



KPJ HEALTHCARE BERHAD
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(247079-M)



Laporan Tahunan 2002 Annual Report • KPJ Healthcare Berhad 247079-M

LAPORAN TAHUNAN 2002 ANNUAL REPORT

Integration For Customer Care Excellence
Integrasi Ke Arah Kecemerlangan Perkhidmatan Pelanggan

Cover Rationale/Rasional Muka Depan

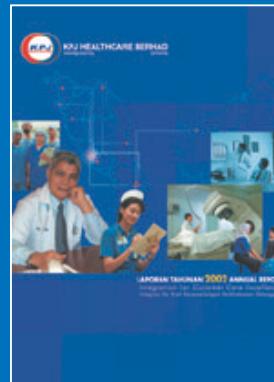
Integration for Customer Care Excellence

- Merging Into Strength

Vibrant pulse lines traversing scenes of specialist healthcare services against a background map of Malaysia dynamically illustrates the theme of integration, whilst showcasing the gradual transformation of KPJ Healthcare Berhad into an unrivalled private specialist healthcare provider with a nationwide presence to serve customers better.

More essentially, as we grow from strength to strength, our emphasis has always been on delivering customer care excellence. Indeed, quality customer care has always been the fundamental driving force behind the determination of our vision and strategic direction. It fuels our aspirations, and is the fire that ignites our motivation, creativity and commitment.

As our network continues to grow, extending throughout the country and accelerating the growth of Malaysia as a centre of medical excellence, we remain dedicated to our patients. Our unity is our strength as is our shared promise to add value to our customers. Thus, as we move forward, we pledge to continue the KPJ Healthcare Tradition of caring and professional customer care, for this year, and forever.



Integrasi ke Arah Kecemerlangan Perkhidmatan Pelanggan

- Bersama-sama ke Arah Keutuhan

Ilustrasi denyutan garisan yang dinamik merentasi senario perkhidmatan prishatin pada peta Malaysia memberikan gambaran tema integrasi, disamping memperkenalkan transformasi secara berperingkat KPJ Healthcare Berhad sebagai sebuah penyedia prishatin pakar swasta dengan rangkaianya tersebar di seluruh negara bagi memberikan perkhidmatan yang lebih baik kepada pelanggan.

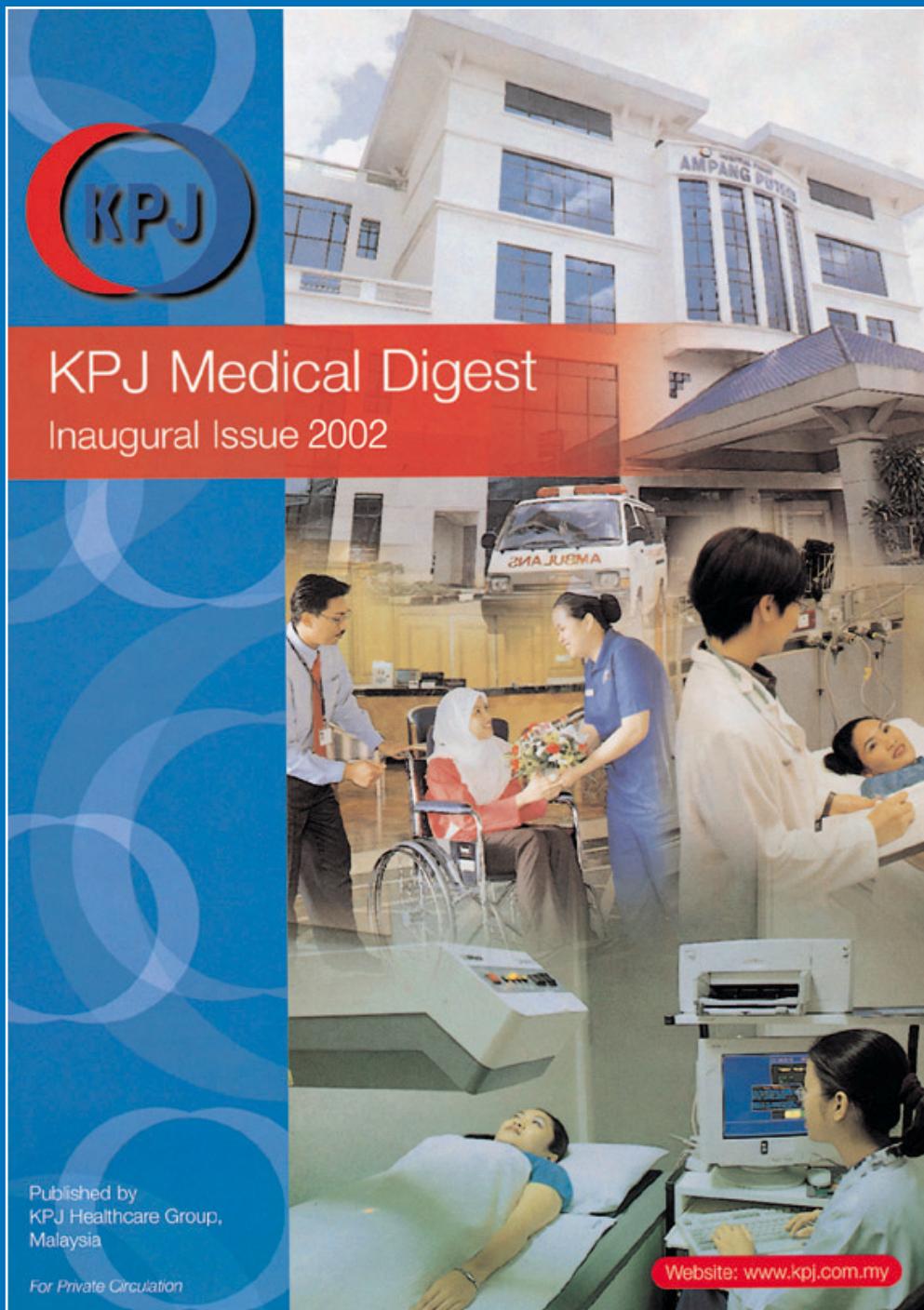
Yang lebih penting, sedang kami berkembang dari satu tahap ke tahap yang lebih kukuh, kami sentiasa memberi tumpuan untuk memberikan keunggulan dalam perkhidmatan pelanggan kami. Perkhidmatan pelanggan yang berkualiti sentiasa menjadikan penggerak utama di sebalik visi dan arah tuju strategik kami. Ia menyemarakkan aspirasi kami seperti bara yang menyalaikan motivasi, kreativiti dan komitmen kami.

Di kala rangkaian kami semakin berkembang ke seluruh negara dan menggalakkan pertumbuhan Malaysia sebagai pusat kecemerlangan perubatan, kami tetap berdedikasi kepada pesakit kami. Di samping kami melangkah ke hadapan, kami berikrar akan meneruskan Tradisi KPJ Healthcare untuk penjagaan prishatin yang prihatin, profesional dan sensitif terhadap pelanggan, untuk kini dan selamanya.

Corporate Vision/Visi Korporat

To be the preferred healthcare provider in developing, managing and delivering quality integrated healthcare services.

Ke arah penyedia yang menjadi pilihan pengguna dalam membina, mengurus serta menyampaikan perkhidmatan prishatin yang berkualiti secara bersepada.



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Notice Of Annual General Meeting

NOTICE IS **AGENDA**

As Ordinary Business

HEREBY GIVEN

1. To receive and consider the Financial Statements for the year ended 31 December 2002 and the Reports of the Directors and Auditors thereon. **(Resolution 1)**

that the Tenth
Annual General
Meeting of KPJ

2. To re-elect the following Directors who retire under paragraph 7.28 of the Listing Requirement of the Kuala Lumpur Stock Exchange :-

- (i) Zainah Mustafa (Article 96)
- (ii) Azzat Kamaludin (Article 96)

(Resolution 2)
(Resolution 3)

3. To re-elect the following Directors pursuant to Section 129(6) of the Companies Act 1965:-

- (i) Tan Sri Dato' Arshad Ayub
- (ii) Dato' Dr Lim Kee Jin
- (iii) Dato' Dr K Kulaveerasingam

(Resolution 4)
(Resolution 5)
(Resolution 6)

- held at the Nilam Room, the Puteri Pan Pacific Hotel, Jalan Salim, 80000 Johor Bahru on Monday 26 May 2003 at 12.00 noon for the purpose of transacting the following businesses:-
4. To approve the payment of Directors' fees in respect of the year ended 31 December 2002. **(Resolution 7)**
 5. To re-appoint Messrs PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration. **(Resolution 8)**
 6. To transact any other businesses of which due notice shall have been given.

As Special Business

7. To consider and if thought fit, to pass the following Ordinary Resolutions:

AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

(Resolution 9)

THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue and allot shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10 per cent of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Kuala Lumpur Stock Exchange and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, subject always to the Companies Act, 1965, the Articles of Association of the Company and approval of all relevant bodies being obtained for such allotment and issues.

By Order of the Board,
KPJ HEALTHCARE BERHAD

Notes:

A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy may but need not be a member of the Company.

The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation either under seal or in other manner approved by its Board of Directors.

The instrument appointing a proxy must be deposited at the registered office of the Company at 13th Floor, Menara Johor Corporation, KOTARAYA, 80000 Johor Bahru, Johor not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

The proposed adoption of the Ordinary Resolution under Special Business is primarily to give flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion without convening a general meeting.

SALMAH ABD WAHAB (LS 02140)
IDHAM JIHADI ABU BAKAR ACIS (MAICSA 7007381)

Secretaries

Johor Bahru
2 May 2003

DENGAN INI	AGENDA
ADALAH	Untuk Urusan Biasa
DIBERITAHU	1. Menerima dan menimbangkan Penyata Kewangan bagi tahun berakhir 31 Disember 2002 serta Laporan Pengarah-Pengarah dan Juruaudit yang berkaitan dengannya. (Resolusi 1)
BAHAWA	2. Untuk melantik semula Pengarah-pengarah berikut yang bersara mengikut perenggan 7.28 syarat-syarat penyenaraian Bursa Saham Kuala Lumpur:- (i) Zainah Mustafa (ii) Azzat Kamaludin (Resolusi 2) (Resolusi 3)
Mesyuarat	3. Untuk melantik semula Pengarah-Pengarah berikut selaras dengan Seksyen 129(6) Akta Syarikat 1965:- (i) Tan Sri Dato' Arshad Ayub (ii) Dato' Dr Lim Kee Jin (iii) Dato' Dr K Kulaveerasingam (Resolusi 4) (Resolusi 5) (Resolusi 6)
Agung Tahunan	4. Untuk meluluskan pembayaran yuran Pengarah-Pengarah untuk tahun berakhir 31 Disember 2002. (Resolusi 7)
KPJ Healthcare	5. Untuk melantik semula Tetuan PricewaterhouseCoopers sebagai Juruaudit dan memberi kuasa kepada para Pengarah untuk menetapkan bayaran mereka. (Resolusi 8)
Berhad yang ke	6. Untuk melaksanakan sebarang urusan yang mana notis sewajarnya telah diberikan.
Sepuluh akan	
diadakan di Bilik	
Nilam, Tingkat	
2, Hotel Puteri	
Pan Pacific,	
Jalan Salim,	
80000 Johor	
Bahru pada hari	
Isnin 26 Mei	
2003 jam 12.00	
tengahari bagi	
tujuan-tujuan	
berikut:-	

Untuk Urusan Khas

7. Untuk mempertimbangkan dan jika perlu, meluluskan Resolusi Biasa yang berikut:-

KUASA KEPADA LEMBAGA PENGARAH UNTUK MENERBITKAN SAHAM

BAHAWA selaras dengan Seksyen 132D Akta Syarikat, 1965, para Pengarah adalah diberi kuasa untuk menerbitkan saham-saham dalam Syarikat, pada bila-bila masa dan menunaikan syarat-syarat dan peraturan dan untuk tujuan sedemikian yang dibolehkan oleh para Pengarah, dengan penuh budi bicaranya yang difikirkan sesuai, dengan syarat bahawa jumlah saham-saham yang diterbitkan mengikut resolusi ini pada mana-mana tahun kewangan tidak melebihi 10 peratus daripada modal terbitan Syarikat buat masa ini dan bahawa para Pengarah juga diberi kuasa untuk mendapatkan kelulusan untuk penyenaraian dan sebut harga bagi saham-saham tambahan yang akan diterbitkan di Bursa Saham Kuala Lumpur dan bahawa kelulusan sedemikian akan terus berkuatkuasa sehingga berakhirnya Mesyuarat Agung Tahunan Syarikat yang berikutnya

(Resolusi 9)

Nota:
Seorang ahli yang berhak menghadiri dan mengundi dalam Mesyuarat ini berhak melantik seorang proksi untuk menghadiri bagi pihak dirinya. Seorang proksi boleh tetapi tidak semestinya seorang ahli Syarikat.

Pelantikan proksi hendaklah dibuat secara bertulis oleh pelantik atau wakil yang berkuasa atau sekiranya pelantik adalah sebuah perbadanan, Suratcara Proksi mestilah disempurnakan di bawah meterai Syarikat atau dengan lain-lain cara yang diluluskan oleh Lembaga Pengarah.

Suratcara pelantikan proksi hendaklah sampai di Pejabat Berdaftar Syarikat, di alamat: Tingkat 13, Menara Johor Corporation, KOTARAYA, 80000 Johor Bahru, Johor tidak lewat dari empat puluh lapan (48) jam sebelum mesyuarat diadakan.

Resolusi biasa yang dicadangkan di bawah Urusan Khas, jika diluluskan akan memberi kuasa kepada Lembaga Pengarah untuk menerbitkan saham-saham Syarikat yang difikirkan wajar untuk kepentingan Syarikat tanpa perlu mengadakan mesyuarat agung.

Dengan Perintah Lembaga Pengarah,
KPJ HEALTHCARE BERHAD

SALMAH ABD WAHAB (LS 02140)
IDHAM JIHADI ABU BAKAR ACIS (MAICSA 7007381)
Setiausaha-Setiausaha

Johor Bahru
2 Mei 2003

Statement Accompanying Notice of Annual General Meeting Penyata Susulan Notis Mesyuarat Agung Tahunan

1. Re-election of Directors/Pelantikan Semula Pengarah

Pursuant to Article 96 of the Company's Articles of Association, the Directors who are standing for re-election at the Tenth Annual General Meeting of the Company are as follows:

Menurut Tataurus Syarikat, Artikel 96, Para Pengarah yang menawarkan diri untuk dipilih semula di Mesyuarat Agung Tahunan Syarikat yang Kesepuluh adalah seperti berikut:

Zainah Mustafa
Azzat Kamaludin

Pursuant to Section 129(6) of the Companies Act 1965, the Directors who are over the age of seventy (70) years standing for re-appointment to hold office until the next Annual General Meeting are as follows:

Mengikut Seksyen 129(6) di bawah Akta Syarikat 1965, Para Pengarah yang berusia melebihi tujuh puluh (70) tahun untuk dilantik semula bagi tempoh sehingga Mesyuarat Agung Tahunan yang akan datang adalah seperti berikut:

Tan Sri Dato' Arshad Ayub
Dato' Dr Lim Kee Jin
Dato' Dr K Kulaveerasingam

2. Details of attendance of Directors at Board Meetings for the year 2002/

Butir-butir kehadiran para Pengarah di Mesyuarat Lembaga Pengarah pada tahun 2002

Non-Executive Directors <i>Pengarah Bukan Eksekutif</i>	Total Number of Meetings <i>Bilangan Mesyuarat</i>	No. of Meetings Attended <i>Bilangan Kehadiran Mesyuarat</i>
1. Tan Sri Dato' Muhammad Ali Hashim	4	4
2. Zainah Mustafa	4	3
Independent Non-Executive Directors <i>Pengarah Bebas Bukan Eksekutif</i>		
3. Tan Sri Dato' Arshad Ayub	4	4
4. Tan Sri Dato' Dr Abu Bakar Suleiman	4	3
5. Dato' Dr Lim Kee Jin	4	4
6. Dato' Dr Hussein Awang	4	4
7. Dato' Dr K Kulaveerasingam	4	3
8. Azzat Kamaludin	4	3
9. Dr Chakr Sri Na Nagara	4	4
Executive Directors <i>Pengarah Eksekutif</i>		
10. Datin Paduka Siti Sa'diah Sheikh Bakir	4	4

3. Place, Date and Time of Board Meetings/*Tempat, Tarikh dan Masa Mesyuarat Lembaga*

The date, day, time and venue of the Board Meetings for the Financial Year ended 31 December 2002 were as follows:

Tarikh, hari, waktu dan tempat Mesyuarat Lembaga Pengarah bagi Tahun Kewangan berakhir 31 Disember 2002 ialah seperti berikut:

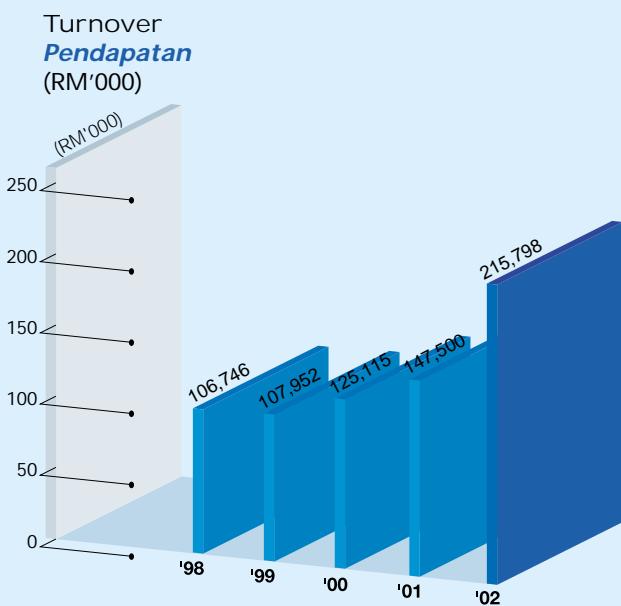
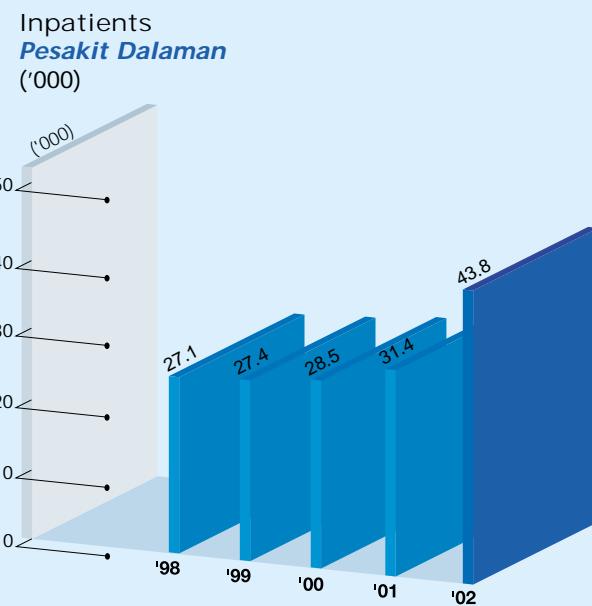
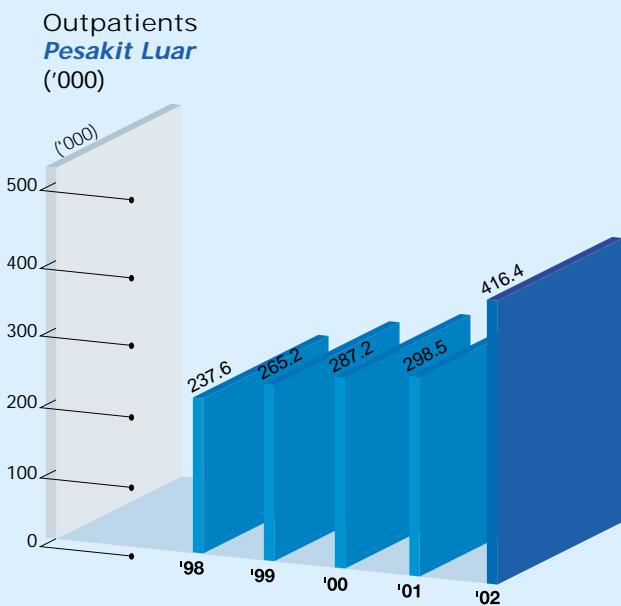
Date of Meeting <i>Tarikh Mesyuarat</i>	Day <i>Hari</i>	Time <i>Masa</i>	Venue <i>Tempat</i>
19.03.2002	Tuesday / <i>Selasa</i>	2.00 p.m / <i>petang</i>	Damansara Specialist Hospital
21.05.2002	Tuesday / <i>Selasa</i>	9.30 a.m / <i>pagi</i>	Kotaraya, Johor Bahru
21.08.2002	Wednesday / <i>Rabu</i>	2.30 p.m / <i>petang</i>	Pan Pacific Hotel, Kuala Lumpur
12.11.2002	Tuesday / <i>Selasa</i>	2.30 p.m / <i>petang</i>	Damansara Specialist Hospital

4. Further details of Directors who are standing for re-election/*Pengarah yang layak untuk pengundian semula*

Details of Directors who are standing for re-election are set out in the Directors' Profile appearing on pages 11 to 15 of the Annual Report.

Keterangan lanjut mengenai para Pengarah yang menawarkan diri untuk pemilihan semula tertera di bawah profil Lembaga Pengarah di mukasurat 11 hingga 15 dalam Laporan Tahunan.

	1998	1999	2000	2001	2002
Companies/ <i>Syarikat-syarikat</i>	6	6	6	6	35
Hospitals/ <i>Hospital-hospital</i>	2	2	2	2	11
Licensed Beds/ <i>Jumlah Katil Yang Dilesenkan</i>	413	413	413	413	1,371
Medical Consultants/ <i>Perunding Perubatan</i>	94	99	95	88	360
Staff Strength/ <i>Jumlah Anggota Pekerja</i>	934	943	939	1,014	3,674
Outpatients/ <i>Pesakit Luar</i>	237,564	265,164	287,162	298,428	416,373
Inpatients/ <i>Pesakit Dalaman</i>	27,115	27,393	28,484	31,424	43,839
Turnover/ <i>Pendapatan</i> (RM'000)	106,746	107,952	125,115	147,500	215,798
Profit Before Taxation/ <i>Keuntungan Sebelum Cukai</i>	12,438	13,959	15,211	17,500	22,361



Corporate Profile Profil Korporat

KPJ Healthcare Berhad (KPJ Healthcare), the healthcare arm of Johor Corporation, was incorporated in 1992 as an investment holding company. KPJ Healthcare has 34 subsidiary and associate companies with its principal activities of owning and managing specialist hospitals and providing medical and healthcare services.

KPJ Healthcare Berhad is the first homegrown healthcare group in Malaysia listed on the Main Board of Kuala Lumpur Stock Exchange on 29 November 1994. With more than RM721 million in assets and shareholders' funds in excess of RM330 million, KPJ Healthcare is now the leading and the largest group of private healthcare provider in the country with paid up capital of RM191 million.

Standing firmly behind its corporate vision, KPJ Healthcare since its establishment continuously seeks new opportunities to ensure the Group's commendable performance. The Group's achievements are largely the result of its firm corporate philosophy which inspire excellence, encourage individual initiative and teamwork, harness strategic synergy and collective focus of its resources, and inculcating high integrity and entrepreneurial spirit to be in the forefront of national and international healthcare delivery and development.

This philosophy is further strengthened through its corporate mission, which is "*to provide and deliver comprehensive, innovative and quality healthcare services meeting the needs of customers and markets that KPJ Healthcare serves in the challenging Knowledge Based Economy*". This is also in line with its core values, which focuses on Safety, Continuous Improvement, Courtesy and Teamwork.

With the Group's extensive network of 11 private specialist hospitals represented in most major towns in the country, KPJ Healthcare, with its firm foundation and strong dedication and commitment is poised to greet the challenges of the new globalise market.

KPJ Healthcare Berhad (KPJ Healthcare) yang merupakan bahagian prisihatin Johor Corporation, telah ditubuhkan pada tahun 1992 sebagai sebuah syarikat pelaburan induk. KPJ Healthcare mempunyai 34 buah syarikat subsidiari dan sekutu dengan aktiviti utamanya ialah memiliki dan menguruskan hospital pakar serta menyediakan perkhidmatan perubatan dan kesihatan.

KPJ Healthcare Berhad adalah kumpulan prisihatin serta syarikat tempatan pertama di Malaysia yang telah disenaraikan di Papan Utama Bursa Saham Kuala Lumpur pada 29 November 1994. Dengan jumlah aset melebihi RM721 juta dan dana pemegang saham yang melebihi RM330 juta, KPJ Healthcare adalah Kumpulan penyedia perkhidmatan prisihatin yang terbesar serta terulung di negara ini dengan jumlah modal berbayar sebanyak RM191 juta.

Dengan berlandaskan visi korporatnya KPJ Healthcare sejak ditubuhkan sentiasa menerokai peluang baru bagi menentukan kesinambungan Kumpulan serta mencatatkan pertumbuhan yang memberangsangkan. Kejayaan Kumpulan adalah hasil dari keyakinan penuh terhadap falsafah korporatnya yang mengalakkan keunggulan, merangsangkan inisiatif individu serta kumpulan, penyeragaman strategi serta fokus terhadap sumber-sumbernya, dan menerapkan nilai ketulusan yang tinggi serta semangat usahawan, semua ini untuk menjadi peneraju utama dalam pembangunan serta penawaran perkhidmatan prisihatin di peringkat nasional dan antarabangsa.

Falsafah ini diperkuatkan lagi menerusi misi korporatnya "untuk menyediakan perkhidmatan prisihatin yang komprehensif, inovatif dan berkualiti dengan memenuhi kehendak pengguna serta pasaran yang di terokai oleh KPJ Healthcare dalam ekonomi pasaran yang berteraskan pengetahuan yang semakin mencabar". Ini juga selaras dengan nilai utama KPJ Healthcare yang memberi tumpuan kepada Keselamatan, Peningkatan serta Pembaikan yang Berterusan, Berbudi Pekerti Tinggi serta Bekerja secara Berpasukan.

Dengan jaringan Kumpulan yang meluas menerusi 11 hospital pakar swastanya yang terletak hampir di kesemua bandar besar di dalam negara, KPJ Healthcare, dengan asas yang kukuh serta komitmen dan dedikasi yang tinggi, telah bersedia untuk menerima cabaran baru pasaran global.

Registered Office/Pejabat Berdaftar

13th Floor, Menara Johor Corporation, KOTARAYA,
80000 Johor Bahru, Johor Darul Takzim.
Tel: (07) 223 2692 Fax: (07) 223 3175
Email: pdnjeroh@jcorp.com.my

Corporate Office/Pejabat Korporat

7, Pesiarian Titiwangsa 3, 53200 Kuala Lumpur.
Tel: (03) 4022 6222 Fax: (03) 4022 7237
Email: kpj@kpj.com.my
Website: www.kpj.com.my

Group Directory/Direktori Kumpulan

Johor Specialist Hospital Sdn Bhd
JOHOR SPECIALIST HOSPITAL
39-B, Jalan Abdul Samad, 80100 Johor Bahru,
Johor Darul Takzim.
Tel: (07) 223 7811 Fax: (07) 224 8213
Email: jsh@jsh.kpj.com.my Website: www.jsh.kpj.com.my

Medical Associates Sdn Bhd
IPOH SPECIALIST HOSPITAL
26, Jalan Raja DiHilir, 30350 Ipoh, Perak Darul Ridzuan.
Tel: (05) 241 8777 Fax: (05) 254 1388
Email: ish@ish.kpj.com.my Website: www.ish.kpj.com.my

Puteri Specialist Hospital Sdn Bhd
AMPANG PUTERI SPECIALIST HOSPITAL
1, Jalan Mamanda 9, Taman Dato' Ahmad Razali, 68000 Ampang,
Selangor Darul Ehsan.
Tel: (03) 4270 2500 Fax: (03) 4270 2443
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Damansara Specialist Hospital Sdn Bhd
DAMANSARA SPECIALIST HOSPITAL
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Selangor Darul Ehsan.
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Putra Pakar Tawakal Sdn Bhd
TAWAKAL HOSPITAL
202-A, Jalan Pahang, 53000 Kuala Lumpur.
Tel: (03) 4023 3599 Fax: (03) 4022 8063
Email: ppt@lm.net.my Website: www.tawakal.com.my

Kuantan Specialist Hospital Sdn Bhd
KUANTAN SPECIALIST HOSPITAL
51, Jalan Alor Akar, 25250 Kuantan, Pahang Darul Makmur.
Tel: (09) 567 8588 Fax: (09) 567 8098
Email: ksh@ksh.kpj.com.my
Website: www.kuantanspecialist.kpj.com.my

Medical Centre (Johore) Sdn Bhd
PUTERI SPECIALIST HOSPITAL
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Johor Darul Takzim.
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Bukit Mertajam Specialist Hospital Sdn Bhd
BUKIT MERTAJAM SPECIALIST HOSPITAL
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Seberang Perai, Pulau Pinang.
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Kedah Medical Centre Sdn Bhd
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Email: ppu@po.jaring.my Website: www.ppu.com.my

Putra Pakar Darul Naim Sdn Bhd
PERDANA SPECIALIST HOSPITAL
Lot PT.37 & PT.600, Seksyen 14, Jalan Bayam,
15200 Kota Bharu, Kelantan Darul Naim.
Tel: (09) 745 8000 Fax: (09) 747 2877
Email: perdana@perdana.kpj.com.my
Website: www.perdana.kpj.com.my

Hospital Penawar Sdn Bhd
HOSPITAL PENAWAR
17&18, Pusat Perniagaan Pasir Gudang,
81700 Pasir Gudang, Johor Darul Takzim.
Tel: (07) 252 1800 Fax: (07) 251 8199
Email: hospen@hospitalpenawar.com
Website: www.hospitalpenawar.com

Puteri Nursing College Sdn Bhd
Ground Floor, No 21, Jalan Selangor, Section 6,
46050 Petaling Jaya, Selangor
Tel: (03) 7357 0355 Fax: (03) 7957 0946
Email: pnc@pnc.kpj.com.my
Website: www.puterinursing.kpj.com.my

Lablink (M) Sdn Bhd
Suite 1, 3rd Floor Bangunan PharmaCARE,
Lot 129, Jalan Pahang Barat, 53000 Kuala Lumpur
Tel: (03) 4023 4588 Fax: (03) 4023 4398
Email: lablink@lablink.com.my Website: www.lablink.com.my

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Mezzanine Floor, No 21, Jalan Selangor,
Section 6, 46050 Petaling Jaya, Selangor
Tel: (03) 7957 1357 Fax: (03) 7957 1384
Email: htss@htss.kpj.com.my Website: www.hts.kpj.com.my

Pharmaserv Alliances Sdn Bhd
Lower Ground, Damansara Specialist Hospital,
No 119, Jalan SS20/10, 47400 Petaling Jaya, Selangor
Tel: (03) 7725 8677 Fax: (03) 7725 2617
Email: nesp@lm.net.my Website: www.pasb.kpj.com.my

PharmaCARE Sdn Bhd
Suite 2, 4th Floor, Bangunan PharmaCARE,
129, Jalan Pahang Barat, 53000 Kuala Lumpur
Tel: (03) 40249489 Fax: (03) 40232377
Email: pharmacare@lime.net.my

Company Secretaries/Setiausaha-setiausaha Syarikat
Salmah Abd Wahab (LS 02140)
Idham Jihadi Abu Bakar ACIS (MAICSA 7007381)

Principal Bankers/Bank-bank Utama
MALAYAN BANKING BERHAD
343, Jalan Pahang, Setapak,
53300 Kuala Lumpur

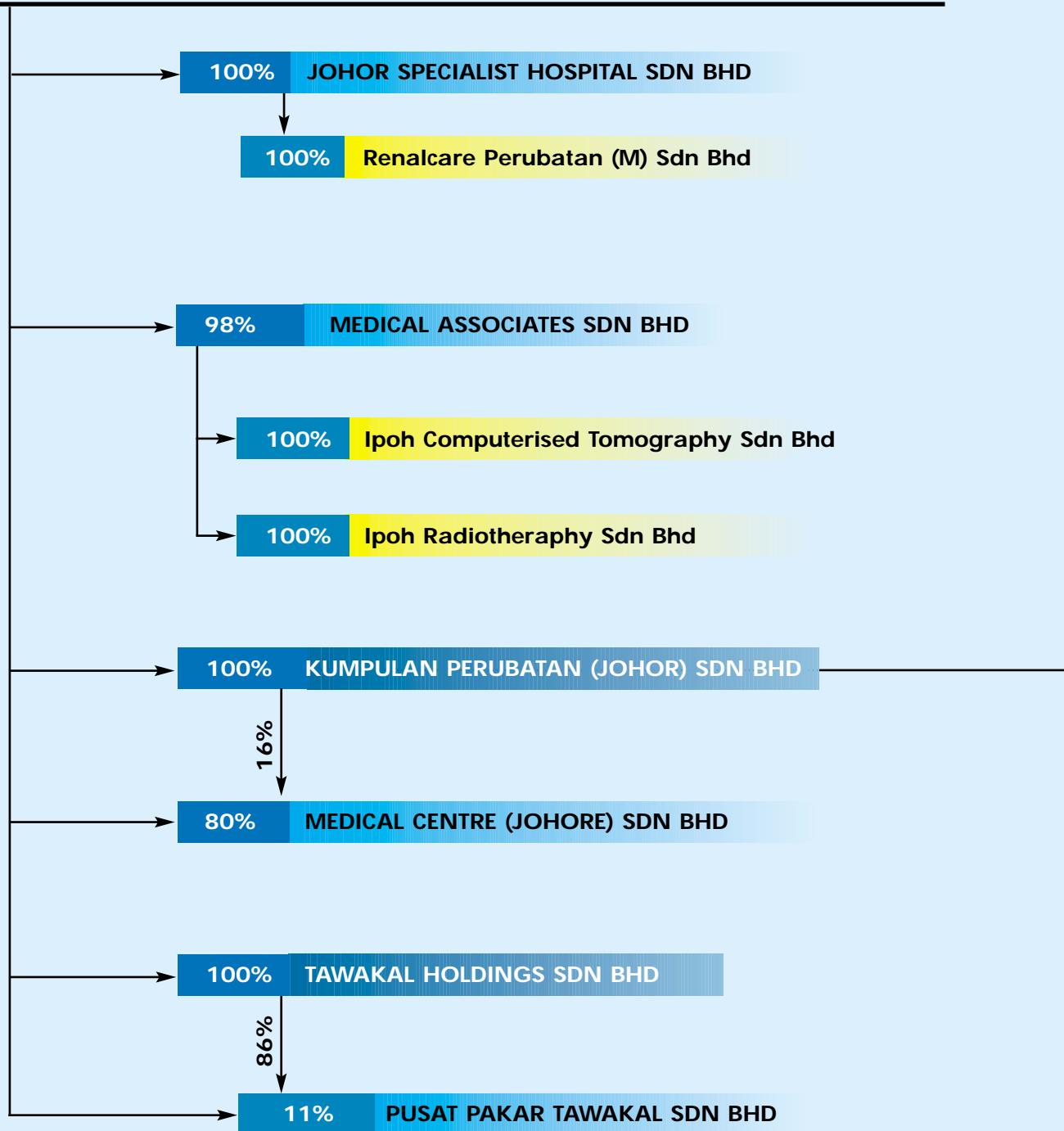
BUMIPUTERA-COMMERCE BERHAD
Ground Floor, No 338, Bangunan AMAC,
Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur

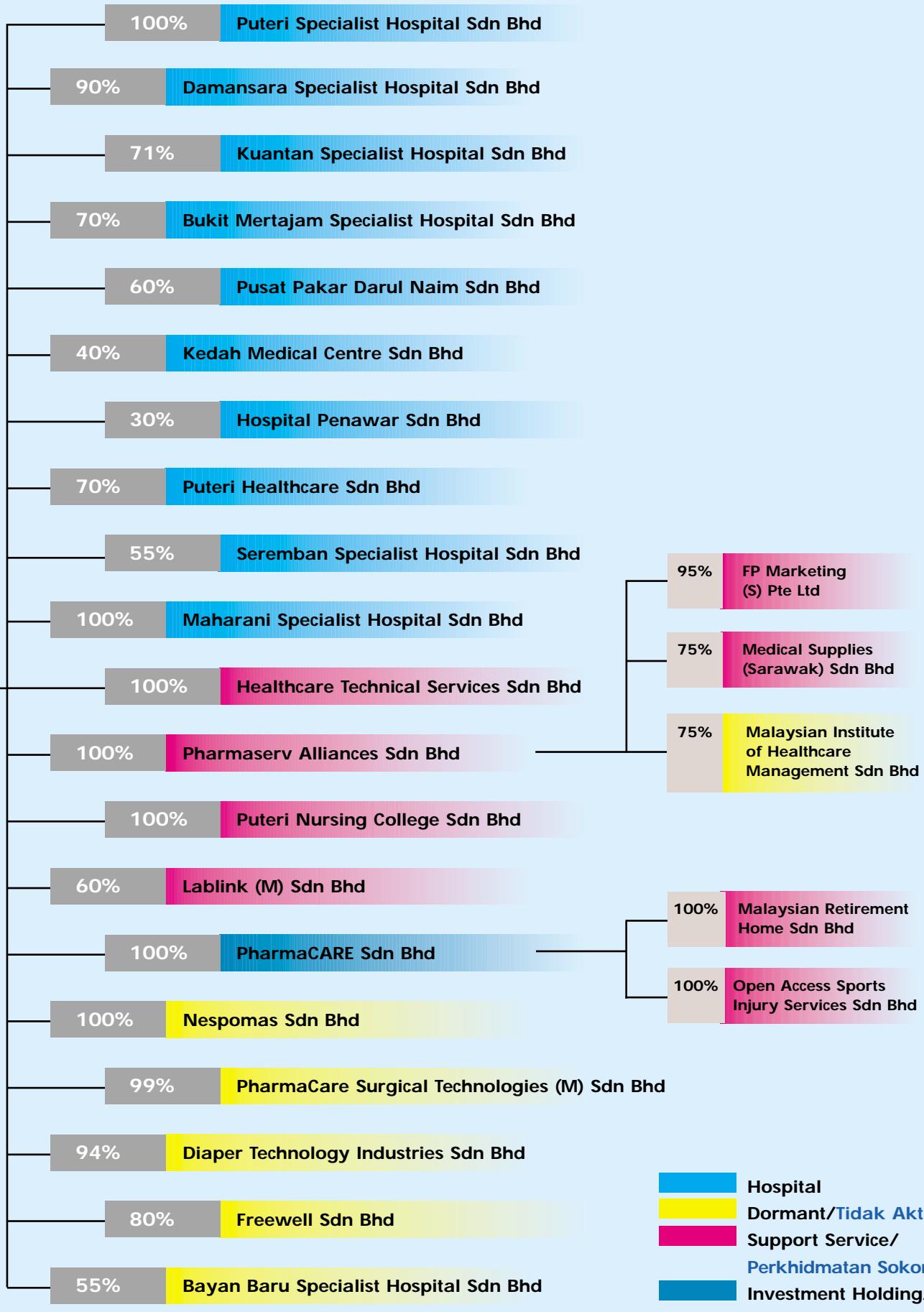
Stock Exchange Listing/Penyenaraian Bursa Saham
Main Board of Kuala Lumpur Stock Exchange
Papan Utama Bursa Saham Kuala Lumpur
(29 November 1994)

Registrar/Pendaftar
EPA Management Sdn Bhd
Ulu Tiram Estate KB 735, 80990 Johor Bahru,
Johor Darul Takzim.
Tel: (07) 861 1611/861 1613 Fax: (07) 863 1908

Auditor/Juruaudit
PricewaterhouseCoopers
11th Floor, Wisma Sime Darby, Jalan Raja Laut,
50350 Kuala Lumpur.

KPJ HEALTHCARE BERHAD





Board of Directors **Ahli Lembaga Pengarah**



Chairman/Pengerusi

Tan Sri Dato' Muhammad Ali Hashim
Non-Executive/Bukan Eksekutif

Managing Director/Pengarah Urusan

Datin Paduka Siti Sa'diah Sheikh Bakir

Board Members/Ahli Lembaga Pengarah

Zainah Mustafa
Non-Executive/Bukan Eksekutif

Tan Sri Dato' Arshad Ayub
Independent/Bebas

Tan Sri Dato' Dr Abu Bakar Suleiman
Independent/Bebas

Datuk Dr Hussein Awang
Independent/Bebas

Dato' Dr Lim Kee Jin
Independent/Bebas

Dato' Dr K Kulaveerasingam
Independent/Bebas

Standing from Left to Right Berdiri Dari Kiri ke Kanan

Tan Sri Dato' Muhammad Ali Hashim, Azzat Kamaludin, Datin Paduka Siti Sa'diah Sheikh Bakir, Dato' Dr K Kulaveerasingam, Tan Sri Dato' Arshad Ayub, Datuk Dr Hussein Awang, Zainah Mustafa, Dr Chakr Sri Na Nagar, Tan Sri Dato' Dr Abu Bakar Suleiman, Dato' Dr Lim Kee Jin, Salmah Abd Wahab, Jamaluddin Md. Ali

Dr Chakr Sri Na Nagar
Independent/Bebas

Azzat Kamaludin
Independent/Bebas

Jamaluddin Md. Ali (Alternate Director to Tan Sri Dato' Muhammad Ali Hashim)
Non-Executive/Bukan Eksekutif

Secretaries/ Setiausaha-setiausaha

Salmah Abd Wahab
Idham Jihadi Abu Bakar

Directors Profile Profil Pengarah-pengarah

Tan Sri Dato' Muhammad Ali Hashim, aged 56, is the Chairman of KPJ Healthcare Berhad since 15 September 1993 and also Group Chief Executive of Johor Corporation (JCorp), the ultimate holding corporation of KPJ Healthcare, since January 1982. He graduated from University of Malaya with a Bachelor of Economics (Honors) degree in 1969 and participated in the Senior Executive Programme, Stanford University, USA in 1985. Tan Sri was conferred the Honorary Doctor of Management by Universiti Teknologi Malaysia on 19 August 2000.

Tan Sri's charismatic personality, entrepreneurial verve and visionary leadership has built JCorp into a leading Malaysian conglomerate involved in several business sectors such as Agrobusiness, Healthcare, Property Development and Intrapreneur Venture.

JCorp, with Tan Sri as President, has successfully managed Malaysia's first 'privatised' local authority, namely the Pasir Gudang Local Authority (PLGA).

JCorp, under the leadership of Tan Sri, has won the prestigious Inaugural Prime Minister's Quality Awards For Public Sector in 1990. He was awarded Director of the Year for 1995 by the Malaysian Institute of Directors for his commitment towards quality, entrepreneurial effort and professionalism.

Tan Sri sits as Chairman of Kulim (Malaysia) Berhad and Sindora Berhad, which are JCorp's subsidiaries listed on the Main Board of the KLSE. Tan Sri is also active as Council Member of Malaysian Industrial Development Authority (MIDA), a Member of Kolej Universiti Teknologi Tun Hussein Onn (KUITTHO) Board of Directors, the President of Johor Football Association, President, Malaysian Kite Council, and Chairman of Klinik Waqaf An-Nur, a charitable organisation extending healthcare services to the poor and the needy.



Tan Sri Dato' Muhammad Ali Hashim, 56 tahun, Pengurus KPJ Healthcare Berhad sejak 15 September 1993 yang juga Ketua Eksekutif Kumpulan Johor Corporation (JCorp), syarikat induk KPJ Healthcare Berhad, sejak Januari 1982. Beliau merupakan graduan dari Universiti Malaya dengan Ijazah Ekonomi (Kepujian) pada tahun 1969 dan telah mengikuti program Eksekutif Kanan, Universiti Stanford, USA pada tahun 1985. Tan Sri telah dianugerahkan Doktor Falsafah Pengurusan Kepujian oleh Universiti Teknologi Malaysia pada 19 Ogos 2000.

Sebagai seorang yang berkarisma, mempunyai sifat-sifat keusahawanan, serta berpandangan jauh, Tan Sri telah membina JCorp menjadi satu konglomerat yang berjaya dalam pelbagai bidang termasuk Bisnes Sawit, Prisihatin (Kesihatan Pakar), Pembangunan Hartanah dan Intraprenour Venture.

Beliau yang juga merupakan Yang Dipertua Pihak Berkuasa Tempatan Pasir Gudang, telah berjaya menguruskan Pihak Berkuasa Tempatan yang pertama di negara ini.

Di bawah kepimpinan Tan Sri, Johor Corporation telah memenangi Anugerah Kualiti Perdana Menteri untuk Sektor Awam buat julung kalinya pada tahun 1990. Beliau juga telah dianugerahkan Anugerah Pengarah Tahunan 1995 oleh Institut Pengarah Malaysia sebagai menghargai komitmen beliau terhadap kualiti, sumbangan ke atas pembangunan keusahawanan dan profesionalismenya.

Beliau juga merupakan Pengurus Kulim (Malaysia) Berhad dan Sindora Berhad, syarikat anak JCorp yang tersenarai di Papan Utama BSKL. Tan Sri juga merupakan Ahli Majlis Lembaga Pembangunan Perindustrian Malaysia (MIDA), Ahli Lembaga Pengarah Kolej Universiti Teknologi Tun Hussein Onn (KUITTHO), Presiden Persatuan Bolasepak Negeri Johor, Presiden Majlis Pelayang Malaysia dan Pengurus Klinik Waqaf An-Nur, sebuah organisasi amal yang menyediakan perkhidmatan kesihatan kepada masyarakat miskin dan kurang upaya.

Datin Paduka Siti Sa'diah Sheikh Bakir, aged 51, is the Managing Director of KPJ Healthcare Berhad since 1 March 1993. An Economics graduate from University of Malaya in 1974, Datin Paduka began her career with JCorp in the same year. She has been directly involved with JCorp's Healthcare Division since 1978. She was the Chief Executive of KPJSB, the holding company of KPJ, from 1989 until the corporate restructuring of KPJ Healthcare in October 2002. She is the Chairman of Johor Specialist Hospital Sdn Bhd, Medical Associates Sdn Bhd, Puteri Specialist Hospital Sdn Bhd, Damansara Specialist Hospital Sdn Bhd, Pusat Pakar Tawakal Sdn Bhd and Medical Centre (Johore) Sdn Bhd. She sits as a Director in the other private companies within the JCorp Group, including Klinik Waqaf An-Nur, a non-governmental organisation dedicated to the provision of healthcare services to the less fortunate.

Her commitment to excellence in healthcare has driven her to be active in professional organisations, such as Vice President from 1994 to 1996 of the Association of Private Hospitals in Malaysia (APHM), and the President of the Malaysian Society of Quality in Health (MSQH), since its inception in 1997.

Datin Paduka has also been a Board member of MATRADE since 1999, a member of the National Productivity Corporation's (NPC) Consultative Panel on Healthcare since 2001, and was recently appointed as member of the newly formed National Patient Safety Council, Ministry of Health Malaysia.



Datin Paduka Siti Sa'diah Sheikh Bakir, 51 tahun, Pengarah Urusan KPJ Healthcare Berhad, sejak 1 Mac 1993. Graduan Ekonomi dari Universiti Malaya pada 1974, Datin Paduka memulakan kerjaya dengan JCorp dalam tahun yang sama. Sejak tahun 1978, beliau telah terlibat secara langsung dalam Bahagian Prisihatin JCorp. Beliau telah dilantik Ketua Eksekutif KPJSB, syarikat induk KPJ Healthcare sejak tahun 1989 sehingga penstrukturkan semula korporat KPJ Healthcare pada bulan Oktober 2002. Beliau ialah Pengurus Johor Specialist Hospital Sdn Bhd, Medical Associates Sdn Bhd, Puteri Specialist Hospital Sdn Bhd, Damansara Specialist Hospital Sdn Bhd, Pusat Pakar Tawakal Sdn Bhd dan Medical Centre (Johore) Sdn Bhd. Beliau juga dilantik sebagai Ahli Lembaga Pengarah lain-lain syarikat swasta dalam Kumpulan JCorp, termasuk Klinik Waqaf An-Nur, sebuah organisasi bukan kerajaan yang menyediakan perkhidmatan prisihatin kepada yang miskin dan kurang berupaya.

Komitmen beliau untuk kecemerlangan bidang prisihatin telah mendorong beliau untuk melibatkan diri secara aktif dalam organisasi profesional seperti Timbalan Presiden Persatuan Hospital Swasta Malaysia (1994 – 1996) serta Presiden Malaysian Society of Quality in Health (MSQH), sejak penubuhannya pada tahun 1997.

Datin Paduka juga adalah ahli Lembaga Pengarah MATRADE sejak 1999, Panel rujukan bagi isu prisihatin Perbadanan Produktiviti Nasional (NPC) sejak 2001, dan kini telah dilantik sebagai ahli Majlis Keselamatan Pesakit Nasional, Kementerian Kesihatan, Malaysia.

Directors Profile



Tan Sri Dato' Arshad Ayub, aged 75, was appointed to the Board of KPJ on 1 September 1994. Tan Sri graduated with a Diploma in Agriculture in 1954 from College of Agriculture, Malaya and later obtained his Honors Degree in Economics and Statistics at University College of Wales Aberystwyth, United Kingdom in 1958. He obtained Post-Graduate Diploma in Business Administration from IMEDE, Lausanne, Switzerland in 1964. He was the First Director of Institut Teknologi MARA (presently UiTM) from 1967 to 1975, seconded as Deputy Governor of Bank Negara Malaysia from 1975 to 1977, served as Deputy Director General of the Economic Planning Unit. He served as Secretary General to three ministries namely, Ministry of Primary Industries in 1978, Ministry of Agriculture from 1979 to 1981 and Ministry of Land and Regional Development from 1981 to 1983.

He sits on the Board of Directors of several public listed and private companies, which among others include Kulim (Malaysia) Berhad, Sindora Berhad, Rumpun Hijau Capital Berhad, Audrey International (M) Berhad, Nationwide Express Courier Services Berhad, Tomypak Holdings Berhad, Top Glove Corporation Berhad, Malayan Flour Mills Berhad, Pelaburan Johor Berhad and Affin Merchant Bank Berhad. Tan Sri is currently the Chairman of the KPJ Healthcare Audit Committee.

He is presently the President of the Malaysian Rubber Products Manufacturers Association (MRPMA) and Chairman of Malaysian Rubber Export Promotion Council (MREPC). He is a member of the Kolej Ugama Sultan Zainal Abidin (KUSZA). He is also the Vice Chairman of Koperasi MOCCIS Berhad. He was a member of the Council of University Malaya and Harun's Salary Commission for Statutory Bodies and Local Government.

Tan Sri Dato' Arshad Ayub, 75 tahun, telah dilantik sebagai ahli Lembaga Pengarah KPJ Healthcare sejak 1 September 1994. Tan Sri adalah lulusan Diploma Pertanian pada tahun 1954 dari Kolej Pertanian, Malaya dan kemudian mendapatkan Ijazah Ekonomi dan Statistik (Kepujian) dari University College of Wales Aberystwyth, United Kingdom pada tahun 1958. Beliau lulus Ijazah Diploma Lanjutan Pentadbiran Perniagaan dari IMEDE, Lausanne, Switzerland pada tahun 1964. Beliau adalah Pengarah pertama Institut Teknologi MARA (sekarang UiTM) dari tahun 1967 ke 1975, disamping dilantik Timbalan Gabenor Bank Negara Malaysia dari 1975 ke 1977, dilantik sebagai Timbalan Ketua Pengarah Unit Perancangan Ekonomi. Beliau telah menjadi Ketua Setiausaha di tiga kementerian iaitu Kementerian Perusahaan Utama pada tahun 1978, Kementerian Pertanian dari 1979 ke 1981 dan Kementerian Tanah dan Pembangunan Wilayah dari 1981 ke 1983.

Beliau juga adalah Pengarah di beberapa syarikat tersenarai dan swasta seperti Kulim (Malaysia) Berhad, Sindora Berhad, Rumpun Hijau Capital Berhad, Audrey International (M) Berhad, Nationwide Express Courier Services Berhad, Tomypak Holdings Berhad, Top Glove Corporation Berhad, Malayan Flour Mills Berhad, Pelaburan Johor Berhad and Affin Merchant Bank Berhad. Tan Sri adalah Pengerusi Jawatankuasa Audit KPJ Healthcare.

Tan Sri juga merupakan Presiden Persatuan Pembuat Barang Gelah (MRPMA) dan Pengerusi Majlis Promosi Eksport Gelah Malaysia (MREPC). Beliau juga Pengarah Kolej Ugama Sultan Zainal Abidin (KUSZA) dan Timbalan Pengerusi Koperasi MOCCIS Berhad. Beliau juga pernah menjadi ahli Majlis Universiti Malaya dan Suruhanjaya Penggajian Harun bagi Badan Berkanun dan Kerajaan Tempatan.

Tan Sri Dato' Dr Abu Bakar Suleiman, aged 59, was appointed to the Board of KPJ Healthcare on 15 March 2001. A medical practitioner by profession, he obtained his Bachelor of Medicine and Bachelor of Surgery (MBBS) from Monash University, Australia in 1968 and a Master of Medicine from University of Singapore in 1974. He is a member of Royal Australasian College of Physicians, and an honorary fellow of the American College of Physicians. He began his career as a Medical Officer with the Ministry of Health in 1969 and subsequently completed training in Internal Medicine before he became a Consultant Physician with the Department of Nephrology of Hospital Kuala Lumpur.

In 1975, he was a visiting fellow to the Division of Nephrology of Georgetown University Hospital, Washington DC as well as Prince Henry's Hospital of Melbourne, Australia. In 1976, he returned to be the Consultant Nephrologist and Head of Department of Nephrology of Hospital Kuala Lumpur. In 1987 he held the position of Director of Medical Services of Ministry of Health and became the Deputy Director General of Health in 1989 before rising to the rank of Director General of Health of the Ministry in 1991 to 2001. He attended the advanced management in Harvard Business School in 1991. Upon his official retirement, he was appointed as the President of the International Medical University.

He is also currently the Chairman of the KPJ Healthcare Medical Advisory Committee, President of Malaysian Health Informatics Association, President of National Kidney Foundation, Chairman of Medical Sciences Division, Academy of Sciences Malaysia, Chairman of Consultative Panel on Healthcare, National Productivity Corporation, Chairman of Ministry of Health Committee on Living Unrelated Donor Transplantation, Member of National Health Welfare Fund, Member of Malaysia-Indonesia Business of Council, Subcommittee on Human Resource, Education and Healthcare.



