

#KJPCares #kitajagakita



# KPJ HEALTHCARE BERHAD





# Group Financial and Operational Highlights

Radiotherapy & Oncology Centre @ KPJ Sabah,  
the 1st private radiotherapy & oncology centre in Sabah.



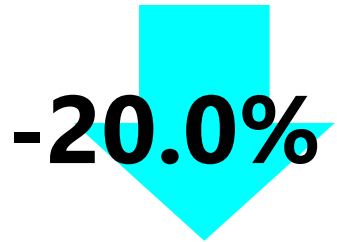
**-9.1%**

Total revenue \*  
**RM586.8mil**  
(3Q2020 : \*RM645.3mil)

Dividend  
**0.40sen**  
(3Q2020 : 0.00sen)



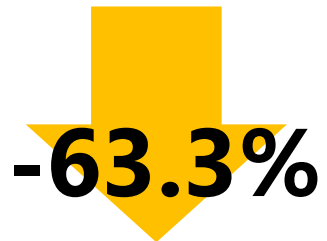
**+0.40sen**



**-20.0%**

EBITDA  
**RM121.7mil**  
(3Q2020 : \*RM152.2 mil)

Group Financial  
Highlights  
4Q vs 3Q 2020



**-63.3%**

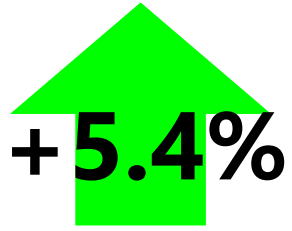
PBT  
**RM20.6 mil**  
(3Q2020 : \*RM 56.1 mil)

Basic EPS  
**0.59sen**  
(3Q2020 : 0.79sen)



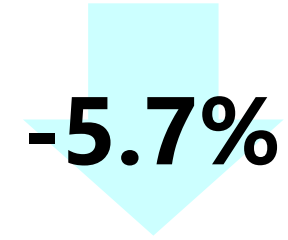
**-0.20sen**

\* Restated



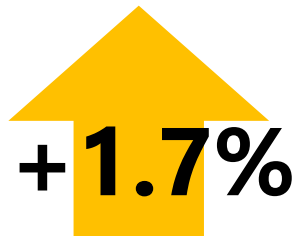
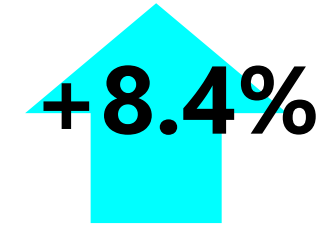
Outpatient  
**707,177**  
(3Q2020 : 671,130)

Surgeries  
**21,576**  
(3Q2020 : 22,869)



Inpatients  
**57,722**  
(3Q2020 : 65,125)

Deliveries  
**3,229**  
(3Q2020 : 2,980)



Beds  
**3,500**  
(3Q2020 : 3,441)

Group Operational Highlights  
4Q vs 3Q 2020



Consultants  
**1,332**  
(3Q2020 : 1,318)

Occupancy Rates

-5.9%	Malaysia	48%	(3Q2020 : 51%)
+48%	Indonesia	40%	(3Q2020 : 27%) *BSD
-4.3%	Bangladesh	47%	(3Q2020 : 49%)

**-18.3%**

Total revenue  
**RM586.8 mil**  
(2019 : \*RM717.9mil)

Dividend  
**0.40sen**  
(2019 : 0.50 sen)

**-0.10sen**

**-32.7%**

EBITDA  
**RM121.7mil**  
(2019 : \*RM 180.7 mil)

Group Financial  
Highlights  
4Q 2020 vs 4Q 2019

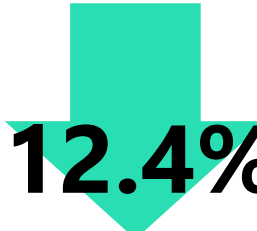
**-73.7%**

PBT  
**RM20.6mil**  
(2019 : \*RM78.3 mil)

Basic EPS  
**0.59sen**  
(2019 : 1.97sen)

**-1.38sen**

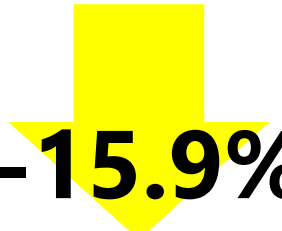
\* Restated

 -12.4%

Total revenue  
**RM2.40bil**  
(2019 : \*RM2.74bil)

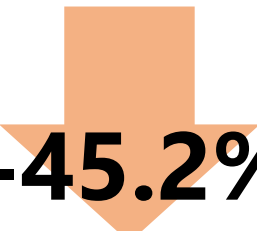
Dividend  
**1.20sen**  
(2019 : 2.0 sen)

 -0.80sen

 -15.9%

EBITDA  
**RM538.9mil**  
(2019 : \*RM640.6mil)

Group Financial  
Highlights  
2020 vs 2019

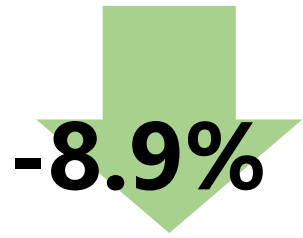
 -45.2%

PBT  
**RM150.8mil**  
(2019 : \*RM275.4mil)

Basic EPS  
**2.58 sen**  
(2019 : 4.95 sen)

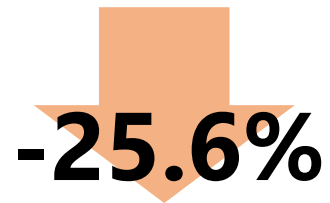
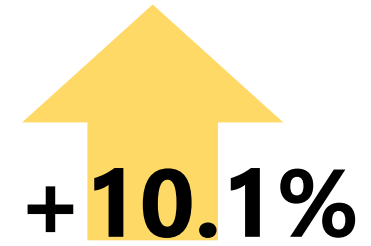
 -2.37sen

\* Restated



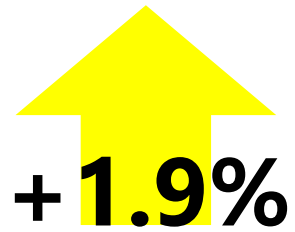
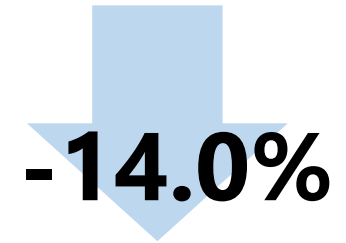
Outpatient  
**2,632,197**  
(2019 : 2,902,555)

Deliveries  
**12,057**  
(2019 : 10,948)

