

Chairman's Statement

As a leading healthcare provider, IHH Healthcare is committed to delivering sustainable value to all stakeholders, including our patients, our people, the public and our planet. We will continue to do right by the unwavering trust that has been placed in us over the years.

Tan Sri Mohd Azlan Hashim

Non-Executive Chairman



Dear Stakeholders,

IHH Healthcare has once again maintained its resilience and shown robust performance in 2023. We have achieved commendable growth as a Group, even amid persistent challenges including rising inflation and shortage of nursing talents in the sector.

The hurdles in our path have translated into opportunities for our people to adapt, pivot and rise to the occasion. As we look at the year in retrospect, IHH has not wavered from its commitment to positively impact our people, patients, the public and our planet, and strived to live up to the trust that all our stakeholders have placed in us.

The accolades we have been given in 2023 further affirm that we are moving in the right direction, serving our stakeholder groups with distinction and integrity at every step. In clinical excellence, we were regaled with over 20 awards at the GlobalHealth Asia-Pacific Healthcare and Hospital Awards, with IHH Malaysia named Healthcare Group of the Year in Asia-Pacific. In human resources, Forbes included IHH as one of the 'World Best Employers 2023', a recognition we hold close to heart.

IHH witnessed several milestones this year, including the 50th anniversary celebrations of both Pantai Hospital Kuala Lumpur and Pantai Hospital Penang. Both hospitals have grown to become healthcare icons in their respective regions. Parkway Shenton in Singapore also celebrated its Golden Anniversary with the opening of its 54th clinic and a series of community events.

Delivering Value for Our Patients

In 2023, we expanded our reach and services in all areas of our business. The opening of new hospitals and achievement of breakthroughs, thanks to medical advancements, and technological innovations have raised not just clinical excellence, but also allowed us to deliver greater value for our patients.

In Singapore, we opened Parkway MediCentre Woodleigh, our new ambulatory care facility that provides convenient and comprehensive outpatient care to the community in the northeastern region of Singapore. In India, we inaugurated the new Fortis Cancer Institute outpatient department block to provide complete and holistic cancer care. In Malaysia, Twin Towers Medical Centre launched its first mobile clinic to bring occupational health and safety services closer to industrial workers.

These are but a handful of examples of IHH's efforts to make high-quality healthcare more accessible and convenient for communities.

Delivering Value for Our People

The value that we have created for our patients would not have been possible without the dedication and hard work from all levels of IHH staff, both clinical and non-clinical. Suffice to say, the shortage of healthcare talent has been a perennial challenge for medical institutions worldwide, with brain drain that reached new levels at the height of the COVID-19 pandemic.

Like our counterparts, IHH recognises that taking on a job in healthcare is a higher calling that tests our professionals' physical, mental and emotional capacities. This is why we are firm believers in fair remuneration and take every opportunity to give our people due recognition for their dedication.

In the past year, 907 employees in Malaysia and Singapore within our global network received IHH's Long Service and Golden Years Service Awards, serving as a true testament to our organisation as a place where individuals can flourish, thrive, and consider a second home.

The total well-being of our staff is our topmost priority, and we have several support measures to safeguard everyone's physical and mental health. IHH also offers ample opportunities for employees to upskill and develop fulfilling careers.

One of our latest initiatives include the launch of a Johor Bahru-Singapore shuttle service by IHH Singapore for the convenience of our Malaysian employees at Mount Elizabeth Hospital, Mount Elizabeth Novena Hospital, Gleneagles Hospital and Parkway East Hospital. The easy commute has allowed our nurses and staff more rest and quality time with their loved ones at home.



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Chairman's Statement



While the wider landscape continues to pose business uncertainties, IHH will be meeting challenges ahead with prudence and cautious optimism as one IHH Group, while continuing our march to Care. For Good.



In addition, we have introduced a new mental wellness app among employees of IHH, marking a milestone in our journey to foster a healthier workplace for all, given the rigorous demands of the industry.

As our initiatives to support our employees' well-being continue to gain traction, we will retain and further refine these best practices in the years ahead. Just as our patients have put their faith in us, we will continue to be a pillar of trust for our people.

Delivering Value for the Public and Our Planet

In February 2024, we reaffirmed our commitment by renewing the Memorandum of Understanding (MOU) with the Ministry of Health Malaysia, to fully sponsor radiotherapy and radiosurgery to another 500 cancer patients, building upon the impactful initiative that commenced in 2022. We had completed treatment for 500 cancer patients using these state-of-the-art technologies in the previous iteration of the MOU with the Health Ministry. Our dedication to healthcare extends beyond our patients to the community we serve.