Tan Sri Dato' Dr Abu Bakar Suleiman, 59 tahun, telah dilantik menjadi Pengarah KPJ Healthcare pada 15 Mac 2001. Beliau mendapat Ijazah Perubatan dan Pembedahan dari Universiti Monash, Australia pada 1968 dan Ijazah Lanjutan Perubatan dari Universiti Singapura pada tahun 1974. Beliau adalah ahli Royal Australasian College of Physicians, dan ahli kehormat American College of Physicians. Beliau telah memulakan kerjaya sebagai Pegawai Perubatan dengan Kementerian Kesihatan sejak tahun 1969 dan kemudian menamakan latihan dalam Perubatan Dalaman sebelum dilantik sebagai Pakar Perunding Perubatan di Jabatan Nefrologi di Hospital Kuala Lumpur.

Pada tahun 1975, beliau telah dilantik sebagai doktor pelawat kepada Bahagian Nefrologi di Georgetown University Hospital, Washington DC dan Prince Henry's Hospital, Melbourne, Australia. Pada tahun 1976, beliau kembali sebagai pakar perunding Nefrologi dan Ketua Jabatan Nefrologi Hospital Kuala Lumpur. Pada tahun 1987 beliau memegang jawatan sebagai Pengarah Perkhidmatan Perubatan Kementerian Kesihatan serta menjadi Timbalan Ketua Pengarah pada tahun 1989 sebelum dinaikkan pangkat menjadi Ketua Pengarah di Kementerian Kesihatan dari tahun 1991 hingga 2001. Beliau pernah menghadiri program pengurusan lanjutan di Harvard Business School pada tahun 1991. Sejak persaraannya dari Kerajaan, beliau telah dilantik sebagai Presiden International Medical University.

Beliau juga adalah Pengerusi Jawatankuasa Penasihat Perubatan KPJ Healthcare, Presiden Malaysian Health Informatics Association, Presiden National Kidney Foundation, Pengerusi Bahagian Medical Sciences, Akademi Sains Malaysia, Pengerusi Panel Rujukan Prisihalin, Majlis Produktiviti Nasional, Pengerusi Kementerian Jawatankuasa Kesihatan untuk Pemindahan Organ bagi Penderma Bukan Bersaudaraan, Ahli Tabung Kebajikan Kesihatan Nasional, Ahli Majlis Perniagaan Malaysia-Indonesia, ahli jawatankuasa kecil Tenaga Insan, Pembelajaran dan Kesihatan.

Zainah Mustafa, aged 48, is a Director of KPJ Healthcare since 21 February 1994. She also sits on the board of other companies of JCorp namely Pelaburan Johor Berhad, and the other two public listed company i.e. Kulim (Malaysia) Berhad and Johor Land Berhad.

She started her career as an Assistant Senior Auditor in Perbadanan Nasional Berhad in 1977 after graduating from Institute Technology of MARA (presently UiTM). She obtained her Association of Chartered Certified Accountants (ACCA) United Kingdom in 1976. In October 1978, she joined JCorp and was the Group Chief Financial Officer of JCorp until 31 October 2002. She is a member of the KPJ Healthcare Audit Committee.

Zainah Mustafa, 48 tahun, Pengarah KPJ Healthcare sejak 21 Februari 1994. Beliau juga Pengarah syarikat-syarikat JCorp seperti Pelaburan Johor Berhad, dan syarikat-syarikat tersenarai Kulim (Malaysia) Berhad and Johor Land Berhad.

Beliau memulakan kerjaya sebagai Pembantu Audit Kanan di Perbadanan Nasional Berhad pada 1977 selepas lulus dari Institut Teknologi MARA (sekarang UiTM). Beliau juga adalah ahli Association of Chartered Certified Accountants (ACCA) United Kingdom sejak 1976. Pada bulan Oktober 1978, beliau mula berkhidmat di JCorp dan jawatan terakhir beliau ialah Ketua Pegawai Kewangan Kumpulan JCorp sehingga 31 Oktober 2002. Beliau adalah ahli Jawatankuasa Audit KPJ Healthcare.



Datuk Dr Hussein Awang, aged 63, is a Director of KPJ Healthcare and was appointed to the Board of KPJ Healthcare on 21 February 1994. He received his Bachelor of Medicine and Bachelor of Surgery (MBBS) in 1964 from University of Melbourne, Australia. He was made a Fellow of the Australian College of Surgeons in 1992. He began his medical practice as the resident house officer in Singapore General Hospital in 1965, and then, as the Medical Officer of Surgery in Johor Bahru General Hospital from 1967 to 1970. In 1970, he was the Registrar in Surgery in General Hospital, Johor Bahru, and in 1972, he became the Clinical Specialist in Department of Urology and Nephrology in General Hospital, Kuala Lumpur. He practised in various hospitals in Australia from 1973 and upon his return to Malaysia in 1976 he became the Consultant Urologist and Head of Institute of Urology and Nephrology at the Kuala Lumpur General Hospital.

He is now the Consultant Urologist and Medical Director of Pusat Pakar Tawakal and a Director of Hong Leong Bank Berhad, a public listed company. He was the Malaysian Medical Council member from 1982 to 1983, President of the Malaysian Urological Association in 1989 and Vice-President of the National Kidney Foundation from 1988 to 1989. He is also the Healthcare Advisor for the Group.

Datuk Dr Hussein Awang, 63 tahun, telah dilantik sebagai Pengarah KPJ Healthcare sejak 21 Februari 1994. Beliau telah menerima Ijazah Perubatan dan Pembedahan (MBBS) pada tahun 1964 dari University of Melbourne, Australia. Beliau telah dilantik sebagai Fellow of the Australian College of Surgeons pada tahun 1992. Memulakan kerjaya sebagai pegawai perubatan serta pegawai perubatan residen di Hospital Besar Singapura pada tahun 1965, beliau kemudian dilantik sebagai Pegawai Perubatan Pembedahan di Hospital Besar Johor Bahru dari tahun 1967 ke 1970. Pada tahun 1970, beliau telah dilantik sebagai Pendaftar Pembedahan di Hospital Besar Johor Bahru dan pada tahun 1972 beliau dilantik sebagai Pakar Klinikal Urologi dan Nefrologi di Hospital Besar, Kuala Lumpur. Beliau telah berkhidmat di beberapa buah hospital di Australia dari tahun 1973 dan kembali ke Malaysia pada tahun 1976 sebagai Pakar Urologi dan Ketua Instituti Urologi dan Nefrologi di Hospital Besar Kuala Lumpur.

Beliau sekarang ialah Pakar Urologi dan Pengarah Perubatan di Pusat Pakar Tawakal dan Pengarah Hong Leong Bank Berhad, sebuah syarikat awam yang tersenarai. Beliau telah dilantik sebagai ahli Majlis Perubatan Malaysia dari tahun 1982 ke 1983, Presiden Persatuan Urologi Malaysia (1989) dan Timbalan Presiden National Kidney Foundation dari tahun 1988 ke 1989. Beliau juga merupakan Penasihat Prisihatin Kumpulan KPJ Healthcare.

Dato' Dr Lim Kee Jin, aged 80, was appointed as a Director of KPJ Healthcare on 1 September 1994. He graduated from University of Malaya, Singapore with Bachelor of Medicine and Bachelor of Surgery (MBBS) in 1952, and completed his postgraduate training in 1957/58 in Edinburgh and London. He then became a Fellow of the Royal College of Physicians of Edinburgh and London and received an Honorary Fellowship of the Royal Australasian College of Physicians in 1975. While in Government service, he rose steadily from House Physician to Senior Consultant Physician in 1970.

He was the President of Malaysian Medical Association (MMA) and College of Physician of Malaysia from June 1969 to June 1970. He is also the founder and Chairman of the Postgraduate Medical Centre in Hospital Sultanah Aminah, Johor Bahru and was the first Chairman of MMA Foundation as well as founder and was Editor-In-Chief of the journal, Berita MMA, for 17 years.

He is currently serving as the Chairman of the Johor Area Rehabilitation Organization (JARO). He was one of the pioneering doctors who proposed the development of Johor Specialist Hospital in 1979, and became Consultant Physician and also sits on the Board of Directors of the hospital ever since.



Dato' Dr Lim Kee Jin, 80 tahun, telah dilantik sebagai Pengarah KPJ Healthcare pada 1 September 1994. Beliau adalah lulusan Ijazah Perubatan dan Pembedahan (MBBS) dari Universiti Malaya Singapura pada tahun 1952 dan telah menamatkan Ijazah Lanjutan pada tahun 1957/58 di Edinburgh dan London. Beliau telah menjadi Fellow of the Royal College of Physicians of Edinburgh and London and telah menerima Honorary Fellowship of the Royal Australasian College of Physicians pada tahun 1975. Semasa bertugas di sektor kerajaan, beliau telah dinaikkan pangkat dari "House Physician" kepada Pakar Perubatan Kanan pada tahun 1970.

Beliau telah dilantik sebagai Presiden Persatuan Perubatan Malaysia (MMA) dan Kolej Physician Malaysia dari Jun 1969 hingga Jun 1970. Beliau juga merupakan perintis Pusat Ijazah Lanjutan Perubatan di Hospital Sultanah Aminah, Johor Bahru dan juga Pengerusi pertama Yayasan MMA dan juga perintis dan penerbit journal Berita MMA, selama 17 tahun.

Beliau adalah Pengerusi Pertubuhan Rehabilitasi Wilayah Johor (JARO), dan adalah antara doktor perintis dalam projek pembangunan Johor Specialist Hospital dalam tahun 1979, dan menjadi pakar perubatan serta ahli Lembaga Pengarah di hospital tersebut sejak itu.

Directors Profile



Dato' Dr K Kulaveerasingam, aged 73, was appointed as a Director of KPJ on 1 September 1994. He was the resident consultant Radiologist at Ipoh Specialist Centre from 1981 to 1994 and subsequently, he was appointed as Medical Director of Ampang Puteri Specialist Hospital. His specialty in Radiology began in October 1961 when he was a trainee registrar at the Royal Free Hospital in London, United Kingdom. He returned to Malaysia and became a Radiologist in Kuala Lumpur General Hospital in May 1963. Later, he was attached as a Radiologist to Seremban General Hospital from 1964 to 1965 and Penang General Hospital from 1965 to 1973.

In October 1968, he undertook an intensive advanced training programme in Diagnostic Radiology at Alfred Hospital, Melbourne, Australia and became a Consultant Radiologist at a private clinic in Kuala Lumpur from 1973 to 1981. His cumulative experience in Radiology is 40 years. He is active in community associations including a member of the Ethical Committee of MMA for many years, the President of Asian and Oceanian Society of Radiology (AOSR) from 1995 to 1998. He is currently a Board Member of Association of Private Hospitals Malaysia (APHM) and Malaysian Society for Quality in Health (MSQH).

Dato' Dr K Kulaveerasingam, 73 tahun, telah dilantik sebagai Pengarah KPJ Healthcare pada 1 September 1994. Beliau ialah pakar radiologi di Ipoh Specialist Centre dari tahun 1981 ke 1994 dan kemudiannya telah dilantik sebagai Pengarah Perubatan Ampang Puteri Specialist Hospital. Penghususkan beliau dalam bidang Radiologi bermula pada bulan Oktober 1961 apabila beliau telah menjadi pendaftar pelatih di Royal Free Hospital di London, United Kingdom. Sepulangnya ke Malaysia, beliau telah menjadi pakar radiologi di Hospital Besar Kuala Lumpur pada bulan Mei 1963. Kemudian, beliau dilantik sebagai Pakar Radiologi di Hospital Besar Seremban dari tahun 1964 ke 1965 dan Hospital Besar Pulau Pinang dari tahun 1965 to 1973.

Pada bulan Oktober 1968, beliau telah mengikuti kursus lanjutan dalam Diagnostik Radiologi di Alfred Hospital, Melbourne, Australia dan menjadi Pakar Radiologi di sebuah klinik swasta di Kuala Lumpur dari tahun 1973 hingga 1981. Pengalamannya dibidang Radiologi telah menjangkau 40 tahun. Beliau aktif dalam projek-projek kemasyarakatan termasuk menjadi Jawatankuasa Etika MMA untuk beberapa tahun, Presiden Persatuan Radiologi Asian and Oceanian (AOSR) dari tahun 1995 ke 1998. Beliau adalah ahli Lembaga Pengarah Persatuan Hospital Swasta Malaysia (APHM) dan Malaysian Society for Quality in Health (MSQH).

Dr Chakr Sri Na Nagara, aged 63, was appointed as a director of KPJ Healthcare on 1 September 1994. He graduated from University of Malaya, Singapore with Bachelor of Medicine and Bachelor of Surgery (MBBS) in 1964. He proceeded to do his post-graduate studies and obtained his Membership Royal College of Obstetrics and Gynaecology (MRCOG), London, United Kingdom in 1971. He obtained his Fellowship from the Royal College of Surgeons (FRCS), Edinburgh and Scotland, in 1970 and Fellow Royal College of Obstetrics and Gynaecology (FRCOG) in 1987. His medical career started in 1965 as a Houseman at Ipoh General Hospital, and later was in general practices in Ipoh, Butterworth and Kota Bharu. In 1966, he assumed several senior positions internationally at West Middlesex Hospital, Isleworth, St. Luke's Hospital, Guildford, Surrey and later promoted as a Registrar of Obstetrics and Gynaecology at Isle of Thanet Hospital, Margate, Kent, England till December 1971. His 5-year overseas medical experience had given him a better prospective when he became a lecturer at University of Malaya.

He is now the resident Consultant for Obstetrics and Gynaecology at Ipoh Specialist Hospital, with cumulatively 34 years of experience. His contributions to the community include being a member of the Ethical Committee of MMA from 1986 to 1987, the President of the Association of Private Hospitals in Malaysia (APHM) from 1992 to 1994 and is currently its Vice-President.



Dr Chakr Sri Na Nagara, 63 tahun, telah dilantik sebagai Pengarah KPJ Healthcare sejak 1 September 1994.

Beliau ialah lulusan Ijazah Perubatan dan Pembedahan (MBBS) dari Universiti Malaya, Singapura pada tahun 1964. Beliau telah melanjutkan pelajarannya dan mendapat Membership Royal College of Obstetrics and Gynaecology (MRCOG), London, United Kingdom pada tahun 1971. Beliau telah mendapat Fellowship dari Royal College of Surgeons (FRCS), Edinburgh dan Scotland, pada tahun 1970 dan Fellow Royal College of Obstetrics and Gynaecology (FRCOG) pada tahun 1987. Kerjaya perubatan beliau bermula pada tahun 1965 sebagai Houseman di Hospital Besar Ipoh, dan kemudian pegawai perubatan di Ipoh, Butterworth dan Kota Bharu. Pada tahun 1966, beliau telah menjawat beberapa jawatan kanan di peringkat antarabangsa di West Middlesex Hospital, Isleworth, St. Luke's Hospital, Guildford, Surrey dan kemudian dilantik sebagai Pendaftar Obstetrics and Gynaecology di Hospital Isle of Thanet, Margate, Kent, England sehingga Disember 1971. Selama 5 tahun pengalaman beliau di luar negara telah memberikan perspektif yang lebih luas apabila beliau dilantik sebagai pensyarah di Universiti Malaya.

Beliau sekarang ialah pakar Obstetrics and Gynaecology di Ipoh Specialist Hospital, dengan pengalaman yang menjangkau 34 tahun. Sumbangan beliau terhadap masyarakat termasuk menjadi ahli dalam Jawatankuasa Etika MMA dari tahun 1986 hingga 1987, Presiden Persatuan Hospital Swasta Malaysia (APHM) dari tahun 1992 hingga 1994 dan sekarang sebagai Timbalan Presiden.

Azzat Kamaludin, aged 58, was appointed to the Board of Directors of KPJ Healthcare on 1 September 1994. A lawyer by training, he was admitted as an advocate and solicitor of the High Court in 1979 and has been in practice since then as partner of Azzat and Izzat, a law firm. Prior to that, from 1970 to 1979, he served as an administrative and diplomatic officer with the Ministry of Foreign Affairs where he was the assistant secretary of Association of Southeast Asian Nation (ASEAN) and Zone of Peace, Freedom and Neutrality (ZOPFAN) Divisions, Second Secretary Permanent Mission of Malaysia to the United Nations, First Secretary and Head of Chancery Malaysian Commission in Hong Kong. He is currently serving as Director of several public listed companies, namely, MNI Holdings Berhad, Affin Holdings Berhad, Celcom (Malaysia) Berhad, Pulai Springs Berhad and Boustead Holdings Berhad. He is a member of the KPJ Healthcare's Audit Committee.

Azzat Kamaludin, 58 tahun, telah dilantik sebagai Pengarah KPJ Healthcare pada 1 September 1994. Sebagai seorang peguam, beliau telah dilantik sebagai peguam dan peguamcara Mahkamah Tinggi pada tahun 1979 dan telah berjaya dalam bidang guaman sejak itu bersama rakan kongsi syarikat Azzat and Izzat. Sebelum itu dari tahun 1970 hingga 1979, beliau telah dilantik sebagai pentadbir dan pegawai diplomatik Kementerian Luar Negara dimana beliau telah menjadi Pembantu Setiausaha kepada Persatuan Anggota-anggota Asia Tenggara (ASEAN) dan Bahagian Zon Pendamai, Kebebasan dan Keadilan (ZOPFAN), Setiausaha Tetap Kedua Misi Malaysia ke Pertubuhan Bangsa-bangsa Bersatu, Setiausaha Utama dan Ketua Suruhanjaya Malaysia di Hong Kong. Beliau sekarang ini memegang jawatan Pengarah di beberapa syarikat-syarikat awam yang tesenarai seperti MNI Holdings Berhad, Affin Holdings Berhad, Celcom (Malaysia) Berhad, Pulai Springs Berhad dan Boustead Holdings Berhad. Beliau juga merupakan ahli Jawatankuasa Audit KPJ Healthcare.



Jamaludin Md Ali, aged 45, is an Alternate Director of KPJ Healthcare since 1 January 2001. Jamaludin Md Ali holds a degree in Bachelor of Economics (Hons) from University of Malaya in 1982 and Master in Business Administration from University of Strathclyde, United Kingdom in 1987. He started his career with Malayan Banking Berhad as a Trainee Officer in March 1982 before joining Permodalan Nasional Berhad as International Fund Manager in 1991. He then joined JCorp in 1992 until today. He was the Chief Executive and Managing Director of Pelaburan Johor Berhad in 2000. At present he is the Chief Operating Officer of JCorp since 2001.

Jamaludin Md Ali, 45 tahun, ialah Pengarah Gantian KPJ Healthcare sejak 1 Januari 2001. Jamaludin Md Ali memegang Ijazah Ekonomi (Kepujian) dari Universiti Malaya pada tahun 1982 dan Ijazah Lanjutan Pentadbiran Perniagaan dari Universiti Strathclyde, United Kingdom pada tahun 1987. Kerjaya beliau bermula di Malayan Banking Berhad sebagai Pegawai Pelatih pada bulan Mac 1982 sebelum berkhidmat dengan Permodalan Nasional Berhad sebagai Pengurus Dana Antarabangsa pada tahun 1991. Beliau telah memulakan perkhidmatannya dengan JCorp pada tahun 1992 hingga sekarang. Beliau telah berkhidmat sebagai Ketua Eksekutif dan Pengarah Urusan Pelaburan Johor Berhad pada tahun 2000. Sejak 2001 hingga sekarang, beliau telah berkhidmat sebagai Ketua Pegawai Operasi JCorp.

ADDITIONAL INFORMATION/MAKLUMAT TAMBAHAN

Convictions for offences (within the past 10 years, other than traffic offences)

None of the Directors have any convictions for offences other than traffic offences.

Hukuman jenayah (pada jangkamasa 10 tahun yang lepas selain daripada kesalahan trafik)

Tiada di antara Pengarah-pengarah di atas telah pernah disabitkan dengan sebarang kesalahan selain dari kesalahan trafik, sekiranya ada.

Conflict of Interest with the Group/Pertindihan Kepentingan dengan Kumpulan

None of the Directors have any conflict of interest with the Group.

Tiada di antara Pengarah-pengarah di atas mempunyai sebarang konflik kepentingan dengan Kumpulan.

Management Team
Kumpulan Pengurusan



KPJ Healthcare Management Executive Committee
Jawatankuasa Pengurusan Eksekutif KPJ Healthcare



KPJ Healthcare Medical Directors
Pengarah Perubatan KPJ Healthcare



KPJ Healthcare Senior Management
Pengurusan Kanan KPJ Healthcare

Statement to Shareholders

Penyata Kepada Pemegang-pemegang Saham



Statement to Shareholders

Penyata kepada Pemegang-pemegang Saham

On behalf of the Board of Directors, we are pleased to present the Annual Report and Financial Statements of KPJ Healthcare Berhad (KPJ) for the financial year ended 31 December 2002.

Bagi pihak Ahli Lembaga Pengarah, kami dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan KPJ Healthcare Berhad bagi tahun kewangan berakhir 31 Disember 2002.



Tan Sri Dato' Muhammad Ali Hashim
Chairman/Pengerusi

Datin Paduka Siti Sa'adiah Sheikh Bakir
Managing Director/Pengarah Urusan

FINANCIAL OVERVIEW

KPJ Healthcare Berhad closed the Year 2002 triumphantly, both in our operations and corporate activities. With the completion of the merger and acquisition exercise in October 2002, the Group is well positioned for competitive advantage and further strategic growth. The corporate restructuring exercise had involved the acquisition of 9 hospitals, adding to the existing Johor Specialist Hospital (JSH) and Ipoh Specialist Hospital (ISH); plus other support service companies, thus streamlining all healthcare activities of the Group's ultimate holding corporation, namely Johor Corporation (JCorp) under the umbrella of KPJ Healthcare Berhad.

The newly acquired hospitals are Ampang Puteri Specialist Hospital and Damansara Specialist Hospital in Selangor, Tawakal Hospital in Kuala Lumpur, Kuantan Specialist Hospital in Pahang, Puteri Specialist Hospital and Penawar Hospital in Johor, Bukit Mertajam Specialist Hospital in Penang, Kedah Medical Centre in Kedah and Perdana Specialist Hospital in Kelantan.

The enlarged network extends KPJ Healthcare Berhad's market reach throughout the nation as the Group is now represented in most major cities in the country. Through our network, KPJ Healthcare is now able to offer diverse and integrated healthcare services encompassing comprehensive diagnostic, curative, therapeutic, rehabilitative and preventive medicine to a much larger customer base. KPJ Healthcare's speciality areas are in interventional cardiology, cardiothoracic surgery, radiotherapy, chemotherapy, neonatology and a full range of medical and surgical services for all disciplines offered by the Group's highly experienced, professional, skillful, and well-trained 254 resident and 106 visiting specialist consultants together with 3,489 nurses, paramedics and friendly support staff.

While KPJ Healthcare's primary activity remains the management of private specialist hospitals, the acquisition has brought in other activities, through Pharmaserv Alliances Sdn Bhd, (bulk procurement of pharmaceutical and medical supplies), Lablink (M) Sdn Bhd (pathology laboratory services), Puteri Nursing College (nursing education), PharmaCARE Sdn Bhd (retail pharmacy), and Healthcare Technical Services Sdn Bhd (hospital development, commissioning, maintenance and bio-medical engineering services).

TINJAUAN KEWANGAN

Tahun 2002 adalah tahun yang amat berjaya bagi KPJ Healthcare Berhad, baik dalam urusan operasi dan aktiviti-aktiviti korporat. Program penggabungan dan pengambilalihan pada Oktober 2002 telah memantapkan lagi kedudukan Kumpulan lebih berdaya saing dan terus berkembang dengan lebih strategik. Proses penstrukturkan semula ini melibatkan pengambilalihan 9 buah hospital bergabung bersama hospital yang sedia ada iaitu Johor Specialist Hospital (JSH) dan Ipoh Specialist Hospital (ISH) serta beberapa buah syarikat sokongan. Segala aktiviti prisihatin di bawah syarikat induk Johor Corporation (JCorp) diselaras dalam naungan KPJ Healthcare Berhad.

Antara hospital yang baru diambilalih ialah Ampang Puteri Specialist Hospital, dan Damansara Specialist Hospital di Selangor, Tawakal Hospital di Kuala Lumpur, Kuantan Specialist Hospital di Pahang, Puteri Specialist Hospital dan Penawar Hospital di Johor, Bukit Mertajam Specialist Hospital di Pulau Pinang, Kedah Medical Centre di Kedah dan Perdana Specialist Hospital di Kelantan.

Dengan terdapatnya rangkaian hospital yang didirikan di bandar-bandar utama di seluruh negara, KPJ Healthcare Berhad dapat memberikan perkhidmatan pakarnya kepada masyarakat secara lebih meluas dan memberikan perkhidmatan prisihatin yang pelbagai atau secara bersepadan merangkumi diagnostik, pemulihan, terapeutik, rehabilitasi dan rawatan pencegahan kepada pasaran yang lebih besar. Pengkhususan KPJ Healthcare termasuk perkhidmatan intervensi kardiologi, pembedahan kardiotorasik, radioterapi, kimoterapi, neonatologi, dan perkhidmatan kesihatan dan pembedahan yang komprehensif di dalam pelbagai disiplin. Kesemua perkhidmatan ini ditawarkan menerusi 254 pakar perubatan residen dan 106 pakar perubatan lawatan bersama 3,489 jururawat dan paramedik serta anggota pekerja yang berpengalaman, mahir serta cekap.

Walaupun aktiviti asas bisnes KPJ Healthcare adalah pengurusan hospital pakar, pengambilalihan ini membuka peluang kepada aktiviti-aktiviti lain termasuk aktiviti pembelian pukal barang farmasutikal dan bekalan kesihatan menerusi Pharmaserv Alliances Sdn Bhd, makmal perkhidmatan patologi menerusi Lablink (M) Sdn Bhd, kolej kejururawatan menerusi Puteri Nursing College, peruncitan farmasi menerusi PharmaCARE Sdn Bhd dan perkhidmatan pengurusan, pembangunan serta bio-med hospital menerusi Healthcare Technical Services Sdn Bhd.

Statement To Shareholders



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KPJ Healthcare Berhad 247079-M
Integration For Customer Care Excellence

The sign of success - The signing of agreement for Right Issues undertaken by Affin Merchant Bank.

Upacara menandatangani Terbitan Hak bersama Affin Merchant Bank.

The encouraging market sentiment for healthcare services and continuous national economic growth in spite of concerns for a slowdown has contributed to a better financial performance for the Group. As at 31 December 2002, the Group recorded remarkable increase in revenue as well as profit before taxation. KPJ Healthcare Berhad recorded a commendable pre-tax profit of RM22.4 million from a total revenue of RM215.8 million for the year under review compared to a pre-tax profit of RM17.5 million and total revenue of RM147.5 million in the previous year. The 2002 figures took into account the consolidation of the 2-month post-restructuring results of the newly-acquired companies.

With the positive performance for Year 2002, the Company has again augmented our net worth by creating a Shareholders Value Added (SVA) of RM4.63 million, which is 11.3 per cent higher than the Shareholders Value contribution registered in Year 2001.

The Group now has a total of 1,371 licensed beds in our 11 hospitals nationwide. Following the acquisition of the 9 hospitals, the Group registered an increase of 39.52 per cent in the number of outpatients, having served 416,373 outpatients compared with the previous year's 298,428 outpatients. Similarly, inpatients increased by 39.51 per cent from 31,424 inpatients in 2001 to 43,839 inpatients in the year 2002.

Sentimen pasaran terhadap perkhidmatan prishalih serta pertumbuhan ekonomi negara yang mengalakkan, walaupun dijangka akan mengalami sedikit kelembapan, sedikit sebanyak memberikan kesan dalam peningkatan prestasi kewangan Kumpulan. Pada tahun kewangan berakhir 31 Disember 2002, Kumpulan menunjukkan peningkatan yang memberangsangkan dalam pulangan dan keuntungan sebelum cukai. KPJ Healthcare Berhad mencatatkan rekod peningkatan pada keuntungan sebelum cukai sebanyak RM22.4 juta dari jumlah pulangan RM215.8 juta bagi tahun kewangan 2002 berbanding dengan keuntungan sebelum cukai sebanyak RM17.5 juta dan pulangan sebanyak RM147.5 juta bagi tahun sebelumnya. Laporan ini telah mengambil kira angka-angka konsolidasi hasil daripada penstrukturkan semula dan pengambilalihan syarikat-syarikat baru.

Dengan prestasi yang positif bagi tahun 2002, Syarikat sekali lagi telah mempertingkatkan Nilai Di Tambah Pemegang Saham (SVA) kepada RM4.63 juta, 11.3 peratus lebih tinggi dari tahun sebelumnya. Secara keseluruhan, Kumpulan mempunyai 1,371 buah katil yang dilesenkan di 11 hospital di seluruh negara. Hasil pengambilalihan 9 buah hospital, Kumpulan mencatatkan pertumbuhan sebanyak 39.52 peratus dalam jumlah pesakit luar, di mana KPJ Healthcare telah menawarkan perkhidmatan kepada 416,373 pesakit luar berbanding dengan 298,428 pesakit luar pada tahun sebelumnya. Bagi jumlah pesakit dalam pulau, KPJ Healthcare telah merekodkan peningkatan sebanyak 39.51 peratus dari 31,424 pesakit pada tahun 2001 kepada 43,839 pesakit pada tahun 2002.

KPJ Healthcare's strategic move to leverage on our strength as a national network, as well as our perseverance and focus in enhancing our services and patient care delivery excellence, have improved performance levels all round. These have created a positive impact, which in turn enhanced KPJ Healthcare's reputation and strengthened our position as a provider and manager of quality healthcare services. As a result, the Group has been rewarded with strengthened patient and customer loyalty, as well as a wider base of support so crucial to its long term prospects.

KPJ Healthcare's professionalism and commitment in care delivery services continue to attain a high level of recognition in the private healthcare market in the country and is well registered with the public generally. This display of confidence and trust further strengthens the Group's resolve to continue delivering quality and integrated healthcare services to meet our customers' needs and requirements, thus enhancing value for our investors and shareholders.

Dividend

The Board has agreed to declare an interim tax-exempt dividend of 5 sen per share for the financial year ended 31 December 2002. Payment has been made on 17 March 2003.

Corporate Governance and Risk Management

KPJ Healthcare has been proactive in the implementation of and adherence to the Corporate Governance guidelines. KPJ Healthcare Board and Management have formulated policies and put in place procedures, as well as systems to ensure that the highest standards of corporate governance principles and practices are always adhered to.

The Board of Directors is confident that with the strong commitment and dedication demonstrated by members of the Audit Committee, the Group's adoption of Corporate Governance principles and Risk Management issues have been effectively dealt with. One of the approaches is through the Risk Management initiative, which is a critical aspect in ensuring excellence in management and clinical operations. The Board has also agreed to the appointment of a Chief Risk Officer (CRO) whose functions are to manage, integrate, coordinate and control the Group's risks. The CRO is assisted by designated Risk Officers at each and every hospital.

Strategi KPJ Healthcare menerusi jaringan hospitalnya di seluruh negara, kecekalan yang tinggi dan tumpuan kepada peningkatan perkhidmatan dan penjagaan pesakit, telah menyumbang kepada tahap prestasi yang baik di semua peringkat. Segala keprihatinan ini telah memberikan kesan positif dan meningkatkan reputasi serta memperkuuhkan kedudukan KPJ Healthcare sebagai penyedia dan pengurus perkhidmatan prisihatin yang baik dan berkualiti. Ini memberi kesan kepada peningkatan kesetiaan pelanggan yang mana memberikan sokongan pasaran yang lebih luas bagi prospek jangkapanjang.

Profesionalisma serta komitmen KPJ Healthcare dalam menyalurkan perkhidmatannya terus membawa pengiktirafan yang tinggi dalam industri prisihatin negara dan diakui oleh masyarakat amnya. Hasil dari keyakinan serta kepercayaan pelanggan akan terus merangsang Kumpulan untuk terus memberikan perkhidmatan yang berkualiti secara bersepudu bagi memenuhi keperluan serta kehendak pelanggan dan seterusnya meningkatkan nilai kepada pelabur dan pemegang saham.

Dividen

Lembaga Pengarah telah bersetuju untuk membayar dividen interim yang dikecualikan cukai sebanyak 5 sen bagi setiap satu saham bagi tahun kewangan berakhir 31 Disember 2002. Bayaran ini telah pun dibuat pada 17 Mac 2003.

Tadbir Urus Korporat dan Pengurusan Risiko

KPJ Healthcare amat proaktif dalam proses penerapan dan pematuhan Tadbir Urus Korporat. Lembaga Pengarah serta pihak Pengurusan telah merangka polisi dan meletakkan prosedur serta sistem bagi menentukan piawaian tertinggi tadbir urus korporat sentiasa diikuti.

Lembaga Pengarah amat yakin dengan komitmen dan dedikasi yang telah dipamerkan oleh Jawatankuasa Audit, yang mana isu-isu Tadbir Urus Korporat dan Pengurusan Risiko Kumpulan telah dipatuhi dan ditangani dengan efektif. Antara pendekatannya ialah menerusi inisiatif pengurusan risiko, satu aspek kritikal bagi menentukan keberkesanan pengurusan Kumpulan serta operasi klinikal. Lembaga Pengarah telah bersetuju melantik Ketua Pegawai Risiko (CRO), yang berfungsi untuk mengurus, menyelenggara, menyelaras dan mengawal risiko Kumpulan. CRO ini dibantu oleh Eksekutif Risiko yang dilantik di setiap hospital.

Statement To Shareholders



Medical and Management Professionals at the 2nd Annual KPJ Medical Conference 2002.
Pakar-pakar perubatan dan pengurusan di Persidangan Perubatan Tahunan KPJ ke-2 2002.

Recognising that Risk Management is a key organisational responsibility, KPJ Healthcare has put in place strategic measures to ensure our team members have a real sense of ownership and commitment towards identifying and minimising risks. Hence, Risk Management programmes were conducted at JSH and ISH, in mid-2002 by the Group Compliance and Internal Audit (GCIA) team of JC Corp, who were appointed as KPJ Healthcare's Risk Management consultants. Similar training programmes have also been drawn to train staff in other hospitals, conducted by the consultants commencing March 2003.

The programmes, specially designed to cater for the hospitals' staff, including nursing and the professional services, have contributed to a greater understanding of the strategic, financial and operational risks facing the Group's respective business functions and the actions required to deal with them.

Clinical Governance

Being a healthcare service provider, Clinical Governance is of the utmost importance to the Group. The Board, has therefore assigned the Medical Advisory Committee (MAC), with the task to ensure that Clinical Governance is incorporated into all levels of hospital operations.

Menyedari Pengurusan Risiko adalah tanggungjawab asas di dalam organisasi, KPJ Healthcare telah menentukan langkah-langkah strategik dalam membantu kesemua yang terlibat memahami serta memberikan komitmen dalam mengenalpasti serta mengurangkan risiko. Pada pertengahan tahun 2002, program Pengurusan Risiko telah dijalankan di JSH dan ISH, yang dikelolakan oleh Jawatankuasa Pematuhan dan Audit Dalaman (GCIA) JC Corp serta pakar perunding Pengurusan Risiko yang dilantik oleh KPJ Healthcare. Program yang sama turut diadakan bagi melatih anggota pekerja di lain-lain hospital, yang akan dikelolakan oleh Jawatankuasa GCIA JC Corp mulai Mac 2003.

Program tersebut yang telah dirancang khas untuk anggota pekerja hospital termasuk jururawal serta jabatan perkhidmatan profesional, telah memberikan sumbangan besar kepada pemahaman serta penghayatan dari aspek-aspek strategi, risiko kewangan dan operasi yang dihadapi oleh setiap fungsi bisnes Kumpulan serta pelaksanaan yang perlu bagi menangani risiko tersebut.

Tadbir Urus Klinikal

Sebagai penyedia perkhidmatan prishatin, Tadbir Urus Klinikal merupakan perkara terpenting Kumpulan.

Penyata Kepada Pemegang-pemegang Saham



The MAC, which is also KPJ Healthcare's main Clinical Governance Committee (CGC), assisted by the Clinical Governance Policy Committee (CGPC) and Clinical Governance Action Committee (CGAC), has played a fundamental role in strengthening the Group's clinical governance measures by setting-up a broad framework and procedures for clinical audit, quality assurance and evidence-based practice. Procedures have also been developed to identify and review constraints, which include critical incident reporting, complaint management procedures and others. The Committee, which comprise representatives of the medical consultants and management team, meets regularly to discuss, review and assess the procedures within the Group, to ensure that all hospitals totally adhere to guidelines provided including compliance to the Malaysian Medical Association's (MMA) Schedule of Fees 1997, as well as to evaluate new systems and procedures applicable to the Organisation.

As an example of our efforts to maintain high levels of medical excellence, clinical indicators are being collected from all KPJ Healthcare hospitals, for regular tabulation and presentation to the CGAC every three months. The results will provide a point of reference for the MAC to appraise the Group's overall clinical performance standards.

This dedication towards clinical excellence and professionalism is shared with our medical consultants throughout the Group. An avenue to ensure the continuation of this strong dedication is via the KPJ Healthcare Annual Medical Conference. This is a highly awaited event in the Group's activity calendar which not only addresses key developments in the field of medical practices and research, but also acts as a platform for the medical consultants to interact with their counterparts from other hospitals as well as with the Management team members, thus creating a stronger team spirit and commitment to the Group.

YB Dato' Seri Rafidah Aziz officiating the Annual KPJ Healthcare Medical Conference 2002 during the opening ceremony.

YB Dato' Seri Rafidah Aziz di majlis perasmian Persidangan Perubatan Tahunan KPJ Healthcare 2002.

Menerusi Jawatankuasa Penasihat Perubatan (MAC), Lembaga Pengarah telah diberi tugas untuk menentukan Tadbir Urus Klinikal diterapkan di semua peringkat operasi hospital.

MAC yang juga merupakan Jawatankuasa utama Tadbir Urus Klinikal (CGC) KPJ Healthcare, turut dibantu oleh Jawatankuasa Polisi (CGPC) dan Jawatankuasa Bertindak (CGAC), yang memegang peranan penting untuk memantapkan langkah-langkah Tadbir Urus Klinikal Kumpulan menerusi pembentukan rangkakerja serta prosedur untuk audit klinikal, penentuan kualiti dan praktis berpandukan fakta. Pelbagai prosedur turut dibentuk bagi mengenalpasti dan mengkaji halangan, termasuk laporan kejadian kritikal, pengurusan aduan dan sebagainya. Jawatankuasa ini yang dianggotai oleh wakil-wakil perunding perubatan dan pengurusan, akan bermesyuarat bagi membincangkan, mengkaji dan menilai segala prosedur Kumpulan dan menentukan bahawa setiap hospital mengikut garis panduan sepenuhnya termasuk mematuhi Jadual Pembayaran oleh Persatuan Perubatan Malaysia (MMA) 1997. Jawatankuasa ini turut menilai sistem dan prosedur baru yang boleh diserapkan ke dalam organisasi.

Antara aktiviti KPJ Healthcare yang memaparkan usahanya ke arah menentukan tahap kesihatan yang tinggi ialah pengumpulan data klinikal dari setiap hospital KPJ Healthcare akan dikemaskini dan dibentang kepada CGAC setiap tiga bulan. Segala keputusan akan dijadikan sebagai bahan rujukan oleh MAC bagi penilaian piawaian prestasi klinikal Kumpulan.

Dedikasi Kumpulan terhadap keunggulan serta profesionalisma klinikal turut dikongsi bersama oleh perunding perubatan Kumpulan. Persidangan Perubatan Tahunan KPJ Healthcare merupakan cara bagi menentukan kesinambungan dedikasi yang tinggi ini. Acara tahunan ini amat dinantikan kerana ia bukan sahaja membincangkan tentang perkembangan terkini dalam penyelidikan perubatan tetapi juga dapat merapatkan hubungan dan kerjasama di antara perunding perubatan di dalam Kumpulan termasuk berinteraksi dengan pihak pengurusan. Kesemua ini bertujuan untuk mempertingkatkan semangat kerjasama dan komitmen terhadap Kumpulan.

Statement To Shareholders



KPJ Healthcare's Second Annual Medical Conference in April 2002, with the theme "Professional Solidarity For Customer Care Excellence" involving more than 200 medical consultants from throughout the Group, was officiated by the Minister of International Trade and Industry, YB Dato' Seri Rafidah Aziz, who acknowledged KPJ Healthcare's contributions in promoting Malaysia as a hub for healthcare excellence. This highly successful Conference set a paradigm in fostering the spirit of togetherness, as well as strengthening the commitment to excellence shared by the entire KPJ Healthcare Team.

OPERATIONAL REVIEW

Service Enhancement and Expansion Program

Putting customers first, KPJ Healthcare continuously reviews all facilities and services to ensure continuous patient satisfaction and comfort, as well as enhance the Group's competitive advantage. To this end, KPJ Healthcare has embarked on a Group-wide expansion program to renovate and upgrade most of our existing hospitals' facilities and ambiance.

Located in the strategic vicinity of Klang Valley, Ampang Puteri Specialist Hospital (APSH), the Group's flagship hospital, completed its new Paediatric Ward on the 6th floor, to capture the growing demand for neonatal and child care of the community. The new 70-bedded ward, complete with a High Dependency Unit (HDU) and E-learning Center-cum-playroom, was creatively built around the 'Sea World' concept.

In addition, APSH has also purchased, in mid-2002, a new super conductor Magnetic Resonance Imaging (MRI) machine to enhance its diagnostics capabilities.

With its proud history of being one of the earliest private hospitals in the country, APSH's sister hospital, Tawakal Hospital (PPT), has stood against time to offer quality patient care. In order to cater to its increasing number of loyal customers, in early April 2003, the Group formalised the purchase of an ideal site for the relocation to a new Tawakal Hospital in the vicinity of the existing hospital.

YAB Menteri Besar Johor congratulating Chairman of KPJ Healthcare on the successful launch of JSH new consultants block and oncology centre.

YAB Menteri Besar Johor memberi ucapan tahniah kepada Pengerusi KPJ Healthcare di atas pelancaran blok pakar perubatan dan pusat onkologi baru JSH.

Persidangan Perubatan Tahunan KPJ Healthcare kedua telah berlangsung pada bulan April 2002 dengan tema "Perpaduan Warga Profesional Ke Arah Keunggulan Penjagaan Pelanggan", telah disertai oleh lebih 200 perunding perubatan di dalam Kumpulan. Persidangan tersebut telah dirasmikan oleh Menteri Perdagangan Antarabangsa dan Industri YB Dato' Seri Rafidah Aziz, di dalam ucapannya memberi penghargaan kepada usaha KPJ Healthcare dalam mempromosikan Malaysia sebagai pusat keunggulan perubatan. Persidangan ini telah berjaya membentuk satu paradigma baru dalam mengukuhkan semangat sepasukan, serta meningkatkan komitmen terhadap keunggulan yang dikongsi bersama oleh seluruh warga kerja KPJ Healthcare.

TINJAUAN OPERASI

Program Pembangunan serta Peningkatan Perkhidmatan

Dengan meletakkan kepentingan pengguna di peringkat teratas, KPJ Healthcare sentiasa mengkaji segala peralatan serta perkhidmatan bagi menentukan kepuasan serta keselesaan pengguna di samping meningkatkan daya saing Kumpulan. Setakat ini, KPJ Healthcare telah pun memulakan pelan pembangunan keseluruhan Kumpulan bagi mengubahsuai dan mempertingkatkan prasarana dan struktur fizikal hospital-hospitalnya yang sedia ada.

Ampang Puteri Specialist Hospital (APSH) yang terletak di dalam lokasi strategik di Lembah Kelang, telah pun menyiapkan Wad Pediatrik yang baru di tingkat 6, bagi menampung peningkatan keperluan terhadap penghususan penjagaan kesihatan kanak-kanak dan bayi (neonatal). Wad ini yang berkapasiti sebanyak 70 katil dilengkapi dengan Unit Penjagaan Rapi dan Ruang Permainan yang juga pusat E-pembelajaran, yang telah dibina berkonsep ciri "Sea World".

Pada pertengahan tahun 2002, APSH turut membeli mesin MRI yang baru bagi mempertingkatkan lagi keupayaan diagnostik.

Sementara itu sebagai sebuah hospital KPJ Healthcare yang terawal, Hospital Tawakal (PPT) telah menawarkan perkhidmatan prisihat yang berkualiti kepada pelanggannya sekian lama. Bagi memenuhi permintaan yang kian meningkat, pihak pengurusan telah mengenalpasti dan membuat pembelian tapak bagi pembinaan Hospital Tawakal yang baru.

KPJ Healthcare's other hospital in the Klang Valley, Damansara Specialist Hospital (DSH), will be starting the renovation of its 4th and 5th Floors, increasing its capacity to 180 beds. This expansion will also see the hospital receiving a comprehensive cardiology and cardiac surgery services, with the setting up of a new Catheterisation Lab and Cardiac Operation Theatre to meet the increasing demand for this discipline.

The Group's first hospital, Johor Specialist Hospital (JSH) has seen a boost in outpatient care delivery and renewed patient satisfaction with the opening of our new Physician Consulting Block (PCB), officially launched by YAB Menteri Besar Johor, Dato' Abdul Ghani Othman in December 2002. The new building offers a total of 40 clinics, a comprehensive Diagnostic and Therapeutic Radiotherapy and Oncology Centre, a 250-seater conference room complete with modern audio-visual facilities for public medical educational programmes, among others. JSH is also completing the details for renovation works in other parts of the hospital, including the First Floor of the Inpatient Block to convert it into a new and technologically-sophisticated ICU/CCU.

Also experiencing increasing customer demand in Johor is Puteri Specialist Hospital (PSH), which has also completed the building of an annex block to accommodate new consultant clinics and to cater to the increasing demand of outpatients and ambulatory services.

Another KPJ Healthcare hospital in the Southern region is Penawar Hospital (Penawar). Functioning as a satellite hospital, Penawar was built to support and offer healthcare facilities to the Pasir Gudang industrial township.

In Perak, Ipoh Specialist Hospital (ISH) is planning for a new Physician Consulting Block on the land adjacent to its current location, to meet the growing demand for private specialist health care in this region. This new block will house additional wards, outpatient clinics, a new

Damansara Specialist Hospital adalah sebuah lagi hospital dalam Kumpulan yang terletak di Lembah Kelang. Hospital ini akan memulakan pengubahsuaian di tingkat 4 dan 5 untuk menambah kapasiti katil yang sedia ada ke 180 buah. Pengubahsuaian ini turut melibatkan pertambahan kemudahan baru iaitu perkhidmatan kardiologi yang komprehensif termasuk perkhidmatan pembedahan kardiologi dan makmal kateter bagi memenuhi permintaan bagi perkhidmatan ini di DSH.

Johor Specialist Hospital (JSH), hospital pertama di dalam Kumpulan telah pun melihat hasil dalam peningkatan pesakit luar. Hospital ini juga turut mendapat peningkatan kepuasan dari pelanggannya apabila blok pakar perubatan yang baru telah dirasmikan oleh YAB Menteri Besar Johor, Dato' Abdul Ghani Othman pada bulan Disember 2002. Blok bangunan baru ini dapat menempaikan 40 buah klinik pakar, pusat onkologi dan radioterapi teraputik dan diagnostik yang komprehensif. Selain dari itu ianya menawarkan kemudahan bilik persidangan yang dapat memuatkan 250 peserta lengkap dengan kemudahan audio visual bagi kegunaan program pembelajaran kesihatan untuk komuniti. JSH turut mengubahsuai ICU/CCU di tingkat satu Blok Pesakit Dalaman agar dapat menggunakan kemudahan berteknologi tinggi dan sofistikated.

Puteri Specialist Hospital di Johor yang turut mengalami peningkatan dalam permintaan perkhidmatan telah pun menyiapkan pembangunan bangunan baru bersebelahan dengan hospital yang ada sekarang, yang menempaikan klinik perunding perubatan yang baru untuk pesakit luar dan juga perkhidmatan rawatan harian "ambulatory".

Sebuah lagi hospital KPJ di selatan ialah Penawar Hospital (Penawar). Berfungsi sebagai hospital satelit, Penawar telah dibina untuk menampung serta menawarkan kemudahan kesihatan kepada masyarakat di Bandar Industri Pasir Gudang.

Manakala di Perak, Ipoh Specialist Hospital (ISH) sedang merancang pembinaan blok perunding perubatan yang baru di tanah bersebelahan dengan lokasi hospital yang sedia ada, bagi menampung peningkatan permintaan terhadap perkhidmatan prishatin swasta di pasarannya. Blok baru ini menawarkan perkhidmatan wad baru, klinik pesakit luar, pusat onkologi dan radioterapi yang baru,



Highly skill personnel combines with up-to-date facilities is KPJ's way to serve the customer better and efficiently.

Anggota pekerja yang mahir serta kemudahan peralatan yang canggih adalah cara KPJ untuk menentukan pesakit diberikan perkhidmatan terbaik dan efisien.

Statement To Shareholders

Radiotherapy and Oncology Centre, a multi-storey car park and other ancillary facilities to ensure the comfort and effectiveness of services to our patients and customers. Work will commence upon approval of the building plans by the local authority.

ISH has also provided off-pump cardiac surgery technique in its effort to offer more affordable open-heart surgery procedure to the community.

Further north in Alor Setar, Kedah Medical Centre (KMC) commenced the construction of a new 10-storey building next to its existing block. The building will house additional clinics, diagnostic services as well as rooms for inpatients. The expansion program which commenced in early 2002 to cater to the increasing demand from the Kedah and Perlis community, is expected to complete in the third quarter of Year 2003.

Bukit Mertajam Specialist Hospital (BMSH), in Seberang Prai, has also shown a tremendous improvement since KPJ's Healthcare's acquisition in February 2000. The Management is continuously enhancing the physical structure of the hospital to offer the customer more comfortable facilities and ambiance.

Along the Peninsula's Eastern Corridor, Kuantan Specialist Hospital (KSH), has completed its new hospital block with 20 additional beds, a Dialysis Centre, a new Physiotherapy Centre, Diagnostic Centre and a Diet Counselling Unit.

Following the positive market response to KSH's Cardiologist Services, which commenced in Year 2000, the Group has taken steps to further enhance its facilities including the setting up of a Catheterisation Laboratory in 2003.

The opening of Hospital Pakar Perdana (Perdana) in 2002 in Kota Bharu, Kelantan, further manifests KPJ Healthcare's commitment to the East Coast community as well as Southern Thailand. Located in the centre of town, this 5-storey hospital offers comprehensive general medical and surgical specialist services.

Domestic Market Expansion

KPJ Healthcare stands for our belief that quality private healthcare services should be made accessible to all Malaysians and residents alike. Thus, extending our network of hospital and healthcare services to wherever there is a sizeable and feasible market becomes a priority business consideration. With its growing reputation and

tempat letak kereta bertingkat, dan lain-lain keperluan sokongan bagi menentukan keselesaan serta keberkesanan perkhidmatan kepada pengguna. Segala kerja-kerja pengubahsuaian ini akan bermula sebaik sahaja mendapat kelulusan dari pihak berkuasa tempatan.

ISH telah menawarkan teknik pembedahan jantung tanpa pam dalam usahanya untuk memberikan kos pembedahan jantung terbuka yang berpatutan kepada masyarakat.

Sementara itu di Alor Setar, Kedah Medical Centre (KMC) telah mula membina blok 10 tingkat bersebelahan dengan bangunan sedia ada untuk menempatkan klinik tambahan, perkhidmatan diagnostik dan wad bagi pesakit dalam. Projek yang dimulakan pada awal tahun 2002 ini adalah untuk memenuhi permintaan yang meningkat dari negeri Kedah dan Perlis, yang dijangka akan siap pada suku ketiga tahun 2003.

Bukit Mertajam Specialist Hospital (BMSH) turut mengalami peningkatan yang ketara sejak diambil alih oleh KPJ Healthcare pada Februari 2000. Pihak pengurusan turut memperbaiki serta mempertingkatkan struktur fizikal hospital tersebut bagi menawarkan pesakit perkhidmatan serta prasarana yang lebih selesa.

Di Pantai Timur pula, Kuantan Specialist Hospital (KSH) telah menyiapkan blok baru hospitalnya dengan penambahan 20 buah katil, pusat dialisis, pusat fisioterapi, pusat diagnostik dan pusat kaunseling diet.

Berikut dengan maklumbalas positif terhadap perkhidmatan kardiologi, KSH telah mulakan projek menaiktaraf hospital tersebut termasuk menyediakan makmal katester dalam tahun 2003.

Pembukaan Hospital Pakar Perdana (Perdana) pada tahun 2002 di Kota Bharu, Kelantan mempamerkan komitmen KPJ Healthcare terhadap komuniti di Pantai Timur serta Selatan Thailand. Bangunan 5 tingkat ini, yang terletak di tengah bandar Kota Bharu, turut menawarkan segala perkhidmatan perubatan dan pembedahan pakar yang komprehensif.

Pembangunan Pasaran Dalam Negeri

KPJ Healthcare berpegang teguh dengan pendirian bahawa perkhidmatan prisihatin yang baik dan berkualiti boleh dinikmati oleh semua warga Malaysia dan penduduknya. Dengan itu, KPJ Healthcare akan menawarkan perkhidmatannya menerusi hospitalnya di seluruh negara di mana terdapat pasaran yang berpotensi. Menerusi reputasi serta imej korporat yang



strong corporate image, KPJ Healthcare has been sought by many with proposals for joint ventures, strategic collaborations and smart partnerships to build and manage as well as to provide consultation on hospital management services. KPJ Healthcare is, however, extremely cautious in assessing these prospects and all of them are professionally evaluated based on stringent business viability criteria. There are currently three projects under development in collaboration with our strategic business partners.

The first project currently being developed is the Kuching Specialist Hospital in Tabuan Laru, Kuching. It is expected to be in operation by the fourth quarter of Year 2003. This four-storey hospital will be KPJ's first specialist healthcare facility in Sarawak.

Next in line is the five-storey Seremban Specialist Hospital in Seremban, Negeri Sembilan, a joint venture with the Majlis Agama Islam Negeri Sembilan. This hospital is expected to provide services to the public by early Year 2004. This 120-bedded hospital will cater to, not only the Negeri Sembilan residents, but also bordering communities of Kuala Lumpur and Selangor especially in the high growth areas of Sepang, Nilai and Putrajaya.

