

Company No.

247079

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## KPJ HEALTHCARE BERHAD

(Incorporated in Malaysia)

### B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2013

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

The profit before taxation for the current quarter of RM38.0 million is decreased from corresponding quarter in 2012 of RM53.3 million, due to the losses contributed by the newly open hospitals in the group.

#### Additional Information As Required By Appendix 9B of Bursa Malaysia Listing Requirements

##### a. Current financial period compared to last financial period (six months)

The Group recorded revenue of RM1,132.7 million for 6 months ended 30 June 2013 with an increase of 7% from RM1,054.9 million as reported for 2012. The higher revenue for the period is mainly due to the increase in revenue of the existing hospitals and newly open hospitals in the group.

##### Malaysia

The Malaysian segment revenue for 6 months ended 30 June 2013 has increased by 5% to RM1,012.1 million compared with RM965.8 million as reported in 2012. The higher revenue reported is due to the increase in revenue of the existing hospitals and newly open hospitals in the group.

##### Indonesia

The Indonesian segment revenue of RM17.7 million for 6 months ended 30 June 2013 is 72% higher than the revenue reported in 2012 of RM10.3 million. The increase in revenue from this segment is due to the revenue contributed by PT Khidmat Perawatan Jasa Medika in current quarter.

##### Aged Care Facility

The Aged Care Facility segment revenue for 6 months ended 30 June 2013 is RM17.9 million, 36% higher than the revenue reported in 2012 of RM13.2 million due to increase in resale of Retirement Village unit in 2013 as compared to 2012.

##### Support Services

The revenue from Support Services segment of RM287.3 million for 6 months ended 30 June 2013 is 18% higher, compared to revenue from the same period in 2012 of RM244.0 million. Marketing and distribution of pharmaceutical, medical and surgical products and pathology and also from the laboratory services contributed to the revenue growth of this segment, which has increased in line with the increase in revenue of the hospitals within the Group.

##### b. Current quarter compared with the corresponding quarter of the preceding year (three months)

The Group recorded revenue of RM587.7 million for 3 months ended 30 June 2013 with an increase of 11% from RM529.3 million as reported for 2012. The higher revenue for the period is mainly due to the increase in revenue of the existing hospitals and newly open hospitals in the group.

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#### B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES (CONTINUED)

- b. Current quarter compared to the corresponding quarter of the preceding year (three months) (continued)

##### Malaysia

The Malaysian segment revenue for 3 months ended 30 June 2013 has increased by 8% to RM520.5 million compared with RM481.9 million as reported in 2012. The higher revenue reported is due to the increase in revenue of the existing hospitals and newly open hospitals in the group.

##### Indonesia

The Indonesian segment revenue of RM10.8 million for 3 months ended 30 June 2013 is 104% higher than the revenue reported in 2012 of RM5.3 million. The increase in revenue from this segment is due to the revenue contributed by PT Khidmat Perawatan Jasa Medika in current quarter.

##### Aged Care Facility

The Aged Care Facility segment revenue for 3 months ended 30 June 2013 is RM10.2 million, 52% higher than the revenue reported in 2012 of RM6.7 million.

##### Support Services

The revenue from Support Services segment of RM151.4 million for 3 months ended 30 June 2013 is 17% higher, compared to revenue from the same period in 2012 of RM129.3 million. Marketing and distribution of pharmaceutical, medical and surgical products and pathology and also from the laboratory services contributed to the revenue growth of this segment, which has increased in line with the increase in revenue of the hospitals within the Group.

#### B2 MATERIAL CHANGE IN QUARTERLY RESULTS

The profit before taxation for the current quarter of RM38.0 million increased by 8.3% as compared to the preceding quarter of RM35.1 million. The increase in the net profit before tax is in line with the increase in revenue and contribution from the hospitals.

#### B3 CURRENT YEAR PROSPECTS

The healthcare industry is expected to enjoy continued growth in this current year. The drivers are mainly from population growth, rapid ageing, the rising of middle income and health tourism.

The Group will continue to strengthen its presence in Malaysia and Asia by continually building its capacity through the expansion of existing hospitals as well as building new hospitals. In April 2013, KPJ Pasir Gudang Specialist Hospital started its operations. The remaining hospitals that are under construction are KPJ Sabah Specialist Hospital, Maharani Specialist Hospital and KPJ Rawang Specialist Hospital.

The expansion of existing hospitals will have a positive impact to the Group results for 2013, however this will be moderated by the new greenfield hospitals where each of this hospital will have an average gestation period between three to five years.