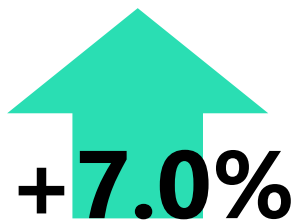


Inpatients  
**246,529**  
(2019 : 331,483)

Surgeries  
**81,352**  
(2019 : 94,649)



Beds  
**3,500**  
(2019 : 3,436)



Consultants  
**1,332**  
(2019 : 1,245)

## Group Operational Highlights 2020 vs 2019

### Occupancy Rates

Malaysia 48%  
Indonesia 40%  
Bangladesh 47%

### Avg Length of Stay (days)

Malaysia 2.4  
Indonesia 2.7  
Bangladesh 2.6

## Key Ratios for 3 Months Ended 31 December 2020

	Q4,2020 (%)	Q4, 2019 (%)	Variance (%)	Q3, 2020 (%)	Variance (%)
Gross profit (GP) margin	37.1	38.9	(1.8)	40.2	(3.1)
Profit before tax margin	3.5	10.9	(7.4)	8.7	(5.2)
Net profit margin	4.1	12.6	(8.5)	5.5	(1.4)
EBITDA Margin	20.7	25.2	(4.5)	23.6	(2.9)
PATAMI margin	4.3	11.7	(7.4)	5.3	(1.0)
Dividend per share	0.4	0.5	(0.1)	-	0.4



## Key Ratios 12 Months Ended 31 December 2020

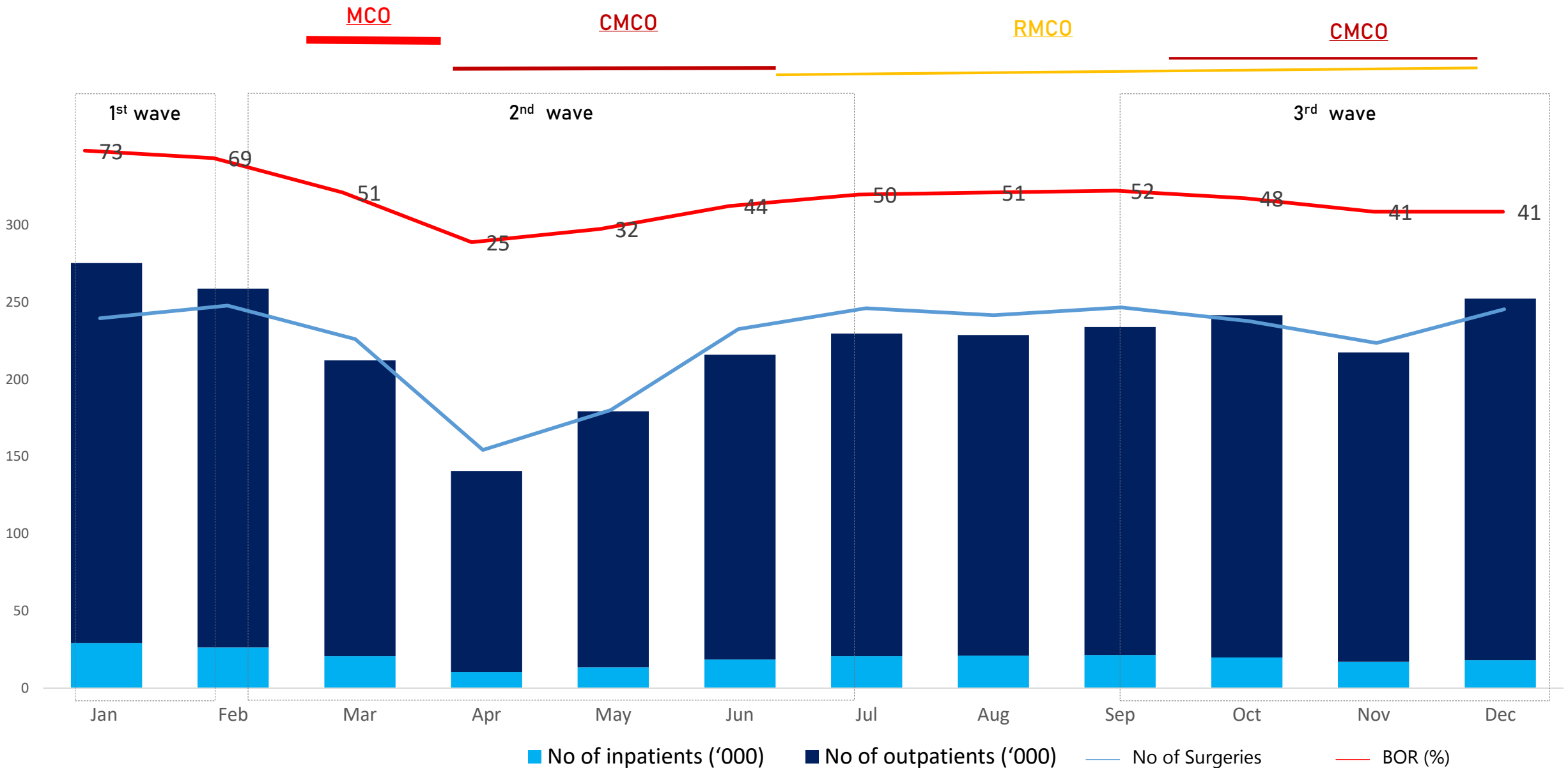
	Dec 2020 (%)	Dec 2019 (%)	Var (%)
Gross profit (GP) margin	37.6	40.6	(3.0)
Profit before tax margin	6.3	10.1	(3.8)
Net profit margin	4.6	8.3	(3.7)
EBITDA Margin	22.5	23.4	(0.9)
PATAMI margin	4.6	7.7	(3.1)
Return on Equity (%)	5.0	11.1	(6.1)
Return on Assets (%)	1.8	3.8	(2.0)
Return on Average Capital Employed (%)	6.1	8.8	(2.7)
Debt ratio	0.9	0.9	-
Debt Turnover Days Ratio	45	50	(5.0)
Dividend per share	1.2	2.0	(0.8)

# Reconciliation of 4Q Profit and EBITDA

Profit	RM ('mil)
Profit for the financial period	23.8
Impairment from investment of quoted and unquoted shares	3.6
Impairment on Land & Building (Jeta Gardens RM16.2 mil)	17.0
Decline in shares from Associates (mainly Al-'Aqar Healthcare REIT)	3.5
<b>Operational profit before impact of the above</b>	<b>47.9</b>

EBITDA	RM ('mil)
Profit for the financial period	121.7
Impairment from investment of quoted and unquoted shares	3.6
Impairment on Land & Building (Jeta Gardens RM16.2 mil)	17.0
Decline in shares from Associates (mainly Al-'Aqar Healthcare REIT)	3.5
<b>EBITDA before impact of the above</b>	<b>145.8</b>
<b>EBITDA Margin before impact of the above</b>	<b>24.8%</b>

