

Registration No.

199201015575 (247079-M)

**KPJ HEALTHCARE BERHAD**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024**

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199201015575 (247079-M)

**KPJ HEALTHCARE BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024**

The Directors of KPJ Healthcare Berhad are pleased to announce the financial results for the Group for the first quarter and financial period ended 31 March 2024.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE  
INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Note	Individual Quarter			For the		
		3 months ended			financial period ended		
		31.03.2024	31.03.2023	Var	31.03.2024	31.03.2023	Var
		RM'000	RM'000	%	RM'000	RM'000	%
			Restated			Restated	
<u>Continuing operations</u>							
Revenue		908,015	814,990	11	908,015	814,990	11
Cost of sales		(518,572)	(475,559)	9	(518,572)	(475,559)	9
Gross profit		389,443	339,431	15	389,443	339,431	15
Administrative expenses		(269,503)	(226,296)	19	(269,503)	(226,296)	19
Other income		51,818	3,763	>100	51,818	3,763	>100
Zakat		(2,027)	(761)	>100	(2,027)	(761)	>100
Operating profit		169,731	116,137	46	169,731	116,137	46
Finance income		5,817	2,144	>100	5,817	2,144	>100
Finance costs							
- Borrowings		(22,977)	(20,362)	13	(22,977)	(20,362)	13
- Lease liabilities		(27,157)	(26,960)	1	(27,157)	(26,960)	1
Finance costs - net		(44,317)	(45,178)	(2)	(44,317)	(45,178)	(2)
Share of results of associates, net of tax		9,359	10,311	(9)	9,359	10,311	(9)
Profit before tax		134,773	81,270	66	134,773	81,270	66
Tax	B5	(31,219)	(21,164)	48	(31,219)	(21,164)	48
Profit for the financial period from continuing operations		103,554	60,106	72	103,554	60,106	72
<u>Discontinued operations</u>							
Loss for the financial period from discontinued operations		(7,795)	(4,441)	76	(7,795)	(4,441)	76

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

	Individual Quarter			For the		
	3 months ended			financial period ended		
	31.03.2024	31.03.2023	Var	31.03.2024	31.03.2023	Var
	RM'000	RM'000	%	RM'000	RM'000	%
		Restated			Restated	
Profit for the financial period	95,759	55,665	72	95,759	55,665	72
Other comprehensive income for the financial period, net of tax:						
- from continuing operations	(6,674)	1,693	>(100)	(6,674)	1,693	>(100)
- from discontinued operations	-	(290)	100	-	(290)	100
<b>Total comprehensive income for the financial period</b>	<b>89,085</b>	<b>57,068</b>	<b>56</b>	<b>89,085</b>	<b>57,068</b>	<b>56</b>
<b>Profit for the financial period attributable to:</b>						
Owners of the Company						
- continuing operations	75,840	54,583	39	75,840	54,583	39
- discontinued operations	(4,443)	(3,190)	39	(4,443)	(3,190)	39
Non-controlling interests						
- continuing operations	27,714	5,523	>100	27,714	5,523	>100
- discontinued operations	(3,352)	(1,251)	>100	(3,352)	(1,251)	>100
	<b>95,759</b>	<b>55,665</b>	<b>72</b>	<b>95,759</b>	<b>55,665</b>	<b>72</b>
<b>Total comprehensive income for the financial period attributable to:</b>						
Owners of the Company						
- continuing operations	69,166	56,276	23	69,166	56,276	23
- discontinued operations	(4,443)	(3,480)	28	(4,443)	(3,480)	28
Non-controlling interests						
- continuing operations	27,714	5,523	>100	27,714	5,523	>100
- discontinued operations	(3,352)	(1,251)	>100	(3,352)	(1,251)	>100
	<b>89,085</b>	<b>57,068</b>	<b>56</b>	<b>89,085</b>	<b>57,068</b>	<b>56</b>

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INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

	Individual Quarter			For the		
	3 months ended			financial period ended		
	31.03.2024	31.03.2023	Var	31.03.2024	31.03.2023	Var
	RM'000	RM'000	%	RM'000	RM'000	%
		Restated			Restated	
<b>Dividend per share (sen)</b>	1.00	0.60	67	1.00	0.60	67
<b>Earnings per share attributable to Owners of the Company:</b>						
Basic (sen)						
- continuing operations	1.74	1.25		1.74	1.25	
- discontinued operations	(0.10)	(0.07)		(0.10)	(0.07)	
Diluted (sen)						
- continuing operations	1.74	1.25		1.74	1.25	
- discontinued operations	(0.10)	(0.07)		(0.10)	(0.07)	