KPJ Healthcare is also targeting to open another hospital in Muar, Johor, before the end of Year 2004. Named Maharani Hospital, this 60-bedded hospital will offer comprehensive medical and surgical specialist services to the surrounding community.

Information Communication Technology

In the era of the digital revolution, where speed is one of the determining factors of patient care outcomes, KPJ Healthcare's IT division is in the process of integrating Information Systems, leveraging the Group's value-driven customer service. After the successful development of our in-house Hospital Information Technology System, HITS, KPJ Healthcare has now embarked onto the development of the Clinical Information Services, in short CIS, to enhance our services to the medical consultants and patients.

Board of Directors of KPJ Healthcare Berhad at the signing ceremony of Sales & Purchase Agreement for relocation of Tawakal Hospital.

Lembaga Pengarah KPJ Healthcare Berhad di majlis menandatangani Perjanjian Jual Beli tanah bagi tapak baru Tawakal Hospital.

kian dikenali, KPJ Healthcare turut menerima beberapa kertas kerja cadangan dari usahawan tempatan untuk projek usahasama, pengabungan strategik bagi membina dan menguruskan termasuk memberikan perkhidmatan perundingan dalam perkhidmatan pengurusan hospital. Segala cadangan yang diterima dinilai dengan penuh teliti dengan berlandaskan ciri-ciri kesesuaian projek. Dalam masa terdekat, KPJ Healthcare sedang menguruskan 3 projek baru dengan rakan kongsi niaganya.

Projek yang sedang dalam pembinaan ialah Kuching Specialist Hospital di Tabuan Laru, Kuching yang dijangka akan siap pada penghujung tahun 2003. Hospital 4-tingkat ini, merupakan hospital pakar KPJ Healthcare yang pertama di Sarawak.

Seremban Specialist Hospital di Seremban, adalah hospital yang kedua dalam pembinaan, yang dijangka akan dibuka kepada orang ramai pada awal tahun 2004. Hospital 5-tingkat ini dengan kemudahan 120 buah katil akan menawarkan perkhidmatan kepada penduduk Negeri Sembilan dan juga penduduk di pinggir negeri Selangor dan Kuala Lumpur terutama di kawasan yang pesat membangun seperti Sepang, Nilai dan Putrajaya.

KPJ Healthcare juga dalam perancangannya akan membuka sebuah hospital di Muar sebelum hujung tahun 2004. Hospital yang akan dinamakan Hospital Maharani, akan mempunyai 60 buah katil lengkap dengan perkhidmatan pakar perubatan dan pembedahan untuk ditawarkan kepada masyarakat setempat dan sekitarnya.

Teknologi Informasi Komunikasi

Dalam era teknologi yang kian pesat membangun, di mana kepentasan merupakan faktor utama dalam menentukan keberkesanan penjagaan pesakit, Unit IT sedang giat mengkaji cara untuk mengintegrasikan Sistem Maklumat di KPJ Healthcare bagi menyelaras perkhidmatan Kumpulan yang berteraskan nilai. Setelah menempa kejayaan dalam pembangunan perisian Sistem Teknologi Maklumat Hospital, HITS, KPJ Healthcare telah pun menerokai pembangunan perisian Perkhidmatan Informasi Klinikal, CIS, bagi mempertingkatkan perkhidmatan kepada pakar perubatan dan juga pesakit.

Statement To Shareholders

While HITS assists in the administration from admission to discharge and billings, CIS will cover care delivery in patient management, patients' records management, drugs administration and the setting up of appointments with consultants. The CIS outpatient module has been successfully piloted at Puteri Specialist Hospital in Johor Bahru, and will be implemented gradually in all other KPJ's hospitals. In the meantime, other modules are also being developed in PSH, namely the CIS electronic inpatient orders, inpatient nursing, Operation Theatre Management, and Clinical Template for specialists. This will facilitate the integration of HITS and CIS, in all KPJ Healthcare hospitals.

Human Capital Management and Quality Standards Programs

KPJ Healthcare's total manpower strength as at the end of December 2002 was 3,674, of which 3,489 or 95 per cent are based at the Hospitals whilst the remaining 185 or 5 per cent are at the Corporate Head Office and subsidiary companies.

A highly professional workforce and quality work performance are the assurances of safety to our patients. KPJ Healthcare places a strong emphasis on these two areas to uphold our promise of good customer service. Most important is the continuous effort to build these into the corporate culture of the Group.

The KPJ Healthcare Group continued with its convention of holding Annual Corporate Addresses, so vital for corporate cohesion and integration of its fast expanding membership and staff. These Annual Addresses, with one held in January and another in July, not only give emphasis on the Group's strategic direction for the year, but also serve as a platform for bonding as well as to inspire, motivate and encourage the team members at all levels throughout the nation to maintain continuously high standards of customer service.



Creative ideas rewarded through Annual QCC Convention.

Ide kreatif diiktiraf menerusi Konvensyen Tahunan QCC.

HITS membantu dalam proses pentadbiran pesakit dari kemasukan sehingga kepada pembayaran apabila pesakit telah sihat, sementara CIS pula akan membantu di dalam proses pemberian perkhidmatan iaitu pengurusan pesakit, rekod pesakit, pengurusan ubat-ubatan dan juga dalam membuat temujanji dengan pakar perubatan. Modul CIS telah dengan jayanya diuji di PSH dan akan digunakan secara berperingkat di semua hospital KPJ Healthcare. Sementara itu modul lain yang akan ditambah termasuk Pelan Elektronik Penjagaan dan Kejururawatan Pesakit Dalaman, Pengurusan Bilik Pembedahan dan Templat Klinikal untuk pakar perubatan. Menerusi usaha ini, sistem HITS dan CIS akan digabungkan di semua hospital milik KPJ Healthcare.

Pengurusan Tenaga Insan dan Program Piawaian Kualiti

Pada penghujung tahun 2002, KPJ Healthcare mempunyai jumlah tenaga kerja seramai 3,674 di mana 3,489 ataupun 95 peratus daripadanya adalah anggota pekerja di hospital manakala 185 (5 peratus) daripadanya bertugas di Ibu Pejabat Korporat dan syarikat-syarikat subsidiari.

Tenaga kerja profesional serta prestasi kerja yang berkualiti merupakan jaminan terhadap keselamatan pesakit. KPJ Healthcare meletakkan tumpuan kepada dua kriteria ini bagi memenuhi janjinya kepada pesakit untuk memberikan perkhidmatan pelanggan yang terbaik. Paling penting usaha ini dijalankan secara berterusan dengan tujuan untuk menerapkan kriteria ini menjadi budaya korporat kumpulan.

Maka KPJ Healthcare juga meneruskan tradisinya mengadakan Perhimpunan Tahunan Kumpulan pada tahun ini, yang dihadiri oleh wakil-wakil dari Hospital dan Syarikat di dalam Kumpulan. Perhimpunan Tahunan ini, yang diadakan pada setiap Januari dan Julai, memberi tumpuan terhadap arah tuju Kumpulan, turut juga berfungsi untuk mengeratkan perhubungan sesama anggota pekerja memberi inspirasi, membina semangat dan merangsang semua anggota pekerja di setiap peringkat untuk terus memberikan yang terbaik kepada pelanggan.

Prestasi anggota pekerja merupakan elemen terpenting bagi keseluruhan operasi Kumpulan. Dengan itu tumpuan khas diberikan terhadap pengurusan prestasi pekerja di semua peringkat, klinikal dan bukan klinikal. Program yang sedang dijalankan sekarang yang meliputi penilaian Rangka Kerja Asas (KRA) setiap individu, memberikan

Staff performance is a crucial element in the Group's overall operations, and such strong emphasis is given to performance management for all levels of staff, both clinical and non-clinical. The current performance management programme, which encompasses the evaluation of Key Results Areas (KRAs) of each individual, provides an opportunity for both the staff members and their supervisors to discuss development goals and jointly create a plan for achieving those goals. This system allows greater accountability at the level where the work is done, thus ultimately contributing to a Group-wide 'Performance-Oriented Culture'.

KPJ Healthcare ardently believes in providing opportunities for the education and continued training of our team members, to assure that they will have the necessary skills and knowledge to successfully achieve their full potential. Throughout the year, a total 1,151 courses were conducted for staff members, covering areas such as hospital management and administration, nursing service management, clinical information, patient services and quality improvement. More than 3,468 participants including nursing teams, allied health professionals and support staff have benefited from these training and staff development programmes.

Nursing, as one of the Group's core competencies, receives strong support in terms of education and advanced learning programmes. The Puteri Nursing College (PNC) has, to date, produced approximately 600 trained nurses (SRNs), through its 3-year Diploma in Nursing programme, since the first batch graduated in 1993. PNC is currently in the midst of sourcing for a new and bigger premise for its college and students' hostel, in order to cope with the increasing number of potential candidates.

KPJ Healthcare is also a firm advocate of helping our nursing staff chart their career plan for the future. As such, the Group embarked on a *Nursing Career Pathways* programme to coordinate and plan for the nurses' career advancement. KPJ Healthcare continues its strategic collaboration with University of South Australia (UniSA) to conduct, among others, the Bachelor of Nursing, Management Course and Critical Care programmes. To date, 45 nurses have graduated from the degree programme, 76 from the Management Course and 109 from the Critical Care programme. At present, several KPJ Healthcare team members with nursing backgrounds have either attained, or are in the process of attaining, a Masters in Nursing.

peluang kepada anggota pekerja dan juga penyelia untuk berbincang serta membentuk tatakerja ke arah mencapai matlamat. Sistem ini memberikan tanggungjawab di setiap peringkat kerja, dan seterusnya menyumbang ke arah 'Budaya Kerja Berteraskan Prestasi'.

KPJ Healthcare berkepercayaan penuh dalam memberikan peluang kepada pembelajaran dan latihan berterusan kepada seluruh anggota pekerja, bagi menentukan kemahiran serta pengetahuan yang diperlukan untuk membantu pekerja merealisasikan potensi mereka sepenuhnya. Dalam tahun 2002, sejumlah 1,151 kursus telah dijalankan merangkumi pentadbiran dan pengurusan hospital, pengurusan perkhidmatan kejururawatan, informasi klinikal, perkhidmatan pesakit serta peningkatan kualiti. Lebih 3,468 peserta kursus termasuk anggota kejururawatan, sokongan teknikal dan pentadbiran telah mendapat manfaat hasil dari program serta kursus yang telah dijalankan.

Bidang kejururawatan yang merupakan tunggak utama Kumpulan, mendapat sokongan padu dalam pembangunan pembelajaran serta latihan lanjutan. Puteri Nursing College (PNC) sejak lulusan pertamanya pada tahun 1993, telah melahirkan lebih kurang 600 jururawat terlatih (SRN) menerusi program 3-tahun Diploma Kejururawatan. Bagi menampung jumlah pelajar yang kian bertambah, PNC sedang meninjau tapak yang bersesuaian untuk mendirikan kolej baru yang lebih besar dan lengkap dengan asrama bagi para pelajarnya.

KPJ Healthcare turut membantu dan memberi peluang kepada para jururawatnya untuk membina kerjaya mereka. Dengan itu, KPJ Healthcare telah merangka program "Pembangunan Kerjaya Jururawat" bagi merancang serta menguruskan kerjaya bagi jururawat-jururawat KPJ Healthcare. KPJ Healthcare juga meneruskan usahasamanya dengan University of South Australia (UniSA) untuk menjalankan antara lain program-program Ijazah Kejururawatan, Kursus Pengurusan serta Penjagaan Kritikal. Sehingga kini, 45 jururawat telah lulus di dalam program Ijazah, 76 dalam program pengurusan dan 109 dalam program penjagaan kritikal. Kini, sekumpulan jururawat telah lulus ataupun sedang menjalani kursus Ijazah Lanjutan Kejururawatan.

KPJ Healthcare turut bekerjasama dengan Liverpool John Moores University, UK untuk kursus-kursus Praktis Jabatan Pembedahan (ODP), yang sehingga kini telah berjaya melatih 56 orang juruteknik Bilik Bedah. Program Peralihan pula setakat ini telah berjaya menaiktaraf 43 pembantu pelatih kepada jururawat terlatih.

Statement To Shareholders

Community outreach programme gives the Group opportunity to reach the young and old. Caring for health begins from an early age.

Program kemasyarakatan memberi peluang kepada Kumpulan mendekati masyarakat muda hingga tua. Penjagaan kesihatan bermula sejak kecil.

KPJ Healthcare is also working closely with the Liverpool John Moores University, UK, on the Operating Department Practice (ODP) programme where 56 Operation Theatre Technicians have been successfully trained to date. The Conversion Course, meanwhile, has converted a total of 43 assistant nurses into SRNs.

For the first time, in Year 2002, the Group has endeavoured to send KPJ Healthcare registered nurses on an Overseas Placement Programme especially to the Middle East, for a contractual period of 1 - 2 years. Apart from benefiting the Group in terms of staff retention, the Programme allows the nurses to learn, firsthand, international standards of nursing, provides them with a range of knowledge that they can apply and utilise in practice upon their return to Malaysia, as well as assures the nurses continued employment within the Group.

In addition, the Group also conducts special sessions for the nurses to interact and strengthen their existing rapport, as well to encourage them to keep track with new advancements in the nursing profession. Among these sessions are the KPJ Healthcare Annual Nursing Convention, PNC Alumni activities, Nurses Day celebrations, and Continuing Nursing Education.

On the non-clinical aspect of operations, KPJ Healthcare also constantly stressed the importance of Continuing Education (CE) programmes for the managerial team, to provide them with specialised skills in healthcare, apart from their knowledge of basic management and leadership. The Group had broken new ground when it became the first and only private healthcare service provider to establish a Post-Graduate Diploma in Health Services and Hospital Management, via a collaborative programme with the University of Southbank, London. Further to this, five of the Group's Management team members are currently pursuing their last module in the Johor Corporation – Henley Management College London MBA programme, which was designed to provide the participants with a hands-on, integrated knowledge of strategic management.

Apart from that, members of the KPJ Healthcare Management team are also strongly encouraged to participate in relevant Non-Government Organizations (NGOs) activities. KPJ Healthcare is therefore well



Buat kali pertama, dalam tahun 2002, Kumpulan telah mengambil langkah dan menghantar jururawat terlatih KPJ Healthcare melalui program Penempatan Luar Negeri terutama ke Timur Tengah secara kontrak selama 1-2 tahun. Selain dari menangani masalah kekurangan anggota pekerja, program ini turut memberi peluang kepada jururawat untuk belajar dan mencari pengalaman bekerja di peringkat antarabangsa, memberikan mereka pelbagai pengetahuan yang boleh diadaptasikan sebaik sahaja mereka pulang ke Malaysia, selain dari menentukan kesinambungan kerjaya mereka bersama Kumpulan.

Di samping itu, Kumpulan juga turut menjalankan sesi khas bagi para jururawat untuk berinteraksi dan memperkuuhkan perhubungan sesama mereka, menggalakkan mereka untuk mengetahui perkembangan semasa dalam profesi kejururawatan. Antara sesi yang dijalankan termasuk Persidangan Kejururawatan, aktiviti Alumni PNC, sambutan Hari Jururawat serta Pembelajaran Berterusan Kejururawatan.

Dari aspek operasi bukan klinikal KPJ Healthcare turut memberikan tumpuan kepada program pembangunan tenaga kerja pengurusan, memberikan mereka kemahiran asas dalam bidang prisihatin, selain dari program asas pengurusan dan kepimpinan. KPJ Healthcare merupakan Kumpulan pertama yang mengadakan program Ijazah Lanjutan Diploma Pengurusan Hospital dan Perkhidmatan Kesihatan, menerusi usahasama dengan University of Southbank London. Lanjutan dari ini, seramai lima orang wakil dari pihak pengurusan sedang menjalani program MBA di Johor Corporation – Henley Management College London, yang dibentuk khas untuk memberikan peserta pengetahuan serta strategi pengurusan.

Selain dari itu, pengurusan KPJ Healthcare turut digalakkan untuk aktif dalam badan-badan bukan kerajaan (NGOs) di mana KPJ Healthcare mempunyai wakil dalam Malaysian Society of Quality in Health (MSQH), dan Pertubuhan Hospital Swasta Malaysia (APHM).

Penyata Kepada Pemegang-pemegang Saham

Reaching to the poor and needy through the charitable clinics Waqaf An-Nur.

Memberikan perkhidmatan kesihatan kepada yang miskin dan kurang berkemampuan menerusi klinik amal Waqaf An-Nur.

represented in NGOs such as the Malaysian Society for Quality in Health (MSQH), and the Association of Private Hospitals in Malaysia (APHM).

Staff development was done not only through training but also through the basic quality promotion activities like the KPJ Healthcare Annual QCC Convention. These activities will act as a platform to build and challenge our personnel to be creative, innovative and to think outside of the box in solving and generating new ideas and work methods for continuous improvement and for increased productivity, efficiency and effectiveness. Apart from internal competitions, the Hospitals in the Group also participated in the Annual Quality Competition at the Johor Corporation level, and National Productivity Corporation - initiated quality competitions at state, regional and national levels.

Since the Group's successful initiative in the implementation of the MS ISO 9002 : 1994 standards in 1996, nine of KPJ Healthcare's hospitals are now in the process of converting their existing certification to the new standards, MS ISO 9001: 2000. These new ISO standards certify the organisation based on the process approach, thus further enhancing the overall patient-care delivery systems in the hospitals.

To date, four of our hospitals have completed the conversion process, namely ISH (completed in December 2002), JSH and PSH (completed in January 2003), and APSH (completed in March 2003), with an outstanding record of zero non-compliance. Other hospitals within the Group are targeted to complete the conversion by year-end.

At the same time, APSH, which was the first private hospital to receive the Hospital Accreditation status from the Malaysian Society for Quality in Health (MSQH) in Year 2000, is preparing for another full 3-year Accreditation commencing this year. KPJ Healthcare is also preparing another three hospitals for the Hospital Accreditation programme this year, namely JSH, ISH and DSH.



Pembangunan tenaga insan bukan sahaja dijalankan melalui latihan malah menerusi promosi kualiti seperti Persidangan Tahunan QCC. Persidangan ini menjadi landasan untuk membina serta memberi cabaran supaya anggota pekerja menjadi lebih kreatif, inovatif dan berfikiran terbuka dalam penyelesaian masalah serta menjana ide serta tatakerja baru bagi mempertingkatkan mutu kerja untuk lebih produktif, efisien dan efektif. Selain dari pertandingan yang dijalankan di dalam Kumpulan, Hospital turut melibatkan diri dalam pertandingan yang dianjurkan oleh JC Corp dan juga Perbadanan Produktiviti Nasional yang turut menganjurkan pertandingan kualiti di peringkat negeri, wilayah dan kebangsaan.

Sejak kejayaan Kumpulan dalam proses pelaksanaan piawaian MS ISO 9002 : 1994 pada tahun 1996, sembilan hospital KPJ Healthcare sedang menjalani proses peralihan pensijilan kepiawaian baru MS ISO 9001 : 2000. Piawaian baru ini mengiktirafkan sesbuah organisasi mengikut pendekalan proses kerja dan meningkatkan keseluruhan sistem perkhidmatan pesakit di dalam hospital.

Setakat ini sebanyak 4 buah hospital KPJ Healthcare iaitu ISH (Disember 2002), JSH dan PSH (Januari 2003) dan APSH (Mac 2003) telah melepassi proses peralihan dengan rekod pematuhan sepenuhnya. Adalah dijangka, kesemua hospital dalam Kumpulan akan memenuhi peralihan ini sebelum penghujung tahun 2003.

Di masa yang sama, APSH yang merupakan hospital swasta pertama menerima status Akreditasi dari MSQH pada tahun 2000, akan bersiap sedia untuk diaudit bagi akreditasi untuk tempoh 3 tahun lagi. KPJ Healthcare turut membuat persediaan bagi tiga lagi hospitalnya iaitu JSH, ISH dan DSH untuk program Akreditasi Hospital pada tahun ini.

Statement To Shareholders



Concept of the future care delivery - Fun and vibrant "Sea-World" concept at Ampang Puteri Specialist Hospital to help young patients' speedy recovery.

Konsep perkhidmatan penjagaan masa akan datang - Prasarana berkonseptan "Sea-World"ceria dan gembira bagi mempercepatkan pemulihan pesakit di wad kanak-kanak Ampang Puteri Specialist Hospital.

The Group has also developed our internal mechanism to monitor and maintain quality services by initiating the KPJ Healthcare Accreditation Surveyor Team and Internal Quality Audit Team. The teams' functions are to enable quality programmes and activities, as well as their related results, comply with the Group's overall plans, best clinical practices, as well as rules and regulations, in order to ensure the effectiveness of KPJ Healthcare's quality management systems.

In 2002, ISH was surveyed by SIRIM QAS, and charted a major milestone when, in March 2003, it became the first healthcare institution in Malaysia to be awarded the prestigious Occupational Safety and Health Awareness Certification, OHSAS 18001 : 1999, in recognition of its stringent safety and security systems in the workplace. The award was presented by the Minister of Science, Technology & Environment, YB Dato' Seri Dr Law Hieng Ding, during a special ceremony to honour winners of quality awards and standards, where the Guest of Honour was Deputy Prime Minister, YAB Dato' Seri Abdullah Ahmad Badawi.

Kumpulan telah membentuk mekanisma dalam bagi tujuan untuk mengawalselia serta menentukan perkhidmatan berkualiti dengan menubuhkan Jawatankuasa Audit Penilaian Akreditasi dan Kualiti. Fungsi Jawatankuasa ini adalah untuk menentukan pencapaian, praktis klinikal terbaik, garis panduan serta program dan aktiviti kualiti selaras dengan perancangan Korporat, agar sistem pengurusan kualiti KPJ Healthcare berkesan.

Pada tahun 2002, ISH sekali lagi telah menempa nama apabila ianya telah diaudit dan diiktiraf oleh SIRIM QAS sebagai hospital serta institusi prisihatn pertama mendapat pengiktirafan Sijil Pengesahan Sistem Pengurusan Keselamatan dan Kesihatan Pekerjaan OHSAS 18001:1999. Anugerah ini mengiktiraf sistem keselamatan yang baik di tempat kerja. Anugerah ini telah disampaikan oleh YB Dato' Seri Dr Law Hieng Ding, Menteri Sains, Teknologi dan Alam Sekitar di satu majlis khas bagi menghargai kesemua penerima anugerah kualiti yang turut dihadiri oleh Timbalan Perdana Menteri, YAB Dato' Seri Abdullah Ahmad Badawi selaku tetamu kehormat.

Community Service

“Healthy People – Wealthy Nation”; acknowledging that the community-corporate relationship is the vital link that supports the Group’s continual existence, KPJ Healthcare regularly organises and conducts community outreach programmes that promotes a healthy lifestyle and good healthcare management, including hygiene and cleanliness, through general health talks, blood donation drives, health camps and health awareness campaigns at hospitals, community halls and schools. This is also KPJ Healthcare’s contribution towards realising the Government’s aspiration of building a healthy nation under the Vision 2020. These projects are carried out at the individual hospital level as well as nationally.

In response to the National Blood Bank appeal to the public to help increase blood supply at the Bank, KPJ Healthcare together with the Bank organised a nationwide blood donation campaign to top up the blood supply at the national and local Blood Bank levels. Response from the public was very encouraging.

Another key activity by the Group is our commitment in ensuring that members of the public are made well aware of the various aspects of good health maintenance. In this regard, KPJ Healthcare and our hospitals acknowledge ‘Health Days’ by organising various health-related activities, such as conducting basic health screening programmes, diet counselling, exercise and healthy cooking demonstrations, and health exhibitions, as well as many others. Some of the major health days celebrated are the World Health Day, World Heart Day, World Diabetes Day, and World Non-Tobacco Day, to name a few. To commemorate these special days, the Group holds activities at the hospitals, community centres as well as schools, with the support from municipal councils, schools, resident associations and also government offices such as Education Department, Ministry of Health, and Ministry of Tourism & Culture.

One recent example was the Group’s efforts to help the Government curb and contain the spread of dengue, where our hospitals and companies organised a nationwide anti-dengue campaign together with the resident associations of selected localities. The campaigns’ launch ceremony, which was held in Kampung Kuala Ampang, in Selangor, received good response from the residents.

To reach out and make healthcare accessible to the underprivileged members of the society, KPJ Healthcare, in close collaboration with JCorp through our two hospitals in

Khidmat Kemasyarakatan

“Rakyat Sihat – Negara Jaya”; menyedari hakikat bahawa perhubungan penting masyarakat dan komuniti, yang selama ini menyokong kesinambungan sesebuah organisasi, KPJ Healthcare sentiasa menganjurkan program kemasyarakatan, termasuk kepentingan terhadap kebersihan menerusi program ceramah kesihatan, kempen derma darah, kempen kesedaran kesihatan di hospital, dewan orang ramai dan sekolah-sekolah. Projek-projek yang dijalankan ini sama ada di peringkat hospital ataupun nasional, merupakan usaha KPJ Healthcare selaras dengan aspirasi Kerajaan menerusi Wawasan 2020 untuk membina rakyat yang sihat dan berdaya saing.

Hospital KPJ Healthcare berganding bahu bersama dengan Pusat Darah Negara untuk meningkatkan bekalan di Tabung Darah Negara. Kempen yang dijalankan serentak di seluruh negara mendapat sambutan yang menggalakkan dari seluruh masyarakat.

KPJ Healthcare turut mengadakan aktiviti-aktiviti bagi menentukan serta meningkatkan kesedaran di kalangan masyarakat tentang kepentingan penjagaan kesihatan. KPJ Healthcare mengadakan acara sambutan sempena hari-hari kesihatan yang telah diiktiraf seperti mengadakan pemeriksaan kesihatan, kaunseling diet dan senaman, pertunjukan memasak secara sihat, pameran kesihatan dan lain-lain lagi. Hari Kesihatan utama yang turut disambut termasuk Hari Kesihatan Sedunia, Hari Jantung Sedunia, Hari Diabetes Sedunia, dan Hari Tanpa Tembakau Sedunia. Pelbagai acara turut dijalankan di perkarangan hospital, dewan orang ramai dan juga sekolah, dengan kerjasama dari pihak berkuasa tempatan, persatuan penduduk setempat, dan juga pihak kerajaan seperti Jabatan Pendidikan, Kementerian Kesihatan serta Kementerian Kebudayaan dan Pelancongan.

Antara contoh kerjasama baru-baru ini ialah membantu kerajaan membanteras epidemik denggi, dimana hospital serta syarikat-syarikat subsidiari di seluruh negara telah bersama-sama menjalankan kempen anti-denggi berserta dengan persatuan penduduk setempat masing-masing. Acara perasmian peringkat kebangsaan telah dijalankan di Kampung Kuala Ampang di Selangor dan telah mendapat sambutan yang amat baik dari penduduk setempat.

KPJ Healthcare menerusi 2 hospitalnya di Johor, JSH dan PSH tidak ketinggalan untuk menyalurkan khidmat baktinya kepada masyarakat yang kurang bernasib baik. Menerusi Klinik Waqaf An-Nur dan Pusat Dialisisnya, KPJ

KPJ

Healthcare in the News

KPJ expects to finish internal revamp soon

On the thick of the
health business

Penyusunan
semula KPJ
selesai Oktober

KPJ pengendali hospital swasta terbesar negara

Revamp to put
KPJ among
the big league

KPJ to up share
capital to RM500m



Johor, namely JSJ and PSH, are rendering outpatient care services to patients who patronise charity clinics, the Klinik Waqaf An-Nur and our Dialysis Centres. In addition to the current 3 clinics now available in Johor, KPJ Healthcare will expand its support for this charity programme to other states. Four more charity clinics will be opened in 2003, with two more being in Johor and two in Selangor.

Strategic Direction for the Future

The favourable business growth in Year 2002 has motivated the KPJ Healthcare Group to target for even better achievement in 2003. The extreme forces of market liberalisation and globalisation notwithstanding, KPJ Healthcare is well poised and is confident of its strategic positioning to face the challenges ahead. KPJ Healthcare's core competencies in clinical and hospital management delivered through our extensive network throughout the country have provided us with the needed competitive edge and a wider and longer reach in the market. Furthermore with the cumulative synergy gained from 20 years' experienced of working together, the Group's most valuable intangible asset would be its total organisational capability. This formidable capability combines the highest level expertise of highly trained medical professionals, on one hand, with the outstanding skills and proven competencies of management professionals, on the other. Indeed the Group has a valid reason to be optimistic about its performance in the year 2003 going forward.

KPJ Healthcare's aspiration for the year is to continue to leverage on all our assets, tangible and intangible; all the advantages of integration and growth in critical mass, as well as all strength embodied in its corporate culture and organisational leadership. Focus will be given towards capitalising from Group synergies, requiring further streamlining and rationalisation of the Group's business and operational activities.

Good quality care is our way of saying thank you to our loyal customer.

Perkhidmatan terbaik tanda terima kasih kami kepada pelanggan setia kami.

Healthcare turut memberikan khidmat kepada pesakit luar. Selain dari 3 buah klinik yang sedang beroperasi di Johor, KPJ Healthcare akan memperkembangkan perkhidmatannya ke negeri-negeri lain. 4 buah lagi klinik waqaf akan dibuka dalam tahun 2003, di mana 2 di Johor dan 2 di Selangor.

Arah Tuju Masa Depan

Pencapaian yang amat baik pada tahun 2002 turut merangsang Kumpulan untuk mensasarkan pencapaian yang lebih baik bagi tahun 2003. Dengan liberalisasi pasaran, serta proses globalisasi yang amat ketara, KPJ Healthcare amat berkeyakinan dengan posisinya yang strategik untuk menghadapi cabaran masa akan datang. Kemahiran asas KPJ Healthcare di bidang klinikal dan pengurusan hospital yang disalurkan menerusi jaringan yang meluas di seluruh negara telah memberikan daya saing serta keluasan dalam penguasaan pasaran. Ditambah lagi dengan kesepaduan yang sekian lama ditimba dari pengalaman bekerja bersama, satu aset tidak ketara Kumpulan yang amat berharga adalah keupayaan keseluruhan organisasi. Keupayaan yang amat bermakna ini digabung dengan kemahiran tertinggi profesional perubatan, ditambah dengan kemahiran serta kemampuan yang telah terbukti oleh pihak pengurusan. Maka, dengan ini Kumpulan mempunyai asas kukuh untuk lebih optimistik terhadap pencapaian tahun 2003 dan seterusnya.

Aspirasi KPJ Healthcare untuk tahun ini adalah untuk terus mempergunakan kekuatan asetnya yang ketara atau tidak, segala kebaikan penggabungan dan peningkatan dalam asas perniagaan serta segala kekuatan yang terkandung dalam budaya korporat dan kepimpinan organisasi. Tumpuan akan diberi bagi mempergunakan sinergi Kumpulan yang memerlukan penyelarasian aktiviti serta bisnes Kumpulan.

Statement To Shareholders



Mapping out strategies to meet clinical challenges ahead.

Merangka strategi untuk menghadapi cabaran klinikal masa depan.

In our quest to broaden our market horizon, the Group has also activated its health tourism promotions abroad as well as explored the possibility of embarking on a venture to provide nursing education for foreign participation. KPJ Healthcare is an active participant in the Malaysian Government's national effort to promote health tourism together with the Association of Private Hospitals of Malaysia (APHM), MATRADE, Ministry of International Trade and Industry (MITI) and Tourism Malaysia.

Nevertheless, the KPJ Healthcare Group will not lose sight of its fundamental strategic focus that had contributed tremendously to its past successes, its formidable growth track record and hence its current strength. The Group's critical success factor has fundamentally been its single-minded focus on delivering world class, life-long healthcare services to deserving Malaysians and residents alike. It will therefore sustain this focus, shortly anticipated to extend to the next generation of patients. It is indeed a relationship founded firmly upon a social bond of faith and trust developed over a long period of dedication to quality healthcare service.

This core market segment of loyal customers will therefore continue to be the Group's focus of attention that they so deserve. The substantial investments committed by the Group dedicated to upgrading and enhancing facilities, equipment and scope of healthcare services offered in Group hospitals nationwide has previously been described. These are firm testimonies to KPJ Healthcare's unwavering focus to benefit this core group of highly valued patient and customers.

Di samping memberi tumpuan kepada pasaran sedia ada di dalam negara, KPJ Healthcare dalam usahanya untuk meluaskan pasaran ke luar negara, bergiat cergas dalam aktiviti promosi pelancongan kesihatan. KPJ Healthcare merupakan anggota yang aktif di dalam usaha-usaha kerajaan mempromosikan pelancongan kesihatan bersama-sama dengan Persatuan Hospital Swasta Malaysia (APHM), Matrade, Kementerian Industri dan Perdagangan Antarabangsa (MITI) dan juga Tourism Malaysia.

Bagaimanapun, KPJ Healthcare tidak akan mengabaikan tumpuan strategik asas yang selama ini telah memberikan kejayaan yang amat besar, peningkatan serta rekod dan kekuatan sekarang. Faktor kejayaan kritikal Kumpulan telah secara asasnya bertumpu kepada memberikan perkhidmatan prisihatin bertaraf dunia dan berterusan kepada masyarakat Malaysia dan penduduknya. Maka dengan berpandukan fokus ini, KPJ Healthcare akan terus menyampaikan perkhidmatan kepada generasi seterusnya. Hakikatnya, perhubungan ini telah dimerupakan berasaskan perhubungan sosial dengan kepercayaan dan keyakinan yang telah lama dibina di atas dedikasi terhadap perkhidmatan prisihatin yang berkualiti.

Kumpulan pasaran pelanggan yang setia ini akan terus menjadi tumpuan Kumpulan kerana mereka berhak ke atasnya. Segala pelaburan besar yang telah dijanjikan oleh Kumpulan bagi menaik taraf kemudahan, peralatan dan skop perkhidmatan yang diberikan di dalam Kumpulan telah pun dinyatakan sebelum ini. Semua ini merupakan janji KPJ Healthcare serta tumpuan yang tidak berbelah bagi terhadap kumpulan asas pesakit dan pelanggan yang amat dihargai.

Penyata Kepada Pemegang-pemegang Saham



"Care for life" - Reaching across physical boundaries to deliver personalised care.

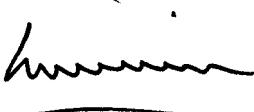
"Penjagaan sepanjang hayat" - Merentasi sempadan untuk menawarkan perkhidmatan prisihatin.

Appreciation

Our sincere thanks go to our shareholders and customers for their loyalty and continued trust in our services; and to our partners and business associates for providing much-needed support and the governmental authorities for their wholehearted cooperation. In addition, we would also like to thank all the relevant authorities for their assistance and cooperation to KPJ Healthcare throughout the years. We are grateful to the consultants and staff as our company's success is largely due to their professionalism on the job and willingness to walk the extra mile for the patient. We wish to express our deep appreciation to members of the Board for standing with us to face every challenge and to the various committees under the Board for their undivided commitment to support the Board in decision-making.

Penghargaan

Kepada pemegang saham serta pelanggan yang sentiasa setia bersama kami, rakan-rakan niaga yang sentiasa menyokong kami serta pihak-pihak berkuasa kerajaan yang telah membantu kami, KPJ Healthcare mengucapkan ribuan terima kasih yang tak terhingga. KPJ Healthcare turut mengucapkan terima kasih kepada pihak yang berkaitan bagi segala sokongan serta sumbangan di sepanjang tahun. Kami juga berterima kasih kepada semua pakar perubatan dan juga anggota pekerja di atas segala sokongan profesional serta kesanggupan mereka untuk bersama-sama kami menyediakan perkhidmatan yang terbaik kepada pelanggan. Kami turut merakamkan penghargaan kami kepada Ahli Lembaga Pengarah yang sentiasa memberi sokongan mereka untuk kami lalui segala cabaran dan rintangan. Ucapan setinggi-tinggi terima kasih turut kami rakamkan kepada jawatankuasa-jawatankuasa kecil di bawah teraju Ahli Lembaga Pengarah yang telah memberikan komitmen yang tidak berbelah bagi serta kewibawaan mereka dalam membantu Lembaga Pengarah ke arah mencapai keputusan.


TAN SRI DATO' MUHAMMAD ALI HASHIM
CHAIRMAN/PENGERUSI


DATIN PADUKA SITI SA'DIAH SHEIKH BAKIR
MANAGING DIRECTOR/PENGARAH URUSAN

18 April 2003 / 18 April 2003

KPJ Healthcare Hospitals-In Brief/ Hospital-hospital KPJ Healthcare-Sepintas Lalu

"At KPJ Healthcare, we believe that everyone has the right to good quality healthcare services. KPJ's commitment is to justify its existence by delivering excellence quality private specialist healthcare wherever it's needed"

"Di KPJ Healthcare, kami memegang teguh di atas hak setiap insan terhadap perkhidmatan prisihatin yang baik. Komitmen KPJ Healthcare adalah untuk memberikan penyediaan perkhidmatan prisihatin swasta yang berkualiti di mana jua ia diperlukan"

KPJ Healthcare Berhad, the single largest homegrown public listed healthcare group in Malaysia. The history began with its first hospital in Johor, Johor Specialist Hospital. KPJ Healthcare has now grown from strength to strength, to now eleven private specialist hospitals, represented in major towns throughout Malaysia. With its extensive network of private specialist hospitals, KPJ Healthcare is able to serve the nation.

KPJ Healthcare Berhad adalah kumpulan prisihatin tempatan terbesar yang tersenarai di Malaysia. Sejarahnya bermula dari hospital pertamanya di Johor, Johor Specialist Hospital. KPJ Healthcare telah berkembang pesat hingga mempunyai rangkaian sebelas buah hospital pakar swasta di seluruh bandar utama di Malaysia. Menerusi jaringan yang menyeluruh ini, KPJ Healthcare berupaya dan bersedia untuk berkhidmat kepada negara.

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JOHOR SPECIALIST HOSPITAL

- Opened/Dibuka: 1981 • Licensed Bed/Katil Berlesen: 207
- Total Consultants/Jumlah Pakar Perubatan: 33 (resident/residen), 4 (non-resident/bukan residen)
- Multi-disciplinary services through its state-of-the-art facilities with super specialties in Cardiac, Renal Dialysis, Reconstructive Surgery, Gallstones, Radiotherapy, Oncology, Neurosurgery and Cancer treatment.

Pelbagai disiplin perkhidmatan perubatan menerusi kemudahan terkini dengan pengkhususan dalam bidang Kardiak, Dialysis Renal, Pembedahan Rekonstruktif, Batu Karang, Radioterapi, Onkologi, Pembedahan Neuro dan Perawatan Kanser.

Awards/Anugerah: MS ISO 9001 : 2000 (SIRIM).



IPOH SPECIALIST HOSPITAL

- Opened/Dibuka: 1981 • Licensed Bed/Katil Berlesen: 206
 - Total Consultants/Jumlah Pakar Perubatan: 32 (resident/residen), 36 (non-resident/bukan residen)
 - Multi-disciplinary services through its state-of-the-art facilities with super specialties in Cardiac, Renal Care Services, Neurosurgery, and Cancer treatment.
- Menawarkan pelbagai disiplin perubatan menerusi kemudahan tercanggih dengan pengkhususannya dalam bidang Kardiak, Perkhidmatan Penjagaan Renal, Pembedahan Neuro, serta Perawatan Kanser.*
- Awards/Anugerah :
- MS ISO 9001 : 2000 (SIRIM) - Year 2002
 - Occupational Safety and Health Awareness, OHSAS (SIRIM) – Year 2002
 - Quality Management Excellence Award (NPC)- Year 2000
 - Enterprise 50- Year 2000 & 2002



AMPANG PUTERI SPECIALIST HOSPITAL

- Opened/Dibuka: 1995 • Licensed Bed/Katil Berlesen: 230
- Total Consultant/Jumlah Pakar Perubatan: 40 (resident/residen), 11 (non-resident/bukan residen)
- Multi-disciplinary services through its state-of-the-art facilities with super specialties in Cardiac, Renal Dialysis, Gallstones, Neurosurgery, Nuclear Medicine and Reconstructive Surgery.

Menawarkan pelbagai disiplin perubatan menerusi kemudahan tercanggih dengan pengkhususan dalam perubatan Kardiak, Dialysis dan Renal, Batu Karang, Pembedahan Neuro, Perubatan Nuklear dan Pembedahan Rekonstruktif.

Awards/Anugerah :

- Accreditation (MSQH) 2000-2003
- MS ISO 9001 : 2000 (SIRIM) Year 2003



TAWAKAL HOSPITAL

- Opened/Dibuka: 1984 • Licensed Bed/Katil Berlesen: 158
- Total Consultants/Jumlah Pakar Perubatan: 40 (resident/residen), 15 (non-resident/bukan residen)

Multi-disciplinary services through its state-of-the-art facilities with its super specialties in Renal Dialysis, Neurosurgery, Anesthesiology, Lithotripsy and Intensive Care Service.

Pelbagai disiplin perubatan melalui kemudahan tercanggih dengan pengkhususan di dalam Dialysis Renal, Pembedahan Neuro, Anesthetis, Lithotripsi, dan Perkhidmatan Penjagaan Intensif.

Award/Anugerah: MS ISO 9002 (SIRIM)

DAMANSARA SPECIALIST HOSPITAL

- Opened/Dibuka: 1997 • Licensed Bed/Katil Berlesen: 139
- Total Consultants/Jumlah Pakar Perubatan: 31 (resident/residen), 13 (non-resident/bukan residen)

Multi-disciplinary services through its state-of-the-art facilities with super specialties in Neonatal Care, Women & Child Services, Respiratory Medicine, Reconstructive Surgery, Colectoral Surgery, Cancer treatment, Sleep Study Test, and Spinal, Trauma & Orthopaedic Surgery.

Menawarkan pelbagai disiplin menerusi kemudahan tercanggih dengan pengkhususan dalam Penjagaan Neonatal, Perkhidmatan Ibu dan Anak, Perubatan Respiratori, Pembedahan Rekonstruktif, Pembedahan Kolektoral, Perawatan Kanser, Pengkajian Cara Tidur, dan Pembedahan Spinal, Trauma dan Otopedik.

Awards/Anugerah: MS ISO 9002 (SIRIM)

**PUTERI SPECIALIST HOSPITAL**

- Opened/Dibuka: 1982 • Licensed Beds/Katil Berlesen: 101
- Total Consultant/Jumlah Pakar Perubatan: 17 (resident/residen), 12 (non-resident/bukan residen)
- Multi-disciplinary services with super specialties in Paediatric Surgery, Neurology and Urology.

PSH menawarkan pelbagai disiplin perubatan dengan pengkhususan dalam Pembedahan Pediatric dan Neurologi.

PSH pioneered the Clinical Information Services, to facilitate the patients' medical records, drugs administration and patient administration.

PSH telah mengujipakai perkhidmatan Informasi Klinikal, perisian untuk rekod perubatan pesakit, pentadbiran ubat-ubatan dan pentadbiran pesakit.

Awards/Anugerah: MS ISO 9002 (SIRIM)

KUANTAN SPECIALIST HOSPITAL

- Opened/Dibuka: 1981 • Licensed Beds/Katil Berlesen: 60
- Total Consultant/Jumlah Pakar Perubatan: 14 (resident/residen), 2 (non-resident/bukan residen)

Multi-disciplinary services with super specialties in Orthopaedic Surgery, Obstetric and Gynaecology, and Paediatric Medicine.

Menawarkan pelbagai disiplin perubatan dengan pengkhususan dalam Pembedahan Otopedik, Perubatan Obstetrik dan Sakit Puan, serta Perubatan Pediatric.

Awards/Anugerah: MS ISO 9002 (SIRIM)

**BUKIT MERTAJAM SPECIALIST HOSPITAL**

- Opened/Dibuka: 1985 • Licensed Beds/Katil Berlesen: 90
- Total Consultants/Jumlah Pakar Perubatan: 12 (resident/residen), 4 (non-resident/bukan residen)

Multi-disciplinary services including in Orthopaedic Surgery, Obstetric and Gynaecology, and Paediatric Medicine.

Menawarkan pelbagai disiplin perubatan menerusi termasuk dalam Pembedahan Otopedik, Perubatan Obstetrik dan Sakit Puan, serta Perubatan Pediatric.

**PERDANA SPECIALIST HOSPITAL**

- Opened/Dibuka: 2001 • Licensed Beds/Katil Berlesen: 30 beds
- Total Consultants/Jumlah Pakar Perubatan: 11 (resident/residen), 4 (non-resident/bukan residen)

Multi-disciplinary services in Radiology, and Cardiology, complete with comprehensive facilities for all

medical and surgical services.

Menawarkan pelbagai disiplin perubatan menerusi kemudahan tercanggih dengan pengkhususan dalam Radiologi dan Kardiak, lengkap dengan kemudahan perubatan serta pembedahan yang komprehensif.

**KEDAH MEDICAL CENTRE**

- Opened/Dibuka: 1979 • Licensed Beds/Katil Berlesen : 100
- Total Consultants/Jumlah Pakar Perubatan: 18 (resident/residen), 5 (non-resident/bukan residen)

Multi-disciplinary services with its super specialties in Interventional Cardiology, Obstetrics and Gynaecology, Orthopaedic Surgery, Renal and Dialysis Services, and Ear, Nose & Throat (ENT) Surgery.

Menawarkan pelbagai disiplin menerusi kemudahan tercanggih dengan pengkhususan Intervensi Kardiologi, Perubatan Obstetrik dan Sakit Puan, Pembedahan Otopedik, Perkhidmatan Renal dan Dialisis, Pembedahan Telinga, Hidung dan Kerongkong.

Award/Anugerah: MS ISO 9002 (SIRIM)

**HOSPITAL PENAWAR**

- Opened/Dibuka: 1997 • Licensed Beds/Katil Berlesen: 50
- Total Consultants/Jumlah Pakar Perubatan: 6 (resident/residen)

Multi-disciplinary services complete with super specialties in Orthopaedic Surgery and Obstetric and Gynaecology.

Menawarkan pelbagai disiplin perubatan lengkap dengan pengkhususan dalam pembedahan Otopedik serta Perubatan Obstetric dan Sakit Puan.

Award/Anugerah: MS ISO 9002 (SIRIM)



Audit Committee

Jawatankuasa Audit

“ The primary objective of the Audit Committee (as a sub-committee of the Board of Directors) is to assist the Board in the effective discharge of its fiduciary responsibilities for Corporate Governance, Financial Reporting and Internal Control. The Audit Committee of KPJ Healthcare Berhad is pleased to present its report for the year ended 31 December 2002. ”

“ Objektif utama Jawatankuasa Audit (sebagai jawatankuasa kecil Lembaga Pengarah) ialah untuk membantu Lembaga Pengarah dalam menjalankan tanggungjawabnya dengan lebih berkesan bagi aspek Tadbir Urus Korporat, Laporan Kewangan dan Kawalan Dalaman. Jawatankuasa Audit KPJ Healthcare Berhad dengan sukacitanya membentangkan laporannya untuk tahun kewangan berakhir 31 Disember 2002. ”

COMPOSITION

40

The Audit Committee was established since August 1994 and the present members of the Audit Committee for the financial ended 31 December 2002 comprise the following three (3) Independent Non-Executive Directors and one (1) Non-Executive Director:

NAME/NAMA	DESIGNATION/JAWATAN
(a) Tan Sri Dato' Arshad Ayub (Chairman of the Audit Committee) <i>(Pengerusi Jawatankuasa Audit)</i>	Independent Non-Executive Director / Pengarah Bebas Bukan Eksekutif
(b) Azzat Kamaludin	Independent Non-Executive Director / Pengarah Bebas Bukan Eksekutif
(c) Dato' Dr K Kulaveerasingam	Independent Non-Executive Director / Pengarah Bebas Bukan Eksekutif
(d) Zainah Mustafa	Non-Executive Director / Pengarah Bukan Eksekutif

Zainah Mustafa was appointed to the Committee on 8 May 2001 in line with the requirement that a member of the Committee be an accountant and in compliance with Part II of the 1st Schedule of the Accountants Act 1967.

TERMS OF REFERENCE OF AUDIT COMMITTEE

Membership

The Board shall elect the Audit Committee members from amongst themselves, comprising no fewer than three (3) Directors, where the majority shall be Independent Directors.

The term of office and performance of the Audit Committee members are reviewed by the Board yearly and may be re-nominated and appointed by the Board of Directors.

The Chairman of the Audit Committee, elected from amongst the Audit Committee members, shall be an Independent Director. The Chairman of the Committee shall be approved by the Board of Directors.

Objectives

The objectives of the Committee are to oversee the compliance of the Company with the requirements of Kuala Lumpur Stock Exchange (KLSE) as well as to assist the Board in examining and reviewing the results of internal and external audit.

KOMPOSISI

Jawatankuasa Audit ditubuhkan sejak Ogos 1994 dan ahli-ahli Jawatankuasa Audit untuk tahun kewangan berakhir 31 Disember 2002 terdiri daripada tiga Pengarah Bebas Bukan Eksekutif serta seorang Pengarah Bukan Eksekutif seperti berikut:

Zainah Mustafa dilantik ke Jawatankuasa ini pada 8 Mei 2001 selaras dengan syarat bahawa seorang ahli Jawatankuasa ini hendaklah seorang akauntan dan mematuhi Bahagian II Jadual Pertama Akta Akauntan 1967.

BIDANG TUGAS JAWATANKUASA AUDIT

Keahlian

Lembaga Pengarah akan melantik ahli Jawatankuasa Audit daripada kalangan mereka sendiri, merangkumi tidak kurang tiga (3) Pengarah, yang mana majoritinya hendaklah Pengarah Bebas.

Bidang tugas dan prestasi ahli Jawatankuasa Audit disemak oleh Lembaga Pengarah setiap tahun kewangan dan boleh dicalonkan semula dan dilantik oleh Lembaga Pengarah.

Pengerusi Jawatankuasa Audit dipilih daripada kalangan ahli Jawatankuasa Audit, hendaklah seorang Pengarah Bebas. Pengerusi Jawatankuasa itu hendaklah dipersetujui oleh Lembaga Pengarah.

Objektif

Objektif Jawatankuasa ini adalah untuk menyelia tahap pematuhan Syarikat terhadap keperluan Bursa Saham Kuala Lumpur (BSKL) serta membantu Lembaga Pengarah memeriksa dan menyemak keputusan audit dalaman dan luaran.

Authority

The Audit Committee shall, in accordance with a procedure to be determined by the Board of Directors have:

- the authority to investigate any matter within its terms of reference;
- the resources which are required to perform its duties;
- full and unrestricted access to any information pertaining to the Group;
- direct communication channels with the external auditors and internal auditors;
- ability to obtain independent professional advice; and
- ability to convene meetings with the external auditors, excluding the attendance of the Executive Members of the Committee, whenever deemed necessary.

FUNCTION OF THE AUDIT COMMITTEE

The function of Audit Committee is to review, appraise and report to the Board of Directors on matters such as:-

- (i) The appointment of the external auditor, the audit fee and any questions of resignation or dismissal;
- (ii) Discuss with the external auditor before the audit commences, the nature and scope of the audit;
- (iii) Review the quarterly and year-end financial statements of the Company, focusing particularly on:-
 - Any changes in accounting policies and practices;
 - Significant adjustments arising from the audit;
 - The going concern assumption;
 - Compliance with accounting standards and other legal requirements;
- (iv) To discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss;
- (v) Review the external auditor's Management Letter and Management's response;
- (vi) Review the adequacy of the scope, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- (vii) Review the internal audit program and results of the internal audit process and where necessary ensure that appropriate action is taken on the recommendations of the internal audit function;
- (viii) Review any appraisal or assessment of the performance of members of the internal audit function;
- (ix) Approve any appointment or termination of senior staff members of the internal audit function;

Bidang Kuasa

Jawatankuasa Audit selaras dengan bidang kerja yang ditentukan oleh Lembaga Pengarah untuk:

- menyiasat mana-mana hal yang berkaitan dengan bidang tugas mereka;
- mempunyai sumber-sumber yang diperlukan untuk melaksanakan tugas-tugasnya;
- mempunyai kemudahan kepada sebarang maklumat berkaitan dengan Kumpulan;
- mempunyai saluran komunikasi langsung dengan juruaudit dalaman dan luaran;
- mendapatkan nasihat profesional bebas; dan
- melaksanakan mesyuarat dengan juruaudit luar, tanpa kehadiran Ahli-ahli Eksekutif Jawatankuasa itu, bila mana dianggap perlu.

FUNGSI JAWATANKUASA AUDIT

Jawatankuasa Audit berfungsi untuk menyemak, menilai dan melaporkan kepada Lembaga Pengarah atas perkara-perkara termasuk:-

- (i) Mempertimbangkan pelantikan juruaudit luar, yuran pengauditan dan soalan-soalan mengenai perletakan jawatan atau pemberhentian kerja;
- (ii) Berunding dengan juruaudit luar sebelum audit dimulakan ke atas bidang dan skop audit;
- (iii) Menyemak penyata kewangan suku tahunan dan akhir tahun Syarikat dengan menumpukan terutamanya kepada:-
 - sebarang perubahan dalam dasar dan amalan perakaunan;
 - penyesuaian ketara berpuncanya daripada audit itu;
 - andaian perniagaan berterusan;
 - pematuhan kepada piawaian perakaunan dan syarat perundangan;
- (iv) Membincang sebarang masalah yang timbul daripada laporan audit interim dan akhir serta sebarang hal-hal lain yang diutarakan oleh juruaudit;
- (v) Menyemak surat pengurusan juruaudit luaran dan maklum balas pengurusan;
- (vi) Menyemak kesempurnaan skop, fungsi dan sumber-sumber jabatan audit dalaman, dan memastikan bahawa ia mempunyai bidang kuasa yang berseuaian bagi menjalankan tugasnya;
- (vii) Menyemak program dan keputusan proses audit dalaman dan apabila perlu memastikan tindakan yang sesuai diambil daripada cadangan-cadangan fungsi juruaudit dalaman;
- (viii) Menyemak sebarang penilaian terhadap prestasi fungsi audit dalaman;
- (ix) Meluluskan sebarang pelantikan atau pemecatan anggota pekerja kanan fungsi audit dalaman;

- (x) Review resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning;
- (xi) To consider any related party transactions that may arise within the Company or Group;
- (xii) To consider the major findings of internal investigations and Management's response;
- (xiii) To consider other topics as defined by the Board.

