



HOSPITAL PAKAR
DAMANSARA 2



KPJ Healthcare Berhad 3Q 2022 Analyst Briefing

Care for Life



3Q 2022 Results Overview and Strategic Direction

Care for Life

BOR hits pre-pandemic levels at 64% in 3Q, PBT up 112% to RM92 Mil on continued improvement in hospital performance



RM809.2mn

Revenue

↑ 16%

RM203.6mn

EBITDA

↑ 38%

RM92.2mn

Profit Before Tax

↑ 112%



Bed
Occupancy
Rate

64% 3Q 2022
43% 3Q 2021

↑ 21 ppt



No. Of
Inpatients

88k 3Q 2022
55k 3Q 2021

↑ 59%

KPJ in 2023 – moving beyond pandemic, executing on transformation initiatives



| | | | |
|--|---|---|---|
| Hospital | <p>Accelerate Growth</p> <ul style="list-style-type: none"> Expansion of existing facilities & services Consultant recruitment for sub-specialties Growing health tourism business Revenue intensity – optimise consultant composition | <p>Brand Positioning</p> <ul style="list-style-type: none"> Enhanced business model for quaternary care level hospitals Aggressive brand awareness promotion | <p>Rationalise non strategic assets</p> <ul style="list-style-type: none"> Divestment of Indonesian Hospitals Divestment of Jeta Gardens |
| | <p>Operational Efficiency</p> <ul style="list-style-type: none"> New Pricing Model Shortened gestation period of DSH2 Cost savings, business process improvement | <p>Strategic Collaboration & Partnership</p> <ul style="list-style-type: none"> Continued collaboration with public hospitals Expand Partner Ecosystem through Strategic Partnership | |
| Non Hospital | <p>Ambulatory Care Centres (ACCs)</p> <ul style="list-style-type: none"> Development of 25 new ACCs by 2027 <ul style="list-style-type: none"> ➢ 2023 (3), 2024 (5) Enhanced ACC structure by specialties – multidiscipline, CFS, Rehab, Radiology service, dialysis, dental and ALC & Confinement | <p>KPJ University</p> <ul style="list-style-type: none"> Position as a premier healthcare academic and training institution Enhancing & offering new academic programmes programmes (degree/master/PhD) Strategic provider of key resources | <p>New Business / Expansion</p> <ul style="list-style-type: none"> Possible Expansion / M&A opportunities |
| | <p>Digital Transformation</p> <ul style="list-style-type: none"> <i>Pursue smart hospital journey for seamless patient experience</i> | | |
| <p>Commitment to Sustainability Development</p> <ul style="list-style-type: none"> <i>Championing Sustainability in Healthcare</i> | | | |

DSH2 launched successfully in September, hospital activities ramping up

New hospital concept to reduce gestation period



DSH2 Launch Progress

- Hospital license obtained in Aug, launched on 1st Sept
- Panelships obtained:
 - Great Eastern Life Insurance
 - MediExpress/Health Connect
 - PMCare
 - Integrated Healthcare Plans
 - Medilink-Global
 - Compumed Services
 - MiCare
 - AnzenHealth/Health Metrics
 - Asia Assistance Network
- Activity picking up over Sept & Oct.

DSH2 Expansion Plan – reducing gestation period to 3 years

| | 2023 | 2024 | 2025 |
|--|------------------------|-----------------------------------|---|
| Capacity Expansion | 60 - 123 Beds | 123 - 205 Beds | 205 – 265 Beds |
| Services Expansion/ Revenue Intensity | Cardiac & Neuro Centre | Orthopedics & Traumatology Centre | Gastroenterology & Endoscopy Procedures |

