholder of Fortis.

   As a consequence of the Proposed Subscription, NTK was required to carry out the following:

   (i) A mandatory open offer for acquisition of up to 197,025,660 equity shares of face value of INR10 each in Fortis, representing additional 26% of the Expanded Voting Share Capital of Fortis, at a price of not less than INR170 per share ("Fortis Open Offer") or such higher price as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations").

On 13 July 2018, NTK, together with IHH and Parkway Pantai Limited, in the capacity as the persons acting in concert with NTK (collectively, the "PACs"), pursuant to the terms of Regulations 3(1) and 4 read with Regulation 15(1) of the SEBI (SAST) Regulations, have made the Fortis Open Offer by filing of the public announcement dated 13 July 2018 ("Fortis Public Announcement") to all the shareholders of Fortis who are eligible to tender their shares in the Fortis Open Offer, excluding NTK and the PACs and persons deemed to be acting in concert with NTK and the PACs. Save and except for the PACs, no other person is acting in concert with NTK for the purpose of the Fortis Open Offer at the time of the Fortis Public Announcement being released.

(ii) In light of the acquisition of the controlling stake of Fortis, a mandatory open offer for acquisition of up to 4,894,308 fully paid up equity shares of face value of INR10 each in Malar, representing 26% of the paid-up equity shares of Malar at a price of INR58 per share ("Malar Open Offer"). The Malar Open Offer is subject to the completion of the Fortis Open Offer.

On 13 July 2018, NTK together with the PACs pursuant to the terms of Regulations 3(1), 4 and 5(1) read with Regulations 13(2)(e) and 15(1) of the SEBI (SAST) Regulations, have made the Malar Open Offer by filing of the public announcement dated 13 July 2018 ("Malar Public Announcement") to all the public shareholders of Malar excluding the promoter and promoter group of Malar, NTK and the PACs and persons deemed to be acting in concert with NTK and the PACs. Save and except for the PACs, no other person is acting in concert with NTK for the purpose of the Malar Open Offer at the time of the Malar Public Announcement being released.

On 14 December 2018, the Supreme Court of India passed an order in the matter of "Mr Vinay Prakash Singh v. Sameer Gehlaut & Ors.", directing "status quo with regard to sale of the controlling stake in Fortis to Malaysian IHH Healthcare Berhad be maintained" ("Order"). Pursuant thereto, decision was taken not to proceed with Open Offer.

Vide its judgment dated 15 November 2019 ("Judgment"), the Supreme Court of India issued suo-moto contempt notice to, among others, Fortis, and directed its Registry to register a fresh contempt petition in regard to alleged violation of the Order. In this respect, the Supreme Court sought an enquiry into:

(i) Whether the subscription by NTK for the Shares of Fortis was undertaken after the Order, and accordingly if such subscription was in violation of the Order; and

(ii) The consummation of the acquisition of healthcare assets from RHT Health Trust by Fortis.

Fortis has filed a reply to the show cause notice issued in the suo-moto contempt, praying inter alia, that the suo-moto contempt proceedings be dropped and Order be modified/vacated such that the open offers may proceed.

Since the issuance of the Judgment, several parties have, inter alia, filed applications before the Supreme Court, for seeking various remedies, which are briefly enumerated below (where relevant to IHH or Fortis):

a) Anshuman Khanna, a minority shareholder of Fortis ("Minority Shareholder") has sought resumption of the Fortis Open Offer but has asked that IHH to pay interest at 10% (ten percent) to the public shareholders of Fortis who are eligible to tender shares in the Fortis Open Offer due to the delay since IHH is earning interest on the 100% of the consideration payable under the Fortis Open Offer that has deposited in the escrow account.

b) Daiichi Sankyo Co. Ltd ("Daiichi") has sought permission to implead itself in and present its case stating that its rights are impacted by orders that may be passed in the Fortis Contempt Petition.

c) SEBI has sought resumption of the Fortis Open Offer citing larger public interest at stake.

d) On 5 March 2020, NTK has through its legal counsel, filed applications to intervene in the aforementioned Supreme Court Proceedings, as follows:

   (i) intervention applications in the Original Contempt Petition and the Fortis Contempt Petition, respectively, and to enable NTK to be heard in the Supreme Court Proceedings before any further orders are passed by the Supreme Court; and

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

(ii) an application to vacate the Order that continues to stay the Fortis Open Offer so as to be able to consummate the Fortis Open Offer; and support SEBI's ask of resuming the same.

