

8. INDUSTRY OVERVIEW**Frost & Sullivan GIC Malaysia Sdn. Bhd.**

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Date: 30 September 2026

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Dear Sirs/Madams,

Independent Market Research on the Private Healthcare Services ("HCS") Industry in Malaysia for Asia OneHealthcare Berhad ("A1H") or ("Company")

We, Frost & Sullivan GIC Malaysia Sdn Bhd ("**Frost & Sullivan**"), have prepared this Independent Market Report on the Private HCS Industry in Malaysia ("**IMR Report**") for inclusion in A1H's prospectus in relation to the listing of and quotation for the entire enlarged issued ordinary shares in A1H on the Main Market of Bursa Malaysia Securities Berhad ("**Prospectus**"). In this IMR report, "**A1H Group**" refers to A1H and its subsidiaries collectively.

We are aware that this IMR Report will be included in the Prospectus, and we further confirm that we are aware of our responsibilities under Section 215 of the Capital Markets and Services Act, 2007.

We acknowledge that if we are aware of any significant changes affecting the content of this IMR Report between the date hereof and the issue date of the Prospectus, we have an ongoing obligation to either cause this IMR Report to be updated for the changes and, where applicable, cause A1H to issue a supplementary prospectus, or withdraw our consent to the inclusion of this IMR Report in the Prospectus.

Frost & Sullivan has prepared this IMR Report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of this IMR Report. We believe that this IMR Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in the industry. Frost & Sullivan shall not be held responsible for the decisions and/or actions of the readers of this IMR Report. This IMR Report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this IMR Report or otherwise.

For and on behalf of Frost & Sullivan GIC Malaysia Sdn Bhd:


NARCISO PODDA
 Director
 Business & Financial Services

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Methodology

For the purpose of preparing this report, Frost & Sullivan has conducted primary research encompassing interviews with industry experts and industry players, and secondary research, which included reviews of company reports, official websites/social media pages, independent research reports, information from industry associations/authorities/international organisations, and information from Frost & Sullivan research database. Unless being made available in the publicly available sources, projected data was derived by Frost & Sullivan using historical data analysis with the consideration of the social, economic, and political environments for the forecasted period.

Comparable companies identified in this report have been selected from official documents from the relevant authorities. Information collected were further validated via public information through secondary research (which covers reviews of company reports, official websites/social media channels, independent research reports, information from industry associations/authorities/internal organisations, as well as information from Frost & Sullivan research database) and fine-tuned by contacting identified companies (e.g., telephonic method, official social media platforms, among others).

Profile of Frost & Sullivan GIC Malaysia Sdn Bhd

Frost & Sullivan is a global independent industry research and consulting organisation headquartered in the United States of America with over 60 years of establishment. In Malaysia, Frost & Sullivan's subsidiary, Frost & Sullivan GIC Malaysia Sdn Bhd, operates two offices (Selangor and Iskandar Malaysia) with more than 200 employees offering market research, marketing and branding strategies and business advisory services across 12 industries. Frost & Sullivan is involved in the preparation of independent market research reports for capital market exercises, including initial public offerings, reverse takeovers, mergers and acquisitions, and other related fund-raising and corporate exercises.

Profile of the IMR signee, Narciso Podda

Narciso Podda is the Director, Business & Financial Services division, for Frost & Sullivan GIC Malaysia Sdn Bhd. Narciso Podda possesses over 15 years of experience in market research and consulting, including over eight years in independent market research and due diligence exercise for capital markets across the Asia Pacific region. Narciso Podda holds a Bachelor in Business Administration from Bocconi University, Italy, and a Master in International Economics and Finance from Chulalongkorn University, Thailand.

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1 OVERVIEW OF THE HEALTHCARE SERVICES (“HCS”) INDUSTRY IN MALAYSIA

1.1 INTRODUCTION

HCS encompass consultation, diagnostics, treatment and medication for physical and mental health conditions. HCS in Malaysia are available through public and private healthcare providers. Public HCS are available at subsidised rates at public healthcare facilities primarily under the purview of the Ministry of Health (“MOH”) of Malaysia, the Ministry of Higher Education and the Ministry of Defence. HCS in the private sector are provided at private healthcare facilities, owned and operated mostly by for-profit companies, and some by not-for-profit organisations.

Malaysia's public HCS faces increasing pressure from several factors, i.e., (1) ageing population and increasing life expectancy, heightening demand for HCS, specifically for long-term care; (2) prevalence of non-communicable diseases (“NCDs”); (3) resource constraints including limited hospital beds in the public sector (patients waiting up to two days for a bed¹), and shortage of manpower (affecting approximately 95% of public healthcare facilities²); and (4) medical inflation due to increase in healthcare costs driven by rising prices of medical services, treatments, pharmaceuticals, and greater utilisation of healthcare services. These factors, coupled with (1) rising income levels and increasing insurance penetration; (2) growing health awareness; (3) expanding medical tourism industry; and (4) increased private sector healthcare infrastructure investment, drive the growth of the private HCS in Malaysia. Between 2020 and 2024, hospital beds in the private sector grew at a compound annual growth rate (“CAGR”) of 3.8%, compared with 2.1% in the public sector. Similarly, private inpatient admissions increased at CAGR of 3.0%, outpacing public sector growth of 0.4% over the same period^{3&4}. This highlights the strong growth trajectory of Malaysia's private healthcare sector.

1.2 DEFINITIONS AND SEGMENTATION

HCS in Malaysia can generally be segmented as shown below.

Table 1-1: General Characteristics of the HCS Market Segments by Level of Care, Malaysia, 2026

	Primary Care	Secondary Care	Tertiary Care	Tertiary Care with Specialty Focus	Quaternary Care
Definition	The first point of contact for a patient for general, preventive, and basic treatment for common conditions	Specialist care for common medical and surgical conditions provided in hospital or day care facilities that are equipped to manage the majority of medical services	More specialised care for complex conditions, advanced diagnostics or major procedures	Subspecialised care within a field that focuses on very specific or complex conditions or advanced procedures	HCS that involve multi-disciplinary/ cross-specialties cases and treatment procedures that are complex and complicated
Healthcare Professional	General practitioners, nurses, pharmacists, etc	Medical specialists	Medical specialists and sub-specialists	Medical sub-specialists, and research-focused experts	Medical sub-specialists, and research-focused experts
Facilities	Clinics, pharmacies	Multi-specialty hospitals	Multi-specialty hospitals	Tertiary hospitals with specialty focus	Hospitals with clinical research capability
Provider within A1H Group	-	Ara Damansara Medical Centre, Bukit Tinggi Medical Centre, ParkCity Medical Centre and the Columbia Asia network of hospitals		Beacon Hospital, Hospital Picaso ⁽²⁾ , ALTY Orthopaedic Hospital, CVSKL ⁽²⁾ , Northern Heart Hospital Penang	Subang Jaya Medical Centre (“SJMC”)
Example of Infrastructure	Diagnostic Imaging	X-ray	X-ray, ultrasound, computed tomography (“CT”) scan, magnetic resonance imaging (“MRI”) scan, catheterisation laboratory	Highly focused imaging capabilities that are relevant to specific specialties, e.g. open tilting MRI that is primarily used in orthopaedic	Similar diagnostic imaging capabilities as tertiary care, plus advanced diagnostic imaging tools such as PET-CT and dual source CT scanner
	Procedure Room	Procedure rooms for basic dressing and wound care	General operating theatres for routine and emergency surgeries	Dedicated specialty operating theatres, e.g., for cardiac, neuro, orthopaedic, etc	Transplant surgery theatres, hybrid operating theatre with imaging capabilities, etc

Notes: (1) [] refers to the segments wherein A1H Group is operating; (2) Hospital Picaso = PJ Integrated Centre for Advanced Surgery and Oncology, CVSKL = Cardiac Vascular Sentral Kuala Lumpur.

