

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) : NON RELATED PARTY TRANSACTIONS
IHH HEALTHCARE BERHAD ("IHH" OR THE "COMPANY")
PROPOSED ACQUISITION BY PANTAI HOLDINGS SDN BHD ("PHSB"), AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF IHH, OF 100% EQUITY INTEREST IN ISLAND HOSPITAL SDN BHD ("IHSB") COMPRISING 20,000,000 ORDINARY SHARES FOR AN EQUITY CONSIDERATION IN CASH ("PROPOSED ACQUISITION")

IHH HEALTHCARE BERHAD

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTIONS
Description	IHH HEALTHCARE BERHAD ("IHH" OR THE "COMPANY") PROPOSED ACQUISITION BY PANTAI HOLDINGS SDN BHD ("PHSB"), AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF IHH, OF 100% EQUITY INTEREST IN ISLAND HOSPITAL SDN BHD ("IHSB") COMPRISING 20,000,000 ORDINARY SHARES FOR AN EQUITY CONSIDERATION IN CASH ("PROPOSED ACQUISITION")

Please refer attachment below.

Attachments

[IHH Announcement - Proposed Acquisition.pdf](#)
256.2 kB

Announcement Info	
Company Name	IHH HEALTHCARE BERHAD
Stock Name	IHH
Date Announced	04 Sep 2024
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IHH HEALTHCARE BERHAD (“IHH” OR THE “COMPANY”)

PROPOSED ACQUISITION BY PANTAI HOLDINGS SDN BHD (“PHSB”), AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF IHH, OF 100% EQUITY INTEREST IN ISLAND HOSPITAL SDN BHD (“IHSB”) COMPRISING 20,000,000 ORDINARY SHARES FOR AN EQUITY CONSIDERATION IN CASH (“PROPOSED ACQUISITION”)

1. INTRODUCTION

The Board of Directors of IHH (“**Board**”) wishes to announce that PHSB has on 4 September 2024, entered into a sale and purchase agreement (“**SPA**”) with Comprehensive Care Sdn Bhd (“**CCSB**”), as seller, for the Proposed Acquisition.

2. DETAILS OF THE PROPOSED ACQUISITION

2.1 Background Information

The Proposed Acquisition entails the acquisition by PHSB of 20,000,000 ordinary shares in IHSB (“**IHSB Shares**”) representing the entire equity interest in IHSB for an equity consideration of RM3,923.7 million in cash (“**Equity Value**”).

The net debt of IHSB and its subsidiaries (“**IHSB Group**”) as of 30 June 2024 (“**Locked Box Date**”) is estimated to be RM276.3 million (“**Net Debt**”).

Upon completion of the Proposed Acquisition, PHSB will be the holding company of IHSB Group.

2.2 Salient terms of the SPA

The salient terms of the SPA are set out in **Appendix I** of this announcement.

2.3 Background information on IHSB

IHSB was incorporated in Malaysia on 17 November 1994 under the Companies Act, 1965 as a private limited company under the name of Paduan Ciptaan Sdn Bhd and is deemed registered under the Companies Act, 2016. IHSB subsequently assumed its present name on 8 March 1996.

The principal activity of IHSB is rendering hospital and healthcare services and its principal place of business is located at No. 308, Jalan Macalister, 10450 George Town, Pulau Pinang.

As at the date of this announcement, the issued share capital of IHSB is RM20,000,000 comprising 20,000,000 ordinary shares.

As at the date of this announcement, the directors of IHSB are as follows:

Name	Designation
Tang Kok Yew	Director
Benny Lim Jew Fong	Director
Lim An Na, Amanda	Director
Wee Keng Hong Mark	Director
Wong Twee Juat	Director
Dato’ Dr. Chong Keat Foong	Alternate director to Wong Twee Juat

IHSB is a wholly-owned subsidiary of CCSB. Further details on CCSB are set out below in Section 2.4.

Further information on IHSB Group and IHSB's associated companies are set out in **Appendix II** of this Announcement.

2.4 Information on CCSB

CCSB was incorporated in Malaysia on 14 May 2015 under the Companies Act, 1965 as a private limited company and is deemed registered under the Companies Act, 2016.

The principal activity of CCSB is investment holding and its principal place of business is located at No. 308, Jalan Macalister, 10450 George Town, Pulau Pinang.

As at the date of this announcement, the issued share capital of CCSB is RM995,100,000 comprising 17,271,395,583 ordinary shares and 82,238,604,417 preference shares.

