

Company No.

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KPJ HEALTHCARE BERHAD

(Incorporated in Malaysia)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2014

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

The profit before taxation for the current quarter of RM45.5 million has increased by 30% as compared to the corresponding quarter in 2013 of RM35.1 million. The increase is in line with the increase in revenue of the hospitals

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

a. Current financial period compared to last financial period (three months)

The Group recorded revenue of RM602.7 million for 3 months ended 31 March 2014 with an increase of 11% from RM545.1 million as reported for 2013. 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 3 months ended 31 March 2014 has increased by 9% to RM544.6 million compared with RM500.5 million as reported in 2013. 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 31 March 2014 is 116% higher than the revenue reported in 2013 of RM5.0 million. The increase in revenue from this segment is due to the revenue contributed by PT Khidmat Perawatan Jasa Medika which the comparison for last financial period was only for one month as the acquisition was completed end of February 2013.

Aged Care Facility

The Aged Care Facility segment revenue for 3 months ended 31 March 2014 is RM7.8 million, 1% higher than the revenue reported in 2013 of RM7.7 million which is in line with the activities at the facility.

Support Services, Corporate and Others

The revenue from Support Services, Corporate and Others segment of RM146.3 million for 3 months ended 31 March 2014 is 9% higher, compared to revenue from the same period in 2013 of RM133.9 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 RM602.7 million for 3 months ended 31 March 2014 with an increase of 11% from RM545.1 million as reported for 2013. 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 31 March 2014 has increased by 9% to RM544.6 million compared with RM500.5 million as reported in 2013. The higher revenue reported is due to the increase in revenue of the existing hospitals and newly open hospitals in the group.

Indonesia

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B2 MATERIAL CHANGE IN QUARTERLY RESULTS

The profit before taxation for the current quarter of RM45.5 million decreased by 21% as compared to the preceding quarter of RM57.8 million. The significant decrease in the net profit before tax is due to the recognition of gain on fair value adjustments in relation to investment properties and gain on partial disposal of an associate, Al-Aqar Healthcare REIT in the preceding quarter amounting to RM10.5 million.

B3 CURRENT YEAR PROSPECTS

In the year 2013, it was evidenced that the demand for healthcare services has increased in line with the population growth, better life expectancy, rapid ageing and the rising of middle income group. The efforts in promoting health tourism for Malaysia had also shown a drastic improvement with a double digit growth throughout the country. It is anticipated that this rising trend will continue to escalate in the year 2014.

In line with the continuous demand, expansion of existing hospitals and building new hospitals will remain to be the Group Core Strategy, as this will enhance the capacity and improve the service delivery for our patients. The newly completed KPJ Sabah Specialist Hospital, KPJ Rawang Specialist Hospital and Maharani Specialist Hospital will be added to the KPJ network of hospitals and anticipated to be the contributor towards the revenue growth for the Group in 2014.