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2024**

	<u>Note</u>	<u>31.03.2024</u> RM'000	<u>31.12.2023</u> RM'000 Audited
<u>ASSETS</u>			
<u>Non-current assets</u>			
Property, plant and equipment	A9	2,791,283	2,774,474
Right-of-use assets		1,579,637	1,585,857
Investment properties		358,011	358,166
Intangible assets		194,907	198,470
Investment in associates		514,781	513,857
Equity instruments classified as FVOCI*		1,507	1,507
Deferred tax assets		106,858	125,653
Trade and other receivables		19,247	19,262
		<u>5,566,231</u>	<u>5,577,246</u>
<u>Current assets</u>			
Inventories		81,850	73,008
Trade and other receivables		744,427	673,649
Tax recoverable		91,918	98,008
Deposits, bank and cash balances		737,880	785,227
Dividend receivable		6,963	3,873
		<u>1,663,038</u>	<u>1,633,765</u>
Assets held for sale		-	35,151
		<u>1,663,038</u>	<u>1,668,916</u>
Total assets		<u>7,229,269</u>	<u>7,246,162</u>
<u>EQUITY AND LIABILITIES</u>			
<u>Current liabilities</u>			
Trade and other payables		670,683	658,292
Contract liabilities		89,768	87,779
Current tax liabilities		9,458	11,060
Borrowings	B7	547,851	546,955
Lease liabilities		42,189	39,920
Dividend payable		-	3,200
		<u>1,359,949</u>	<u>1,347,206</u>
Liabilities associated with assets held for sale		-	54,349
		<u>1,359,949</u>	<u>1,401,555</u>
Net current assets		<u>303,089</u>	<u>267,361</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2024 (CONTINUED)**

	<u>Note</u>	<u>31.03.2024</u> RM'000	<u>31.12.2023</u> RM'000 Audited
<u>Non-current liabilities</u>			
Borrowings	B7	1,357,739	1,364,964
Lease liabilities		1,861,717	1,870,338
Deferred tax liabilities		62,242	67,038
Provision for retirement benefits		2,128	2,069
Deposits		11,900	12,046
		<u>3,295,726</u>	<u>3,316,455</u>
Total liabilities		<u>4,655,675</u>	<u>4,718,010</u>
Net assets		<u>2,573,594</u>	<u>2,528,152</u>
<u>Equity attributable to Owners of the Company</u>			
Share capital	A6	999,190	999,190
Less: Treasury shares		(155,310)	(155,310)
Reserves		1,560,364	1,539,284
		<u>2,404,244</u>	<u>2,383,164</u>
Non-controlling interests		169,350	144,988
Total equity		<u>2,573,594</u>	<u>2,528,152</u>
Total equity and liabilities		<u>7,229,269</u>	<u>7,246,162</u>
Net assets per share attributable to Owners of the Company (RM)		<u>0.53</u>	<u>0.53</u>

\* "FVOCI" refers to fair value through other comprehensive income

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Non-distributable								Distributable		Non-controlling interest	Total equity
	Number of shares	Share capital	Treasury shares	Esos reserve	Merger reserve	FVOCI reserve	Exchange reserve	Revaluation reserve	Retained earnings	Total		
	'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	4,526,608	999,190	(155,310)	-	(3,367)	49	11,404	228,267	1,302,931	2,383,164	144,988	2,528,152
Comprehensive income:												
Profit for the financial period	-	-	-	-	-	-	-	-	71,397	71,397	24,362	95,759
Other comprehensive income:												
Currency translation differences of foreign subsidiaries	-	-	-	-	-	-	(6,674)	-	-	(6,674)	-	(6,674)
Total other comprehensive income	-	-	-	-	-	-	(6,674)	-	-	(6,674)	-	(6,674)
Transactions with Owners:												
Dividends on ordinary shares	-	-	-	-	-	-	-	-	(43,643)	(43,643)	-	(43,643)
Total transactions with Owners	-	-	-	-	-	-	-	-	(43,643)	(43,643)	-	(43,643)
At 31 March 2024	4,526,608	999,190	(155,310)	-	(3,367)	49	4,730	228,267	1,330,685	2,404,244	169,350	2,573,594

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

	Non-distributable								Distributable		Non-controlling interest	Total equity
	Number of shares	Share capital	Treasury shares	Esos reserve	Merger reserve	FVOCI reserve	Exchange reserve	Revaluation reserve	Retained earnings	Total		
	'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	4,505,528	976,329	(155,310)	40,276	(3,367)	(217)	1,764	237,733	1,130,052	2,227,260	126,958	2,354,218
Comprehensive income:												
Profit for the financial period	-	-	-	-	-	-	-	-	51,393	51,393	4,272	55,665
Other comprehensive income:												
Currency translation differences of foreign subsidiaries	-	-	-	-	-	-	1,403	-	-	1,403	-	1,403
Total other comprehensive income	-	-	-	-	-	-	1,403	-	-	1,403	-	1,403
Transactions with Owners:												
Issue of share capital:												
- ESOS	21,080	22,861	-	(3,678)	-	-	-	-	-	19,183	-	19,183
	21,080	22,861	-	(3,678)	-	-	-	-	-	19,183	-	19,183
Lapsed ESOS	-	-	-	(36,598)	-	-	-	-	36,598	-	-	-
Dividends on ordinary shares	-	-	-	-	-	-	-	-	(26,186)	(26,186)	-	(26,186)
Total transactions with Owners	21,080	22,861	-	(40,276)	-	-	-	-	10,412	(7,003)	-	(7,003)
At 31 March 2023	4,526,608	999,190	(155,310)	-	(3,367)	(217)	3,167	237,733	1,191,857	2,273,053	131,230	2,404,283