# KPJ's Operational Performance Jan –Dec 2020



# KPJ's Operational Performance Jan –Dec 2020

Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Bed occupancy rate (%)	73	69	51	25	33	44	49	51	52	48	41	41
No of inpatients ('000)	29.3	26.4	20.6	10.3	13.5	18.5	20.6	21.0	21.5	19.9	17.1	18.2
No of outpatients ('000)	245.9	232.3	191.6	130.3	165.7	197.4	208.9	207.6	212.3	221.6	200.3	234.0
No of Surgeries	7,382	7,764	6,748	3,377	4,586	7,053	7,684	7,475	7,710	7,287	6,630	7,656

	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Bed occupancy rate (%)	<b>-51%</b>	<b>+32%</b>	<b>+33%</b>	<b>+11%</b>	<b>+4%</b>	<b>+2%</b>	<b>-8%</b>	<b>-15%</b>	<b>~</b>
No of inpatients	<b>-50%</b>	<b>+30%</b>	<b>+38%</b>	<b>+11%</b>	<b>+2%</b>	<b>+3%</b>	<b>-7%</b>	<b>-14%</b>	<b>+6%</b>
No of outpatients	<b>-32%</b>	<b>+27%</b>	<b>+19%</b>	<b>+6%</b>	<b>-1%</b>	<b>+2%</b>	<b>+4%</b>	<b>-10%</b>	<b>+17%</b>
No of Surgeries	<b>-50%</b>	<b>+36%</b>	<b>+54%</b>	<b>+9%</b>	<b>-2%</b>	<b>+3%</b>	<b>-5%</b>	<b>-9%</b>	<b>+15%</b>

\* % incremental is on the preceding month

# Quarterly Performance 2020

During the current financial year, the Group has reassessed the contracts with its consultants and has established that the Group is an agent instead of a principal in the provision of healthcare consultation services to its customers. Accordingly, the Group's revenue and cost of sales for the year ended 31 December 2019 have been restated as shown below. This has no effect on the profit for the year ended 31 December 2019.

	AS previous reported	Adjustments to the revenue and cost of sales	As restated in the 2020 FS
	RM'000	RM'000	RM'000
Revenue	3,604,364	(866,445)	2,737,919
Cost of Sales	(2,494,110)	866,445	(1,627,665)

Note: Restated of quarterly performance quarter by quarter are disclosed at the appendix