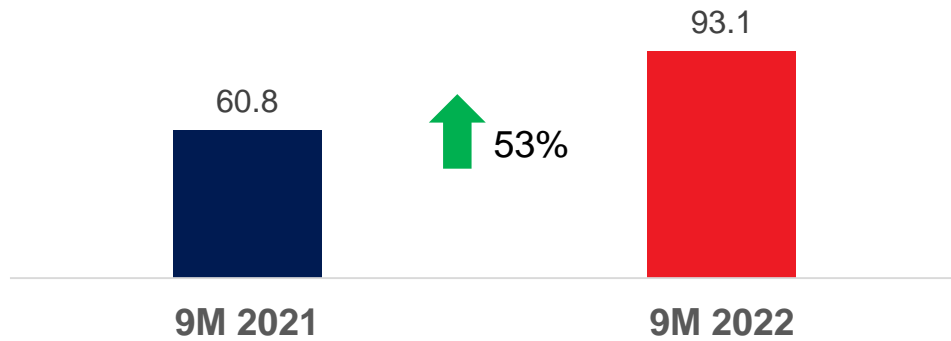
Business Approach



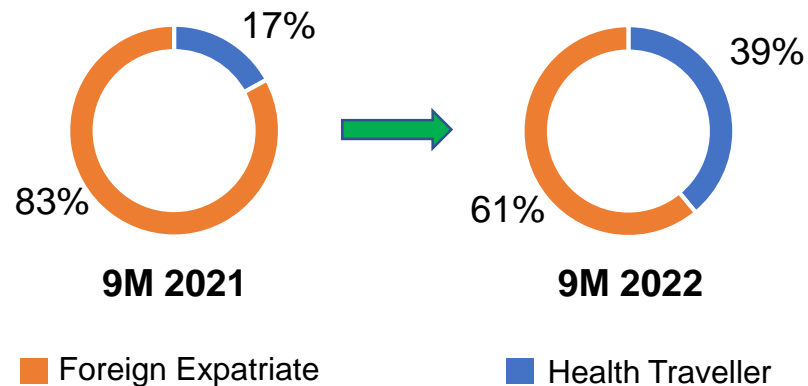
Health tourism continued to grow in 3Q, building HT ecosystem for growth



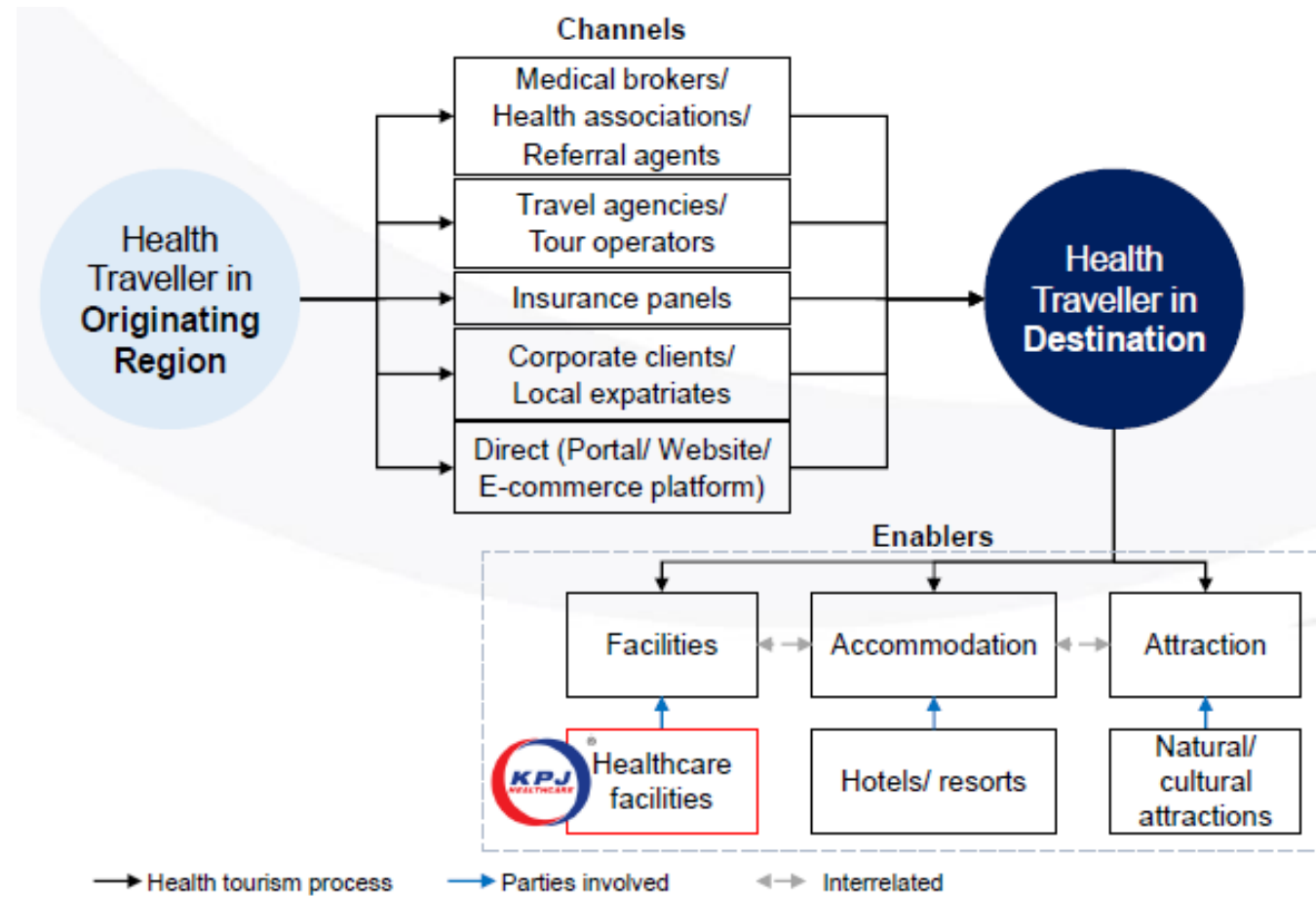
Health Tourism Revenue 9M 2022 vs 9M 2021 (RM Mil)