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**KPJ HEALTHCARE BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<u>31.03.2024</u>	<u>31.03.2023</u>
	RM'000	RM'000
<b>OPERATING ACTIVITIES</b>		
Profit before tax		
- continuing operations	134,773	81,270
- discontinued operations	(7,795)	(4,305)
	<u>126,978</u>	<u>76,965</u>
Adjustments for:		
Share of results of associates	(9,359)	(10,311)
Finance income	(5,832)	(2,205)
Finance costs		
- Borrowings	22,996	20,415
- Lease liabilities	27,157	26,969
Property, plant and equipment:		
- Depreciation	49,166	48,686
- Written-off	173	-
- Loss on disposals	9	119
Right-of-use assets:		
- Depreciation	17,843	18,046
Intangible assets:		
- Amortisation of software development expenditure	621	2,013
Inventories written-off	106	115
Provision for retirement benefits	45	45
Provisional of extinguishment of net liabilities	43,259	-
Operating profit before working capital changes	<u>273,162</u>	<u>180,857</u>
Changes in working capital:		
Inventories	(8,948)	(7,763)
Receivables	(73,853)	(59,467)
Payables	(39,626)	103,126
Contract liabilities	1,989	6,391
Cash flows generated from operations	<u>152,724</u>	<u>223,144</u>
Income tax paid	(32,222)	(35,655)
Net cash generated from operating activities	<u>120,502</u>	<u>187,489</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

	<u>31.03.2024</u> RM'000	<u>31.03.2023</u> RM'000
<b>INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(66,260)	(66,375)
Proceeds from disposal of property, plant and equipment	136	80
Interest received	5,817	2,205
Increase in deposits with licensed banks with maturity of more than 3 months	(100,045)	(278,110)
Dividends received from associates	5,843	11,463
Net cash used in investing activities	<u>(154,509)</u>	<u>(330,737)</u>
<b>FINANCING ACTIVITIES</b>		
Issue of shares:		
- ESOS	-	19,183
Borrowings:		
- Drawdown	1,000	696,650
- Repayments	(6,682)	(244,488)
Payment of lease liabilities	(37,074)	(42,609)
Interest paid	(22,977)	(20,414)
Dividends paid to shareholders	(43,643)	-
Designated account	106,427	28,247
Net cash (used in)/ generated from financing activities	<u>(2,949)</u>	<u>436,569</u>
Net changes in cash and cash equivalents	(36,956)	293,321
Currency translation differences	(3,362)	1,403
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	<u>552,503</u>	<u>416,866</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u><u>512,185</u></u>	<u><u>711,590</u></u>

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**A NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A1 BASIS OF PREPARATION**

These interim financial statements have been prepared in accordance with MFRS134 "*Interim Financial Reporting*", the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards, the requirements of the Companies Act 2016 in Malaysia and paragraph 9.22 of the Bursa Malaysia Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023.

**ACCOUNTING POLICIES**

The accounting policies are consistent with those adopted in audited annual financial statements for the financial year ended 31 December 2023. The Group has applied the following amendments that are applicable to the Group beginning on 1 January 2024.

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback  
Amendments to MFRS 101: Non-current Liabilities with Covenants  
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above standards and interpretations did not give rise to a significant effect on the financial performance or position of the Group.

The amendments to standards that have been issued but not yet effective are disclosed below:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group intends to adopt these standards, if applicable, when they become effective.

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**A NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024  
(CONTINUED)**

**A2 AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report of the annual financial statements for the financial year ended 31 December 2023 was unqualified.

**A3 SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business operations have not been significantly affected by any seasonal or cyclical trend.

**A4 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no material unusual items affecting assets, liabilities, equity, net income or cash flow during the financial period under review.

**A5 CHANGE IN ACCOUNTING ESTIMATES AND POLICIES**

There is no change in the estimates of amounts reported in prior financial years that has a material effect in the current financial period under review.

**A6 DEBT AND EQUITY SECURITIES**

There has been no issuance of shares and repayments of debt and equity securities in the current financial period under review.

**A7 DIVIDENDS**

The dividends paid or declared by the Company since 31 December 2023 were as follows: -

In respect of the financial year ending 31 December 2024:

First interim dividend of 1.0 sen per share on 4,364,301,366 shares. The dividend was declared on 16 February 2024 and paid on 29 March 2024.