Source: Frost & Sullivan

2 MALAYSIA COMPARED WITH SELECTED SOUTHEAST ASIA (“SEA”) COUNTRIES

2.1 MACROECONOMIC OVERVIEW

Malaysia's economy grew at a CAGR of 6.0% between 2020 and 2025, and is projected to grow at a CAGR of 6.2% between 2025 and 2030, outpacing both the SEA level of 5.6% and the global level of 5.1% over the same period⁵. Government initiatives such as the Health White Paper (2023–2038) and the 13th Malaysia Plan (2026–2030), among others, support this growth. These initiatives are expected to increase job opportunities, promote exports, and foreign direct investment, thus boosting Malaysia's economic resilience for sustainable growth.

¹ The Straits Times, “Two-day wait for a bed in Malaysian government hospitals”, November 2024

² Malaysiakini, “Almost every govt hospital, clinic short of doctors - MMA survey”, May 2024

³ Frost & Sullivan analysis based on data from MOH, “Health Indicators 2020”, accessed in December 2025

⁴ Frost & Sullivan analysis based on data from MOH, “Health Indicators 2025”, accessed in December 2025

⁵ International Monetary Fund (“IMF”) World Economic Outlook (“WEO”) Database (April 2026)

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Malaysia has the highest nominal gross domestic product (“GDP”) per capita among the selected SEA countries (excluding Singapore), indicating its strong economic positioning in the region. A sustained increase in GDP per capita typically indicates stronger consumer purchasing power. When coupled with rising health awareness, this drives greater demand for private HCS and insurance. Malaysia’s population grew steadily between 2020 and 2025, and is expected to grow at a 1.0% CAGR between 2025 and 2030. Additionally, Malaysia’s life expectancy was 75.3 years in 2025, exceeding the global average of 73.4 years. These factors ensure sustained demand for HCS, including private HCS.

Table 2-1: Nominal GDP per Capita, Nominal GDP, and Population in Selected SEA Countries, 2025

	Nominal GDP per Capita (USD)	CAGR		Nominal GDP (USD billion)	CAGR		Population (million)	CAGR	
		2020-25	2025-30		2020-25	2025-30		2020-25	2025-30
Singapore	99,365.3	10.0%	4.7%	603.9	11.4%	5.5%	6.1	1.3%	0.8%
Malaysia	13,948.7	6.0%	6.2%	472.2	6.9%	7.3%	33.9	0.9%	1.0%
Thailand	8,056.6	2.9%	2.4%	577.0	2.9%	2.3%	71.6	0.0%	-0.1%
Indonesia	5,082.4	5.3%	6.6%	1,445.6	6.4%	7.6%	284.4	1.0%	0.9%
Vietnam	4,829.4	6.4%	5.5%	494.0	7.4%	6.2%	102.3	0.9%	0.6%
Philippines	4,270.1	5.2%	6.9%	487.2	6.1%	8.0%	114.1	0.9%	1.1%
SEA	6,113.8	5.6%	5.6%	3,100.3	6.1%	6.5%	694.7	0.9%	0.8%

Note: USD = United States Dollar

Source: IMF WEO Database (April 2026); Frost & Sullivan

2.2 HEALTHCARE INDICATORS

2.2.1 Total Healthcare Expenditure (“THE”)

THE represents total national spending on healthcare goods and services, funded by public and private sources. Malaysia had the highest THE per capita among the SEA countries, excluding Singapore between 2020 and 2025, driven primarily by its significantly higher private THE compared to the other emerging SEA economies. Private THE comprises out-of-pocket (“OOP”) expenditure (direct payments made by individuals to the private HCS providers) and expenditure by private insurance providers (personal or corporate health insurance policies). Malaysia’s growing mean monthly salaries of 2.5% CAGR between 2019 and 2024⁶, and a relatively higher life insurance penetration rate of 4.4%⁷, compared to the global average of 3.1% in 2024⁸, contributed to the growth of private THE. Despite this strong growth, Malaysia’s THE per capita remains below that of Singapore and the average across Organisation for Economic Co-operation and Development (“OECD”) countries, indicating future growth potential.

Table 2-2: THE per Capita split by Private and Public Sectors in Selected SEA Countries & OECD (USD), 2025

	GDP per Capita	THE per Capita	CAGR		Private THE per Capita	CAGR		Public THE per Capita	CAGR	
			2020-25	2025-30		2020-25	2025-30		2020-25	2025-30
Singapore	99,365.3	4,054.1	2.7%	2.5%	1,733.9	4.1%	2.9%	2,320.2	1.8%	2.3%
Malaysia	13,948.7	527.3	5.3%	2.7%	253.3	5.9%	2.9%	274.0	4.8%	3.1%
Thailand	8,056.6	390.7	5.1%	3.2%	113.6	4.8%	2.6%	277.1	5.3%	3.4%
Vietnam	4,829.4	211.2	7.0%	3.4%	117.7	6.2%	3.3%	93.5	8.1%	3.5%
Philippines	4,270.1	207.9	4.7%	3.3%	119.1	5.7%	3.2%	88.9	3.4%	3.5%
Indonesia	5,082.4	142.7	1.6%	3.8%	65.4	2.3%	3.6%	77.3	1.2%	4.0%
OECD	48,322.2	6,161.4	3.1%	3.6%	2,187.3	3.9%	3.3%	3,974.1	2.7%	3.7%

Source: World Health Organization (“WHO”) Global Healthcare Expenditure Database (“GHED”); IMF WEO Database (April 2026); World Bank; Frost & Sullivan

2.2.2 Payor Mix

Public funding is the primary source of healthcare expenditure across all selected SEA countries due to the governments’ subsidies on public healthcare to ensure affordability and accessibility to all citizens. Nonetheless, rising incomes coupled with the preference for private HCS have increased the affordability of OOP payments and access to private health insurance. This in turn can support the continued growth of the private HCS industry. Malaysia’s OOP contribution is the second highest among the selected SEA countries, which benefits the private HCS providers in Malaysia by enhancing their ability to compete with the public sector. This contrasts with Singapore and Thailand, where public funding constitutes a significantly larger share of healthcare expenditure. While Indonesia also has a relatively high share of public healthcare funding, its healthcare expenditure per capita remains significantly lower than Malaysia’s, contributing to capacity constraints and continued demand for overseas treatment, including medical tourism to Malaysia.

Table 2-3: Payor Mix (%) in Selected SEA Countries, 2025

	THE (USD billion)	Public Funding	OOP	Private Insurance
Singapore	23.7	62.3%	25.7%	12.0%
Malaysia	18.4	48.4%	38.8%	12.8%
Thailand ⁽¹⁾	26.7	75.9%	9.7%	14.3%
Vietnam ⁽²⁾	20.9	43.7%	35.3%	14.9%
Philippines ⁽¹⁾	21.1	44.1%	43.7%	12.3%
Indonesia	36.7	54.9%	29.7%	15.4%

Notes: (1) The percentages may not add up to 100.0% due to rounding; (2) The percentages does not sum to 100.0% due to 6.1% in other unspecified source of payments.

Source: WHO GHED; Frost & Sullivan

⁶ Frost & Sullivan analysis based on “Salaries & Wages Survey Report, Malaysia, 2019 and 2024” by Department of Statistics Malaysia (“DOSM”)

⁷ Ever Bright Actuarial, “Malaysia’s General Insurance Market Report 2025”, July 2025

⁸ OECD, “Global Insurance Market Trends 2025”, December 2025

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2.2.3 Healthcare Supply Dynamics

In 2025, the ratios of hospital beds, doctors and nurses to population⁹ across the selected SEA countries were below the OECD average. Malaysia had 2.2 hospital beds per 1,000 population in 2025, which is below the OECD average of 4.3, indicating a potential shortage of hospital beds. To address this shortfall, the Malaysian government has allocated Malaysian Ringgit (“MYR”) 40 billion to the healthcare sector across 2026-2030, with a focus on expanding access to medical services, upgrading public health facilities, and driving digital transformation to improve national health indicators¹⁰. Notwithstanding the additional investment by the Malaysian government, the expected increase in number of beds in the public sector is unlikely to keep pace with the growing healthcare demands, and, therefore, is insufficient to meet the nation's healthcare needs, given the time required to plan, construct and commission new healthcare facilities. As such, the private sector has a critical role to play in supporting overall healthcare needs.