HT Patient Breakdown By Category



Developing Health Tourism Ecosystem with 11 designated HT hospitals:



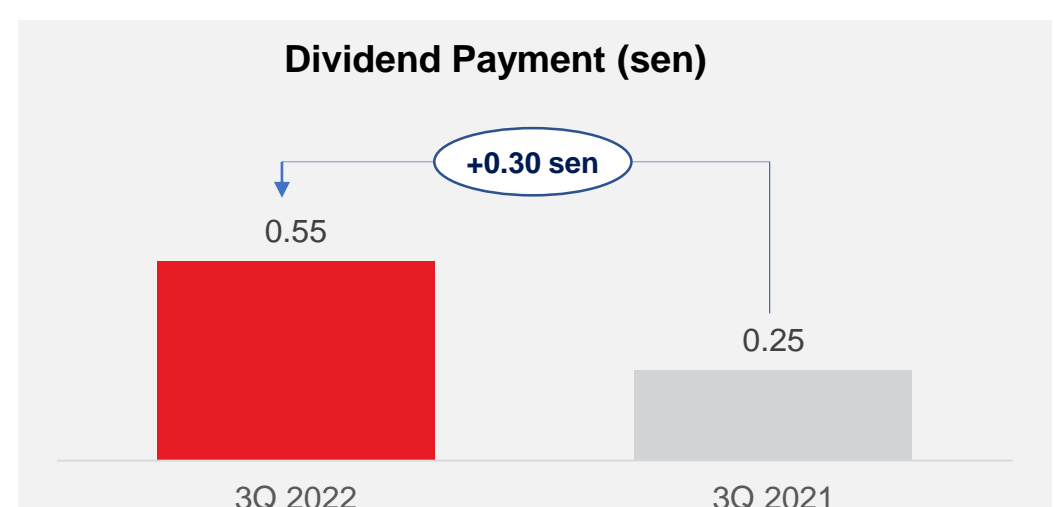
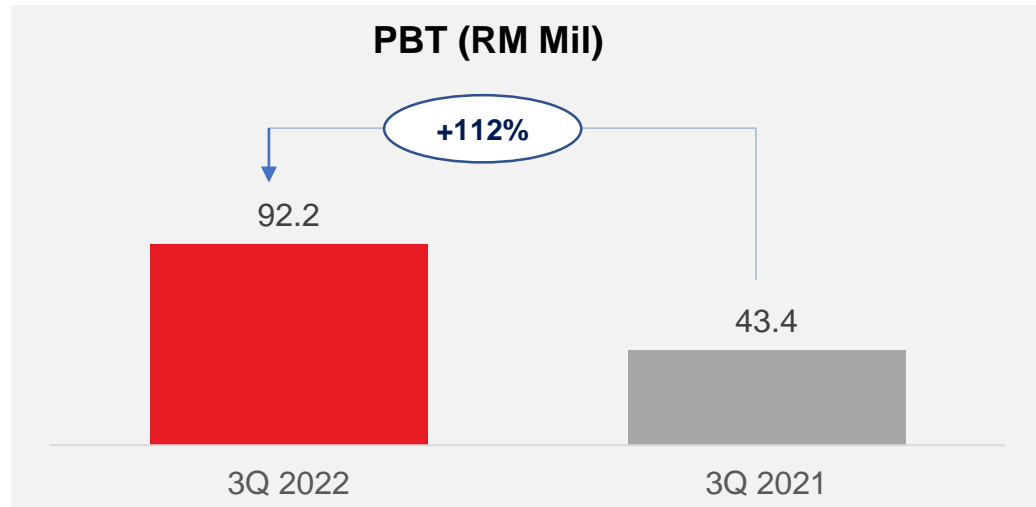
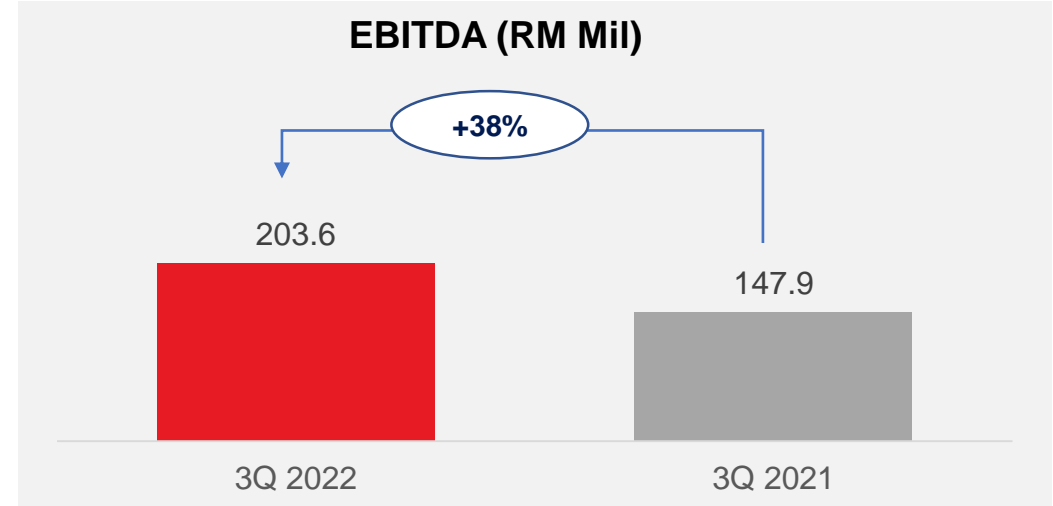
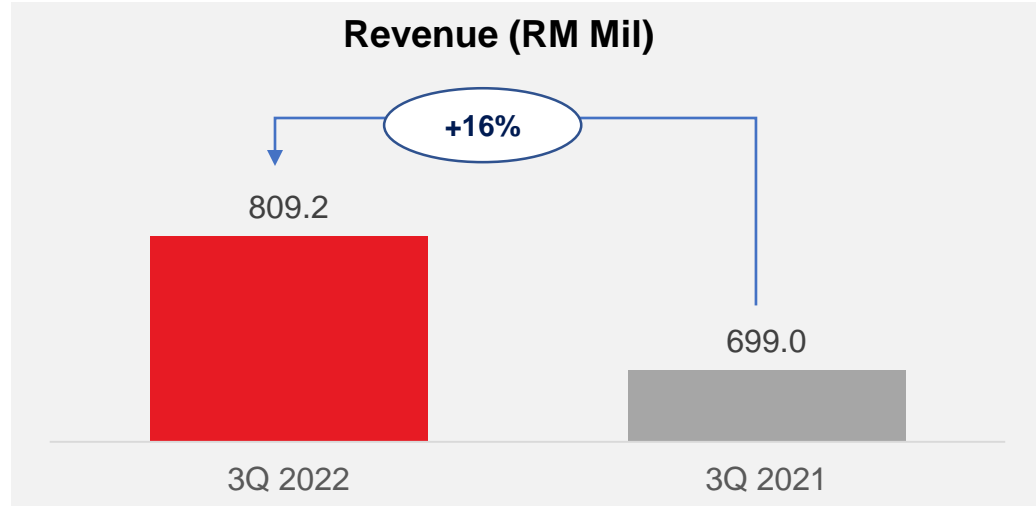
A man in a light purple hospital gown is sitting up in a hospital bed. He is looking down at a white tablet computer that is mounted on a stand in front of him. The room has a white headboard with medical controls, a window with light-colored curtains, and a wooden door in the background. The overall scene is a clinical setting.