RM  
43,643,014

The Directors are of the opinion that the Company is able to pay its debts, identified as at the date of the statements of financial position, as being the debts as they fall due and that the Company will remain solvent for the period of twelve months after the date of distribution.

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**A NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024  
(CONTINUED)**

**A8 SEGMENT REPORTING**

Operating segments are reported in a manner consistent with the internal management reporting provided to the chief operating decision maker (“CODM”), which is the KPJ Group Management Committee (“KGMC”). The KGMC considers the business by geographical location. The reportable segments have been identified as follows:

Continuing Operations

- i. Malaysia - All healthcare activities including the private hospitals, pathology and laboratory services and distribution of pharmaceutical, medical and consumer healthcare products.
- ii. Others - Operating segments involved in provision of hospital and retirement village services in Thailand, Bangladesh and Australia, private university of nursing and allied health and sale of hospital merchandise and other similar activities, none of which are individually significant to warrant separate disclosure per quantitative thresholds required by MFRS 8.

Discontinued Operations

- i. Indonesia - Operating segments involved in provision of hospital services in Indonesia. The Group had in April 2022, decided to divest of its interest in all entities in Indonesia’s region (referred as “Indonesia operations”) as part of its strategic plan to place greater focus on the Group’s core Malaysia segment. The divestments were completed on 5 April 2023 and 18 September 2023.
- ii. Aged care - Operating segment involved in providing aged care services by Jeta Gardens in Australia. The Group had in December 2023, decided to divest of its interest in aged care business in Australia as part of its strategic plan to place greater focus on the Group’s core Malaysia segment. The divestment was completed on 31 January 2024.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The KGMC assesses the performance of the operating segments based on earnings before interest, tax, depreciation and amortisation (“EBITDA”) and profit before tax.

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**A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**A8 SEGMENT REPORTING (CONTINUED)**

Individual quarter 3 months ended / For the financial period ended

	<u>Continuing operations</u>						<u>Discontinued operations</u> RM'000	<u>Total</u> RM'000
	<u>Malaysia</u> RM'000	<u>Others</u> RM'000	<u>Total segments</u> RM'000	<u>Adjustments and eliminations</u> RM'000	<u>Sub-total</u> RM'000	<u>and</u>		
<u>31 March 2024</u>								
<u>Revenue</u>								
Revenue from external customers	892,606	16,078	908,684	(669)	908,015	5,884	913,899	
<u>Results</u>								
Depreciation and amortisation	(64,244)	(3,473)	(67,717)	120	(67,597)	(33)	(67,630)	
Finance costs (net)	(41,542)	(3,010)	(44,552)	235	(44,317)	(4)	(44,321)	
Share of results of associates	9,280	79	9,359	-	9,359	-	9,359	
Profit/(loss) before tax	92,599	42,188	134,787	(14)	134,773	(7,795)	126,978	
Tax	(30,974)	(245)	(31,219)	-	(31,219)	-	(31,219)	
Profit/(loss) after tax	61,625	41,943	103,568	(14)	103,554	(7,795)	95,759	
EBITDA/ (LBITDA)	198,385	48,671	247,056	(369)	246,687	(7,758)	238,929	
Total assets	7,153,296	262,921	7,416,217	(186,948)	7,229,269	-	7,229,269	
Total liabilities	4,481,230	359,400	4,840,630	(184,955)	4,655,675	-	4,655,675	
Additions to property, plant and equipment	65,779	481	66,260	-	66,260	-	66,260	

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**A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**A8 SEGMENT REPORTING (CONTINUED)**

Individual quarter 3 months ended / For the financial period ended (continued)

	<u>Continuing operations</u>						
	<u>Malaysia</u>	<u>Others</u>	<u>Total</u>	<u>Adjustments</u>	<u>Sub-total</u>	<u>Discontinued</u>	<u>Total</u>
	RM'000	RM'000	segments	and	RM'000	operations	RM'000
	RM'000	RM'000	RM'000	eliminations	RM'000	RM'000	RM'000
<u>31 March 2023</u>							
<u>Revenue</u>							
Revenue from external customers	800,828	15,138	815,966	(976)	814,990	24,293	839,283
<u>Results</u>							
Depreciation and amortisation	(63,749)	(4,241)	(67,990)	120	(67,870)	(875)	(68,745)
Finance costs (net)	(41,966)	(3,830)	(45,796)	618	(45,178)	(1)	(45,179)
Share of results of associates	10,039	272	10,311	-	10,311	-	10,311
Profit/(loss) before tax	87,230	(5,953)	81,277	(7)	81,270	(4,305)	76,965
Tax	(20,907)	(257)	(21,164)	-	(21,164)	(136)	(21,300)
Profit/(loss) after tax	66,323	(6,210)	60,113	(7)	60,106	(4,441)	55,665
EBITDA/(LBITDA)	192,945	2,118	195,063	(745)	194,318	(3,429)	190,889
Total assets	7,521,657	334,379	7,856,036	(395,241)	7,460,795	161,176	7,621,971
Total liabilities	4,929,988	480,883	5,410,871	(395,317)	5,015,554	202,134	5,217,688
Additions to property, plant and equipment	66,150	21	66,171	-	66,171	204	66,375