ACTIVITIES OF THE COMMITTEE DURING THE YEAR

During the year under review, the Committee carried out the following activities in the discharge of its functions and duties.

- Reviewed the quarterly financial statements, interim financial announcements and year end financial statements of the Group and press releases relating to financial matters prior to the approval by the Board, focusing particularly on:
 - (a) significant and unusual events;
 - (b) significant adjustments arising from audit;
 - (c) going concern assumption; and
 - (d) compliance with accounting standards and other legal requirements.
- Reported and recommended to the Board to approve the annual financial statements.
- Reviewed the Internal Audit Reports and appraised the adequacy of actions taken by the Management in resolving the reported issues and in implementing suggested improvements.
- Met with the external auditors to discuss the Group's Management Letter issued by the external auditor.

INTERNAL AUDIT FUNCTION

The Group has an Internal Audit Function whose principal responsibilities are to undertake regular and systematic reviews of the system of controls so as to provide reasonable assurance that such system continues to operate satisfactorily and effectively in the Group.

- (x) Mengkaji mengenai perletakan jawatan anggota pekerja audit dalaman dan menyediakan peluang anggota pekerja tersebut menjelaskan alasannya untuk berhenti;
- (xi) Mempertimbangkan urusniaga sebarang pihak yang berkaitan yang mungkin timbul dalam Syarikat atau Kumpulan;
- (xii) Mempertimbangkan sebarang penemuan ketara daripada penyiasatan dalaman dan maklum balas pengurusan;
- (xiii) Mempertimbangkan sebarang isu yang dikira perlu oleh Lembaga Pengarah.

KEGIATAN JAWATANKUASA AUDIT SEPANJANG TAHUN

Sepanjang tahun kewangan, Jawatankuasa ini mengadakan beberapa kegiatan berikut dalam melaksanakan fungsi dan tanggungjawabnya.

- Menyemak laporan kewangan suku tahunan, pengumuman kewangan interim dan penyata kewangan akhir tahun Kumpulan dan siaran akbar berkaitan dengan perkara-perkara kewangan sebelum kelulusan Lembaga Pengarah, dengan menumpukan terutamanya terhadap:
 - (a) peristiwa penting dan luar biasa;
 - (b) penyesuaian ketara berpunca daripada audit;
 - (c) andaian perniagaan berterusan; dan
 - (d) pematuhan kepada piawaian perakaunan dan lain-lain syarat perundangan.
- Melapor dan mencadangkan kepada Lembaga Pengarah untuk meluluskan penyata kewangan tahunan.
- Menyemak laporan audit dalaman dan menilai kecukupan tindakan yang diambil Pengurusan dalam menyelesaikan isu-isu yang dibangkitkan dan dalam melaksanakan cadangan pembaikan.
- Berbincang dengan juruaudit luar mengenai Surat Pengurusan Kumpulan yang dikeluarkan juruaudit luar.

FUNGSI AUDIT DALAMAN

Fungsi Audit Dalaman Kumpulan bertanggungjawab dalam menjalankan semakan secara berterusan dan sistematik ke atas sistem dan kawalan dalaman bagi menyediakan jaminan yang bersesuaian bahawa sistem tersebut beroperasi dengan memuaskan dan berkesan.

The Internal Audit Department carried out the following activities for the period:

- reviewed and appraised the adequacy and integrity of the internal financial controls so as to ensure that it provides a reasonable but not absolute assurance that assets are properly safeguarded;
- ascertained the effectiveness of Management in identifying principal risks and to manage such risks through appropriate systems of Internal Control set-up by the Group;
- ascertained the level of compliance with Group's plans, policies, procedures and adherence to laws and regulations, and
- appraised the effectiveness of administrative and financial controls applied and the reliability and integrity of data that is produced within the Group.

MEETINGS

During the financial year ended 31 December 2002, the Committee held a total of five (5) meetings. The attendance record of the Audit Committee members in each of the meetings were as follows:-

NAME/NAMA	2002				
	21 Feb/Feb	20 May/Mei	27 Jul/Jul	27 Aug/Ogos	30 Oct/Okt
(a) Tan Sri Dato' Arshad Ayub (Chairman of the Audit Committee) (Pengerusi Jawatankuasa Audit)	✓	✓	✓	✓	✓
(b) Azzat Kamaludin	✗	✗	✓	✓	✓
(c) Dato' Dr K Kulaveerasingam	✓	✓	✓	✓	✓
(d) Zainah Mustafa	✓	✗	✓	✓	✓

The members of the Audit Committee, Managing Director, Senior Management, Executive Directors and General Managers of the hospitals as well as Head of Internal Audit will normally be in attendance at the meetings. Representative of the External Auditors are in attendance at meetings where matters relating to the audit of the statutory financial statements and/or external auditors are discussed.

Other directors, officers and employees of the Company and/or Group may be invited to attend where appropriate.

Jabatan Audit Dalaman menjalankan kegiatan berikutan sepanjang tempoh itu:

- menyemak dan menilai kesempurnaan dan kewibawaan kawalan dalaman kewangan bagi memastikan ia menyediakan jaminan yang munasabah tetapi bukannya menyeluruh bahawa aset dilindungi sewajarnya;*
- memastikan keberkesanan Pengurusan dalam mengenal pasti risiko-risiko utama dan menguruskan risiko itu menerusi sistem kawalan dalaman yang ditubuhkan Kumpulan;*
- memastikan tahap pematuhan dengan rancangan Kumpulan, polisi, prosedur mengikut peraturan dan perundangan; dan*
- menilai keberkesanan pengurusan dan kawalan kewangan yang diguna pakai, kebolehpercayaan dan kewibawaan data yang dihasilkan dalam Kumpulan.*

MESYUARAT

Sepanjang tahun kewangan berakhir 31 Disember 2002, Jawatankuasa ini sudah mengadakan sejumlah lima (5) mesyuarat. Rekod kehadiran ahli Jawatankuasa Audit dalam setiap mesyuarat berkenaan adalah seperti berikut:-

Ahli-ahli Jawatankuasa Audit, Pengarah Urusan, Pengurus Kanan, Pengarah-pengarah Eksekutif dan Pengurus-pengurus Besar Hospital serta Ketua Audit Dalaman biasanya akan hadir pada mesyuarat berkenaan. Wakil juruaudit luar akan hadir dalam mesyuarat yang mana perkara-perkara berhubung dengan audit dan akaun berkanun dan/atau juruaudit luar akan dibincangkan.

Pengarah lain, pegawai dan anggota pekerja Syarikat dan/ atau Kumpulan mana yang berkenaan mungkin dijemput hadir.

Corporate Governance

Tadbir Urus Korporat

With an ever-changing business environment, strengthening of corporate governance is a continuous process. The Board of KPJ Healthcare Berhad is pleased to report to the shareholders, in particular and other stakeholders in general, on the manner the Group has applied the Principles as set out in Part 1 of the Malaysian Code on Corporate Governance ("The Code") The Board, to the best of their knowledge, confirms that the Group has complied with the Best Practices as set out in Part 2 of the Code throughout the year ended 31 December 2002. Any requirements where the Group has not complied with are explained in the report.

THE BOARD OF DIRECTORS

• The Board

There is no change in the composition of the Board of Directors of KPJ Healthcare . The majority of the Board are Non-Executive Directors. The Board exercises independent oversight on the Management and bears the overall accountability for the performance of the organisation and compliance with good governance.

During the year ended 31 December 2002, 4 Board Meetings were held. The Meetings were held at least once every quarter to ensure continuous monitoring of the whole year activity. While the Board is responsible for creating the framework and policies within which the Group should be operating, the Management is accountable for the execution of the policies and attainment of the Group's corporate objectives.

The detail attendance of each director are as follows:-

Di dalam suasana perniagaan yang sentiasa berubah, usaha untuk memantapkan tadbir urus korporat adalah proses yang berterusan. Lembaga Pengarah KPJ Healthcare Berhad berbesar hati melapor kepada pemegang saham, khususnya serta pemegang kepentingan secara umumnya, setakat mana Kumpulan telah melaksanakan prinsip-prinsip yang dinyatakan di dalam Bahagian 1 Kod Tadbir Urus Korporat Malaysia ("Kod") Lembaga Pengarah, sebaik pengetahuan mereka, mengesahkan bahawa Kumpulan telah mematuhi amalan terbaik yang terkandung di dalam Bahagian 2 Kod tersebut sepanjang tahun kewangan berakhir 31 December 2002. Mana-mana syarat yang tidak dipatuhi oleh Kumpulan adalah diterangkan di dalam laporan ini.

AHLI LEMBAGA PENGARAH

• Lembaga Pengarah

Tiada perubahan di dalam komposisi Lembaga Pengarah KPJ Healthcare. Majoriti Lembaga Pengarah adalah Pengarah Bukan Eksekutif. Lembaga Pengarah memantau pihak Pengurusan secara berasingan dan bertanggungjawab ke atas prestasi organisasi dan pematuhan tadbir urus yang baik.

Sebanyak 4 Mesyuarat Lembaga Pengarah telah diadakan sepanjang tahun berakhir 31 Disember 2002. Lembaga Pengarah bermesyuarat sekurang-kurangnya empat (4) kali setahun untuk memastikan pemantauan berterusan ke atas aktiviti sepanjang tahun. Sementara Lembaga Pengarah bertanggungjawab untuk menyusun dasar dan polisi operasi di dalam Kumpulan, pihak Pengurusan pula bertanggungjawab terhadap pelaksanaan polisi dan pencapaian objektif korporat Kumpulan.

Kehadiran setiap Pengarah adalah seperti berikut:-

NO	DIRECTOR/PENGARAH	2002				
		19 Mar/Mac	21 May/Mei	21 Aug/Ogos	12 Nov/Nov	%
1	Tan Sri Dato' Muhammad Ali Hashim	✓	✓	✓	✓	100%
2	Tan Sri Dato' Arshad Ayub	✓	✓	✓	✓	100%
3	Tan Sri Dato' Dr Abu Bakar Suleiman	✗	✓	✓	✓	75%
4	Datin Paduka Siti Sa'diah Sheikh Bakir	✓	✓	✓	✓	100%
5	Dato' Lim Kee Jin	✓	✓	✓	✓	100%
6	Datuk Dr Hussein Awang	✓	✓	✓	✓	100%
7	Dato' Dr K Kulaveerasingam	✓	✓	✓	✗	75%
8	Zainah Mustafa	✓	✗	✓	✓	75%
9	Azzat Kamaludin	✓	✓	✗	✓	75%
10	Dr Chakr Sri Na Nagaraj	✓	✓	✓	✓	100%

As the ultimate decision making body, the Board as part of its leadership role co-ordinates and delegates specific responsibilities to 4 working subcommittees (Audit Committee, Nomination Committee, Remuneration Committee, and Medical Advisory Committee). These Committees have the authority to examine particular issues and report back to the Board with their recommendations. The ultimate responsibility for the final decisions and recommendations on all matters emanating from these Committees, however, lies with the entire Board.

• Board Balance

Whilst the Company has a significant and majority shareholder (Johor Corporation), the investment of minority shareholders is fairly reflected through Board representation of Independent Non-Executive Directors.

The Board currently has ten (10) members, comprising of seven (7) Independent Non-Executive Directors, two (2) Non-Executive Directors, including the Chairman as representative of the majority shareholders and one (1) Managing Director. Together, the Directors bring a wide range of professional, business and financial experience relevant to the direction of a large, expanding Group.

There is a clear division of responsibility between the Chairman and the Managing Director to ensure that there is a balance of power and authority. The Managing Director has the principal responsibility of reporting, clarifying and communicating matters to the Board.

Although the Chairman encourages full discussion and deliberation of issues affecting the Group by all Board members, the Board has appointed Tan Sri Dato' Arshad Ayub as the Senior Independent Non-Executive Director to whom concerns may be conveyed as required by Part 2, AA VII of the Code. He can be contacted at 03-21615323 or 03-79561443 / 03-79582478.

The Board has developed a term of reference in defining the authority and responsibility of the Board and the Management involving the limits to Management's responsibilities. The Board has also developed and approved the corporate objectives for 2003, which the Managing Director is responsible to achieve.

Sebagai badan yang membuat keputusan mutlak, Lembaga Pengarah sebagai sebahagian peranan kepimpinannya menyelenggara dan mengagihkan tanggungjawab tertentu kepada 4 Jawatankuasa Kecil (Jawatankuasa Audit, Jawatankuasa Pencalonan, Jawatankuasa Imbuhan dan Jawatankuasa Penasihat Perubatan). Jawatankuasa berkenaan mempunyai kuasa untuk memeriksa isu-isu tertentu dan membuat laporan kepada Lembaga Pengarah berserta dengan saranan mereka. Walau bagaimanapun, tanggungjawab mutlak bagi membuat keputusan terakhir berhubung semua perkara, masih secara keseluruhannya dipertanggungjawabkan kepada Lembaga Pengarah.

• Keseimbangan Lembaga Pengarah

Sementara Syarikat mempunyai pemegang saham yang ketara dan majoriti (Johor Corporation), pelaburan pemegang saham minoriti adalah diwakili melalui wakil Lembaga Pengarah Bebas-Bukan Eksekutif.

Lembaga Pengarah terdiri dari sepuluh (10) ahli, merangkumi tujuh (7) Pengarah Bebas-Bukan Eksekutif, dua (2) Pengarah Bukan Eksekutif, termasuk Pengerusi yang mewakili majoriti pemegang saham dan satu (1) Pengarah Urusan. Keseluruhannya, Pengarah mempunyai pengalaman profesional, perniagaan dan kewangan yang meluas bersetujuan dengan Kumpulan yang sedang berkembang.

Terdapat pembahagian tanggungjawab yang jelas di antara Pengerusi dan Pengarah Urusan bagi memastikan wujudnya imbalan kuasa dan bidang kuasa. Pengarah Urusan mempunyai tanggungjawab utama untuk memberi laporan, penjelasan dan berurusan dengan Lembaga Pengarah.

Walaupun Pengerusi menggalakkan perbincangan yang menyeluruh ke atas isu-isu yang memberi kesan ke atas Kumpulan kepada kesemua ahli Lembaga Pengarah, Lembaga Pengarah telah melantik Tan Sri Dato' Arshad Ayub sebagai Pengarah Bebas-Bukan Eksekutif Kanan di mana sebarang kemosykilan dan pertanyaan seperti keperluan Bahagian 2, AA VII Kod. Beliau boleh dihubungi di nombor 03-21615323 atau 03-79561443 / 03-79582478.

Lembaga Pengarah telah merangka bidang kuasa di dalam mendefinisikan kuasa dan tanggungjawab Lembaga Pengarah dan pihak Pengurusan yang mana melibatkan had bidang kuasa tanggungjawab pihak Pengurusan. Lembaga Pengarah juga telah merangka dan meluluskan objektif korporat bagi tahun 2003 di mana Pengarah Urusan bertanggungjawab ke atas pencapaiannya.

• Quality of Information

All Directors review a Board Report prior to the Board Meeting. This is issued in sufficient time to enable the Directors to obtain further explanations, where necessary, in order to be briefed properly before the meeting. The Board report includes among others, the following details:-

- Minutes of Meeting of all Committees of the Board
- Matters Arising
- Progress and Financial Report of the Group
- Monthly and Quarterly Performance Report of the Group
- Trade Debtors Position
- Customer Feedback and Complaints
- Customer Profile
- Quality Issues
- Information Technology Issues
- Expansion Project Reports
- Report from Audit Committee
- Share Sealing and Transfer Committee Report
- Directors' shareholding position in the Company

In addition, there is a schedule of matters reserved specifically for the Board's decision, including the approval of corporate plans and budgets, acquisitions and disposals of assets that are material to the Group, major investments, changes to Management and control structure of the Group, including key policies, procedures and authority limits.

The Board has approved a procedure for Directors, whether as a full Board or in their individual capacity, to have access to all information within the Company and to obtain independent advice, where necessary.

All Directors are also entitled to have access to the advice and services of the Company Secretary.

• Appointments To The Board

The Code endorses, as a best practice, a formal procedure for appointments to the Board, with a Nomination Committee making recommendations to the Board. The Code, however, states that this procedure may be performed by the Board as a whole, although, as a matter of best practice, it recommends that this responsibility be delegated to a Committee.

• Kualiti Maklumat

Semua Pengarah akan mengkaji Laporan Pengarah sebelum Mesyuarat Lembaga Pengarah berlangsung. Laporan ini dikeluarkan dengan memberi masa yang memadai bagi membolehkan Pengarah mendapat penjelasan lanjut, jika perlu, supaya diberikan taklimat sewajarnya sebelum mesyuarat. Laporan Pengarah itu antara lain mengandungi butiran seperti berikut:-

- Minit bagi semua Mesyuarat Jawatankuasa Lembaga
- Perkara-perkara berbangkit
- Perkembangan dan laporan kewangan Kumpulan
- Laporan prestasi bulanan dan suku tahunan Kumpulan
- Kedudukan si berhutang perniagaan
- Maklum balas dan aduan pelanggan
- Profil pelanggan
- Isu-isu kualiti
- Isu teknologi maklumat
- Laporan perkembangan projek
- Laporan daripada Jawatankuasa Audit
- Laporan Jawatankuasa Pemindahan dan Pemerataan Saham
- Kedudukan pegangan saham Pengarah dalam Syarikat

Selain daripada prestasi Kumpulan yang dibincangkan di mesyuarat tersebut, terdapat satu jadual perkara-perkara khusus untuk diputuskan oleh Lembaga Pengarah, termasuk meluluskan rancangan dan belanjawan korporat, pembelian dan penjualan aset yang penting bagi Kumpulan, pelaburan utama, perubahan Pengurusan dan struktur kawalan Kumpulan, termasuk dasar-dasar penting, prosedur dan had bidang kuasa.

Lembaga Pengarah telah meluluskan prosedur di mana Pengarah, samada Lembaga Pengarah penuh atau di dalam kapasiti individu, mendapat semua maklumat dalam Syarikat dan mendapatkan nasihat profesional bebas, di mana perlu.

Semua Pengarah boleh mendapatkan nasihat dan perkhidmatan Setiausaha Syarikat.

• Pelantikan Lembaga Pengarah

Kod Tadbir Urus Korporat Malaysia memperakui, sebagai amalan terbaik, satu prosedur rasmi untuk pelantikan Lembaga Pengarah, dengan Jawatankuasa Pencalonan mengemukakan saranan kepada Lembaga Pengarah. Bagaimanapun Kod itu, menyatakan bahawa prosedur itu boleh dilaksanakan oleh Lembaga Pengarah secara keseluruhannya, tetapi sebagai amalan terbaik, ia menyarankan bahawa tanggungjawab itu diserahkan kepada sebuah Jawatankuasa.

• Nomination Committee

The Board has set up a Nomination Committee on 4 December 2001. There is no change in the members composition from last year. The members are as follows:-

- Tan Sri Dato' Muhammad Ali Hashim - Chairman
(Non-Executive Director)
- Tan Sri Dato' Arshad Ayub
(Independent Non-Executive Director)
- Azzat Kamaludin
(Independent Non-Executive Director)

The Board, through the Nomination Committee, will review annually its required mix of skills and experience and other qualities, including core competencies, which Non-Executive Directors should bring to the Board.

In addition, this Committee will assess:

- The effectiveness of the Board as a whole and the Committees of the Board; and
- The contribution of each individual Director.

The actual decision as to who shall be nominated is the responsibility of the full Board considering the recommendations of such a Committee. The first meeting was held on 21 August 2002.

• Re-Election

In accordance with the Company's Articles of Association, the whole of the Directors shall retire from office, at the first Annual General Meeting of the Company, and at every succeeding Annual General Meeting, one-third of the Directors, or, if the number is not a multiple of three, the number nearest to, but not exceeding one-third, shall retire from office. All Directors shall retire from office at least once in every three years (except for the Managing Director) but shall be eligible for re-election.

The Articles also states that the Managing Director shall, subject to the provisions of any contract between her and the Company, be subjected to the same provisions as to the resignation and removal as the other Directors of the Company.

• Jawatankuasa Pencalonan

Lembaga Pengarah telah menubuhkan Jawatankuasa Pencalonan pada 4 Disember 2001. Tiada sebarang perubahan di dalam komposisi ahli berbanding tahun sebelumnya. Ahli Jawatankuasa adalah seperti berikut:-

- Tan Sri Dato' Muhammad Ali Hashim - Pengerusi (Pengarah Bukan Eksekutif)
- Tan Sri Dato' Arshad Ayub (Pengarah Bebas Bukan Eksekutif)
- Azzat Kamaludin (Pengarah Bebas Bukan Eksekutif)

Lembaga Pengarah, menerusi Jawatankuasa Pencalonan akan membuat semakan tahunan berhubung kepelbagaian kemahiran dan pengalaman serta kualiti lain yang diperlukan termasuk kelebihan daya saingan teras, yang perlu dimiliki oleh Pengarah Bukan Eksekutif.

Selain daripada itu, Jawatankuasa berkenaan juga akan menilai:

- Keberkesanan keseluruhan Lembaga Pengarah dan Jawatankuasa-jawatankuasa Lembaga Pengarah; dan
- Sumbangan daripada setiap Pengarah individu.

Keputusan sebenar mengenai siapa yang patut dicalonkan seharusnya menjadi tanggungjawab Lembaga Pengarah sepenuhnya setelah mempertimbangkan saranan-saranan Jawatankuasa berkenaan. Mesyuarat pertama telah diadakan pada 21 Ogos 2002.

• Pelantikan Semula

Menurut Tataurusan Pertubuhan Syarikat, semua Pengarah yang dilantik oleh Lembaga Pengarah tertakluk kepada pemilihan oleh pemegang saham selepas setahun pelantikan mereka. Tataurusan itu juga menetapkan bahawa sekurang-kurangnya satu pertiga daripada Pengarah selebihnya tertakluk kepada pemilihan semula mengikut giliran pada setiap Mesyuarat Agung Tahunan. Semua Pengarah perlu melepaskan jawatan sekali dalam tiga tahun tetapi layak untuk dipilih semula.

Tataurusan itu juga menyatakan bahawa Pengarah Urusan, tertakluk kepada peruntukan sebarang kontrak antaranya dengan Syarikat, juga tertakluk kepada peruntukan yang sama seperti perlantakan jawatan dan pemecatan Pengarah lain dalam Syarikat itu.

• Directors' Training

As an integral element of the process of appointing new Directors, the Nomination Committee ensures that there is an orientation and education programme for new Board members. Directors also received further training from time to time, particularly on relevant laws and regulations and changing commercial risks. All the Board members have attended the Mandatory Accreditation Program (MAP) as required by the KLSE.

• DIRECTORS' REMUNERATION

The Board has set up a Remuneration Committee on 4 December 2001 and the first meeting was held on 21 August 2002.

The functions of the Remuneration Committee are to:

- Recommend to the Board the framework of executive remuneration procedure and its cost, and the remuneration package for the Managing Director.
- Review and determine the reward scheme for the Managing Director depending on corporate and individual reward.
- Review and determine the Managing Director's service contract specifically on other benefits, entitlement and other terms of conditions of employment.
- Ensure the existence of succession plan, including appointing, training and where appropriate, replacing Senior Management.

The Remuneration Committee Members are :-

- Tan Sri Dato' Muhammad Ali Hashim - Chairman
(Non-Executive Director)
- Zainah Mustafa
(Non-Executive Director)
- Dato' K Kulaveerasingam
(Non-Executive Director)

• Latihan Pengarah

Sebagai elemen penting dalam proses pelantikan Pengarah baru, Jawatankuasa Pencalonan memastikan bahawa program orientasi dan pendidikan diatur untuk ahli Lembaga Pengarah yang baru. Pengarah turut menerima latihan lanjut dari masa ke semasa, khususnya berhubung undang-undang baru yang berkaitan dan peraturan serta risiko perdagangan baru yang sentiasa berubah. Semua Lembaga Pengarah telah menghadiri Program Akreditasi Mandatori (MAP) seperti yang ditetapkan oleh Bursa Saham Kuala Lumpur (BSKL).

• IMBUHAN PENGARAH

Lembaga Pengarah telah menubuhkan Jawatankuasa Imbuhan pada 4 Disember 2001 dan mesyuarat pertama telah diadakan pada 21 Ogos 2002.

Fungsi-fungsi Jawatankuasa Imbuhan adalah:

- Mencadangkan kepada Lembaga Pengarah rangka kerja prosedur imbuhan eksekutif serta kos dan pakej imbuhan Pengarah Urusan.
- Mengkaji dan menentukan skim ganjaran untuk Pengarah Urusan bergantung pada ganjaran korporat dan individu.
- Mengkaji dan menentukan kontrak perkhidmatan Pengarah Urusan terutama mengenai faedah, kelayakan dan lain-lain terma pekerjaan.
- Menentukan wujudnya rancangan penggantian termasuk melantik, melatih dan di mana sesuai mengganti Pengurusan Kanan.

Ahli Jawatankuasa Imbuhan adalah seperti berikut:-

- Tan Sri Dato' Muhammad Ali Hashim - Pengurus (Pengarah Bukan Eksekutif)
- Zainah Mustafa (Pengarah Bukan Eksekutif)
- Dato' K Kulaveerasingam (Pengarah Bukan Eksekutif)

• Directors' Remuneration

The details of the remuneration of each Director during the year are as follow:-

	Basic Salary / Gaji RM'000	Allowances / Elaun Fees / Yuran RM'000	Bonuses Bonus RM'000	Benefit In-Kind Faedah Ehsan RM'000	Total Jumlah RM'000
Non-Executive Directors					
Pengarah Bukan Eksekutif					
• Tan Sri Dato' Muhammad Ali Hashim (*)	-	60.00	-	-	60.00
• Zainah Mustafa (*)	-	30.00	-	-	30.00
Independent Non-Executive Directors					
Pengarah Bebas Bukan Eksekutif					
• Tan Sri Dato' Arshad Ayub	-	30.00	-	-	30.00
• Tan Sri Dato' Dr Abu Bakar Suleiman (**)	-	162.00	-	-	162.00
• Azzat Kamaludin (****)	-	31.70	-	-	31.70
• Datuk Dr Hussein Awang (***)	-	40.70	-	-	40.70
• Dato' Dr Lim Kee Jin (****)	-	45.00	-	-	45.00
• Dato' Dr K Kulaveerasingam (***)	-	39.70	-	-	39.70
• Dr Chakr Sri Na Nagara (****)	-	45.00	-	-	45.00
Executive / Managing Director					
Eksekutif / Pengarah Urusan					
• Datin Paduka Siti Sa'diah Sheikh Bakir	360.00	115.00	62.50	54.40	591.90
(*) Representatives of majority shareholders. <i>Wakil pemegang saham majoriti.</i>					
(**) Received allowances for giving professional advisory services as Medical Advisory Chairman. <i>Menerima elaun khidmat nasihat profesional sebagai Pengurus Penasihat Perubatan.</i>					
(***) Received allowances for giving professional advisory services as Medical Director of subsidiary hospitals. <i>Menerima elaun khidmat nasihat profesional sebagai Pengarah Perubatan hospital subsidiari.</i>					
(****) Received allowances for their appointment as Independent Director of subsidiary hospitals. <i>Menerima elaun di atas pelantikan sebagai Pengarah Bebas hospital subsidiari.</i>					

• SHAREHOLDERS

Dialogue between Companies and Investors

The Group values dialogue with shareholders. The Chairman and Managing Director hold discussions with analysts and shareholders from time to time on the Group's results to the KLSE. Presentations are made, as appropriate, to explain the Group's strategy, performance and major developments. However, any information that may be regarded as undisclosed material information about the Group will be safeguarded.

In addition, the Group has established a website at www.kpj.com.my which shareholders can access for information. The Group's quarterly, half yearly and annual results announcements and press releases are also posted on the Group's website.

• Imbuhan Pengarah

Butiran lengkap imbuhan bagi setiap Pengarah sepanjang tahun adalah seperti berikut:-

• PEMEGANG SAHAM

Dialog Antara Syarikat dan Pelabur

Kumpulan menghargai dialog dengan pelabur sebagai cara hubungan yang berkesan. Pengurus dan Pengarah Urusan mengadakan perbincangan dengan penganalisis dan pelabur dari masa ke semasa mengenai keputusan yang dihantar ke BSKL dan lain-lain pengumuman korporat untuk menerangkan mengenai strategi, prestasi dan perkembangan penting Kumpulan. Walau bagaimanapun, sebarang maklumat yang dianggap sebagai maklumat penting yang tidak boleh didedahkan mengenai Kumpulan akan dilindungi sewajarnya.

Selain daripada itu, Kumpulan telah menubuhkan laman web, www.kpj.com.my di mana pemegang saham boleh memperolehi maklumat. Pengumuman keputusan suku tahunan, separuh tahunan dan tahunan Kumpulan serta siaran akbar juga boleh diperolehi di laman web Kumpulan.

Annual General Meeting

At each Annual General Meeting, the Chairman presents the progress and performance of the business and encourages shareholders to participate in the question and answer session. The Managing Director, the Chairman of the Audit Committee and other Board of Director members are available to respond to shareholders' questions during the meeting. Where appropriate, the Chairman will undertake to provide a written answer to any significant question that cannot be readily answered on the spot.

Each item of special business included in the notice of the meeting will be accompanied by a full explanation of its effects. Separate resolutions are proposed for substantially different issues at the meeting and the Chairman declares the number of proxy votes received both for and against each separate resolution.

The Company provides shareholders with a summary of the discussion at the Annual General Meeting.

• ACCOUNTABILITY AND AUDIT

• Financial Reporting

In presenting the annual financial statements and quarterly announcement to shareholders, the Directors aim to present a balanced and understandable assessment of the Group's position and prospects. This also applies to other price-sensitive public reports and reports to regulators.

• Statement Of Directors Responsibility for Preparing the Financial Statements

The Board acknowledged its responsibility for preparing the annual audited accounts. In presenting the annual audited financial statements and quarterly announcements to shareholders, the Board aims to present a balanced and understandable assessment of the company's position and prospects.

The preparation of the financial statements each year have been made in accordance with the applicable approved accounting standards and give a true and fair view of the state of affairs of the Group and Company at the end of the financial year and of the results and cash flows of the Group and Company for the financial year.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy, the financial position of the Group and Company and which enable them to ensure that the financial statements comply with the Companies Act 1965.

Mesyuarat Agung Tahunan

Pada setiap Mesyuarat Agung Tahunan, Pengurus membentangkan kemajuan dan prestasi perniagaan dan menggalakkan pemegang saham mengambil bahagian dan mengemukakan soalan kepada Lembaga Pengarah ketika sesi soal jawab. Pengarah Urusan dan bila bersesuaian, Pengurusi Jawatankuasa Audit serta lain-lain Pengarah sedia memberi maklum balas kepada soalan-soalan yang dikemukakan oleh pemegang saham ketika mesyuarat itu. Pengurus akan bersedia untuk menyediakan jawapan bertulis kepada mana-mana soalan penting yang tidak dapat diberikan jawapan segera, bila perlu.

Setiap perkara mengenai urusan khas yang dimasukkan di dalam notis mesyuarat akan disertakan dengan penerangan lengkap mengenai kesannya. Resolusi berasingan dicadangkan bagi isu-isu berbeza pada mesyuarat itu dan Pengurus mengumumkan jumlah undi proksi yang diterima bagi kedua-dua sokongan dan bantahan bagi setiap resolusi.

Syarikat akan menyediakan ringkasan perkara yang dibincangkan pada Mesyuarat Agung Tahunan kepada pemegang saham.

• KEBERTANGGUNGJAWABAN DAN AUDIT

• Laporan Kewangan

Dalam membentangkan laporan kewangan tahunan dan pengumuman suku tahunan kepada pemegang saham, Pengarah beriltizam untuk membentangkan satu penilaian yang seimbang dan mudah difahami mengenai kedudukan dan prospek Kumpulan. Ini turut digunakan bagi laporan awam yang sensitif terhadap harga dan laporan kepada pengawal selia pasaran.

• Penyata Tanggungjawab Pengarah dalam Menyediakan Laporan Kewangan

Lembaga Pengarah mengakui tanggungjawab mereka untuk menyediakan akaun tahunan yang diaudit. Di dalam menyediakan penyata kewangan yang diaudit dan pengumuman suku tahunan kepada pemegang saham, Lembaga Pengarah beriltizam untuk membentangkan satu penilaian yang seimbang dan mudah difahami mengenai kedudukan dan prospek Kumpulan.

Penyediaan penyata kewangan tahunan dibuat menurut piawaian perakaunan yang diluluskan dan diterima pakai juga memberi gambaran yang benar dan saksama mengenai hal ehwal Kumpulan dan Syarikat pada hujung tahun kewangan serta mengenai keputusan aliran tunai Kumpulan dan Syarikat untuk tahun kewangan berkenaan.

Pengarah bertanggungjawab untuk memastikan bahawa Syarikat menyimpan rekod perakaunan yang mendedahkan dengan ketepatan yang munasabah tentang kedudukan kewangan Kumpulan dan Syarikat serta membolehkan mereka memastikan bahawa penyata kewangan tersebut mematuhi Akta Syarikat 1965.

In preparing the financial statements, the Directors have:

- Selected suitable accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Ensured that all applicable accounting standards have been followed; and
- Prepared the financial statements on the going concern basis as the Directors have reasonable expectation, having made inquiries, that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors have overall responsibilities for taking such steps necessary to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

• Internal Control

The Statement on Internal Control is set out on page 52 to 55.

• Relationship with the Auditors

The Board through the Audit Committee has maintained an appropriate relationship with the external auditors and there is a formal and transparent arrangement in the review of the external auditor's audit plan, report, internal control issues and procedures. The Audit Committee also reviews any letter of resignation from the External Auditors, the suitability of the External Auditors for re-appointment and recommends the nomination of other person or persons as external auditors.

The Committee has met with the external auditor without the presence of the Executive Board members.

• Audit Committee

The report by the Audit Committee for the year is set out on page 40 to 43.

Dalam menyediakan penyata kewangan, Pengarah telah:

- Memilih dasar-dasar perakaunan yang sesuai dan menggunakan secara konsisten;
- Membuat pertimbangan dan anggaran yang berpatutan dan berhemat;
- Memastikan bahawa standard perakaunan yang diterima pakai telah diikuti; dan
- Menyediakan penyata kewangan berasaskan andaian perniagaan berterusan kerana Pengarah mempunyai jangkaan yang berpatutan, setelah membuat pertanyaan, bahawa Kumpulan dan Syarikat mempunyai sumber yang mencukupi untuk meneruskan operasi bagi masa hadapan yang boleh diramalkan.

Kesemua Pengarah mempunyai tanggungjawab menyeluruh untuk mengambil langkah yang dianggap wajar untuk menjaga harta Kumpulan bagi mencegah dan mengesan sebarang pemalsuan dan keadaan lain yang tidak mematuhi peraturan.

• Kawalan Dalaman

Penyata Kawalan Dalaman adalah dibentangkan di mukasurat 52 hingga 55.

• Perhubungan dengan Juruaudit

Lembaga Pengarah menerusi Jawatankuasa Audit sentiasa menjalin hubungan yang bersesuaian dengan Juruaudit Luar dan wujud aturan yang telus dalam membuat semakan terhadap rancangan, laporan, isu kawalan dalaman dan prosedur Juruaudit Luar. Jawatankuasa Audit juga menyemak sebarang surat perletakan jawatan daripada Juruaudit Luar, kesesuaian Juruaudit Luar untuk pelantikan semula dan menyarankan pencalonan individu dan individu lain sebagai Juruaudit Luar.

Jawatankuasa juga telah bertemu dengan Juruaudit Luar tanpa kehadiran ahli Lembaga Pengarah Eksekutif.

• Jawatankuasa Audit

Laporan oleh Jawatankuasa Audit untuk tempoh kewangan dinyatakan di mukasurat 40 hingga 43.

Signed on behalf of the Board of Directors in accordance with their resolution dated 13 March 2003.

Ditandatangani bagi pihak Lembaga Pengarah sejajar dengan resolusi mereka bertarikh 13 Mac 2003.

TAN SRI DATO' MUHAMMAD ALI HASHIM
CHAIRMAN/*PENGERUSI*

DATIN PADUKA SITI SA'DIAH SHEIKH BAKIR
MANAGING DIRECTOR/*PENGARAH URUSAN*

Statement on Internal Control

Penyata Kawalan Dalaman

“**The Board of Directors (“Board”) of KPJ Healthcare Berhad is pleased to provide the following statement on the state of internal control (“Statement”) of the Group for the financial year ended 31 December 2002, which has been prepared in accordance with the Statement on Internal Control – Guidance for Directors of Public Listed Companies ”**

“*Ahli Lembaga Pengarah KPJ Healthcare Berhad dengan sukacitanya memberikan penyataan tentang kedudukan kawalan dalaman (“Penyataan”) Kumpulan bagi tahun kewangan berakhir 31 Disember 2002, yang telah disediakan berdasarkan Penyata Kawalan Dalaman – Garis Panduan Untuk Pengarah Syarikat Senaraian Awam ”*

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The Board recognises the importance of sound internal controls and Risk Management practices to good corporate governance. The internal control system processes described in this statement is considered appropriate to business operations.

In making the Statement, the Board wishes to inform that the Statement covers Johor Specialist Hospital and Ipoh Specialist Hospital as well as the enlarged Group upon the completion of the corporate restructuring exercise in October 2002. However, it has excluded the assessment of controls on associate companies.

Board's Responsibility

The Board acknowledges its overall responsibility for the Group's internal control systems covering not only financial controls but also operational and compliance controls as well as Risk Management, and for reviewing the adequacy and integrity of those systems. The role of Managing Director and Management is to assist in the design and implementation of the Board's policies on risks and controls.

The internal control systems involve each business process and Management including the Board, and are designed to meet the Group's particular needs and to manage the risks to which it is exposed. In pursuing these objectives, it should be noted, however, that such systems are designed to manage rather than eliminate the risk of failure to achieve corporate objectives. In addition, internal control systems could only provide reasonable and not absolute assurance against the risk of material errors, fraud or loss from occurring.

Lembaga Pengarah mengakui kepentingan kawalan dalaman dan amalan Pengurusan Risiko yang mantap untuk membentuk tadbir urus korporat yang baik. Proses sistem kawalan dalaman yang dinyatakan di dalam Penyataan ini dianggap memenuhi keperluan pentadbiran operasi perniagaan.

Di dalam membuat Penyataan ini, Lembaga Pengarah telah mengambilkira Johor Specialist Hospital dan Ipoh Specialist Hospital berserta lain-lain syarikat dalam Kumpulan berikutan selesainya proses penstrukturkan korporat Kumpulan pada Oktober 2002. Walau bagaimanapun, iaanya tidak mengambilkira penilaian kawalan dalaman bagi syarikat-syarikat sekutu.

Tanggungjawab Lembaga Pengarah

Lembaga Pengarah pada dasarnya mengakui bertanggungjawab penuh ke atas sistem kawalan dalaman Kumpulan merangkumi antara lain, Pengurusan Risiko dan kewangan, pengendalian operasi serta pematuhan termasuk mewujudkan persekitaran kawalan dan sistem yang wajar di samping memastikan kesempurnaan dan keutuhan sistem tersebut. Pengarah Urusan dan pihak Pengurusan berperanan untuk membantu Lembaga Pengarah dalam merangka dan melaksanakan polisi risiko dan kawalan.

Sistem kawalan dalaman melibatkan setiap proses perniagaan dan pihak Pengurusan termasuk Lembaga Pengarah serta dirangka untuk memenuhi keperluan Kumpulan di dalam mengurus risiko-risiko yang mungkin dihadapi. Memandangkan wujudnya batasan dalam mana-mana sistem kawalan dalaman, sistem ini direka bentuk untuk mengurus, dan bukan untuk menghapuskan risiko kegagalan bagi mencapai objektif korporat. Oleh sebab itu, ia hanya dapat memberikan jaminan yang munasabah dan bukan bersifat mutlak daripada salah pernyataan atau kerugian.

Because of changing circumstances and conditions, the effectiveness of the internal control systems may vary over time. The Board is of the view that there is an on-going process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its corporate objectives in their daily activity throughout the period and the formalised Risk Management Framework was started for Ipoh Specialist Hospital and Johor Specialist Hospital during the year.

The Board through the Board meetings and Board Sub-Committees meetings and various Management Committees meetings regularly review this process. Furthermore, the Board takes steps to ensure the Risk Management process is extended to its newly acquired subsidiaries.

The key elements of the Group's internal control systems are described below:-

Corporate Culture

Upon completion of the corporate restructuring exercise of KPJ Healthcare, with the injection of additional specialist hospitals and companies in the Group, a major reshuffling of key personnel was also being formalised to enhance and strengthen the new organisational structure.

The Group has developed a clearly defined delegation of responsibilities and accountability of the full Board to its Sub-Committees and to operating units.

The Group has also introduced a performance merit system by formulating Key Results Area that need to be achieved by all levels of Management supporting the corporate objectives of the Group. The professionalism and competency of staff are enhanced through a properly planned training, development programme and also an appropriate recruitment process. A performance appraisal system of staff is in place, with established targets and accountability and is reviewed on semi-annual basis.

All specialist hospitals in the Group except for Bukit Mertajam Specialist Hospital and Hospital Pakar Perdana have a clearly documented internal procedure set out in a series of Standard Manual Procedures to maintain the ISO 9002 certification. Management is aware that striving for continuous quality improvement is the most important areas for a service industry. The other specialist hospitals and companies in the Group are also in the process of obtaining the ISO certification.

Disebabkan oleh perubahan suasana dan persekitaran, keberkesanan sistem kawalan dalam akan berubah mengikut masa. Lembaga Pengarah juga berpendapat, wujudnya proses yang berterusan untuk mengenalpasti, menilai dan menganalisa, memantau serta mengurus risiko-risiko utama yang menjelaskan pencapaian objektif korporat Kumpulan dalam kegiatan sepanjang tahun dan juga Rangka Kerja Pengurusan Risiko yang telah dimulakan di Johor Specialist Hospital dan Ipoh Specialist Hospital.

Lembaga Pengarah menerusi Mesyuarat Ahli Lembaga Pengarah dan juga Mesyuarat Jawatankuasa Kecil Lembaga Pengarah serta Mesyuarat Jawatankuasa Pengurusan yang lain sentiasa menilai proses yang dijalankan. Lembaga Pengarah juga mengambil langkah untuk memanjangkan proses pengurusan risiko ini kepada syarikat-syarikat yang baru diambil alih di dalam Kumpulan.

Elemen-elemen penting di dalam sistem kawalan dalam Kumpulan adalah seperti berikut:-

Budaya Korporat

Berikutnya penyelesaian aktiviti penstrukturkan korporat KPJ Healthcare, dengan kemasukan beberapa hospital pakar dan syarikat dalam Kumpulan, satu rombakan yang melibatkan anggota pekerja utama telah dilaksanakan bagi mengukuh dan memantapkan lagi struktur organisasi yang baru.

Kumpulan telah menggubal dan menyatakan dengan jelas bidang tugas dan tanggungjawab yang perlu dimainkan oleh Lembaga Pengarah dan Jawatankuasa Kecil yang ditubuhkan oleh Lembaga Pengarah serta unit-unit operasi.

Kumpulan juga telah memperkenalkan sistem penilaian berdasarkan merit dengan merangka Bidang Pencapaian Utama yang perlu dicapai oleh semua peringkat Pengurusan bagi menyokong objektif korporat Kumpulan. Tahap profesionalisme dan kemahiran anggota pekerja dipertingkatkan menerusi latihan yang terancang, program pembangunan serta proses pengambilan anggota pekerja yang bersesuaian. Sistem penilaian prestasi telah wujud dengan matlamat sasaran yang jelas dan dikaji semula setiap enam bulan.

Kesemua hospital pakar dalam Kumpulan kecuali Bukit Mertajam Specialist Hospital dan Hospital Pakar Perdana telah mempunyai prosedur kawalan yang jelas tertera di dalam Manual Prosedur Piawaian untuk mengekalkan pensijilan ISO 9002. Pihak Pengurusan menyedari keperluan untuk proses peningkatan kualiti yang berterusan adalah penting dalam industri perkhidmatan. Hospital-hospital pakar dan syarikat-syarikat yang lain dalam Kumpulan juga sedang dalam proses untuk mendapatkan pensijilan ISO.

Statement on Internal Control

The Group has also focused on the importance of complying with the Occupational Safety and Health Act ("OSHA"). Ipoh Specialist Hospital has started the OSHA programme together with the professional consultants and has achieved certification from SIRIM in December 2002. Other specialist hospitals will start the same programme in stages. For a start, all specialist hospitals will set up their Occupational Health Safety and Risk Management Committees to look into the issues as suggested by the Medical Advisory Committee. The Group targets Ampang Puteri Specialist Hospital, Damansara Specialist Hospital and Johor Specialist Hospital to obtain their OSHA certification by end of 2003.

Risk Management

The Group has started to formalise the current risk management practices in 2002 based on the Australian and New Zealand Standards AS/NZS 4360 : 1999 Risk Management Framework. The principal risks identification process involved setting up the corporate objective, risk identification process, risk assessment that involved risks analysis and risks evaluation process and risks treatment. During the year, the Group has initiated the formalising process for Ipoh Specialist Hospital and Johor Specialist Hospital through the following activities:-

- Appointment of Chief Risk Officer
- Awareness seminars involving top and middle management as well as support staff.
- Workshops with operational managers/executives to identify and evaluate significant risks, and the management action plans to mitigate the risks.

This contributed to a greater understanding of the strategic, financial and operational risks facing the Group's respective business functions and the actions required to deal with them. Other newly acquired specialist hospitals and companies within the Group will start their risk management programmes from March 2003.

The Group will adopt the "Guidelines for Managing Risk in Healthcare HB 228:2001" covered under the Australian and New Zealand Standards AS/NZS 4360 : 1999 as a tool for the Risk Management Framework since these guidelines are focusing in healthcare industry.

The main objective is to achieve a better management of the risks and controls through formulation of action plans to be implemented by Management. Significant risks are continuously identified, assessed and managed with the facilitation of the internal audit function and instituted controls are appropriate and effectively applied by the Management to achieve acceptable exposures consistent with the Group's risk management system.

Kumpulan juga telah memberikan tumpuan kepada keutamaan mematuhi Akta Keselamatan dan Kesihatan Pekerjaan ("OSHA"). Ipoh Specialist Hospital telah memulakan program OSHA dengan kerjasama perunding profesional yang telah dilantik dan telah mendapat pengiktirafan SIRIM pada bulan Disember 2002. Hospital-hospital pakar yang lain akan turut memulakan program yang sama secara berperingkat. Buat permulaan, semua hospital pakar akan menubuhkan Jawatankuasa Keselamatan dan Kesihatan serta Jawatankuasa Pengurusan Risiko untuk mengkaji isu-isu yang dicadangkan oleh Jawatankuasa Penasihat Perubatan. Kumpulan mensasarkan Ampang Puteri Specialist Hospital, Damansara Specialist Hospital dan Johor Specialist Hospital untuk mendapatkan pensijilan OSHA sebelum penghujung tahun 2003.

Pengurusan Risiko

Kumpulan telah mula menggabung pengurusan risiko dalam tahun 2002 berdasarkan "Australia and New Zealand Standards AS/NZS 4360 : 1999 Risk Management Framework". Proses utama mengenalpasti risiko melibatkan penetapan objektif korporat, proses mengenalpasti risiko, penilaian risiko yang merangkumi analisa risiko serta menilai risiko dan proses menangani risiko. Dalam tahun ini, Kumpulan telah memulakan proses tersebut di Ipoh Specialist Hospital dan Johor Specialist Hospital menerusi aktiviti-aktiviti berikut:-

- Pelantikan Ketua Pegawai Risiko.
- Seminar melibatkan pengurusan alasan dan pertengahan serta anggota pekerja sokongan.
- Bengkel-bengkel yang melibatkan pengurus-pengurus operasi/eksekutif-eksekutif bertujuan untuk mengenalpasti dan menilai risiko-risiko utama dan langkah-langkah yang diambil untuk menangani risiko-risiko tersebut.

Ini menyumbang kepada pemahaman yang lebih baik terhadap risiko-risiko strategi, kewangan dan operasi yang dihadapi oleh setiap fungsi perniagaan dan langkah-langkah yang diperlukan untuk menanganinya. Hospital-hospital pakar dan syarikat-syarikat yang baru diambil alih dalam Kumpulan akan memulakan program pengurusan risiko mereka pada bulan Mac 2003.

Kumpulan bercadang untuk menerima pakai "Guidelines for Managing Risk in Healthcare HB228:2001" di bawah "Australian and New Zealand Standards 4360 : 1999" untuk Rangka Kerja Pengurusan Risiko kerana ianya lebih menjurus kepada industri prishatin.

Objektif utama ialah untuk mencapai pengurusan risiko dan kawalan yang baik menerusi pelan bertindak yang akan dilaksanakan oleh pihak Pengurusan. Risikorisiko utama akan sentiasa dikenalpasti, dianalisa dan diuruskan dengan bantuan fungsi audit dalam serta kawalan-kawalan yang ada adalah bersesuaian dan dilaksanakan dengan baik oleh pihak Pengurusan bagi mencapai tahap pendedahan risiko yang munasabah dan selari dengan sistem pengurusan risiko Kumpulan.

Internal Audit

Currently there are 4 personnel functioning as the Group's Internal Auditors headed by a Certified Internal Auditor. Regular internal audit visits are carried out by the Group's internal audit function through scheduled audit visits to monitor compliance with procedures and assessing the integrity and adequacy of internal control systems of the business units. The internal audit team advises Management on areas for improvement and subsequently reviews the extent to which its recommendations have been implemented.

The resulting reports from the audits undertaken are reviewed by the Audit Committee and forwarded to Management for attention and necessary corrective actions as recommended.

Starting 2003, the Group Internal Audit function has made an arrangement with the Group Compliance and Internal Audit Department of Johor Corporation, the ultimate holding corporation, to provide assistance in auditing selected companies within the Group on a regular basis.

CONCLUSION

Based on the assessment of the internal control systems of the Group, the Board is of the opinion that the state of internal control systems of the Group is satisfactory. The internal control systems that exist throughout the year provide a level of confidence on which the Board relies for assurance.

The Board will ensure that the internal control systems of the Group will be continuously improved to meet the changing and challenging business environment.

Audit Dalaman

Pada masa kini, Audit Dalaman Kumpulan mempunyai 4 orang anggota pekerja yang diketuai oleh seorang Juruaudit Dalaman Bertauliah. Lawatan audit dijalankan secara berjadual bagi memantau pematuhan kepada prosedur sedia ada dan menilai tahap sistem kawalan dalaman yang ada. Audit Dalaman juga memberikan pandangan kepada pihak Pengurusan ke atas perkara-perkara yang boleh diperkemas dan dipertingkatkan lagi serta membuat pemantauan susulan ke atas tahap perlaksanaan cadangan yang telah dipersetujui.

Laporan audit hasil semakan dan penelitian tersebut dikaji semula oleh Jawatankuasa Audit dan seterusnya dikemukakan kepada pihak Pengurusan untuk perhatian dan bagi membolehkan tindakan pembetulan yang sewajarnya diambil seperti yang telah dicadangkan.

Mulai tahun 2003, Audit Dalaman Kumpulan telah mengadakan usahasama dengan Jabatan Pematuhan dan Audit Dalaman Kumpulan dari Johor Corporation, organisasi induk, untuk membantu dalam menjalankan kerja-kerja audit di beberapa buah syarikat yang ditentukan di dalam Kumpulan dari masa ke semasa.

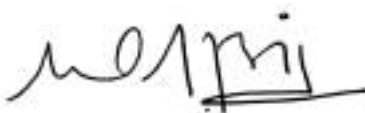
KESIMPULAN

Berdasarkan penilaian sistem kawalan dalaman syarikat Kumpulan, Lembaga Pengarah berpendapat, sistem kawalan dalaman sedia ada adalah memuaskan. Sistem kawalan dalaman yang wujud sepanjang tahun dapat memberikan satu tahap keyakinan yang Lembaga Pengarah boleh sandarkan untuk kepastian.

Lembaga Pengarah akan sentiasa memastikan sistem kawalan dalaman Kumpulan dipertingkatkan dari masa ke semasa bagi memenuhi keperluan perniagaan yang sentiasa berubah dan mencabar.

Signed on behalf of the Board of Directors in accordance with their resolution dated 13 March 2003.
Ditandatangani bagi pihak Lembaga Pengarah sejajar dengan resolusi mereka bertarikh 13 Mac 2003.


TAN SRI DATO' MUHAMMAD ALI HASHIM
CHAIRMAN/PENGERUSI


DATIN PADUKA SITI SA'DIAH SHEIKH BAKIR
MANAGING DIRECTOR/PENGARAH URUSAN

Additional Compliance Information

Tambahan Maklumat Pematuhan

In conformance with the Kuala Lumpur Stock Exchange Listing Requirements, the following additional information is provided:

1. Utilisation of proceeds raised from corporate proposal

The proceeds of RM48 million raised from the Rights Issue have been fully utilised on 15 November 2002 for part payment of the acquisition as disclosed in Note 35 to the Financial Statement.

2. Share buybacks

During the financial year, there were no share buybacks by the Company.

3. Options, warrants or convertible securities

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The Company did not issue any options, warrants or convertible securities.

4. American Depository Receipt (ADR) or Global Depository Receipt (GDR) programme

During the financial year, the Company did not issue any ADR or GDR programme.

5. Imposition of sanctions/penalties

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies.

6. Non-audit fees

Other than the following, there were no non-audit fees paid to the external auditors for the financial year:

Auditors	Services	RM
PricewaterhouseCoopers	Professional services in connection with the restructuring exercise	70,000

7. Profit estimate, forecast or projection

The variance of actual profit from forecast profit in abridged prospectus dated 19 September 2002 has not exceeded 10% as follows:

	As per Abridged Prospectus dated 19.9.02 RM	Year ended 31.12.02 RM	Variance % 0.8
Consolidated profit after taxation and minority interest	14,834,713	14,956,266	

8. Profit guarantee

There is no profit guarantee given by the Company in respect of the financial year.

9. Material contracts

There is no material contract by the Company and its subsidiary companies, involving Directors' and major shareholders' interest substituting at the end of the financial year.

