



November 11, 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 : Press release**

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

We wish to inform you that the Board of Directors of the Company, at their meeting held on November 10, 2022, *inter alia*, has approved the Unaudited Financial Results (Standalone and Consolidated) (“Financial Results”) of the Company for the quarter and half year ended September 30, 2022.

In this respect, we enclose herewith the communication being released to the Press on the Financial Results of the Company for the quarter and half year ended September 30, 2022.

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

Q2 & H1 FY23 Financial & Business Update

**Bangalore, 10<sup>th</sup> November 2022** – Healthcare Global Enterprises Limited (HCG), one of the largest provider of Cancer care in India under the brand “HCG” announced its Unaudited Financial Results for the Quarter and Half Year ended 30<sup>th</sup> September 2022

### REVENUE

**Rs. 4,200 Mn.**



For Q2FY23 Y-o-Y

### ADJUSTED EBITDA\*

**Rs. 810 Mn.**



For Q2FY23 Y-o-Y

### PROFIT AFTER TAX#

**Rs. 74 Mn.**



For Q2FY23 Y-o-Y

### REVENUE

**Rs. 8,281 Mn.**



For H1FY23 Y-o-Y

### ADJUSTED EBITDA\*

**Rs. 1,566 Mn.**



For H1FY23 Y-o-Y

### PROFIT AFTER TAX#

**Rs. 134 Mn.**



For H1FY23 Y-o-Y

### REVENUE BREAKUP – HCG (MATURE vs EMERGING CENTERS)

| Particulars (Rs. Mn.) | Q2 FY23 | Q2 FY22 | YoY  | H1FY23 | H1FY22 | YoY  |
|-----------------------|---------|---------|------|--------|--------|------|
| Mature Centers        | 3,090   | 2,596   | +19% | 6,068  | 5,014  | +21% |
| Emerging Centers      | 945     | 750     | +26% | 1,874  | 1,443  | +30% |

### EBITDA BREAKUP - HCG (MATURE vs EMERGING CENTERS)

| Particulars (Rs. Mn.) | Q2 FY23 | Q2 FY22 | YoY   | H1FY23 | H1FY22 | YoY   |
|-----------------------|---------|---------|-------|--------|--------|-------|
| Mature Centers        | 777     | 645     | +20%  | 1,527  | 1,250  | +22%  |
| Emerging Centers      | 95      | 33      | +187% | 195    | 41     | +379% |

\*Adjusted EBITDA excludes

- Impact of ESOPs cost of INR 12.9 mn for Q2FY23 and 15.5 mn in Q2FY22 & INR 31.5 mn for H1FY23 and -8.6 mn in H1FY22
- Impact of one-time consulting fees for strategy work for a period of 12-18 months. Cost of one-time consulting fees stands at INR 50.2 mn for Q2FY23 & INR 65.5 mn for H1FY23

#PAT for Q2 & H1FY22 is pre-exceptional items



## **OPERATIONAL HIGHLIGHTS for Q2 FY23\***

- Overall ARPOB stood at Rs. 36,914 vs. Rs. 36,437 in Q2 FY22, a growth of 1.3%
- Overall AOR stood at 66.4% vs. 56.1% in Q2 FY22, a rise of 1,030 bps
- **Mature CENTERS**
  - ARPOB stood at Rs. 39,684 vs. Rs. 36,667 in Q2 FY22, a growth of 5.4%
  - AOR stood at 65.0% vs. 57.6% in Q2 FY22, a rise of 740 basis points
- **EMERGING CENTERS**
  - ARPOB stood at Rs. 30,145 vs. Rs. 33,942 in Q2 FY22, a de-growth of 11.2%
  - AOR stood at 69.9% vs. 51.8% in Q2 FY22, a rise of 1,810 bps
- **RoCE (H1FY23 Annualized)**
  - RoCE for Mature centers stood at 20.0% vs. 15.4% in FY22, a rise of 460 basis points. RoCE pre-corporate allocations stands at 24.8%
  - RoCE for emerging centers stood at -4.9% vs. -8.3% in FY22, an improvement of 340 bps. RoCE pre-corporate allocations stands at -0.9%