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**A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**A8 SEGMENT REPORTING (CONTINUED)**

Individual quarter 3 months ended / For the financial period ended (continued)

The functional currencies for Indonesia and Australia operations are as follows:

	31 March 2024		31 March 2023		31 March 2023	
	Australia AUD'000	Australia RM'000	Indonesia IDR'000	Indonesia RM'000	Australia AUD'000	Australia RM'000
<b>Revenue</b>						
Revenue from external customers	2,036	6,311	35,708,839	10,302	4,855	14,448
<b>Results</b>						
Depreciation and amortisation	(433)	(1,341)	(4,890,815)	(1,411)	(498)	(1,483)
Finance costs (net)	(384)	(1,191)	103,986	30	(448)	(1,332)
Share of results of associates	27	84	-	-	30	89
Profit/(loss) before tax	12,120	37,567	(2,318,891)	(669)	(2,131)	(6,340)
Tax	-	-	(471,404)	(136)	-	-
Profit/(loss) after tax	12,120	37,567	(2,790,295)	(805)	(2,131)	(6,340)
EBITDA/(LBITDA)	12,937	40,099	2,467,938	712	(1,185)	(3,525)
Total assets	23,571	72,451	485,643,733	142,585	46,292	136,998
Total liabilities	54,029	166,069	688,467,302	202,134	79,845	236,294
Additions to property, plant and equipment	-	-	694,823	204	-	-



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**A NOTES TO THE INTERIM FINANCIAL REPORT  
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(CONTINUED)**

**A8 SEGMENT REPORTING (CONTINUED)**

The key exchange rate used, provided by the ultimate holding corporation, is as follows;

	<u>31.03.2024</u>	<u>31.03.2023</u>
1 Australian Dollar		
Closing	3.0737	2.9594
Average	3.0996	2.9756
1,000 Indonesian Rupiah		
Closing	0.2972	0.2936
Average	0.2978	0.2885
	<u>          </u>	<u>          </u>

**A9 VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

The Group's land and buildings were fully revalued as at 31 December 2020, except for certain land and buildings that were revalued on 31 December 2023 following its completion and commencement of its operations in the financial year 2023.

**A10 MATERIAL EVENTS SUBSEQUENT TO THE REPORTING PERIOD**

There were no material events subsequent to the financial period ended 31 March 2024 that has not been reflected in this interim financial report.

**A11 CHANGES IN THE COMPOSITION OF THE GROUP**

There are no material changes in the composition of the Group during the current financial period.

**A12 CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no material changes in contingent liabilities or contingent assets since the statement of financial position as at 31 December 2023.

**A13 RELATED PARTY TRANSACTIONS**

All related party transactions within the Group had been entered into in the normal course of business and were carried out on normal commercial terms.

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**A NOTES TO THE INTERIM FINANCIAL REPORT  
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(CONTINUED)**

**A14 CAPITAL COMMITMENTS**

Capital expenditures not provided for in the interim financial report as at 31 March 2024 are as follows:

	RM'000
Approved by the Directors and contracted	217,666
Approved by the Directors but not contracted	143,815
	<u>361,481</u>

Analysed as follows:

Building	38,888
Medical equipment	154,540
Other property, plant and equipment	168,053
	<u>361,481</u>

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024**

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

Additional information as required by Appendix 9B of Bursa Malaysia Listing Requirements:

- a. Review on statements of comprehensive income for current quarter compared to the corresponding quarter of the preceding financial period (3 months)

Group

The Group closed its revenue at RM908.0 million for the period ended 31 March 2024, surpassing the revenue in the first quarter in 2023 of RM815.0 million by 11% evidenced by the increase in the inpatient visits to 91,039 patients from 88,036 patients. The Group increased its bed capacity in the current period to 3,693 beds versus 3,416 beds in the corresponding quarter subsequently leading to the bed occupancy rate ("BOR") to slightly ease by 5% from 70% to 65%.

Meanwhile, EBITDA for the current quarter was reported at RM246.7 million, 27% better than RM194.3 million in the same quarter under review in the prior financial period. Profit before tax ("PBT") showed a higher performance at RM134.8 million, an increase from RM81.3 million in Q1 2023.

The results was driven by the performance from the Malaysia segment. KPJ Damansara 2 ("DSH2") showed a significant improvement in EBITDA from negative EBITDA of nearly RM10.0 million to EBITDA of RM0.6 million in Q1 2024, followed by reduction in loss before tax by RM8.2 million. With effective marketing and advanced technology equipment, DSH2 achieved double-digit growth when comparing the two quarters. The Group's performance was also improved due to a provisional extinguishment of net liabilities of RM43.3 million from the disposal of the aged care business in Australia.