Chart 2-1: Hospital Beds Per 1,000 Population in Selected SEA Countries, 2020-2030F

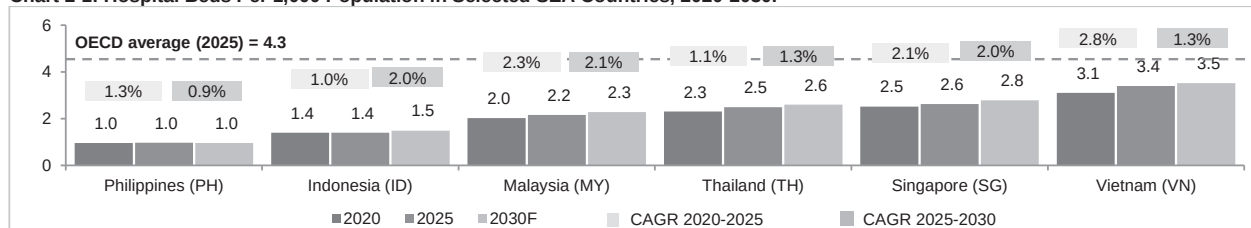


Chart 2-2: Doctors Per 1,000 Population in Selected SEA Countries, 2020-2030F

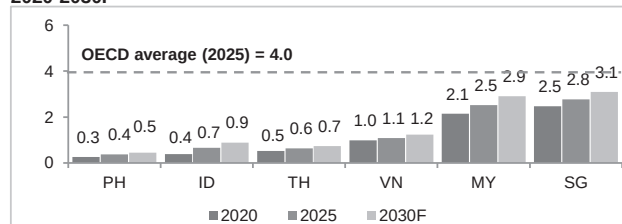
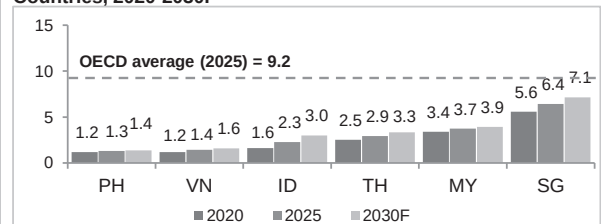


Chart 2-3: Nurses Per 1,000 Population in Selected SEA Countries, 2020-2030F



Source: IMF WEO (April 2026); OECD; Frost & Sullivan

2.3 MEDICAL TOURISM¹¹

Malaysia, Thailand, and Singapore are key medical tourism destinations in SEA, with Thailand ranked first with an estimated medical tourism revenue of USD1,000 million, followed by Malaysia with USD783 million and Singapore with USD300 million in 2025¹². Nonetheless, Malaysia recorded the highest medical tourism revenue CAGR between 2020 and 2025 of 33.2%, compared with 22.7% for Thailand and 17.3% for Singapore¹³, reflecting its growing attractiveness as a regional healthcare destination. Malaysia's medical tourism was impacted by the COVID-19 pandemic travel restrictions in 2020, but recovered in 2023, and achieved revenue of USD783 million in 2025, with Klang Valley and Penang emerging as the top medical tourism states. Medical tourism accounted for 13.9% of the private hospital industry's revenue in 2025, while the average spend per medical tourist grew at a CAGR of 5.8% between 2015 and 2025¹⁴. A1H Group is estimated to account for 9% of total medical tourism revenue in Malaysia in 2025.

The Malaysian government has implemented various initiatives to support industry growth, including (1) establishing Malaysia Healthcare Travel Council (“MHTC”) in 2005 with the mandate to develop Malaysia's medical tourism industry. MHTC has been actively promoting Malaysia's medical tourism industry and introduced initiatives such as the Malaysia's Flagship Medical Tourism Hospital (“FMTH”) programme that was launched in 2022. The FMTH programme was a three-year initiative under which A1H Group's SJMC was one of the four shortlisted finalists, and won the Brand Distinction Excellence category when the programme culminated in December 2025. Additionally, MHTC also launched the Malaysia Year of Medical Tourism 2026 (“MYMT 2026”) in July 2025 to position Malaysia as the preferred medical tourism destination; (2) in 2023, the medical visa was introduced by offering shorter processing time (within two working days) and allowing for patients to bring two companions for stays of up to 30 days. MHTC also provides full assistance for the medical visa prior to patient arrival and facilitates stay extensions for patients needing longer treatment plans; (3) providing dedicated immigration lanes for health tourists, healthcare concierge services and lounge facilities at major airports and a dedicated call centre to assist patients navigating HCS in the country¹⁵. These initiatives have

⁹ The ratios of hospital beds, doctors and nurses to population refer to the public and private sectors combined

¹⁰ The Edge, “RM40 bil for healthcare sector in 13MP; ‘health tax’ looms for tobacco, alcohol”, July 2025

¹¹ Medical Tourism in this report refers to international patients who travel to Malaysia to receive healthcare services, tourists who access medical treatment during their visit, and foreign residents in Malaysia, including expatriates, foreign workers, international students, and Malaysia My Second Home participants

¹² Frost & Sullivan analysis

¹³ Frost & Sullivan analysis, CAGR calculation is based on national currency

¹⁴ Frost & Sullivan analysis, CAGR calculation is based on national currency

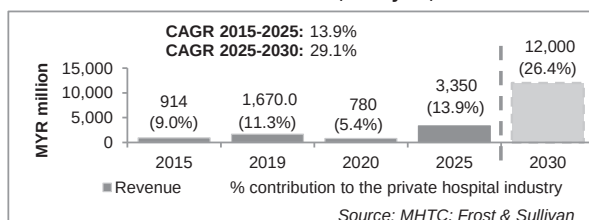
¹⁵ MHTC, “<https://malaysiahealthcare.org/special-lane>”, accessed in August 2026

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strengthened Malaysia's position as a medical tourism hub in SEA. Recognising the sector's strong potential, MHTC has set a medical tourism revenue target of MYR12.0 billion by 2030¹⁶.

Chart 2-4: Medical Tourism Revenue, Malaysia, 2015-2030



MHTC has also established a membership tiered framework comprising Flagship Members, Elite Members and Ordinary Members. As at 31 August 2026, there are four Flagship Members, 20 Elite Members, and 66 Ordinary Members¹⁷. Within A1H Group, SJMC is a Flagship Member, CVSKL is an Elite Member, while ALTY Orthopaedic Hospital, ADMC, Columbia Asia Hospital ("CAH") Iskandar Puteri, CAH Petaling Jaya, CAH Bukit Jalil, Hospital Picaso, and Northern Heart Hospital Penang are Ordinary Members. Flagship

Members are selected through an extensive and rigorous process, Elite Members are required to hold internationally recognised healthcare accreditations, while Ordinary Members must hold at least one locally or regionally recognised healthcare accreditation. The broad representation of A1H Group's hospitals across MHTC's membership tiers reflects A1H Group's adherence to recognised standards in clinical excellence, patient safety, operational performance, and international patient experience, supporting their attractiveness as healthcare destinations for medical tourists in Malaysia.

Malaysia's position as a leading medical tourism destination in SEA, supported by MHTC's quality assurance framework and strong network of internationally accredited private hospitals, has strengthened the regional recognition of local healthcare providers. Reflecting this, A1H Group's hospitals were featured in Newsweek and Statista's Asia's Top Private Hospitals and Clinics 2026 rankings, which evaluate leading private healthcare providers across Asia based on clinical excellence, peer recommendations, accreditation standards, and patient outcomes. A1H Group's hospitals were consistently recognised among the region's leading providers across the five assessed specialties¹⁸, highlighting A1H Group's specialist capabilities and clinical expertise, and reinforcing its position as a key beneficiary of Malaysia's growing reputation as a regional healthcare and medical tourism hub. In 2025, 90% of Malaysia's medical tourists arrived from Asia Pacific countries, i.e., Indonesia, China, and Singapore, with Indonesia accounting for 66% of the total medical tourists in the same year and serving as the primary driver of Malaysia's medical tourism growth. Despite the Indonesian government's ongoing efforts to enhance its healthcare infrastructure, the country still lags behind Malaysia in its supply of medical resources. The resource constraints of healthcare services in Indonesia, and the preference among Indonesians for overseas healthcare practitioners¹⁹, coupled with rising income levels and increasing private insurance coverage in Indonesia, have driven more patients to seek treatments overseas, particularly in Malaysia.