As at the date of this announcement, the substantial shareholders of CCSB are as follows:

Name	Type of shares	Direct		Indirect	
		No. of shares in CCSB	(1) %	No. of shares in CCSB	(1) %
Comprehensive Care Pte Ltd	Ordinary shares	14,340,851,844	83.03	-	-
	Preference shares	63,372,330,956	77.06	-	-
Wee Keng Hong Mark	Ordinary shares	2,929,975,300	16.96	-	-
	Preference shares	13,182,451,600	16.03	-	-

Notes:

- (1) Based on the respective ordinary shares and preference shares in issue in CCSB as at the date of this Announcement

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As at the date of this announcement, the directors of CCSB and their respective shareholdings in CCSB are as follows:

Name	Type of shares	Direct		Indirect	
		No. of shares in CCSB	(1) %	No. of shares in CCSB	(1) %
Tang Kok Yew	Ordinary shares	-	-	-	-
	Preference shares	-	-	-	-
Benny Lim Jew Fong	Ordinary shares	-	-	-	-
	Preference shares	-	-	-	-
Lim An Na, Amanda	Ordinary shares	-	-	-	-
	Preference shares	-	-	-	-
Wee Keng Hong Mark	Ordinary shares	2,929,975,300	16.96	-	-
	Preference shares	13,182,451,600	16.03	-	-
Oh Kim Soon	Ordinary shares	48,885	^	-	-
	Preference shares	488,806,015	0.59	-	-

Notes:

^ Negligible

(1) Based on the respective ordinary shares and preference shares in issue in CCSB as at the date of this Announcement

2.5 Source of funding

The Proposed Acquisition will be funded via internally generated funds of IHH and its subsidiaries ("IHH Group") and external borrowings, the proportions of which have yet to be finalised at this juncture. The funding mix will be determined at a later stage after taking into consideration the internal cash requirements, gearing level and interest costs of IHH Group.

2.6 Liabilities to be assumed

Save for the liabilities arising from the SPA, IHH and PHSB will not assume any liabilities, including contingent liabilities and guarantees, arising from the Proposed Acquisition.

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3. BASIS AND JUSTIFICATION FOR THE EQUITY VALUE

The Equity Value was arrived at based on the enterprise value (“EV”) of IHSB Group on a cash free debt free basis and is on a willing-buyer willing-seller basis, after taking into consideration, among others, the following:

- (i) discounted cash flow approach, which takes into consideration expected cash flows of IHSB Group and its terminal value after taking into consideration the projected revenue mix, margin contributions, capital expenditures, working capital requirements as well as potential synergies with IHH’s existing hospital network;
- (ii) comparison approach, analysing recent transactions for similar hospital assets within the region of Southeast Asia. IHSB Group’s implied EV / earnings before interest, taxes, depreciation and amortisation (“EBITDA”) multiple is 24.6 times (based on trailing twelve (12) months financial results up to 30 June 2024), being the latest available financial results prior to the date of the SPA.

IHSB is in the phase of scaling up its operations and has increased its built bed capacity from 296 beds in the third quarter of 2022 to a total of approximately 500 beds in the third quarter of 2024 with an ability to expand to 600 beds with minimum capital expenditure. EBITDA and PAT of IHSB based on 6-month unaudited financial period ended (“FPE”) 30 June 2024 grew by 45% and 54% respectively compared to same period of preceding year.

Additionally, EV has considered the vacant land adjacent to the currently built hospital with approvals secured for future development, which has been valued at approximately RM223.4 million by a third-party valuer.

- (iii) net debt and other debt or cash-like items of IHSB Group as of the Locked Box Date;
- (iv) the rationale and benefits of the Proposed Acquisition, further details of which are set out in Section 4 of this announcement; and
- (v) the prospects of IHSB Group as set out in Section 5 of this announcement.

4. RATIONALE AND BENEFITS OF THE PROPOSED ACQUISITION

Strengthen IHH’s presence in Penang and create a robust medical tourism ecosystem

The Proposed Acquisition offers IHH a strategic opportunity to acquire a leading 600-bed capacity private hospital in Penang. IHSB Group brings with it strong operations accredited by the Australian Council on Healthcare Standards, with multiple Centre of Excellence, coupled with large qualified and experienced medical professional team comprising of 119 resident and visiting specialists, offering a wide array of clinical services to serve local and international patients.