Further, NTK may file such other applications, replies and affidavits, as necessary, to respond to the applications filed by any other parties.

e) On 14 August 2020 Fortis has submitted an application to the Supreme Court of India seeking approval to undertake a change in the company name, brand and logo for Fortis and its subsidiaries ("Fortis Rebranding Application").

The Fortis Contempt Petition, the Order, the Original Contempt Petition, the applications filed by the Minority Shareholder, Daiichi and SEBI, and the Fortis Rebranding Application, respectively, are collectively referred to as "Supreme Court Proceedings".

Fortis has filed an additional affidavit responding to the queries put forth by Supreme Court. Arguments are being heard by the Supreme Court of India for adjudication of the matters pending before it.

Hearings in the Supreme Court Proceedings have concluded on 12 May 2021 and the judgement is now reserved. Outcome of the Supreme Court Proceedings cannot be predicted at this juncture and the potential liability to IHH is indeterminate, at this stage.

2. <u>Proposed renewal of authority for the Company to purchase its own shares of up to ten percent (10%) of the prevailing total number of issued shares of the Company ("Proposed Renewal of Share Buy-Back Authority")</u>

On 25 March 2021, the Company announced the proposal to seek from its shareholders, at its forthcoming Eleventh Annual General Meeting ("Eleventh AGM"), the authority to purchase its own shares of up to ten percent (10%) of the prevailing total number of issued shares of the Company at the point of purchase through stockbroker(s) to be appointed by the Company at a later date.

A statement containing the details of the Proposed Renewal of Share Buy-Back Authority has been published on the website of the Company on 28 April 2021 together with the Annual Report 2020 of the Company.

The Proposed Renewal of Share Buy-Back Authority was approved by the shareholders at the Eleventh AGM held on 28 May 2021.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

B7 LOANS, BORROWINGS AND OVERDRAFTS

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

	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Non-current		
Secured		
Bank loans	1,143,500	1,091,363
Loans from corporates	2,846	2,296
Unsecured		
Bank loans	5,759,298	6,183,745
Fixed rate medium term notes	442,020	462,925
Loans from corporates*	919,302	924,347
	8,266,966	8,664,676
Current		
Secured		
Bank overdrafts	24,613	22,401
Bank loans	299,301	336,204
Loans from corporates	1,200	988
Unsecured		
Bank loans	1,114,487	658,534
Loans from corporates	668	658
	1,440,269	1,018,785
Total	9,707,235	9,683,461

* Includes loans from non-controlling interests of RM857,807,000 (2020: RM863,921,000)

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

	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Singapore Dollar	2,741,966	2,711,869
Hong Kong Dollar	2,623,218	2,584,177
Japanese Yen	1,716,976	1,786,607
Euro	1,224,586	1,244,247
Indian Rupees	966,001	1,015,116
Renminbi	374,878	310,301
Macedonian Denar	21,054	16,182
Ringgit Malaysia	18,661	13,677
Turkish Lira	18,591	-
Others	1,304	1,285
	9,707,235	9,683,461

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

B8 FINANCIAL DERIVATIVE INSTRUMENTS

The Group's outstanding net derivative financial instruments as at 31 March 2021:

	Notional amount as at 31 Mar 2021 RM'000	Fair value amount as at 31 Mar 2021 RM'000
Derivative assets		
Foreign exchange forward contracts		
- Within 1 year	70,818	4,583
- Between 1 - 3 years	90,487	6,929
- More than 3 years	72,932	5,254
	234,237	16,766
Interest rate caps		
- More than 3 years	883,614	4,501
Cross currency interest rate swaps		
- Within 1 year	154,083	1,358
- More than 3 years	252,311	17,361
	406,394	18,719
Cross currency swaps		
- Within 1 year	173,595	63,812
- Between 1 - 3 years	376,131	133,835
- More than 3 years	120,569	43,691
	670,295	241,338
	2,194,540	281,324
Derivative liabilities		
Interest rate swaps		
- Within 1 year	139,325	(50)
- Between 1 - 3 years	164,881	(691)
	304,206	(741)
Call option granted to non-controlling interests		
- Within 1 year	28,598	-
	332,804	(741)