An estimated 50% of Indonesians who make overseas medical trips annually choose Malaysia as the destination for their medical treatments²⁰, due to Malaysia's relatively affordable treatment costs in relation to both Indonesia and other neighbouring medical tourism destinations, advanced medical infrastructure, high-quality medical professionals, linguistic similarities, cultural compatibility, geographic proximity and ease of travel due to frequent flights. Additionally, many private hospitals in Malaysia have established a network of representative offices or collaborate with partner agents in Indonesia to support patient referrals and established international patient services teams to coordinate travel arrangements. These initiatives have enhanced patient access and continue to attract a growing number of Indonesian medical tourists to Malaysia.

Table 2-4: Key Medical Tourism Markets for Indonesian Patients, 31 August 2026

	Indonesia	Malaysia	Thailand	Singapore
No. of Beds per 1,000 population (2025)	1.4	2.2	2.5	2.6
No. of Doctors per 1,000 population (2025)	0.7	2.5	0.6	2.8
No. of Nurses per 1,000 population (2025)	2.3	3.7	2.9	6.4
Cost ⁽¹⁾ , example:	-	+10%-25%	+80%-100%	+140%-160%
Coronary Artery Bypass Graft	~USD18,000	~USD20,000	~USD35,000	~USD45,000
Total Hip Replacement	~USD9,000	~USD11,000	~USD17,000	~USD22,000
Total Knee Replacement	~USD7,000	~USD8,000	~USD13,000	~USD19,000
Language	English/Bahasa	English/Bahasa	English/Thai	English
Cultural Fit ⁽²⁾	-	High	Low	Medium
Proximity	-	High	Low	Medium
Travel Routes	-	Air, Sea	Air	Air, Sea
Weekly Flight Frequency ⁽³⁾	-	~400	~80	~300

Notes: (1) Relative to the cost in Indonesia; (2) Cultural fit refers to the similarities in terms of religion, cuisine, and values; (3) Weekly flight frequency refers to direct flights from Jakarta, Surabaya and Medan to Malaysia (Kuala Lumpur, Penang, Johor Bahru), Thailand (Bangkok and Phuket), and Singapore.

Source: Frost & Sullivan

While maintaining a strong focus on Indonesia as its traditional source markets for medical tourism, A1H Group is planning to diversify its medical tourism business by expanding into new markets, particularly Cambodia and Myanmar

¹⁶ MHTC, "https://www.facebook.com/share/p/1GMnw7Em5T/", April 2025

¹⁷ MHTC, "https://malaysiahealthcare.org/find-hospital", accessed in August 2026

¹⁸ Specialties include Cataract Surgery, Refractive Eye Surgery, Hip Surgery & Hip Replacement, Knee Surgery & Knee Replacement, and Shoulder Surgery

¹⁹ KompasTV, "Banyak Masyarakat Indonesia Memilih Berobat ke Luar Negeri, Kenapa?", April 2023

²⁰ The Jakarta Post, "Why 1 million Indonesians flock to Malaysian hospitals annually", August 2024

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as both countries face healthcare resource constraints (hospital beds and number of doctors per 1,000 population of 1.7 and 0.3 for Cambodia, and 1.6 and 0.2 for Myanmar²¹). This dual-market approach enables A1H Group to capture emerging growth opportunities driven by increasing demand for quality healthcare services from new markets, while continuing to strengthen relationships and patient volumes from established markets that remain key contributors to its business. Cambodia accounted for MYR30 million or 0.9% of Malaysia's medical tourism market in 2025²², and has emerged as one of Malaysia's fastest-growing medical tourism source markets.²³ Malaysia's geographical proximity, visa-free entry, extensive flight connectivity and internationally recognised private healthcare services support its attractiveness as a treatment destination, while the Thailand–Cambodia border conflict may further encourage some patients to seek treatment in Malaysia in the near term.²⁴

3 SELECTED STATES IN MALAYSIA

3.1 MACROECONOMIC OVERVIEW

GDP and Population: Malaysia's real GDP grew by 5.2% to MYR1,737.0 billion in 2025 from MYR1,650.3 billion in 2024. Greater Klang Valley, or the Central region comprising Selangor, Negeri Sembilan and the Federal Territories of Kuala Lumpur and Putrajaya, was Malaysia's largest region, accounting for 45.8% of Malaysia's real GDP in 2025, driven by its role as the country's core economic and administrative hub and its active manufacturing and trade activities.

Malaysia had a total population of 33.9 million people in 2025 and is expected to reach 35.7 million people by 2030. Greater Klang Valley had the highest population, population density and population aged 65 years old and above in Malaysia in 2025. A growing population and an ageing demographic can drive the demand in the healthcare industry by increasing patient volume.

Table 3-1: Real GDP, Real GDP per Capita, Population, Population Density and Population Aged 65 Years Old & Above by Region²⁵ in Malaysia, 2025

Region	Real GDP (MYR billion)	Real GDP per Capita (MYR)	Population (million people)	Population Density (people/km ²)	Population Aged >65 Years (thousand people)
Central (Greater Klang Valley)	795.4	74,113	10.7	720	863.4
Southern	221.2	42,549	5.2	250	396.2
Northern	284.8	41,710	6.8	212	644.2
East Coast	141.3	29,584	4.8	75	335.0
East Malaysia	251.0	39,741	6.3	32	469.5
MALAYSIA	1,737.0⁽¹⁾	51,310	33.9	102	2,708.4

Note: (1) Real GDP for Malaysia does not add up as it includes MYR44.5 billion from Supra region, a non-geographic area that cannot be captured under a specific state, especially in the mining and quarrying sector such as the offshore extraction of petroleum and natural gas.

Source: DOSM, Frost & Sullivan

Income & Expenditure: From 2019 to 2024, Greater Klang Valley recorded the highest average household monthly income and expenditure in Malaysia, followed by the Southern and Northern regions. As income levels rise, consumers are more willing and able to spend on HCS in the private sector as it is often associated with shorter waiting times, modern facilities, and personalised care, compared to the public sector. As such, A1H Group is expected to benefit from the growing income and expenditure, especially since A1H Group has presence across these regions.

Table 3-2: Average Monthly Household Income and Expenditure by Region in Malaysia, 2019 & 2024⁽¹⁾

Region	Average Monthly Household Income (MYR)			Average Monthly Household Expenditure (MYR)		
	2019	2024	CAGR 2019-2024	2019	2024	CAGR 2019-2024
Central (Greater Klang Valley)	10,905	12,764	3.2%	5,735	7,234	4.8%
Southern	7,959	9,318	3.2%	4,321	5,986	6.7%
Northern	6,203	6,885	2.1%	3,603	4,617	5.1%
East Coast	5,687	6,220	1.8%	3,368	4,415	5.6%
East Malaysia	5,895	6,731	2.7%	2,958	3,885	5.6%
MALAYSIA	7,901	9,155	3.0%	4,609	5,566	3.8%

Note: (1) 2024 is the latest publicly available data as at 31 August 2026.

Source: DOSM, Frost & Sullivan

3.2 HEALTHCARE INDICATORS

The average monthly household expenditure on health²⁶ registered higher 2019 to 2024 CAGR growth than the overall average monthly household expenditure across regions in Malaysia, reflecting changes in the nation's economy, healthcare system, and demographics. Among the regions in Peninsular Malaysia, Greater Klang Valley is the fastest growing in average monthly household expenditure on health, while other regions, such as the Southern and Northern regions, are also experiencing strong growth momentum but remain underserved in the number of beds, doctors and nurses. As population grows and ages, the demand and awareness for HCS become more pronounced, resulting in rising household spending on health-related services.