Malaysia

This segment contributed up to 98% of total Group revenue, closing at RM892.6 million in the current quarter, 11% outdoing the revenue of the corresponding quarter in the preceding financial period of RM800.8 million. Other than revenue at DSH2 with an increment of RM14.7 million, KPJ Klang, KPJ Ampang Puteri and KPJ Selangor contributed an aggregate increase in revenue by RM17.8 million. These hospitals collectively recorded a surge in surgeries by 13% to 4,509 cases with inpatient days increased by 7% to 40,672 days versus 38,153 days in Q1 2023.

EBITDA increased by 3% to RM198.4 million compared to RM192.9 million and PBT increased by 6% to RM92.6 million from RM87.2 million, mainly due to better revenue shown by the hospitals.

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES (CONTINUED)**

Additional information as required by Appendix 9B of Bursa Malaysia Listing Requirements:  
(continued)

- a. Review on statements of comprehensive income for current quarter compared to the corresponding quarter of the preceding financial period (3 months) (continued)

Others

This segment includes the retirement village business in Australia operated by Jeta Gardens, education services by KPJ Healthcare University (“KPJU”) and hospital and management services by KPJ Dhaka. This segment recorded a 7% increase in revenue in the current quarter under review to RM16.1 million from RM15.1 million in Q1 2023.

A significantly higher EBITDA has been recorded in this segment to RM48.7 million against RM2.1 million in the first quarter last year, mainly from the provisional extinguishment of net liabilities of the aged care business in Jeta Gardens. This has led to the PBT to close at RM42.2 million in comparison to a loss before tax of RM6.0 million in the corresponding quarter.

- b. Review on statements of comprehensive income for current financial period compared to prior financial period

Group

The Group closed its revenue at RM908.0 million for the period ended 31 March 2024, surpassing the revenue in the first quarter in 2023 of RM815.0 million by 11% evidenced by the increase in the inpatient visits to 91,039 patients from 88,036 patients. The Group increased its bed capacity in the current period to 3,693 beds versus 3,416 beds in the corresponding quarter subsequently leading to the BOR to slightly ease by 5% from 70% to 65%.

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The result was driven by the performance from the Malaysia segment. DSH2 showed a significant improvement in EBITDA from negative EBITDA of nearly RM10.0 million to EBITDA of RM0.6 million in Q1 2024, followed by reduction in loss before tax by RM8.2 million. With effective marketing and advanced technology equipment, DSH2 achieved double-digit growth when comparing the two quarters. The Group's performance was also improved due to a provisional extinguishment of net liabilities of RM43.3 million from the disposal of the aged care business in Australia.

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES (CONTINUED)**

Additional information as required by Appendix 9B of Bursa Malaysia Listing Requirements:  
(continued)

b. Review on statements of comprehensive income for current financial period compared to prior financial period (continued)

Malaysia

This segment contributed up to 98% of total Group revenue, closing at RM892.6 million in the current quarter, 11% outdoing the revenue of the corresponding quarter in the preceding financial period of RM800.8 million. Other than revenue at DSH2 with an increment of RM14.7 million, KPJ Klang, KPJ Ampang Puteri and KPJ Selangor contributed an aggregate increase in revenue by RM17.8 million. These hospitals collectively recorded a surge in surgeries by 13% to 4,509 cases with inpatient days increased by 7% to 40,672 days versus 38,153 days in Q1 2023.

EBITDA increased by 3% to RM198.4 million compared to RM192.9 million and PBT increased by 6% to RM92.6 million from RM87.2 million, mainly due to better revenue shown by the hospitals.

Others

This segment includes the retirement village business in Australia operated by Jeta Gardens, education services by KPJU and hospital and management services by KPJ Dhaka. This segment recorded a 7% increase in revenue in the current quarter under review to RM16.1 million from RM15.1 million in Q1 2023.

A significantly higher EBITDA has been recorded in this segment to RM48.7 million against RM2.1 million in the first quarter last year, mainly from the provisional extinguishment of net liabilities of the aged care business in Jeta Gardens. This has led to the PBT to close at RM42.2 million in comparison to a loss before tax of RM6.0 million in the corresponding quarter.

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES (CONTINUED)**

Additional information as required by Appendix 9B of Bursa Malaysia Listing Requirements:  
(continued)

c. Review on statements of financial position for current financial period compared to prior financial period

Total assets as at 31 March 2024 reported at RM7,229.3 million, 5% lower in comparison to RM7,622.0 million as at 31 March 2023. The repayment of Sukuk in Q2 2023 of RM350.0 million with no drawdown made since March 2023, resulted in lower balances in the deposit, cash and bank balances as at the current period against the corresponding period hence lowers the balance of the total asset, coupled with the completion of aged care business disposal in Jeta Gardens.