10. Recurrent related party transactions statement

At an extraordinary general meeting on 21 May 2002, the Company obtained a general mandate from the shareholders for recurrent related party transactions of a revenue nature for the period up to the forthcoming annual general meeting. The actual transactions for the financial year ended 31 December 2002 are disclosed in Note 29 to the financial statements. The company is not renewing the general mandate from the shareholders for recurrent related party transactions of a revenue nature at the forthcoming annual general meeting as the estimated aggregate value of the recurrent related party transaction is lower than 5% of the Group's total value.

Maklumat tambahan berikut disediakan bagi mematuhi Syarat Penyenaraian Bursa Saham Kuala Lumpur:

1. Penggunaan perolehan dana daripada cadangan korporat

Perolehan sebanyak RM48 juta hasil dari Terbitan Hak telah digunakan sepenuhnya pada 15 November 2002 untuk membayar sebahagian dari pengambilalihan yang dinyatakan dalam Nota 35 kepada Penyata Kewangan.

2. Pembelian semula saham

Sepanjang tahun kewangan, Syarikat tidak membuat pembelian semula saham.

3. Opsyen, waran atau sekuriti mudahalih

Syarikat tidak menerbitkan mana-mana opsyen, waran atau sekuriti mudahalih.

4. Rancangan 'American Depository Receipt' (ADR) atau 'Global Depository Receipt' (GDR)

Sepanjang tahun kewangan, Syarikat tidak mengeluarkan sebarang rancangan ADR atau GDR.

5. Pengenaan sekatan/penalti

Tiada pengenaan langkah-langkah tegas dan/atau penalti yang dikenakan ke atas Syarikat dan subsidiari, Pengarah-pengarah atau pengurusan oleh badan kawalan berkaitan.

6. Bayaran bukan audit

Selain daripada yang berikut, tiada lain-lain bayaran bukan audit yang dibayar kepada Juruaudit luar untuk tahun kewangan semasa:

Juruaudit	Perkhidmatan	RM
PricewaterhouseCoopers	Perkhidmatan profesional berkaitan dengan penstrukturran semula	70,000

7. Anggaran, jangkaan atau unjuran keuntungan

Perbezaan antara keuntungan sebenar dari keuntungan jangkaan di dalam prospektus ringkas bertarikh 19 September 2002 adalah tidak melebihi 10 % seperti berikut:

Penyatuan keuntungan selepas cukai dan kepentingan minoriti	Seperti yang terdapat dalam Prospektus Ringkas bertarikh 19.9.02	Tahun berakhir 31.12.02	Perbezaan %		
				RM	RM
				14,834,713	14,956,266

8. Jaminan keuntungan

Syarikat tidak memberikan mana-mana jaminan keuntungan untuk tahun kewangan semasa.

9. Kontrak material

Tiada kontrak material bagi Syarikat dan subsidiari-subsidiari yang melibatkan kepentingan Pengarah-pengarah dan pemegang-pemegang saham utama yang masih aktif pada akhir tahun kewangan.

10. Penyata Transaksi Pihak Berkaitan Berulang

Syarikat telah memperolehi mandat dari pemegang saham pada mesyuarat agung luarbiasa pada 21 Mei 2002 untuk transaksi urusniaga biasa berulang dengan pihak berkaitan bagi tempoh sehingga mesyuarat agung tahunan yang akan datang. Transaksi sebenar untuk tahun kewangan semasa berakhir 31 Disember 2002 telah dibentangkan dalam Nota 29 kepada Penyata Kewangan. Syarikat tidak akan memperbaharui mandat yang telah diberikan oleh pemegang-pemegang saham untuk transaksi urusniaga biasa berulang dengan pihak berkaitan pada mesyuarat agung tahunan yang akan datang kerana jumlah transaksi ini dianggarkan kurang daripada 5% jumlah nilai keseluruhan Kumpulan.

“Upholding the Tradition of Quality”

“Mengamalkan Tradisi Berteraskan Kualiti”

KPJ Healthcare placed paramount importance on the Quality Improvement activities. In ensuring quality healthcare services are being rendered in all aspects from entry to exit, the Group is committed to improving the work process, systems and method, geared to exceeding patients' satisfaction.

KPJ Healthcare sentiasa mengutamakan program peningkatan kualitinya. Dalam menentukan perkhidmatan prisihatin yang berkualiti diberikan kepada semua pengguna, bermula dari awal hingga pesakit/pelanggan meninggalkan hospital, Kumpulan amat menyokong segala aktiviti yang berkaitan dengan peningkatan proses serta kaedah kerja, yang berkualiti dalam meningkatkan kepuasan pelanggan.

All KPJ Healthcare hospitals are MS ISO Certified, and 4 of the hospitals have already completed the conversion to the 2000 standards. In ensuring the smooth conversion process, the Management has initiated a workshop on “Understanding ISO 9001 : 2000” for the Group.

At KPJ Healthcare, we continuously improve facilities, physical ambiance as well as services provided with a human touch. KPJ Healthcare's hospitals received many firsts in its journey to achieve quality excellence.

Ampang Puteri Specialist Hospital is the first private hospital in the country to achieve the full 3-year Accreditation status in 2000. This healthcare-focused and international based standard certification was conferred by the Malaysian Society for Quality in Health, Malaysia, in short MSQH

Ipooh Specialist Hospital (ISH) was awarded the Quality Management Excellence Award organised by National Productivity Centre, which was conferred by the Prime Minister of Malaysia in 2000.

Again recently, ISH chartered another milestone in the Group by being the first healthcare institution to receive the Occupational Health and Safety Awareness, OHSAS 18001 : 1999 Certification, a prestigious award from SIRIM Berhad.

Semua hospital KPJ Healthcare telah diiktiraf dengan sijil MS ISO, dengan 4 buah hospital telah pun berjaya mendapatkan peralihan kepada piawaian 2000. Bagi menentukan kelancaran dalam proses peralihan pihak Pengurusan telah mengadakan bengkel “Memahami ISO 9001 : 2000” untuk semua anggota pekerja yang terlibat di dalam Kumpulan.

Selain dari program menaiktaraf struktur fizikal, KPJ Healthcare turut memberikan penumpuan terhadap penyampaian perkhidmatan yang menitikberatkan perhubungan sesama insan. Dalam mencapai pelbagai pengiktirafan kualitinya, KPJ Healthcare telah menempa tempat pertama dalam banyak perkara.

Ampang Puteri Specialist Hospital ialah hospital pakar pertama dalam negara yang menerima status Akreditasi penuh 3 tahun pada tahun 2000. Status ini berpandukan kepada industri prisihatin yang bertaraf antarabangsa, pengiktirafan ini diberikan oleh Malaysia Society for Quality in Health (MSQH).

Ipooh Specialist Hospital (ISH) telah menerima Anugerah Kecemerlangan Pengurusan yang dikelolakan oleh Perbadanan Produktiviti Negara serta disampaikan oleh Perdana Menteri Malaysia pada tahun 2000.

ISH mencatatkan satu lagi sejarah apabila ia menjadi hospital serta institusi prisihatin pertama menerima Sijil Pengesahan Keselamatan dan Kesihatan Pekerjaan OHSAS 18001:1999 salu pengiktirafan dari SIRIM Berhad.



Quality Management Excellence Awards Anugerah Kualiti Kecemerlangan Pengurusan



“Building a Learning Organisation”

“Membina Budaya Ilmu dalam Organisasi”

Being the first homegrown healthcare Group who have stride across many challenges, gained abundant experience and achieved many triumphs along its way, KPJ Healthcare has a lot to share, with its staff, its strategic partners as well as the community at large. Thus, many corporate events are held in line with the perspective of towards enriching the people KPJ Healthcare has in contact, directly or indirectly.

One of the milestone achievements during the year was the soft launch of the eleventh KPJ Healthcare's hospital in Kota Bharu, Kelantan, Hospital Pakar Perdana in April 2002. KPJ Healthcare's Chairman, YBhg Tan Sri Muhammad Ali officiated this simple yet memorable occasion.

Meanwhile, Johor Specialist Hospital closed the year charting yet another history when it officially opened its new Physician Consulting Block and the Oncology and Radiotherapy Centre on 31 December 2002. This joyous occasion was graced by YAB Dato' Seri Abdul Gani Othman, Menteri Besar of Johor.

Annual Corporate Address

It has been the tradition of KPJ Healthcare Group to welcome the New Year by having its Annual Corporate Address, to share the Company's aspiration for the new year as well as sharing the achievements of the previous year. Also, this annual affair is to forge better interactions and open communication between Management and staff enhance group synergy and strengthen the direction for the Group.

YBhg Tan Sri was the Guest of Honour at this event held at the Putra World Trade Centre on 8 January 2002 where the theme for the year was "Integration for Competitive Advantage". More than 700 staff and consultants of KPJ Healthcare hospitals and companies within the Klang Valley and key personnel from all over Malaysia and Indonesia attended the meeting. All guests and staff were later treated with Hari Raya and Chinese New Year high tea in conjunction with the two festivals.

Sebagai sebuah Kumpulan prisihatin tempatan yang pertama, KPJ Healthcare telah melalui pelbagai cabaran, menimba pelbagai pengalaman serta mengecapi pelbagai kejayaan, KPJ Healthcare tentunya mempunyai banyak yang perlu dikongsi dengan anggota pekerja, rakan usahasama serta masyarakat seluruhnya. Maka, aktiviti-aktiviti korporatnya dijayakan berlujuan untuk memberi perangsang kepada mereka yang bersama-sama KPJ Healthcare, samada secara langsung ataupun tidak langsung.

Salah satu pencapaian utama sepanjang tahun adalah permulaan operasi hospital ke sebelas KPJ Healthcare di Kota Bharu, Kelantan, Hospital Pakar Perdana pada bulan April 2002. YBhg Tan Sri Muhammad Ali, Pengurus KPJ Healthcare telah melaksanakan majlis yang ringkas tetapi amat bermakna ini.

Sementara itu, Johor Specialist Hospital menutup tirai tahun 2002 dengan perasmian Blok Pakar Perubatan dan Pusat Onkologi dan Radioterapi yang baru pada 31 Disember 2002. YAB Dato' Seri Abdul Gani Othman, Menteri Besar Johor telah dengan sukacitanya merasmikan majlis yang meriah ini.

Perhimpunan Tahunan

Adalah menjadi tradisi Kumpulan KPJ Healthcare menyambut kedatangan tahun baru dengan mengadakan perhimpunan tahunannya, bagi berkongsi bersama aspirasi Syarikat untuk tahun baru serta pencapaian tahun sebelumnya. Perhimpunan ini turut memberikan ruang untuk mengeratkan tali silaturahim serta komunikasi di antara pengurusan dengan anggota pekerja bagi mempertingkatkan keseragaman serta penyatuan Kumpulan serta memperkuuhkan arahju Kumpulan.

Perhimpunan yang telah diadakan di Pusat Dagangan Dunia Putra pada 8 Januari 2002 dengan tema "Integrasi Untuk Berdaya Saing" telah dihadiri oleh YBhg Tan Sri selaku tetamu kehormat. Lebih dari 700 orang anggota pekerja serta pakar perubatan dan pihak pengurusan dari hospital-hospital serta syarikat-syarikat KPJ Healthcare di Lembah Kelang dan di seluruh Malaysia serta Indonesia telah turut bersama dalam perhimpunan tersebut. Para tetamu serta anggota pekerja telah dihiburkan dengan acara persembahan di jamuan sambutan Hari Raya dan Tahun Baru Cina.



KPJ Healthcare Berhad Annual Medical Conference

The 2nd KPJ Healthcare Berhad Annual Medical Conference, held in April, was attended by 200 specialist consultants, allied health professionals and Senior Management from the Group. It is to foster better understanding and forge stronger ties between consultants of the KPJ Healthcare Group of Hospitals and the Management - an avenue for all parties to exchange views and discuss matters for building better rapport and group synergy.

The conference with the theme "PROFESSIONAL SOLIDARITY FOR CUSTOMER CARE EXCELLENCE", was officiated by YB Dato' Seri Rafidah Aziz, Minister of the Ministry of International Trade and Industry who also witnessed the launching of the first KPJ Healthcare Medical Digest, first effort ever from a private specialist healthcare group as well as the health portal for the Group.

Our Chairman, YBhg Tan Sri Dato' Muhammad Ali Hashim, addressed the participants and had a dialogue session with the consultants, discussing matters of concern such as future directions of the Group, management philosophy and practices, good medical practice guidelines and prospects of the healthcare industry on the local and global arena.

Annual Nursing Convention

In honour of our main workforce, the nurses, the Group gives high regards to Nurses Day by having various kinds of celebration. In Year 2002, the Group Nurses Day was celebrated at JSH with the organisation of the 4th KPJ Healthcare Annual Nursing Convention. The theme chosen was "Nursing in The ICT Era". During this convention, Computerised Rostering Schedule, Nursing Policies and Procedures and presentation of Exemplary Nurse Award were carried out.

Persidangan Perubatan Tahunan KPJ Healthcare Berhad

Persidangan Perubatan KPJ Healthcare Berhad yang kedua telah diadakan pada bulan April telah dihadiri oleh 200 pakar perubatan serta pihak pengurusan dalam Kumpulan. Ianya telah diadakan bagi menggalakkan persefahaman serta memupuk perhubungan di antara pakar perubatan Kumpulan serta pengurusan KPJ Healthcare. Ini merupakan satu forum bagi membuka peluang untuk semua pihak bertukar-tukar pandangan serta berbincang untuk membina perhubungan serta pernyataan Kumpulan.

Tema persidangan ialah "PERPADUAN WARGA PROFESIONAL BAGI KEUNGGULAN PERKHIDMATAN PELANGGAN" telah dirasmikan oleh YB Dato' Seri Rafidah Aziz, Menteri di Kementerian Perdagangan Antarabangsa dan Industri, yang turut menyaksikan perasmian KPJ Healthcare Medical Digest yang pertama, satu penerbitan yang julung kali diusahakan oleh kumpulan prisihatir swasta, dan juga perasmian portal kesihatan Kumpulan.

Sementara itu, YBhg Tan Sri Dato' Muhammad Ali Hashim, Pengurus KPJ Healthcare Berhad telah merasmikan persidangan pada kesokan paginya diikuti dengan sesi perbincangan dengan pakar perubatan yang menyentuh perkara-perkara seperti arahluju Kumpulan, falsafah serta praktis Kumpulan, panduan praktis perubatan yang baik, serta prospek industri prisihatir dalam pasaran tempatan serta global.

Konvensyen Tahunan Kejururawatan

Bagi menghargai para jururawat yang merupakan tuggak utama anggota pekerja kami, Kumpulan telah mengadakan pelbagai sambutan sempena Hari Kejururawatan. JSH menjadi tuan rumah dalam Konvensyen Ke-4 Kejururawatan dengan tema "Jururawat dalam Era ICT". Semasa konvensyen ini, Penjadualan Kerja Berkomputer, Polisi dan Prosedur Kejururawatan, serta Anugerah Jururawat Contoh telah diadakan.

“ We acknowledge that people are our greatest strength and assets. We believe that creating value through people is the way towards achieving organisational excellence.”

“ *Anggota pekerja ialah kekuatan dan aset kami. Kami percaya dengan membina nilai melalui anggota pekerja adalah cara untuk mencapai keunggulan organisasi.*”

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KPJ Healthcare has been active in planning, organising and conducting continuing education programmes at the Corporate, Hospitals and Companies levels. Training held encompassed both short term and long term courses covering a wide range of topics to cater for the various training needs of both executive and non-executive staff.

Short courses are conducted by either internally trained executives, or external consultants, focused mainly on customer service, to further enhance service care excellence.

Long courses comprised of professional courses conducted via affiliation with reputable international universities namely University of South Australia, Liverpool John Moores University and Henley Management College U.K.

Amongst the courses conducted are the Bachelor of Nursing, Critical Care Nursing, Management and Leadership courses. The recent international post graduate course implemented is the Master in Business Administration with Henley Management College, United Kingdom.

The Group has invested a total amount of RM4.9 million in training expenses which is approximately 5 per cent of the total Group emolument for the year 2002.

As for the Human Capital Relation, the Group practised positive interaction between the Management and Staffs of the Group of Companies. This is clearly demonstrated by the many social gatherings and sports activities within the Group. This included events such as Family Day, Festival Gathering, Nurses Day Celebrations and Annual Corporate Address.

KPJ Healthcare sentiasa aktif dalam perancangan serta menyediakan program ke arah meningkatkan pengetahuan dan pembelajaran di peringkat Korporat, Hospital dan juga Syarikat-syarikat subsidiari. Latihan yang dijalankan termasuk kursus jangka pendek dan jangka panjang merangkumi pelbagai topik bagi memenuhi pelbagai keperluan eksekutif, profesional perubatan dan juga anggota pekerja sokongan.

Kursus jangka pendek yang dijalankan oleh eksekutif dalam atau pun perunding dari luar, memberi tumpuan khas kepada perkhidmatan pelanggan, bagi menentukan perkhidmatan yang terbaik diberikan kepada pelanggan.

Kursus jangka panjang termasuk kursus profesional yang dijalankan dengan usahasama dengan universiti antarabangsa seperti Universiti South Australia, Universiti Liverpool John Moores dan Kolej Pengurusan Henley U.K.

Antara kursus yang dijalankan ialah Ijazah Kejururawatan, Penjagaan Kritis dan Pengurusan serta Kepimpinan. Kursus ijazah lanjutan bertaraf antarabangsa ialah Ijazah Lanjutan Pentadbiran Perniagaan dengan Kolej Pengurusan Henley London, United Kingdom.

Kumpulan telah membelanjakan sebanyak RM4.9 juta bagi perbelanjaan latihan kemahiran; lebih kurang 5 peratus dari jumlah perbelanjaan emolumen untuk tahun 2002.

Dalam hubungan dengan anggota pekerja, Kumpulan mempraktikkan interaksi positif di antara pengurusan dan anggota pekerja dalam Kumpulan dan juga Syarikat-syarikat. Ini terbukti menerusi pelbagai perhimpunan serta aktiviti sukan antara Kumpulan seperti Hari Keluarga, sambutan Hari Jururawat serta perhimpunan tahunan.



“People and community are the reasons for our continuous existence. Our role towards building a healthy nation is in line with the Government's Year 2020 aspiration.”

“Masyarakat adalah antara sebab utama kesinambungan syarikat dan kehadiran kami. Kami mempunyai peranan untuk membantu membina warganegara yang sihat selaras dengan aspirasi Kerajaan Tahun 2020.”

The KPJ Healthcare Group of Hospitals and Companies continues to be proactive in sharing and educating the public on healthcare management, both preventive or curative, through its community relationship programmes catering to the diverse and various needs of the community. Old or young, sick or well, everyone is our focus of attention and care.

Many of the activities and community outreach programmes organised by the hospitals are related to the health days designated for each specific month. Some major events are celebrated either nationally, or otherwise.

The Group and its hospitals are also favorably featured in the media such as the daily press and the radio and TV talk shows.

MAJOR EVENTS

Blood Donation Campaign

Regularly, the Group and the hospitals initiated nationwide or regional blood donation campaign to help create greater awareness as well as to help increase the level of blood supply at the National Blood Bank. These campaigns are normally held at local community areas or shopping complexes. Amongst other activities held during these campaigns are basic health screenings, diet counseling, healthy food cooking demonstration and cholesterol checks.

World Health Day

In April 2002, in conjunction with the World Health Day, each hospital celebrated by having its own various activities mainly with the objective to educate and create awareness of people on the importance of good healthcare management as well as balance diet. Apart from basic health screening, the other activities provided are body mass index check, fitness products demonstration, aerobic exercise, health quizzes, health bazaar and basic eye & dental check.

Anniversary Celebration

In conjunction with the hospitals anniversaries, the hospitals celebrated their special days by organising several health programmes to thank the public especially their patients who are the basis of support for their existence. Gifts, hampers and anniversaries souvenirs were given to inpatients.

Kumpulan KPJ Healthcare dan hospital serta syarikat-syarikatnya sentiasa proaktif dalam berkongsi serta meningkatkan kesedaran orang ramai dalam pengurusan prishatin, samada pencegahan ataupun pemulihan, melalui program kemasyarakataannya yang memenuhi pelbagai keperluan komuniti. Tua atau muda, sihat atau sakit, setiap insan menjadi tumpuan dan perhatian dalam penjagaan kami.

Kesemua aktiviti dan program kemasyarakatan yang dijalankan di hospital kebanyakannya berkaitan dengan kemen kesihatan setiap bulan. Sesetengah sambutan dijalankan pada peringkat nasional ataupun secara individu oleh setiap hospital.

Kumpulan serta hospital-hospitalnya turut menerima liputan di media massa seperti akbar-akbar dan juga rancangan-rancangan radio dan TV.

PROGRAM UTAMA

Kempen Derma Darah

Kumpulan dan hospital-hospital sentiasa mengendalikan kempen derma darah di peringkat nasional mahupun di peringkat wilayah bagi meningkatkan kesedaran orang ramai serta membantu meningkatkan tahap bekalan darah di Pusat Darah Negara. Kempen-kempen selalunya dijalankan di pusat-pusat komuniti ataupun di pusat-pusat membeli belah. Antara lain-lain aktiviti yang dijalankan semasa kempen ini termasuk pemeriksaan kesihatan, kaunseling diet, pemasakan cara sihat dan juga pemeriksaan kolesterol.

Hari Kesihatan Sedunia

Sempena sambutan Hari Kesihatan Sedunia pada bulan April 2002, setiap hospital telah mengadakan aktiviti-aktiviti yang bertujuan untuk meningkatkan serta membentuk kesedaran pengguna mengenai kepentingan terhadap penjagaan kesihatan yang baik serta pengurusan diet seimbang. Selain dari pemeriksaan kesihatan, aktiviti-aktiviti lain yang dijalankan termasuk indeks kepadatan badan, demonstrasi produk kesihatan, senamrobik, kuiz kesihatan, bazaar serta pemeriksaan mata dan gigi.

Sambutan Ulang Tahun

Setiap hospital dalam Kumpulan turut menyambut hari ulang tahun mereka dengan mengadakan program-program kesihatan untuk menyatakan terima kasih mereka kepada masyarakat terutama pesakit yang telah memberi sokongan kepadanya. Hadiah-hadiah serta cenderahati ulang tahun turut diberikan kepada pesakit dalaman.

Community Outreach Activities

Aktiviti-aktiviti Program Kemasyarakatan



World Heart Day

World Heart Day is given higher emphasis by the Group because heart disease is one of the highest killer diseases in the country. All activities conducted are specially designed to enhance the public awareness on disease prevention. Cardiac screening packages, posters, exhibitions, health talks, pamphlets distribution and activities such as jogathon, walkathon, diet counseling, and exercise demonstrations are amongst the activities conducted during this event which normally stretches for about two weeks.

Other Events

The Group and the hospitals regularly organised several other events to create greater awareness amongst the public. Amongst other activities organised are Visitation to the Orphanages, Recycling Campaigns, "Beach Cleaning Programme", Non-Tobacco Days, Medical Camps, Organ Donation Drives, Bilingual Speech Competition, Breast Cancer Awareness, Diabetes Awareness and Prevention Campaigns, World Children Day, to name a few. All these are our ways of sharing and thanking the public and our customers for their support.

Hari Jantung Sedunia

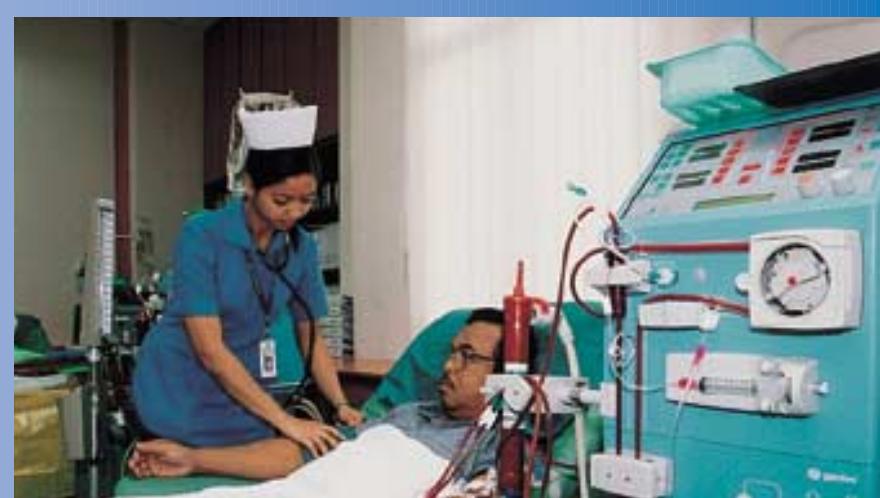
Hari Jantung Sedunia diberikan tumpuan oleh Kumpulan kerana penyakit jantung merupakan antara penyebab utama kematian di negara. Semua aktiviti yang dijalankan direka khas untuk meningkatkan kesedaran serta pencegahan terhadap penyakit ini. Pakej pemeriksaan kardiak, poster, pameran, ceramah kesihatan, pengedaran risalah dan aktiviti-aktiviti seperti jogaton, walkaton, kaunseling diet dan senamrobik adalah antara aktiviti utama yang biasanya dijalankan selama 2 minggu.

Lain-lain Aktiviti

Kumpulan dan hospital sentiasa mengadakan program-program untuk meningkatkan kesedaran orang ramai terhadap kepentingan penjagaan kesihatan. Antara aktiviti-aktiviti lain yang turut dijalankan termasuk Lawatan ke Rumah Anak-anak Yatim, Kempen Kitar Semula, "Program Kebersihan Pantai", Hari Tanpa Tembakau, Kem Kesihatan, Kempen Derma Organ, Pertandingan Dwi Bahasa, dan Hari Kanak-kanak Sedunia. Semua ini adalah cara kami untuk berkongsi serta menyatakan terima kasih kepada masyarakat dan pelanggan yang telah memberi peluang kepada kami untuk membantu mereka.

KPJ Healthcare Facilities and Services

Kemudahan dan Perkhidmatan KPJ Healthcare



Financial Statements

Penyata Kewangan



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Directors' Report

The Directors are pleased to submit their annual report to the members together with the audited financial statements of the Group and the Company for the financial year ended 31 December 2002.

Pengarah-pengarah dengan sukacitanya membentangkan Laporan Tahunan mereka bersama-sama Penyata Kewangan Kumpulan dan Syarikat yang telah diaudit bagi tahun berakhir 31 Disember 2002.

PRINCIPAL ACTIVITIES/AKTIVITI-AKTIVITI UTAMA

The Company is principally an investment holding company. The principal activities of the subsidiary companies in the Group are described in Note 13 to the financial statements.

There was no significant change in the nature of these activities during the financial year ended 31 December 2002.

KPJ Healthcare Berhad merupakan sebuah syarikat pemegang pelaburan. Aktiviti-aktiviti utama syarikat-syarikat subsidiari adalah seperti yang diterangkan di Nota 13 dalam Nota-nota kepada Penyata Kewangan.

Tiada perubahan besar dalam aktiviti-aktiviti syarikat di sepanjang tahun berakhir 31 Disember 2002.

FINANCIAL RESULTS/KEPUTUSAN KEWANGAN

	Group/Kumpulan RM	Company/Syarikat RM
Profit from ordinary activities after tax/ <i>Keuntungan daripada aktiviti biasa selepas cukai</i>	14,913,468	11,256,886
Minority interest/ <i>Kepentingan minoriti</i>	42,798	-
Net profit attributable to shareholders/ <i>Keuntungan yang boleh diagihkan kepada pemegang saham</i>	14,956,266	11,256,886

DIVIDENDS/DIVIDEN

The dividends paid by the Company since 31 December 2001 were as follows:

Dividen yang dibayar oleh Syarikat sejak 31 Disember 2001 adalah seperti berikut:

RM

In respect of the financial year ended 31 December 2001, as shown in the Directors' Report of that year:

Bagi tahun kewangan berakhir 31 Disember 2001 seperti yang dilaporkan di dalam Laporan Pengarah pada tahun tersebut:

Interim gross dividend of 5 sen per share on 48,000,000 ordinary shares, tax exempt, paid on 25 January 2002/ <i>Dividen interim kasar sebanyak 5 sen sesaham di atas 48,000,000 saham biasa, dikecualikan cukai, dibayar pada 25 Januari 2002</i>	2,400,000
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Final gross dividend of 5 sen per share on 48,000,000 ordinary shares, less 28% tax, paid on 22 June 2002/ <i>Dividen akhir kasar sebanyak 5 sen sesaham di atas 48,000,000 saham biasa ditolak 28% cukai, dibayar pada 22 Jun 2002</i>	1,728,000
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In respect of the financial year ended 31 December 2002, the Directors now recommend the payment of an interim gross dividend of 5 sen per share on 191,384,615 ordinary shares, tax exempt, amounting to RM9,569,231 payable on 17 March 2003.

Bagi dengan tahun kewangan berakhir 31 Disember 2002, Pengarah-pengarah mencadangkan pembayaran dividen interim kasar sebanyak 5 sen sesaham atas 191,384,615 saham biasa, dikecualikan cukai, berjumlah RM9,569,231 dibayar pada 17 Mac 2003.

RESERVES AND PROVISIONS/RIZAB DAN PERUNTUKAN

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

Semua pemindahan-pemindahan penting yang telah dilakukan ke atas akaun rizab dan peruntukan dalam tahun ini telah dinyatakan dalam penyata kewangan.

ISSUE OF SHARES/TERBITAN SAHAM

During the financial year, the authorised share capital of the Company was increased from RM50,000,000 to RM500,000,000 by the creation of 450,000,000 ordinary shares of RM1.00 each.

On 28 October 2002, the Company completed a rights issue of 48,000,000 new ordinary shares of RM1.00 each at an issue price of RM1.00 per ordinary share on the basis of one (1) new ordinary share for every one (1) existing ordinary share for cash to part finance the acquisitions of Tawakal Holdings Sdn Bhd, Medical Centre (Johore) Sdn Bhd and Kumpulan Perubatan (Johor) Sdn Bhd.

On 1 November 2002, the Company allotted and issued 95,384,615 new ordinary shares of RM1.00 each at an issue price of RM1.30 per ordinary share to part finance the acquisitions of Tawakal Holdings Sdn Bhd, Medical Centre (Johore) Sdn Bhd and Kumpulan Perubatan (Johor) Sdn Bhd.

On 12 November 2002, the 48,000,000 new ordinary shares of RM1.00 each issued pursuant to the Rights Issue and the additional 95,384,615 new ordinary shares of RM1.00 each issued pursuant to these acquisitions were listed on the Main Board of Kuala Lumpur Stock Exchange.

The newly issued ordinary shares rank pari passu in all respects with the existing issued ordinary shares of the Company.

Sepanjang tahun kewangan, saham biasa syarikat yang dibenarkan telah meningkat dari RM50,000,000 kepada RM500,000,000 dengan ciptaan baru sebanyak 450,000,000 saham biasa pada nilai RM1.00 sesaham.

Pada 28 Oktober 2002, Syarikat telah berjaya menyempurnakan terbitan hak sebanyak 48,000,000 terbitan baru saham biasa pada nilai RM1.00 sesaham atas dasar satu (1) saham biasa baru untuk satu (1) saham biasa sedia ada secara tunai untuk membiayai sebahagian daripada pengambilalihan Tawakal Holdings Sdn Bhd, Medical Centre (Johore) Sdn Bhd dan Kumpulan Perubatan (Johor) Sdn Bhd.

Pada 1 November 2002, Syarikat telah memperuntukkan dan menerbitkan sebanyak 95,384,615 terbitan baru saham biasa bernilai RM1.00 sesaham pada harga terbitan RM1.30 sesaham untuk membiayai sebahagian daripada pengambilalihan Tawakal Holdings Sdn Bhd, Medical Centre (Johore) Sdn Bhd dan Kumpulan Perubatan (Johor) Sdn Bhd.

Pada 12 November 2002, 48,000,000 terbitan baru saham biasa yang bernilai RM1.00 sesaham hasil dari Terbitan Hak Itu dan penambahan sebanyak 95,384,615 terbitan baru saham biasa pada nilai RM1.00 sesaham hasil dari pengambilalihan telah disenaraikan di papan utama Bursa Saham Kuala Lumpur.

Terbitan baru saham-saham biasa bertaraf pari passu dengan terbitan biasa saham-saham Syarikat yang sedia ada.

DIRECTORS/PENGARAH-PENGARAH

The directors who have held office during the financial year since the date of the last report are as follows:

Pengarah-pengarah yang memegang jawatan di sepanjang tahun kewangan semenjak tarikh laporan yang lalu ialah:

Tan Sri Dato' Muhammad Ali bin Hashim - **Chairman/Pengerusi**

Datin Paduka Siti Sa'diah Sh Bakir - **Managing Director/Pengarah Urusan**

Tan Sri Dato' Arshad bin Ayub

Tan Sri Dato' Dr Abu Bakar bin Suleiman

Datuk Dr Hussein bin Awang

Dato' Dr Kanagasabai Kulaveerasingam

Dato' Dr Lim Kee Jin

Dr Chakr Sri Na Nagara

Zainah bte Mustafa

Azzat bin Kamaludin

Jamaludin bin Md. Ali

- (Alternate Director to Tan Sri Dato' Muhammad Ali bin Hashim / *Pengarah gantian kepada Tan Sri Dato' Muhammad Ali bin Hashim*)

Directors' Report

DIRECTORS (cont'd)/PENGARAH-PENGARAH (samb.)

In accordance with Article 96 of the Company's Articles of Association, Azzat bin Kamaludin and Zainah bte Mustafa retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Section 129 of the Companies Act, 1965, Tan Sri Dato' Arshad bin Ayub, Dato' Dr Kanagasabai Kulaveerasingam and Dato' Dr Lim Kee Jin retire, and being eligible, offer themselves for re-election.

Azzat bin Kamaludin dan Zainah bte Mustafa bersara menurut Tataurusan Syarikat, Artikel 96, pada Mesyuarat Agung Tahunan yang akan datang, dan oleh kerana layak menawarkan diri mereka untuk dilantik semula.

Tan Sri Dato' Arshad bin Ayub, Dato' Dr Kanagasabai Kulaveerasingam dan Dato' Dr Lim Kee Jin bersara menurut Akta Syarikat 1965, Seksyen 129, dan oleh kerana layak menawarkan diri mereka untuk dilantik semula.

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DIRECTORS' BENEFITS/GANJARAN LEMBAGA PENGARAH

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of previous financial year, no Director has received or become entitled to receive a benefit (other than Directors' remuneration disclosed in Note 7 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except that certain Directors received remuneration from the Company's holding corporation.

Sepanjang dan pada akhir tahun kewangan ini, tiada terdapat sebarang urusan yang melibatkan Syarikat bagi tujuan atau dengan tujuan-tujuan membolehkan pengarah-pengarah Syarikat mendapat ganjaran melalui pemilikan saham atau debentur di dalam Syarikat atau di dalam badan-badan korporat lain.

Semenjak akhir tahun kewangan yang lalu, tiada Pengarah yang menerima atau berhak untuk menerima ganjaran (selain dari bayaran pengarah yang dinyatakan di Nota 7 kepada Penyata Kewangan) disebabkan dari perjanjian yang dibuat oleh Syarikat atau Perbadanan yang berkaitan dengan Pengarah atau dengan sebuah firma di mana Pengarah menjadi ahli atau dengan sebuah syarikat di mana Pengarah mempunyai kepentingan kewangan yang besar kecuali sesetengah Pengarah menerima bayaran pendapatan daripada perbadanan induk syarikat.

DIRECTORS' INTERESTS IN SHARES/KEPENTINGAN LEMBAGA PENGARAH DALAM PEGANGAN SAHAM

According to the register of Directors' shareholdings, particulars of interests of Directors who held office at the end of the financial year in the shares in the Company or its related corporations are as follows:

Menurut daftar Pegangan Saham Pengarah-pengarah, kepentingan Pengarah-pengarah yang memegang jawatan pada akhir tahun kewangan di dalam saham Syarikat atau Perbadanan berkaitan adalah seperti berikut:

**Number of ordinary shares of RM1 each
Jumlah saham-saham biasa RM1 tiap-tiap satu**

	At/Pada 1.1.2002	Bought Belian	Sold Jualan	At/Pada 31.12.2002
KPJ HEALTHCARE BERHAD				
Tan Sri Dato' Muhammad Ali bin Hashim				
- direct/ <i>pegangan langsung</i>	14,000	34,000	-	48,000
- indirect/ <i>pegangan tidak langsung</i>	1,000	11,000	-	12,000
Tan Sri Dato' Arshad bin Ayub				
- direct/ <i>pegangan langsung</i>	145,000	291,000	-	436,000
- indirect/ <i>pegangan tidak langsung</i>	273,000	410,000	-	683,000
Datin Paduka Siti Sa'diah Sh Bakir				
- direct/ <i>pegangan langsung</i>	20,000	30,000	-	50,000
- indirect/ <i>pegangan tidak langsung</i>	1,000	4,000	-	5,000
Dato' Dr Kanagasabai Kulaveerasingam	19,125	49,125	-	68,250
Dato' Dr Lim Kee Jin				
- indirect/ <i>pegangan tidak langsung</i>	375,922	175,922	(200,000)	351,844
Dr Chakr Sri Na Nagara				
- indirect/ <i>pegangan tidak langsung</i>	8,000	8,000	-	16,000
Azzat bin Kamaludin	10,000	10,000	-	20,000

DIRECTORS' INTERESTS IN SHARES (cont'd)/KEPENTINGAN PENGARAH DALAM PEGANGAN SAHAM (samb.)

**Number of ordinary shares of RM1 each
Jumlah saham-saham biasa RM1 tiap-tiap satu**

	At/Pada 1.1.2002	Bought Belian	Sold Jualan	At/Pada 31.12.2002
Related Corporations/Perbadanan yang berkaitan:				
DAMANSARA REALTY BERHAD				
Tan Sri Dato' Arshad bin Ayub				
- indirect/ <i>pegangan tidak langsung</i>	1,000,000	-	-	1,000,000
JOHOR LAND BERHAD				
Tan Sri Dato' Arshad bin Ayub				
- direct/ <i>pegangan langsung</i>	49,000	-	-	49,000
- indirect/ <i>pegangan tidak langsung</i>	273,000	-	-	273,000
SINDORA BERHAD				
Tan Sri Dato' Muhammad Ali bin Hashim				
- direct/ <i>pegangan langsung</i>	10,000	10,000	-	20,000
Tan Sri Dato' Arshad bin Ayub				
- direct/ <i>pegangan langsung</i>	215,000	10,000	-	225,000
- indirect/ <i>pegangan tidak langsung</i>	617,000	60,000	-	677,000

**Number of ordinary shares of RM0.50 each
Jumlah saham-saham biasa RM0.50 tiap-tiap satu**

	At/Pada 1.1.2002	Bought Belian	Sold Jualan	At/Pada 31.12.2002
KULIM (MALAYSIA) BERHAD				
Tan Sri Dato' Muhammad Ali bin Hashim				
- direct/ <i>pegangan langsung</i>	169,000	5,000	-	174,000
- indirect/ <i>pegangan tidak langsung</i>	12,000	-	-	12,000
Tan Sri Dato' Arshad bin Ayub				
- direct/ <i>pegangan langsung</i>	685,000	10,000	-	695,000
- indirect/ <i>pegangan tidak langsung</i>	1,100,800	-	-	1,100,800

**Number of warrants
Bilangan waran**

	At/Pada 1.1.2002	Bought Belian	Sold Jualan	At/Pada 31.12.2002
KULIM (MALAYSIA) BERHAD				
Tan Sri Dato' Arshad bin Ayub				
- direct/ <i>pegangan langsung</i>	40,000	-	(21,000)	19,000
- indirect/ <i>pegangan tidak langsung</i>	400	-	-	400

None of the other Directors held any interest in shares in the Company or its related corporations during the financial year. No Directors held any interest in debentures of the Company and its related corporations during the financial year.

Tiada Pengarah lain yang mempunyai sebarang kepentingan dalam saham biasa syarikat atau sebarang perbadanan berkaitan sepanjang tahun kewangan. Tiada Pengarah yang mempunyai sebarang kepentingan dalam debentur Syarikat atau sebarang perbadanan yang berkaitannya sepanjang tahun kewangan.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS/ MAKLUMAT BERKANUN DI ATAS PENYATA KEWANGAN

Before the income statements and balance sheets were made out, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group and the Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group and the Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

Sebelum Penyata Pendapatan dan Lembaran Imbangian ini disediakan, Lembaga Pengarah telah mengambil langkah-langkah wajar:

- (a) *memastikan tindakan-tindakan sewajarnya telah diambil dalam pelupusan hutang laporan dan dalam membuat peruntukan hutang ragu dan berpuas hati bahawa semua hutang laporan yang diketahui telah dilupuskan dan bahawa peruntukan yang cukup telah diperuntukkan untuk hutang-hutang ragu; dan*
- (b) *memastikan sebarang aset semasa, melainkan hutang, yang tidak mungkin mencapai nilainya, dalam urusan biasa perniagaan seperti yang dinyatakan dalam rekod-rekod perakaunan Kumpulan dan Syarikat telah dikurangkan nilainya kepada nilai yang dijangka boleh diperolehi.*

Pada tarikh laporan ini, pengarah-pengarah tidak mengetahui sebarang keadaan:

- (a) *yang boleh menjadikan jumlah dilupuskan untuk hutang laporan yang dilupuskan atau jumlah yang diperuntukkan untuk hutang ragu di dalam penyata kewangan Kumpulan dan Syarikat tidak mencukupi dengan perbezaan yang besar, atau*
- (b) *yang boleh menjadikan nilai yang diberikan ke atas harta-harta atau tanggungan Kumpulan dan Syarikat mengelirukan; atau*
- (c) *yang telah timbul yang menjadikan penetapan kepada cara menilai harta-harta atau tanggungan Kumpulan dan Syarikat mengelirukan atau tidak sesuai.*

Tiada tanggungan luarjangka atau lain-lain tanggungan telah dikuatkuasakan atau berkemungkinan dikuatkuasakan dalam tempoh dua belas bulan selepas dari tarikh akhir tahun kewangan di mana pada pendapat pengarah-pengarah akan atau mungkin menjelaskan keupayaan Kumpulan atau Syarikat untuk memikul tanggungjawabnya apabila ia timbul.

Pada tarikh laporan ini, tidak terdapat:

- (a) *sebarang pegangan ke atas harta-harta Kumpulan dan Syarikat yang timbul semenjak akhir tahun kewangan yang menjadi sandaran kepada tanggungan pihak-pihak lain; atau*
- (b) *sebarang tanggungan luarjangka yang timbul selepas akhir tahun kewangan yang melibatkan Kumpulan atau Syarikat.*

Pada tarikh laporan ini, para Pengarah tidak menyedari sebarang keadaan yang tidak dilitupi di dalam laporan ini atau penyata kewangan yang mungkin menyebabkan sebarang jumlah yang dinyatakan di dalam penyata kewangan Kumpulan dan syarikat mengelirukan.

Statement by Directors and Statutory Declaration/
Kenyataan oleh Pengarah-pengarah dan Akuan Berkanun

STATEMENT BY DIRECTORS PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965
KENYATAAN OLEH PENGARAH-PENGARAH MENGIKUT SEKSYEN 169(15) AKTA SYARIKAT, 1965

We, Tan Sri Dato' Muhammad Ali bin Hashim and Datin Paduka Siti Sa'diah Sh Bakir, two of the Directors of KPJ Healthcare Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 76 to 113 are drawn up so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2002 and of the results and the cash flows of the Group and the Company for the financial year ended on that date in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

Kami, Tan Sri Dato' Muhammad Ali bin Hashim dan Datin Paduka Siti Sa'diah Sh Bakir, dua dari pengarah-pengarah KPJ Healthcare Berhad, menyatakan bahawa pada pendapat pengarah-pengarah, penyata kewangan yang dibentangkan dalam mukasurat 76 hingga 113 telah disediakan supaya memberi pandangan yang benar dan saksama ke atas hal ehwal Kumpulan dan Syarikat pada 31 Disember 2002 dan ke atas keputusan-keputusan perniagaan Kumpulan dan Syarikat serta aliran tunai Kumpulan dan Syarikat bagi tahun yang berakhir pada tarikh tersebut menurut piawaian perakaunan berkenaan yang diluluskan di Malaysia dan peruntukan-peruntukan di dalam Akta Syarikat, 1965.

Signed on behalf of the Board of Directors in accordance with their resolution dated 13 March 2003
Bagi pihak Lembaga Pengarah mengikut resolusi bertarikh 13 Mac 2003

TAN SRI DATO' MUHAMMAD ALI BIN HASHIM
Chairman/Pengerusi

DATIN PADUKA SITI SA'DIAH SH BAKIR
Managing Director/Pengarah Urusan

STATEMENT DECLARATION PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965
AKUAN MENGIKUT SEKSYEN 169(16) AKTA SYARIKAT, 1965

I, Lee Swee Hee, the Chief Financial Officer primarily responsible for the financial management of KPJ Healthcare Berhad, do solemnly and sincerely declare that the financial statements set out on pages 76 to 113 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Saya, Lee Swee Hee, Ketua Pegawai Kewangan yang terutamanya bertanggungjawab terhadap urusan perakaunan KPJ Healthcare Berhad, dengan sesungguhnya dan dengan tulus ikhlas mengakui bahawa penyata kewangan yang dibentangkan di dalam mukasurat 76 hingga 113 adalah, mengikut pandangan saya betul, dan saya membuat perakaunan ini dengan ikhlas, dan percaya ia adalah benar, menurut peruntukan Akta Akuan Berkanun, 1960.

LEE SWEE HEE

Subscribed and solemnly declared by the abovenamed Lee Swee Hee.
Ditandatangani dan diakui oleh seperti nama di atas Lee Swee Hee.

Kuala Lumpur

13 March 2003/ 13 Mac 2003

Before me/Dihadapan saya.



Commissioner for Oaths/Pesuruhjaya Sumpah

Lot 2.35, 2nd Floor,
The Mall, 100 Jalan Pudu,
50350 K. Lumpur.

**STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (cont'd)/
MAKLUMAT BERKANUN DI ATAS PENYATA KEWANGAN (samb.)**

In the opinion of the Directors:

- (a) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

Pada pendapat pengarah-pengarah:

- (a) keputusan-keputusan Kumpulan dan Syarikat untuk tahun yang diliputi di dalam akaun-akaun tidak terjejas dengan ketara oleh sebarang perkara, urusniaga atau kejadian yang penting dan luarbiasa; dan
- (b) tiada berbangkit di dalam tempoh di antara akhir tahun dan tarikh laporan ini, perkara-perkara yang penting dan luarbiasa yang boleh menjelas keputusan-keputusan operasi Kumpulan dan Syarikat bagi tahun yang dilaporkan.

HOLDING CORPORATION/PERBADANAN INDUK

The Company's holding corporation is Johor Corporation, a body corporate established under the Johor Corporation Enactment (No. 4 of 1968) (as amended by Enactment No. 5 of 1995).

Pengarah-pengarah beranggapan Johor Corporation, sebuah perbadanan yang ditubuhkan di bawah Enakmen Johor Corporation (No. 4, 1968), (Pindaan Enakmen No. 5 1995), sebagai Perbadanan Induk Muktamad.

AUDITORS/JURUAUDIT

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Juruaudit PricewaterhouseCoopers telah menyatakan kesanggupan mereka untuk meneruskan perkhidmatan.

Signed on behalf of the Board of Directors in accordance with their resolution dated 13 March 2003.

Bagi pihak Lembaga Pengarah mengikut resolusi bertarikh 13 Mac 2003.

TAN SRI DATO' MUHAMMAD ALI BIN HASHIM
Chairman / Pengerusi

DATIN PADUKA SITI SA'DIAH SH BAKIR
Managing Director / Pengarah Urusan

Report of the Auditors to the Members of KPJ Healthcare Berhad
Laporan Juruaudit kepada Ahli-ahli KPJ Healthcare Berhad

PricewaterhouseCoopers
 (AF 1146)
 Chartered Accountants
 11th Floor Wisma Sime Darby
 Jalan Raja Laut
 P.O. Box 10192
 50706 Kuala Lumpur, Malaysia
 Telephone +60 (3) 26931077
 Facsimile + 60 (3) 26930997

We have audited the financial statements set out on pages 76 to 113. These financial statements are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been prepared in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
 - (ii) the state of affairs of the Group and Company as at 31 December 2002 and of the results and cash flows of the Group and Company for the financial year ended on that date;
- and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by the subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

The name of the subsidiary companies of which we have not acted as auditors are indicated in Note 13 to the financial statements. We have considered the financial statements of these subsidiary companies and the auditors' reports thereon.

We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment made under subsection 3 of section 174 of the Act.

Kami telah mengaudit penyata kewangan yang dibentangkan di mukasurat 76 hingga 113. Penyata kewangan ini adalah di bawah tanggungjawab Pengarah-pengarah Syarikat. Tanggungjawab kami adalah untuk menyatakan pendapat ke atas penyata kewangan berdasarkan audit kami.

Kami telah melaksanakan audit kami menurut Piawaian-piawaian Audit yang diluluskan di Malaysia. Piawaian-piawaian itu memerlukan kami merancang dan melaksanakan audit untuk memperolehi keyakinan yang munasabah sama ada penyata kewangan ini bebas dari salah nyata yang ketara. Audit meliputi pemeriksaan, secara ujian, bukti yang menyokong jumlah dan pernyataan di dalam penyata kewangan. Audit juga meliputi penaksiran prinsip-prinsip perakaunan dan anggaran-anggaran penting yang dibuat oleh Pengarah-pengarah serta penilaian ke atas pembentangan penyata kewangan secara keseluruhan. Kami percaya bahawa audit kami menyediakan asas yang munasabah untuk kami memberi pendapat.

Pada pendapat kami:

- (a) *penyata kewangan telah disediakan menurut peruntukan-peruntukan Akta Syarikat, 1965 dan Piawaian-Piawaian Perakaunan berkenaan yang diluluskan di Malaysia untuk memberikan gambaran yang benar dan saksama tentang:*
 - (i) *perkara-perkara yang dikehendaki oleh Seksyen 169 Akta Syarikat, 1965 untuk dinyatakan di dalam penyata kewangan; dan*
 - (ii) kedudukan Kumpulan dan Syarikat pada 31 Disember 2002 dan keputusan Kumpulan dan Syarikat serta aliran tunai Kumpulan dan Syarikat bagi tahun kewangan yang berakhir pada tarikh tersebut;*
- dan*
- (b) rekod perakaunan dan rekod-rekod lain dan daftar-daftar yang dikehendaki oleh Akta disimpan oleh Syarikat dan syarikat-syarikat subsidiari yang diaudit oleh kami telah disimpan dengan sempurna menurut peruntukan-peruntukan Akta tersebut.*

Nama syarikat-syarikat subsidiari yang tidak diaudit oleh kami adalah dinyatakan di dalam Nota 13 kepada penyata kewangan. Kami telah mempertimbangkan penyata kewangan syarikat-syarikat subsidiari tersebut dan juga laporan juruaudit mengenainya.

Kami berpuashati bahawa penyata kewangan syarikat-syarikat subsidiari yang telah disatukan dengan penyata kewangan Syarikat adalah di dalam bentuk dan kandungan yang bersesuaian dan teratur untuk tujuan penyediaan penyata kewangan yang disatukan dan kami telah menerima maklumat yang memuaskan dan keterangan-keterangan yang diperlukan untuk tujuan tersebut.

Laporan juruaudit ke atas penyata kewangan syarikat-syarikat subsidiari yang telah disatukan tidak dikenakan sebarang pengecualian kelara dan tidak mengandungi sebarang teguran mengikut sub-seksyen (3) Seksyen 174 di bawah Akta tersebut.