²¹ Frost & Sullivan analysis

²² Bernama, "Cambodia's Growing Confidence in Malaysia Healthcare Signals a New Chapter for Medical Tourism", July 2026

²³ Free Malaysia Today, "Cambodian patients drive 219% surge in Malaysia healthcare travel", March 2026

²⁴ Reuters, "Thailand and Cambodia to hold talks on deadly border conflict in Malaysia", July 2025

²⁵ Regions are segmented as follow in this report: Central/Greater Klang Valley (Selangor, Kuala Lumpur, Putrajaya, Negeri Sembilan), Southern (Johor, Melaka), Northern (Kedah, Perak, Perlis, Penang), East Coast (Kelantan, Pahang, Terengganu), and East Malaysia (Sabah, Sarawak, Labuan)

²⁶ Household expenditure on health refers to the amount of money that a household spends on healthcare-related goods and services

8. INDUSTRY OVERVIEW (Cont'd)



Greater Klang Valley had Malaysia's highest concentration of private healthcare resources in 2024, significantly exceeding the national average in terms of private hospital beds, doctors, and nurses per 1,000 population. Greater Klang Valley benefits from the presence of major private HCS providers and continues to serve as the medical tourism hub in Malaysia²⁷ and key region for tertiary hospitals with specialty focus in the country such as Beacon Hospital, Hospital Picaso, ALTY Orthopaedic Hospital and CVSKL. Additionally, Kuala Lumpur International Airport ("KLIA") is located within the Greater Klang Valley, and offers extensive direct flights across countries, including Indonesia, China, Singapore, Cambodia, and Myanmar, making it convenient for patients to travel for treatment with minimal transit time. Furthermore, KLIA has a well-developed transportation infrastructure surrounding it, including highways, rail networks, and ride-hailing services, allowing patients and their families to move easily between the airport, hospitals, and hotels.

The growth of healthcare infrastructure is not limited to the Greater Klang Valley, as the Northern and Southern regions are emerging, under-penetrated healthcare markets in Malaysia with fast growing demand. Johor, in particular, is positioned for considerable expansion in both the private and public hospital sectors, as population growth, urbanisation, and migration fuel increasing demand for healthcare capacity, specialised medical talent, and advanced treatment capabilities.²⁸ The Northern region follows a similar trajectory, supported by a relatively strong healthcare infrastructure that also caters to medical tourism. As a result, local populations in the region are expected to benefit from the ongoing expansion, with improving access to healthcare services and rising capacity to meet growing demand.

Table 3-3: Average Monthly Household Health Expenditure CAGR 2019-2024, and Healthcare Resource per 1,000 Population by Region in Malaysia, 2024⁽¹⁾

Region	Average Monthly Household Health Expenditure CAGR 2019-2024	Healthcare Resource per 1,000 Population in Private Hospitals		
		No. of Beds	No. of Doctors	No. of Nurses
Central (Greater Klang Valley)	9.9%	0.83	0.91	1.79
Southern	7.8%	0.50	0.54	1.08
Northern	7.4%	0.66	0.53	1.20
East Coast	7.5%	0.29	0.39	0.96
East Malaysia	11.4%	0.24	0.36	0.71
MALAYSIA	9.1%	0.60	0.63	1.30

Note: (1) 2024 is the latest publicly available data as at 31 August 2026.

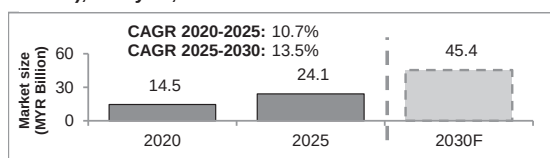
Source: DOSM; MOH Malaysia; Frost & Sullivan

4 MALAYSIAN PRIVATE HEALTHCARE INDUSTRY OVERVIEW

4.1 MARKET SIZE

The private hospital industry in Malaysia grew between 2020 and 2025, driven by favourable local demographics (i.e., growing population, increasing income levels, etc), growing prevalence and incidence of NCDs, increasing life expectancy, rising health insurance spending driving demand for private healthcare, and strong growth from the medical tourism sector. These factors are expected to continue to drive the private hospital industry in Malaysia.

Chart 4-1: Market Size of Private Hospital Industry (MYR billion), Malaysia, 2020–2030F



Source: Frost & Sullivan

4.2 MARKET DRIVERS AND TRENDS

Economic Growth and Ageing Demographics: The positive Malaysian economic outlook in 2026 and beyond is driven by domestic demand arising from higher employment, wage growth, and favourable income-related policy measures, thus enabling greater spending on private HCS, including long-term care and specialised treatments. Additionally, the nation's rapidly ageing population and evolving healthcare demands underscore an urgent need for enhanced HCS, particularly in long-term care and the management of age-related illnesses.

The Growing Prevalence of NCDs: The prevalence of NCDs in Malaysia is increasing in recent years, which can be attributed to: (1) an increasing urbanisation rate (2020: 82.3%, 2025: 83.1%)²⁹ that can lead to sedentary lifestyles, stress and unhealthy eating habits; (2) the high prevalence of e-cigarettes among adults aged 15 years old and above in 2023 (Malaysia: 5.8%, Global: 1.9%)^{30&31}; and (3) increasing ageing population as older population naturally results in a higher number of people living with chronic, long-term NCDs. The growing prevalence of NCDs drives the growth of the private HCS industry as these diseases typically require ongoing management, frequent check-ups, access to specialists, and advanced medical capabilities, which are often better catered in private hospitals as this sector typically has better infrastructure and shorter wait times than public hospitals.

Private Healthcare's Value Proposition: Although Malaysia's public healthcare system remains affordable and of good quality, it can be overburdened with long wait times and crowded facilities, prompting those who can afford it to seek

²⁷ Malaysian Investment Development Authority, "Klang Valley takes medical tourism crown from Penang", February 2025

²⁸ Fulcrum, "The JS-SEZ and Johor's Private Healthcare Sector: Catalysts and Challenges", January 2026

²⁹ United Nations, "World Urbanization Prospects 2025", 2025

³⁰ Global State of Tobacco, "E-cigarette vaping in Malaysia", accessed in August 2026

³¹ WHO, "WHO global report on trends in prevalence of tobacco use 2000–2024 and projections 2025–2030", October 2025

8. INDUSTRY OVERVIEW (Cont'd)



private alternatives for more efficient and timely care as private hospitals are often perceived as providing superior service quality, with modern facilities and advanced medical technology³².

The Malaysian government continues to support public-private healthcare collaboration through initiatives such as the Hospital Services Outsourcing Programme ("HSOP"), which refers selected patients from public hospitals to private providers for specialist procedures, diagnostics, and treatments. This helps reduce congestion and waiting times in public hospitals while enabling private providers to utilise spare capacity. In Budget 2026, the government allocated MYR140 million for patient outsourcing to military, university, and private hospitals³³, reinforcing the complementary roles of the public and private sectors in improving healthcare access and system efficiency.

In July 2026, the Malaysian government launched the Medical and Health Insurance/Takaful ("MHIT") pilot programme, a voluntary protection plan that helps Malaysians to pay for HCS in the private sector. Hence, the private healthcare providers are expected to benefit from the MHIT programme as it can increase patient volumes due to the reduced OOP payments by the patients. The MHIT is expected to be rolled out nationwide in early 2027, thus further supporting the growth of the private HCS industry in Malaysia.

Availability of mergers and acquisitions ("M&A") Targets: Around 57% of private hospital beds are attributable to the major private hospital groups³⁴ in Malaysia in 2025. Nonetheless, there is still opportunity for consolidation and M&A activity, as larger platforms and investors pursue consolidation strategies to scale operations, expand geographic presence, and enhance service offerings. A notable example is A1H Group's acquisition of four secondary/tertiary and quaternary hospitals in 2023³⁵, and five tertiary hospitals with specialty focus in 2024³⁶, which expanded its hospital network and number of beds. Larger, consolidated platforms benefit from enhanced access to capital driven by stronger financial stability and scale, positioning them more effectively to fund expansion projects such as building new hospitals, investing in advanced medical technologies, and attracting specialists.

Differentiation Across Hospital Formats for Patient Coverage: The different hospital formats, such as secondary, tertiary, tertiary with specialty focus, and quaternary facilities, serve distinct patient needs. Secondary hospitals typically cater to general specialist and high-volume treatments with broader accessibility, while tertiary and quaternary hospitals, often located in urban hubs, provide advanced and complex care. Tertiary hospitals with specialty focus concentrate on the treatment of complex and specialised conditions within targeted therapeutic areas, such as oncology and cardiology, requiring subspecialist physicians, advanced medical technologies, and dedicated clinical infrastructure, while providing patients with faster access to specialised care and streamlined treatment pathways. In this regard, A1H Group's multi-brand platform spans a range of hospital formats and specialties, thus increasing case acuity and focused care given, enabling it to serve a wide patient base across different income segments, treatment needs, and geographic locations.