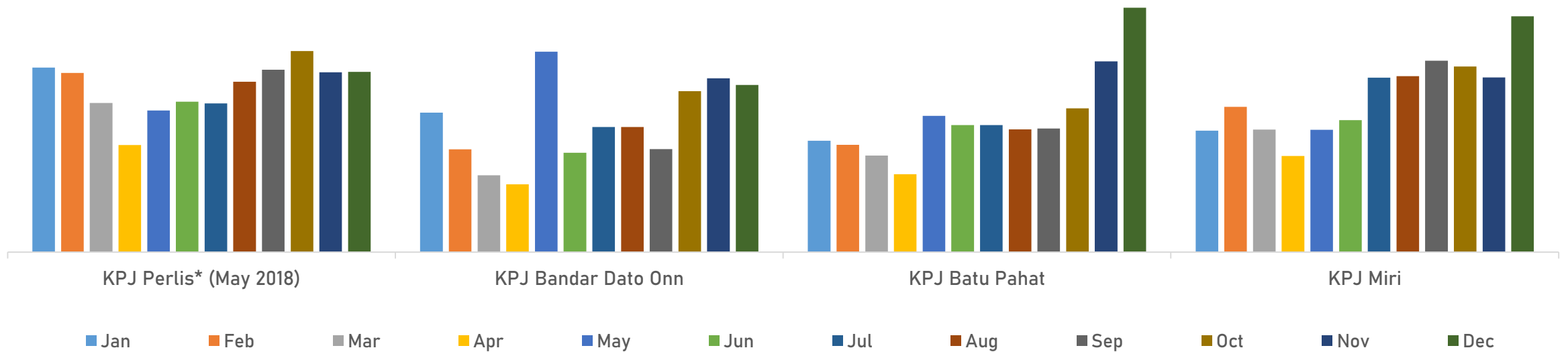


# New Hospitals Performance

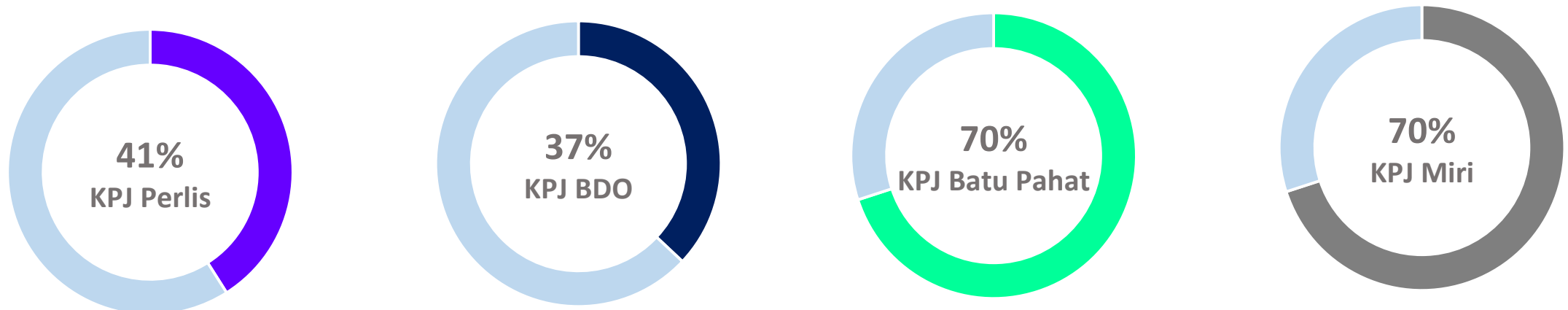


# KPJ's Operational Performance New Hospitals

## Outpatients

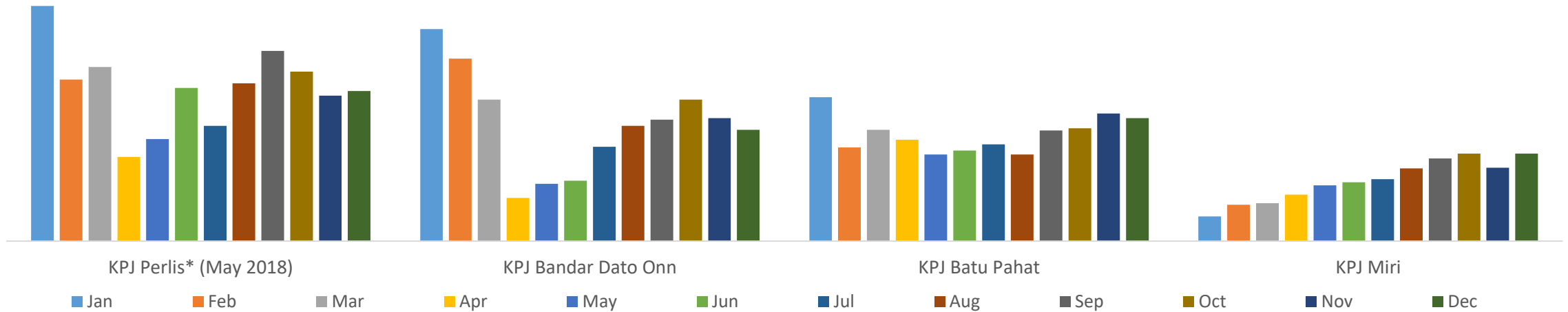


## Growth performance from 2Q to 4Q 2020

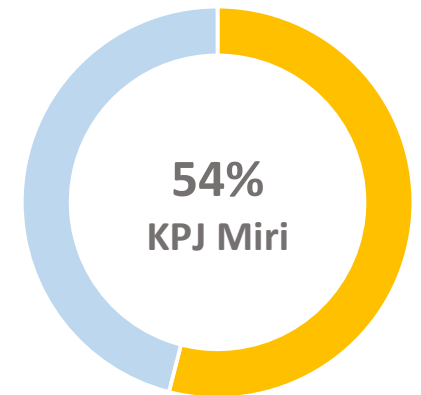
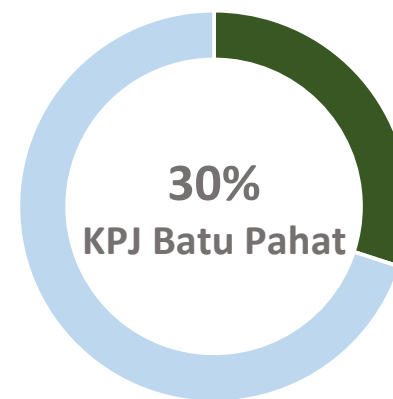
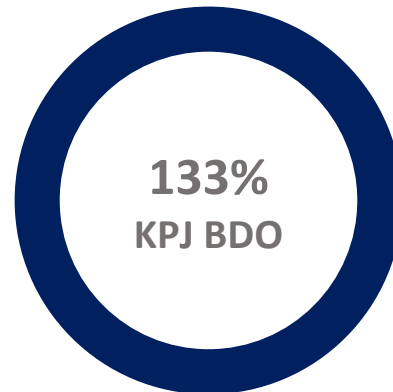
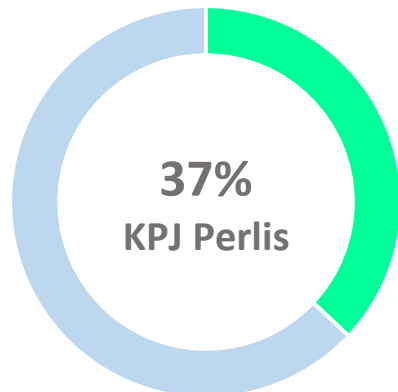


# KPJ's Operational Performance New Hospitals

## Inpatients

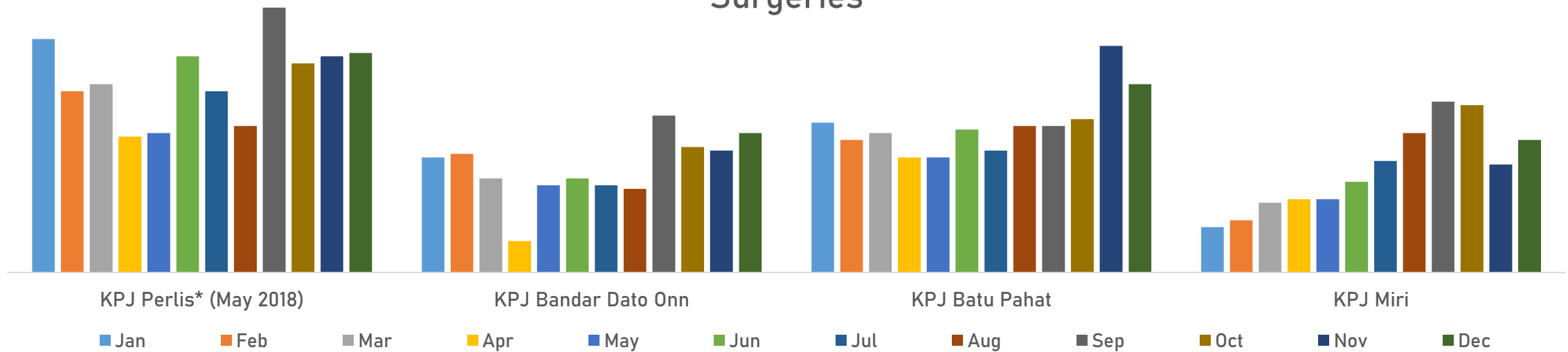


## Growth performance from 2Q to 4Q 2020



# KPJ's Operational Performance New Hospitals

## Surgeries

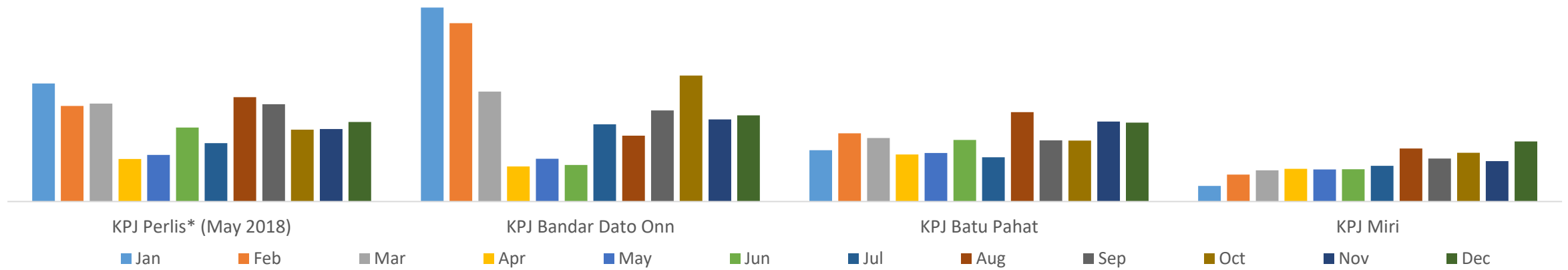


## Growth performance from 2Q to 4Q 2020



# KPJ's Operational Performance New Hospitals

## Beds Occupancy Rate



## Growth performance from 2Q to 4Q 2020





# KPJ within Covid-19 Environment



# KPJ's Covid-19 Preparedness

MOH through CPRC received the first cases of suspected of Covid-19

23 Jan  
2020

LABLINK became one of the first private laboratories, endorsed by MOH to perform Covid-19 test.