PRICEWATERHOUSECOOPERS (No. AF: 1146)
 Chartered Accountants/Akauntan Bertauliah

13 March 2003/13 Mac 2003

MOHD DARUIS ZAINUDDIN (No. 969/03/03 (J/PH))
 Partner of the Firm/Rakan dalam Firma

Income Statements For The Financial Year Ended 31 December 2002 /
Penyata Pendapatan Bagi Tahun Kewangan Berakhir 31 Disember 2002

	Note/ <i>Nota</i>	Group/ Kumpulan 2002 RM	2001 RM	Company/ Syarikat 2002 RM	2001 RM
REVENUE/HASIL					
Continuing operations/ <i>pengurusan berterusan</i> :					
- existing/ <i>sedia ada</i>		165,431,879	147,502,779	14,939,090	8,158,264
- new acquisitions/ <i>pengambilalihan baru</i>		50,366,049	-	-	-
COST OF SALES/KOS JUALAN	5	215,797,928	147,502,779	14,939,090	8,158,264
GROSS PROFIT/KEUNTUNGAN KASAR		55,330,699	35,607,980	14,939,090	8,158,264
OTHER OPERATING INCOME/PEROLEHAN OPERASI LAIN		10,977,942	2,867,754	-	-
ADMINISTRATIVE EXPENSES/PERBELANJAAN PENTADBIRAN		(38,379,009)	(20,152,674)	(1,648,937)	(1,122,303)
OTHER OPERATING EXPENSES/PERBELANJAAN OPERASI LAIN		(1,303,774)	(461,977)	-	-
PROFIT FROM OPERATIONS/KEUNTUNGAN DARIPADA OPERASI	7	26,625,858	17,861,083	13,290,153	7,035,961
FINANCE COST/KOS KEWANGAN	8	(4,301,626)	(329,092)	-	-
SHARE OF RESULTS OF ASSOCIATED COMPANIES/BAHAGIAN DARIPADA HASIL SYARIKAT-SYARIKAT BERSEKUTU		36,270	-	-	-
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX/KEUNTUNGAN DARIPADA AKTIVITI BIASA SEBELUM CUKAI		22,360,502	17,531,991	13,290,153	7,035,961
TAXATION/CUKAI	9	(7,407,085)	(5,415,914)	(2,033,267)	(1,701,000)
SHARE OF TAX OF ASSOCIATED COMPANIES/BAHAGIAN DARIPADA CUKAI DALAM SYARIKAT-SYARIKAT BERSEKUTU		(39,949)	-	-	-
PROFIT FROM ORDINARY ACTIVITIES AFTER TAX/KEUNTUNGAN DARIPADA AKTIVITI BIASA SELEPAS CUKAI		14,913,468	12,116,077	11,256,886	5,334,961
MINORITY INTEREST/KEPENTINGAN MINORITI		42,798	(193,064)	-	-
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS/KEUNTUNGAN YANG BOLEH DIAGIHKAN KEPADA PEMEGANG SAHAM		14,956,266	11,923,013	11,256,886	5,334,961
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX/KEUNTUNGAN DARIPADA AKTIVITI BIASA SEBELUM CUKAI					
Continuing operations/ <i>Pengurusan berterusan</i>					
- existing/ <i>sedia ada</i>		19,756,144	17,531,991	13,290,153	7,035,961
- new acquisitions/ <i>pengambilalihan baru</i>		2,604,358	-	-	-
DIVIDENDS PER SHARE (sen)/DIVIDEN SESAHAM (sen)		22,360,502	17,531,991	13,290,153	7,035,961
EARNINGS PER SHARE (sen)/PENDAPATAN SESAHAM (sen)	10	5	10	5	10

Balance Sheets As At 31 December 2002 /
Lembaran Imbangan Pada 31 Disember 2002

Note/ <i>Nota</i>	Group/<i>Kumpulan</i> 2002 RM	2001 RM	Company/<i>Syarikat</i> 2002 RM	2001 RM
NON CURRENT ASSETS/ASSET BUKAN SEMASA				
Property, plant and equipment/ <i>Hartanah, loji dan peralatan</i>	12	515,047,702	119,594,631	-
Subsidiary companies/ <i>Syarikat-syarikat subsidiari</i>	13	-	-	217,004,053 40,654,998
Associated companies/ <i>Syarikat-syarikat bersekutu</i>	14	8,680,986	-	-
Investments/ <i>Pelaburan</i>	15	1,954,039	-	-
Training costs/ <i>Kos latihan</i>	16	18,146,296	4,299,404	-
Goodwill on consolidation/ <i>Muhibah atas penyatuhan</i>	17	67,286,491	-	-
		611,115,514	123,894,035	217,004,053 40,654,998
CURRENT ASSETS/ASSET SEMASA				
Inventories/ <i>Inventori</i>	18	15,958,079	4,345,260	-
Trade and other receivables/ <i>Penghutang dagangan dan penghutang lain</i>	19	66,922,477	54,305,515	19,957,277 22,502,404
Tax recoverable/ <i>Cukai diperolehi semula</i>		5,787,909	-	783,018 598,000
Deposits, cash and bank balances/ <i>Deposit, tunai dan baki bank</i>	20	20,933,699	6,617,039	3,065,055 1,426,608
		109,602,164	65,267,814	23,805,350 24,527,012
LESS: CURRENT LIABILITIES/TOLAK: LIABILITI SEMASA				
Trade and other payables/ <i>Pembiutan dagangan dan pembiutan lain</i>	22	80,275,512	19,829,312	556,310 845,571
Borrowings/ <i>Pinjaman</i>	23	118,244,375	2,000,000	-
Taxation/ <i>Cukai</i>		1,862,842	105,781	-
Deferred revenue/ <i>Pendapatan tertunda</i>	24	1,740,407	-	-
Dividend payable/ <i>Dividen belum dibayar</i>		-	2,400,000	-
		202,123,136	24,335,093	556,310 3,245,571
NET CURRENT (LIABILITIES)/ASSETS/(LIABILITI)/ASSET SEMASA BERSIH				
		(92,520,972)	40,932,721	23,249,040 21,281,441
LESS: NON CURRENT LIABILITIES/TOLAK: LIABILITI BUKAN SEMASA				
Borrowings/ <i>Pinjaman</i>	23	147,999,854	6,486,491	-
Long term deposits/ <i>Deposit jangka panjang</i>	25	7,871,000	3,974,500	-
Deferred taxation/ <i>Cukai tertunda</i>	26	9,058,000	5,313,000	-
		164,928,854	15,773,991	-
		353,665,688	149,052,765	240,253,093 61,936,439
CAPITAL AND RESERVES/MODAL SAHAM DAN RIZAB				
Share capital/ <i>Modal saham</i>	27	191,384,615	48,000,000	191,384,615 48,000,000
Reserves/ <i>Rizab</i>		138,579,761	99,771,371	48,868,478 13,936,439
Shareholders' funds/ <i>Dana pemegang saham</i>		329,964,376	147,771,371	240,253,093 61,936,439
Minority interest/ <i>Kepentingan minoriti</i>		23,701,312	1,281,394	-
		353,665,688	149,052,765	240,253,093 61,936,439

Consolidated Statements of Changes in Equity For The Financial Year Ended 31 December 2002 /
Penyata Perubahan Ekuiti Kumpulan Bagi Tahun Kewangan Berakhir 31 Disember 2002

Note Nota	Issued and fully paid ordinary shares of RM1.00 each <i>Saham biasa diterbit dan dibayar penuh pada RM1.00 satu</i>			Non-distributable <i>Tidak boleh diagihkan</i>			Distributable <i>Boleh diagihkan</i>			Total Jumlah
	Number of shares <i>Bilangan saham</i>	Nominal value <i>Nilai nominal</i>	Share premium <i>Premium saham</i>	Merger reserve <i>Rizab penggabungan</i>	Exchange reserve <i>Rizab pertukaran</i>	Reserve on consolidation <i>Rizab penyatuhan</i>	Revaluation reserve <i>Rizab penilaian</i>	Retained earnings <i>Keuntungan tersimpan</i>		
		RM	RM	RM	RM	RM	RM	RM		
At 1 January 2001/ <i>Pada 1 Januari 2001</i>										
- as previously reported/ <i>seperti yang dilaporkan sebelumnya</i>	48,000,000	48,000,000	4,993,844	(3,367,055)	-	-	-	32,415,231	56,367,493	138,409,513
- prior year adjustment/ <i>pelarasian bagi tahun sebelumnya</i>	34	-	-	-	-	-	-	-	1,728,000	1,728,000
- as restated/ <i>yang dinyatakan semula</i>	48,000,000	48,000,000	4,993,844	(3,367,055)	-	-	-	32,415,231	58,095,493	140,137,513
Net profit for the year/ <i>Keuntungan bersih tahunan</i>	-	-	-	-	-	-	-	-	11,923,013	11,923,013
Transfer to minority interest/ <i>Pindahan kepada kepentingan minoriti</i>	-	-	-	-	-	-	-	(161,155)	-	(161,155)
Dividends/ <i>Dividen</i>	11									
- 31 December 2000 (Final)/ <i>- 31 Disember 2000 (Akhir)</i>	-	-	-	-	-	-	-	-	(1,728,000)	(1,728,000)
- 31 December 2001 (Interim)/ <i>- 31 Disember 2001 (Interim)</i>	-	-	-	-	-	-	-	-	(2,400,000)	(2,400,000)
At 31 December 2001/ <i>Pada 31 Disember 2001</i>	48,000,000	48,000,000	4,993,844	(3,367,055)	-	-	-	32,254,076	65,890,506	147,771,371
At 1 January 2002/ <i>Pada 1 Januari 2002</i>										
Net profit for the year/ <i>Keuntungan bersih tahunan</i>	-	-	-	-	-	-	-	-	14,956,266	14,956,266
Issues of shares/ <i>Terbitan saham</i>										
- Rights issue/ <i>Terbitan hak</i>	48,000,000	48,000,000	-	-	-	-	-	-	-	48,000,000
- Acquisitions of subsidiaries/ <i>Pengambilalihan syarikat subsidiari</i>	95,384,615	95,384,615	28,615,385	-	-	-	-	-	-	124,000,000
Share issue expenses/ <i>Perbelanjaan terbilan saham</i>	-	-	(3,212,232)	-	-	-	-	-	-	(3,212,232)
Translation of a foreign subsidiary/ <i>Tukaran malawang subsidiari syarikat asing</i>	-	-	-	-	50,250	-	-	-	-	50,250
Reserve on consolidation/ <i>Rizab penyatuhan</i>	-	-	-	-	-	-	126,721	-	-	126,721
Dividends/ <i>Dividen</i>	11									
- 31 December 2001 (Final)/ <i>- 31 Disember 2001 (Akhir)</i>	-	-	-	-	-	-	-	-	(1,728,000)	(1,728,000)
At 31 December 2002/ <i>Pada 31 Disember 2002</i>	191,384,615	191,384,615	30,396,997	(3,367,055)	50,250	126,721	32,254,076	79,118,772	329,964,376	

**Company Statement of Changes in Equity For The Financial Year Ended 31 December 2002 /
Penyata Perubahan Ekuiti Syarikat Bagi Tahun Kewangan Berakhir 31 Disember 2002**

Issued and fully paid ordinary shares of RM1.00 each <i>Saham biasa diterbit dan dibayar penuh pada RM1.00 satu</i>			Non distributable <i>Tidak boleh diagihkan</i>	Distributable <i>Boleh diagihkan</i>	Total
Note <i>Nota</i>	Number of shares <i>Bilangan Saham</i>	Nominal value <i>Nilai Nominal</i>	Share premium <i>Premium saham</i>	Retained earnings <i>Keuntungan terkumpul</i>	Total <i>Jumlah</i>
At 1 January 2001/ <i>Pada 1 Januari 2001</i>					
- as previously reported/ <i>seperti yang dilaporkan sebelumnya</i>	48,000,000	48,000,000	-	12,916,765	60,916,765
- prior year adjustment/ <i>pelarasan bagi tahun sebelumnya</i>	34	-	-	(187,287)	(187,287)
- as restated/ <i>yang dinyatakan semula</i>	48,000,000	48,000,000	-	12,729,478	60,729,478
Net profit for the year/ <i>Keuntungan bersih tahunan</i>		-	-	5,334,961	5,334,961
Dividends/ <i>Dividen</i>	11				
- 31 December 2000 (Final)/ <i>31 Disember 2000 (Akhir)</i>		-	-	(1,728,000)	(1,728,000)
- 31 December 2001 (Interim)/ <i>31 Disember 2001 (Interim)</i>		-	-	(2,400,000)	(2,400,000)
At 31 December 2001/ <i>Pada 31 Disember 2001</i>	48,000,000	48,000,000	-	13,936,439	61,936,439
At 1 January 2002/ <i>Pada 1 Januari 2002</i>	48,000,000	48,000,000	-	13,936,439	61,936,439
Net profit for the year/ <i>Keuntungan bersih tahunan</i>		-	-	11,256,886	11,256,886
Issue of shares/ <i>Terbitan saham</i>					
- Rights issue/ <i>Terbitan hak</i>	48,000,000	48,000,000	-	-	48,000,000
- Acquisitions of subsidiaries/ <i>Pengambilalihan syarikat subsidiari</i>	95,384,615	95,384,615	28,615,385	-	124,000,000
Share issue expenses/ <i>Perbelanjaan terbitan saham</i>		-	(3,212,232)	-	(3,212,232)
Dividends/ <i>Dividen</i>	11				
- 31 December 2001 (Final)/ <i>31 Disember 2001 (Akhir)</i>		-	-	(1,728,000)	(1,728,000)
At 31 December 2002/ <i>Pada 31 Disember 2002</i>	191,384,615	191,384,615	25,403,153	23,465,325	240,253,093

Cash Flow Statements For The Financial Year Ended 31 December 2002 /
Penyata Aliran Tunai Bagi Tahun Kewangan Berakhir 31 Disember 2002

	Note/Nota	Group/Kumpulan		Company/Syarikat	
		2002 RM	2001 RM	2002 RM	2001 RM
OPERATING ACTIVITIES/AKTIVITI OPERASI					
Net profit attributable to shareholders/ <i>Keuntungan bersih yang boleh diagihkan kepada pemegang-pemegang saham</i>		14,956,266	11,923,013	11,256,886	5,334,961
Adjustments for/ <i>Pelarasan bagi:</i>					
Taxation/ <i>Cukai</i>		7,407,085	5,415,914	2,033,267	1,701,000
Minority interest/ <i>Kepentingan minoriti</i>		(42,798)	193,064	-	-
Associated companies/ <i>Syarikat-syarikat bersekutu</i>					
- share of profit/ <i>bahagian daripada keuntungan</i>		(36,270)	-	-	-
- share of tax/ <i>bahagian daripada cukai</i>		39,949	-	-	-
Amortisation of training costs/ <i>Pelunasan kos latihan</i>		1,474,589	980,177	-	-
Loss on transfer of training costs/ <i>Kerugian atas pindahan kos latihan</i>		387,936	-	-	-
Interest income/ <i>Pendapatan faedah</i>		(1,054,254)	(1,839,494)	(676,040)	(760,104)
Dividend income/ <i>Pendapatan dividen</i>		-	-	(14,023,050)	(7,318,199)
Interest expense/ <i>Perbelanjaan faedah</i>		4,301,626	329,092	-	-
Allowance for doubtful debts/ <i>Peruntukan hutang ragu</i>		979,455	1,130,135	-	-
Provision for catscan tube/ <i>Peruntukan untuk tiub catscan</i>		-	60,700	-	-
Provision for radioactive source/ <i>Peruntukan untuk sumber radioaktif</i>		-	270,741	-	-
Property, plant and equipment/ <i>Hartanah, loji dan peralatan</i>					
- depreciation/ <i>susutnilai</i>		9,895,062	6,159,936	-	-
- loss on disposals/ <i>kerugian atas pelupusan</i>		611,037	4,344	-	-
- written offs/ <i>hapuskira</i>		264,401	367,394	-	-
Amortisation of goodwill/ <i>Pelunasan muhibah</i>		568,852	-	-	-
Operating profit/(loss)before changes in working capital/ <i>Keuntungan/(kerugian) operasi sebelum perubahan modal kerja</i>		39,752,936	24,995,016	(1,408,937)	(1,042,342)
Changes in working capital/ <i>Perubahan modal kerja:</i>					
Inventories/ <i>Inventori</i>		(1,050,744)	24,890	-	-
Receivables/ <i>Penghutang</i>		(2,452,413)	(3,066,847)	1,915,750	(1,106,969)
Payables/ <i>Pemiutang</i>		(11,957,654)	579,050	184,775	121,605
Related companies balances/ <i>Baki di antara syarikat-syarikat berkaitan</i>		7,436,475	(1,471,500)	8,209,116	556,651
Cash generated from/(used in) operations/ <i>Tunai dihasilkan daripada/(digunakan dalam) operasi</i>		31,728,600	21,060,609	8,900,704	(1,471,055)
Interest paid/ <i>Faedah dibayar</i>		(4,301,626)	(329,092)	-	-
Income tax paid/ <i>Cukai pendapatan dibayar</i>		(6,649,682)	(4,777,222)	(2,218,284)	(1,706,353)
Net cash flow from/(used in) operating activities/ <i>Aliran tunai bersih daripada/(digunakan dalam) aktiviti operasi</i>		20,777,292	15,954,295	6,682,420	(3,177,408)

Cash Flow Statements For The Financial Year Ended 31 December 2002 /
Penyata Aliran Tunai Bagi Tahun Kewangan Berakhir 31 Disember 2002

Note/Nota	Group/Kumpulan		Company/Syarikat	
	2002 RM	2001 RM	2002 RM	2001 RM
INVESTING ACTIVITIES/ AKTIVITI PELABURAN				
Purchase of property, plant and equipment/ <i>Pembelian harta tanah, loji dan peralatan</i>	(25,573,617)	(17,845,437)	-	-
Proceeds from disposal of property, plant and equipment/ <i>Perolehan dari pelupusan harta tanah, loji dan peralatan</i>	550,203	270,619	-	-
Acquisitions of subsidiary companies/ <i>Pengambilalihan syarikat subsidiari</i>	13 (169,549,950)	-	(176,349,055)	-
Additions in training costs/ <i>Penambahan dalam kos latihan</i>	(6,331,008)	(2,251,703)	-	-
Proceeds from transfer of employment contracts/ <i>Perolehan dari pemindahan kontrak pekerjaan</i>	-	64,716	-	-
Deposits pledged with banks/ <i>Deposit yang dicagarkan dengan bank</i>	(659,020)	(195,000)	-	-
Dividends received/ <i>Dividen diterima</i>	-	-	5,969,274	5,341,891
Interest received/ <i>Faedah diterima</i>	1,054,254	1,839,494	676,040	760,104
Deferred revenue received/ <i>Pendapatan tertunda diterima</i>	(1,143,323)	-	-	-
Net cash flow (used in)/from investing activities/ <i>Aliran tunai bersih (digunakan dalam)/dari aktiviti pelaburan</i>	(201,652,461)	(18,117,311)	(169,703,741)	6,101,995
FINANCING ACTIVITIES/ AKTIVITI PEMBIAYAAN				
Issue of shares/ <i>Terbitan saham</i>	172,000,000	-	172,000,000	-
Share issue expenses/ <i>Perbelanjaan terbitan saham</i>	(3,212,232)	-	(3,212,232)	-
Drawdown of borrowings/ <i>Pengambilan daripada pinjaman</i>	40,547,373	8,486,491	-	-
Repayment of borrowings/ <i>Pembayaran pinjaman</i>	(30,027,982)	-	-	-
Dividends paid/ <i>Dividen dibayar</i>	(4,128,000)	(1,728,000)	(4,128,000)	(1,728,000)
Dividends paid to minority shareholders of subsidiary companies/ <i>Dividen yang dibayar kepada pemegang saham minoriti syarikat-syarikat subsidiari</i>	(14,000)	(149,365)	-	-
Long term deposits received/ <i>Pinjaman jangka panjang diterima</i>	460,500	279,624	-	-
Net cash flow from/(used in) financing activities/ <i>Aliran tunai bersih dari/(digunakan dalam) aktiviti pembiayaan</i>	175,625,659	6,888,750	164,659,768	(1,728,000)
NET CHANGES IN CASH AND CASH EQUIVALENTS/ <i>PERUBAHAN BERSIH DALAM TUNAI DAN SETARA TUNAI</i>	(5,249,510)	4,725,734	1,638,447	1,196,587
CASH AND CASH EQUIVALENTS				
AT BEGINNING OF THE FINANCIAL YEAR/ <i>TUNAI DAN SETARA TUNAI PADA AWAL TAHUN KEWANGAN</i>	6,122,039	1,396,305	1,426,608	230,021
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR/ <i>TUNAI DAN SETARA TUNAI PADA AKHIR TAHUN KEWANGAN</i>	20 872,529	6,122,039	3,065,055	1,426,608

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

1 General Information/Maklumat Am

The Company is principally an investment holding company. The principal activities of the subsidiary companies in the Group are described in Note 13 to the financial statements.

The average number of employees during the financial year amounted to 3,674 (2001: 1,014) in the Group and 1 (2001: 1) in the Company.

The holding corporation is Johor Corporation, a body corporate established under the Johor Corporation Enactment (No. 4 of 1968) (as amended by Enactment No. 5 of 1995).

The Company is a limited liability company, incorporated and domiciled in Malaysia.

The address of the registered office of the Company is:

**82
13th Floor, Menara Johor Corporation
Kotaraya 80000 Johor Bahru**

The address of the principal place of business of the Company is:

**No 7, Persiaran Titiwangsa 3
53200 Kuala Lumpur**

Syarikat ini merupakan sebuah syarikat pemegang pelaburan. Aktiviti-aktiviti utama syarikat-syarikat subsidiari adalah diterangkan dalam Nota 13 kepada penyata kewangan.

Purata bilangan pekerja di sepanjang tahun kewangan ialah 3,674 (2001:1,014) di dalam Kumpulan dan 1 (2001:1) di dalam syarikat.

Perbadanan induk adalah Johor Corporation, sebuah perbadanan yang ditubuhkan di bawah Enakmen Johor Corporation (No. 4, 1968) (pindaan Enakmen No. 5, 1995).

Syarikat ini adalah sebuah syarikat tanggungan terhad, ditubuhkan dan beroperasi di Malaysia.

Alamat syarikat yang didaftarkan ialah:

**Tingkat 13, Menara Johor Corporation
Kotaraya, 80000 Johor Bahru**

Alamat tempat di mana syarikat menjalankan kegiatan utama ialah:

**No 7, Persiaran Titiwangsa 3
53200 Kuala Lumpur**

2 Financial Risk Management Objectives and Policies/Matlamat dan Polisi Pengurusan Risiko Kewangan

The Group's activities expose it to a variety of financial risks, including liquidity and cash flow risk, interest rate risk, market risk, credit risk and foreign currency exchange risk. The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders. The Group focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems, an insurance programme and adherence to Group financial risk management policies.

(a) Liquidity and cash flow risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by ensuring that committed credit lines are available.

(b) Interest rate risk

Interest rate exposure arises from certain of the Group's borrowings and deposits which are on floating rate. Under the current market environment, Company considers the risk of material loss in the event of an increase in interest rate to be manageable. For certain borrowings, the Group has no interest rate exposure as its borrowings are under Islamic facilities.

Kegiatan Kumpulan terdedah kepada pelbagai risiko kewangan, termasuk risiko kecairan dan risiko aliran tunai, risiko kadar faedah, risiko pasaran, risiko kredit dan risiko pertukaran nilai matawang asing. Secara keseluruhannya, matlamat pengurusan risiko kewangan Kumpulan adalah untuk memastikan supaya Kumpulan dapat menjana nilai kepada pemegang-pemegang saham. Kumpulan juga memberi perhatian kepada ketidakstabilan pasaran kewangan dan berusaha meminimumkan kesan-kesan buruk yang mungkin akan menggugat pencapaian kewangan Kumpulan. Pengurusan risiko kewangan dilaksanakan melalui pemantauan risiko, sistem kawalan dalaman, program insuran dan memastikan supaya garis panduan polisi pengurusan risiko kewangan Kumpulan dipatuhi.

(a) Risiko kecairan dan aliran tunai

Kumpulan mengamalkan pengurusan risiko kecairan cermat dengan mengekalkan dana yang sedia ada melalui kemudahan kredit yang dijanjikan dengan mencukupi. Sejajar dengan ciri-ciri dinamik dalam perniagaan yang dijalankan, Kumpulan berusaha untuk mengekalkan dana secara fleksi dengan mempastikan terdapat kemudahan kredit yang dijanjikan.

(b) Risiko kadar faedah

Kumpulan terdedah kepada risiko kadar faedah melalui pinjaman dan deposit Kumpulan yang mempunyai kadar faedah yang berubah. Dalam keadaan pasaran yang sedia ada, Kumpulan menganggap risiko kerugian yang material akibat kenaikan kadar faedah masih berada di tahap yang boleh diselenggarakan. Bagi sesetengah kemudahan pinjaman, Kumpulan tidak terdedah kepada risiko kadar faedah kerana pinjaman ini diperolehi dari kemudahan perbankan Islam.

2 Financial Risk Management Objectives and Policies (cont'd)/

Matlamat dan Polisi Pengurusan Risiko Kewangan (samb.)

(c) Market risk

The Group does not face significant exposure from the risk of changes in debt and equity prices.

(d) Credit risk

The Group seeks to invest cash assets safely and profitably. Its deposits are placed with credit worthy financial institutions. It also seeks to control credit risk by setting credit limits and ensuring that sales of products and services are made to customers with an appropriate credit history. The credit worthiness of all counter parties are periodically reviewed and services to delinquent customers are suspended should they exceed their credit terms and limit, with the approval of the management. The Group considers the risk of material loss in the event of non-performance by trade receivables to be unlikely.

(e) Foreign currency exchange risk

The Group does not face significant exposure from currency risk from foreign currency transactions entered into by subsidiary companies in currencies other than their functional currency.

(c) *Risiko Pasaran*

Kumpulan tidak mengalami pendedahan yang ketara kepada risiko perubahan bebanan hutang dan harga ekuiti.

(d) *Risiko Kredit*

Kumpulan memastikan pelaburan di dalam aset tunai dibuat secara selamat dan menguntungkan. Depositnya dilaburkan dengan institut kewangan yang mempunyai kekuatan kredit. Kumpulan juga berharap untuk mengawal risiko kredit dengan menetapkan tahap kredit yang diberi, sambil memastikan bahawa jualan produk dan perkhidmatan yang dibuat kepada pelanggan yang mempunyai rekod kredit yang bersesuaian. Nilai kredit yang diberikan kepada semua pihak akan disemak secara berkala dan perkhidmatan kepada pelanggan yang ingkar akan digantung jika mereka didapati melebihi had dan terma kredit, dengan kelulusan pihak pengurusan. Kumpulan menganggap risiko kerugian yang material akibat kegagalan pelanggan untuk menjelaskan hutang dagangan berada di tahap minimum

(e) *Risiko pertukaran matawang asing*

Kumpulan tidak mengalami pendedahan yang ketara kepada risiko transaksi matawang asing yang dijalankan oleh anak syarikat dalam matawang selain daripada matawang asas.

3 Basis of Preparation of the Financial Statements/Asas Penyediaan Penyata Kewangan

The financial statements of the Group and of the Company are prepared under the historical cost convention except as disclosed in Note 4 to the financial statements. The financial statements comply with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

MASB Standard 19 "Events After Balance Sheet Date" and MASB standard 20 "Provisions, Contingent Liabilities and Contingent Assets" have been adopted in the financial statements for the year financial ended 31 December 2001 in advance of their effective date.

Penyata kewangan Kumpulan dan Syarikat telah disediakan berdasarkan kepada tatacara teriktiraf kos silam selain daripada yang dihuraikan dalam Nota 4 kepada penyata kewangan memalui piawaian perakaunan berkenaan yang diluluskan di Malaysia dan peruntukan-peruntukan di dalam Akta Syarikat, 1965.

MASB 19 'Peristiwa Selepas Tarikh Lembaran Imbangian' dan MASB 20 'Peruntukan, Liabiliti Luarjangka dan Harta Luarjangka' telah diambilkira di dalam penyata kewangan bagi tahun berakhir 31 Disember 2001 lebih awal dari tarikh penguatkuasaannya.

The other new applicable accounting standards adopted in these financial statements are as follows:

Lain-lain dasar perakaunan yang baru digunakan dalam penyata kewangan adalah seperti berikut:

MASB Standard 21 "Business Combinations"/*Piawaian MASB 21 "Gabungan Perniagaan"*

The Group has taken advantage of the exemption provided to apply this Standard prospectively. Accordingly, business combinations entered into prior to 1 January 2002 have not been restated to comply with this Standard.

Kumpulan telah mengambil peluang dari pengecualian yang diberi dan diterima pakai secara prospektif. Dengan itu, gabungan perniagaan yang dimasukkan sebelum 1 Januari 2002 tidak dinyatakan semula selaras dengan piawaian perakaunan.

MASB Standard 22 "Segmental Reporting"/*Piawaian MASB 22 "Laporan Segmen"*

Comparative figures have been extended to conform with changes in presentation due to the requirements of this Standard that has been applied retrospectively.

Angka-angka perbandingan telah dilanjutkan bagi mematuhi perubahan dalam cara penyampaiannya selaras dengan kehendak piawaian yang diterimakai secara retrospektif.

MASB Standard 23 "Impairment of Assets"/*Piawaian MASB 23 "Penurunan Nilai Harta"*

This Standard does not allow retrospective application.

Piawaian ini tidak membenarkan penggunaan secara retrospektif.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 / Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

3 Basis of Preparation of the Financial Statements (cont'd)/Asas Penyediaan Penyata Kewangan (samb.)

MASB Standard 24 "Financial Instruments: Disclosure and Presentation" /

Piawaian MASB 24 "Instrumen Kewangan: Pendedahan dan Pembentangan"

The Group has taken advantage of the exemption provided to apply this Standard prospectively. Accordingly, the following presentation and disclosures have been adopted in these financial statements:

- Classification of financial instruments that contain both a liability and an equity element ("compound instruments")
There was no compound instruments issued during the year. Compound instruments issued prior to 1 January 2002 have not been reclassified as permitted by the Standard.
- Classification of non-compound instruments
There was no non-compound instruments issued during the year.
- Disclosures
Comparatives are not disclosed upon first application of MASB Standard 24, as permitted by the Standard.

Kumpulan telah mengambil peluang daripada pengecualian yang diberi untuk menerima pakai piawaian ini secara prospektif. Dengan itu, cara pembentangan dan pendedahan yang berikut telah diterimakai di dalam laporan kewangan ini:

- *Instrumen kewangan dikelaskan sebagai mempunyai kedua-dua elemen liabiliti dan ekuiti (instrumen kompaun).*
Tiada terbitan instrumen kompaun sepanjang tahun ini. Instrumen kompaun diterbitkan sebelum 1 Januari 2002 belum dikelasifikasi seperti yang dibenarkan oleh piawaian.
- *Kelasifikasi untuk instrumen bukan kompaun*
Tiada terbitan instrumen bukan kompaun dalam tahun semasa.
- *Pembentangan*
Pembentangan tentang maklumat perbandingan tidak dilakukan semasa permulaan penggunaan Piawaian MASB 24, seperti yang dibenarkan oleh piawaian ini.

The preparation of financial statements in conformity with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act 1965 requires the Directors to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported year. Actual results could differ from those estimates.

Penyata kewangan disediakan piawaian-piawaian perakaunan berkaitan yang diluluskan di Malaysia dan Peruntukan Akta Syarikat, 1965 memerlukan Pengarah-pengarah untuk membuat anggaran dan penilaian yang terhadap jumlah aset-aset dan tanggungan yang dilaporkan dan pembentangan aset dan tanggungan luarjangka pada tarikh penyata kewangan dan jumlah perolehan dan perbelanjaan yang dilaporkan dalam tahun laporan keputusan sebenar akan berbeza daripada anggaran yang dibuat.

4 Significant Accounting Policies/Dasar-dasar Utama Perakaunan

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

Polisi dan piawaian perakaunan berikut telah diamalkan secara konsisten dalam mengenalpasti item yang dianggap material dan memberi kesan ketara ke atas penyata kewangan.

(a) Basis of consolidation/Asas penyatuhan

The consolidated financial statements include the financial statements of the Company and all its subsidiary companies made up to the end of the financial year. Subsidiary companies are those companies in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities. Subsidiary companies are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Subsidiary companies are consolidated using the acquisition method of accounting except for Johor Specialist Hospital Sdn Bhd and Medical Associates Sdn Bhd which were consolidated using the merger method of accounting in accordance with Malaysian Accounting Standard No 2 "Accounting for Acquisitions and Mergers" the generally accepted accounting principles prevailing at that time.

Penyata Kewangan yang disatukan merangkumi penyata kewangan Syarikat dan kesemua syarikat-syarikat subsidiarinya yang disediakan sehingga akhir tahun kewangan. Syarikat-syarikat subsidiari adalah syarikat di mana Kumpulan mempunyai kawalan dan pengaruh dalam aspek kewangan dan polisi operasinya yang boleh dimanfaatkan secara terus daripada semua aktivitinya. Penyatuan syarikat-syarikat subsidiari dibuat pada tarikh di mana kawalan telah berpindah kepada Kumpulan sehingga tarikh kawalan ke atas syarikat-syarikat subsidiari ini dilupuskan.

Penyatuan syarikat subsidiari dilakukan menggunakan kaedah pengambilalihan perakaunan kecuali untuk Johor Specialist Sdn Bhd dan Medical Associates Sdn Bhd di mana penyatuhan kedua-duanya dibuat menerusi kaedah penggabungan perakaunan menurut Piawaian Perakaunan Malaysia No 2 "Pengambilalihan dan Penggabungan Perakaunan", asas perakaunan yang telah diterimakai pada waktu itu.

4 Significant Accounting Policies (cont'd)/Dasar-dasar Utama Perakaunan (samb.)

(a) Basis of consolidation (cont'd)/*Asas penyatuhan (samb.)*

Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed of during the financial year are included from the date of acquisition up to the date of disposal. At the date of acquisition, the fair value of the subsidiary companies' net assets are determined and these values are reflected in the consolidated financial statements. In a piecemeal acquisition, the fair value adjustment attributable to previously held equity interests is accounted for as post-acquisition revaluation.

Under the merger method of accounting, the results of the subsidiary companies are presented as if the merger had been effected throughout the current and previous financial years. On consolidation, the difference between the carrying value of the investment in these subsidiaries over the nominal value of the shares acquired is taken to merger reserve.

Intragroup transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiary companies to ensure consistency of accounting policies with those adopted by the Group.

Minority interest is measured at the minorities' share of the post acquisition fair values of the identifiable net assets and liabilities of the acquiree. Separate disclosure is made of minority interests.

Goodwill arising on consolidation represents the excess of the cost of acquisition over the fair value of the Group's share of the subsidiary companies' identifiable net assets at the date of acquisition. Goodwill arising on consolidation is written off on a straight line basis over a period of 20 years.

Berdasarkan kaedah pengambilalihan perakaunan, keputusan bagi syarikat subsidiari yang diambilalih atau dilupuskan dalam tahun kewangan semasa akan disatukan dari tarikh pengambilalihan sehingga tarikh pelupusan. Pada tarikh pemerolehan, nilai wajar aset bersih syarikat subsidiari akan ditentukan dan nilai itu akan dinyatakan dalam penyataan penyata kewangan. Di dalam pemerolehan berperingkat pelarasan nilai wajar yang saksama kepada kepentingan saham ekuiti terdahulu diambilkira sebagai penilaian semula selepas pengambilalihan syarikat subsidiari.

Berdasarkan kaedah penggabungan perakaunan, keputusan bagi syarikat subsidiari dibentangkan dengan andaian penggabungan tersebut telah dijalankan sepanjang tempoh kewangan semasa dan sebelumnya. Semasa penyatuhan, perbezaan antara nilai pelaburan dibawa kepada nilai saham biasa yang diperolehi dimasukkan ke rizab penggabungan.

Transaksi, baki dan keuntungan yang tidak direalisasikan ke atas transaksi-transaksi ke atas Kumpulan dan Syarikat dihapuskan: melainkan kosnya tidak dapat ditampung. Apabila perlu, pelarasan dibuat ke atas penyata kewangan bila syarikat subsidiari untuk memastikan Kumpulan dan Syarikat subsidiari menerima maklumat dasar perakaunan secara konsisten.

Kepentingan saham minoriti diukur melalui bahagian minoriti selepas pemerolehan nilai wajar aset ketara bersih dan tanggungan syarikat subsidiari yang diperolehi. Kesan perubahan ke atas kepentingan minoriti dibentangkan secara berasingan.

Muhibah yang terhasil dari penyatuhan mewakili lebihan kos pemerolehan untuk Kumpulan ke atas nilai wajar aset ketara bersih syarikat subsidiari pada tarikh pemerolehan. Muhibah yang terhasil dari penyatuhan akan dihapuskan selama 20 tahun mengikut kaedah garis lurus.

(b) Property, plant and equipment and depreciation/*Hartanah, loji dan peralatan dan susutnilai*

All property, plant and equipment are initially stated at cost. Freehold land, long leasehold land and building were subsequently shown at revalued amount based on a valuation by a firm of independent professional valuers on the open market basis less subsequent amortisation/depreciation/impairment. All other property plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. The Company adopted the policy of regular revaluation of freehold land, long leasehold land and building. The freehold land, long leasehold land and buildings are appraised by independent professional valuers once in every 5 years.

Surpluses arising on revaluation are credited to revaluation reserve. Any deficit arising from revaluation is charged against the revaluation reserve to the extent of a previous surplus held in the revaluation reserve for the same asset. In all other cases, a decrease in carrying amount is charged to income statement.

Freehold land is not depreciated as it has an infinite life. Leasehold land is amortised in equal instalments over the period of the leases which, ranges from 50 to 999 years.

Semua hartaanah, loji dan peralatan pada mulanya dinyatakan pada kos. Tanah pegangan bebas, tanah pajakan jangka panjang dan bangunan dinyatakan pada nilai penilaian semula berdasarkan penilaian yang dibuat oleh sebuah firma penilai profesional berkecuali pada harga pasaran ditolak pelunasan/susutnilai/rosotnilai. Semua hartaanah, loji dan peralatan yang lain dinyatakan pada kos ditolak pelunasan susutnilai terkumpul dan kerugian rosotnilai. Syarikat mengamalkan polisi penilaian semula tanah pajakan jangka panjang dan bangunan yang tersusun. Tanah pajakan jangka panjang dan bangunan dinilai setiap 5 tahun oleh firma penilai profesional berkecuali.

Tambahan dari penilaian semula diambilkira dalam rizab penilaian semula. Sebarang kekurangan dari penilaian ditolak dari rizab penilaian semula terhad kepada nilai tambahan bagi aset yang sama dalam rizab penilaian semula. Bagi kes yang lain, penurunan nilai yang dibawa dicajkan dalam penyata pendapatan. Tanah pegangan bebas tidak disusutnilaikan oleh kerana ia mempunyai jangka hayat yang panjang.

Tanah pegangan pajakan disusutnilaikan selama ansuran sama rata ke atas jangka masa pajakan yang meliputi 50 hingga 999 tahun.

4 Significant Accounting Policies (cont'd)/Dasar-dasar Utama Perakaunan (samb.)

- (b) Property, plant and equipment and depreciation (cont'd)/Hartanah, loji dan peralatan dan susutnilai (samb.)

Other property, plant and equipment are depreciated on the straight line basis to write off the cost of the property, plant and equipment, or their revalued amounts, to their residual values over their estimated useful lives at the following annual rates:

Susutnilai semua hartaanah, loji dan peralatan yang lain dilakukan mengikut kaedah garis lurus untuk menghapuskan kos harita berkenaan, atau jumlah penilaian semula, ke atas nilai baki harta berkenaan sepanjang tempoh hayat gunanya pada kadar berikut:

Buildings/Bangunan	2%
Plant and equipment/Loji dan peralatan	7.5% - 33.3%
Furniture, fittings, equipment and other asset/Perabot, kelengkapan, peralatan dan aset lain	10% - 20%
Renovations/Pengubahsuaian	5% - 20%
Motor vehicles/Kenderaan motor	10% - 20%
Computers/Komputer	20% - 30%

Depreciation of assets under construction commences when the assets are ready for their intended use. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised as part of the cost of the asset during the period of time that is required to complete and prepare the asset for its intended use. All other borrowing costs are expensed.

Gains or losses on disposals are determined by comparing proceeds with carrying amount and are included in profit/(loss) from operations. On disposal of revalued assets, amounts in revaluation reserve relating to those assets are transferred to retained earnings.

Susutnilai aset di dalam pembinaan bermula apabila aset tersebut sedia digunakan kelak. Jika terdapat tanda-tanda kerosotan nilai yang dibawa ianya akan dikaji dan disusulkan serta merta kepada nilai yang sepatutnya.

Kos faedah ke atas pinjaman untuk membiayai pembinaan hartaanah, loji dan peralatan dimodalkan sehingga aset tersebut siap untuk kegunaan yang dirancangkan. Kos pinjaman yang lain adalah perbelanjaan.

Keuntungan dan kerugian atas pelupusan hartaanah, loji dan peralatan ditentukan berdasarkan nilai yang dibawa dan diiktiraf sebagai pendapatan atau perbelanjaan dalam penyata pendapatan. Pada pelupusan aset yang dinilai semula, jumlah rizab penilaian semula berkaitan dengan aset tersebut dipindahkan kepada keuntungan terkumpul.

- (c) Associated companies/Syarikat-syarikat bersekutu

The Group treats as associated companies, those companies in which a long term equity interest of between 20% and 50% is held and where it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decision of the associates but not control over those policies. Investment in associates are accounted for in the consolidated financial statements by the equity method of accounting.

Equity accounting involves recognising in the income statement the Group's share of the results of associates for the financial year. The Group's investments in associates are carried in the balance sheet at an amount that reflects its share of the net assets of the associates and includes goodwill (net of accumulated amortisation) on acquisition. Equity accounting is discontinued when the carrying amount of the investment in an associate reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the asset transferred. Where necessary, in applying the equity method, adjustments are made to the financial statements of associates to ensure consistency of accounting policies with those of the Group.

Syarikat bersekutu adalah syarikat di mana pegangan ekuiti saham jangka panjang oleh Kumpulan antara 20% hingga 50% dan di mana ia mempunyai pengaruh yang ketara dalam dasar kewangan dan polisi operasi syarikat-syarikat bersekutu tetapi bukannya dari segi kawalan. Pelaburan di dalam syarikat-syarikat bersekutu diambilkira di dalam penyata kewangan dengan kaedah perakaunan ekuiti.

Perakaunan ekuiti melibatkan pengiktirafan di dalam penyata pendapatan bahagian Kumpulan ke atas keputusan Syarikat-syarikat bersekutu bagi tahun kewangan tersebut. Pelaburan Kumpulan dinyatakan dalam lembaran imbangan pada nilai yang menunjukkan bahagian aset bersih syarikat-syarikat bersekutu termasuk muhibah (nilai bersih pelunasan terkumpul) atas pengambilalihan. Perakaunan ekuiti dihentikan apabila nilai bawa pelaburan di dalam syarikat-syarikat bersekutu menjadi sifar, melainkan Kumpulan telah memasuki perjanjian atau jaminan tanggungan atas syarikat-syarikat bersekutu.

Keuntungan tidak direalisasikan antara Kumpulan dan Syarikat-syarikat bersekutu dihapuskan sehingga bahagian daripada pegangan saham Kumpulan di dalam syarikat-syarikat bersekutu; melainkan transaksi tersebut menunjukkan bukti bahawa wujudnya kerosotan nilai bagi aset yang dipindahkan. Bila perlu, semasa penggunaan kaedah ekuiti perakaunan, pelarasan dibuat pada penyata kewangan syarikat-syarikat bersekutu untuk memastikan dasar perakaunan diterimakan secara konsisten.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

4 Significant Accounting Policies (cont'd)/Dasar-dasar Utama Perakaunan (samb.)

(d) Investments/*Pelaburan-pelaburan*

Investments in subsidiary and associate companies are shown at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Investments in other non-current investments are shown at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of an investment, such a decline is recognised as an expense in the period in which the decline is identified.

External costs directly attributable to an acquisition, other than costs of issuing shares and other capital instruments, are included as part of the cost of acquisition.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to the income statement.

Pelaburan dalam syarikat subsidiari dan bersekutu dinyatakan pada kos. Bila terdapat bukti kerosolan nilai lanya dikaji dan disusutkan serta merta kepada nilai yang sepatutnya.

Pelaburan bukan semasa dinyatakan pada kos dan peruntukan akan dibuat untuk penurunan niali, jika Para Pengarah berpendapat wududnya penurunan kekal di dalam nilai pelaburan. Apabila keadaan ini berlaku, penurunan nilai dinyatakan sebagai pebelanjaan dalam tempoh dimana penurunan ini dikenalpasti.

Kos luaran yang berkaitan langsung dengan pengambilalihan, selain daripada kos terbitan saham dan instrumen modal lain, dinyatakan sebagai sebahagian daripada kos pengambilalihan.

Semasa pelupusan pelaburan, perbezaan antara nilai bersih hasil pelunasan dan nilai pelaburan yang dibawa dicajkan atau dikreditkan di dalam penyata pendapatan.

(e) Inventories/*Inventori*

Inventories are stated at the lower of cost and net realisable value. Cost is determined principally on the weighted average method.

Net realisable value is the estimated of the selling price in the ordinary course of business, less the cost of completion and selling expenses.

Inventori dinyatakan pada harga terendah antara kos dan nilai perolehan bersih. Pada prinsipnya kos ditentukan atas kaedah kos purata wajaran.

Nilai perolehan bersih adalah anggaran harga jualan pada kegiatan perniagaan biasa ditolak kos penyempurnaan dan perbelanjaan jualan.

(f) Trade Receivables/*Penghutang Dagangan*

Trade receivables are carried at invoiced amount less an estimate made for doubtful debts based on a review of outstanding amounts at the financial year end. Known bad debts are written off and specific allowance is made for debts considered to be doubtful of collection. In addition, a general allowance based on a percentage of revenue is made to cover losses which are not specifically identified.

Penghutang dagangan dinyatakan pada amaun inbois ditolak sebarang anggaran untuk peruntukan hutang ragu berdasarkan pantauan amaun tertunggak yang dibuat pada akhir tahun kewangan. Hutang lapuk adalah dilupuskan dan peruntukan tertentu dibuat untuk hutang yang dianggap ragu. Sebuah peruntukan umum berdasarkan sebuah peratus kepada hasil dibuat untuk melindungi dari sebarang kemungkinan kerugian yang tidak dikenalpasti secara khususnya.

(g) Training costs/*Kos latihan*

Training costs consist of nurse training costs in the form of scholarships and other related costs are deferred during the training period. The expenditure is amortised on a straight line basis over the bonded service period ranging from 2 to 5 years after graduation, unless the Directors consider that a continuing benefit will not accrue.

Kos latihan terdiri daripada kos latihan kejururawatan di dalam bentuk biasiswa dan lain-lain kos berkaitan yang dibelanjakan sepanjang tempoh latihan ditunda sehingga tamat latihan. lanya akan dilunaskan dengan kadar garis lurus setelah pelajar menamatkan latihan dan mula bertugas dengan hospital mengikut tempoh perkhidmatan di antara 2 hingga 5 tahun seperti yang disebutkan dalam perjanjian melainkan para Pengarah berpendapat bahawa tiada faedah akan diterima.

(h) Cash and cash equivalents/*Tunai dan setara tunai*

Cash and cash equivalents comprise cash in hand, bank balances and deposits with licensed financial institutions and other corporations, bank overdrafts and short term, highly liquid investment that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

Tunai dan setara tunai terdiri daripada tunai, baki bank dan deposit yang ditempatkan di institusi kewangan dan badan berkanan yang lain, overdraf bank dan pelaburan jangka pendek yang sedia ada untuk ditukar kepada jumlah wang tunai tertakluk kepada perubahan nilai berisiko rendah.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

4 Significant Accounting Policies (cont'd)/Dasar-dasar Utama Perakaunan (samb.)

(i) Borrowings/*Pinjaman-pinjaman*

Borrowings are initially recognised based on the proceeds received, net of transaction costs incurred. In subsequent financial year, borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings.

Pinjaman diambil kira berdasarkan hasil yang diterima, selepas ditolak kos transaksi yang dibelanjakan. Bagi tahun kewangan seterusnya, pinjaman dinyatakan pada kos selepas pelunasan menggunakan kaedah kadar hasil efektif; dimana perbezaan antara hasil (selepas ditolak kos transaksi) dan nilai yang boleh ditebus dinyatakan di dalam penyata kewangan sepanjang tempoh pinjaman.

(j) Financial Instruments/*Instrumen Kewangan*

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual policy statements associated with each item.

The fair value of financial liabilities are estimated by discounting the future contractual cash flows at the current market interest rate obtainable by the Company for similar financial instruments.

The carrying value for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair value.

Kaedah mengenalpasti instrumen kewangan yang diiktiraf di dalam lembaran imbalan dinyatakan dalam penyata polisi individu yang berkaitan dengannya.

Nilai wajar liabiliti kewangan dianggarkan berdasarkan penurunan aliran tunai masa hadapan pada kadar faedah pasaran semasa yang boleh didapati oleh Syarikat untuk instrumen kewangan yang sama.

Nilai yang di bawa untuk aset dan liabiliti kewangan dengan tempoh kematangan tidak melebihi daripada satu tahun dianggarkan hampir dengan nilai wajar aset dan liabiliti berkenaan.

(k) Leases/*Pajakan*

Finance leases/Pembentahan pajakan

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance charge is charged to the income statement over the lease period.

Property, plant and equipment acquired under finance leases is depreciated over the estimated useful life of the asset.

Pajakan dimana Kumpulan menanggung keseluruhan faedah dan disamping risiko pemilikan aset dikategorikan sebagai pajakan kewangan

Pajakan kewangan dimodalkan pada permulaan pajakan pada nilai terendah di antara nilai wajar harta tanah yang dipajakkkan atau nilai semasa pembayaran pajakan minimum. Setiap bayaran pajakan diagihkan diantara liabiliti dan caj kewangan untuk mendapatkan kadar tetap di atas baki kewangan tertunggak. Tanggungjawab sewa yang dialami, ditolak caj kewangan, dimasukkan ke dalam pinjaman. Elemen faedah untuk pajakan kewangan dicajkan ke penyata kewangan sepanjang tempoh pajakan.

Hartanah, loji dan peralatan yang diperolehi dengan cara pajakan kewangan disusunnilai atas jangka hayat aset tersebut.

Operating leases/Pajakan operasi

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Pajakan dimana keseluruhan faedah dan risiko pemilikan aset ditanggung oleh pemajak dikategorikan sebagai pajakan operasi. Pembayaran pajakan operasi diiktiraf sebagai perbelanjaan di dalam penyata pendapatan berdasarkan kadar garis lurus sepanjang tempoh pajakan tersebut.

Apabila pajakan operasi ditamatkan sebelum tempoh pajakan berakhir, sebarang bayaran yang perlu dibuat kepada pemajak akan diiktiraf sebagai perbelanjaan dalam tempoh di mana pajakan tersebut ditamatkan.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

4 Significant Accounting Policies (cont'd)/Dasar-dasar Utama Perakaunan (samb.)

(l) Deferred taxation/*Cukai tertunda*

The tax expense is determined on the basis of tax effect accounting using the liability method. Deferred taxation is recognised for all timing differences except when there is reasonable evidence that such timing differences will not reverse in the foreseeable future. The tax effect of timing differences that result in a debit balance or a debit to the deferred tax balance is not carried forward unless there is a reasonable expectation of its realisation. The potential tax saving relating to a tax loss carry forward is only recognised if there is assurance beyond any reasonable doubt that future taxable income will be sufficient for the benefit of the loss to be realised.

Where there is intention to dispose off revalued assets the deferred tax relating to such assets is recognised through a transfer from the related revaluation surplus nor provision nor disclosure is made of this tax effect where the company intends to hold such assets for the foreseeable future.

Cukai tertunda diperuntukan mengikut kaedah liabiliti berdasarkan perkiraan pecuakan semasa. Faedah cukai tertunda bagi semua perbezaan masa akan diambilkira kecuali ada bukti munasabah perbezaan ini tidak akan berlaku dalam masa yang terdekat.

Perbezaan masa yang mengakibatkan baki debit tidak akan dibawa ke masa hadapan kecuali terdapat sebab-sebab yang wajar untuk ia direalisasikan. Penjimatan cukai yang berkaitan dengan kerugian cukai yang dibawa kehadapan hanya akan diambilkira sekiranya dapat dipastikan, melepas sebarang keraguan bahawa pendapatan yang dikenakan cukai di masa hadapan mencukupi untuk merealisasikan.

Jika aset yang telah dinilaikan semula hendak dilupuskan, cukai tertunda untuk aset itu diambilkira melalui pindahan daripada lebihan penilaian berkaitan. Tiada peruntukan atau pembentangan yang dibuat untuk kesan cukai di mana Syarikat berhasrat untuk memiliki aset itu pada masa hadapan.

(m) Share capital/*Modal saham*

Ordinary shares are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

External costs directly attributable to the issue of new shares are shown as a deduction, net of tax, in equity from the proceeds. *Saham biasa dikelasifikasi sebagai ekuiti. Lain-lain saham dikelasifikasi sebagai ekuiti dan/atau liabiliti mengikut wajaran ekonomi sesuatu instrumen.*

Kos luaran hasil dari terbitan saham baru dinyatakan sebagai sebuah tolakan, cukai bersih, daripada hasil terbitan.

(n) Foreign currencies/*Matawang asing*

The Group's foreign entities are those operations that are not an integral part of the operations of the Company. Income statements of foreign entities are translated into Ringgit Malaysia at average exchange rates for the period and the balance sheets are translated at exchange rates ruling at the balance sheet date. Exchange differences arising from the retranslation of the net investments in foreign entities and of borrowing that hedge such investments are taken to reserves. On disposal of the foreign entity, such translation differences are recognised in the income statement as part of the gain or loss on disposal.

Entiti asing Kumpulan terdiri daripada operasi yang tidak membentuk sebahagian penting daripada operasi Syarikat. Penyata pendapatan entiti asing ditukar ke dalam Ringgit Malaysia pada purata kadar pertukaran semasa sepanjang tempoh kewangan dan lembaran imbalan ditukar mengikut kadar tukaran pada tarikh tahun kewangan berakhir. Perbezaan yang terhasil daripada pertukaran pelaburan bersih di dalam entiti asing dan pinjaman yang dicagarkan ke atas pelaburan berkenaan dibawa ke rizab. Untuk pelupusan bagi entiti asing, perbezaan pertukaran matawang berkenaan dinyatakan di dalam penyata kewangan sebagai sebahagian daripada keuntungan atau kerugian atas pelupusan.

The principal closing rates used in translation of foreign currency amounts are as follows:

Foreign currency/Matawang asing

100 Indonesian Rupiah
1 Singapore Dollar

	2002	2001
	RM	RM
100 Indonesian Rupiah	0	0.0405
1 Singapore Dollar	2.1915	2.1440

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

4 Significant Accounting Policies (cont'd)/Dasar-dasar Utama Perakaunan (samb.)

(o) Revenue recognition/*Pengiktirafan hasil*

Group

- (i) Hospital and consultant income comprises of inpatient income and outpatient income which are recognised on a receivable basis
 - Inpatient income represent hospital charges, drug sales and medical supplies.
 - Outpatient income represent sale of drugs and medical supplies.
- (ii) Sale of pharmaceutical products

Revenue are recognised upon delivery of products and customers acceptance net of discounts, rebates and returns.
- (iii) Laboratory test fees

Revenue is recognised upon delivery of products and customers acceptance, if any, or performance of services and net of discounts.

Company

- (i) Gross dividend income is recognised when the Company's right to receive payment is established.
- (ii) Interest from short term deposits and fixed deposits are taken into account under accrual basis.
- (iii) Management fees charged to subsidiary companies is recognised upon invoicing.

Kumpulan

- (i) Pendapatan hospital dan pendapatan pakar perunding terdiri daripada pesakit luar dan pesakit dalam yang diiktiraf
 - Pendapatan pesakit dalam terdiri daripada caj hospital, jualan dan bekalan perubatan.
 - Pendapatan pesakit luar terdiri daripada jualan dan bekalan perubatan.
- (ii) Pendapatan produk farmasi

Pendapatan diiktiraf apabila adanya penyerahan produk dan penerimaan pelanggan selepas diskau, rebet dan pulangan.
- (iii) Yuran ujian makmal

Pendapatan diiktiraf apabila adanya penyerahan produk dan penerimaan pelanggan, jika ada, atau pencapaian perkhidmatan dan selepas diskau.

Syarikat

- (i) Pendapatan dividen kasar diiktiraf apabila hak Syarikat untuk menerima bayaran dilaksanakan.
- (ii) Faedah yang diterima daripada deposit tetap dan deposit jangka pendek diakru.
- (iii) Caj yuran pengurusan kepada syarikat-syarikat subsidiari diiktiraf apabila inbois dikeluarkan.

