

F R O S T & S U L L I V A N

SUNWAY
MEDICAL CENTRE®
Velocity • Kuala Lumpur

SUNWAY MEDICAL CENTRE VELOCITY RECEIVES THE 2023 COMPANY OF THE YEAR AWARD

*Identified as best in class in the Malaysian emerging
hospital industry*

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Sunway Medical Centre Velocity excels in many of the criteria in the healthcare delivery space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Addresses the Community’s Unmet Needs

Established in 2019, Sunway Medical Centre Velocity (SMCV) quickly emerged as a leading hospital in the Cheras community in Kuala Lumpur, which sees strong demand for high-quality healthcare services for women and children. The hospital focuses on serving young families and addresses the growing demand for maternity and childcare.

In January 2021, SMCV launched a Women & Children Centre that provides holistic care and treatment for mothers and babies, from family planning and prenatal care to postnatal care and children’s well-being.

“In addition, SMCV is the 1st hospital in Malaysia to commit to Race to Zero, a global campaign led by the United Nations to achieve net-zero greenhouse gas emissions by 2050. The hospital supports sustainability goals in energy, waste, transportation, food, and water with various campaigns and initiatives.”

**- Bhaskar Vittal,
Industry Principal**

In 2020, SMCV delivered 1,997 newborns, averaging 166 babies per month, which is one of the highest numbers for a new hospital that delivers private healthcare in Klang Valley, Malaysia. In 2022, the hospital delivered 2,097 newborns.

SMCV is 1 of the 3 private hospitals in Kuala Lumpur that is equipped with a neonatal intensive care unit (NICU) facility. The NICU primarily cares for premature and sick newborns, under the care of a resident neonatologist.

In September 2022, SMCV launched a Fertility Centre to provide fertility services. The center offers a wide range of treatment, including in vitro fertilization (IVF), intracytoplasmic sperm injection (ICSI), preimplantation genetic testing (PGT), cryopreservation, endometrial receptivity analysis, laparoscopic surgeries, and treatment for gynecological conditions.

Besides services for women and children, SMCV is 1 of the 3 private hospitals in Kuala Lumpur that has established a Neuro Centre that provides comprehensive care for neurological conditions, including, but not limited to, stroke, epilepsy, Parkinson's disease and other movement disorders, and brain tumors. The center is equipped with advanced diagnostic equipment technology, such as the 3 Tesla MRI, and is fitted with stereotactic image-guided surgical systems and neurosurgical microscopes. It also offers electromyography (EMG) services and houses a neuro-diagnostic lab as well as a catheterization lab for cerebral vascular imaging. In 2023, a Neuro Rehab Exoskeleton Robot for robotic-assisted gait therapy (a comprehensive rehabilitation program for individuals who have experienced a stroke, spinal cord injury, traumatic brain injury, or other conditions that affect their ability to walk) was installed.

Leadership Focus on Specialty Areas and Quality of Care

SMCV has expanded its services and established a few Centers of Excellence, namely Women & Children Centre, Orthopedic Centre, Neuro Centre, and Heart & Lung Centre. The hospital focuses on these specialty areas to better serve the patient community. The leadership team aims to make the hospital a one-stop center for all the healthcare needs of the community. As part of these efforts, the leadership team invests in healthcare infrastructure by purchasing advanced medical equipment and hiring well-trained healthcare professionals, thereby boosting the quality of care it offers.

Importantly, SMCV's leadership team is committed to obtaining the Malaysian Society for Quality in Health (MSQH) accreditation in 2023, which will serve as recognition of its commitment to providing high-quality healthcare services to patients.

In addition, SMCV is the 1st hospital in Malaysia to commit to Race to Zero, a global campaign led by the United Nations to achieve net-zero greenhouse gas emissions by 2050. The hospital supports sustainability goals in energy, waste, transportation, food, and water with various campaigns and initiatives.

Technology Adoption, the Key Mega Trend

SMCV strongly believes that digital technology adoption will be the key to its future growth, especially for workflow efficiencies.

Amidst the COVID-19 pandemic's Movement Control Order in Malaysia, SMCV undertook numerous digitalization initiatives, including express check-in, digitalization of electronic medical records (EMRs), integration of vital sign machines into EMRs, the introduction of the SunMed Go platform, and the launch of an eCommerce platform. These initiatives were implemented to alleviate the challenges SMCV faced during the pandemic, including a lack of healthcare workers, high paperwork load, and significant patient volumes. Digital initiatives reduced physical contact and interactions between healthcare professionals and patients, leading to increased comfort for both patients and staff, while prioritizing safety and efficiency throughout the patient journey.

