

KPJ 2Q 2024 Analyst Briefing

29 August 2024

Care for Life

KPJhealthcare
A JCORP Company

A vertical banner for the MIHMEGATRENDS 2024 event. At the top, it features the logos of the Ministry of Health Malaysia, KPJhealthcare, and the National Medical Commission (MCMC). The central graphic is a globe composed of blue and green squares, with the text 'MIHMEGATRENDS MALAYSIA INTERNATIONAL HEALTHCARE 2024' overlaid. Below the globe, the main title 'HEALTHCARE : THE NEXT FRONTIER' is written in blue, followed by the dates and location: 'KUALA LUMPUR CONVENTION CENTRE | 25 - 27 OCT 2024'. The lower section of the banner shows a collage of healthcare-related images: a microscope, a person in a lab coat, and a group of people. At the bottom, the website 'www.mihmegatrends.my' is listed, along with a grid of logos for various sponsors and partners, including MSU, FOMENA, and SAMSUNG PHILIPS. A '20th Anniversary' badge and a QR code are also present.



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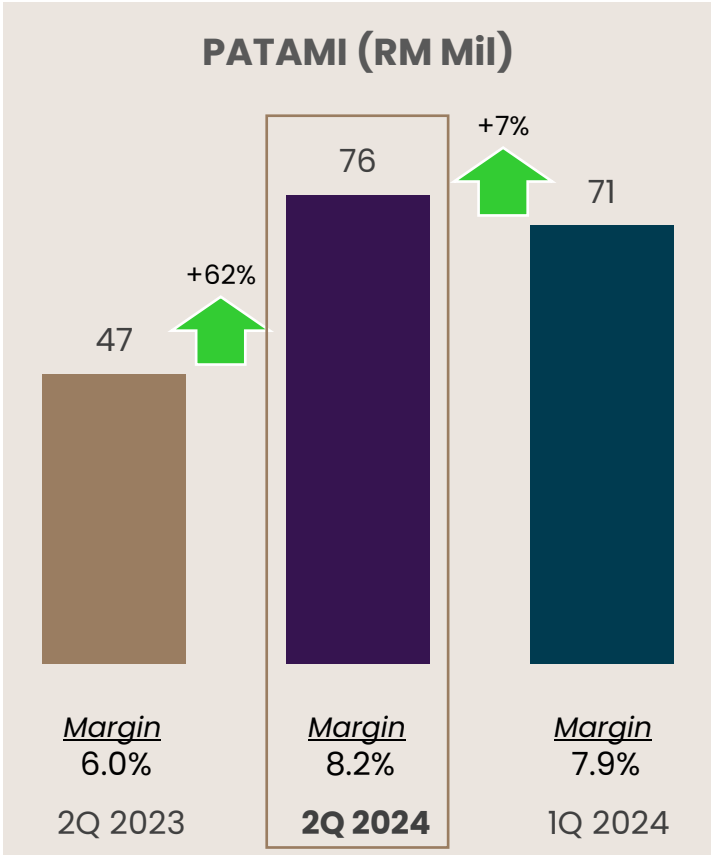
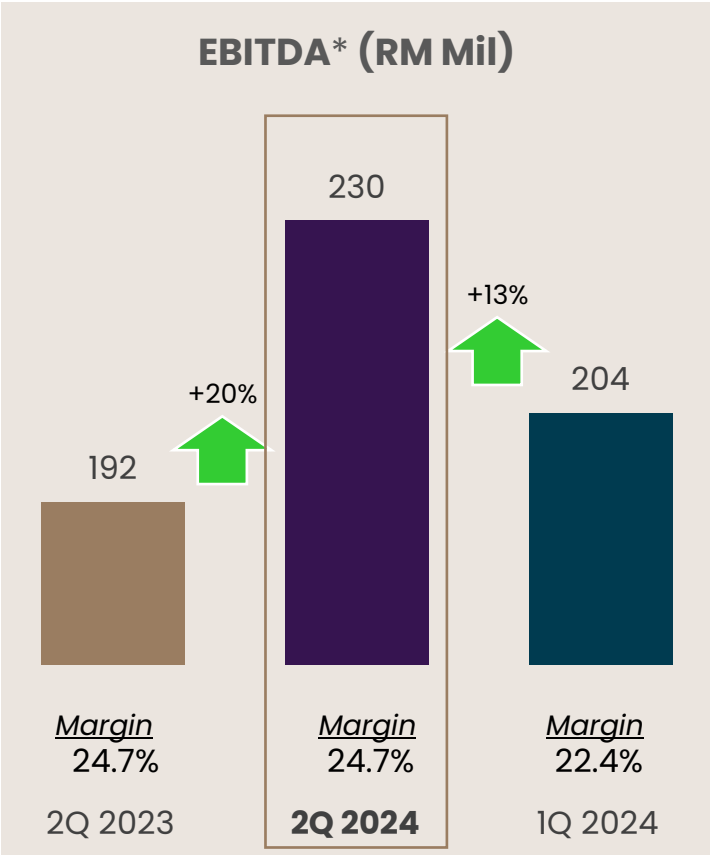
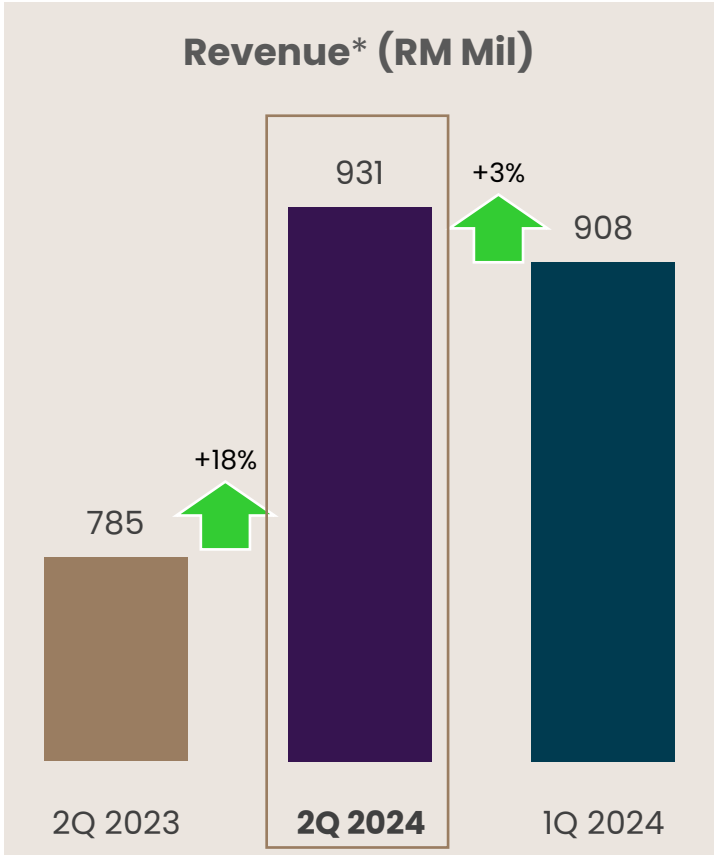
2Q 2024 Financial & Operational Performance

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Steady Revenue Growth and Continuous Momentum for FY2024