Foreign exchange forward contracts

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

Interest rate caps

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

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

Cross currency interest rate swaps and cross currency swaps

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

Interest rate swaps

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

Call option granted to non-controlling interests

Call option granted to non-controlling interests relates to a call option granted by the Group to non-controlling interests of Ravindranath GE Medical Associates Pte Ltd ("RGE") to purchase the Group's 3% interest in RGE on a fully diluted basis at a fixed price of INR500.0 million, pursuant to an option agreement entered with the non-controlling interests. The call option granted to non-controlling interests is classified as a derivative liability.

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

B9 FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

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

B10 MATERIAL LITIGATIONS

Except as mentioned in Section A13, there were no other material changes in the contingent material litigations as at 24 May 2021 from that disclosed in the 2020 Audited Financial Statements.

B11 DIVIDENDS

No dividends were declared or paid by the Company during the financial period ended 31 March 2020.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

B12 EARNINGS PER SHARE ("EPS")

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

	1st quarter ended	
	31 Mar 2021	**31 Mar 2020**
	RM'000	**RM'000**
Basic and diluted earnings per share is based on:		
i) Net profit attributable to ordinary shareholders		
Profit/(Loss) after tax and non-controlling interests	375,621	(319,786)
Perpetual securities distribution accrued	(21,368)	(22,340)
	354,253	(342,126)
ii) Net profit attributable to ordinary shareholders (excluding EI)		
Profit after tax and non-controlling interests (excluding EI)	335,826	189,351
Perpetual securities distribution accrued	(21,368)	(22,340)
	314,458	167,011

(a) Basic EPS

	'000	'000
Weighted average number of shares	8,777,652	8,773,990
	sen	**sen**
Basic EPS	4.04	(3.90)
Basic EPS (excluding EI)	3.58	1.90

(b) Diluted earnings per share

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

	1st quarter ended	
	31 Mar 2021	**31 Mar 2020**
	'000	**'000**
Weighted average number of ordinary shares used in calculation of basic earnings per share	8,777,652	8,773,990
Weighted number of unissued ordinary shares from units under Long Term Incentive Plan	1,861	3,003
Weighted average number of dilutive ordinary shares for computation of diluted EPS	8,779,513	8,776,993
	sen	**sen**
Diluted EPS	4.03	(3.90)
Diluted EPS (excluding EI)	3.58	1.90

At 31 March 2021, 46,644,000 outstanding EOS options (31 March 2020: 50,290,000) were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

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

	1st quarter ended	
	31 Mar 2021	31 Mar 2020
	RM'000	RM'000
Dividend income	643	1,813
Other operating income	72,922	82,167
Foreign exchange differences	3,728	12,089
Impairment loss (made)/written back:		
- Goodwill	-	(400,483)
- Trade and other receivables	(15,177)	(13,124)
- Inventories	383	(101)
Write off:		
- Property, plant and equipment	(54)	(187)
- Trade and other receivables	(648)	(1,924)
- Inventories	(620)	(661)
Gain/(Loss) on disposal of property, plant and equipment	1,527	(444)
Gain on divestment of an investment property	15,604	-
Gain on disposal of a subsidiary	-	13,188
Realisation of FCTR upon substantive liquidation of a joint venture	-	(59,985)
Provision for loan taken by a joint venture	-	(1,162)
Finance income		
Interest income	9,786	16,935
Fair value gain on financial instruments	166,124	55,797
	175,910	72,732
Finance costs		
Interest on loans and borrowings	(95,738)	(85,800)
Interest on lease liabilities	(40,474)	(43,293)
Exchange loss on net borrowings	(99,204)	(133,826)
Fair value gain/(loss) on financial instruments	252	(15,260)
Other finance costs	(9,055)	(10,455)
	(244,219)	(288,634)