



February 10, 2022

**National Stock Exchange of India Limited,**  
Compliance Department,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051,  
Maharashtra, India

**BSE Limited,**  
Compliance Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001,  
Maharashtra, India

Dear Sir/Madam,

**Subject : Investor Presentation**

**Stock Code : BSE – 539787, NSE – HCG**

We wish to inform you that the Board of Directors of the Company, at their meeting held on February 10, 2022, *inter alia*, has approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2021.

In this respect, we enclose herewith the Presentation on the Financial Results of the Company for the quarter and nine months ended December 31, 2021.

Request you to take this on record.

Thanking you,

For **HealthCare Global Enterprises Limited**

**Sunu Manuel**  
**Company Secretary & Compliance Officer**

**Encl: a/a.**

**HealthCare Global Enterprises Limited**

HCG Tower, # 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bangalore - 560027.

080 33669999 | info@hcgoncology.com | www.hcgoncology.com | CIN : L15200KA1998PLC023489



HealthCare Global  
Enterprises Limited

# HEALTHCARE GLOBAL ENTERPRISES LIMITED

## Q3-FY22 INVESTOR PRESENTATION



The Specialist  
in Cancer Care



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The Specialist  
in Cancer Care



The Specialist  
in Cancer Care

## Cancer Care



- **Comprehensive cancer diagnosis and treatment services (offering radiation therapy, medical oncology and surgery)**
- **22<sup>2</sup> comprehensive cancer centers (including Kenya)**

## BACKGROUND

- One of the Largest<sup>1</sup> provider of cancer care in India under “HCG” brand
- Leading provider of fertility treatments under the “Milann” brand

## Fertility Treatment



- Integrated reproductive medicine services
- 7 fertility centers in Bengaluru & North India



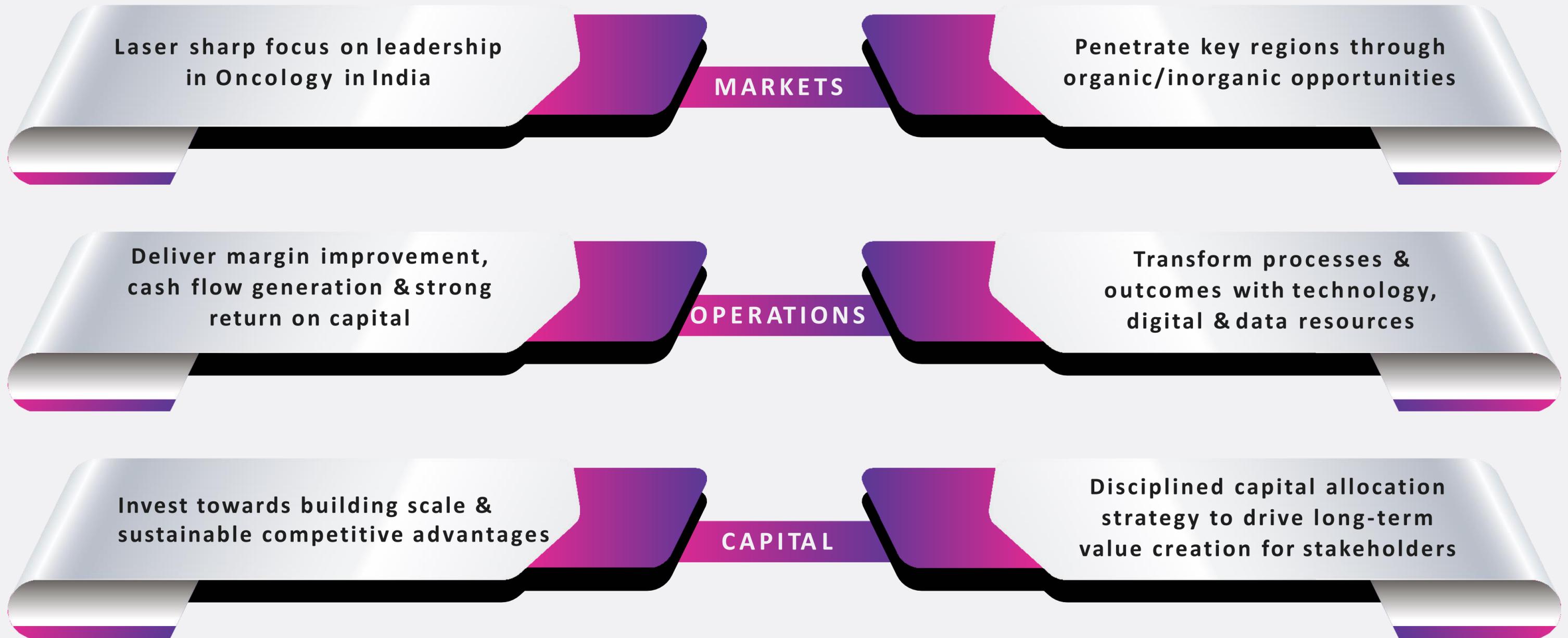
## Multi-Speciality



- 4 Multi-speciality hospitals providing high-quality tertiary care



<sup>1</sup>In terms of the total number of cancer treatment centers licensed by AERB as of March 31, 2015 (Source: Government of India, Atomic Energy Regulatory Board); <sup>2</sup>Includes center in Kenya; Bhavnagar multispeciality also includes comprehensive cancer services hence included in CCC count;



# KEY INVESTMENT HIGHLIGHTS



**FAVORABLE INDUSTRY DYNAMICS:**  
Oncology growing faster than market

**LEADING ONCOLOGY NETWORK:**  
No.1 market position in 12+ cities

**STRONG TEAM & BOARD:**  
Marquee shareholders, Professional management & competent Board

**QUALITY:**  
Infra, technology, talent, outcomes meeting global standards

**FOCUSED CARE MODEL:**  
Independent comprehensive cancer centers

**TRACK RECORD:**  
Consistent growth across Revenues & Operating profits

**SUSTAINABLE GROWTH:**  
Key investments in expansions /capacities completed



**SAVITA DEVI, CANCER WINNER**

“ I chose the hospital that said my cancer could be treated over the hospital that said I only had six months. ”

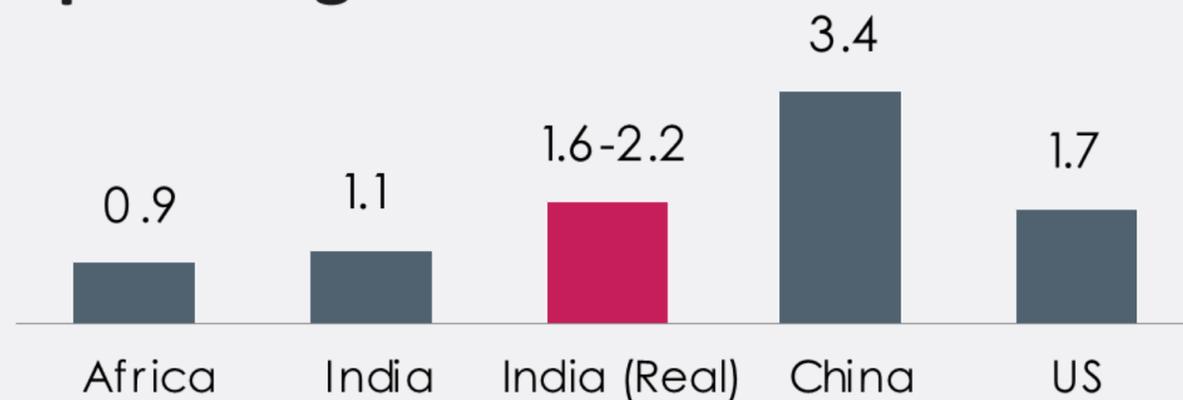
# BUSINESS MODEL

## INCIDENCE ACROSS COUNTRIES

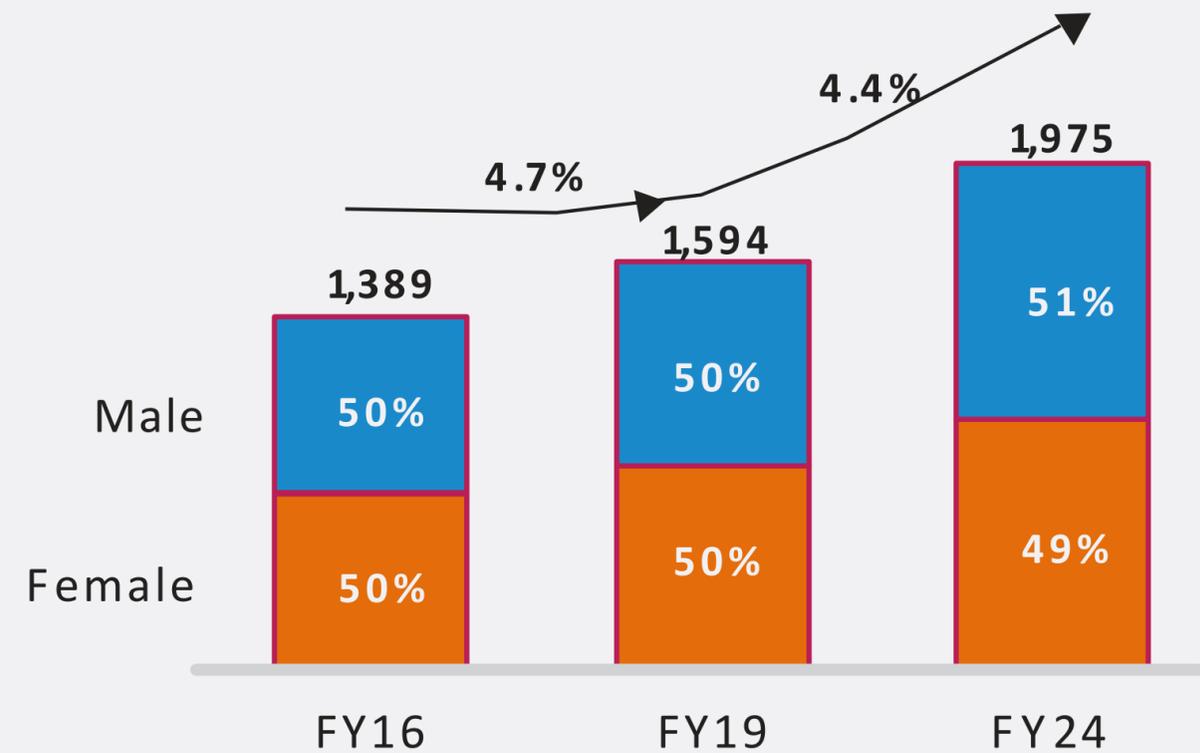
## INCIDENCES IN INDIA TO GROW TO ~2MN CASES BY FY24

### Under-Reporting Of Cancer In India<sup>1</sup>

Estimated incidence of cancer in 2015 (mns)

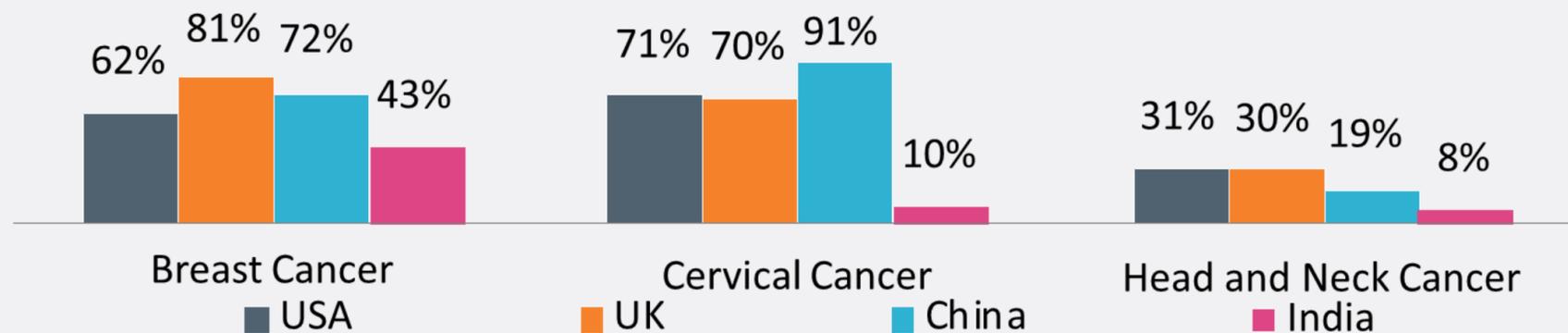


### Incidence of new cancer cases ('000)<sup>2</sup>



### Under Diagnosis of Cancer in India<sup>1</sup>

Cancer Diagnosis at Early Stages (Stage I or Stage II)