SMCV implemented express check-in in 2020 for follow-up patients, which resulted in better patient control and shorter waiting time as follow-up patients had an express lane and could directly head to the clinic for registration.

Furthermore, the hospital introduced digitalized EMRs to improve data accuracy. Nurses can scan a barcode to update a patient's vitals, which are automatically recorded in the patient file in the hospital's information system. Moreover, SMCV is the 1st private hospital in Malaysia to have its vital sign medical devices completely connected to EMRs, which has improved nurses' workflow by saving up to 1,200 hours in daily tasks, annually.

The SunMed Go mobile app allows patients to book appointments with preferred doctors, check live queue remotely, view medical records, and access the latest wellness packages from their mobile phones.

To cater to the growing demand for online services during the pandemic, SMCV launched its eCommerce site in July 2021. The site provides an easily accessible platform for individuals to purchase health screening packages at their convenience, without having to physically visit the hospital.

In 2023, SMCV invested in a robotic exoskeleton designed to aid the rehabilitation of patients with mobility impairments that impact body coordination.

Most of the hospital's medical equipment is connected to digital solutions, meaning that patient data is easily captured and carefully and thoroughly analyzed, thereby improving patient care.

Exemplary Financial Performance

Since its launch in 2019, SMCV recorded a 630% growth rate in just 1 year, from RM7.8M to RM57M. Between 2022 and 2021, the hospital registered a 45% revenue growth. Within a year of commencing operations in September 2019, SMCV achieved Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) breakeven. Following the breakeven, the hospital's year-over-year (YoY) EBITDA margin grew by 150% from 2020 to 2021.

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From 2021 to 2022, SMCV's EBITDA margin increased even further by 119% YoY. It took just 2 years since SMCV commenced operations for it to achieve breakeven in profit after tax (PAT), which it accomplished in November 2021. With 237 beds, 62 consultant suites, 6 operating suites, and a catheterization laboratory, the hospital is equipped to provide patients with the best care. SMCV's new Tower B is under renovation and is expected to open by the end of 2023; in this new space, the hospital plans to add 100 more beds to better serve the community.

Best Practice Implementation to Sustain Growth

SMCV strongly believes in implementing best practices to drive and sustain growth.

SMCV invests in training its employees, considering the shortage of skilled healthcare professionals in the industry. Nursing training is an essential aspect of maintaining high-quality patient care, and SMCV uses an eLearning platform to provide access to education modules that nurses can complete at their own pace.

SMCV also provides peer-to-peer learning opportunities, allowing its nurses to learn from their colleagues' experiences and best practices. The hospital encourages its employees to attend external clinical

conferences and symposiums. Its Incident report system allows nurses to report incidents, track trends in reported incidents, and implement corrective action. The system identifies potential risks and hazards and fosters a culture of patient safety, where staff are encouraged to speak up and report concerns. It also provides valuable data and insight that is used to improve patient safety and outcomes.

Strong Brand Equity in the Community

SMCV has a strong brand presence in both the patient and the healthcare communities. The hospital targets the middle to upper income group of the population. The goal is to provide patients with top-notch healthcare facilities and exemplary service to retain the patient base. SMCV believes this strategy will help it drive significant referral patient numbers.

The hospital recorded an average Customer Satisfaction Index (CSI) score of 97% since launching operations in 2019. Most patients were highly satisfied with their experience. The hospital's Health Screening Centre has been registering significant growth in patient volumes, from 5,025 patients in 2020 to 8,306 in 2022. It offers loyalty programs for both children and adults. The SunMed Kid's Club program is designed for children from birth up to 12 years, and the SunMed Cherish Card is a senior citizen privilege card that is applicable for patients aged 60 years and above. Both programs had 5,000 card members (combined), as of December 2022.

SMCV's brand positioning is based on 3 key factors in healthcare service—good doctors, good service, and good care. The hospital excels in these areas, leading to a loyal customer base in the community.

Conclusion

SMCV has grown leaps and bounds since its inception in 2019. By specializing in women's and children's health, the hospital managed to build a strong and loyal patient base, and it plans to extend its services to other specialty areas and increase its bed size to meet the expected growth in demand. By focusing on patient service and technology, SMCV achieved tremendous revenue growth; it became profitable in 2022, which is a significant achievement, given that it has existed only for about 4 years. With its strong overall performance, Sunway Medical Centre Velocity earns Frost & Sullivan's 2023 Malaysian emerging hospital Company of the Year Award.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