The Proposed Acquisition will enable IHH to consolidate and solidify its presence in Penang and strengthen its competitive position across Malaysia. IHH will realise potential synergies from the Proposed Acquisition, given IHH Group will now operate three (3) hospitals in Penang with a total of over 1,000 operational beds i.e. (Island Hospital, Gleneagles Hospital Penang and Pantai Hospital Penang) enabling better coordinated patient care, optimize resource utilization, and streamline services, resulting in overall improved performance and services.

5. PROSPECTS OF IHSB GROUP

IHSB Group is a leading medical tourism focused private hospital in Malaysia, attracting approximately one (1) out of three (3) inbound foreign patients into Malaysia and strategically located in Penang (regional hub for medical tourism accounting for approximately 51% volume share of inbound foreign patients into Malaysia). IHSB Group is also recognized as one (1) of the four (4) finalists in the prestigious national Flagship Medical Tourism Hospital, an initiative by Malaysia Healthcare Travel Council aimed at promoting innovation and excellence in medical services. IHSB Group is well positioned to capitalize on the region's strong medical tourism growth through its established medical tourism ecosystem and brand name.

6. RISK FACTORS RELATING TO THE PROPOSED ACQUISITION

The potential risk factors relating to the Proposed Acquisition are as follows:

6.1 Investment risk

There is no assurance that the anticipated benefits of the Proposed Acquisition will be realised or that IHH Group will be able to generate sufficient returns from its investment to offset the costs of the investment, or whether the expected financial performance of IHSB Group will be achieved post-completion of the Proposed Acquisition. However, IHH is one of the largest private healthcare providers in Malaysia with a healthcare network of seventeen (17) hospitals. The Company has sought to mitigate this risk by engaging external advisers to undertake due diligence on the business operations of IHSB Group.

6.2 Integration risk

Upon completion of the Proposed Acquisition, the existing business functions, systems and personnel of IHSB Group may be integrated into those of the IHH Group. However, there is no assurance that the IHH Group will be able to fully realise the anticipated synergies arising from the Proposed Acquisition. Nonetheless, the IHH Group will endeavour to integrate IHSB Group's existing business functions, systems and personnel with its established shared services and business functions structure that serve its existing hospital network in Malaysia.

6.3 Business and operational risk

Both the IHH Group and IHSB Group are exposed to business risks inherent in the healthcare industry, which include weakening in foreign patient demand, changes in political, economic and social conditions, government regulations, inflation and changes in business conditions such as, deterioration in prevailing market conditions, changes in demographic patterns, labour supply, increase in operational costs, availability of professionally trained medical specialists, affordability of the consumers for private healthcare services, compliance and regulatory costs, obsolescence of healthcare technologies, adverse changes in the legal framework, potential of liability arising out of information technology disruptions and security breaches and potential of third party liability from negligence arising from the provision of services and dispensation of drugs.

IHH Group will endeavour to manage its business risks by continuing to employ measures which will include diversifying its businesses and geographies, monitoring political uncertainties, cross-deployment of medical specialist across its hospital network, reviewing talent management and retention strategies, reviewing and upgrading cybersecurity measures.

6.4 Impairment risk

IHH Group expects to recognise goodwill arising from the Proposed Acquisition, the amount of which is determined based on the excess of the fair value of the consideration paid against the fair value of the net identifiable assets acquired as at completion date. Any impairment on the carrying amount of goodwill arising from the Proposed Acquisition and/or the assets acquired may materially and adversely affect IHH Group's financial position and performance. IHH will monitor the financial performance of IHSB Group and work with the management of IHSB Group to drive the committed business plan towards the achievement of the financial targets of IHSB Group.

7. EFFECTS OF THE PROPOSED ACQUISITION

7.1 Issued Share capital

The Proposed Acquisition will not have any effect on the issued share capital of the Company as the Equity Value will be fully settled in cash i.e. no issuance of new IHH shares.

7.2 Net asset ("NA"), NA per IHH Share and Gearing

For illustrative purposes, based on the latest audited consolidated statements of financial position of IHH as at 31 December 2023 and on the assumption that the Proposed Acquisition had been effected on that date, the proforma effects of the Proposed Acquisition on the NA per IHH share and gearing of IHH Group are as follows:

	Audited as at 31 December 2023 (RM'000)	After the Proposed Acquisition (RM'000)
Share capital	19,691,630	19,691,630
Other reserve	1,573,882	1,573,882
Retained earnings	7,840,027	7,812,635 ⁽¹⁾
Shareholders' funds / NA	29,105,539	29,078,147
Non-controlling interests	3,253,111	3,253,111
Total equity	32,358,650	32,331,258
No. of IHH shares in issue ('000)	8,806,991	8,806,991
Loans and borrowings	8,311,387	12,657,144 ⁽²⁾
NA per IHH share ⁽³⁾ (RM)	3.30	3.30
Gearing ⁽⁴⁾ (times)	0.29	0.44