Solid EBITDA on the Back of Strong Revenue Performance

Improved PATAMI, in Tandem with Increase in Revenue



* From continuing operations

Operational Performance

BOR Improved on the back of Bed Expansion

Revenue intensity supported by bed expansion and increased patient visits

BOR

2Q 2024 - 66%
2Q 2023 - 63%

same bed basis
71%

↑ 3 PPT YoY



Inpatients

2Q 2024 - 94,169
2Q 2023 - 82,479

↑ 14% YoY



Av. Rev / Inpatient

2Q 2024 - RM7,209
2Q 2023 - RM6,978

↑ 3% YoY



Surgeries

2Q 2024 - 26,834
2Q 2023 - 24,691

↑ 9% YoY



Operational Beds

2Q 2024 - 3,745
2Q 2023 - 3,494

↑ 7% YoY



Outpatients

2Q 2024 - 720,671
2Q 2023 - 690,499

↑ 4% YoY



Av. Rev /Outpatient

2Q 2024 - RM295
2Q 2023 - RM284

↑ 4% YoY



Deliveries

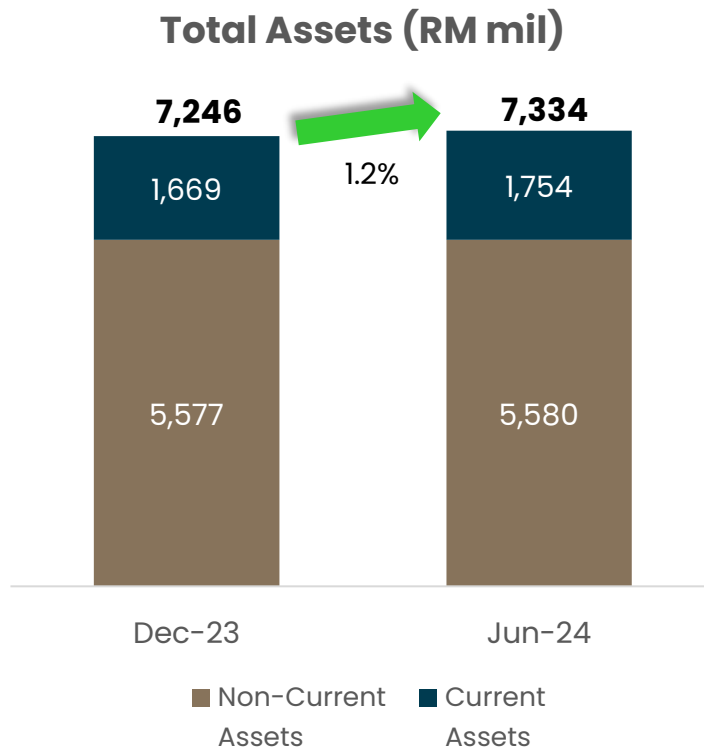
2Q 2024 - 3,226
2Q 2023 - 3,219

↑ 0.2% YoY



Operational Data for KPJ Group, 28 hospitals in Malaysia (excluding Kedah Medical Centre) & 1 hospital in Bangladesh

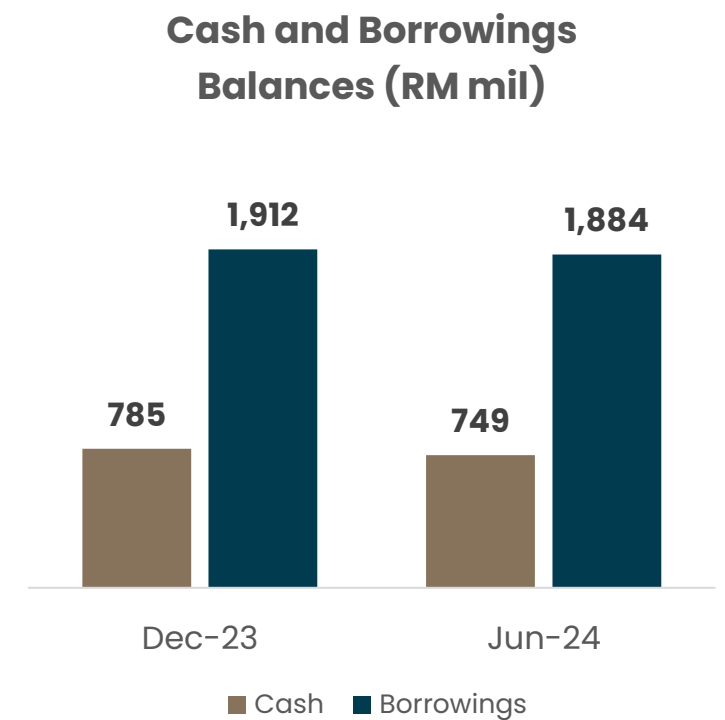
Solid Financial Position as at 30 June 2024