24 Feb  
2020

KPJ medical consultants served on a pro bono basis for non-Covid-19 patients referred by the MOH [KPJ Klang performed 6 surgeries for cancer patients from MOH. Tengku Ampuan Rahimah]

19  
May  
2020

28 Jan  
2020

KPJ formed a Task Force Committee

11  
Mar  
2020

The Covid-19 outbreak recognised as pandemic by WHO

# KPJ's Covid-19 Preparedness

Government's preliminary purchasing agreement of Covid-19 vaccine with pharmaceutical company

**28 Nov  
2020**

Commenced receiving Covid-19 positive patients (255 beds allocation). As at 15 Feb we treated 339 patients at 19 hospitals

**16 Jan  
2021**

KPJ's frontliners as part of the first batch will be receiving Covid-19 vaccine

**Feb till  
Apr  
2021**

**14 Jan  
2021**

Emergency Ordinance 2021 officially gazetted - private hospitals in Malaysia to take in Covid-19 patients

**25 Jan  
2021**

KPJ offers more than 100 surgeries and procedures to MOH for non Covid-19 patients

# KPJ Safe & Care for all against Covid-19



01

Government  
Engagement

02

Open 24 hours  
7 days a week

03

Patient  
Engagement  
via Technology

04

Investment in  
our social and  
relationship  
capital

# 01 KPJ's Covid-19 Government Engagement

## Managing Admission & Treatment

Admission & Treatment

### **Non Covid-19 patient**

Bed allocation – 200 beds

Dialysis chairs – 130 chairs



### **Covid-19 patient**

All of our hospitals are equipped to manage isolation cases (normal ward and ICU)

Bed allocation – 255 beds

## Sharing of Expertise & Equipment

Critical Service




We provide more than 100 procedures and surgeries for non-Covid-19 patients

KPJ medical consultants served on a pro bono basis for non-Covid-19 patients referred by the MOH



# 02

Open 24 hours /  
7 days a week 

The hospital remained open at all times even during pandemic

The hospitals carry out Covid-19 test for the public contributing to population safety

## Covid-19 test RM388

**Tested around 230,000  
PCR & RTK samples, 24  
hours turnaround  
@100%**

LABLINK is recognized by MOH as one of the first private laboratories to conduct Covid-19 testing

*Note: LABLINK is also the first lab in Malaysia to be certified with Bio-Safety Level 3 (BSL3) which allows testing of highly infectious disease according to WHO*

**28 hospitals  
Drive through and  
site Covid-19 test**



**RM50k cost of PPEs for protecting our frontliners, safety of our patients and their families**

**More than 10 million PPEs used (gloves, gowns, masks and sanitisers)**

## Hospitals are prepared for future tele-medicine demands

Coronavirus outbreak prove consultants are in ready mode

The participation from the consultants is four-times increase from MCO1

Top up medication home delivery services

### Telemedicine Services

More than 7,600 patients  
Revenue – RM5 million



More than 3,200 Group's educational & awareness pushes through webinars and social medias

Integrated online appointment with hospitals' network system

Cashless transaction  
Collaboration with JomPay and DuitNow enable patients to make payments via Payment kiosk, website and mobile apps

# 03 Patient Engagement via Technology

# 04 Investment in our social and relationship capital



FOOD for  
170 food riders  
in KVH

More than.....

- **150,000 PPEs and Hand Sanitisers distributed to the MOH frontliners**
- **RM550,000 cash to the charity and local community**
- **RM150,000 on food served to frontliners, staff, local community/orang asli**
- **RM150,000 on KPJUC student welfare & hospitality**



FOOD for more than 3,000 and more than 270 families to local community, underprivileged and orang asli

FOOD for nearly 4,500 Govt's frontliners



# Covid-19 Impact

- Cost Optimisation
- Post-Covid Strategy



Drive Through Covid-19 Test @ KPJ Johor



# Cost Optimisation

KPJ has designed a disruption initiatives plan (DIP) for revenue growth and cost optimisations with fully digitalization and other strategic cost initiatives.

This can be seen in the reduction of the total operating expenses by **12% or RM90.7 mil** and anticipate the cost saving initiatives to pursue in 2021.