Notes:

- (1) After deducting the estimated expenses relating to the Proposed Acquisition of approximately RM27 million
- (2) Includes IHSB's bank borrowings of RM422.0 million as at 31 December 2023 and assumes additional bank borrowings of RM3,923.7 million is obtained to finance the Equity Value
- (3) Calculated based on total NA attributable to owners of the Company divided by the total number of IHH shares in issue
- (4) Calculated based on total borrowings divided by shareholders' funds / NA attributable to owners of the Company

7.3 Substantial shareholders' shareholdings

The Proposed Acquisition will not have any effect on the shareholding of the substantial shareholders of the Company as the Proposed Acquisition does not entail any issuance of new IHH shares.

7.4 Earnings and Earnings per Share ("EPS")

The Proposed Acquisition will not have any material effects on the earnings of the IHH Group for the financial year ended (FYE) 31 December 2024 as the Proposed Acquisition is expected to be completed by end of 2024. IHSB Group is in the phase of scaling up its operations and has doubled its built bed capacity from 296 beds in the third quarter of 2022 to a total of approximately 500 beds in the third quarter of 2024 with an ability to expand to 600 beds with minimum capital expenditure. The completion of the Proposed Acquisition is expected to improve the future consolidated earnings and EPS of IHH Group. For illustrative purposes only, assuming the Proposed Acquisition had been completed at the beginning of the FYE 31 December 2023, the proforma effect of the Proposed Acquisition on the earnings and EPS of IHH Group are as follows:

IHH Group level	Audited as at 31 December 2023 (RM'000)	After the Proposed Acquisition (RM'000)
PAT attributable to ordinary shareholders of IHH	2,951,874	2,840,994
Weighted average number of IHH shares ('000)	8,806,799	8,806,799
EPS (sen)	33.52	32.26

Notes:

- (1) After taking into account the PAT of IHSB for the FYE 31 December 2023 of approximately RM73 million, the estimated expenses relating to the Proposed Acquisition of approximately RM27 million and interest expense of RM157 million based on an indicative interest rate of 4.0% per annum on the bank borrowings of RM3,923.7 million assumed to be obtained to finance the Equity Value.

8. APPROVALS REQUIRED

The Proposed Acquisition is not subject to the approval of other relevant authorities and the shareholders of IHH.

The Proposed Acquisition is not conditional upon any other corporate exercise/scheme of IHH.

9. HIGHEST PERCENTAGE RATIO

Pursuant to paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the highest percentage ratio applicable to the Proposed Acquisition is 13.73% which was computed based on the aggregate value of the consideration given in relation to the Proposed Acquisition compared with the NA attributable to owners of IHH as at 31 December 2023.

10. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED

None of the directors and/or major shareholders of IHH and/or persons connected with them has any interest, direct or indirect, in the Proposed Acquisition.

11. DIRECTORS' STATEMENT

The Board, having considered all aspects of the Proposed Acquisition, including but not limited to the salient terms of the SPA, the basis and justifications for the Equity Value, rationale and the benefits of the Proposed Acquisition, effects of the Proposed Acquisition and after careful deliberation, is of the opinion that the Proposed Acquisition is in the best interest of the Company.

12. ESTIMATED TIMEFRAME FOR COMPLETION

Barring unforeseen circumstances, the Proposed Acquisition is expected to be completed by the end of 2024.

13. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the SPA is available for inspection at the registered office of the Company at Level 11 Block A, Pantai Hospital Kuala Lumpur, 8 Jalan Bukit Pantai, 59100 Kuala Lumpur, Malaysia during normal business hours from Mondays to Fridays (excluding public holidays in Malaysia) for a period of three (3) months from the date of this announcement.

This announcement is dated 4 September 2024.