With a proactive approach, we aim to cultivate a healthier society, which in turn will contribute to a reduced environmental impact within the healthcare sector. To do so, we will enhance our Antimicrobial Stewardship Programme to equip all our hospitals to implement interventions for preventing antimicrobial resistance, in sync with international and local guidelines.

We stay aligned with our target to cap carbon emissions by 2025 based on our pre-laid goals and to achieve Net-Zero by 2050. In September 2022, IHH set time-bound, measurable targets, to achieve this.

This year, we built upon that foundation by intensifying our efforts to reduce emissions. We have started to define and derive baseline Scope 3 emissions across our value chain this year, and have launched decarbonisation initiatives including reducing energy consumption and switching to renewable energy. In 2022, we set an interim target to reduce single-use virgin plastic by 90% in non-clinical areas in IHH Malaysia and IHH Singapore by 2023. IHH Singapore has achieved this target. IHH Malaysia ended 2023 with a commendable 79% reduction and has since achieved the target.

In sustainability initiatives, IHH is fully aligned with the United Nations Sustainable Development Goals. We are working towards climate-related disclosures meeting the standards of the globally recognised standards of the Task Force on Climate-related Financial Disclosures (TCFD).



Sustainability is an ongoing journey that is in equal parts complex, urgent and purposeful. IHH remains open to new and better ways to enhance our sustainability efforts, and we hope to inspire change by being a trailblazer in the healthcare sector.

Delivering Value Through Our Governance

We are delighted to announce the appointment of IHH Healthcare's new Group Chief Executive Officer Dr Prem Kumar Nair, who officially stepped into the role on 1 October 2023. He is a familiar face to us all, having helmed IHH Singapore in the last three and a half years.

Dr Nair is a highly regarded industry veteran, having had a wealth of experience in clinical work, healthcare administration and management, and education. I look forward to working closely with him, the IHH management team, and all our stakeholders to continue IHH's sustainable growth, astute innovativeness, and all-round excellence.

At this juncture, I would also like to express my gratitude to IHH's Transition Committee for their work prior to Dr Nair's appointment and seeing to the smooth changeover.

Additionally, we have appointed a new Group Chief Financial Officer, Mr Dilip Kadambi, as of 5 April 2024. He will play a pivotal role in providing financial leadership for IHH and its operations, ensuring a path of continued success and growth for the organisation.

In board movements, we welcome Mr Yoichiro Endo, who will assume the role of Non-Independent, Non-Executive Director taking over from Mr Takeshi Akutsu, as of 1 April 2024.

In addition to having a panel of leaders that have proven their mettle in clinical expertise and management, IHH has a comprehensive set of policies and systems to ensure the highest level of governance in board diversity, anti-corruption and data privacy and protection. Our strict policies foster trust and positively influence the value that IHH delivers to stakeholders year after year.

Delivering Results

In recognition of the steadfast confidence our shareholders have placed in IHH, the Board of Directors declared a final cash dividend of 5.5 sen per share to be paid on 26 April 2024, bringing total ordinary dividend for FY2023 to 9.0 sen per share (previously paid interim cash dividend of 3.5 sen per share on 27 October 2023). The total dividend declared for FY2023 amounts to 18.6 sen per share, including a special dividend of 9.6 sen per share paid in end June 2023 from the divestment of International Medical University (IMU). Furthermore, the Group enhanced its dividend policy in February 2024, whereby not less than 30% of the Group's profit after tax and minority interests, excluding exceptional items, shall be distributed to shareholders.

These dividends signify not only our financial strength but also our commitment to delivering consistent returns to our valued shareholders.

Looking Ahead

There is much to be excited about in 2024 and beyond. The use of technology in healthcare – from telemedicine and artificial intelligence to augmented and virtual reality – will continue to proliferate across patient care and medical training. Personalised medicine and preventive healthcare, along with increased discernment among consumers will positively move the needle towards better population well-being in the long run.

While the wider landscape continues to pose business uncertainties, IHH will be meeting challenges ahead with prudence and cautious optimism as one IHH Group, while continuing our march to Care. For Good.

We have built a leading presence in our core markets of Malaysia, Singapore, Türkiye and India. While we continue to deepen our reach in these core countries, we will evaluate opportunities in new high-growth markets to bring IHH's value-driven clinical services to even more individuals around the world.

We sincerely appreciate your ongoing support and trust in IHH.

Tan Sri Mohd Azlan Hashim

Non-Executive Chairman