In line with total assets, the Group's total liabilities as at 31 March 2024 was RM4,655.7 million, 11% lower than RM5,217.7 million as at 31 March 2023. This was attributable to the reduction in borrowings balances from repayment of Sukuk and no dividend payable as at the end of the period.

d. Review on statements of cash flows for current financial period compared to prior financial period

The net cash generated from operating activities for the current period of RM120.5 million is 36% behind the cash generated in the first quarter of the prior financial period of RM187.5 million aligned with the reduction in trade and other payables by RM161.7 million. The lower accruals balance contributed to the lower trade and other payables recorded.

The Group's net cash used in investing activities closed at RM154.5 million, 53% lower than RM330.7 million reported up to March 2023 mainly due to the lower additional cash deposits with licensed banks with maturity of more than three months from RM278.1 million to RM100.0 million. Meanwhile, the addition of property, plant and equipment ("PPE") in the current period is RM66.3 million, showing minimal variance against RM66.4 million in the Q1 2023.

The Group recorded net cash used in financing activities of RM2.9 million in comparison to net cash generated from financing activities for the period ended 31 March 2023 at RM436.6 million. Cash inflows from financing activities were primarily generated from the drawdown from designated account to be placed in fixed deposit for Sukuk repayment purposes of RM106.4 million. The cash outflows in financing activities mainly derived from the dividends paid to shareholders in the current period of RM43.6 million and payment of lease liabilities amounting to RM37.0 million.

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**B2 MATERIAL CHANGES IN QUARTERLY RESULTS**

	Quarter ended 31.03.2024			Quarter ended 31.12.2023			Var %
	Continuing operations RM'000	Discontinued operations RM'000	Total RM'000	Continuing operations RM'000	Discontinued operations RM'000	Total RM'000	
Revenue	908,015	5,884	913,899	911,455	17,280	928,735	(2)
Operating profit/(loss)	169,731	(7,791)	161,940	111,346	2,079	113,425	43
Other income	51,818	461	52,279	9,159	1,055	10,214	>100
EBITDA/ (LBITDA)	246,687	(7,758)	238,929	194,114	(18,258)	175,856	36
Profit/(loss) before tax	134,773	(7,795)	126,978	83,442	(17,818)	65,624	93
Net profit/(loss) for the financial period ("PAT")	103,554	(7,795)	95,759	85,154	(17,818)	67,336	42
Total comprehensive income/(expense) for the financial period	96,880	(7,795)	89,085	114,245	(17,818)	96,427	(8)
Profit/(loss) attributable to Owners of the Company	75,840	(4,443)	71,397	83,504	(10,114)	73,390	(3)
No. of inpatient (episode)	91,039	-	91,039	94,504	-	94,504	(4)
No. of outpatient (episode)	717,648	-	717,648	763,033	-	763,033	(6)

Quarter-on-quarter revenue from continuing operations showed a slight drop in Q1 2024 compared to Q4 2023. This decrease commensurate with a 4% drop in inpatient visits and a 6% decline in outpatient visits. Consequently, the Group's BOR fell from 69% in the previous quarter to 65% in the current quarter, along with a 5% decrease in inpatient days.

Meanwhile, EBITDA and PAT from continuing operations for the current quarter under review increased by 27% and 22%, respectively. This improved performance includes a provisional gain of RM43.3 million from the extinguishment of net liabilities related to the disposal of the aged care business by Jeta Gardens which was completed on 31 January 2024. Consequently, the Group's core PAT for the current quarter was RM60.3 million, compared to RM85.2 million in Q4 2023. The PAT in Q4 2023 included the recognition of deferred tax assets amounting to RM30.9 million.

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**B3 CURRENT YEAR PROSPECTS**

In its April 2024 World Economic Outlook publication, the International Monetary Fund projected global economic growth at 3.2% and Malaysia's economic growth at 4.4%, highlighting the resilience of the global economy. Additionally, Bank Negara Malaysia forecasts a growth rate of 4% to 5% for 2024, driven by strong domestic demand and a recovery in exports.

Throughout 2024, the Group will continue its focus on asset optimisation, which includes maximising existing bed capacity, boosting performance for hospitals under the gestation period, and positioning our key hospitals towards becoming Centres of Excellence. We are also developing new revenue streams, with particular investment going towards expanding our share for the health tourism market in Malaysia, which is expected to see considerable growth over the next few years. We expect that these initiatives will translate towards the growth of our performance for the rest of the year.

**B4 PROFIT FORECAST / GUARANTEE**

The Group is not subject to any variance of actual profit from forecast profit/profit guarantee for the current financial period under review.

**B5 TAX**

	Individual Quarter 3 months ended		For the financial period ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
	RM'000	RM'000	RM'000	RM'000
Income tax expense	31,219	21,164	31,219	21,164

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the financial period. The effective tax rate ("ETR") for the current period is slightly below than the statutory rate mainly due to certain income was not subjected for tax purposes.

