



FOR IMMEDIATE RELEASE

26 MAY 2022

KPJ HEALTHCARE ON POSITIVE TRAJECTORY

Q1 PAT Jumps By 73% To RM26.4 Million

- Revenue at RM651.0 million, increased by 7% year-on-year (“YoY”) mainly due to better operational performance, supported by the transition to the endemic phase.
- Bed Occupancy Rate (“BOR”) increased to 47% representing a total of 812,720 patients in the first quarter of 2022 (“Q1 FY2022”);
- Strengthening resilience through operational excellence and strategic value chain operations management;
- Focused on business turnaround while seeking out viable opportunities in the post-COVID-19 era;
- Continue prioritising patient care by leveraging on digital technology for quality and affordable healthcare.

KUALA LUMPUR, 26 May 2022 – KPJ Healthcare Berhad (“KPJ Healthcare” or the “Company”), one of the region’s leading providers of private healthcare services, delivered an improved performance for its first quarter ended 31 March 2022.

The Company recorded a higher Profit Before Tax (“PBT”) of RM38.1 million for the quarter under review, reflecting a significant increase of 89% compared to the same quarter last year. Revenue rose to RM651.0 million, increased by 7% compared to the previous year’s corresponding quarter, whilst Profit After Tax (“PAT”) increased by 73% to RM26.4 million compared to RM15.2 million in the same quarter last year. As at 31 March 2022, KPJ Healthcare’s balance sheet remained healthy with a positive net cash position.

Growth in profit for the first quarter compared to the previous year’s corresponding quarter was supported by the Company’s prudent and proactive measures to manage operating costs and preserve margins against the challenging backdrop of the ongoing COVID-19 pandemic.

As a result of this strong performance, the Company declared a second interim dividend of 0.25 sen per share, with a total aggregate payment of RM11.3 million, to be paid to the shareholders of KPJ Healthcare on 29 July 2022.

“Reflecting on this, the Board has declared an interim dividend in appreciation of our shareholders’ continuous support and trust. We remain committed to enhancing value for our shareholders through consistent returns,” said Dato’ Mohd Shukrie Mohd Salleh, President and Managing Director of KPJ Healthcare Berhad.

Dato' Mohd Shukrie added, "Our first quarter results are a testament to the continued recovery of the Malaysian economy as we transition into the endemic phase. We are optimistic that prospects will improve as the country pivots to living with and adapting to COVID-19, in addition to the re-opening of international borders and the expected revival of the medical tourism industry. In the quarter under review, we delivered improved revenue generated mainly due to better operational performance which was supported by an increase in patient visits."

"Looking ahead, we are focused on driving resilient growth by capturing opportunities for our ancillary business through key areas such as advanced diagnostics, precision medicine, genomics, and ambulatory care. To further enhance profitability, we are implementing transformative strategies to shorten the gestation period of new hospitals and divesting non-profitable business lines. Alongside strengthening our operational excellence underpinned by the acceleration of our digital transformation and technology solutions, we are confident that the strategic direction we have put in place will propel KPJ forward and unlock value creation opportunities for shareholders," concluded Dato' Mohd Shukrie.

FY2022 Outlook

As Malaysia has already begun its transition into the endemic phase which includes the re-opening of international borders, the Malaysian economy is expected to strengthen. The National Gross Domestic Product ("GDP") is projected to expand by 5.3% to 6.3% this year, as compared to 3.1% in 2021¹¹.

KPJ Healthcare foresees continued growth in healthcare demand, on the back of rising healthcare awareness and as more countries enter into the endemic stage. A resurgence in elective medical procedures and recovery of the health tourism sector is also expected in the current year.

In FY2022, the Company is focused on improving efficiencies and turning around its hospitals and investments through the implementation of its transformation plans and cost optimisation strategies.

In tandem with prioritising patient care by leveraging on digital technology for the provision of quality and affordable healthcare, the Company is also on the lookout for viable investments to expand its capabilities in preventive care and wellness to complement its existing services.

-ends-

¹ Bank Negara Malaysia, Economic and Monetary Review 2021

About KPJ Healthcare Berhad

KPJ Healthcare operates 28 hospitals in Malaysia, located nationwide, as well as 2 hospitals in Indonesia, 1 in Bangladesh and 1 in Thailand. KPJ also has 4 Ambulatory Care Centres located in Kuala Lumpur, Pahang, Perak and Selangor. With more than 1,410 medical consultants on board, KPJ Healthcare treats more than 2.9 million patients annually. 19 KPJ hospitals are accredited by the Malaysian Society for Quality in Health (“MSQH”) while 4 are accredited by the Joint Commission International (“JCI”).

As of 2022, there are 17 Klinik Waqaf An-Nur (“KWAN”) and seven mobile clinics across Malaysia. Eight of our KWAN Clinics are MSQH-accredited, which ensures we provide quality healthcare and services to our communities.

KPJ Healthcare also operates senior and assisted living care centres in Kuala Lumpur, Sibul, Kuantan and Kota Kinabalu, which offer both short and long-term care. Services range from live-in care for the aged, rehabilitation services and after-birth care.

On the education front, the KPJ Healthcare University College (“KPJUC”) located in Negeri Sembilan offers more than 38 programmes from Foundation to PhD. This has helped KPJ’s hospital network expansion strategies as it ensures KPJ Healthcare has a ready pool of experienced and well-trained talent.

KPJ Healthcare has been a constituent of the Bursa Malaysia FTSE4Good Index since 2016.



FTSE4Good

For further information, please contact Muhammad Ali, Senior Corporate Executive, Investor Relations and Planning, KPJ Healthcare Berhad at muhammad.ali@kpjhealth.com.my