APPENDIX I – SALIENT TERMS OF THE SPA

The salient terms of the SPA are set out as below:

1. Total Payable

- 1.1 The payable cash for all of IHSB Shares shall be an amount equal to the Equity Value plus:
- (a) an amount equal to RM576,000 multiplied by the number of days elapsed from but excluding the Locked Box Date to and including the date on which the completion of the sale and purchase of the IHSB Shares in accordance with the provisions of the SPA ("**Closing**") occurs ("**Closing Date**"); less
 - (b) the aggregate amount of all Notified Leakage Amounts (as defined under paragraph 2.6(a) below) (if any),
- which shall be payable on Closing.
- 1.2 Any payment made by CCSB, PHSB, or the providers of insurance (the "**W&I Insurers**") pursuant to the buy-side warranty and indemnity insurance policies (the "**W&I Insurance Policies**") in satisfaction of a liability arising under the SPA shall adjust the price paid for the IHSB Shares to the extent of such payment.

2. No Leakage Undertaking

- 2.1 Subject to paragraphs 2.2 to 2.6 below, CCSB agrees that if any Leakage (as defined under the SPA) occurs between the Locked Box Date and Closing, CCSB will, following Closing, pay or arrange payment in cash to PHSB an amount equal to the Leakage in accordance with the terms of the SPA.
- 2.2 CCSB must provide PHSB with a written notice (the "**Seller Leakage Notice**") at least eight Business Days before the Closing Date, detailing the amount and reasonable evidence of any known or anticipated Leakage.
- 2.3 CCSB's liability pursuant to this paragraph 2 ends six months after Closing unless before that date:
- (a) PHSB notifies CCSB in writing of a breach of paragraph 2.1, including the amount and reasonable evidence of such Leakage (the "**Purchaser Leakage Notice**"); or
 - (b) CCSB notifies PHSB of a breach of paragraph 2.1 in accordance with paragraph 2.2.
- 2.4 Following the service of the Seller Leakage Notice by CCSB or the service of the Purchaser Leakage Notice by PHSB, both parties shall agree on the amount of the relevant Leakage (the "**Leakage Adjustment Amount**") as soon as reasonably practicable.
- 2.5 If CCSB or PHSB dispute the Leakage Adjustment Amount, it will be agreed or determined according to the leakage dispute resolution procedure as set out in the SPA.

APPENDIX I – SALIENT TERMS OF THE SPA (CON'T)

- 2.6 Once the Leakage Adjustment Amount is agreed and/or determined:
- (a) prior to the Closing Date, and for which CCSB would be liable under paragraph 2.1, the amount of such Leakage Adjustment Amount (being the “**Notified Leakage Amount**”), will be deducted from the Equity Value in accordance with paragraph 1, and CCSB will be discharged from further liability for the Notified Leakage Amount. The Equity Value payable by PHSB will be reduced by the Notified Leakage Amount under paragraph 1.1(b).
 - (b) on or after the Closing Date, to the extent such Leakage Adjustment Amount is not accounted for under paragraph 2.6(a), CCSB must pay PHSB the Leakage Adjustment Amount in cash within ten Business Days by way of an adjustment to the amount of the Equity Value received by the CCSB.

3. Closing

- 3.1 Closing will take place on 4 November 2024 at CCSB’s lawyers’ Singapore office, or on another mutually agreed date and method. Neither CCSB nor PHSB is obligated to complete the sale and purchase of any of the IHSB Shares unless all of the IHSB Shares are sold and purchased simultaneously.
- 3.2 At Closing, both CCSB and PHSB shall deliver and perform all required documents and actions as outlined in Schedule 5 of the SPA (Closing Arrangements), unless both parties agree in writing to waive any specific requirement. If either party fails to meet a material obligation (as defined in the SPA), the non-defaulting party has the right to:
- (a) proceed with Closing as far as practicable;
 - (b) reschedule Closing within 10 business days from the original date for Closing; or
 - (c) terminate the SPA if Closing has already been deferred once under paragraph 3.2(b), with only certain surviving provisions of the SPA (as set out under the SPA) remaining in effect.

The right to terminate under paragraph 3.2(c) is not available to any party who at such time is in breach of any of its material obligations. If the SPA is terminated, no party nor its Affiliates (as defined in the SPA) may claim against the other party or its Affiliates, except in respect of any rights and liabilities which have accrued before termination or under any of the surviving provisions of the SPA (as set out under the SPA).

- 3.3 If CCSB (on the one hand) or PHSB (on the other) complies with all its material obligations, but fails to comply with any obligation that is not a material obligation, the other party shall be required to proceed to Closing. The defaulting party is required to fulfill the outstanding obligations as soon as possible after Closing. Upon PHSB completing the required payments or deliverables under the SPA, beneficial ownership and title to the IHSB Shares will transfer to PHSB, notwithstanding the perfection of the transfer of IHSB Shares to PHSB may not have taken place.