<sup>1</sup>Call for Action: Expanding cancer care in India dated July 2015, published by Ernst & Young; <sup>2</sup>A&M Research

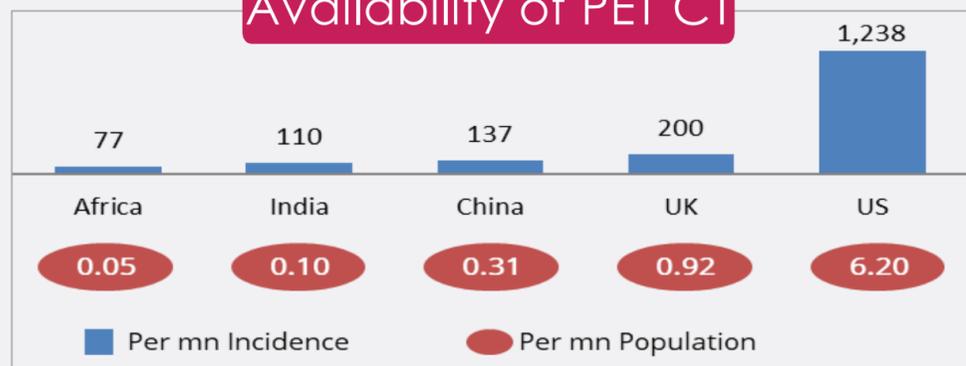
# KEY DRIVERS OF ONCOLOGY OPPORTUNITY

## 1 Demographic Changes

- Incidences increases with ageing - population >50+ yrs to increase to **262mn**, expected to increase **100K to 350K** cases a year

## 4 Inadequate Infrastructure

### Availability of PET CT



### Availability of LINACs

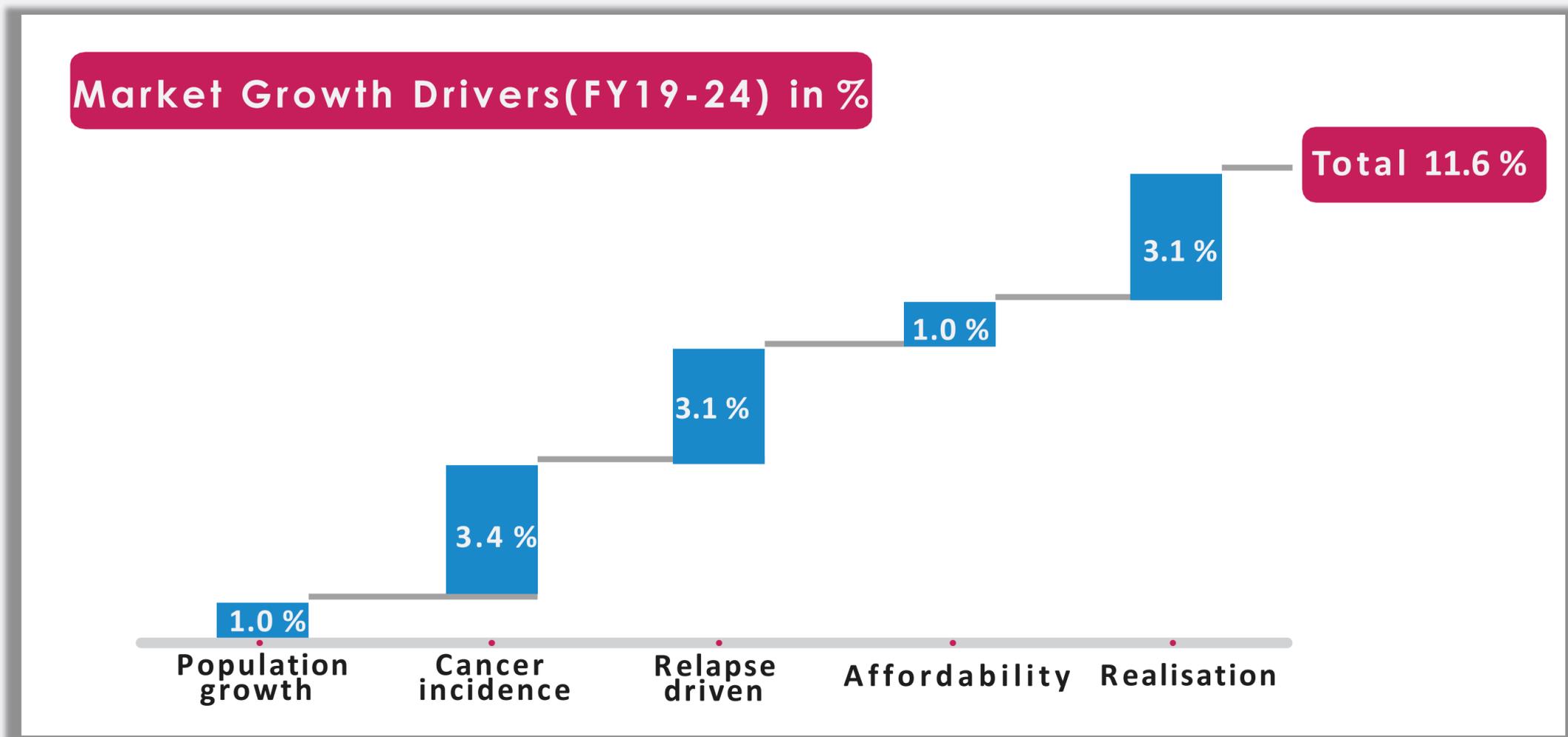
Region / Country	Number of LINACs (2015)	LINACs per Million Population	Cancer Prevalence per LINAC	Cancer Incidence per LINAC
US	3,818	11.9	1,572	419
UK	323	5.0	3,096	929
China	986	0.7	6,288	3,144
India	342	0.3	7,310	3,216

## 2 Exposure to Risk Factors

- Tobacco use, alcohol consumption, use of processed food and air pollution expected to increase **350K- 450K** cases a year

## 3 Narrowing Diagnosis Gap

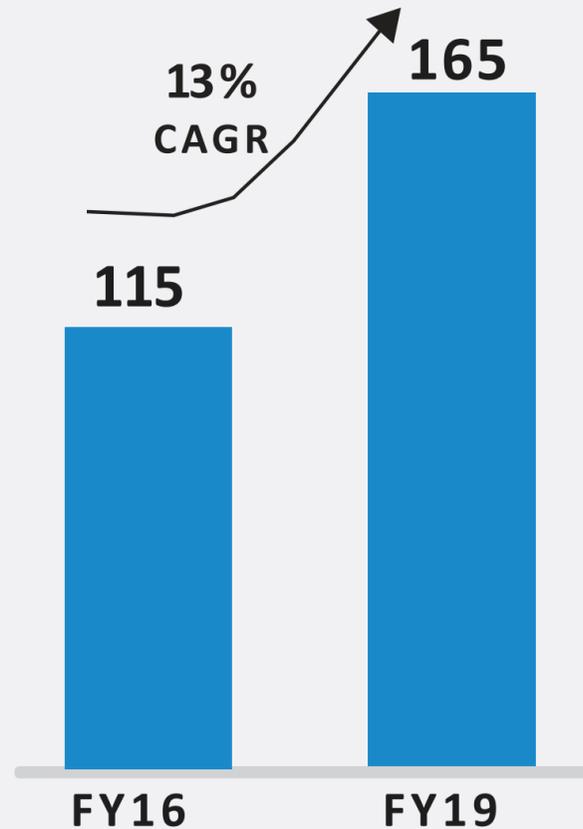
- Growing awareness and greater public emphasis on screening expected to result in increased reported cancer rates



<sup>1</sup>Call for Action: Expanding cancer care in India dated July 2015, published by Ernst & Young; A&M Research