Total Assets
RM7.33 Bil (+1.1%)
 Dec 2023: RM7.25b

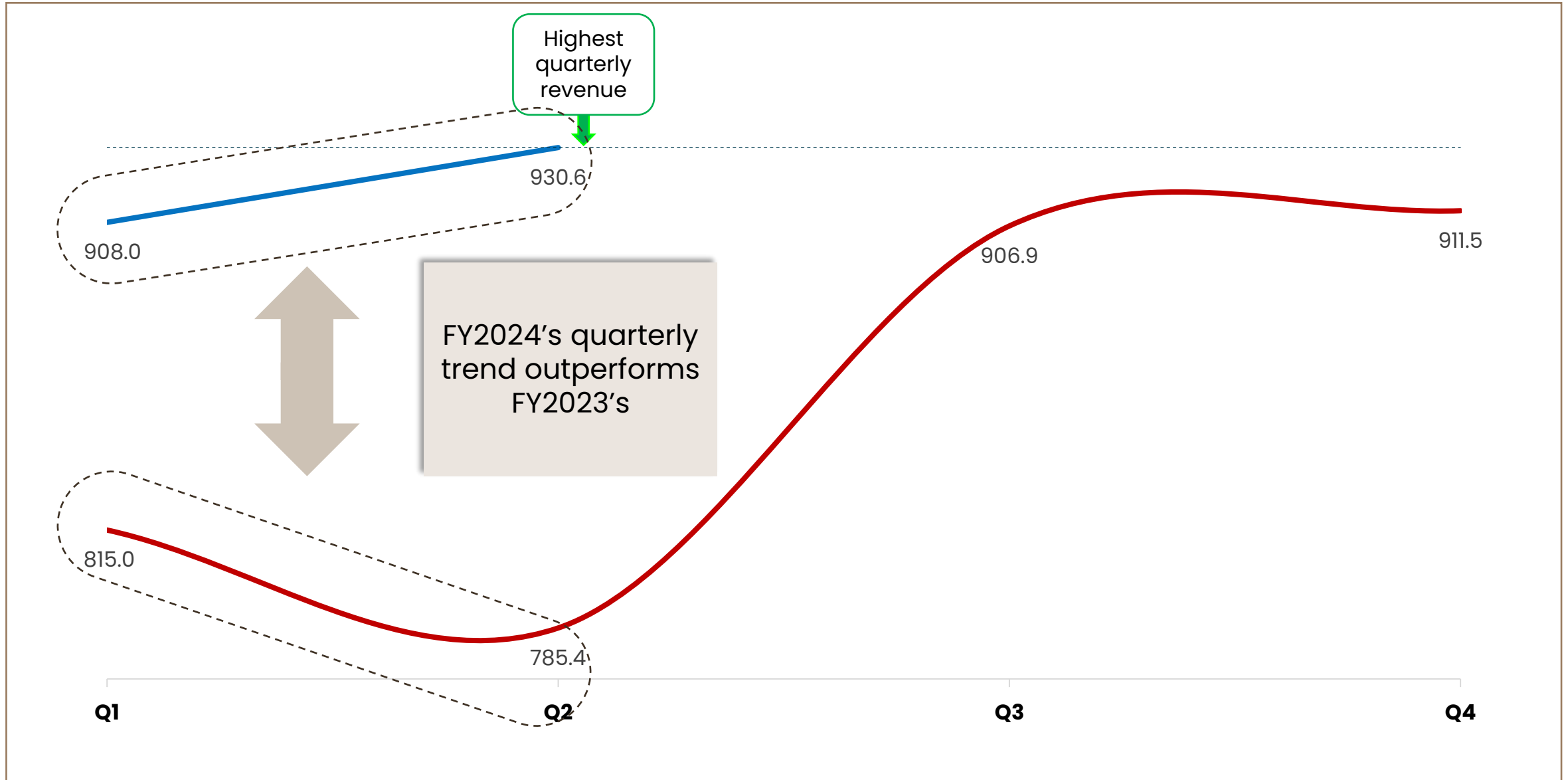


Debt to equity
0.71
 Dec 2023: 0.80
 Within covenant of 1.5



- Decrease in cash was contributed by CAPEX spent
- Lower borrowings balance from Dec-23 following repayments during the period