Key Financial and Operational Highlights

Care for Life

3Q 2022 performance up on higher utilisation and hospital activity

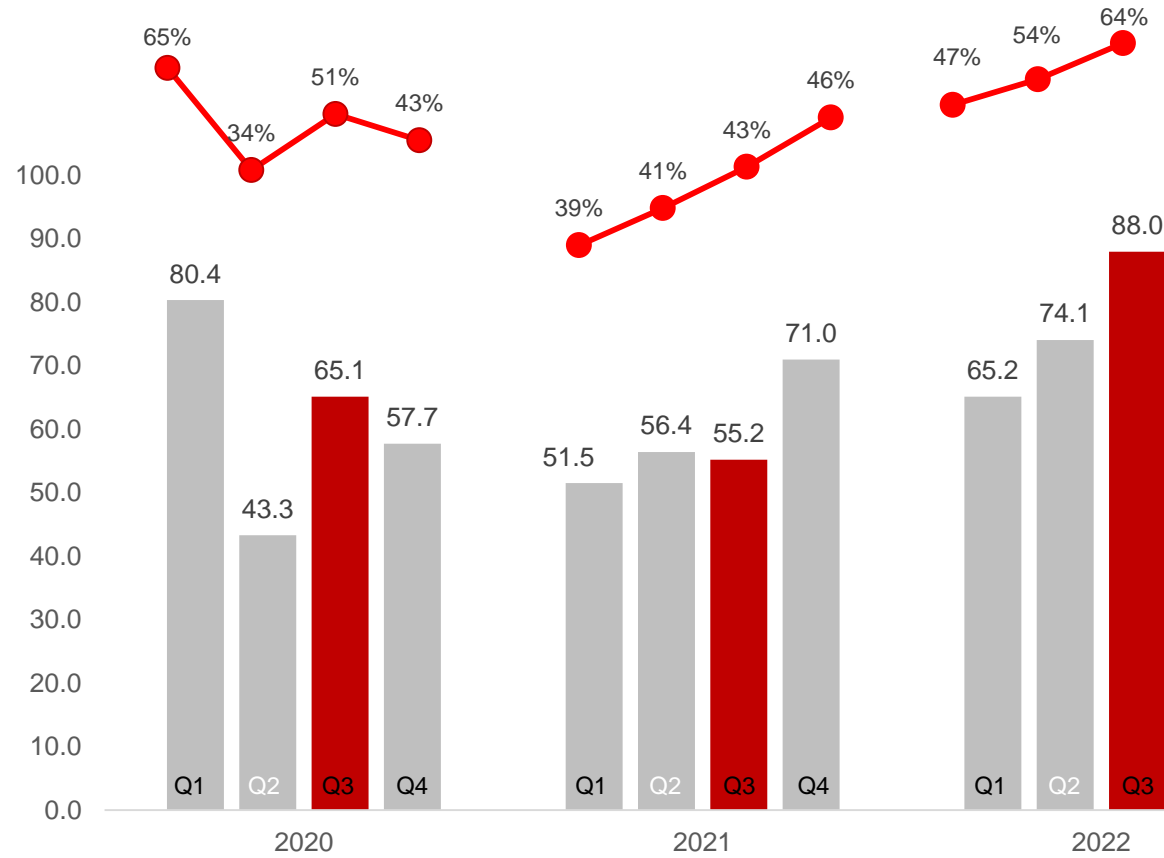
Interim Dividend of 1.0 sen declared



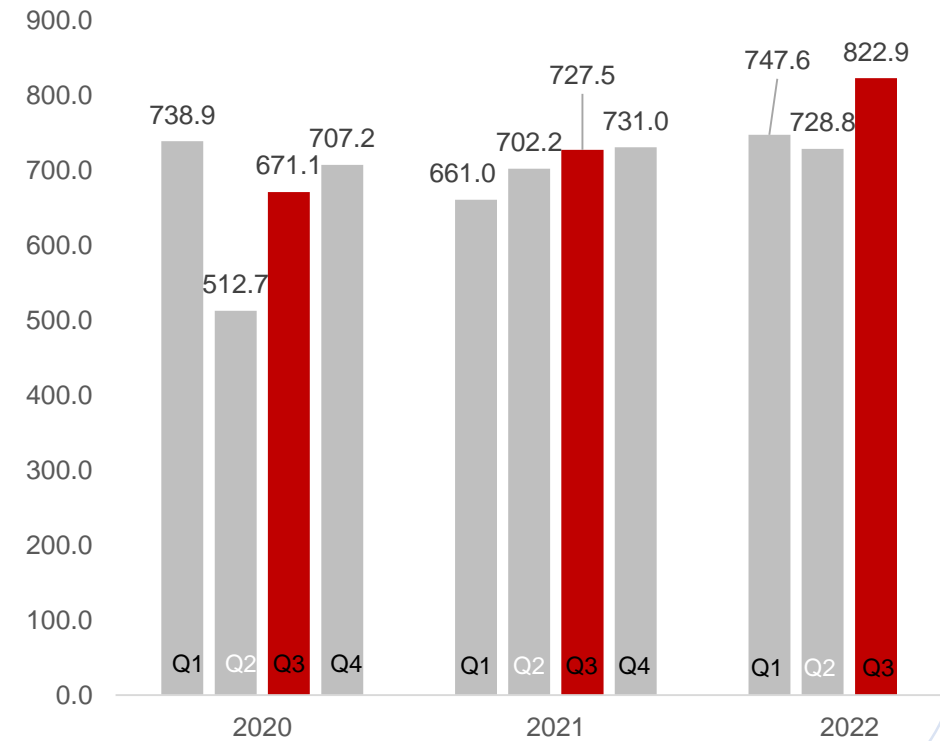
Hospital utilisation hitting pre-pandemic levels



Inpatients ('000) and BOR (%)





Outpatients ('000)



Q3 BOR Up 21 ppt to 64%, continued uptrend in performance from Q2 2022





Bed Occupancy Rate

 
21 ppt



| | |
|-----|---------|
| 64% | 3Q 2022 |
| 43% | 3Q 2021 |

Total number of surgeries

 
22%

| | |
|--------|---------|
| 26,395 | 3Q 2022 |
| 21,644 | 3Q 2021 |

Inpatients

 
59%



| | |
|--------|---------|
| 88,001 | 3Q 2022 |
| 55,220 | 3Q 2021 |

No. of deliveries

 
25%



| | |
|-------|---------|
| 3,457 | 3Q 2022 |
| 4,586 | 3Q 2021 |

Outpatients

 
13%

| | |
|---------|---------|
| 822,994 | 3Q 2022 |
| 727,512 | 3Q 2021 |

Average revenue per inpatient

 
17%



| | |
|---------|---------|
| RM6,458 | 3Q 2022 |
| RM7,804 | 3Q 2021 |

Operational Beds

 
3%

| | |
|-------|---------|
| 3,622 | 3Q 2022 |
| 3,526 | 3Q 2021 |

Average revenue per outpatient

 
1%

| | |
|-------|---------|
| RM268 | 3Q 2022 |
| RM265 | 3Q 2021 |

Margins improving in line with operational performance



| | Q3 2022 | Q3 2021 | Variance | Q2 2022 | Variance |
|--------------------------|---------|---------|----------|---------|----------|
| Gross profit margin | 41.8% | 35.2% | 6.6 | 39.6% | 2.2 |
| Profit before tax margin | 11.4% | 6.2% | 5.2 | 6.5% | 4.9 |
| Net profit margin | 7.5% | 2.6% | 4.9 | 4.2% | 3.3 |
| EBITDA margin | 25.2% | 21.2% | 4.0 | 22.6% | 2.6 |
| PATAMI margin | 6.7% | 1.8% | 4.9 | 3.8% | 2.9 |



Q&A Session



Thank You