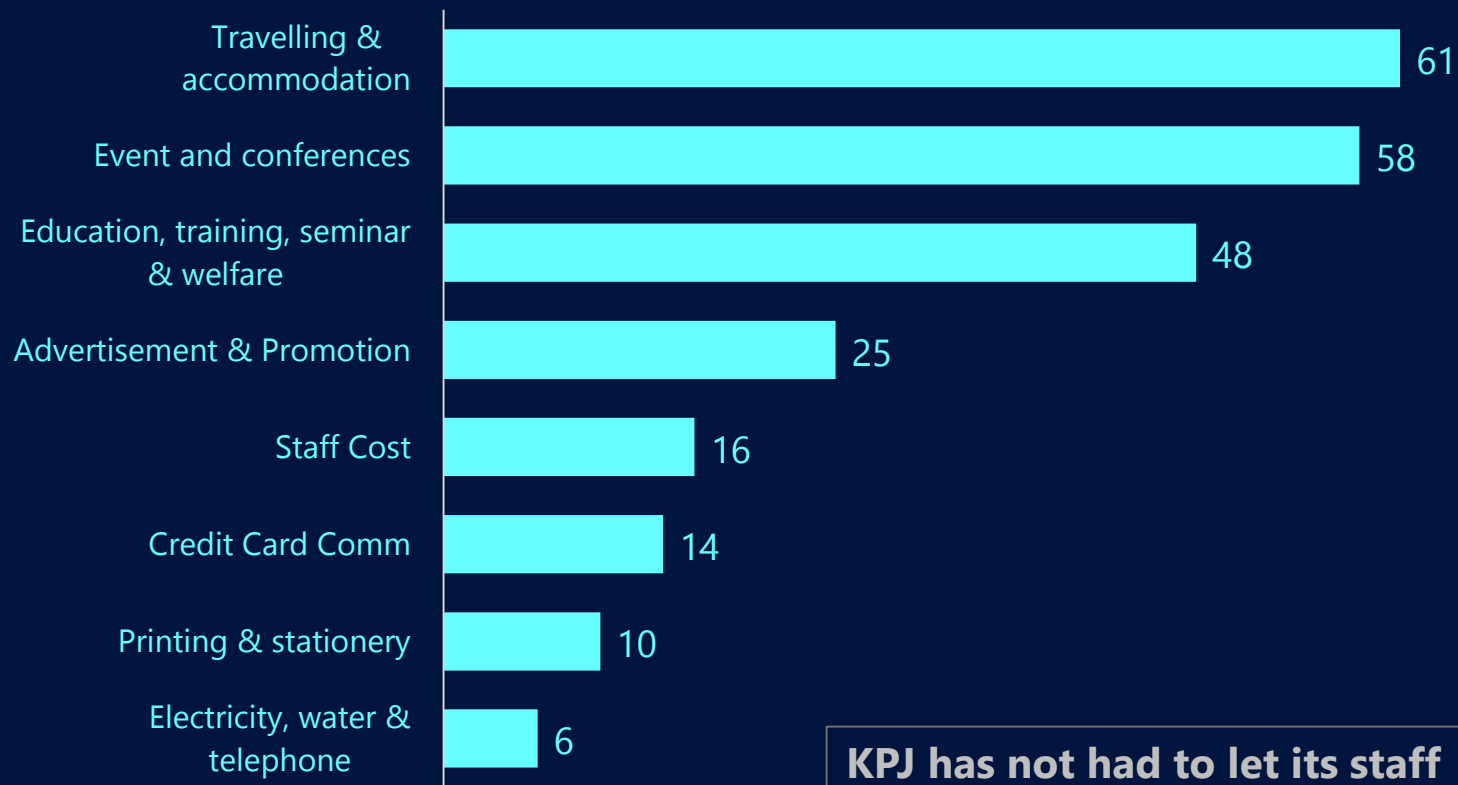


Social Distancing @ KPJ Ampang Puteri

# KPJ's Cost Optimisation

Proper management of digital platforms and strategic cost reduction - an opportunity to reduce operational expenses:

Cost Saving - 2020 vs 2019 (%)

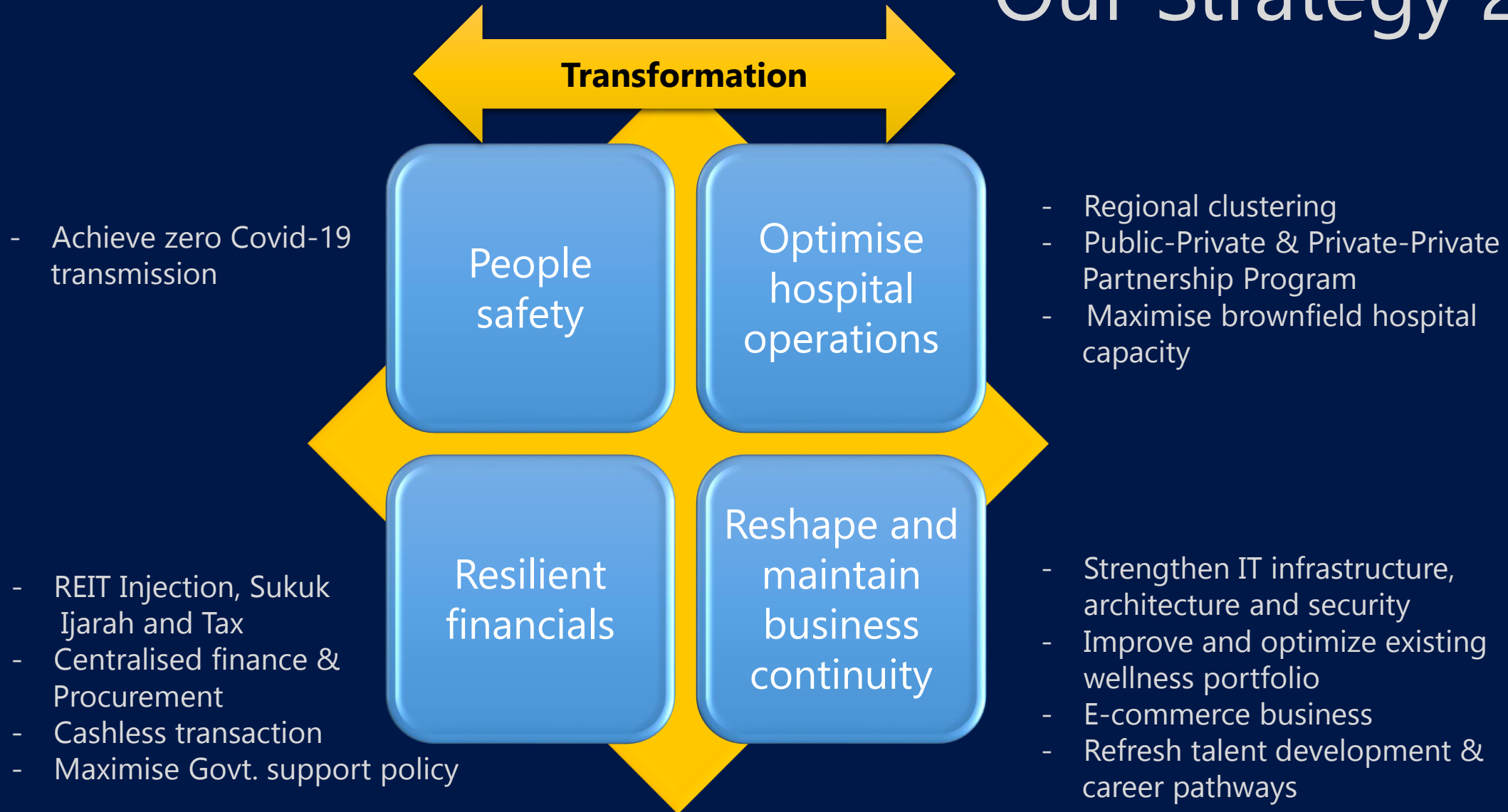


**KPJ has not had to let its staff go, nor required them to take unpaid leave**

## INITIATIVES

- Transformation to digital platform
- In-house or online trainings
- Intensifying KPJ's digital presence via digital marketing
- Shared folder / VPN
- Cloud Computing archive patients files
- Establish energy-efficient practices
- Proactive saving water initiatives
- Flexible scheduling (OT) of staff's duty to suit the current operational activities