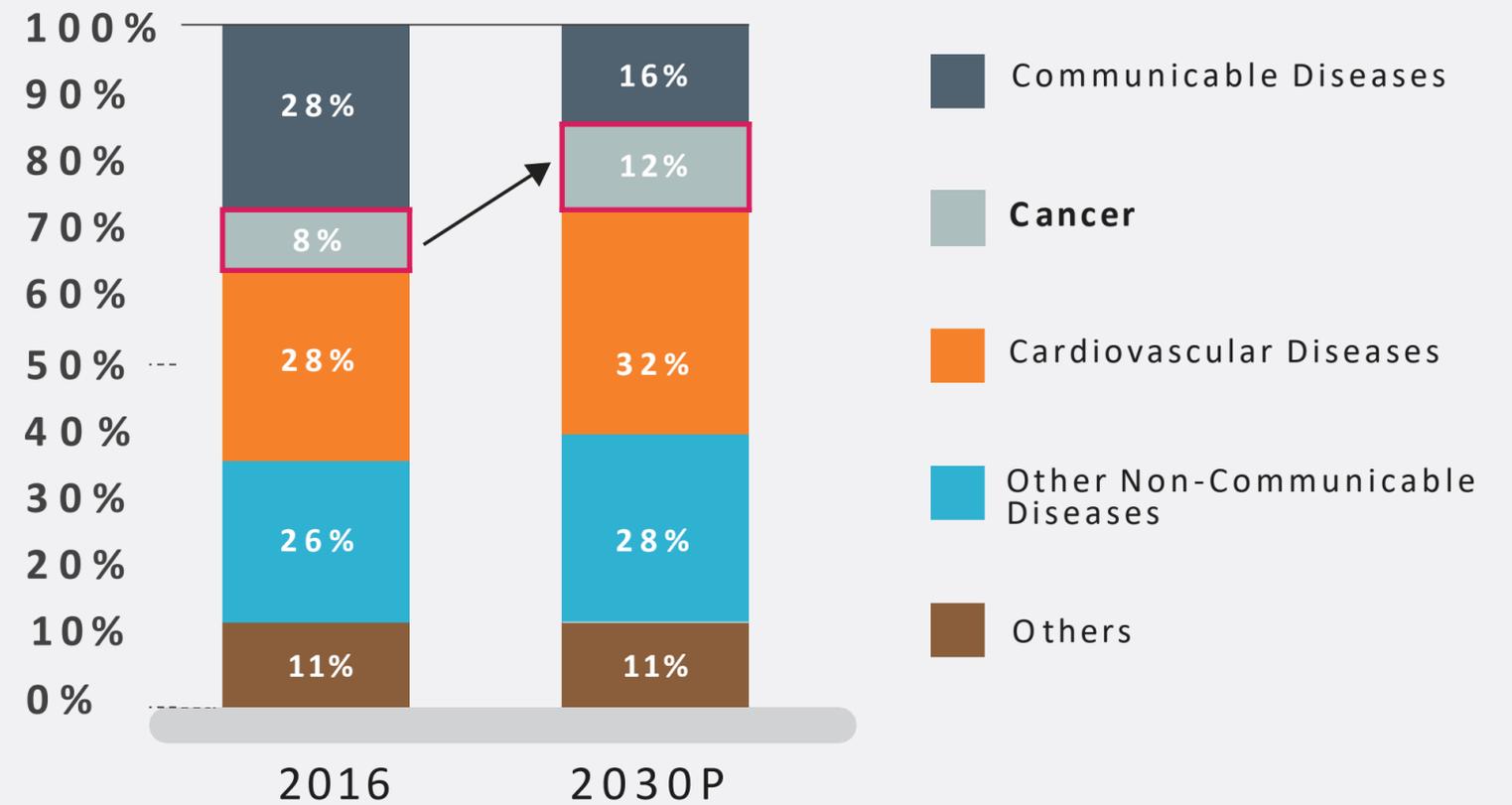
## ONCOLOGY EXPECTED TO GROW FASTER THAN THE OVERALL HEALTHCARE MARKET

Cancer Care market in India (INR Bn)\*



## GROWTH IN ONCOLOGY MORTALITY A CAUSE FOR CONCERN & NEEDS FOCUSED INTERVENTION

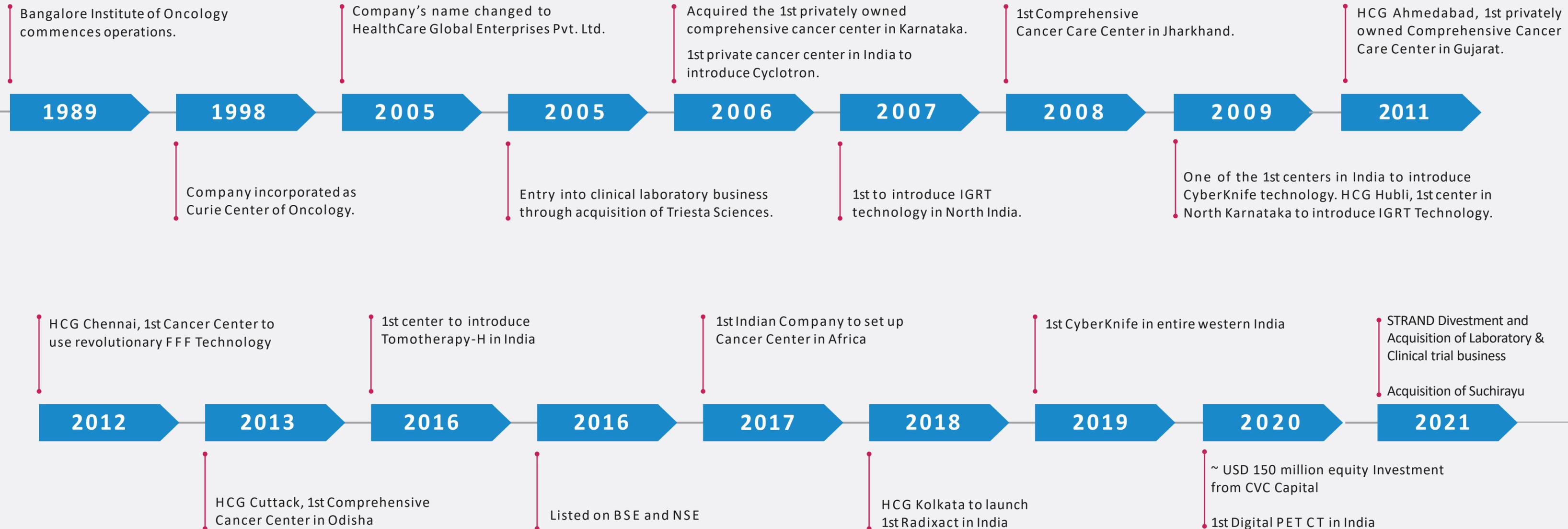
Causes of Deaths in India \*



Source: WHO global burden of disease, India: Health of Nation's States, CRISIL Research

\*Call for Action: Expanding cancer care in India dated July 2015, published by Ernst & Young; A&M Research

# HCG JOURNEY



# SUSTAINABLE BUSINESS MODEL IN ONCOLOGY

1



- Oncologist promoted with local collaborations have built strong legacy as a **Premier Oncology institution**

4



- **Largest oncology brand & network** with hybrid presence (metros / Tier 2,3 towns) pan-India

2



- Latest tech. driven excellence at delivering care as per **global quality standards & outcomes**

5



- **Integrated oncology ecosystem** driving focus on research & academics economies of scale and

3



- **Largest team of expert Oncologists** & domain focused sub-specialists

6



- Investing in **oncology IT systems** & getting **Digital ready**



**SHANKAR, CANCER WINNER**

“The days I was at HCG, I felt like I was sleeping at home. They never stop caring for you. The doctors and nurses are always finding ways to make this difficult journey as comfortable as possible.”

# QUALITY FOCUSED

# LEADERSHIP ACROSS ADVANCED & PRECISION TECHNOLOGIES / SPECIALIZED PROCEDURES



## DIAGNOSTICS

TOTAL PET CTS:  
**17** NO.S



DIGITAL PET CT: **1** NO.S



DIGITAL PATHOLOGY:  
ACROSS NETWORK



MOLECULAR / GENOMICS LAB:  
**1** NO.S



## RADIOTHERAPY

TOTAL LINACS:  
**31** NO.S



CYBERKNIFE: **2** NO.S



VERSAHD: **5** NO.S



TOMOTHERAPY: **5** NO.S

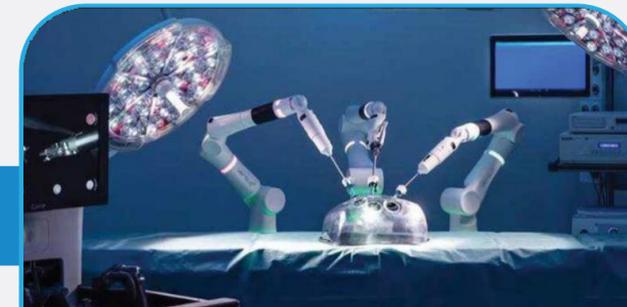


## MEDICAL / SURGICAL ONCOLOGY

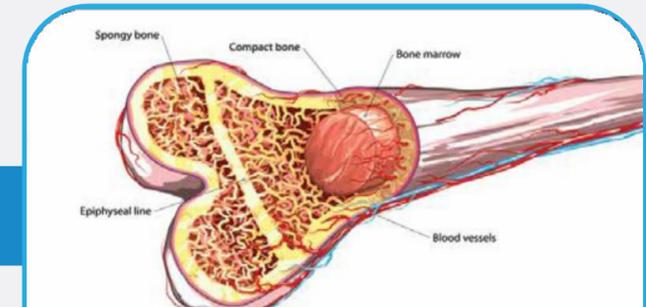
TOTAL ROBOTS:  
**3** NO.S



DAVINCI ROBOT: **2** NO.S



VERSIUS ROBOT: **1** NO.S



BONE MARROW TRANSPLANT  
UNITS: **7** NO.S

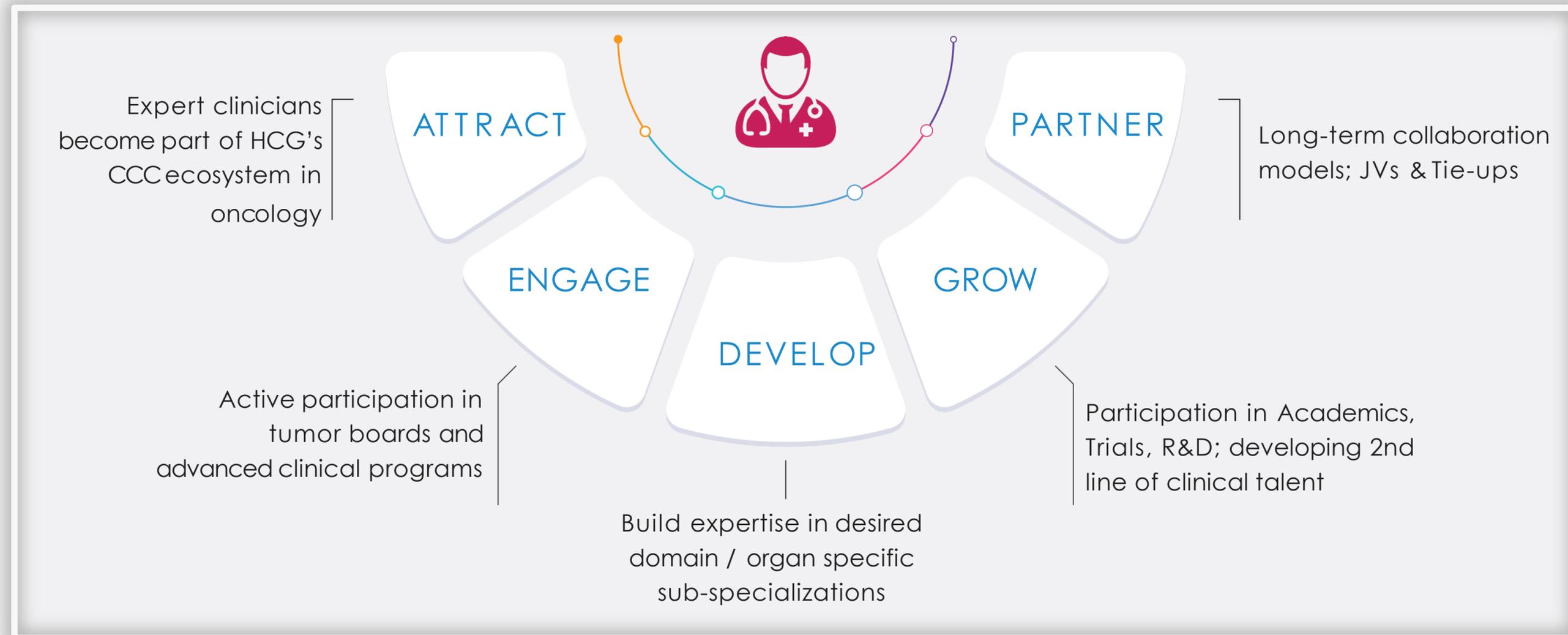
# UNIQUE ONCOLOGIST ENGAGEMENT MODEL

## INSTITUTION-FIRST

Exclusive engagement with flexibility on pay-out structures (payroll, consultant, fee-for-service)

## LOYALTY AND SUSTAINABILITY

Access to best practices, leading technologies, complex cases & large patient volumes



Realisation Of Oncology Vision  
for HCG & Clinicians

CCC / Comprehensive cancer care center: Defined as offering surgical, medical and radiation oncology services onsite, accompanied by diagnosis / PET CT as well in some cases

## QUALITY & RESEARCH INITIATIVES

- Grants by Ministry of AYUSH and DST
- Oral presentations at:
  - Harvard University
  - ASTRO meeting
  - ESMO meeting
  - Society for Integrative Oncology

101\* PUBLICATION  
PUBLISHED

28\* CLINICAL AUDITS  
CONDUCTED

## Innovation @ HCG

Life of a Laryngectomy person is marked by many problems including no voice box, breathing through a Trachea-stoma, absence of nasal breathing unable to smell and altered taste & swallow. In order to aid their problems, we at Hcg, supporting our In-house Doctor/inventor introduced Aum - Voice Box. It is an Innovative device made of Silicone, helping people to regain their voice at a fractional Cost.



## SELECT CLINICAL TRIALS

- Genomics: Mutations & treatment response and outcomes
- Radiation response & Radio sensitivity using Radiomics and radiogenomics
- Whole exome sequencing to identify novel Targets in head and neck cancers
- Immunotherapy PDL1 inhibitors, T cell activation, Dendritic cell therapy

## HCG ACADEMICS

### Oncology

- DNB
- Fellowships
- Certificate programs

### Allied health services

- B .sc.
- Bachelor: Hospital administration
- Certificate programs

### Nursing

- Diploma
- Certificate programs

155\*

Students Registered For Various  
Courses In FY 2020-21

45+\*

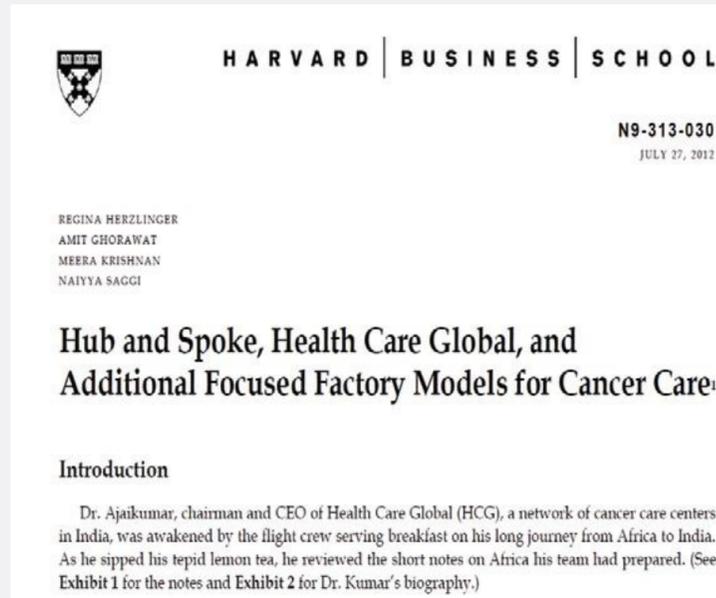
Courses Offered

#For financial year FY21



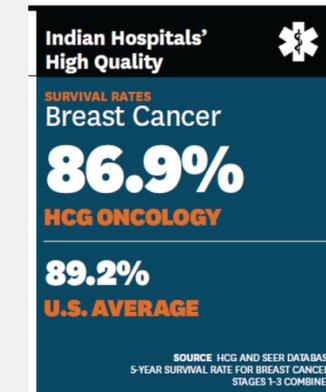
## COVERAGE BY HARVARD

### UNIQUE BUSINESS MODEL

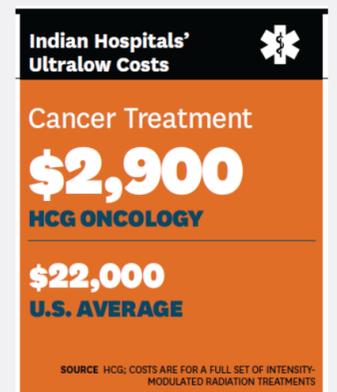


### GLOBALLY COMPARABLE OUTCOMES

#### SURVIVAL RATE



#### COST



### STUDY FINDING | seo • amsterdam economics

“ The quality indicators by HCG suggest that the experienced quality of care at HCG is high. The outpatient satisfaction ratio was **87.4%** on average during 2018 while the inpatient satisfaction ratio was similarly high at **86.5%**. This is high when compared with, for example, the Overall (inpatient) Patient Experience Score of **76.2%** for **NHS hospitals in the UK** during 2018-19

\*Only for COE, Bangalore

# CLINICAL MILESTONES



Asia's first bloodless Bone Marrow Transplant was performed by our experts.