5 Revenue/Hasil

	Group/Kumpulan 2002 RM	Company/Syarikat 2002 RM	Company/Syarikat 2001 RM
Hospital income/ <i>Pendapatan hospital</i>	140,304,043	98,973,695	-
Consultant income/ <i>Pendapatan pakar perunding</i>	69,860,189	47,768,979	-
Sale of pharmaceutical, medical and surgical products <i>Jualan produk farmasi, perubatan dan pembedahan</i>	5,320,189	-	-
Laboratory test fees/ <i>Yuran ujian makmal</i>	313,507	-	-
Investment income/ <i>Pendapatan pelaburan</i>	-	760,105	676,040
Management fees/ <i>Yuran pengurusan</i>	-	-	240,000
Dividend income-subsidiary companies/ <i>Pendapatan dividen-syarikat-syarikat subsidiari</i>	-	-	14,023,050
	215,797,928	147,502,779	14,939,090
			8,158,264

6 Segment Reporting/Maklumat Segmen

The Group principally operates in one main business segment namely the operating of specialist hospitals.

Other operations of the Group mainly comprise of investment holding, provision of management services and pathology and laboratory services, marketing and distribution of pharmaceutical, medical and surgical products and operating a private nursing college. Neither of these operations are of a sufficient size to be reported separately.

Intersegment revenue comprise sales of management services, pathology and laboratory services, pharmaceutical, medical and surgical products and student fees to the specialist hospitals segment are at an arms length basis.

Kumpulan beroperasi dalam satu segmen perniagaan utama iaitu beroperasi sebagai hospital pakar.

Operasi Kumpulan yang lain terdiri daripada syarikat pelaburan induk, peruntukan perkhidmatan pengurusan, patologi dan perkhidmatan makmal, pemasaran dan pengedaran produk farmasi, perubatan dan pembedahan dan beroperasi sebagai kolej kejururawatan swasta. Operasi-operasi ini tidak memerlukan laporan berasangan disebabkan oleh saiznya.

Hasil antara segmen terdiri daripada jualan perkhidmatan pengurusan, patologi dan perkhidmatan makmal, produk farmasi, perubatan dan pembedahan dan yuran pelajar kepada hospital pakar atas dasar urusniaga tulus.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

6 Segment Reporting (cont'd)/Maklumat Segmen (samb.)

(a) Primary reporting - business segments/*Laporan utama - segmen perniagaan*

	Hospitals <i>Hospital-hospital</i>	Others <i>lain-lain</i>	Group <i>Kumpulan</i>
	RM	RM	RM
<u>Financial year ended 31 December 2002</u>			
<u>Tahun kewangan berakhir pada 31 Disember 2002</u>			
Revenue/Hasil			
Total revenue/ <i>Jumlah hasil</i>	212,134,897	31,776,929	243,911,826
Intersegment revenue/ <i>Hasil antara segmen</i>	-	(28,113,898)	(28,113,898)
External revenue/ <i>Hasil luaran</i>	212,134,897	3,663,031	215,797,928
Results/Keputusan			
Segment results (external)/ <i>Keputusan segmen (luaran)</i>	26,558,498	636,212	27,194,710
Amortisation of goodwill/ <i>Pelunasan muhibah</i>			(568,852)
Profit from operations/ <i>Keuntungan dari operasi</i>			26,625,858
Finance cost/ <i>Kos kewangan</i>			(4,301,626)
Share of profit of associated companies/ <i>Bahagian daripada keuntungan syarikat-syarikat bersekutu</i>			36,270
Profit before tax/ <i>Keuntungan sebelum cukai</i>			22,360,502
Taxation/ <i>Cukai</i>			(7,407,085)
Share of tax of associated companies/ <i>Bahagian daripada cukai syarikat-syarikat bersekutu</i>			(39,949)
Profit from ordinary activities after tax/ <i>Keuntungan dari aktiviti biasa selepas cukai</i>			14,913,468
Minority interest/ <i>Kepentingan minoriti</i>			42,798
Net profit attributable to shareholders/ <i>Keuntungan bersih yang boleh diagihkan kepada pemegang-pemegang saham</i>			14,956,266
<u>At 31 December 2002/Pada 31 Disember 2002</u>			
<u>Other information/Lain-lain maklumat</u>			
Segment assets/ <i>Segmen mengikut aset</i>	612,268,936	102,660,833	714,929,769
Associates companies/ <i>Syarikat-syarikat bersekutu</i>			8,680,986
Investments/ <i>Pelaburan</i>			1,954,039
Tax recoverable/ <i>Cukai diperolehi semula</i>			5,787,909
Total assets/ <i>Jumlah aset</i>			731,352,703
Segment liabilities/ <i>Segmen mengikut liabiliti</i>	305,988,291	59,200,857	365,189,148
Taxation/ <i>Cukai</i>			1,862,842
Total Liabilities/ <i>Jumlah liabiliti</i>			367,051,990
Capital expenditure/ <i>Perbelanjaan modal</i>	31,533,571	371,054	31,904,625
Depreciation/ <i>Susutnilai</i>	9,730,148	164,914	9,895,062
Amortisation/ <i>Pelunasan</i>	2,043,441	-	2,043,441
<u>Year ended 31 December 2001/</u>			
<u>Tahun berakhir 31 Disember 2001</u>			
Revenue/Hasil			
External revenue/ <i>Hasil luaran</i>	147,502,779	-	147,502,779
Results/Keputusan			
Profit from operations/ <i>Keuntungan dari operasi</i>			17,861,083
Finance cost/ <i>Kos kewangan</i>			(329,092)
Profit before tax/ <i>Keuntungan sebelum cukai</i>			17,531,991
Taxation/ <i>Cukai</i>			(5,415,914)
Profit from ordinary activities after tax/ <i>Keuntungan dari aktiviti biasa selepas cukai</i>			12,116,077
Minority interest/ <i>Kepentingan minoriti</i>			(193,064)
Net profit attributable to shareholders/ <i>Keuntungan bersih yang boleh diagihkan kepada pemegang-pemegang saham</i>			11,923,013

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

6 Segment Reporting (cont'd)/Maklumat Segmen (samb.)

(a) Primary reporting - business segments (cont'd)/Laporan utama - segmen perniagaan (samb.)

	Hospitals Hospital-hospital RM	Others lain-lain RM	Group Kumpulan RM
At 31 December 2001/Pada 31 Disember 2001			
Other information/Lain-lain maklumat			
Segment assets/Total Assets	189,161,849	-	189,161,849
<i>Segmen mengikut aset/Jumlah aset</i>			
Segment liabilities/ <i>Segmen mengikut liabiliti</i>	40,003,303	-	40,003,303
Taxation/ <i>Cukai</i>		105,781	
Total liabilities/ <i>Jumlah liabiliti</i>			40,109,084
Capital expenditures/ <i>Perbelanjaan modal</i>	21,309,062	-	21,309,062
Depreciation/ <i>Susutnilai</i>	6,159,936	-	6,159,936
Amortisation/ <i>Pelunasan</i>	980,177	-	980,177

(b) Secondary reporting - geographical segments/Laporan kedua - segmen mengikut geografi

The Group principally operates in Malaysia.

Other geographical area of the Group's operation is in Singapore mainly in marketing and distribution of pharmaceutical, medical and surgical products. The country contributed less than 10% of consolidated sales or assets.

In determining the geographical segments of the Group, revenue are based on the country in which the customer is located. Total assets and capital expenditure are determined based on where the assets are located. There are no intersegment revenue.

Kumpulan beroperasi terutamanya di Malaysia.

Kawasan geografi lain bagi operasi Kumpulan ialah Singapura yang menjalankan aktiviti pemasaran dan pengedaran produk farmasi, perubatan dan pembedahan. Ia menyumbangkan kurang daripada 10% penyatauan jualan dan aset.

Untuk menentukan segmen geografi Kumpulan, jualan yang dibuat ditentukan mengikut negara asal pelanggan. Jumlah aset dan perbelanjaan modal ditentukan berdasarkan kedudukan aset tersebut. Tiada sebarang hasil antara segmen-segmen ini.

	Malaysia RM	Others lain-lain RM	Group Kumpulan RM
Year ended 31 December 2002/Tahun berakhir 31 Disember 2002			
Revenue/Hasil			
External revenue/ <i>Hasil luaran</i>	213,804,526	1,993,402	215,797,928
At 31 December 2002/Pada 31 Disember 2002			
Other information/Lain-lain maklumat			
Segment assets/ <i>Segmen mengikut aset</i>	700,938,413	13,991,355	714,929,768
Associated companies/ <i>Syarikat-syarikat bersekutu</i>		8,680,986	
Investment/ <i>Pelaburan</i>		1,954,039	
Tax recoverable/ <i>Cukai diperolehi semula</i>		5,787,909	
Total assets/ <i>Jumlah aset</i>			731,352,702
Capital expenditures/ <i>Perbelanjaan modal</i>	31,892,532	12,093	31,904,625
Year ended 31 December 2001/ Tahun berakhir 31 Disember 2001			
Revenue/Hasil			
External revenue/ <i>Hasil luaran</i>	147,502,779	-	147,502,779
At 31 December 2001/Pada 31 Disember 2001			
Other information/Lain-lain maklumat			
Segment assets/ <i>Segmen mengikut aset</i>	189,161,849	-	189,161,849
Capital expenditures/ <i>Perbelanjaan modal</i>	21,309,062	-	21,309,062

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

7 Profit from Operations/Keuntungan daripada Operasi

	Group/ <i>Kumpulan</i> 2002 RM	2001 RM	Company/ <i>Syarikat</i> 2002 RM	2001 RM
The following items have been charged/ (credited) in arriving at profit from operations: <i>Keuntungan sebelum cukai adalah setelah ditolak/ (ditambah) perkara-perkara berikut:</i>				
Auditors' remuneration/ <i>Bayaran audit</i>				
- audit fees/ <i>yuran audit</i>	135,618	82,000	21,000	21,000
- over provision/ <i>lebihan peruntukan</i>	(1,000)	-	-	-
Allowance for doubtful debts/ <i>Peruntukan hutang rugu</i>	979,455	1,130,135	-	-
Amortisation of goodwill/ <i>Pelunasan muhibah</i>	568,852	-	-	-
Amortisation of training costs/ <i>Pelunasan kos latihan</i>	1,474,589	980,177	-	-
Directors' remuneration/ <i>Bayaran pengarah</i>				
- fees/ <i>yuran</i>	584,100	293,000	471,167	248,000
- other emoluments/ <i>lain-lain bayaran</i>	422,500	449,754	410,255	449,754
Corporate fees/ <i>Yuran korporat</i>	-	-	-	99,000
Lease rentals/ <i>Sewa pajakan</i>	200,988	200,988	-	-
Provision for catscan tube/ <i>Peruntukan tiub calscan</i>	-	60,700	-	-
Provision for radioactive source/ <i>Peruntukan sumber radioaktif</i>	-	270,741	-	-
Property, plant and equipment/ <i>Hartanah, loji dan peralatan</i>				
- depreciation/ <i>susut nilai</i>	9,895,062	6,159,936	-	-
- loss on disposals/ <i>kerugian dari pelupusan</i>	611,037	4,344	-	-
- written offs/ <i>hapuskira</i>	264,401	367,394	-	-
Rental expense of land and buildings/ <i>Sewa bangunan</i>	734,582	251,775	36,000	36,000
Staff costs/ <i>Kos pekerja</i>	38,067,989	27,346,905	-	-
Dividends/ <i>Dividen</i>				
- unquoted investment in subsidiary companies/ <i>pelaburan tidak disiar harga syarikat-syarikat subsidiari</i>	-	(14,023,050)	(7,318,199)	(7,318,199)
Interest income/ <i>Faerah diterima</i>	(1,054,254)	(1,839,494)	(676,040)	(760,104)
Rental income/ <i>Sewa diterima</i>	(1,467,988)	(685,013)	-	-

8 Finance Cost/Kos Kewangan

	Group/ <i>Kumpulan</i> 2002 RM	2001 RM	Company/ <i>Syarikat</i> 2002 RM	2001 RM
Finance cost on Islamic facilities/ <i>Kos kewangan perbankan Islam</i>				
- Al-Istisna'	164,690	-	-	-
- Al-Ijarah	5,327	-	-	-
- Al-Bithaman	103,049	-	-	-
- Hiwalah	586,940	29,685	-	-
Interest expenses/ <i>Perbelanjaan faerah</i>				
- redeemable convertible loan stock/ <i>stok pinjaman yang boleh dilebus tukar</i>	666,667	-	-	-
- overdrafts/ <i>overdraf</i>	1,122,405	-	-	-
- term loans/ <i>pinjaman berjangka</i>	297,727	252,181	-	-
- revolving credits/ <i>kredit berpusing</i>	791,740	-	-	-
- lease and hire purchase/ <i>pajakan dan sewa beli</i>	144,517	-	-	-
- others/ <i>lain-lain</i>	34,533	-	-	-
Bank charges on redeemable convertible loan stock <i>Caj bank atas stok pinjaman boleh dilebus tukar</i>	350,000	-	-	-
Commitment fees/ <i>Bayaran komitmen</i>	34,031	47,226	-	-
	4,301,626	329,092	-	-

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

9 Taxation/Cukai

	Group/Kumpulan		Company/Syarikat	
	2002	2001	2002	2001
	RM	RM	RM	RM
Tax charge for the financial year/ <i>Caj cukai untuk tahun kewangan:</i>				
Current taxation/ <i>Cukai bagi tahun semasa</i>	7,124,673	5,104,086	2,033,267	1,701,000
In respect of prior years/ <i>Bagi tahun terdahulu</i>	(955,588)	(275,172)	-	-
Deferred taxation (Note 26)/ <i>Cukai tertunda (Nota 26)</i>	1,238,000	587,000	-	-
	7,407,085	5,415,914	2,033,267	1,701,000

The effective tax rate of the Group for the year is higher than the statutory tax rate due to losses of certain subsidiaries that are not available for set-off against taxable profits of other subsidiaries, tax on dividend and interest income. The tax charge of the Company for the current year represents tax on dividend and interest income.

Kadar cukai efektif Kumpulan bagi tahun kewangan semasa adalah lebih tinggi daripada cukai berkanan disebabkan oleh kerugian cukai oleh subsidiari-subsidiari tertentu tidak boleh diimbangi dengan pendapatan yang dikenakan cukai ke atas subsidiari-subsidiari lain, cukai yang dikenakan ke atas pendapatan dividen dan faedah. Caj cukai untuk Syarikat bagi tahun semasa diwakili oleh cukai yang dikenakan ke atas pendapatan dividen dan faedah.

Tax losses/Kerugian cukai

	Group/Kumpulan	2002	2001
		RM	RM
Tax savings as a result of the utilisation of current year tax losses for which credit is recognised during the financial year		119,000	-
<i>Penjimatan cukai yang disebabkan oleh penggunaan kerugian cukai tahun semasa dimana kredit diiktiraf dalam tahun kewangan semasa.</i>			
Tax savings from the utilisation of tax losses brought forward from previous years for which the related credit is recognised during the financial year		2,771,000	-
<i>Penjimatan cukai daripada penggunaan kerugian cukai dari tahun terdahulu dibawa ke tahun semasa dimana kredit berkaitan diiktiraf dalam tahun kewangan semasa.</i>			
Tax losses for which the related credit has not been recognised in the financial statements		4,732,824	-
<i>Kerugian cukai dimana kredit berkaitan tidak diiktiraf di dalam penyata kewangan.</i>			

10 Earnings Per Share/Pendapatan Sesaham

Earnings per share is calculated by dividing the Group's net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the financial year.

Pendapatan sesaham dikira dengan membahagikan keuntungan bersih yang diagihkan kepada pemegang-pemegang saham dengan purata wajar bilangan terbitan saham baru biasa dalam tahun kewangan semasa.

	2002	2001
	RM	RM
Net profit attributable to shareholders (RM)	14,956,266	11,923,013
<i>Keuntungan bersih yang boleh diagihkan kepada pemegang-pemegang saham (RM)</i>		
Weighted average number of ordinary shares in issue	72,697,436	48,000,000
<i>Purata wajar bilangan terbitan saham biasa</i>		
Earnings per share (sen)	20.57	24.84
<i>Pendapatan aras sesaham (sen)</i>		

11 Dividend/Dividen

	Group/Company/ Kumpulan/Syarikat	2002	2001
		RM	RM
In respect of the financial year ended 31 December 2000:			
<i>Bagi tahun kewangan berakhir 31 Disember 2000:</i>			
- Final dividend of 5 sen gross per share less 28% tax	-	1,728,000	
<i>- Dividen akhir kasar sebanyak 5 sen sesaham ditolak cukai 28%</i>			
In respect of the financial year ended 31 December 2001:			
<i>Bagi tahun kewangan yang berakhir 31 Disember 2001:</i>			
- Interim dividend of 5 sen gross per share tax exempt	-	2,400,000	
<i>- Dividen interim kasar sebanyak 5 sen sesaham dikecualikan cukai</i>			
- Final dividend of 5 sen gross per share less 28% tax	1,728,000	-	
<i>- Dividen akhir kasar sebanyak 5 sen sesaham ditolak cukai 28%</i>			
	1,728,000	4,128,000	

The Directors now recommend the payment of an interim gross dividend of 5 sen per share on 191,384,615 ordinary shares, tax exempt, amounting to RM9,569,231 payable on 17 March 2003.

Pengarah-pengarah mencadangkan pembayaran interim dividen kasar sebanyak 5 sen sesaham ke atas 191,384,615 saham biasa dikecualikan cukai berjumlah RM9,569,231 dibayar pada 17 Mac 2003.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

12 Property, Plant and Equipment/Hartanah, Loji dan Peralatan

	Freehold land	Long leasehold land	Buildings	Plant and equipment	Furniture, fittings, motor vehicles and computers	<i>Perabot, kelengkapan, kenderaan dan komputer</i>	Capital work-in progress	Total	
					Tanah pegangan bebas	Tanah pajakan jangka panjang	Bangunan	Loji dan peralatan	Modal kerja dalam proses
2002					RM	RM	RM	RM	RM
Group/Kumpulan									
At 1 January/ <i>Pada 1 Januari</i>									
- cost/ <i>kos</i>	-	14,520,000	50,147,811	37,364,629	34,018,202	911,459	136,962,101		
- valuation/ <i>penilaian</i>	-	16,560,000	9,795,699	-	-	-	26,355,699		
Acquisitions of subsidiaries (Note 13)/ <i>Pengambilalihan syarikat subsidiari (Nota 13)</i>	53,104,993	44,178,115	195,675,805	85,146,537	52,177,749	50,772,918	481,056,117		
Translation differences/ <i>Perbezaan pertukaran matawang asing</i>	-	-	479,293	-	40,016	-	519,309		
Additions/ <i>Tambahan</i>	-	5,575,854	1,905,554	10,771,278	5,447,869	1,873,062	25,573,617		
Disposals and transfer/ <i>Pelupusan dan pindahan</i>	-	-	257,838	(1,241,448)	509,441	(1,892,291)	(2,366,460)		
Write off/ <i>Hapuskira</i>	-	-	-	(684,568)	(25,472)	-	(710,040)		
Reclassifications/ <i>Klasifikasi semula</i>	-	-	44,693,136	-	-	(44,693,136)	-		
At 31 December/ <i>Pada 31 Disember</i>									
- cost/ <i>kos</i>	53,104,993	64,273,969	293,159,437	131,356,428	92,167,805	6,972,012	641,034,644		
- valuation/ <i>penilaian</i>	-	16,560,000	9,795,699	-	-	-	26,355,699		
<i>Accumulated depreciation/Susutnilai terkumpul</i>									
At 1 January/ <i>Pada 1 Januari</i>	-	(372,771)	(1,141,004)	(18,654,685)	(23,554,709)	-	(43,723,169)		
Translation differences/	-	-	(51,113)	-	(35,738)	-	(86,851)		
<i>Perbezaan pertukaran matawang asing</i>	-	(413,995)	(2,003,838)	(4,165,403)	(3,311,826)	-	(9,895,062)		
Charge for the year/ <i>Susutnilai semasa</i>	-	(1,995,763)	(17,159,455)	(49,911,179)	(31,222,020)	-	(100,288,417)		
Acquisitions of subsidiaries (Note 13)/ <i>Pengambilalihan syarikat subsidiari (Nota 13)</i>	-	-	-	-	-	-	-		
Disposals and transfers/ <i>Pelupusan dan pindahan</i>	-	-	59,461	526,146	619,612	-	1,205,219		
Write off/ <i>Hapuskira</i>	-	-	-	440,282	5,357	-	445,639		
At 31 December	-	(2,782,529)	(20,295,949)	(71,764,839)	(57,499,324)	-	(152,342,641)		
<i>Pada 31 Disember</i>									
<i>Net book value/Nilai buku bersih</i>									
At 31 December 2002	53,104,993	78,051,440	282,659,187	59,591,589	34,668,481	6,972,012	515,047,702		
<i>Pada 31 Disember 2002</i>									

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

12 Property, Plant and Equipment (cont'd)/Harta, Loji dan Peralatan (samb.)

	Long leasehold land	Buildings	Plant and equipment	Furniture, fittings, motor vehicles and computers	Capital work-in progress	Total
				Perabot, kelengkapan, kenderaan dan komputer		
<i>Tanah pajakan jangka panjang</i>						
			<i>Bangunan</i>	<i>Loji dan peralatan</i>	<i>Kelengkapan, kenderaan dan komputer</i>	<i>Modal kerja dalam proses</i>
			RM	RM	RM	RM
2001						
Group/Kumpulan						
At 1 January/ <i>Pada 1 Januari</i>						
- cost/ <i>kos</i>	14,520,000	35,734,301	34,416,058	30,538,788	6,760,631	121,969,778
- valuation/ <i>penilaian</i>	16,560,000	9,795,699	-	-	-	26,355,699
Additions/ <i>Tambahan</i>	-	219,900	3,378,978	3,739,482	11,718,999	19,057,359
Disposals/ <i>Pelupusan</i>	-	-	(2,840,420)	(857,222)	-	(3,697,642)
Write off/ <i>Hapuskira</i>	-	-	(54,060)	(313,334)	-	(367,394)
Reclassifications/ <i>Klasifikasi semula</i>	-	14,193,610	2,464,073	910,488	(17,568,171)	-
At 31 December/ <i>Pada 31 Disember</i>						
- cost/ <i>kos</i>	14,520,000	50,147,811	37,364,629	34,018,202	911,459	136,962,101
- valuation/ <i>penilaian</i>	16,560,000	9,795,699	-	-	-	26,355,699
Accumulated depreciation/<i>Susutnilai terkumpul</i>						
At 1 January/ <i>Pada 1 Januari</i>	(78,748)	(227,650)	(19,344,417)	(21,335,097)	-	(40,985,912)
Charge for the year/ <i>Susutnilai semasa</i>	(294,023)	(913,354)	(2,594,396)	(2,358,163)	-	(6,159,936)
Disposals/ <i>Pelupusan</i>	-	-	2,583,406	839,273	-	3,422,679
Reclassifications/ <i>Klasifikasi semula</i>	-	-	700,722	(700,722)	-	-
At 31 December <i>Pada 31 Disember</i>	(372,771)	(1,141,004)	(18,654,685)	(23,554,709)	-	(43,723,169)
Net book value/<i>Nilai buku bersih</i>						
At 31 December 2001	30,707,229	58,802,506	18,709,944	10,463,493	911,459	119,594,631

The long leasehold land and buildings stated at valuation were revalued by the Directors on 1st September 2000 based on open market valuations carried out by a professional firm of valuers, CH Williams, Talhar & Wong of 3228, Menara Tun Razak, Jalan Raja Laut, 50768 Kuala Lumpur to reflect market value for existing use. The book value of the long leasehold land and buildings were adjusted to reflect the revaluation and the resultant surpluses were credited to revaluation reserve.

Tanah pajakan jangka panjang dan bangunan telah dinilai semula oleh Pengarah pada 1 September 2000 berdasarkan harga pasaran yang telah dinilai oleh jurunilai profesional, CH Williams, Talhar & Wong di alamat 3228, Menara Tun Razak, Jalan Raja Laut, 50768 Kuala Lumpur bagi memastikan harga pasaran berdasarkan kegunaan sediada. Nilai buku tanah pajakan dan bangunan telah diselaraskan pada nilai penilaian dan lebihan penilaian semula telah diselaraskan dalam rizab penilaian semula.

If the total amounts of the leasehold land and buildings had been determined in accordance with the historical cost convention, they would have been included at:

Sekiranya tanah pajakan dan bangunan dinyatakan pada kos sejarah ianya akan ditunjukkan seperti berikut:

	Group/Kumpulan	
	2002	2001
	RM	RM
Cost/<i>Kos</i>		
Long leasehold land/ <i>Tanah pajakan jangka panjang</i>	48,090,684	845,477
Buildings/ <i>Bangunan</i>	218,700,909	42,863,952
	266,791,593	43,709,429
Accumulated depreciation/<i>Susutnilai terkumpul</i>		
Long leasehold land/ <i>Tanah pajakan jangka panjang</i>	(3,772,997)	(996)
Buildings/ <i>Bangunan</i>	(13,308,417)	(6,041,037)
	(17,081,414)	(6,042,033)
Net book value/<i>Nilai buku bersih</i>	249,710,179	37,667,396

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Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

12 Property, Plant and Equipment (cont'd)/Hartanah, Loji dan Peralatan (samb.)

	Group/Kumpulan 2002
Net book values of assets pledged as security for borrowings (Note 23)	265,810,425
<i>Nilai buku bersih aset yang dicagarkan sebagai sekuriti untuk pinjaman (Nota 23)</i>	<hr/>
Assets under finance lease/Aset disewa beli:	
- additions during the financial year/penambahan dalam tahun kewangan semasa	4,766,249
- net book value at the end of financial year/nilai buku bersih pada akhir tahun kewangan	9,846,217
	<hr/>

13 Subsidiary Companies/Syarikat-syarikat Subsidiari

	Company/Syarikat 2002 RM	2001 RM
Unquoted shares at cost/Saham tidak tersiar harga pada kos	217,004,053	40,654,998

Acquisition of subsidiary companies/Pengambilalihan syarikat subsidiari

- (a) In June 2002, Johor Specialist Hospital Sdn Bhd, a subsidiary company, acquired additional 15,000 ordinary shares of RM1 each representing 30% equity interest in Renalcare Perubatan (M) Sdn Bhd for cash consideration of RM428,254. As a result, Renalcare Perubatan (M) Sdn Bhd, became a wholly owned subsidiary of the Group.
- The fair value of net assets for 30% equity interest in Renalcare Perubatan (M) Sdn Bhd at the date of acquisition was RM554,975 and premium arising amounted to RM126,721.
- (b) On 1 November 2002, the Company completed the acquisitions of Tawakal Holdings Sdn Bhd ("TH"), Medical Centre (Johore)Sdn Bhd ("MCJ") and Kumpulan Perubatan (Johor) Sdn Bhd ("KPJSB") as follows:
- (i) 5,675,000 ordinary shares of RM1 each represent the entire issued and paid-up share capital of TH for a cash consideration of RM35,396,230. The fair value of net assets for 100% equity interest in TH at the date of acquisition was RM39,108,462 and premium arising amounted to RM3,712,232;
 - (ii) 7,455,000 ordinary shares of RM1 each representing 80% of the issued and paid-up share capital of MCJ for a cash consideration of RM1,370,250 and issuance of 10,769,230 new ordinary shares of RM1 each as fully paid-up. The fair value of net assets for 80% equity interest in MCJ at the date of acquisition was RM19,913,799 and premium arising amounted to RM4,543,549; and
 - (iii) 90,000,000 ordinary shares of RM1 each represent the entire issued and paid-up share capital of KPJSB for a cash consideration of RM11,233,520 and issuance of 84,615,385 new ordinary shares of RM1 each as fully paid-up. The fair value of net assets for 100% equity interest in KPJSB at the date of acquisition was RM42,262,321 and goodwill arising amounted to RM78,981,199.

On 12 November 2002, the additional 95,384,615 new ordinary shares of RM1 each issued pursuant to these acquisitions were listed on the Main Board of Kuala Lumpur Stock Exchange.

- (a) *Pada Jun 2002, Johor Specialist Hospital Sdn Bhd, sebuah syarikat subsidiari, telah mengambilalih sebanyak 15,000 saham biasa bernilai RM1 sesaham mewakili 30% kepentingan ekuiti saham di dalam Renalcare Perubatan (M) Sdn Bhd secara tunai berjumlah RM428,254. Dengan ini, Renalcare Perubatan (M) Sdn Bhd telah menjadi syarikat subsidiari milik penuh Kumpulan.*

Nilai wajar aset bersih untuk 30% kepentingan ekuiti saham dalam Renalcare Perubatan (M) Sdn Bhd pada tarikh pengambilalihan adalah RM554,975 dan premium yang terhasil berjumlah RM126,721.

- (b) *Pada 1 November 2002, Syarikat telah melaksanakan pengambilalihan Tawakal Holdings Sdn Bhd ("TH"), Medical Centre (Johore) Sdn Bhd ("MCJ") dan Kumpulan Perubatan (Johor) Sdn Bhd ("KPJSB") seperti berikut:*
- (i) 5,675,000 saham biasa bernilai RM1 sesaham mewakili keseluruhan modal terbitan dan modal berbayar saham TH secara tunai berjumlah RM35,396,230. Nilai wajar aset bersih untuk 100% kepentingan ekuiti saham di dalam TH pada tarikh pengambilalihan adalah RM39,108,462 dan premium terhasil berjumlah RM3,712,232;*
 - (ii) 7,455,000 saham biasa bernilai RM1 sesaham mewakili 80% daripada modal terbitan dan modal berbayar saham MCJ secara tunai berjumlah RM1,370,250 dan terbitan baru saham biasa berjumlah 10,769,230 bernilai RM1 sesaham sebagai modal berbayar penuh. Nilai wajar aset bersih untuk 80% kepentingan ekuiti saham di MCJ pada tarikh pengambilalihan adalah RM19,913,799 dan premium yang terhasil berjumlah RM4,543,549; dan*
 - (iii) 90,000,000 saham biasa bernilai RM1 mewakili keseluruhan modal terbitan dan modal berbayar saham KPJSB secara tunai berjumlah RM11,233,520 dan terbitan baru saham biasa sebanyak 84,615,385 bernilai RM1 sesaham sebagai modal berbayar penuh. Nilai wajar aset bersih untuk 100% kepentingan ekuiti saham dalam KPJSB pada tarikh pengambilalihan berjumlah RM42,262,321 dan muhibah yang terhasil adalah sebanyak RM78,981,199.*

Pada 12 November 2002, penambahan sebanyak 95,384,615 terbitan baru saham biasa bernilai RM1 sesaham selaras dengan pengambilalihan ini telah tersenarai di Papan Utama Bursa Saham Kuala Lumpur.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

13 Subsidiary Companies (cont'd)/Syarikat-syarikat Subsidiari (samb.)

Acquisition of Subsidiary Companies (cont'd)/Pengambilalihan Syarikat Subsidiari (samb.)

- (c) On 21 November 2002, Kumpulan Perubatan (Johor) Sdn Bhd, a subsidiary company, acquired 3,571,428 ordinary shares of RM1 each in PharmaCARE Sdn Bhd for a cash consideration of RM625,342. As a result, PharmaCARE Sdn Bhd, became a wholly owned subsidiary of the Group. The fair value of net assets for 100% equity interest in PharmaCARE Sdn Bhd at the date of acquisition was RM556,964 and goodwill arising amounted to RM68,378.

Pada 21 November 2002, Kumpulan Perubatan (Johor) Sdn Bhd, sebuah syarikat subsidiari, telah mengambilalih sebanyak 3,571,428 saham biasa bernilai RM1 sesaham dalam PharmaCARE Sdn Bhd secara tunai berjumlah RM625,342. Dengan ini, PharmaCARE Sdn Bhd telah menjadi syarikat subsidiari milik penuh Kumpulan. Nilai wajar asset bersih untuk 100% kepentingan ekuiti saham dalam PharmaCARE Sdn Bhd pada tarikh pengambilalihan adalah RM556,964 dan muhibah yang terhasil berjumlah RM68,378.

- (d) On 25 November 2002, the Company acquired 972,943 ordinary shares of RM1 each in Pusat Pakar Tawakal Sdn Bhd, a subsidiary company of Tawakal Holdings Sdn Bhd for a cash consideration of RM4,349,055. As a result, the Group's shareholding in Pusat Pakar Tawakal Sdn Bhd increased from 86% to 97%. The fair value of net assets for 11% equity interest in Pusat Pakar Tawakal Sdn Bhd at the date of acquisition was RM4,763,996 and premium arising amounted to RM414,940.

Pada 25 November 2002, Syarikat telah mengambil 972,943 saham biasa bernilai RM1 sesaham dalam Pusat Pakar Tawakal Sdn Bhd, sebuah syarikat subsidiari Tawakal Holdings Sdn Bhd secara tunai berjumlah RM4,349,055. Dengan ini, jumlah pegangan saham Kumpulan di dalam Pusat Pakar Tawakal Sdn Bhd telah meningkat daripada 86% kepada 97%. Nilai wajar asset bersih untuk 11% kepentingan ekuiti saham dalam Pusat Pakar Tawakal Sdn Bhd pada tarikh pengambilalihan ini adalah RM4,763,996 dan premium yang terhasil berjumlah RM414,940.

- (e) In December 2002, Pusat Pakar Darul Naim Sdn Bhd, a subsidiary company of Kumpulan Perubatan (Johor) Sdn Bhd, has increased its issued and paid-up share capital from RM11,850,000 to RM14,850,000 by the issuance of 1,800,000 and 1,200,000 ordinary shares of RM1 each at par to the Company and a joint-venture shareholder for cash considerations of RM1,800,000 and RM1,200,000 respectively.

Pada Disember 2002, Pusat Pakar Darul Naim Sdn Bhd, sebuah syarikat subsidiari Kumpulan Perubatan (Johor) Sdn Bhd, telah meningkatkan modal terbitan dan modal berbayar sahamnya daripada RM11,850,000 kepada RM14,850,000 dengan terbitan baru saham biasa sebanyak 1,800,000 dan 1,200,000 yang bernilai RM1 sesaham pada nilai tara kepada Syarikat dan pemegang saham usahasama secara tunai masing-masing berjumlah RM1,800,000 dan RM1,200,000.

The effect of the acquisitions on the financial results of the Group during the financial year is shown below:

Kesan daripada pengambilalihan ke atas keputusan kewangan Kumpulan dalam tahun kewangan semasa ditunjukkan di bawah:

	2002 RM
Revenue/ <i>Hasil</i>	50,366,049
Operating costs/ <i>Kos operasi</i>	(47,761,691)
Profit from ordinary activities before tax/ <i>Keuntungan daripada aktiviti biasa sebelum cukai</i>	2,604,358
Tax/ <i>Cukai</i>	(941,626)
Profit from ordinary activities after tax/ <i>Keuntungan daripada aktiviti selepas cukai</i>	1,662,732
Minority interest/ <i>Kepentingan minoriti</i>	208,380
Net profit for the financial year/ <i>Keuntungan bersih tahun kewangan semasa</i>	1,871,112

The effect of the acquisition on the financial position at the financial year end are as follows:

Kesan daripada pengambilalihan ke atas kedudukan kewangan pada tahun kewangan semasa adalah seperti berikut:

	2002 RM
Property, plant and equipment/ <i>Hartanah, loji dan peralatan</i>	387,387,684
Associated companies/ <i>Syarikat-syarikat bersekutu</i>	8,680,986
Investments/ <i>Pelaburan</i>	1,954,039
Goodwill on consolidation/ <i>Muhibah atas penyatuhan</i>	67,286,491
Training costs/ <i>Kos latihan</i>	13,150,553
Inventories/ <i>Inventori</i>	11,445,759
Receivables/ <i>Penghutang</i>	65,048,747
Tax recoverable/ <i>Cukai diperolehi semula</i>	4,040,935
Deposits, cash and bank balances/ <i>Deposit, tunai dan baki bank</i>	14,525,603
Payables/ <i>Pembiutang</i>	(122,014,579)
Borrowings/ <i>Pinjaman</i>	(226,891,512)
Bank overdrafts/ <i>Overdraft bank</i>	(18,884,412)
Deferred revenue/ <i>Pendapatan tertunda</i>	(1,740,407)
Deferred taxation/ <i>Cukai tertunda</i>	(2,827,000)
Exchange reserve/ <i>Rizab pertukaran</i>	(50,250)
Minority interest/ <i>Kepentingan minoriti</i>	(22,892,470)
Net increase in Group's net assets/ <i>Peningkatan bersih dalam asset bersih Kumpulan</i>	178,220,167

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

13 Subsidiary Companies (cont'd)/Syarikat-syarikat Subsidiari (samb.)

Acquisition of Subsidiary Companies (cont'd)/Pengambilalihan Syarikat Subsidiari (samb.)

Details of net assets acquired, goodwill and cash flow arising from the acquisition are as follows:

Maklumat terperinci tentang aset diambilalih, muhibah dan aliran tunai yang terhasil dari pengambilalihan adalah seperti berikut:

	<u>At date of acquisition/Pada tarikh pengambilalihan</u>	<u>RM</u>
Property, plant and equipment (Note 12)/Hartanah, loji dan peralatan (Nota 12)	380,767,699	
Associated companies/Syarikat-syarikat bersekutu	8,684,278	
Investments/Pelaburan	1,954,039	
Training costs (Note 16)/Kos latihan (Nota 16)	9,378,409	
Inventories/Inventori	10,562,076	
Receivables/Penghutang	99,942,710	
Tax recoverable/Cukai diperolehi semula	3,550,252	
Deposits, cash and bank balances/Deposit, tunai dan baki bank	21,770,326	
Payables/Pembiutang	(157,851,495)	
Bank borrowings/Pinjaman bank	(228,331,193)	
Bank overdrafts/Overdraft bank	(13,917,625)	
Deferred revenue (Note 24)/Pendapatan tertunda (Nota 24)	(2,883,730)	
Deferred taxation (Note 26)/Cukai tertunda (Nota 26)	(2,507,000)	
Reserve on consolidation/Rizab atas penyatuhan	(126,721)	
Minority interest/Kepentingan minoriti	(21,444,717)	
Net assets acquired/Aset bersih diambilalih	109,547,308	
Goodwill (Note 17)/Muhibah (Nota 17)	67,855,343	
Purchase consideration/Penimbangan pembelian	177,402,651	
Less: Deposits, cash, bank balances and overdraft of subsidiaries acquired/ <i>Ditolak: Deposit, tunai, baki dan overdraf subsidiari yang diambilalih</i>	(7,852,701)	
Net cash outflow on acquisition of subsidiary companies <i>Aliran tunai keluar atas pengambilalihan syarikat subsidiari</i>	<u>169,549,950</u>	

The effect of the acquisitions on the financial results of the Group during the financial year is shown below:

Kesan daripada pengambilalihan ke atas keputusan kewangan Kumpulan dalam tahun kewangan semasa ditunjukkan di bawah:

	<u>2002</u>	<u>RM</u>
Purchase consideration can be analysed as follows:		
<i>Pertimbangan pembelian boleh dianalisa seperti berikut:</i>		
Acquisition by the Company/Pengambilalihan oleh Syarikat	176,349,055	
Acquisition by the subsidiary companies/Pengambilalihan oleh syarikat subsidiari	1,053,596	
Purchase consideration by the Group/Pertimbangan pembelian oleh Kumpulan	<u>177,402,651</u>	

The following are subsidiaries of the Company/Syarikat subsidiari adalah seperti berikut:

Name of company/Nama syarikat	Country of incorporation Negara ditubuhkan	Equity holding Pegangan ekuiti		Principal activities Aktiviti-aktiviti utama
		2002	2001	
		%	%	
Johor Specialist Hospital Sdn Bhd	Malaysia	100	100	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>
Medical Associates Sdn Bhd	Malaysia	98	98	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>
Kumpulan Perubatan (Johor) Sdn Bhd	Malaysia	100	0	Investment holdings/Syarikat pelaburan induk
Medical Centre (Johore) Sdn Bhd*	Malaysia	96	0	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>
Tawakal Holdings Sdn Bhd	Malaysia	100	0	Investment holdings/Syarikat pelaburan induk

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

13 Subsidiary Companies (cont'd)/Syarikat-syarikat Subsidiari (samb.)

Name of company/Nama syarikat	Country of incorporation Negara ditubuhkan	Equity holding Pegangan ekuiti			Principal activities Aktiviti-aktiviti utama
		2002	2001	%	
<u>Subsidiary company of Johor Specialist Hospital Sdn Bhd/Syarikat subsidiari Johor Specialist Hospital Sdn Bhd</u>					
Renalcare Perubatan (M) Sdn Bhd	Malaysia	100	70	Provides haemodialysis treatment for patient with renal/kidney diseases <i>Menyediakan rawatan haemodialisis untuk pesakit yang menghadapi penyakit ginjal/buah pinggang</i>	
<u>Subsidiary companies of Medical Associates Sdn Bhd/Syarikat subsidiari Medical Associates Sdn Bhd</u>					
Ipoh Computerised Tomography Sdn Bhd	Malaysia	100	100	Dormant/ <i>Tidak aktif</i>	
Ipoh Radiotherapy Sdn Bhd	Malaysia	100	100	Dormant/ <i>Tidak aktif</i>	
<u>Subsidiary company of Tawakal Holdings Sdn Bhd/Syarikat subsidiari Tawakal Holdings Sdn Bhd</u>					
Pusat Pakar Tawakal Sdn Bhd**	Malaysia	97	0	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>	
<u>Subsidiary companies of Kumpulan Perubatan (Johor) Sdn Bhd/Syarikat subsidiari Kumpulan Perubatan (Johor) Sdn Bhd</u>					
Bukit Mertajam Specialist Hospital Sdn Bhd	Malaysia	71	0	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>	
Damansara Specialist Hospital Sdn Bhd	Malaysia	90	0	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>	
Kuantan Specialist Hospital Sdn Bhd	Malaysia	71	0	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>	
Pusat Pakar Darul Naim Sdn Bhd	Malaysia	60	0	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>	
Puteri Specialist Hospital Sdn Bhd	Malaysia	100	0	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>	
Maharani Specialist Hospital Sdn Bhd	Malaysia	100	0	To operate as a specialist hospital <i>Akan beroperasi sebagai hospital pakar</i>	
Seremban Specialist Hospital Sdn Bhd	Malaysia	55	0	To operate as a specialist hospital <i>Akan beroperasi sebagai hospital pakar</i>	
Puteri Healthcare Sdn Bhd	Malaysia	70	0	To operate as a specialist hospital <i>Akan beroperasi sebagai hospital pakar</i>	
Healthcare Technical Services Sdn Bhd	Malaysia	100	0	Project management of specialist hospital <i>Pengurusan projek untuk hospital pakar</i>	
Lablink (M) Sdn Bhd	Malaysia	60	0	Pathology and laboratory services <i>Perkhidmatan patologi dan makmal</i>	
Puteri Nursing College Sdn Bhd	Malaysia	100	0	Operating as a private nursing college <i>Beroperasi sebagai kolej kejururawatan swasta</i>	
Pharmaserv Alliances Sdn Bhd	Malaysia	100	0	Marketing and distribution of medical and pharmaceutical products <i>Pemasaran dan pengedaran produk perubatan dan farmasi</i>	
Nespomas Sdn Bhd	Malaysia	100	0	Marketing and distribution of medical and pharmaceutical products. Ceased operation in 2002 <i>Pemasaran dan pengedaran produk perubatan dan farmasi. Telah menamatkan operasinya dalam tahun 2002</i>	
Diaper Technology Industries Sdn Bhd	Malaysia	94	0	Manufacturing of baby diapers. Ceased operation in 2000 <i>Pengeluar napkin bayi. Telah menamatkan operasinya dalam tahun 2000</i>	

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

13 Subsidiary Companies (cont'd)/Syarikat-syarikat Subsidiari (samb.)

Name of company/Nama syarikat	Country of incorporation Negara ditubuhkan	Equity holding Pegangan ekuiti		Principal activities Aktiviti-aktiviti utama
		2002	2001	
<u>Subsidiary companies of Kumpulan Perubatan (Johor) Sdn Bhd (cont'd)/Syarikat subsidiari Kumpulan Perubatan (Johor) Sdn Bhd (samb.)</u>				
Freewell Sdn Bhd	Malaysia	80	0	Manufacturing of women sanitary and other related products. Ceased operation in 1999 <i>Pengeluar tuala pelekat dan produk berkaitan lain. Telah menamatkan operasinya dalam tahun 1999</i>
PharmaCARE Sdn Bhd***	Malaysia	100	0	Investment holding/ <i>Pelaburan induk</i>
Bayan Baru Specialist Hospital Sdn Bhd	Malaysia	55	0	Dormant/ <i>Tidak aktif</i>
PharmaCare Surgical Technologies Sdn Bhd	Malaysia	99	0	Dormant/ <i>Tidak aktif</i>
<u>Subsidiary companies of PharmaCARE Sdn Bhd/Syarikat subsidiari PharmaCARE Sdn Bhd</u>				
Malaysian Retirement Home Sdn Bhd	Malaysia	100	0	Retailing of pharmaceutical products <i>Peruncit bagi produk farmasi</i>
Open Access Sport Injury Services Sdn Bhd	Malaysia	100	0	Retailing of pharmaceutical products <i>Peruncit bagi produk farmasi</i>
<u>Subsidiary companies of Pharmaserv Alliances Sdn Bhd/Syarikat subsidiari Pharmaserv Alliances Sdn Bhd</u>				
Medical Supplies (Sarawak) Sdn Bhd	Malaysia	75	0	Distributor of pharmaceutical products <i>Pengedar produk farmasi</i>
Malaysian Institute of Healthcare Management Sdn Bhd	Malaysia	75	0	Dormant/ <i>Tidak aktif</i>
FP Marketing (S) Pte Ltd****	Singapore	95	0	Import, export and distributors of pharmaceutical, medical and consumer healthcare products <i>Import, eksport dan pengedar produk farmasi, perubatan dan produk kesihatan pengguna</i>

* Direct equity holding by the Company is 80% (2001:Nil)/*Pegangan saham secara terus oleh Syarikat 80% (2001:Tiada)*

** Direct equity holding by the Company is 11% (2001:Nil)/*Pegangan saham secara terus oleh Syarikat 11% (2001:Tiada)*

*** Not audited by PricewaterhouseCoopers/*Tidak diaudit oleh syarikat PricewaterhouseCoopers*

**** Not audited by affiliated firm of PricewaterhouseCoopers/*Tidak diaudit oleh syarikat gabungan PricewaterhouseCoopers*

14 Associated Companies/Syarikat-syarikat Bersekutu

	Group/Kumpulan	
	2002	2001
	RM	RM
Unquoted preference shares, at cost/ <i>Saham keutamaan tidak disebut harga, pada kos</i>	500,000	–
Unquoted ordinary shares, at cost/ <i>Saham biasa tidak disebut harga, pada kos</i>	6,659,286	–
Group's share of post acquisition retained profit and reserves less losses/ <i>Bahagian Kumpulan dalam untung tersimpan dan rizab</i> <i>selepas pemerolehan yang ditolak kerugian</i>	1,521,700	–
	<hr/>	<hr/>
	8,680,986	–
Group's share of capital commitment/ <i>Bahagian Kumpulan dalam komitmen modal</i>	9,233,245	–
	<hr/>	<hr/>

The associated companies are:

Name of company/Nama syarikat	Country of incorporation Negara ditubuhkan	Equity holding Pegangan ekuiti		Principal activities Aktiviti-aktiviti utama
		2002	2001	
<u>Associated companies of Kumpulan Perubatan (Johor) Sdn Bhd/Syarikat bersekutu Kumpulan Perubatan (Johor) Sdn Bhd</u>				
Kedah Medical Centre Sdn Bhd***	Malaysia	40	0	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>
Hospital Penawar Sdn Bhd	Malaysia	30	0	Operating as a specialist hospital <i>Beroperasi sebagai hospital pakar</i>

*** Not audited by PricewaterhouseCoopers/*Tidak diaudit oleh syarikat PricewaterhouseCoopers*

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

15 Investments/Pelaburan

	Group/Kumpulan	
	2002 RM	2001 RM
<u>Investments/Pelaburan</u> Unquoted ordinary shares, at cost/ <i>Saham biasa tidak disebut harga, pada kos</i>	1,954,039	0

16 Training Costs/Kos Latihan

	Group/Kumpulan	
	2002 RM	2001 RM
<u>Cost/Kos</u>		
At 1 January/ <i>Pada 1 Januari</i>	7,730,588	5,688,885
Acquisitions of subsidiary companies (Note 13)/ <i>Pengambilalihan syarikat subsidiari (Nota 13)</i>	13,680,266	–
Additions/ <i>Penambahan</i>	6,331,008	2,251,703
Transfer of students/ <i>Pertukaran pelajar</i>	(224,819)	(210,000)
Write-offs/ <i>Hapuskira</i>	(506,709)	–
At 31 December/ <i>Pada 31 Disember</i>	27,010,334	7,730,588
<u>Accumulated amortisation/Pelunasan terkumpul</u>		
At 1 January/ <i>Pada 1 Januari</i>	3,431,184	2,596,292
Amortisation of acquired companies (Note 13)	4,301,857	–
<i>Pelunasan terkumpul syarikat subsidiari yang diambilalih (Nota 13)</i>		
Charge during the year/ <i>Pelunasan semasa</i>	1,474,589	980,177
Transfer of students/ <i>Pertukaran pelajar</i>	(133,998)	(145,285)
Write-offs/ <i>Hapuskira</i>	(209,594)	–
At 31 December/ <i>Pada 31 Disember</i>	8,864,038	3,431,184
Net book value/ <i>Nilai buku bersih</i>	18,146,296	4,299,404

17 Goodwill on Consolidation/Muhibah atas Penyatuan

	Group/Kumpulan	
	2002 RM	2001 RM
<u>Cost/Kos</u>		
At 1 January/ <i>Pada 1 Januari</i>	–	–
Acquisition of subsidiaries (Note 13)/ <i>Pengambilalihan syarikat subsidiari (Nota 13)</i>	67,855,343	–
At 31 December/ <i>Pada 31 Disember</i>	67,855,343	–
<u>Accumulated amortisation/Pelunasan terkumpul</u>		
At 1 January/ <i>Pada 1 Januari</i>	–	–
Amortisation charge/ <i>Pelunasan semasa</i>	(568,852)	–
At 31 December/ <i>Pada 31 Disember</i>	(568,852)	–
Net book value/ <i>Nilai buku bersih</i>	67,286,491	–

18 Inventories/Inventori

	Group/Kumpulan	
	2002 RM	2001 RM
<u>At cost/Kos</u>		
Pharmaceutical drugs/ <i>Ubat-ubat farmasi</i>	9,565,591	1,946,946
Medical supplies/ <i>Bekalan perubatan</i>	5,417,913	954,502
Consumables and disposable items/ <i>Barangan pengguna dan barang habis pakai</i>	398,048	1,443,812
Laboratory chemicals/ <i>Bahan kimia makmal</i>	308,036	–
Other supplies/ <i>Lain-lain bekalan</i>	268,491	–
	15,958,079	4,345,260

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

19 Trade and Other Receivable/Penghutang Dagangan dan Penghutang Lain

	Group/Kumpulan		Company/Syarikat	
	2002 RM	2001 RM	2002 RM	2001 RM
Trade receivables/ <i>Penghutang dagangan</i>	59,863,031	13,491,250	-	-
Allowance for doubtful debts/ <i>Peruntukan hutang rugu</i>	(16,498,861)	(3,344,554)	-	-
	43,364,170	10,146,696	-	-
Other receivables/ <i>Penghutang lain</i>	5,004,872	294,326	-	-
Deposits/ <i>Deposit</i>	7,901,592	267,228	-	-
Prepayments/ <i>Bayaran terdahulu</i>	2,159,388	2,610,611	-	1,915,750
Dividends receivable/ <i>Dividen yang akan diterima</i>	-	-	10,030,084	1,976,308
Amount due from ultimate holding corporation <i>Jumlah terhutang daripada perbadanan induk muktamad</i>	569,732	8,653	-	-
Amount due from a former holding company <i>Jumlah terhutang oleh syarikat induk terdahulu</i>	-	39,899,819	-	18,540,346
Amount due from subsidiary companies <i>Jumlah terhutang oleh syarikat-syarikat subsidiari</i>	-	-	9,927,193	70,000
Amount due from associated companies <i>Jumlah terhutang oleh syarikat-syarikat bersekutu</i>	624,067	-	-	-
Amount due from other related companies <i>Jumlah terhutang oleh syarikat-syarikat yang berkaitan</i>	7,298,656	1,078,182	-	-
	66,922,477	54,305,515	19,957,277	22,502,404

The amount due from a subsidiary company (2001 : a former holding company) carries weighted average interest rate of 4% per annum and has no fixed terms of repayment.

Other balances with ultimate holding corporation, related companies and subsidiary companies are unsecured, interest-free and have no fixed terms of repayments.

Credit terms of trade receivables range from 30 to 60 days.

The currency exposure profile of the trade receivables in Singapore Dollar is RM2,829,227.

Jumlah terhutang oleh syarikat (2001 : syarikat induk terdahulu) subsidiari memberi kadar faedah purata wajaran 4% setahun dan tidak mempunyai tanpa syarat bayaran balik yang tetap.

Baki dengan Perbadanan induk muktamad, syarikat-syarikat berkaitan dan syarikat subsidiari adalah dagangan biasa, tiada cagaran, tiada kadar faedah yang dikenakan dan tanpa syarat bayaran balik yang tetap.

Terma kredit penghutang dagangan meliputi antara 30 hingga 60 hari.

Pendedahan kepada pertukaran matawang Dollar Singapura dalam penghutang dagangan ialah RM2,829,227.

20 Deposits, Cash and Bank Balances/Deposit, Tunai dan Baki Bank

	Group/Kumpulan		Company/Syarikat	
	2002 RM	2001 RM	2002 RM	2001 RM
Deposits with licensed banks/ <i>Deposit tetap di bank-bank berlesen</i>	10,196,161	4,195,000	3,000,000	-
Deposits with licensed finance companies/ <i>Deposit tetap di syarikat kewangan berlesen</i>	100,000	100,000	-	-
Cash and bank balances/ <i>Tunai dan baki bank</i>	10,637,538	2,322,039	65,055	1,426,608
Deposits, cash and bank balances/ <i>Deposit, tunai dan baki bank</i>	20,933,699	6,617,039	3,065,055	1,426,608
Less: bank overdraft (Note 23)/ <i>Tolak: overdraf bank (Nota 23)</i>	(18,907,150)	-	-	-
Less: pledged fixed deposits/ <i>Tolak: cagaran deposit tetap</i>	(1,154,020)	(495,000)	-	-
Cash and equivalents/ <i>Tunai dan setara tunai</i>	872,529	6,122,039	3,065,055	1,426,608

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

20 Deposits, Cash and Bank Balances (cont'd)/Deposit, Tunai dan Baki Bank (samb.)

Fixed deposits which have been pledged are to secure facilities from the respective licensed banks/finance companies.