# Our Strategy 2021





# Hospital Network

- New Hospital
- Existing Hospital



# Hospital Network

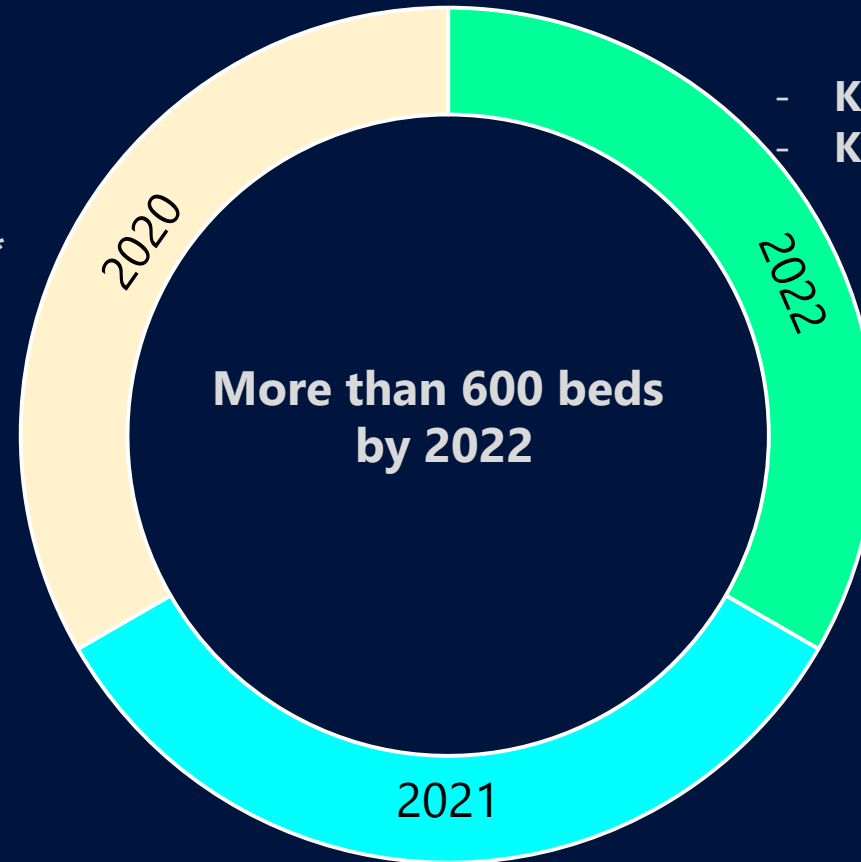
KPJ Penang (3Q, 155 beds)

- KPJ Seremban (90 beds)
- KPJ Klang (40 beds)
- KPJ Kluang (90 beds)\*
- KPJ Kuching BDC (73 beds)\*

*\* Relocation*

- KPJ Damansara II (1Q, 60 beds)#
- KPJ Penang (155 beds)

*# New hospital*



- Taiping, Perak (1Q, ACC)
- Kinrara, Puchong (2Q, ACC)
- KPJ Puteri (3Q, 101 beds)
- Sri Manjung (1Q, 30 beds)



# Network Expansion 2020 Relocation

## KPJ Kluang Specialist Hospital



**Beds** Capacity : 90  
Operating **Beds** : 90  
BOR (Jan 2021) : **38%**



**4Q2020**

## BDC Kuching Specialist Hospital



**Beds** Capacity : 150  
Operating **Beds** : 73  
BOR (Jan 2021) : **19%**



**4Q2020**

# Network Expansion 2020 Existing Hospitals

## KPJ Seremban Specialist Hospital



Additional **Clinics** : 30

Additional **Beds** : 90  
BOR (Jan 2021) : **38%**



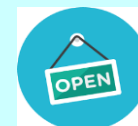
**1Q2020**

## KPJ Klang Specialist Hospital



Additional **Clinics** : 14

Additional **Beds** : 40  
BOR (Jan 2021) : **33%**



**1Q2020**



# Network Expansion 2021 Existing Hospitals

## KPJ Sri Manjung Specialist Hospital



Additional **Clinics** : 14

Beds from 8 to **47 beds**  
BOR (Jan 2021) : **55%**



**1Q2021**

# Network Expansion 2021 ACC



## Consultant Rooms :

Clinics (5)

- General Surgery
- Endoscopy
- Paediatric
- Orthopaedic
- Otorhinolaryngology
- Ophthalmology

## Facilities :

Emergency Treatment Room  
Treatment Room  
Medication Room  
Nappy Changing Room & Breast Feeding Room  
Play Area

Pharmacy  
Laboratory  
Cafe

Minor Operation Theatre  
Day Case Ward  
Endoscopy Room



1Q2021



# Network Expansion 2021 ACC



## Consultant Room:

- Level 1 – Eye Centre (2)
- Level 2 – General Medicine (4)
- Level 3 – Dental (3)

## Facilities:

- Diagnostic imaging
- Dental Clinics
- Pharmacy
- General medicine
- Emergency
- Laboratory
- OT complex (minor OT)
- Eye Centre
- CSSD
- Recovery