We introduced biological reconstruction to treat bone cancer in India.



HCG has conducted the largest number of Breast Conservation Surgeries in India.



India's first Computer Assisted Tumour Navigation Surgery (CATS) was brought in by us.



Cyberheart – First hospital in India to remove a tumour in the left ventricle of the heart through CyberKnife.



It was the first in India to introduce Hyperthermia as a form of treatment.



HCG is the first hospital in India to introduce Flattening Free Filter (FFF) mode technology for treatment.



We were the first in India to save a patient's vocal cord through the world's most advanced laser technology.



HCG is the first hospital in India to introduce TomoTherapy HX.



It is also the first in Asia to have treated a patient with 3D radio-guided surgery – Surgic Eye.



It is the first hospital in India to introduce high precision, Trans-Oral, Laser Surgery (TOLS), endoscopically.



First in the world to perform the quickest Radio Surgery to treat Trigeminal Neuralgia ("The Suicide Disease").

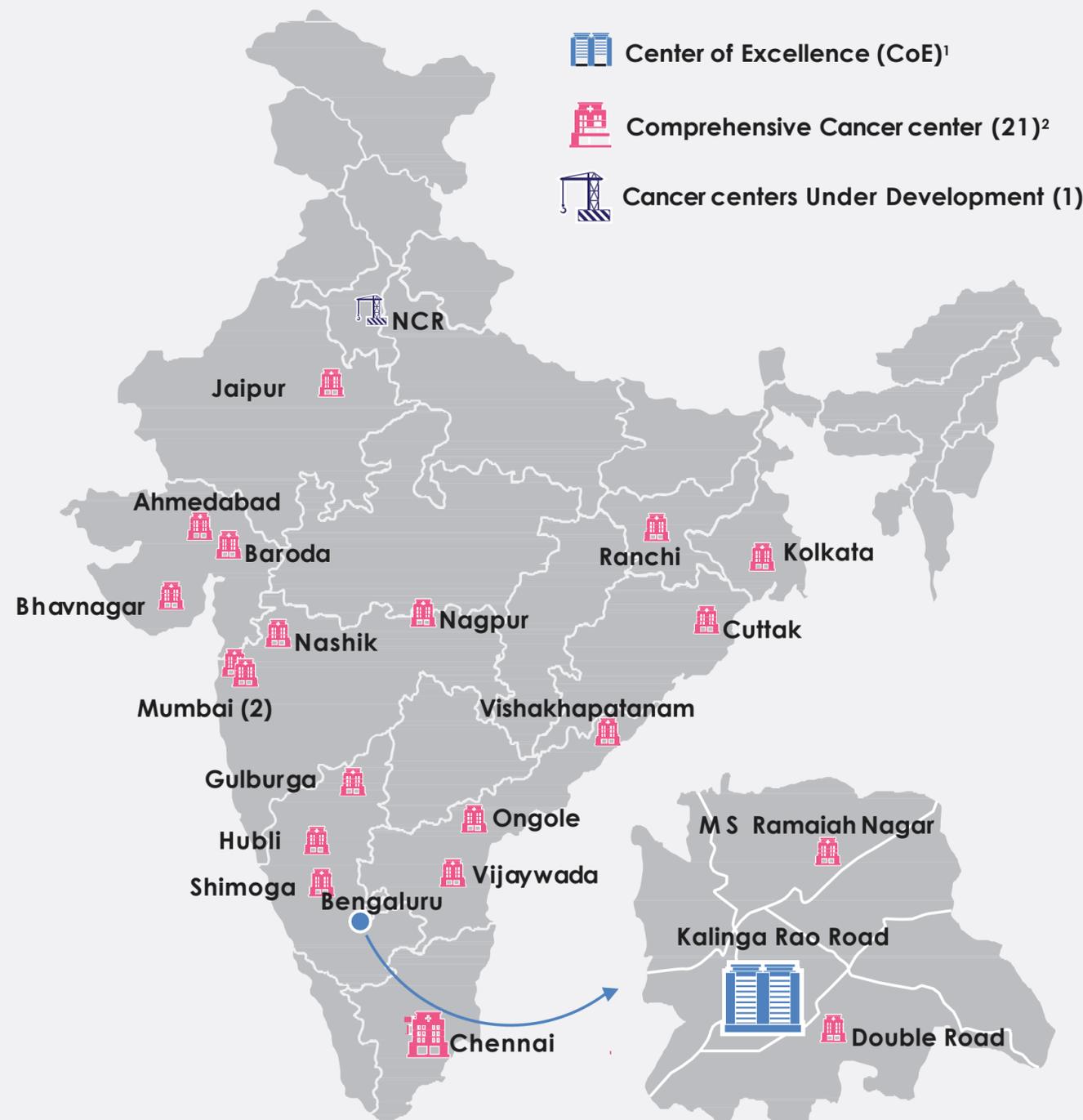


**ARJUN MANDAL, CANCER WINNER**

“ I wholeheartedly thank Dr Aftab and HCG team for diligently handling my case and helping me recover without any diiculties. I am delighted to say that today I am leading a healthy and cancer-free life. ”

# MARKET LEADERSHIP

# INDIA'S PREMIER CANCER CARE NETWORK



## HCG NETWORK



**1,944**  
CAPACITY  
BEDS<sup>3</sup>



**1,702**  
OPERATIONAL  
BEDS<sup>3</sup>



**31**  
LINEAR  
ACCELERATORS



**17**  
PET-CT  
SCANNERS



**300+**  
ONCOLOGISTS



**80**  
OPERATION THEATRES

## HCG ACCESS / PATIENT CATCHMENT



**9**  
STATES



**19**  
CITIES

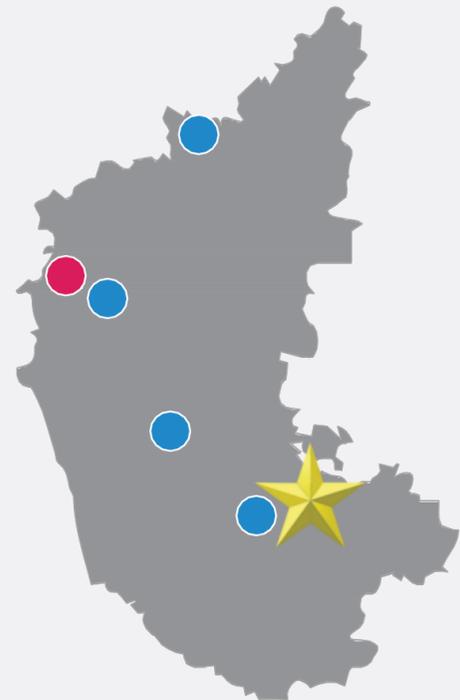


**~639mn**  
POPULATION  
(states with presence)

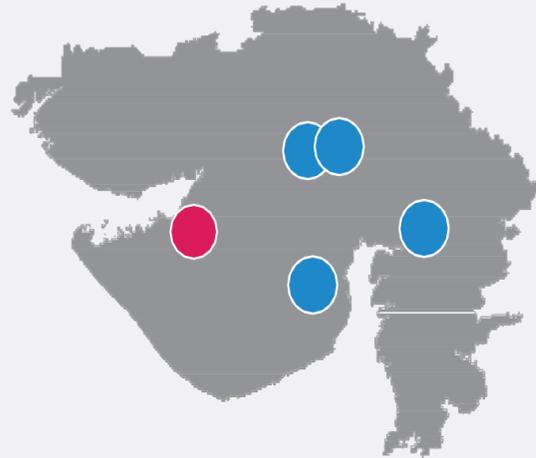
<sup>1</sup> Includes 2 centers, KR & DR; <sup>2</sup> As on 31<sup>st</sup> March' 2021 includes COE & center in Kenya, Bhavnagar multispecialty also includes comprehensive cancer services hence included in CCC count ; <sup>3</sup> Beds include the Beds at Multispecialty also

# INDIA'S PREMIER CANCER CARE NETWORK

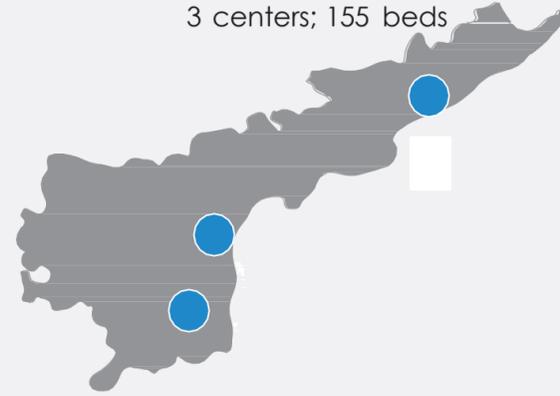
**No.1 in Karnataka**  
7 centers; 514 beds



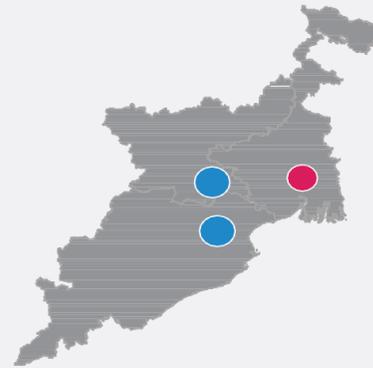
**No.1 in Gujarat**  
5 centers; 403 beds



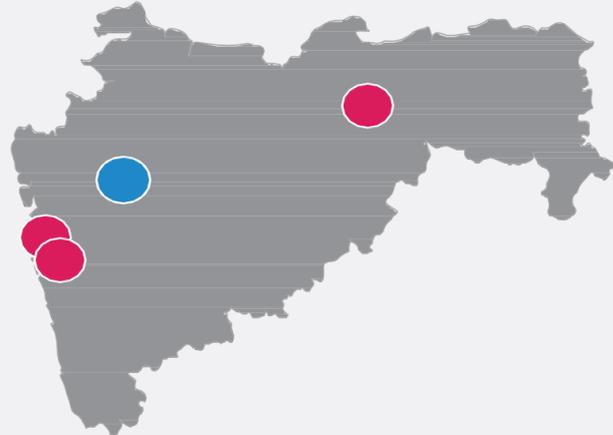
**No. 1 in Andhra Pradesh**  
3 centers; 155 beds



**No.1 in Odisha & Jharkhand  
Scaling in W.Bengal**  
3 centers; 239 beds



**Top 3 in Maharashtra**  
4 centers; 321 beds



**Scaling in Rajasthan & NCR**  
1 centers; 65 beds



-  New centers
-  Existing centers
-  Under Development

 New centers     Existing centers

• Includes Multi-specialty beds, Existing and planned centers  
• Market position for private oncology markets only (excluding trusts, government hospitals), based on management estimate

# UNMATCHED PRESENCE IN NON-METRO MARKETS

## COMPREHENSIVE CANCER CENTERS

NON-METRO CENTERS	BEDS (#)	MARKET POSITION
NASHIK	206	NO.1
NAGPUR	121	NO.1
CUTTACK	116	NO.1
BHAVNAGAR <sup>1</sup>	87	NO.1
VIJAYAWADA	75	NO.1
RANCHI	74	NO.1
BARODA	63	NO.1
SHIMOGA	47	NO.1
GULBARGA	43	NO.1
HUBLI	31	NO.1
ONGOLE	30	NO.1
VIZAG	50	NO.2
<b>Total</b>	<b>943</b>	
<b>% of Total Cancer Beds</b>	<b>61.7 %</b>	