4. No Rights of Rescission or Termination

No party may rescind or terminate the SPA under any circumstances, whether before or after Closing, except as permitted under paragraph 3.2(c). However, this shall not exclude liability for, or remedies in respect of, fraud.

5. W&I Insurance

5.1 PHSB is required to, and has obtained, warranty and indemnity insurance pursuant to the W&I Insurance Policies, for the benefit of PHSB, to cover losses arising from any claim for breach of certain warranties and indemnities set out in the SPA (such claims, respectively a **“Warranty Claim”** and an **“Indemnity Claim”**). PHSB's sole right of recovery (if any) for any Warranty Claim and Indemnity Claim (excluding a Fundamental Warranty Claim) is under the W&I Insurance Policies, except in cases of fraud or fraudulent misrepresentation by CCSB.

5.2 The premium, brokerage fees, underwriting fees and other related costs for the W&I Insurance Policies, including any applicable Taxes (as defined in the SPA) shall be paid by PHSB.

6. Governing Law and Jurisdiction

6.1 The SPA and any related non-contractual obligations arising out of or in connection with the SPA are governed by and interpreted in accordance with Singapore law.

6.2 Any dispute (including claims for set-off and counterclaims) arising out of or in connection with the SPA including, without limitation disputes arising out of or in connection with (i) the creation, validity, effect, interpretation, performance or non-performance of, termination, or the legal relationships established by the SPA, as well as (ii) any non-contractual obligations arising out of or in connection with the SPA, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre (**“SIAC”**) under the Arbitration Rules of the SIAC for the time being in force. The arbitration agreement in this paragraph 6 shall be governed by Singapore law.

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APPENDIX II – INFORMATION ON IHSB GROUP AND IHSB’S ASSOCIATED COMPANIES

1. SUBSIDIARIES AND ASSOCIATED COMPANIES

The particulars of the subsidiaries of IHSB as at the LPD are as follows:

Name of company	Place of incorporation / Date of incorporation	Total issued and paid-up capital (RM)	Effective equity interest	Principal activities
Island Retail Pharmacy Sdn Bhd	Malaysia / 16 November 2022	10,000	100%	Stores specialized in retail sale of pharmaceuticals, medical and orthopaedic goods
Coronation Springs Sdn Bhd	Malaysia / 25 September 2003	5,000,000	100%	Property development
IMC Hospitality Sdn Bhd	Malaysia / 1 April 2017	100,000	100%	Hotels or retail business
Island Medisuite Sdn Bhd	Malaysia / 1 April 2017	100,000	100%	To carry on the business of property development

The particulars of the associated companies of IHSB as at the LPD are as follows:

Name of company	Country / Date of incorporation	Total issued and paid-up capital (RM)	Effective equity interest	Principal activities
Island Physio Rehab Sdn Bhd	Malaysia / 29 December 2001	400,000	31%	Historically provided physiotherapy services, which is now provided directly by IHSB
Island Physio (SJ) Sdn Bhd	Malaysia / 14 March 2006	400,000	20%	Historically provided physiotherapy services, which is now provided directly by IHSB

APPENDIX II – INFORMATION ON IHSB GROUP AND IHSB’S ASSOCIATED COMPANIES
(CON’T)

2. SUMMARY OF FINANCIAL INFORMATION OF IHSB

The summary financial information of IHSB based on its audited financial statements for the past two (2) FYEs 31 December 2022 and 31 December 2023 as well as its unaudited financial statements for the six (6) month FPE 30 June 2023 and 30 June 2024 is as follows:

	Audited FYE 2022	Audited FYE 2023	Unaudited 6-month FPE 30 Jun 2023	Unaudited 6-month FPE 30 Jun 2024
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	383,455	573,781	268,967	326,979
PAT	28,948	73,460	32,109	49,473
Net assets attributable to shareholders	522,969	618,792	563,121	668,269
Total interest- bearing Borrowings	461,763	457,428	470,301	395,012
Gearing ⁽¹⁾ (times)	0.88x	0.74x	0.84x	0.59x
No. of shares ('000)	20,000	20,000	20,000	20,000
EPS ⁽²⁾ (RM)	1.45	3.67	1.61	2.48
NA per share ⁽³⁾ (RM)	26.15	30.94	28.16	33.41

Notes:

- (1) Calculated based on total interest-bearing borrowings divided by net assets attributable to shareholders
(2) Calculated based on PAT divided by number of shares
(3) Calculated based on net assets divided by number of shares

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