Quarter-on-Quarter Analysis – Group Revenue



2Q 2024 Highlights

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KPJ AT A GLANCE



Since we last met on 27th May, we had some exciting milestones ...

MCMC & KPJ SIGNING CEREMONY



MIH A NATIONAL EVENT



THE EDGE'S BILLION RINGGIT CLUB AWARD



REBRANDING LAUNCH



ENHANCED FEATURES FOR KPJ CARES LAUNCHED



Our transformation plan is starting to yield results ..

Notable initiatives include:

- *Portfolio consolidation leading to the closure of non-profitable businesses, such as aged care.*
- *Service expansion with the introduction of Minimally-Invasive CABG at DSH2. Since April, approximately 50 cases have been performed.*
- *Aggressive consultant recruitment to enhance our team of specialists.*
- *Procurement excellence, resulting in cost savings and a reduction in process time by approximately 80%.*



KUANTAN CARE & WELLNESS CENTRE

KEY FINANCIAL HIGHLIGHTS

- Highest recorded quarterly revenue at RM931 mil
- PATAMI of RM76 Mil, up 62% YoY
- Interim dividend of 1 sen per share

KEY OPERATIONAL HIGHLIGHTS

- BOR at 66%, up 3PPT YoY. Strong performance in May and June following Raya period.

Our rebranding exercise is more than just a logo change ...

In 2023, we started our transformation journey with 5 pillars ..