## THE 'BHARAT' OPPORTUNITY:

### GAPS IN RURAL HEALTHCARE MARKET

- Over 60% of population has access to less than 30% of hospitals, beds and doctors
- Accounts for 70% communicable disease cases, and over 50% of non-communicable disease

Established high-quality infrastructure and leading technologies with relatively little organized competition in most regions

Opportunity to create leadership with growing demand from Tier II/III cities while delivering oncology care last-mile / inclusively

• Market position for private oncology markets only (excluding trusts, government hospitals), based on management estimate; <sup>1</sup>Includes Multispecialty Beds

# SPECIALIZATION DRIVING COMPETITIVE ADVANTAGES

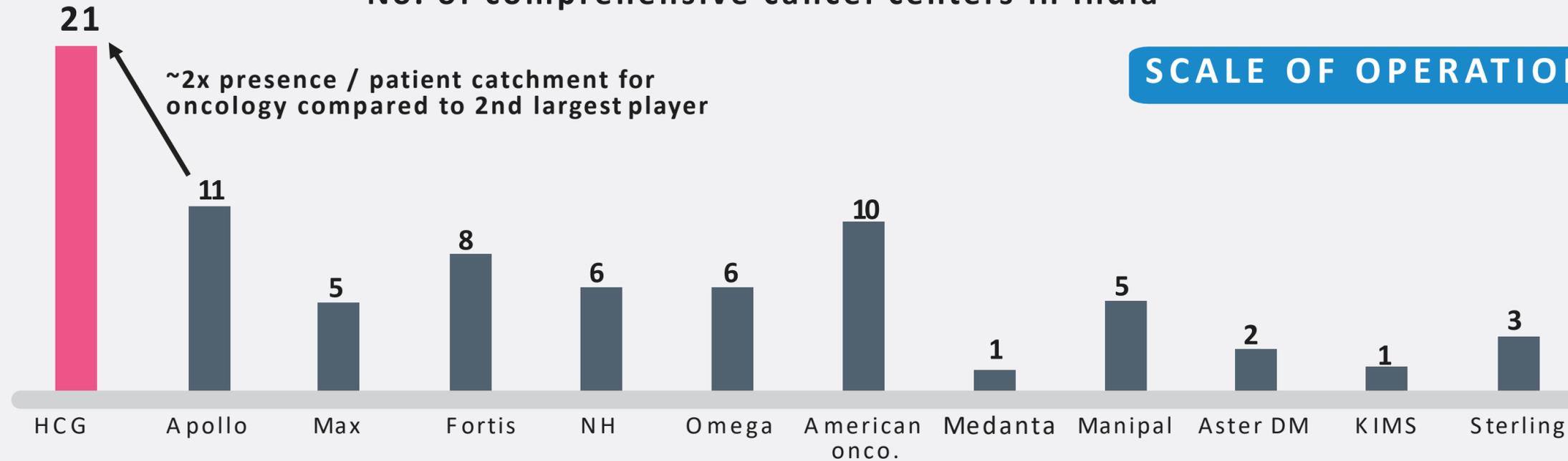
PARAMETERS DRIVING EXCELLENCE IN ONCOLOGY	HCG MODEL	MULTI-SPECIALTY MODEL
1. Dedicated / Independent and 'built-to-suit' facilities 	Established	Absent
2. Comprehensive/integrated oncology service offerings(end-to-end) 	Established	Lacking
3. Attracting / retaining expert oncologists on exclusive/full-time basis 	Established	Executing
4. Advanced technologies, sub-specialization and complex treatments 	Executing	Executing
5. Genomics driven pathways, MDT (multi-disciplinary tumor boards) 	Executing	Lacking
6. Oncology specific R&D, Academics and training programs 	Executing	Lacking
7. Onco-focused brand recall, trust of referral network, scale benefits 	Executing	Executing
8. 2+ decades legacy, treated over 1mn onco. patients & complex cases 	Established	Lacking
9. Capital efficiency & sustainability (optimal scale/size, asset-light) 	Established	Absent

SCORE	Established (network-wide)	Executing (focused adoption)	Lacking (selective adoption)	Absent (no adoption)
HCG MODEL <i>(Independent cancer-only centers)</i>	5	4	-	-
MULTI-SPECIALITY MODEL	-	3	4	2

Comprehensive cancer care offerings defined as surgical, medical and radiation oncology services onsite, accompanied by diagnosis / PET CT as well in some cases

# SIGNIFICANT SCALE, FOCUS & PRESENCE OVER PEERS

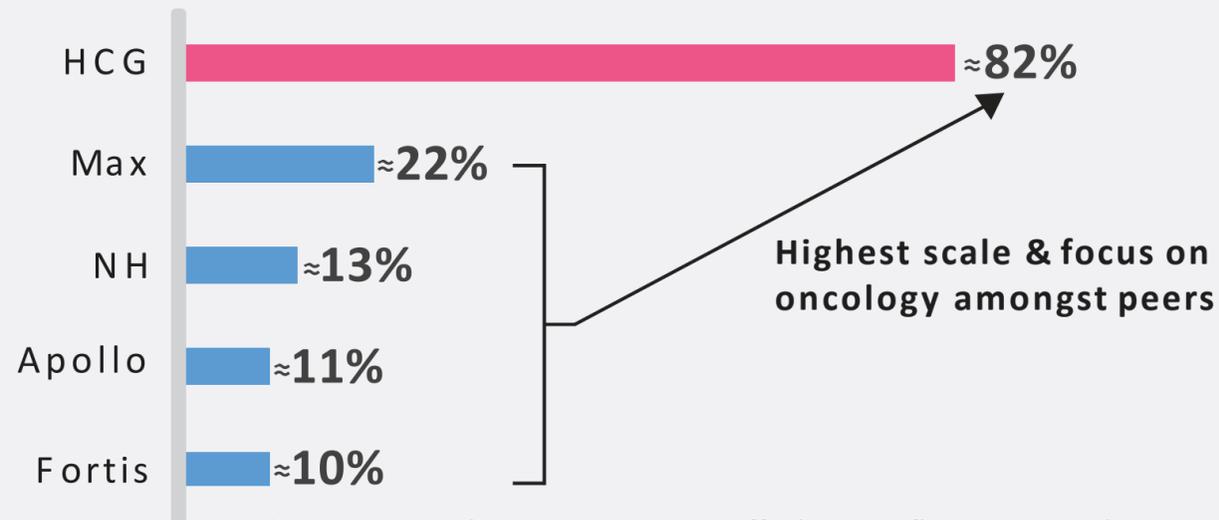
No. of comprehensive cancer centers in India



## SCALE OF OPERATIONS & INFRASTRUCTURE

## FOCUS OF BUSINESS

Revenue contribution from Oncology



## PRESENCE / CATCHMENT WITH COMPREHENSIVE CANCER CARE OFFERINGS



9 STATES



18 CITIES



~639mn POPULATION (states with presence)

• Comprehensive cancer care offerings defined as surgical, medical and radiation oncology services onsite, accompanied by diagnosis / PET CT as well in some cases  
 • Market position for private oncology markets only (excluding trusts, government hospitals), based on management estimate; competitor data based on publicly available data



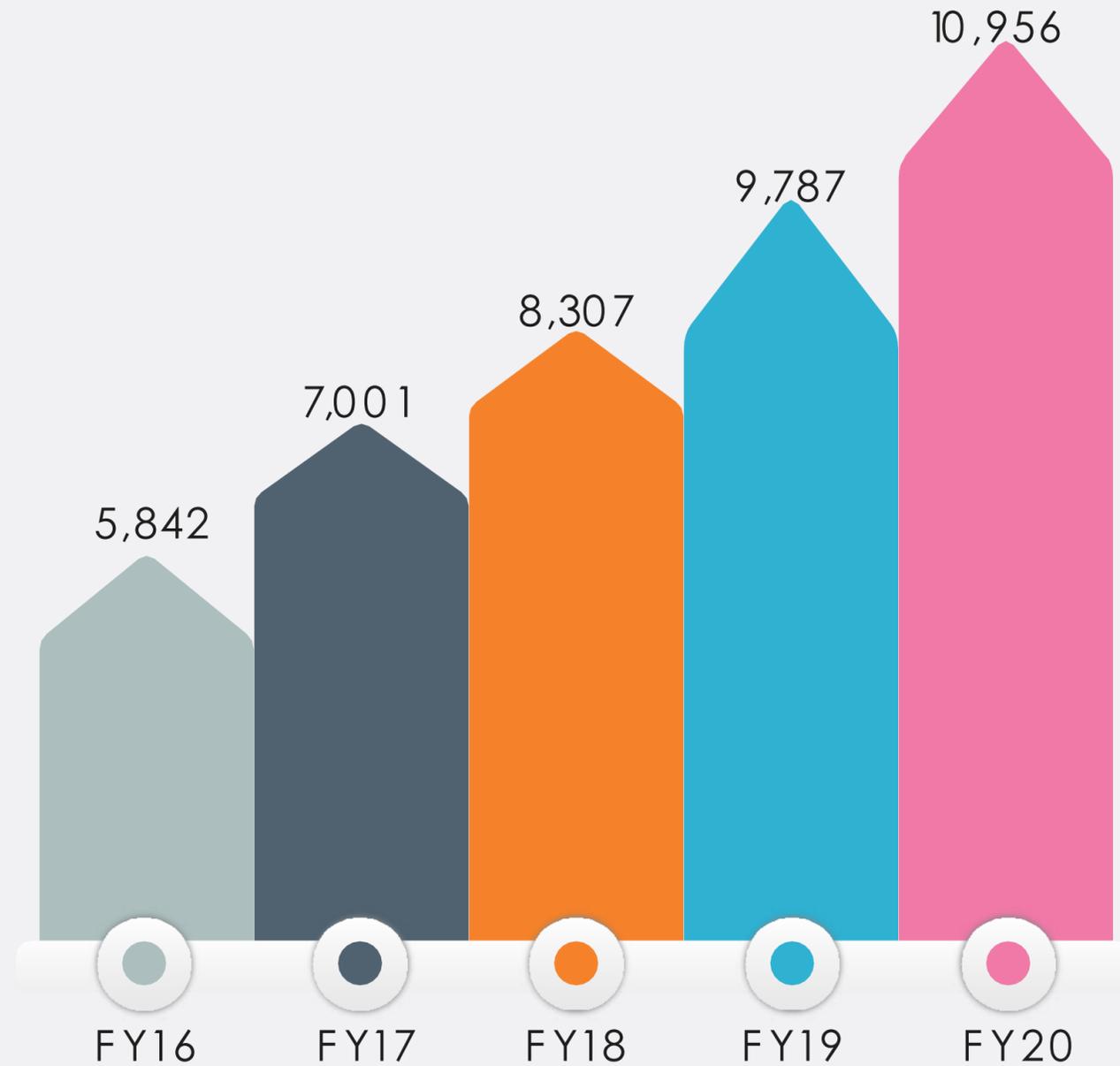
**SUBASINI LENKA, CANCER WINNER**

“ I am eternally thankful to Dr Panda and other specialists at HCG Panda Cancer Hospital, as the specialists were able to treat my condition the right way, the first time. ”