4.3 INDUSTRY RISKS AND CHALLENGES

Regulatory Uncertainties: Malaysia's healthcare sector continues to undergo regulatory and policy reforms aimed at enhancing the affordability, accessibility and sustainability of healthcare services and coverage. In June 2025, the Government introduced the RESET strategy to address rising healthcare costs, including initiatives such as the phased implementation of the Diagnosis-Related Groups ("DRG") payment framework to promote greater cost transparency, efficiency and value-based care³⁷. In July 2026, the pilot programme for MediAsas, the brand name for the Base MHIT Plan, commenced in preparation for a planned nationwide rollout in January 2027³⁸. MediAsas is intended to facilitate the transition towards a DRG-based reimbursement framework. However, the timing, scope and ultimate impact of MediAsas, the DRG framework and related healthcare reforms remain uncertain and may affect healthcare providers, insurers and patients.

In addition, the Price Control and Anti-Profitteering (Price Marking for Drug) Order 2025, which came into effect on 1 May 2025, requires all private healthcare facilities and community pharmacies to display the prices of medicines. However, as at 31 August 2026, enforcement of the Order had been stayed by the High Court pending the outcome of judicial review proceedings. Accordingly, the implementation timeline, enforcement approach and compliance obligations applicable to healthcare providers remain subject to ongoing legal and regulatory developments³⁹.

Furthermore, effective 1 July 2025, a 6% sales and service tax ("SST") was imposed on certain private healthcare services provided to foreign patients⁴⁰. While the additional tax is generally expected to be passed on to foreign patients, it may increase the overall cost of treatment for such patients and could affect the competitiveness of Malaysia's medical tourism sector relative to other regional healthcare destinations. The extent of any such impact will depend on market conditions, patient demand and future regulatory and tax developments.

³² Journal of Informatics Education and Research, "Reasons for choice of Private Hospitals by Patients: A Descriptive Study", 2023

³³ New Straits Times, "Health Ministry receives RM46.5b allocation for 2026 Budget", October 2025

³⁴ Major private hospital groups refers to hospital groups that are public listed and have more than 1,000 beds

³⁵ Asia OneHealthcare, "Columbia Asia Healthcare is now Asia OneHealthcare Sdn Bhd post-Ramsay Sime Darby acquisition", September 2024

³⁶ Rahmat Lim & Partners, "Acquisition of five super-specialty hospitals in Malaysia by TE Asia Healthcare", July 2025

³⁷ Ministry of Finance Malaysia ("MOF"), "Towards More Accessible Private Healthcare", accessed in September 2026

³⁸ MOF, "JBMKKS Advances RESET Strategy with MEDIASAS Pilot Programme, Price Transparency and Digital Health Initiatives", July 2026

³⁹ The Star, "High Court stays drug price marking order pending judicial review filed by MMA", May 2026

⁴⁰ The Star, "Expanded SST comes into effect July 1", June 2025

8. INDUSTRY OVERVIEW (Cont'd)



Shortage of Human Resources: Malaysia is facing a shortage of doctors and nurses. A decline in the number of newly graduated doctors in Malaysia by almost 50% between 2019 and 2025⁴¹, and more than 18,000 nursing positions unfilled as at July 2026⁴², have exacerbated this situation, which is likely to intensify competition for talent across both public and private HCS sectors, and constrain providers' ability to scale up operations and staff new capacity. Additionally, Malaysia also facing a shortage of specialist doctors, with the current pool of 9,040 specialists falling significantly short of the 2030 target of 22,435, underscoring the challenge of closing the healthcare workforce gap.⁴³

5 COMPETITIVE LANDSCAPE

5.1 BENCHMARKING OF A1H GROUP WITH MAJOR PRIVATE HOSPITAL GROUPS IN MALAYSIA

A1H Group is the second largest private hospital group in Malaysia in terms of number of hospitals, and the third largest in terms of licensed beds as at 31 March 2026. A1H Group is the fastest-growing private hospital group in Malaysia in terms of licensed and operating beds over the last three financial years. A1H Group's platform includes established brands that have decades of history in Malaysia. For example, the Columbia Asia brand is well known for its 30 years of history in Malaysia. SJMC, established in 1985, is one of Malaysia's pioneering private hospitals, and has been credited with numerous medical firsts at the national, SEA, and Asia Pacific levels.

The concentration of healthcare demand in Greater Klang Valley has also led to the expansion of major private hospital groups in the region. Among the major private hospital groups within Greater Klang Valley, A1H Group operates the largest network with 17 hospitals, and the highest number of licensed beds with 2,080 beds as at 31 August 2026. A1H Group's wide hospital footprint reflects its broad presence and higher penetration across Greater Klang Valley, providing strong accessibility to patients and positioning A1H Group to benefit from the region's growing healthcare demand.

Table 5-1: Overview of Major Private Hospital Groups in Malaysia & Greater Klang Valley⁽¹⁾⁽²⁾

	A1H Group	KPJ	IHH	SHH
Malaysia				
Financial year end ("FYE")	March 2026 ⁽³⁾	December 2025 ⁽⁴⁾	December 2025 ⁽⁴⁾	December 2025 ⁽⁴⁾
No. of hospitals	22	29	18	5
No. of licensed beds	2,478	~4,300	3,679	1,777
No. of licensed beds CAGR ⁽⁵⁾⁽⁶⁾	33.9%	N/A	7.0%	27.1%
No. of operating beds	2,142 ⁽⁷⁾	3,934	3,388	1,569
No. of operating beds CAGR ⁽⁵⁾⁽⁶⁾	30.2%	5.4%	7.5%	23.8%
No. of inpatient admissions (# of patients)	226,462	379,342	263,233	114,425
No. of outpatients	2,115,088 ⁽⁸⁾⁽⁹⁾	2,933,593 ⁽¹⁰⁾	N/A	1,521,006 ⁽¹⁰⁾
Hospital beds expansion plan (2026 onwards) ⁽¹¹⁾⁽¹²⁾	+~1,400 to 1,800 ⁽¹³⁾	+~2,200	+~700 to 800	+~1,800
Greater Klang Valley, 31 August 2026				
No. of hospitals	17	11	6	3
No. of licensed beds	2,080	1,988	1,405	1,345

Notes: (1) Major private hospital groups refers to hospital groups that are public listed and have more than 1,000 beds. KPJ = KPJ Healthcare Berhad, IHH = IHH Healthcare Berhad, SHH = Sunway Healthcare Holdings Berhad; (2) Data for hospital groups listed in the above table is only for their operations in Malaysia; (3) Data for A1H Group is as at March 2026; (4) Data for KPJ, IHH and SHH is as at December 2025; (5) CAGR for A1H Group was calculated between its FYE 2023 and FYE2026, while CAGR for KPJ, IHH and SHH was calculated between their FYE2022 and FYE2025; (6) The bed growth was calculated using a three-year CAGR as to take into consideration the timing of consolidation of acquisitions of A1H Group; (7) No. of operating beds for A1H refers to inpatient beds; (8) No. of outpatients refers to the number of patient visits; (9) No. of outpatients for A1H Group includes outpatient visits that TAGS (A1H Group's chiropractic and rehabilitation services in Malaysia that operate at standalone branches) received; (10) No. of outpatients refers to the number of patients; (11) Hospital bed expansion plans are based on company disclosures or Frost & Sullivan's analysis of announced future capacity against the reported figures as at latest FYE, using bed capacity where available, licensed beds where bed capacity is unavailable, and operating beds where neither is available; (12) The hospital beds expansion plans extend to 2032 for A1H and SHH, 2030 for KPJ and 2028 for IHH; (13) A1H's hospital beds expansion plan comprises near-term brownfield expansions, as well as additional brownfield and greenfield projects currently under evaluation; (14) N/A refers to data is not available.