The currency exposure profile of the bank and cash balances in Singapore Dollar is RM1,376,262.

The weighted average interest rate of deposits of the Group and Company during the financial year were 2.20% - 4.00% and 2.45%, respectively.

Deposits of the Group and Company have an average maturity of 365 days.

Bank balances are deposits held at call with banks.

Deposit tetap yang telah dicagarkan adalah untuk mendapat kemudahan pinjaman dari bank berlesen atau syarikat kewangan.

Pendedahan kepada pertukaran matawang Dollar Singapura untuk baki bank dan tunai ialah RM1,376,262.

Kadar faedah purata wajaran bagi deposit Kumpulan dan Syarikat dalam tahun kewangan semasa masing-masingnya dari 2.20% - 4.00% dan 2.45%.

Deposit bagi Kumpulan dan Syarikat mempunyai kadar purata hari matang selama 365 hari.

Baki bank dan deposit dibuat atas panggilan terhadap bank berkenaan.

21 Non Cash Transactions/Transaksi Bukan Tunai

The principal non cash transactions during the financial year are the acquisition of property, plant and equipment by means of finance lease (Note12) and the issue of shares as part consideration of an additional equity interest in the respective acquired companies (Note 13).

Transaksi bukan tunai yang dijalankan dalam tahun kewangan semasa utamanya terdiri daripada pembelian harta tanah, loji dan peralatan melalui sewa beli (Nota 12) dan terbitan saham biasa sebagai sebahagian dari bayaran untuk penambahan kepentingan ekuiti di dalam syarikat-syarikat yang diambil alih yang berikut (Nota 13).

- (i) Tawakal Holdings Sdn Bhd
- (ii) Kumpulan Perubatan (Johor) Sdn Bhd
- (iii) Medical Centre (Johore) Sdn Bhd

22 Trade and Other Payable/Pembiayaan Dagangan dan Pembiayaan Lain

	Group/Kumpulan		Company/Syarikat	
	2002	2001	2002	2001
	RM	RM	RM	RM
Trade payables/Pembiayaan dagangan	34,648,981	9,913,549	-	-
Other payables/Pembiayaan lain	27,030,417	5,036,871	417,180	232,405
Accruals/Terakru	14,756,311	2,970,708	-	-
Advances from minority shareholders/ <i>Pendahuluan kepada pemegang saham minoriti</i>	3,171,802	-	-	-
Amount payable to property, plant and equipment supplier/ <i>Jumlah pembiayaan kepada pembekal harta tanah, loji dan peralatan</i>	11,365	1,211,922	-	-
Amount due to ultimate holding corporation/ <i>Jumlah terhutang kepada Perbadanan induk muktamad</i>	93,838	-	-	60,145
Amount due to a former holding company/ <i>Jumlah terhutang kepada syarikat induk terdahulu</i>	-	-	-	503,021
Amount due to subsidiary companies/ <i>Jumlah terhutang kepada syarikat subsidiari</i>	-	-	31,878	50,000
Amount due to other related companies/ <i>Jumlah terhutang kepada syarikat yang berkaitan</i>	562,798	696,262	107,252	-
	80,275,512	19,829,312	556,310	845,571

Amounts due to ultimate holding corporation, a former holding company, subsidiary companies and related companies are unsecured, interest free and have no fixed terms of repayment.

Credit terms of trade payables range from 30 to 60 days.

The currency exposure profile of the trade payables in Singapore Dollar is RM2,649,524.

Jumlah yang terhutang kepada Perbadanan induk muktamad, syarikat induk terdahulu dan syarikat-syarikat yang berkaitan adalah tidak bercagar, tiada faedah dan tanpa syarat bayaran balik yang tetap.

Terma kredit oleh pembiayaan dagangan meliputi antara 30 hingga 60 hari.

Pendedahan kepada pertukaran matawang Dollar Singapura untuk pembiayaan dagangan ialah RM2,649,524.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

23 Borrowings/Pinjaman-pinjaman

	Group/Kumpulan	
	2002	2001
	RM	RM
<u>Current/Semasa</u>		
Redeemable convertible loan stock <i>Stok pinjaman yang boleh ditebus tukar</i>	50,000,000	–
Term loans (secured)/ <i>Pinjaman berpenggal (bercagar)</i>	8,409,307	–
Islamic facilities/ <i>Perbankan Islam</i> :		
- Al-Bithaman (unsecured/ <i>tidak bercagar</i>)	3,338,272	–
- Al-Istisna' (secured/ <i>bercagar</i>)	2,176,413	–
- Hiwalah (secured/ <i>bercagar</i>)	1,200,000	2,000,000
Revolving credit (unsecured)/ <i>Pusingan kredit (tidak bercagar)</i>	31,658,458	–
Bankers acceptance (unsecured)/ <i>Penerimaan bank (tidak bercagar)</i>	150,000	–
Hire purchase and lease creditors/ <i>Pembiayaan sewabeli dan pajakan</i>	2,404,775	–
Bank overdrafts (secured)/ <i>Overdraf bank (bercagar)</i>	8,603,556	–
Bank overdrafts (unsecured)/ <i>Overdraf bank (tidak bercagar)</i>	10,303,594	–
	118,244,375	2,000,000
<u>Non current/Bukan semasa</u>		
Term loans (secured)/ <i>Pinjaman berpenggal (bercagar)</i>	88,002,435	–
Islamic facilities/ <i>Perbankan Islam</i> :		
- Al-Bithaman (unsecured/ <i>tidak bercagar</i>)	952,986	–
- Al-Istisna' (secured/ <i>bercagar</i>)	22,165,453	–
- Al-Ijarah (secured/ <i>bercagar</i>)	87,307	–
- Hiwalah (secured/ <i>bercagar</i>)	10,815,568	6,486,491
Revolving credit (unsecured)/ <i>Pusingan kredit (tidak bercagar)</i>	15,000,000	–
Hire purchase and lease creditors/ <i>Pembiayaan sewabeli dan pajakan</i>	10,976,107	–
	147,999,854	6,486,491

	Not later than 1 year/ Tidak melebihi 1 tahun	RM	Later than 1 year and not later than 2 years/ Selepas 1 tahun dan tidak melebihi 2 tahun	RM	Later than 2 years and not later than 5 years/ Selepas 2 tahun dan tidak melebihi 5 tahun	RM	Later than 5 years/ Selepas 5 tahun	RM	Total
									Jumlah
			Maturity of borrowings (excluding finance lease liabilities and Al-Ijarah)						
<u>Tempoh kematangan pinjaman (tidak termasuk pembiayaan sewabeli dan pajakan dan Al-Ijarah)</u>									
At 31 December 2002/ <i>Pada 31 Disember 2002</i>									
Redeemable convertible loan stock <i>Pinjaman stok yang boleh ditebus tukar</i>	50,000,000	–	–	–	–	–	–	50,000,000	
Term loans (secured)/ <i>Pinjaman berpenggal (bercagar)</i>	8,409,307	13,182,830	69,240,628	5,578,977	96,411,742				
Islamic facilities/ <i>Perbankan Islam</i> :									
- Al-Bithaman (unsecured/ <i>tidak bercagar</i>)	3,338,272	952,986	–	–	–	–	–	4,291,258	
- Al-Istisna' (secured/ <i>bercagar</i>)	2,176,413	2,620,548	6,020,298	13,524,607	24,341,866				
- Hiwalah (secured/ <i>bercagar</i>)	1,200,000	1,200,000	3,600,000	6,015,568	12,015,568				
Revolving credit (unsecured)/ <i>Pusingan kredit (tidak bercagar)</i>	31,658,458	15,000,000	–	–	–	–	–	46,658,458	
Bankers acceptance (unsecured)/ <i>Pinjaman juruwang (tidak bercagar)</i>	150,000	–	–	–	–	–	–	150,000	
Bank overdrafts (secured)/ <i>Overdraf bank (bercagar)</i>	8,603,556	–	–	–	–	–	–	8,603,556	
Bank overdrafts (unsecured)/ <i>Overdraf bank (tidak bercagar)</i>	10,303,594	–	–	–	–	–	–	10,303,594	
	115,839,600	32,956,363	78,860,926	25,119,152	252,776,042				

At 31 December 2001/*Pada 31 Disember 2001*

Islamic facilities/*Perbankan Islam*:

- Hiwalah (secured/ <i>bercagar</i>)	2,000,000	6,486,491	–	–	8,486,491
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Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

23 Borrowings (cont'd)/Pinjaman-pinjaman (samb.)

	Not later than 1 year/ <i>Tidak melebihi 1 tahun</i>	Later than 1 year and not later than 2 years/ <i>Selepas 1 tahun dan tidak melebihi 2 tahun</i>	Later than 2 years and not later than 5 years/ <i>Selepas 2 tahun dan tidak melebihi 5 tahun</i>	Later than 5 years/ <i>Selepas 5 tahun</i>	Total				
					RM				
Group/Kumpulan									
As at 31 December 2002/ <i>Pada 31 Disember 2002</i>									
Finance lease liabilities/ <i>Liabiliti pajakan kewangan</i>	2,941,048	4,226,203	7,246,741	717,471	15,131,463				
Less: Future finance charges <i>Tolak: Caj kewangan masa hadapan</i>				(1,750,581)	<u>13,380,882</u>				
Al-Ijarah	30,816	30,816	77,742	-	139,374				
Less: Future finance charges <i>Tolak: Caj kewangan masa hadapan</i>				(27,896)	<u>111,478</u>				
Present value/ <i>Nilai semasa</i>									
- Finance lease/ <i>Pajakan kewangan</i>	2,342,995	3,802,477	6,530,038	705,372	13,380,882				
- Al-Ijarah	24,171	24,171	63,136	-	111,478				

Range of weighted average effective interest rates per annum/*Kadar faedah purata wajaran setahun:*

Group/Kumpulan 2002	%
Term loans/ <i>Pinjaman berpenggal</i>	6.75 - 8.15
Revolving credits/ <i>Pusingan kredit</i>	5.10 - 6.20
Bankers' acceptance/ <i>Penerimaan bank</i>	3.25
Hire purchase and lease/ <i>Sewabeli dan pajakan</i>	4.00 - 7.90
Redeemable Convertible Loan Stock/ <i>Stok pinjaman yang boleh ditebus tukar</i>	7.40
Overdrafts/ <i>Overdraf</i>	7.50 - 7.65

The borrowings are secured by/*Pinjaman yang dilakukan dicagarkan melalui:*

- (a) fixed charge on the certain landed properties of the Group and of the Company;
caj tetap ke atas hartanah tertentu Kumpulan dan Syarikat;
- (b) first fixed charge on certain assets of the Group by way of debenture;
caj tetap yang pertama ke atas aset tertentu Kumpulan melalui debentur;
- (c) letter of awareness, letter of comfort and letter of subordinates from Johor Corporations;
surat aku maklum, surat jaminan dan surat majikan yang dikeluarkan oleh Johor Corporations;
- (d) a negative pledge over some of the fixed and floating assets of the Group;
cagaran negatif atas aset-aset tetap dan berubah Kumpulan;
- (e) fixed first and floating charge over some movable and immovable assets of the Group; and
caj tetap dan terapung pertama ke atas aset-aset Kumpulan yang bergerak dan tetap; dan
- (f) finance lease are effectively secured as the rights to the leased asset to the lessor in the event of default.
pajakan kewangan secara efektif dicagarkan sebagai hak pemajak ke atas aset yang dipajakkannya sekiranya berlaku keadaan mungkir.

Group/Kumpulan 2002	RM
Redeemable convertible loan stock/ <i>Stok pinjaman yang boleh ditebus tukar</i>	
At 1 January/ <i>Pada 1 Januari</i>	50,000,000
Principal/ <i>Modal asas</i>	4,000,000
Interest for the year/ <i>Faedah semasa</i>	(4,000,000)
Interest paid during the financial year/ <i>Faedah yang dibayar dalam tahun kewangan semasa</i>	
At 31 December/ <i>Pada 31 Disember</i>	50,000,000

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

23 Borrowings (cont'd)/Pinjaman-pinjaman (samb.)

Redeemable convertible loan stock (cont'd)/*Stok pinjaman yang boleh ditebus tukar (samb.)*

The redeemable convertible loan stock ('RCLS') is secured and interest is charged at 4% per annum for the first 2 years, 6% per annum for the next two years and 8% per annum for the remaining period until maturity. The Group has the option to defer the payment of interest for the first 4 years. The subscriber of RCLS has the right to convert the RCLS into ordinary shares at the rate of 1 ordinary shares of RM1 each for each RM1 of RCLS and the Group has the right to redeem the convertible RCLS in accordance with agreed conditions in the event that a mutually acceptable term for conversion is not reached.

Redemption of the RCLS is at par in the year 2003. The Group has an option to convert the RCLS into a term loan by issuing a notice at least 3 months prior to the maturity date. Upon receipt of such notice, the Group and the Subscriber shall negotiate the terms of such term loan subject to the payment of interest at the minimum rate of 0.5% over and above the higher of the base lending rate of two largest commercial banks in Malaysia. The Group is in the process of applying to convert the RCLS into a term loan from the Subscriber. All other terms and conditions of conversion and redemption are as defined in the Subscription Agreement dated 29 November 1993.

Stok pinjaman yang boleh ditebus tukar (RCLS) telah dicagarkan dan kadar faedah yang dikenakan ialah 4% setahun untuk dua tahun yang pertama, 6% setahun untuk dua tahun berikutnya dan 8% setahun sehingga mencapai tempoh matang. Kumpulan telah menggunakan opsyen untuk menangguh pembayaran faedah selama empat tahun pertama. Pelanggan RCLS mempunyai hak untuk menukar kepada saham biasa pada kadar 1 saham bernilai RM1 sesaham pada satu unit RCLS bernilai RM1 dan Kumpulan mempunyai hak untuk menebus dan menukar RCLS selaras dengan syarat-syarat perjanjian yang dipersetujui sekiranya pakatan terma yang bersesuaian untuk pertukaran tersebut tidak dapat dicapai.

Penebusan RCLS adalah pada nilai tara dalam tahun 2003. Kumpulan mempunyai opsyen untuk menebus RCLS kepada pinjaman berpenggal dengan menerbitkan notis selama 3 bulan sebelum tarikh matang. Semasa penerimaan notis tersebut, Kumpulan dan pelanggan akan merundingkan terma-terma pinjaman berdasarkan pembayaran faedah pada kadar faedah yang minima iaitu 0.5% melebihi kadar asas pinjaman oleh dua bank komersil terbesar di Malaysia. Kumpulan adalah dalam proses untuk menukar RCLS kepada pinjaman berpenggal daripada pelanggan pinjaman. Lain-lain terma dan syarat-syarat untuk pertukaran dan penebusan adalah seperti yang termaktub di dalam Perjanjian Langganan bertarikh 29 November 1993.

24 Deferred Revenue/Pendapatan Tertunda

	Group/Kumpulan	2002 RM	2001 RM
At 1 January/ <i>Pada 1 Januari</i>	-	-	-
Acquisition of subsidiary company (Note 13)/ <i>Pengambilalihan syarikat subsidiari (Nota 13)</i>	2,883,730	-	-
Additions/ <i>Tambah</i>	5,411,051	-	-
Earned during the year/ <i>Diterima dalam tahun semasa</i>	(6,554,374)	-	-
At 31 December/ <i>Pada 31 Disember</i>	1,740,407	-	-
Represented by/ <i>Diwakili oleh:</i>			
Students' fees/ <i>Yuran pelajar</i>	1,557,453	-	-
Accommodation fees/ <i>Yuran penginapan</i>	182,954	-	-
At 31 December/ <i>Pada 31 Disember</i>	1,740,407	-	-

25 Long Term Deposits/Deposit Jangka Masa Panjang

Long term deposits represent refundable practising fee received from consultants. It is not practicable to estimate the fair value of the long term deposits reliably due to indeterminable maturity terms.

Deposit jangka panjang merujuk kepada deposit untuk mempraktikkan amalan perubatan yang boleh dikembalikan yang diterima dari pakar-pakar perunding. Ia adalah tidak wajar untuk membuat anggaran ke atas nilai wajar bagi deposit jangka masa panjang oleh kerana terma-terma kematangan bagi deposit jangka panjang tidak dapat ditentukan.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

26 Deferred Taxation/Cukai Tertunda

	Group/ Kumpulan	
	2002	2001
	RM	RM
As at 1 January/ <i>Pada 1 Januari</i>	5,313,000	4,726,000
Charge for the year (Note 9)/ <i>Cukai tahun semasa (Nota 9)</i>	1,238,000	587,000
Acquisition of subsidiary companies (Note 13)/ <i>Pengambilalihan syarikat subsidiari (Nota 13)</i>	2,507,000	-
As at 31 December/ <i>Pada 31 Disember</i>	9,058,000	5,313,000
108		
Deferred tax liability is in respect of the tax effects of: <i>Liabiliti cukai tertunda yang berhubung dengan kesan cukai:</i>		
Accelerated capital allowances/ <i>Kecepatan peruntukan modal</i>	8,931,000	5,353,000
Other timing differences/ <i>Perbezaan masa lain</i>	127,000	(40,000)
	9,058,000	5,313,000

Potential real property gains tax in respect of the revaluation surplus arising from revaluation of the long leasehold land and buildings belonging to certain subsidiary companies have not been provided for in the financial statements as these assets are held for long term use.

Tiada peruntukan cukai keuntungan hartanah dibuat ke atas lebihan nilai yang timbul hasil dari penilaian semula tanah pajakan dan bangunan oleh syarikat-syarikat subsidiari kerana hartanah tersebut dipegang untuk kegunaan jangka panjang.

27 Share Capital/Modal Saham

	Company/ Syarikat	
	2002	2001
	RM	RM
Authorised Ordinary shares of RM1 each/ <i>Saham biasa dibenarkan RM1 sesaham:</i>		
As at 1 January/ <i>Pada 1 Januari</i>	50,000,000	50,000,000
Created during the year/ <i>Dicipta dalam tahun kewangan semasa</i>	450,000,000	-
As at 31 December/ <i>Pada 31 Disember</i>	500,000,000	50,000,000
 Issued and fully paid Ordinary shares of RM1 each/ <i>Diterbitkan dan dibayar penuh RM1 sesaham:</i>		
As at 1 January/ <i>Pada 1 Januari</i>	48,000,000	48,000,000
Issued during the financial year/ <i>Diterbitkan dalam tahun kewangan semasa:</i>		
- Rights issue/ <i>Terbitan hak</i>	48,000,000	-
- Acquisitions/ <i>Pengambilalihan</i>	95,384,615	-
As at 31 December/ <i>Pada 31 Disember</i>	191,384,615	48,000,000

During the financial year, the authorised share capital of the Company was increased from RM50,000,000 to RM500,000,000 by the creation of 450,000,000 ordinary shares of RM1 each.

On 28 October 2002, the Company completed a rights issue of 48,000,000 new ordinary shares of RM1 each at an issue price of RM1 per ordinary share on the basis of one (1) new ordinary share for every one (1) existing ordinary share held by the company for cash to part finance the acquisitions of Tawakal Holdings Sdn Bhd, Medical Centre (Johore) Sdn Bhd and Kumpulan Perubatan (Johor) Sdn Bhd.

On 1 November 2002, the Company allotted and issued 95,384,615 new ordinary shares of RM1 each at an issue price of RM1.30 per ordinary share to part finance the acquisitions of Tawakal Holdings Sdn Bhd, Medical Centre (Johore) Sdn Bhd and Kumpulan Perubatan (Johor) Sdn Bhd.

Sepanjang tahun kewangan, terbitan saham biasa syarikat yang dibenarkan telah meningkat dari RM50,000,000 kepada RM500,000,000 dengan ciptaan sebanyak 450,000,000 saham biasa pada nilai RM1 sesaham.

Pada 28 Oktober 2002, Syarikat telah berjaya menyempurnakan terbitan hak sebanyak 48,000,000 terbitan baru saham biasa pada nilai RM1 sesaham di atas dasar satu saham biasa baru untuk setiap saham biasa sedia ada di dalam Syarikat secara tunai untuk membiayai sebahagian daripada pengambilalihan Tawakal Holdings Sdn Bhd, Medical Centre (Johore) Sdn Bhd dan Kumpulan Perubatan (Johor) Sdn Bhd.

Pada 1 November 2002, Syarikat telah memperuntukkan dan menerbitkan sebanyak 95,384,615 terbitan baru saham biasa bernilai RM1 sesaham pada harga terbitan RM1.30 sesaham untuk membiayai sebahagian daripada pengambilalihan Tawakal Holdings Sdn Bhd, Medical Centre (Johore) Sdn Bhd dan Kumpulan Perubatan (Johor) Sdn Bhd.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

27 Share Capital (cont'd)/Modal Saham (samb.)

On 12 November 2002, the 48,000,000 new ordinary shares of RM1 each issued pursuant to the Rights Issue and the additional 95,384,615 new ordinary shares of RM1 each issued pursuant to these acquisitions were listed on the Main Board of Kuala Lumpur Stock Exchange.

The newly issued ordinary shares rank pari passu in all respects with the existing issued ordinary shares of the Company.

Pada 12 November 2002, 48,000,000 terbitan baru saham biasa yang bernilai RM1 sesaham hasil dari Terbitan Hak itu dan penambahan sebanyak 95,384,615 terbitan baru saham biasa pada nilai RM1 sesaham hasil dari pengambilalihan syarikat subsidiari telah tersenarai di papan utama Bursa Saham Kuala Lumpur.

Terbitan baru saham biasa bertaraf pari passu dengan terbitan saham biasa Syarikat yang sedia ada.

28 Revaluation Reserve/Rizab Penilaian Semula

The revaluation reserve consists of surplus from the revaluation of land and buildings.

Rizab penilaian semula terdiri daripada lebihan penilaian semula tanah dan bangunan.

29 Significant Related Party Disclosures/Kenyataan Transaksi Penting Pihak Berkaitan

Related parties and relationship/Transaksi dan parti berkaitan

In the normal course of business, the Group and the Company undertake on an arm's length basis a variety of transactions with its holding corporation, subsidiaries, associated companies and other companies deemed related parties by virtue of being members of the Johor Corporation Group of Companies. The Group of Companies with whom the Group and Company transacted with, include the following companies:

Dalam operasi biasa perniagaan, Kumpulan dan Syarikat melaksanakan pada asas meluas pelbagai urusniaga dengan perbadanan induk syarikat-syarikat subsidiari, syarikat bersekutu dan lain-lain syarikat yang berkaitan sesuai dengan kedudukan mereka sebagai ahli dalam kumpulan syarikat-syarikat Johor Corporation. Syarikat-syarikat dalam kumpulan Johor Corporation yang mana dengan mereka Syarikat dan Kumpulan berurus niaga, termasuk syarikat-syarikat berikut:

Related parties/Pihak berkaitan

Johor Corporation
 Eastern Plantation Agency (Johor) Sdn Bhd
 Harta Consult Sdn Bhd
 HC Duraclean Sdn Bhd
 Johor Capital Holdings Sdn Bhd
 Johor Technopark Sdn Bhd
 Johor Land Berhad
 Metro Parking Sdn Bhd
 TPM Technopark Sdn Bhd
 Pelaburan Johor Berhad
 Kedah Medical Centre Sdn Bhd

Relationship/Pertalian

Holding corporation/Syarikat induk
 Subsidiary of holding corporation/Syarikat subsidiari kepada syarikat induk
 Associated company/Syarikat bersekutu

Related party transactions/Transaksi pihak berkaitan

The related party transactions during the financial year and individually significant outstanding balances arising from these transactions are as follows/*Transaksi pihak berkaitan sepanjang tahun kewangan serta jumlah tertunggak yang ketara hasil dari transaksi tersebut adalah seperti berikut:*

<u>Group/Kumpulan</u>		Amount outstanding as at/ Jumlah tertunggak pada		Amount outstanding as at/ Jumlah tertunggak pada	
		2002 RM	31.12.2002 RM	2001 RM	31.12.2001 RM
(a) Sales of services to/Jualan perkhidmatan kepada:					
- Johor Corporation		545,636	51,831	587,268	51,831
- Eastern Plantation Agency (Johor) Sdn Bhd		202,414	12,346	96,709	27,582
- Harta Consult Sdn Bhd		404,730	90,376	280,538	82,977
- Johor Land Berhad		171,919	33,363	211,039	70,680
- Pelaburan Johor Berhad		40,792	-	48,802	-
- TPM Technopark Sdn Bhd		98,553	32,993	-	-

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

29 Significant Related Party Disclosure (cont'd)/Penyataan Parti Berkaitan (samb.)

		Amount outstanding as at/ Jumlah tertunggak pada			
		2002 RM	31.12.2002 RM	2001 RM	31.12.2001 RM
(b) Rental income received from/ <i>Sewa diterima daripada:</i>					
- Metro Parking Sdn Bhd	131,961		-	138,000	-
(c) Interest payable to/ <i>Faedah berbayar kepada:</i>					
- Johor Corporation Sdn Bhd	312,627		-	34,645	-
(d) Rental paid/payable to/ <i>Sewa dibayar/berbayar kepada:</i>					
- Johor Corporation Sdn Bhd	162,000		-	-	-
(e) Management, secretarial fees payable to/ <i>Yuran pengurusan dibayar kepada:</i>					
- Johor Corporation Sdn Bhd	87,019		-	34,645	-
(f) Security services paid/payable to/ <i>Perkhidmatan keselamatan dibayar kepada:</i>					
- Harta Consult Sdn Bhd	337,305		69,056	256,910	69,056
(i) Housekeeping contract fees paid/payable to/ <i>Yuran kontrak pembersihan dibayar kepada:</i>					
- HC Duraclean Sdn Bhd	836,760		-	612,000	-

30 Retained Earnings/Keuntungan Terkumpul

Subject to the agreement by the Inland Revenue Board, the Company has sufficient tax credits available under Section 108 of the Malaysian Income Tax Act, 1967 to frank the payment of net dividends out of all its retained earnings as at 31 December 2002 if paid out as dividends.

Berdasarkan perjanjian yang dibuat dengan Lembaga Hasil Dalam Negeri, Syarikat mempunyai kredit cukai yang mencukupi di bawah Seksyen 108, Akta Cukai Pendapatan Malaysia, 1967 untuk membayar dividen bersih daripada kesemua keuntungan terkumpul pada 31 Disember 2002 jika dibayar sebagai dividen.

31 Capital Commitments/Komitmen Modal

Capital expenditure not provided for in the financial statements are as follow:

Perbelanjaan modal yang diluluskan tetapi tidak diperuntukkan dalam penyata kewangan adalah seperti berikut:

	Group/Kumpulan	2002 RM	2001 RM
Approved and contracted/ <i>Diluluskan dan dikontrakkan</i>			
Approved but not contracted/ <i>Diluluskan tetapi tidak dikontrakkan</i>			
	23,037,176	11,203,429	
	47,056,668	13,185,505	
	70,093,844	24,388,934	

Analysed as follows/*Dianalisa seperti berikut:*

Leasehold land/ <i>Tanah pajakan</i>	-	3,375,000
Building/ <i>Bangunan</i>	31,161,376	3,376,329
Plant and equipment/ <i>Loji dan peralatan</i>	38,267,468	17,220,929
Other property, plant and equipment/ <i>Lain-lain hartanah, loji dan peralatan</i>	665,000	416,676
	70,093,844	24,388,934

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

32 Operating Lease Commitment/Penglibatan Operasi Sewa Pajak

The future minimum lease payments under non-cancellable operating leases are as follows:

Jumlah pembayaran minima operasi sewa pajak masa hadapan adalah seperti berikut:

	Group/Kumpulan	2002	2001
		RM	RM
Lease commitment/Sewa pajak	33,498	234,486	
Less: repayment within 12 months	(33,498)	(200,988)	
<i>Tolak: bayaran dalam masa 12 bulan</i>	-	33,498	
		33,498	234,486
Represented by/ <i>Diwakili oleh:</i>			
Not later than 1 year	33,498	200,988	
<i>Tidak melebihi 1 tahun</i>	-	33,498	
Later than 1 year and not later than 5 years	33,498	234,486	
<i>Melebihi 1 tahun dan tidak melebihi 5 tahun</i>			

33 Contingent Liabilities/Tanggungan Luarjangka

Corporate guarantees given for banking facilities/

Jaminan korporat yang diberi untuk kemudahan perbankan

- subsidiary companies/*syarikat subsidiari*

12,015,568 12,015,568

34 Prior Year Adjustment/Pelarasian Tahun Terdahulu

During the financial year 2001, the Group changed its accounting policies with respect to recognition of dividend income and liabilities in compliance with MASB Standard 9 "Revenue", the new MASB Standard 19 "Events After Balance Sheet Date" and MASB Standard 20 "Provisions, Contingent Liabilities and Contingent Assets."

Dalam tahun kewangan 2001, Kumpulan telah mengubah dasar-dasar perakaunannya berhubung dengan pengiktirafan pendapatan dividen dan liabiliti bagi mematuhi Piawaian MASB 9 "Pendapatan", Piawaian baru MASB 19 "Peristiwa Selepas Tarikh Lembaran Imbang" dan Piawaian MASB 20 "Peruntukan, Liabiliti Luarjangkaan dan Harta Luarjangkaan".

The changes in policies have effect on the accounting treatments for dividend income and provision as follows:

Perubahan dasar-dasar berkenaan memberi kesan terhadap amalan perakaunan ke atas pendapatan dividen dan peruntukan seperti berikut:

Dividend income/Pendapatan dividen

In previous years, gross dividends income was recognised as its accrues to the Group. The Group has now changed this accounting policy to recognise the gross dividend income when the shareholders' right to receive payment is established in accordance with MASB Standard 9. Therefore, gross dividend income is now recognised as income after approval by shareholders of the investee company at a general meeting.

Pada tahun sebelumnya, pendapatan dividen kasar diambilkira setelah ia tertunggak kepada Kumpulan. Kumpulan telah menukar dasar perakaunannya untuk mengambil kira pendapatan dividen kasar apabila hak pemegang saham untuk menerima bayaran tersebut ditentukan selaras dengan Piawaian MASB 9. Sehubungan itu, dividen kasar diiktiraf sebagai pendapatan apabila diluluskan oleh pemegang saham syarikat pelaburan pada sebuah mesyuarat agung.

Proposed dividend (Note 11)/Dividen dicadangkan (Nota 11)

In previous years, dividends were accrued as a liability when proposed by directors. The Group has changed its accounting policy to recognise dividends in shareholders' equity in the year in which the obligation to pay is established in accordance with MASB Standard 19. Therefore, final dividends are now accrued as a liability after approval by shareholders at the Annual General Meeting.

These changes in accounting policies have been accounted for retrospectively.

There was no change in accounting policy that affect net profit for the year as a result of the adoption on MASB Standard 20 as the Group had already following the recognition and measurement principles in the Standard.

Pada tahun sebelumnya, dividen tertunggak sebagai tanggungan apabila dicadangkan oleh Para Pengarah. Kumpulan telah menukar dasar perakaunannya untuk mengiktiraf dividen dalam ekuiti pemegang saham pada tahun yang mana tanggungjawab untuk membayar ditentukan selaras dengan Piawaian MASB 19. Sehubungan itu, dividen akhir hanya tertunggak sebagai tanggungan setelah diluluskan oleh pemegang saham pada Mesyuarat Agung Tahunan.

Perubahan-perubahan dalam dasar perakaunan ini telah diambilkira secara retrospektif dalam tahun ini dan tahun sebelumnya.

Tiada perubahan di dalam polisi perakaunan yang memberi kesan terhadap keuntungan bersih tahun semasa atas sebab menerima pakai Piawaian MASB 20 kerana Kumpulan telah mematuhi kehendak-kehendak Piawaian tersebut.

Notes to the Financial Statements For The Financial Year Ended 31 December 2002 /
Nota-nota kepada Penyata Kewangan Bagi Tahun Kewangan Berakhir 31 Disember 2002

34 Prior Year Adjustment (cont'd)/Pelarasan Tahun Terdahulu (samb.)

Comparative information have been restated to conform with the adjustment as follows:

Maklumat perbandingan telah dinyalakan semula bagi mematuhi kesan penyelarasan seperti berikut:

	As previously reported/ <i>Seperti dilaporkan terdahulu</i>	Effect of adjustment/ <i>Kesan dari penyelarasan</i>	As restated/ <i>Penyataan semula</i>
	RM	RM	RM
<u>Group/Kumpulan</u>			
2001			
Retained earnings at 1 January 2001/ <i>Keuntungan terkumpul pada 1 Januari 2001</i>	56,367,493	1,728,000	58,095,493
Net profit for the year/ <i>Keuntungan bersih tahun semasa</i>	11,923,013	-	11,923,013
Dividends/ <i>Dividen</i>	(4,128,000)	-	(4,128,000)
Retained earnings at 31 December 2001 <i>Keuntungan terkumpul pada 31 Disember 2001</i>	64,162,506	1,728,000	65,890,506

Company/Syarikat

2001			
Retained earnings at 1 January 2001/ <i>Keuntungan terkumpul pada 1 Januari 2001</i>	12,916,765	(187,287)	12,729,478
Net profit for the year/ <i>Keuntungan bersih tahun semasa</i>	5,335,001	(40)	5,334,961
Dividends/ <i>Dividen</i>	(4,128,000)	-	(4,128,000)
Retained earnings at 31 December 2001 <i>Keuntungan terkumpul pada 31 Disember 2001</i>	14,123,766	(187,327)	13,936,439

35 Utilisation of Proceeds Raised from Corporate Proposals/

Penggunaan Hasil yang Diperolehi dari Cadangan Korporat

The proceeds of RM48 million raised from the Rights Issue have been fully utilised on 15 November 2002 for part payment of the Acquisitions as tabulated below:

Hasil sebanyak RM48 juta yang telah diperolehi daripada Terbitan Hak telah digunakan sepenuhnya pada 15 November 2002 bagi membiayai sebahagian daripada pengambilalihan yang dinyatakan di bawah:

	Purchase consideration/ <i>Pertimbangan pembelian</i>	Cash payments/ <i>Bayaran tunai</i>	Satisfied by Issue of new KPJHB shares at RM1.30/ <i>Disempurnakan dengan terbitan baru saham</i>		No. of Shares/ <i>Bilangan saham</i>
			Pertimbangan pembelian	Bayaran tunai	KPJHB bernilai RM1.30 sesaham
			RM	RM	RM
Tawakal Holdings Sdn Bhd	35,396,230	35,396,230	-	-	-
Medical Centre (Johore) Sdn Bhd	15,370,250	1,370,250	14,000,000	10,769,230	84,615,385
Kumpulan Perubatan (Johor) Sdn Bhd	121,233,520	11,233,520	110,000,000	95,384,615	95,384,615
Total/ <i>Jumlah</i>	172,000,000	48,000,000	124,000,000	95,384,615	

36 Uncompleted Corporate Announcement/*Pengumuman Korporat yang Tidak Lengkap*

On 8 December 2000, the Company announced its proposal to implement a restricted issue of 9,600,000 new ordinary shares of RM1 each, representing 5% of the issued and paid-up share capital of the Company after the rights issue to selected medical specialists of the Group. The proposal was approved by the shareholders at the EGM on 21 May 2002 and the issue prices for the Issue Shares have been fixed at RM1.51 per share.

As announced on 26 August 2002, the Proposed Issue will only be implemented at a later stage, after the completion of the Rights Issue and Acquisitions in view of the requirement for a prospectus to be issued pursuant to Section 41 of the Securities Commission ("SC") Act, 1993. Subsequently, as announced on 11 September 2002, the SC vide its letter dated 10 September 2002, had approved the extension of time of an additional nine months for the implementation of the Proposed Issue to 30 June 2003. In this regard, the letter of offer together with an offering document will be issued to the selected medical specialists in due course.

Pada 8 Disember 2000, Syarikat telah mengumumkan cadangan untuk melaksanakan terbitan terhad sebanyak 9,600,000 saham baru biasa bernilai RM1 sesaham, yang mewakili 5% dari modal terbitan dan modal berbayar saham syarikat setelah terbitan hak dibuat kepada pakar perubatan terpilih di dalam Kumpulan. Cadangan terbitan telah dipersetujui oleh pemegang-pemegang saham semasa Mesyuarat Agung Tahunan pada 21 Mei 2002 dan harga terbitan untuk terbitan saham telah ditetapkan pada RM1.51 sesaham.

Seperti yang diumumkan pada 26 Ogos 2002, Cadangan Terbitan hanya akan dilaksanakan kemudian, setelah selesainya Terbitan Hak dan pengambilalihan untuk mematuhi keperluan prospektus yang patut dikeluarkan mengikut Seksyen 41 Akta Suruhanjaya Sekuriti (SC), 1993. Berikutan dengan itu, seperti yang diumumkan pada 11 September 2002, melalui suratnya bertarikh 10 September 2002, SC telah meluluskan tambahan masa selama sembilan bulan kepada 30 Jun 2003 bagi melaksanakan Cadangan Terbitan tersebut. Berdasarkan perkara ini, surat tawaran berserta dengan dokumen tawaran akan dikeluarkan kepada pakar perubatan yang terpilih dalam jangkama terdekat.

37 Subsequent Event/*Peristiwa Selepas Tahun Kewangan Berakhir*

On 19 February 2003, Kumpulan Perubatan (Johor) Sdn Bhd, a subsidiary company, acquired 3,000,000 ordinary shares of RM1 each in Damansara Specialist Hospital Sdn Bhd for a cash consideration of RM3,000,000. As a result Damansara Specialist Hospital Sdn Bhd became a wholly owned subsidiary of the Group.

Pada 19 Februari 2003, Kumpulan Perubatan (Johor) Sdn Bhd, sebuah syarikat subsidiari telah mengambil alih 3,000,000 saham biasa bernilai RM1 sesaham dalam Damansara Specialist Hospital Sdn Bhd secara tunai berjumlah RM3,000,000. Kesannya, Damansara Specialist Hospital Sdn Bhd menjadi syarikat subsidiari milik penuh Kumpulan.

38 Fair Value/*Nilai Wajar*

The carrying amounts of financial assets and liabilities of the Group and Company at the balance sheet date approximated their fair values. *Nilai bawa bagi aset-aset dan liabiliti kewangan Syarikat dan Kumpulan pada tarikh lembaran imbangan adalah hampir tepat dengan nilai-nilai wajar mereka.*

Shareholdings Statistics As at 4th April 2003

Statistik Pemegang Saham Pada 4hb April 2003

Authorised Share Capital/Modal Saham Dibenarkan	RM500,000,000
Issued & Fully Paid-Up Capital/Modal Terbitan & Dibayar Penuh	RM191,384,615
Class of Shares/Jenis Saham	Ordinary Shares of RM1 each/Saham Biasa RM1 setiap satu

Voting Right of Shareholders/Hak Mengundi Pemegang-pemegang Saham

Every member of the Company present in person or by proxy shall have one vote on a show of hand and in the case of poll shall have one vote for every share of which he/she is the holder.

Setiap ahli Syarikat yang hadir secara peribadi atau secara proksi adalah berhak ke atas satu undi melalui undian tangan dan sekiranya undian dibuat secara bertulis (poll), ahli berhak ke atas satu undian untuk setiap satu unit saham yang dipegang.

Size of Shareholdings Saiz Pemegang Saham	Breakdown of Shareholdings/Pecahan Pemegang Saham			
	No. of Shareholders Bilangan Pemegang Saham	%	No. of Shares Bilangan Saham	%
Less than 1,000	175	8.47	7,764	0.00
1,000 - 10,000	1,656	80.11	4,382,735	2.29
10,001 - 100,000	184	8.90	5,960,878	3.12
100,001 to less than 5% of Issued Capital	51	2.47	26,542,875	13.87
5% and above of Issued Capital	1	0.05	154,490,363	80.72
TOTAL	2,067	100.00	191,384,615	100.00

Top Thirty Largest Shareholders/Tiga Puluh Pemegang Saham Terbesar

Name/Nama	No. of Shares/Bilangan Saham	%
1 Johor Corporation	154,490,363	80.72
2 Employees Provident Fund Board	4,764,000	2.49
3 Johor Corporation	3,440,000	1.80
4 Malaysia National Insurance Berhad	3,328,000	1.74
5 Alliancegroup Noms (T) Sdn Bhd - A/C PHEIM Asset Management Sdn Bhd for Employees Provident Fund Board (029)	1,306,000	0.68
6 Permodalan Nasional Berhad	1,166,000	0.61
7 Takaful Nasional Sdn Berhad	1,136,000	0.59
8 AMMB Noms (T) Sdn Bhd - A/C AMTrustee Berhad for BHLB Pacific Dana Al-Ihsan (5/2-7)	908,000	0.47
9 Malaysia Noms (T) Sdn Bhd - A/C for Zalaraz Sdn Bhd (01-00259-000)	683,000	0.36
10 Bumiputra-Commerce Trustee Berhad - A/C Amanah Saham Darul Iman	648,000	0.34
11 Mayban Noms (T) Sdn Bhd - A/C Mayban Trustee Berhad for Amanah Saham Bank Islam Tabung Pertama (N14011940160)	500,000	0.26
12 Neoh Choo Ee & Company Sdn Berhad	500,000	0.26
13 Jaisma Surgeri Sdn Bhd	388,868	0.20
14 Caroline Ang Chai Boon	380,000	0.20
15 Mediqa Sdn Bhd	370,000	0.19
16 Lim Seng Gee	351,844	0.18
17 Ong Ah How @ Ong Beng Hwa	345,000	0.18
18 Lee Thian Chai	314,164	0.16
19 Low Poh Weng	300,000	0.16
20 Cartaban Noms (T) Sdn Bhd - A/C Amanah SSCM Noms (T) Sdn Bhd for Kumpulan Wang Amanah Pencen	286,000	0.15
21 Malaysia Noms (T) Sdn Bhd - Amanah SSCM Asset Management Berhad for Amanah Smallcap Fund Bhd	272,000	0.14
22 John Hancock Life Insurance (M) Bhd	250,000	0.13
23 Amanah Raya Noms (T) Sdn Bhd - A/C Public Smallcap Fund	240,000	0.13
24 AMMB Noms (T) Sdn Bhd - A/C KAF Fund Management Sdn Bhd for Yayasan Istana Abdul Aziz	240,000	0.13
25 Bumiputra-Commerce Trustee Berhad - A/C Amanah Saham Darul Iman	240,000	0.13
26 Ravindran a/l PM Menon	233,510	0.12
27 Universal Trustee (M) Berhad - A/C BHLB Pacific Dana Al-Mizan	224,000	0.12
28 Lim Kuan Seng	202,000	0.11
29 AM Noms (T) Sdn Bhd - A/C Tabung Amanah Warisan Negeri Johor	198,000	0.10
30 Amanah Raya Noms (T) Sdn Bhd - A/C Dana Johor	196,000	0.10

Substantial Shareholders/Pemegang Saham Terbanyak

Name/Nama	No. of Shares/Bilangan Saham	%
1 Johor Corporation - 2 a/cs*	157,930,363	82.52
Johor Corporation Group - Johor Ventures Sdn Bhd	1,000	0.00

Analysis of Shareholders/Analisa Pemegang Saham

	No. of Shareholders Bilangan Pemegang Saham	%	No. of Shares Bilangan Saham	%
Malaysian - Bumiputra	390	18.87	176,467,985	92.21
- Others	1,642	79.44	13,864,661	7.24
Foreigners	35	1.69	1,051,969	0.55
TOTAL	2,067	100.00	191,384,615	100.00

* KLSE has approved on 17 January 2003, the extension of time with 15 May 2003 to comply with public shareholding spread requirement pursuant to Paragraph 8.15 of the Listing Requirements/*Pada 17 Januari 2003, BSKL telah meluluskan lanjutan masa sehingga 15 Mei 2003 bagi pematuhan syarat-syarat taburan pegangan saham awam mengikut perenggan 8.15 syarat-syarat penyerajaian.*

As At 31st December 2002/Pada 31 Disember 2002

Location <i>Lokasi</i>	Description <i>Diskripsi</i>	Tenure & Expiry Date <i>Tempoh & Tarikh Tamat</i>	Area Sq. m. <i>Keluasan mp</i>	Net Book Value (RM million) <i>Nilai Buku Bersih (RM)</i>
Ampang Puteri Specialist Hospital, No 1, Jalan Mamanda 9, Taman Dato' Ahmad Razali, 68000 Ampang, Selangor.	Private Hospital Hospital Pakar	30 year lease from 20 April 1993 with benefit of extension of another 30 years <i>Pajakan 30 tahun bermula 20 April 1993 dengan keupayaan untuk lanjutan pajakan untuk 30 tahun kemudian</i>	9,545.2	84.0
Damansara Specialist Hospital, 119, Jalan SS20/21, Damansara Utama, 47400 Petaling Jaya, Selangor.	Private Hospital Hospital Pakar	Freehold/ <i>Pegangan bebas</i>	16,709.6	85.4
Tawakal Hospital, No 194 - 208A, Jalan Pahang, 53200 Setapak, Kuala Lumpur	Private Hospital Hospital Pakar	19 lots - Freehold 2 lots - Leasehold 99 years expiring in 2077 <i>Pegangan bebas</i> <i>Pegangan pajakan 99 tahun berakhir tahun 2077</i>	2,530.6	62.5
Johor Specialist Hospital No 39B, Jalan Abdul Samad, 80100 Johor Bahru, Johor	Private Hospital Hospital Pakar	Leasehold 99 years expiring in 2079 <i>Pegangan pajakan 99 tahun berakhir tahun 2079</i>	20,234.2	62.2
Puteri Specialist Hospital No 33, Jalan Tun Abdul Razak (Susur 5), 80000 Johor Bahru, Johor	Private Hospital Hospital Pakar	Leasehold 99 years expiring in 2053 <i>Pegangan pajakan 99 tahun berakhir tahun 2053</i>	6,607.1	27.3
Ipoh Specialist Hospital No 26, Jalan Raja DiHilir, 30350 Ipoh, Perak	Private Hospital Hospital Pakar	Leasehold 999 years expiring in 2894 <i>Pegangan pajakan berakhir tahun 2894</i>	8,004.4	30.8
Bukit Mertajam Specialist Hospital, 565, Jalan Sungai Rambai, 14000 Bukit Mertajam, Pulau Pinang	Private Hospital Hospital Pakar	In perpetuity/ <i>Sepanjang hayat</i>	12,456.2	10.1
Perdana Specialist Hospital Lot PT 37 & 600, Seksyen 14, Jalan Bayam, Kota Bharu, Kelantan	Private Hospital Hospital Pakar	Leasehold 66 years expiring in 2064 <i>Pegangan pajakan 66 tahun berakhir tahun 2064</i>	8,283.0	35.6
Kuantan Specialist Hospital No 51, Jalan Alor Akar 25250 Kuantan, Pahang	Private Hospital Hospital Pakar	Freehold/ <i>Pegangan bebas</i>	6,716.4	17.0

List of Properties/Senarai Hartanah

As At 31st December 2002/Pada 31 Disember 2002

Location <i>Lokasi</i>	Description <i>Diskripsi</i>	Tenure & Expiry Date <i>Tempoh & Tarikh Tamat</i>	Area Sq. m. <i>Keluasan mp</i>	Net Book Value (RM million) <i>Nilai Buku Bersih (RM juta)</i>
Lot No 17522 and 17523 Taman Bukit Kepayang, Seksyen 2, Sungai Ujung, Seremban, Negeri Sembilan	Land Under Development Tanah sedang dalam pembangunan	Freehold/ Pegangan bebas	12,770	8.8
Jalan Mayang Pasir 2, Bayan Baru, Pulau Pinang (H.S.(D) 10270, P.T. No. 5027, Mukim 12, SOUTH WEST DISTRICT, Pulau Pinang)	Vacant Land Tanah Kosong	Leasehold 99 years expiring in 2098 Pegangan pajakan 99 tahun berakhir tahun 2098	12,143.9	7.6
No 5 & 7 Pesiarian Titiwangsa 3, 53200 Kuala Lumpur	A double storey detached house and a single storey purposed built office building Rumah dua tingkat dan rumah setingkat bangunan pejabat	Term in perpetuity Tempoh sepanjang hayat	981.3 & 851.0	2.5
No 3, Lorong San Ah Wing, Off Lorong Gurney, 54100 Kuala Lumpur	A double storey detached house with swimming pool Rumah dua tingkat dengan kolam renang	Term in perpetuity Tempoh sepanjang hayat	1,282.3	2.9
The Palladium Unit No C/5/8/5 (14-5-1) Jalan Gurney, 54100 Kuala Lumpur	Condominium Kondominium	Freehold/ Pegangan bebas	113.6	0.2
24-N & 24-P Jalan Tarom 81200 Johor Bahru, Johor (Lot 3262 Mukim Johor Bahru)	Nurse hostel Hostel jururawat	Freehold with the building age of 38 years Pegangan bebas dengan bangunan berusia 38 tahun	1,636.5	0.2
24D-1 Jalan Tarom 81200 Johor Bahru, Johor (Lot PTB 8920 HS (D) 11729 Mukim Johor Bahru)	Bungalow office Banglo pejabat	Freehold with the building age of 28 years Pegangan bebas dengan bangunan berusia 28 tahun	390.5	0.1



Proxy Form

KPJ HEALTHCARE BERHAD
(247079-M)

I/We*.....
(BLOCK LETTER)

of.....

being a member(s) of KPJ HEALTHCARE BERHAD hereby appoint the Chairman of the meeting or

.....
.....
.....
.....
.....
as my/our* Proxy to vote for me/us* on my/our* behalf at the Tenth Annual General Meeting of the Company to be held on Monday, 26 May 2003 and at any adjournment of such meeting. *(Should you desire to direct your proxy how to vote on the Resolutions sets out in the Notice of Meeting and as summarised below, please indicate with an "X" in the appropriate space. If no specific directions as to voting is given, the Proxy will vote or abstain at his/her discretion).*

RESOLUTIONS	FOR	AGAINST
1. TO RECEIVE THE REPORT AND FINANCIAL STATEMENTS		
TO RE-ELECT DIRECTORS		
2. ZAINAH MUSTAFA		
3. AZZAT KAMALUDIN		
4. TAN SRI DATO' ARSHAD AYUB		
5. DATO' DR LIM KEE JIN		
6. DATO' DR K KULAVEERASINGAM		
7. TO APPROVE DIRECTORS FEE		
8. TO RE-APPOINT AUDITOR		
9. TO APPROVE ORDINARY RESOLUTION		

Number Of Shares _____

Sign this _____ day of _____ month _____ year

Signature Of Member(s)

Notes:

1. To be effective, this Proxy Form must be completed, signed and deposited at the Registered Office of the Company, at 13th Floor, Menara Johor Corporation, Kotaraya, 80000 Johor Bahru, Johor not less than 48 hours before the time appointed for the meeting.
2. In the case of a member being a corporation, this Proxy Form should be completed under the common seal, or under the hand and seal of its attorney, or under the hand of a duly authorised officer.
3. In case of joint holders, the signature of any one joint holder is sufficient.
4. A proxy may but need not be a Member of the Company.

STAMP

Secretary

KPJ HEALTHCARE BERHAD (247079-M)

Menara Johor Corporation, KOTARAYA,
80000 Johor Bahru,
Johor Darul Takzim,
MALAYSIA.



Suratcara Proksi

KPJ HEALTHCARE BERHAD
(247079-M)

Saya/Kami*
(HURUF BESAR)

beralamat di.....

adalah Ahli/Ahli-ahli KPJ HEALTHCARE BERHAD dengan ini melantik Pengerusi Mesyuarat/atau

sebagai Proksi saya/kami* untuk mengundi bagi pihak saya/kami* di Mesyuarat Agung Tahunan yang ke Sepuluh yang diadakan pada hari Isnin 26 Mei, 2003 dan sebarang Mesyuarat penangguhannya. (*Jika anda ingin mengarahkan Proksi untuk mengundi mengikut cara-cara yang ditentukan, di atas resolusi-resolusi yang tercalat di dalam Notis Mesyuarat Tahunan atau secara ringkasnya sebagaimana dibawah, tandakan "X" di tempat berkenaan. Jika arahan tidak diberi, proksi akan mengundi menaikut budibicaranya sendiri*).

RESOLUSI-RESOLUSI	SETUJU	TIDAK SETUJU
1. MENERIMA LAPORAN DAN PENYATA KEWANGAN		
MELANTIK SEMULA PENGARAH-PENGARAH		
2. ZAINAH MUSTAFA		
3. AZZAT KAMALUDIN		
4. TAN SRI DATO' ARSHAD AYUB		
5. DATO' DR LIM KEE JIN		
6. DATO' DR K KULAVEERASINGAM		
7. MELULUSKAN BAYARAN YURAN PENGARAH		
8. MELANTIK SEMULA JURUAUDIT		
9. MELULUSKAN RESOLUSI BIASA		

Bilangan Saham

Ditandatangani hari bulan tahun

Tandatangan Pemegang Saham

Nota:

1. Borang Proksi ini hendaklah dipenuhi, ditandatangani dan sampai ke Pejabat Berdaftar Syarikat, Menara Johor Corporation, Kotaraya, 80000 Johor Bahru, Johor tidak kurang dari 48 jam daripada waktu Mesyuarat yang ditetapkan.
 2. Sekiranya ahli itu sebuah perbadanan, Borang Proksi ini hendaklah dipenuhi di bawah meterai perbadanan tersebut ataupun ditandatangani dan dimeterai oleh attorneynya atau ditandatangani oleh pegawai yang telah diberikuasa.
 3. Untuk pemegang-pemegang saham bersama, tandaangan salah seorang daripada pemegang-pemegang saham tersebut adalah mencukupi.
 4. Proksi yang dilantik boleh tetapi tidak semestinya dari kalangan Ahli-ahli Syarikat.

* Potong mana yang tidak berkenaan

SETEM

Setiausaha
KPJ HEALTHCARE BERHAD (247079-M)
Menara Johor Corporation, KOTARAYA,
80000 Johor Bahru,
Johor Darul Takzim,
MALAYSIA.