**2Q2021**



# Network Expansion 2021 Existing Hospitals

## KPJ Perdana Specialist Hospital



Additional **Clinics** : 35



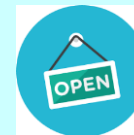
1Q2021

## KPJ Puteri Specialist Hospital



Additional **Clinics** : 20

Additional **Beds** : 101

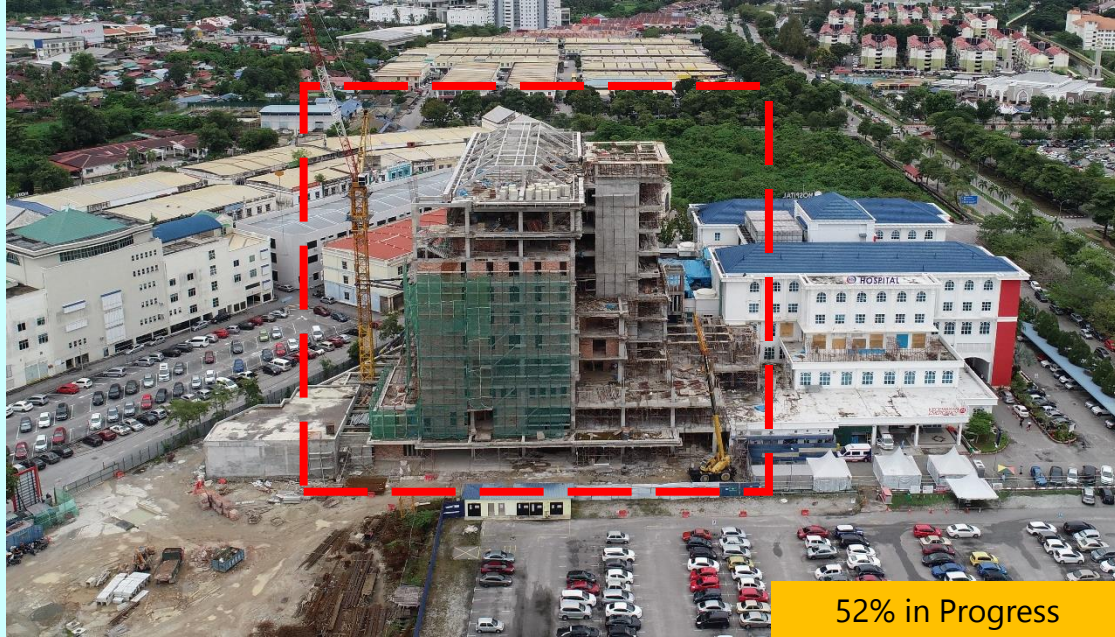


3Q2021



# Network Expansion 2022 Existing and New Hospitals

## KPJ Penang Specialist Hospital



## KPJ Damansara II Specialist Hospital



Additional **Clinics : 32**

Additional **Beds : 155**



**2022**



**1Q2022**

**Beds Capacity : 390**  
First phase : **60 beds**



**\*New**

# Appendix

## Financial & Operational Performance





## Quarterly Performance 2020

	Quarter 1 RM'000	Quarter 2 RM'000	Quarter 3 RM'000	Quarter 4 RM'000	Total RM'000
Revenue	677,651	487,684	645,274	586,834	2,397,443
Cost of sales	(411,141)	(328,596)	(385,935)	(369,216)	(1,494,888)
Gross profit	266,510	159,088	259,339	217,618	902,555
EBITDA	153,013	112,023	152,189	121,653	538,878
Net profit	40,534	10,933	35,577	23,768	110,812
Gross profit margin	39.3%	32.6%	40.2%	37.1%	37.6%
EBITDA margin	22.6%	23.0%	23.6%	20.7%	22.5%
Net profit margin	6.0%	2.2%	5.5%	4.1%	4.6%

Note : Revenue and COS net of consultants fees

# Quarterly Performance 2019

	Quarter 1 RM'000	Quarter 2 RM'000	Quarter 3 RM'000	Quarter 4 RM'000	Total RM'000
Revenue	668,625	654,183	697,185	717,926	2,737,919
Cost of sales	(395,276)	(396,888)	(396,526)	(438,975)	(1,627,665)
Gross profit	273,349	257,295	300,659	278,951	1,110,254
EBITDA	153,111	152,119	154,659	180,723	640,612
Net profit	43,324	43,867	48,718	90,788	226,697
Gross profit margin	40.90%	39.30%	43.10%	38.90%	40.60%
EBITDA margin	22.90%	23.30%	22.20%	25.20%	23.40%
Net profit margin	6.50%	6.70%	7.00%	12.60%	8.30%

Note : Revenue and COS net of consultants fees

# Segmental Average Revenue Highlights

	Dec 2020 (RM)	Dec 2019 (RM)	Variance (%)
<b>Average Revenue – per beds</b>			
Malaysia	461,478	542,071	(14.9)
Indonesia	182,868	195,261	(6.3)
Bangladesh– SFMMK	81,014	85,949	(5.7)
<b>Average Revenue – per outpatient</b>			
Malaysia	264	243	9.0
Indonesia	210	140	49.3
Bangladesh– SFMMK	56	50	13.6
<b>Average Revenue – per inpatient</b>			
Malaysia	6,286	5,504	14.2
Indonesia	4,462	3,143	42.0
Bangladesh– SFMMK	1,223	1,041	17.5

# Segmental Operational Highlights

	Dec 2020	Dec 2019	Variance (%)
<b>Outpatients</b>			
Malaysia	2,453,693	2,629,878	(6.7)
Indonesia	58,718	115,561	(49.2)
Bangladesh– SFMMK	119,786	142,493	(15.9)
<b>Inpatients</b>			
Malaysia	237,132	315,182	(24.8)
Indonesia	4,098	9,693	(57.7)
Bangladesh– SFMMK	5,299	6,608	(19.8)
<b>Consultants</b>			
Malaysia	1,182	1,105	7.0
Indonesia	103	108	(4.6)
Bangladesh– SFMMK	47	32	46.9



# Segmental Operational Highlights

	Dec 2020	Dec 2019	Variance (%)
<b>No. of Beds</b>			
Malaysia	3,320	3,200	3.8
Indonesia	100	156	(35.9)
Bangladesh– SFMMK	80	80	-
<b>Occupancy Rates %</b>			
Malaysia	48	67	(28.4)
Indonesia	40	53.5	(25.2)
Bangladesh– SFMMK	47	60	(21.7)
<b>Average Length of Stay</b>			
Malaysia	2.4	2.5	(4.0)
Indonesia	2.7	2.7	-
Bangladesh– SFMMK	2.6	3	(13.3)

# Senior & Assisted Living Care

Hospitals / Facilities	Dec 2020	Dec 2019	Variance (%)
<b>Australia – Jeta Gardens</b>			
Aged Care Facility	178	178	-
Retirement Villas	33	33	-
Apartment Unit	32	32	-
No. of Residents	141	153	(7.8)
Occupancy Rate (%) (ACF)	79%	86%	(8.1)
<b>Tawakkal Health Centre</b>			
No. of Beds	42	42	-
No. Residents	26	36	(27.8)
Occupancy Rate (%)	62%	86%	(27.9)
<b>Sibu Geriatric</b>			
No. of Beds	28	28	-
No. of Residents	26	27	(3.7)
Occupancy Rate (%)	93%	96%	(3.1)

Hospitals / Facilities	Dec 2020	Dec 2019	Variance (%)
<b>Kuantan Health Centre</b>			
No. of Beds	20	20	-
No. Residents	12	13	(7.7)
Occupancy Rate (%)	60%	65%	(7.7)
<b>Damai Wellness Centre</b>			
No. of Beds	47	31	51.6
No. of Residents	18	13	38.5
Occupancy Rate (%)	38%	42%	(9.5)

# Education – KPJ Healthcare University College

Hospitals / Facilities	Dec 2020 (RM)	DEc 2019 (RM)	Variance (%)
No. of Students	2,049	1,934	6
<b>Academic Program</b>			
KPJ Offered 33 programmed ranging from the Foundation to PhD levels at all campus			
<b>Faculties</b>			
1. School of Medicine			
2. School of Pharmacy			
3. School of Nursing			
4. School of Health Science			
5. School of Business & Management			
6. Centre of Global Professional and Social Development			



**KPJ HEALTHCARE BERHAD**



**THANK YOU**

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