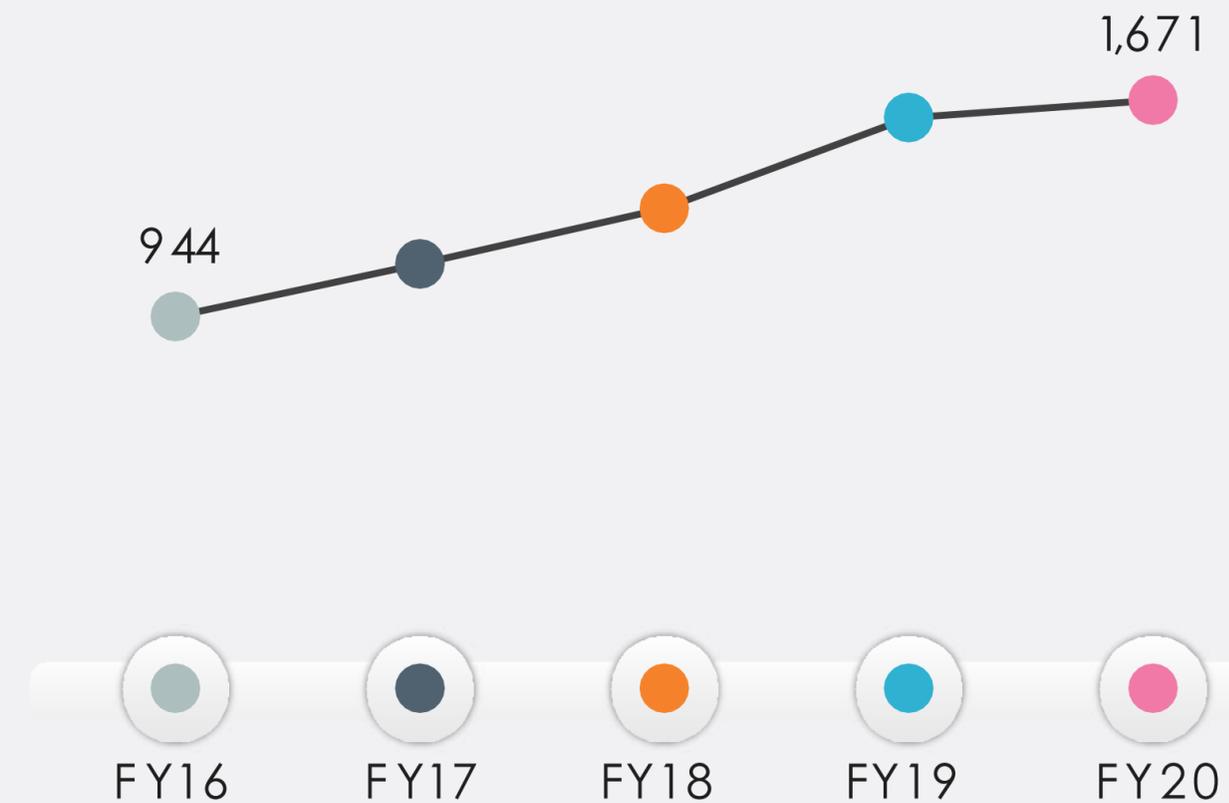
# SUSTAINABILITY

# DEMONSTRATED TRACK RECORD

**Total Revenue (INR mn)**



**Existing Oncology Centers EBITDA (INR mn)**



Center-level EBITDA, pre-corporate expenses; pre-IndAS adjustment

# STRONG GROWTH & LEADERSHIP STRATEGY

## Existing Centers

- Singular organization focus driving growth
- Optimization measures to improve margin
- Cohesive engagement of clinical, sales & Ops to increase market share

## New Centers

- Stabilize operations and drive strong ramp-up
- Clinical engagement to bring best talent and establish quality as per benchmarks
- Preference for brownfield v/s greenfield centers

## Trusted Brand

- HCG as the destination for quality cancer in India
- Direct-to-patient promotion strategies, including investments in leveraging network & enhancing patient experience

## Asset Light Growth

- Shift from equipment purchase to pay-per-use
- Hospital buildings primarily on lease, Investment focus on medical equipment and technology

## IP/ Digital Technology / Data

- Cutting edge R&D in cancer care (cell therapies, personalized radiotherapy, genomics etc.)
- Leverage internal technologies (HIS, EMR, Images, Dig. pathology) and Digital health initiatives

## Dr. BS Ajaikumar

*Promoter &  
Executive Chairman*

### ONCOLOGY DOMAIN KNOWLEDGE AND EXPERIENCE IN INDIA/USA

- MBBS from St.Johns & Radiation / Medical oncologist from MD Anderson
- Over 40yrs+ of experience in practicing oncology in India & US
- Awarded the Ernst and Young - Entrepreneur of the Year Award, the CII Regional Emerging Entrepreneurs Award, and the BC Roy Award by the Indian Science Monitor
- Successfully raised capital and provided exits to marquee PE investors and led public listing of HCG

### TRACK RECORD OF VALUE CREATION ACROSS INVESTMENTS

- Stakes in more than 50 companies worldwide, employing around 300,000 people and generating annual sales of over US\$100bn
- 34+ yrs of proven record of Private Equity investment success
- 300+ investments since 1981 with global offices leading buyout deals
- 180+ investment professionals from over 31 nations
- USD 85bn funds committed generating compelling returns across sector, geography and cycles with a loyal & diversified investor base
- Marquee current and prior investments in healthcare services including PT Siloam (Indonesia), Afinity Health (Australia), Metropolitan Hospital (Greece), General Healthcare Group (UK), Medivet (UK), Vitalia Home (Spain), Mehilainen (Finland), Elsan (France) and Hitowa Holdings (Japan)

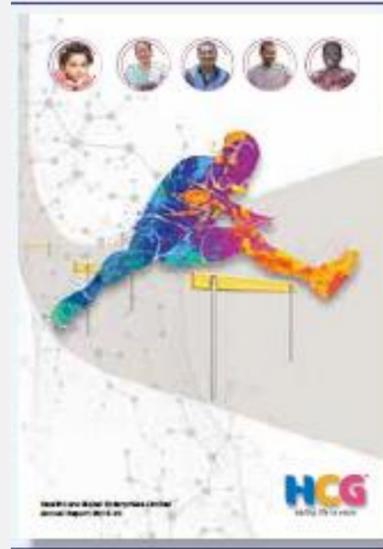


**CVC**  
Capital Partners

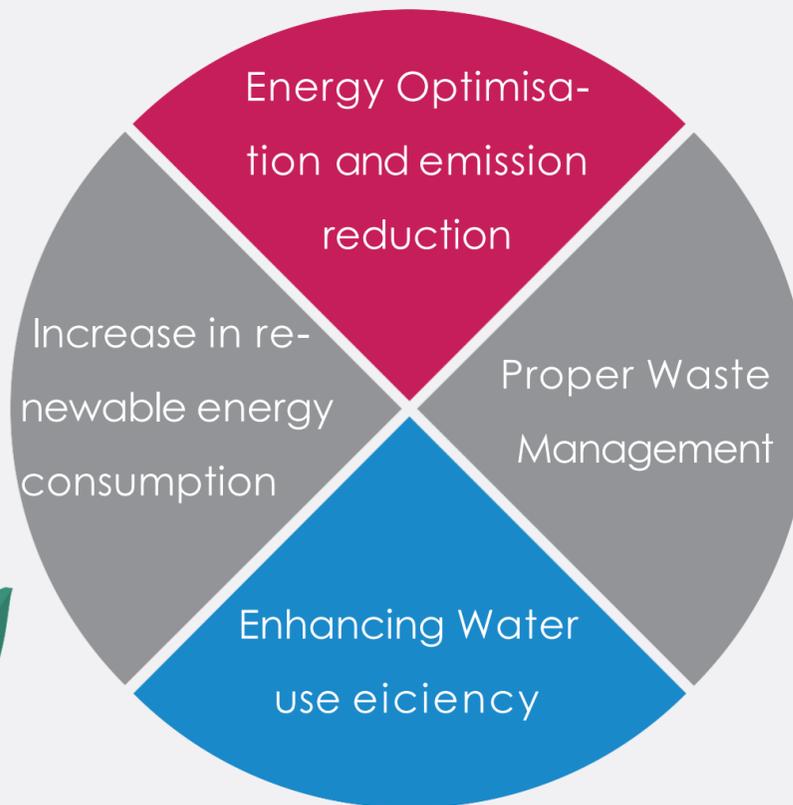
*Promoter &  
Member of Board*

## SETTING ESG BENCHMARKS

- Establishing an environmental policy
- Assessing the impact of operations on the environment
- Implementing ESG standards, laws and procedures
- Raising awareness and initiating behavioural changes
- Auditing community contributions & sustainability



Pioneer among hospitals to adopt **Integrated Reporting (IR) Framework** in FY19 with disclosures covering performance against **Financial, Manufactured, Social, Intellectual, Natural & Human Capitals** across the organization



- Managing energy needs as an integral part of operational strategy to ensure efficient energy utilization
- Constantly monitor and record our energy consumption across operations and set thresholds to keep consumption within prescribed limits
- Adopt renewable energy to ensure optimum utilization of resources
- Installed solar roof tops, LED lights etc. initiatives towards reducing carbon footprint

**1593 KVA** Capacity of solar rooftop





## FINANCIAL HIGHLIGHTS

# FINANCIAL HIGHLIGHTS: Q3-FY22



INR million except earnings per share

Period ended Dec'21	Q3-FY22	Q3-FY21	Growth (y-o-y)
<b>Income from Operations</b>	<b>3,581</b>	<b>2,740</b>	<b>30.7%</b>
<b>EBITDA<sup>(1)</sup></b>	<b>648</b>	<b>437</b>	<b>48.4%</b>
EBITDA margin (%)	18.1%	15.9%	
<b>Operating EBITDA<sup>(2)</sup></b>	<b>619</b>	<b>378</b>	<b>63.5%</b>
Op. EBITDA margin (%)	17.3%	13.8%	
<b>PBT<sup>(3)</sup></b>	<b>(461)</b>	<b>(354)</b>	<b>NM</b>
PBT margin %	-12.9%	-12.9%	
<b>PAT<sup>(4)</sup></b>	<b>(458)</b>	<b>(293)</b>	<b>NM</b>
PAT margin %	-12.8%	-10.7%	
<b>Earnings per share (EPS)</b>	<b>(3.55)</b>	<b>(2.33)</b>	<b>NM</b>
<b>Proforma PAT<sup>(5)</sup></b>	<b>12</b>	<b>(205)</b>	<b>NM</b>

- 1) Profit before depreciation/amortization, finance costs, exceptional items and taxes
- 2) EBITDA excluding other income, includes new ESOP scheme expenses 17 Mn-Q3'22 and one-time project expense of 20 Mn - Q3'22
- 3) Profit / (Loss) before tax and after share of profit / (loss) of equity accounted investee. Q3'22 Adjusted for impairment of NCR project of INR 472 Mn and exceptional gain of INR 19 Mn arising out of Suchirayu acquisition
- 4) Profit / (Loss) for the period after share of profit / (loss) of equity accounted investee, taxes and minority interests.
- 5) Proforma PAT is after normalizing for one-time project expense, impairment loss and exceptional gain and tax implications there of

Note: Effective April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on April 2019 and all financials are as per IND AS 116.  
Operating EBITDA adjustment on account of IND AS 116 was INR 164.4 mn for Q3-FY22 as against INR 158 mn for Q3-FY21

## Q3'22 Revenue grew by 30.7% y-o-y

- HCG<sup>(1)</sup> centers grew by **30.8 %**
- Milann centers grew by **28.5 %**
- Revenue from Vaccination is 43Mn, was 250 Mn in Q2'22
- International business yet to return to its BAU level

## Q3'22 Operating EBITDA

- Existing centers<sup>(2)</sup>: **INR 566 Mn (20.6% margin vs 18.2% margin in Q3-FY21)**
- New centers<sup>(2)(3)</sup>: **INR 52 Mn** (vs. loss of INR (21) Mn in Q3-FY21)
- Contribution from Vaccination is 12Mn, was 58.3 Mn in Q2'22

## Q3'22 Proforma PAT: INR 12 Mn is after adjusting below and tax implications there of;

- Impairment of NCR Project INR 472 Mn
- Exceptional gain of INR 19 Mn arising out of Suchirayu acquisition
- Onetime project fee of Q3'22 INR 20 Mn

- 1) 22 comprehensive cancer centers, 3 multispecialty hospitals
- 2) Corporate cost allocated between existing and new centers in proportion to gross block
- 3) 8 HCG centers and 3 Milann centers that commenced operation after April 1, 2017

# FINANCIAL HIGHLIGHTS: YTD-FY22



INR million except earnings per share

Period ended Dec'21	YTD-FY22	YTD-FY21	Growth (y-o-y)
<b>Income from Operations</b>	<b>10,332</b>	<b>7,154</b>	<b>44.4%</b>
<b>EBITDA<sup>(1)</sup></b> EBITDA margin (%)	<b>1845</b> 17.9%	<b>998</b> 13.9%	<b>84.9%</b>
<b>Operating EBITDA<sup>(2)</sup></b> Op. EBITDA margin (%)	<b>1748</b> 16.9%	<b>872</b> 12.2%	<b>100.4%</b>
<b>PBT<sup>(3)</sup></b> PBT margin %	<b>869</b> 8.4%	<b>(1243)</b> -17.4%	<b>NM</b>
<b>PAT<sup>(4)</sup></b> PAT margin %	<b>477</b> 4.6%	<b>(913)</b> -12.8%	<b>NM</b>
<b>Earnings per share (EPS)</b>	<b>3.77</b>	<b>(9.41)</b>	<b>NM</b>
<b>Proforma PAT<sup>(5)</sup></b>	<b>(80)</b>	<b>(825)</b>	<b>NM</b>