ASSET OPTIMISATION

NEW GROWTH STREAMS

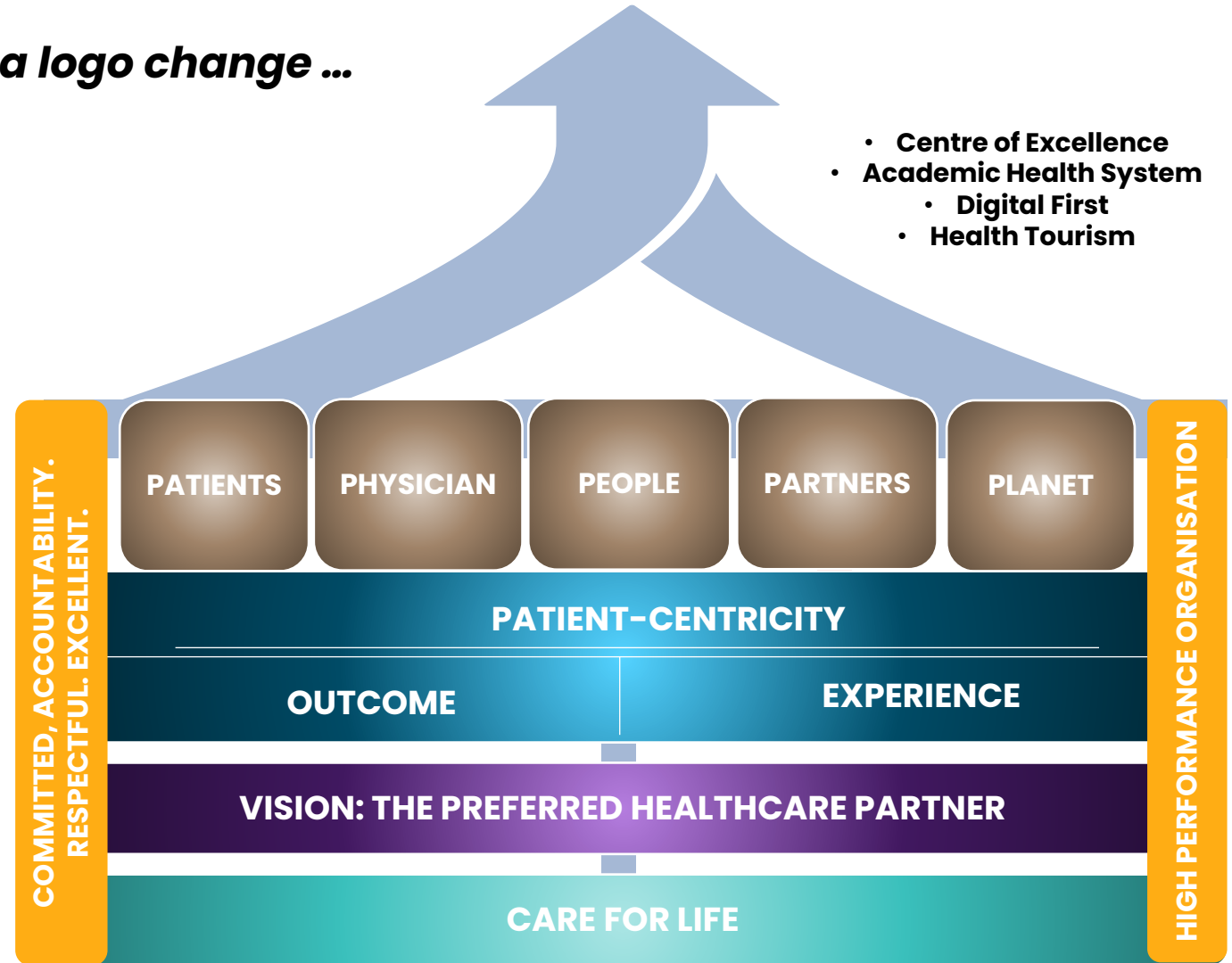
DIGITAL FIRST

REBRANDING

CULTURAL ACTIVATION

.... to improve internal capabilities, optimise resources and to establish strong identity and culture.

Recently, we renewed our CARE FOR LIFE commitment with a new brand identity and shared value for a more holistic, inclusive and sustainable growth.



Digital First is being rolled out by phases ...



Patient Health Record

- Self-declared medical information (medications, allergies).



Hospital & Doctors Info

- Hospital and doctor directory.
- Get direction to hospital and contact hospital directly from app.



Appointment and Queue

- Integration with EncoreMed.
- Appointment and queue management.



Loyalty Program

- Track points, redeem voucher, and loyalty history.



eGL

- List of insurance and takaful companies.
- Redirection to insurance company portal.



IOT Devices

- Connected with smart wearables such as Apple Watch, etc.
- Steps and sleep tracker.



eCommerce

- Purchase of medication, health screening packages, and other items from KPJ Cares e-Commerce.



Electronic Medical record

- Integration to KPJ KCIS / HITS system with APIs.
- Updated with new Branding UI/UX

Accelerating the Transition to Green Energy



- KPJ Kluang becomes the first KPJ hospital to achieve commercial operations of its rooftop solar project, with a capacity of 85.56 kWp.
- Onsite installation was completed on 16 May 2024 and full commissioning was achieved on 25 May 2024.
- Part of Phase 1 as the Group embarks on its journey towards transitioning



- 2024 'Sustainability and CSR Malaysia Award' for KPJ Healthcare for its impactful community engagement initiatives, through its network of Klinik Waqaf An-Nur charity clinics.

Outlook

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**KPJ KUALA
SELANGOR**

We are cautiously optimistic of 2024 full year outlook.

- Rebranding efforts continue, together with intensified internal culture activation and the development of Centres of Excellence (COE).
- The Robotics programme will be expanded to other hospitals.
- Strong healthcare industry fundamentals with support from economic trajectory.
- Capacity building plans are on track and likely to exceed targets.

Q&A Session

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Thank You

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