Source: MOH Malaysia; Respective companies' websites and annual reports; Frost & Sullivan

A1H Group is the only private hospital group in Malaysia that operates a multi-format model across the full acuity spectrum, with operations across secondary hospitals, tertiary hospitals, tertiary hospitals with specialty focus, and quaternary hospital. A1H Group's tertiary hospitals with specialty focus are recognised for contributing several first-in-field medical advancements. For example, Beacon Hospital was the first in SEA to introduce Lutetium 177 radionuclide therapy for both neuroendocrine and prostate cancer in 2017, and as at 31 August 2026, it is the only private hospital in Malaysia with nuclear cyclotron⁴⁴.

Table 5-2: HCS Segments⁽¹⁾ Provided by Major Private Hospital Groups in Malaysia, 31 August 2026⁽²⁾

	A1H Group	KPJ	IHH	SHH
Secondary Hospitals	✓	✓	✓	✓
Tertiary Hospitals	✓	✓	✓	✓
Tertiary Hospitals with Specialty Focus	✓	-	-	-
Quaternary Hospitals	✓	✓	✓	✓

Notes: (1) HCS segments were selected based on the segments where A1H Group is operating in; (2) Data for hospital groups listed in the above table is only for their operations in Malaysia.

Source: Respective companies' websites and annual reports; Frost & Sullivan

Among the major private hospital groups, A1H Group is the fastest growing private hospital group in Malaysia over the last two financial years based on the revenue, earnings before interest, taxes, depreciation, and amortisation ("EBITDA"),

⁴¹ CodeBlue, "Dzulkefly: 5,000 Housemanship Slots Offered, Only 529 Medical Graduates Accepted", March 2026

⁴² Free Malaysia Today, "Insufficient steps taken to solve nursing shortage, says senator", July 2026

⁴³ CodeBlue, "Public Sector Short Of Over 13,000 Specialists To Meet 2030 Needs: MOH", March 2026

⁴⁴ International Atomic Energy Agency, "Cyclotron Master List", accessed in June 2026

8. INDUSTRY OVERVIEW (Cont'd)



and average revenue per inpatient admission ("ARPIP") CAGR. A1H Group also recorded the highest EBITDA margin for the latest financial year. Additionally, A1H Group achieved first EBITDA-positive month within 12 months of commencement for five of its most recently completed greenfield hospitals, i.e., (i) ALTY Orthopaedic Hospital (July 2022); (ii) CAH Bukit Jalil (October 2023); (iii) Hospital Picaso (June 2024); (iv) Northern Heart Hospital Penang (June 2024); and (v) CAH Batu Kawan (July 2025), significantly faster than the industry average of three to five years⁴⁵.

Table 5-3: Financial Performance of Major Private Hospital Groups in Malaysia ⁽¹⁾⁽²⁾

	A1H Group	KPJ	IHH	SHH
FYE	March 2026	December 2025	December 2025	December 2025
Revenue (MYR million)	3,247	4,203	4,825	2,200
Revenue CAGR ⁽³⁾	53.1%	12.0%	14.4%	22.9%
Average revenue per bed (MYR million)	1.3 ⁽⁴⁾	1.1 ⁽⁵⁾	1.3 ⁽⁴⁾	1.2 ⁽⁴⁾
ARPIP	10,249	8,195	11,441	11,614
ARPIP CAGR ⁽³⁾	16.0%	~8%	7.4%	5.3%
EBITDA (MYR million)	892 ⁽⁶⁾	1,019	1,281	510
EBITDA Margin	27.5%	24.2%	26.5%	23.2%
EBITDA CAGR ⁽³⁾	45.4%	10.0%	16.9%	15.8%
Profit after tax ("PAT") (MYR million)	349 ⁽⁶⁾	391	636	252
PAT Margin	10.7%	9.3%	13.2%	11.5%

Notes: (1) Major private hospital groups refer to hospital groups that are publicly listed and have more than 1,000 beds; (2) Data for hospital groups listed in the above table is only for their operations in Malaysia as of the respective company's FYE; (3) CAGR for A1H Group was calculated between its FYE2024 and FYE2026, while CAGR for KPJ, IHH and SHH was calculated between their FYE2023 and FYE2025; (4) Based on total revenue from Malaysia divided by the number of licensed beds; (5) Based on total revenue from Malaysia and divided by the number of operating beds; (6) A1H Group's EBITDA and PAT for FYE26 were computed by excluding the Vietnam operations from A1H Group's FYE26 audited EBITDA and PAT, without taking into account any intercompany or consolidation adjustments/eliminations attributable to its Vietnam operations.

Source: Respective companies' websites and annual reports; Frost & Sullivan

5.2 MARKET SHARE

As at 31 August 2026, A1H Group was the leading private hospital group in the Greater Klang Valley, with the highest market share in terms of both the number of hospitals and licensed beds with 16.3% and 20.1% market share, respectively. At national level, A1H Group held about 12% market share in terms of number of licensed beds, and 13% market share in terms of revenue in 2025.

Table 5-4: Market Share of Major Private Hospital Groups in the Private Hospital Industry

	A1H Group	KPJ	IHH	SHH
In terms of Number of Hospitals, Greater Klang Valley, 31 August 2026	16.3%	10.6%	5.8%	2.9%
In terms of Number of Licensed Beds, Greater Klang Valley, 31 August 2026	20.1%	19.2%	13.6%	13.0%
In terms of Number of Licensed Beds, Peninsular Malaysia, 31 August 2026	12.8%	20.2%	18.0%	9.2%
In terms of Number of Licensed Beds, Malaysia, 2025	~12%	~20%	17.4%	8.4%
In terms of Revenue, Malaysia, 2025	~13%	17.5%	20.0%	9.1%

Source: Frost & Sullivan

6 PROSPECTS AND OUTLOOK FOR A1H GROUP

A1H Group is well positioned to benefit from the continued growth of Malaysia's private healthcare industry, supported by rising healthcare expenditure, an ageing population, increasing prevalence of NCDs, greater health awareness, higher private insurance penetration and Malaysia's development as a regional medical tourism hub. As one of Malaysia's largest private hospital platforms, A1H Group operates the largest private hospital network in the Greater Klang Valley, while nationally, it ranks second by number of hospitals and third by number of licensed beds. Its diversified portfolio of established hospital brands, many with long operating histories and strong clinical reputations, together with its broad presence across key healthcare catchments, provides strong patient access and positions A1H Group to capture growing healthcare demand.

A key competitive differentiator is A1H Group's multi-format healthcare platform, making it the only private hospital group in Malaysia that operates a multi-format model across the full acuity spectrum, with operations across secondary hospitals, tertiary hospitals, tertiary hospitals with specialty focus, and quaternary hospitals. This enables A1H Group to serve patients throughout the healthcare continuum, facilitate internal referral pathways across its hospital network, and capture demand across different patient segments and treatment complexities. A1H Group's portfolio of tertiary hospitals with specialty focus further strengthens its ability to provide complex and high-value specialist treatments supported by recognised clinical innovations and first-in-field medical capabilities.

A1H Group is also well placed to benefit from the continued growth of Malaysia's medical tourism industry. With multiple hospitals that are MHTC members, established international referral networks and an increasingly diversified patient base extending beyond Indonesia into emerging markets such as Cambodia and Myanmar, A1H Group is positioned to capture rising demand from international patients in the region, alongside its established Indonesian patient base.

Looking ahead, A1H Group's organic expansion pipeline, proven acquisition and integration capabilities and continued centralisation of key operational functions are expected to support capacity growth, operating efficiencies and platform synergies. Together with further consolidation opportunities arising from Malaysia's fragmented private hospital market, these strengths provide multiple avenues for A1H Group to reinforce its market position and deliver sustainable long-term growth.

⁴⁵ Frost & Sullivan analysis

8. INDUSTRY OVERVIEW (Cont'd)

F R O S T & S U L L I V A N

7 BENCHMARKING OF A1H GROUP WITH MAJOR PRIVATE HOSPITAL GROUPS IN SEA

Table 7-1 below shows comparison metrics between A1H Group and other major listed private hospital groups in SEA. Among the major public listed private hospital groups in SEA, A1H Group is the fastest-growing private hospital group in terms of number of beds with a CAGR of 30.9% over the last three financial years, as well as outpatient, inpatient admission, revenue and EBITDA, exhibiting a CAGR of 34.0%, 28.4%, 51.3% and 47.7% over the last two financial years, respectively.