- 1) Profit before depreciation/amortization, finance costs, exceptional items and taxes
- 2) EBITDA excluding other Income, Includes new ESOP scheme expenses 36 Mn –YTD'22 and one-time project expense of 20 Mn –Q3'22
- 3) Profit / (Loss) before tax and after share of profit / (loss) of equity accounted investee. YTD'22 is adjusted for the impairment of NCR project of INR 472 Mn and exceptional gain of INR 1,419 Mn arising out of Strand and Suchirayu acquisition
- 4) Profit / (Loss) for the period after share of profit / (loss) of equity accounted investee, taxes and minority interests
- 5) Proforma PAT is after normalizing for one-time project expense, impairment loss and exceptional gain and tax implications there of

Note: Effective April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on April 2019 and all financials are as per IND AS 116.  
Operating EBITDA adjustment on account of IND AS 116 was INR 489 mn for YTD-FY22 as against INR 474 mn for YTD-FY21

## YTD-FY22 Revenue<sup>4</sup> grew by 44.4 % y-o-y

- HCG<sup>(1)</sup> centers: **+44.0 %**
- Milann centers: **+53.1 %**

## YTD-FY22 Operating EBITDA<sup>4</sup>

- Existing centers<sup>(2)</sup>: **INR 1,698 Mn (21.3% margin vs 17.6% margin in YTD-FY21)**
- New centers<sup>(2)(3)</sup>: **INR 51 Mn** (vs. loss of INR (111) Mn in YTD-FY21)

**YTD'22 Proforma PAT: INR -80 Mn** is after adjusting below and tax implications there of;

- Impairment of NCR Project INR 472 Mn
- Exceptional gain of INR 1419 Mn arising out of Strand and Suchirayu acquisition
- Onetime project fee of Q3'22 INR 20 Mn

- 1) 22 comprehensive cancer centers, 3 multispecialty hospitals
- 2) Corporate cost allocated between existing and new centers in proportion to gross block
- 3) 8 HCG centers and 3 Milann centers that commenced operation after April 1, 2017
- 4) Revenue and Operating EBITDA inclusive of Vaccination Business; Revenue INR 406 Mn and Contribution of INR 105 Mn

# EBITDA BRIDGE

INR million

Period ended Dec'21	Q3-FY22	YTD-FY'22
<b>Proforma Revenue <sup>(1)</sup></b>	<b>3,607</b>	<b>10,486</b>
<b>Operating EBITDA- Reported <sup>(2)</sup></b> <i>Op. EBITDA margin (%) - Reported</i>	<b>619</b> 17.3%	<b>1,748</b> 16.9%
Onetime project fee <sup>(3)</sup>	20	20
Suchirayu EBITDA <sup>(4)</sup>	19	127
<b>Proforma EBITDA <sup>(5)</sup></b> <i>Proforma Op. EBITDA %</i>	<b>658</b> 18.2%	<b>1,895</b> 18.1%

- 1) Income from Operation is assuming Suchirayu consolidation from 1<sup>st</sup> April 2021
- 2) Q3 and YTD'FY22 Includes new ESOP scheme expenses 17 Mn and 36 Mn respectively
- 3) One time project fee is ; consultation fee is for support on Strategic and Operational objectives for a period ~9 months
- 4) Incremental EBITDA for Suchirayu assuming the acquisition was reflected in financial from 1<sup>st</sup> April 2021
- 5) Proforma EBITDA; assuming the full period impact of Suchirayu consolidation and eliminating the one-time consultation fee



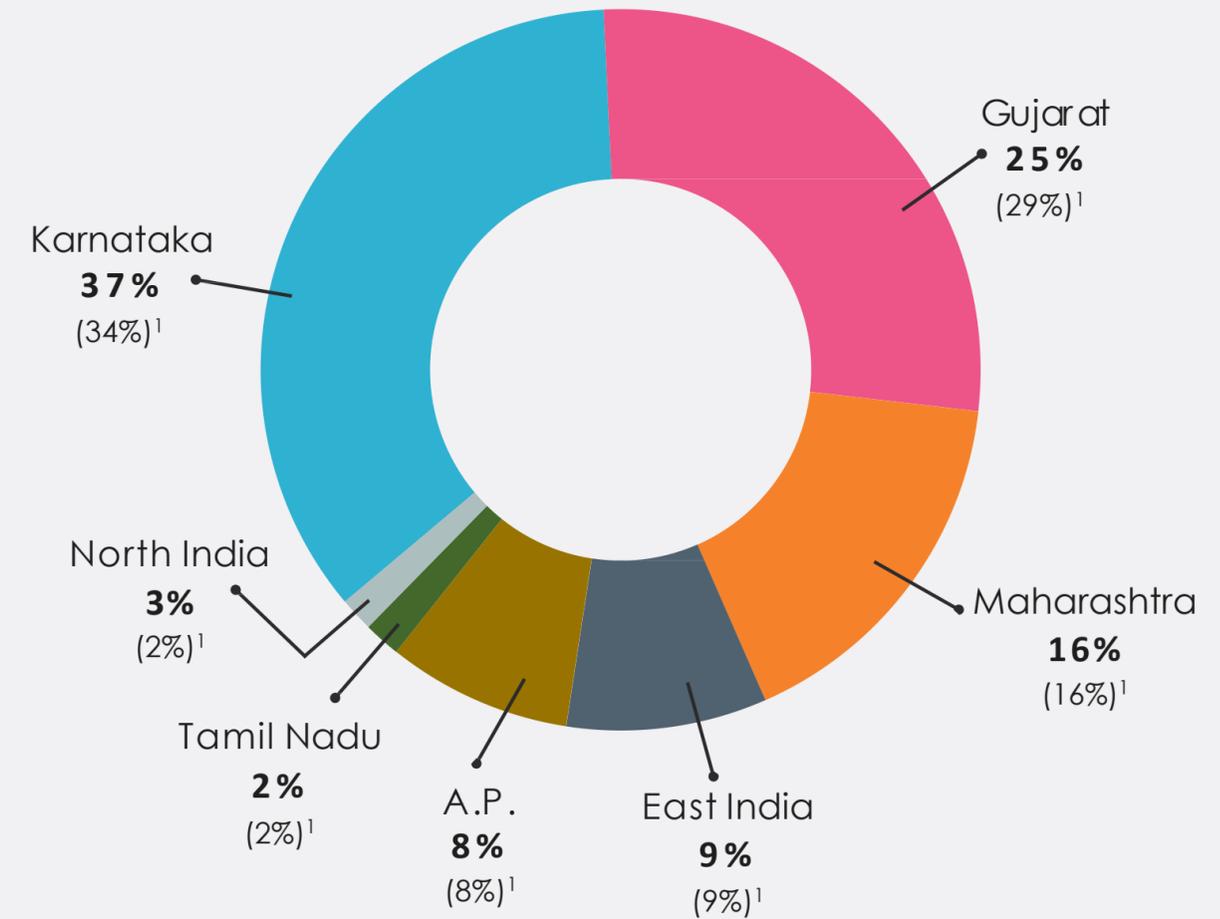
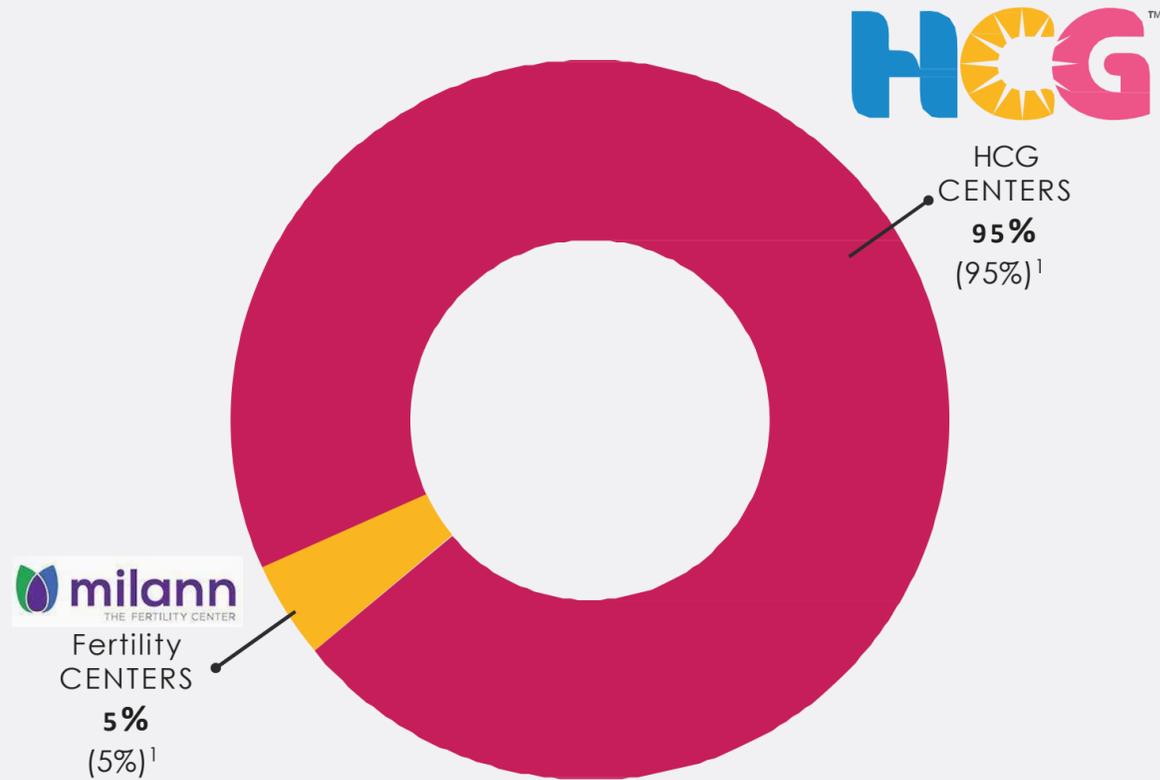
- *Suchirayu consolidation; transaction date is 18<sup>th</sup> Nov'2021*
- *Q3 and YTD, reported numbers consider the consolidation of Suchirayu from Nov 18<sup>th</sup> only*

Note: Effective April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on April 2019 and all financials are as per IND AS 116.

# REVENUE MIX: Q3-FY22

**Revenue:**  
INR 3,580 Mn

**HCG Centers:**  
INR 3,412 Mn



- 22 comprehensive cancer centers, 3 multispecialty hospitals
- 7 fertility centers operated under "Milann" brand

<sup>1</sup>Q3 - FY 21

# HCG CENTERS: Q3 - FY22 REVENUES

INR million

Period ended Dec'21	Q3-FY22	Q3-FY21	Growth (y-o-y)	YTD-FY22	YTD-FY21	Growth (y-o-y)
Karnataka	1,246	898	38.8%	3,486	2,388	46.0%
Gujarat	856	755	13.4%	2,605	1,916	35.9%
Maharashtra	557	429	29.9%	1,746	1,132	54.2%
East India	312	231	35.1%	867	625	38.8%
Andhra Pradesh	265	214	24.1%	766	569	34.5%
Tamil Nadu	63	43	47.6%	171	113	51.0%
North India	98	40	147.9%	214	107	99.0%
Africa	14	NA	NA	14	NA	NA
	<b>3,412</b>	<b>2,609</b>	<b>30.8%</b>	<b>9,869</b>	<b>6,852</b>	<b>44.0%</b>

- **Strong growth in revenue continues across centers in Q3-FY22**
  - Jaipur: +146.7 % y-o-y
  - South Mumbai +116.5 % y-o-y
  - Nagpur: +95.4 % y-o-y
  - Bangalore COE: +42.8 % y-o-y
  - Borivali: +28.1 % y-o-y
- **Revenue from New Centers** of INR 784 Mn in Q3-FY22 vs 509 Mn in Q3-FY21, a growth of 54.2% (y-o-y)
- **Existing Centers Revenue Growth** of +25.1% in Q3-FY22 (y-o-y)

# HCG CENTERS: Q3-FY22 OPERATING METRICS

## No. of centers<sup>1</sup>

Q3FY22: **25** Q3FY21: **25**

## Beds<sup>2</sup>

Q3FY22: **1702** Q3FY21: **1,719**

## Avg. Occupancy Rate (AOR)<sup>2</sup>

Q3FY22: **56.9%** Q3FY21: **51.6%**  
 5.3%

## ALOS (days)

Q3FY22: **2.14** Q3FY21: **2.31**  
 17 bps

## ARPOB (INR / Day)

Q3FY22: **38,317** Q3FY21: **33,087**  
 15.8%

## Revenue (INR Mn)

Q3FY22: **3,412** Q3FY21: **2,609**  
 30.8%

## Operating EBITDA margin

Q3FY22: **21.4%** Q3FY21: **18.5%**  
 2.9%

## Increase in Avg. Occupancy Rate in Q3-FY22 (y-o-y)

- 56.9% vs 51.6% (Consolidated)
- 56.7% vs 50.3% (Existing centers)