**B6 STATUS OF CORPORATE PROPOSALS**

On 13 December 2023, the Group announced the proposed disposal of the aged care business by its subsidiaries, Jeta Gardens (Qld) Pty Ltd and Jeta Gardens Aged Care (Qld) Pty Ltd ("Jeta Gardens") to DPG Services Pty Ltd for a net cash payment of AUD0.70 million. Following the fulfilment of conditions precedent and the obligations on completion, the disposal was completed on 31 January 2024.



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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**B7 BORROWINGS**

Details of the Group's borrowings are as follows:

	Current		Non-current		Total borrowings	
	Foreign '000	RM '000	Foreign '000	RM '000	Foreign '000	RM '000
<u>As at 31 March 2024</u>						
<b><u>Secured</u></b>						
Term loans:						
- Syariah RM	-	54,639	-	128,032	-	182,671
Hire purchase creditors:						
- Conventional RM	-	38	-	49	-	87
- Syariah RM	-	17,915	-	24,658	-	42,573
<b><u>Unsecured</u></b>						
Revolving credits:						
- Syariah RM	-	257,500	-	-	-	257,500
Bank overdrafts:						
- Syariah RM	-	17,759	-	-	-	17,759
Islamic Medium Term Notes:						
- Sukuk Murabahah RM	-	200,000	-	-	-	200,000
- Sukuk Wakalah RM	-	-	-	1,205,000	-	1,205,000
Total		<u>547,851</u>		<u>1,357,739</u>		<u>1,905,590</u>

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**B7 BORROWINGS (CONTINUED)**

Details of the Group's borrowings are as follows (continued):

	Current		Non-current		Total borrowings	
	Foreign '000	RM '000	Foreign '000	RM '000	Foreign '000	RM '000
<u>As at 31 March 2023</u>						
<b><u>Secured</u></b>						
Term loans:						
- Conventional						
AUD	277	819	43	127	320	946
- Syariah:						
RM	-	42,094	-	172,883	-	214,977
Hire purchase creditors:						
- Conventional						
RM	-	36	-	88	-	124
- Syariah:						
RM	-	17,694	-	34,243	-	51,937
<b><u>Unsecured:</u></b>						
Revolving credits:						
- Conventional						
AUD	1,854	5,488	-	-	1,854	5,488
- Syariah						
RM	-	294,400	-	-	-	294,400
Bank overdrafts:						
- Syariah						
RM	-	13,801	-	-	-	13,801
Islamic Medium Term						
Notes:						
- Sukuk Murabahah						
RM	-	350,000	-	200,000	-	550,000
- Sukuk Wakalah						
RM	-	-	-	1,205,000	-	1,205,000
Total		<u>724,332</u>		<u>1,612,341</u>		<u>2,336,673</u>

The key exchange rate used is as follows:

	31.03.2024	31.03.2023
1 Australian Dollar	<u>3.0737</u>	<u>2.9594</u>



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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**B11 EARNINGS PER SHARE**

(a) Basic earnings per share

Basic earnings per share of the Group is calculated by dividing the Group's profit/loss attributable to ordinary equity holders by the average number of ordinary shares in issue during the financial period.

	As at <u>31.03.2024</u>	As at <u>31.03.2023</u>
<u>Continuing operations</u>		
Profit attributable to Owners of the Company (RM'000)	75,840	54,583
Weighted average number of ordinary shares in issue ('000)	4,364,301	4,361,014
Basic earnings per share (sen)	<u>1.74</u>	<u>1.25</u>
<u>Discontinued operations</u>		
Loss attributable to Owners of the Company (RM'000)	(4,443)	(3,190)
Weighted average number of ordinary shares in issue ('000)	4,364,301	4,361,014
Basic earnings per share (sen)	<u>(0.10)</u>	<u>(0.07)</u>

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)**

**B11 EARNINGS PER SHARE (CONTINUED)**

(b) Diluted earnings per share

For the diluted earnings per share calculation, the average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The dilutive potential ordinary shares for the Group is ESOS.

For the ESOS granted to employees, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding ESOS. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of ESOS. The difference is added to the denominator as an issue of ordinary shares for no consideration. This calculation serves to determine the 'bonus' element in the ordinary shares outstanding for the purpose of computing the dilution. No adjustment is made to profit for the financial period for the ESOS calculation.

	As at <u>31.03.2024</u>	As at <u>31.03.2023</u>
<u>Continuing operations</u>		
Profit attributable to Owners of the Company (RM'000)	75,840	54,583
Weighted average number of ordinary shares in issue ('000)	4,364,301	4,361,014
Diluted earnings per share (sen)	<u>1.74</u>	<u>1.25</u>
<u>Discontinued operations</u>		
Loss attributable to Owners of the Company (RM'000)	(4,443)	(3,190)
Weighted average number of ordinary shares in issue ('000)	4,364,301	4,361,014
Diluted earnings per share (sen)	<u>(0.10)</u>	<u>(0.07)</u>