Table 7-1: Operational and Financial Benchmarking of Major Public Listed Private Hospital Groups in SEA, 2025 & 2026⁽¹⁾⁽²⁾⁽³⁾

Group Name	HQ ⁽⁴⁾	Country ⁽⁴⁾	No. of Hospitals	No. of Beds	No. of Beds CAGR ⁽⁵⁾	Outpatient ('000)	Outpatient CAGR ⁽⁶⁾	Inpatient Admission ('000)	Inpatient Admission CAGR ⁽⁶⁾	ALOS ⁽¹⁶⁾ (days)	BOR ⁽¹⁷⁾ (%)	Hospital beds expansion plan ⁽¹⁸⁾⁽¹⁹⁾
A1H Group	MY	MY, VN	23	2,571 ⁽⁸⁾⁽¹¹⁾	30.9%	2,200 ⁽¹³⁾⁽¹⁴⁾	34.0%	233	28.4%	2.3	65%	+1,400 to 1,800
IHH	MY	MY, SG, BN, IN, CN, TR, BG, MK, NL, RS	82 ⁽⁷⁾	16,925 ⁽⁷⁾⁽⁸⁾⁽¹²⁾	4.7% ⁽⁷⁾	N/A	N/A	929 ⁽⁷⁾	4.4% ⁽⁷⁾	~3.5 ⁽⁷⁾	~77% ⁽⁷⁾	+~4,000
KPJ	MY	MY	29	3,934 ⁽⁹⁾	4.7%	2,934 ⁽¹⁵⁾	-0.4%	379	2.4%	N/A	64%	+~2,200
SHH	MY	MY	5	1,777 ⁽⁸⁾	27.1%	1,521 ⁽¹⁵⁾	14.6%	114	14.1%	2.9	69%	+~1,800
Bangkok Dusit Medical Services PCL ("BDMS")	TH	TH, KH	60	9,345 ⁽⁹⁾	3.5%	13,281 ⁽¹³⁾	5.0%	809	0.3%	2.7	64%	+~50
Bumrungrad Hospital PCL ("Bumrungrad")	TH	TH	1	580 ⁽¹⁰⁾	0.0%	967 ⁽¹³⁾	-4.6%	~25	-4.0%	~5.1	68%	+~120
PT Siloam International Hospitals Tbk ("Siloam")	ID	ID	41	4,310 ⁽⁹⁾	4.4%	4,350 ⁽¹⁵⁾	5.0%	318	2.5%	3.2	66%	+~600
PT Mitra Keluarga Karyasehat Tbk ("Mitra Keluarga")	ID	ID	32	4,248 ⁽⁹⁾	7.0%	2,931 ⁽¹³⁾	1.3%	309	2.0%	2.8	56%	+~400
PT Medikaloka Hermina Tbk ("Medikaloka Hermina")	ID	ID	52	8,666 ⁽⁹⁾	12.0%	8,987 ⁽¹³⁾	6.7%	727	8.9%	3.1	70%	+~3,300

Group Name	FYE	Total Revenue (National Currency million)	Total Revenue (USD million) ⁽²⁰⁾	Revenue CAGR ⁽⁶⁾⁽²¹⁾	ARPOB (USD) ⁽²⁰⁾⁽²²⁾	ARPOP (USD) ⁽²⁰⁾⁽²³⁾	ARPIP (USD) ⁽²⁰⁾⁽²⁴⁾	PAT (USD million) ⁽²⁰⁾ / PAT Margin (%)	EBITDA (USD million) ⁽²⁰⁾ / EBITDA Margin (%)	EBITDA CAGR ⁽⁶⁾⁽²¹⁾
A1H Group	March 2026	MYR3,294	769	51.3%	1,030	92	2,343	83 / 10.7%	210 / 27.3% adjusted: 226 / 29.5% ⁽²⁵⁾	47.7% adjusted: 43.0% ⁽²⁵⁾
IHH	December 2025	MYR25,745	6,009	10.9%	799 ⁽⁷⁾	N/A	3,346 ⁽⁷⁾	608 / 10.1%	1,311 / 21.8%	10.0%
KPJ	December 2025	MYR4,258	994	11.6%	790	77	1,913	94 / 9.4%	244 / 24.6%	11.8%
SHH	December 2025	MYR2,200	514	22.9%	785	76	2,711	59 / 11.5%	119 / 23.2%	15.8%
BDMS	December 2025	THB113,273	3,445	5.3%	805	127	2,173	498 / 14.5%	821 / 23.8%	4.5%
Bumrungrad	December 2025	THB25,449	774	-0.2%	3,024	400	15,424	230 / 29.7%	309 / 39.9%	2.8%
Siloam	December 2025	IDR12,847,434	780	7.1%	403	84	1,306	71 / 9.1%	176 / 22.6%	4.2%
Mitra Keluarga	December 2025	IDR5,368,322	326	12.2%	89	36	252	88 / 26.9%	127 / 38.8%	17.9%
Medikaloka Hermina	December 2025	IDR7,133,538	433	11.1%	119	18	361	33 / 7.7%	118 / 27.3%	10.5%

Notes: (1) The benchmarking of major private hospital groups is at the total hospital group level; (2) 'Major Private Hospital Groups' refers to selected hospital groups that are publicly listed; (3) Operational and financial data for hospital groups listed in the table refers to the financial year end of each group; (4) MY = Malaysia, TH = Thailand, ID = Indonesia, SG = Singapore, BN = Brunei, CN = China, TR = Turkey, BG = Bulgaria, MK = North Macedonia, NL = Netherlands, RS = Serbia; (5) Number of beds CAGR for A1H Group was calculated between its FYE2023 and FYE2026, while number of beds CAGR for other peers was calculated between their FYE2022 and FYE2025; (6) CAGR of Outpatient, Inpatient Admission, Revenue, and EBITDA for A1H Group was calculated between its FYE2024 and FYE2026, while for other peers was calculated between their FYE2023 and FYE2025; (7) Based on IHH data for Malaysia, Singapore, India, Türkiye and Europe only; (8) No. of beds refers to licensed beds; (9) No. of beds refers to operating beds; (10) No. of beds refers to general hospital beds as the type of beds is not disclosed in the annual reports; (11) No. of licensed beds for A1H refers to both inpatient and daycare beds; (12) IHH has a total of 4,611 licensed beds across its facilities within SEA countries; (13) No. of outpatients refers to the number of patient visits; (14) No. of outpatients for A1H Group includes outpatient visits that TAGS received; (15) No. of outpatients refers to the number of patients; (16) ALOS refers to Average Length of Stay; (17) BOR refers to Bed Occupancy Rate for inpatient admission, and does not include daycare beds; (18) The hospital bed expansion plans extend to 2032 for A1H and SHH; 2030 for IHH, KPJ, BDMS and Medikaloka Hermina; 2029 for Siloam; 2027 for Bumrungrad; and 2026 for Mitra Keluarga; (19) Hospital bed expansion plans are based on company disclosures or Frost & Sullivan's analysis of announced future capacity against the reported figures as at latest FYE, using bed capacity where available, licensed beds where bed capacity is unavailable, and operating beds where neither is available; (20) Exchange rates used are based on 2025 annual average of 1 USD = MYR0.2334, THB0.0304, IDR0.0001; (21) Revenue and EBITDA CAGR are calculated based on national currency; (22) ARPOB refers to average revenue per occupied bed calculated as total inpatient revenue divided by total occupied bed days for IHH, KPJ, SHH, BDMS, Bumrungrad, Siloam, Mitra Keluarga and Medikaloka Hermina; (23) ARPOP refers to average revenue per outpatient; (24) ARPIP refers to average revenue per inpatient admission; (25) Adjusted EBITDA is calculated as EBITDA adjusted for employee share-based payment expense, doctor scheme share-based payment expense, incidental costs on corporate exercises, and impairment of goodwill; (26) N/A refers to data is not available.

Source: Respective companies' websites and annual reports; Frost & Sullivan