## Increase in Existing center ARPOB in Q3-FY22 (y-o-y)

- INR 37,248 vs INR 33,074 12.6% y-o-y growth

### Notes:

- 1) No. of Centers includes Cancer and Multispecialty hospitals operated under HCG brand and managed by HCG
- 2) Number of operational beds as at the last day of the period. Q3'21 is recast as organization has transitioned reporting metrics from capacity beds to operational beds basis
- 3) Occupied Bed Days calculated based on mid-day census
- 4) Average Occupancy Rate ("AOR") calculated as Occupied Bed Days divided by operational bed days in the period
- 5) Average Revenue per Occupied Bed ("ARPOB") calculated as Revenue (gross for the hospital) divided by Occupied Bed Days
- 6) Average Length of Stay ("ALOS") calculated as Occupied Bed Days divided by number of admissions (including day care admissions)
- 7) Operating EBITDA margin before corporate expenses
- 8) ARPOB is excluding COVID Vaccination Revenue. With Vaccination the ARPOB for Q3'FY22 at consolidated level is INR 38,801, at existing center is INR 37,405

# HCG CENTERS: Q3 - FY22 REGIONAL HIGHLIGHTS

Centers	Beds	AOR	ARPOB/Day	Revenue (INR Mn)	Operating EBITDA%
Karnataka	514	65.0% ↑ 15.2%	41.5 K ↑ 23.3%	1,246 ↑ 38.8%	25.8%
Gujarat	403	50.9% ↓ -5.3%	45.2 K ↑ 19.5%	856 ↑ 13.4%	21.2%
Maharashtra	321	54.1% ↑ 19.0%	34.6 K ↑ 2.5%	557 ↑ 29.9%	18.1%
East India	239	56.9% ↑ 18.0%	24.6 K ↑ 12.9%	312 ↑ 35.1%	12.7%
Andhra Pradesh	155	48.3% ↓ -29.3%	38.2 K ↑ 74.3%	265 ↑ 24.1%	20.7%

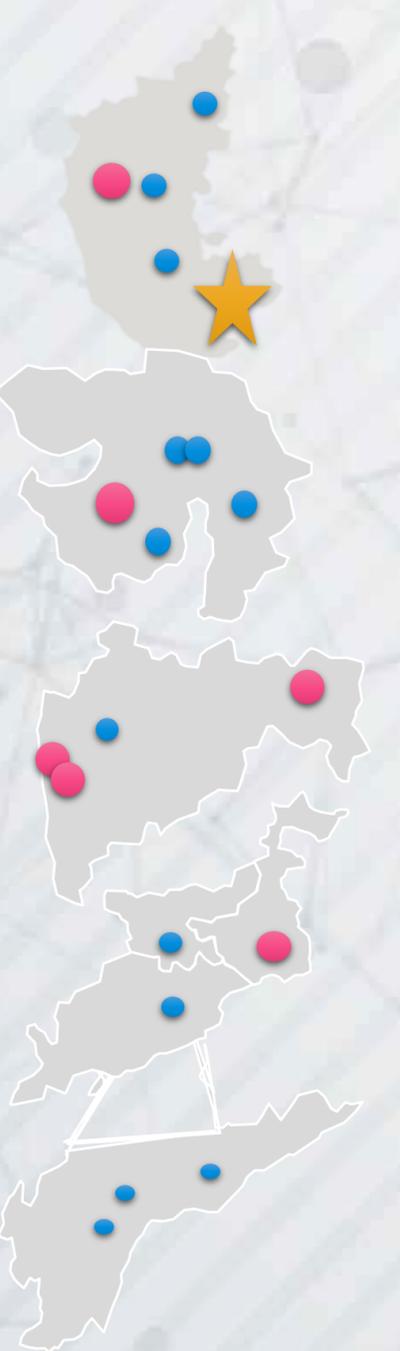
- COE performance in Q3-FY22
  - Revenue growth 42.8% y-o-y
  - ARPOB of INR 58k vs 49.7K (Q3-FY21)
  - 26.7% operating EBITDA margin
- Tier 2 Growth led by; Hubli 29.3% y-o-y

- Strong revenue growth in Q3-FY22 on y-o-y basis:
  - Oncology revenue grew by 29.1%
  - Multispecialty revenue declined by 17.5%
- y-o-y decline in AOR is led by Multispecialty hospitals. Q3 FY21 had COVID treatment occupancy
- ARPOB Increase is led by HCC, due to better revenue mix

- New centers grew by 62.5 % y-o-y, led by Nagpur
- y-o-y growth in AOR is led by increased surgery volumes at New centres.
- South Mumbai BAU revenue continues to grow. CK recorded 22 cases in Q3'22 Vs 14 in Q3'21

- Existing center revenue grew by 32.5% y-o-y
- Revenue growth at new center by 43.6% y-o-y
- Growth in ARPOB is due to improved service mix and high end procedures.
- Cuttack is leading the regional revenue growth driven by radiation and PET cases

- Strong revenue growth across the region
- Vizag and Vijayawada delivered revenue growth of 36% and 21% y-o-y respectively
- Focus on improving revenue mix



● New centers  
● Existing centers

Note: Effective 1 April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on 1 April 2019 and all financials are as per IND AS 116.

- Growth numbers are year-on-year basis
- Change in AOR: Increase/ (Decrease) in Occupied Bed Days
- EBITDA before corporate expenses
- Beds are Operational Beds
- ARPOB is excluding COVID Vaccination Revenue
- AOR of AP excludes the occupancy of Govt sponsored radiation patients

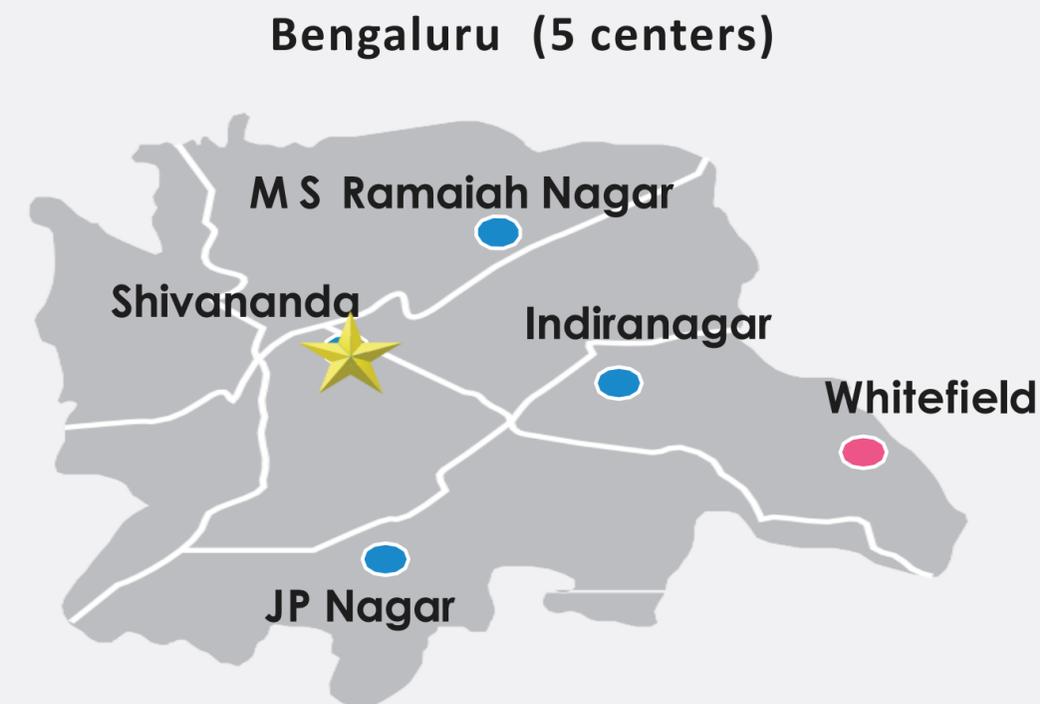
# MILANN: IMPLEMENTING STRATEGIC INITIATIVES

Period ended Dec'21	Q3-FY22	Q3-FY21	Growth (y-o-y)
New Registrations	1292	1088	18.8%
IVF Cycles	508	460	10.4%
Revenues (INR mn)	168	131	28.5%

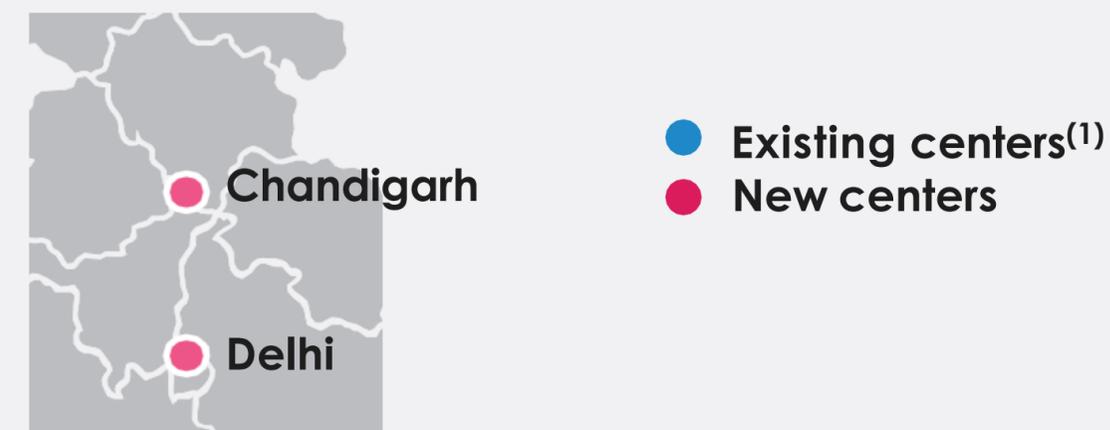
## Good recovery demonstrated in Q3-FY22 across all metrics

- New centers Revenue grew by 23.9% y-o-y
- Improved digital traction as a result of continued effort on digital campaigns
- Continuous focus on strengthening clinical talent

Looking to focus on market leadership in Bangalore and scaling-up North India centers in near term



### North India(2 centers)



1) Centers in operation prior to April 1,2016, i.e. Shivananda, JP Nagar and Indiranagar

# CAPITAL EXPENDITURE & NET DEBT

INR million

## CAPITAL EXPENDITURE

	Q3-FY22	FY21
<b>HCG Centers</b>		
Existing Centers	121	97
Expansions	0	114
New Centers	77	140
	198	350
<b>Milann Centers</b>		
Existing Centers	0	4
Expansions	0	0
New Centers	0	0
	0	4
<b>TOTAL CAPEX</b>	<b>198</b>	<b>354</b>

## NET DEBT

	31 Dec' 21	30 Sep' 21
<b>Net Debt</b>		
Bank Debt <sup>(1)</sup>	3,451	3,427
Vendor Finance <sup>(2)</sup>	248	250
Other debt	40	45
Less: Cash & Equivalents <sup>(3)</sup>	(1,713)	(1,454)
<b>TOTAL NET DEBT</b>	<b>2,025</b>	<b>2,268</b>
Capital Leases: IndAS 116	4,873	4,902
<b>Net Debt (Including Leases)</b>	<b>6,898</b>	<b>7,170</b>

- 1) Net of Bank balance held as margin money of INR 175 Mn and investment in fixed deposits of INR 33 Mn as of 30st Dec-21, margin money of INR 244 Mn and investment in fixed deposits of INR 33 Mn as on 30th Sep-21. The unamortized portion of processing fees amounting to INR 26 Mn as of 31st Dec-21 & INR 43 Mn as on 30th Sep-21 netted off against Bank Debt
- 2) Vendor Finance; Includes Forex reinstatement of INR 2 Mn as of 31st Dec-21 and INR 7 Mn as on 30th Sep-21 on account of exchange rate fluctuation
- 3) Cash and cash equivalents : Includes investment in mutual funds of INR 16 Mn as on 31st Dec-21 and INR 16 Mn as at 30th Sep-21

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For updates and specific queries, please visit

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