## **OTHER BUSINESS UPDATES FOR Q2 FY23**

- **Several regions delivered high double-digit revenue growth on yearly basis on the back of gradual unlocking of the economy**
  - North India Region showed exemplary growth of 205% YoY whereas East India region also grew by 33% YoY
  - Our larger markets like Karnataka and Gujarat grew by 26% and 20% YoY respectively
  - Rajkot grew by 80%, Ranchi grew by 60% & Mumbai grew by 30%
- **Milann Revenues** witnessed a growth of 15.4% and stood at Rs. 165.5 mn in Q2FY23
  - New registrations grew by 13.6% for Q2FY23 on Y-o-Y basis & IVF cycles grew by 9.7%
  - Continued effort on digital campaigns have resulted growth in new registrations
- **New Digital Initiatives introduced**
  - **Patient Application** for appoints, consultations, medicines and patient engagement.
  - **Cloud Telephony** for seamless tracking of offline leads
  - **CRM** for 360°patient view and better lead management
  - **E-Prescription** doctor's platform for access to patient's medical history
  - **Business Intelligence** for real time insights into the business
- **Key Initiatives which will drive higher Margins going ahead**
  - Productivity Enhancement
  - Cost Rationalization
  - Pricing Efficiencies
  - Manpower Optimization

\*72% of the total capacity beds are operational; AOR 57% on capacity beds



**Commenting on the results, Dr. B.S. Ajaikumar, Executive Chairman, HealthCare Global Enterprises Ltd. said,**

HCG chain of dedicated cancer centers is consistently moving up the value chain of high-quality clinical care powered by high-end technology. Our Bangalore COE, which is one of the India's largest dedicated cancer care Hospitals has recently launched India's first Varian Ethos™ therapy, an Artificial Intelligence (AI)-driven holistic solution designed to increase the capability, flexibility and efficiency of radiotherapy. It uses augmented intelligence, a convergence of people and artificial intelligence (AI) working together for better outcomes & higher success rates while maintaining the quality of life. This game-changing radiation therapy personalizes cancer care using adaptive intelligence based on the patient's anatomy and the position of the tumor at the time of treatment.

At HCG, we are equally focused and engaged in academics and research, we are very proud to announce that we have over 170 fellowship programs and different DNB programs in oncology, not only in Bangalore, but also in Tier 2, and Tier 3 cities. In research, for October, we have had nine new publications, and a significant number of them have been podium presentations, till date we have published more than 750 research papers.

Our focus has been on Oncology in conjunction with local partners, has helped us built a strong legacy as a World-class Oncology Treatment Center & Institution across India.

**Mr. Raj Gore, CEO HealthCare Global Enterprises Ltd. added,**

We are happy to report another strong financial performance for quarter ended September 2022. Our consolidated revenue for Q2FY23 stood at Rs. 4,200 mn, a growth of 19% on Y-o-Y basis. Our focused efforts on cost rationalization coupled with strong revenue growth have resulted in margin expansion of 230 bps, leading to adjusted EBITDA margin of 18.9% in H1FY23. Adjusted EBIDTA for H1FY23 stood at Rs. 1,566 mn as compared to Rs. 1,121 mn in H1FY22, a growth of 40% on y-o-y basis. As a result of consistent revenue growth & margin expansions our reported PAT (excl. Exceptional items) has increased to Rs. 74 Mn for Q2FY23 as compared to Rs. 8.3 Mn in Q2FY22.

While our mature centers continue to show higher than market growth rate, the growth strategies implemented for the emerging centers have started showing promising results. Jaipur center has more than doubled its revenue whereas Kolkata and Mumbai have grown by 40% & 30% respectively on a Y-o-Y basis in the current quarter

Our differentiated and specialized cancer care along with strong brand positioning have enabled us to attain leadership position in 13 out of 18 locations where we are present. Going forward, we will continue to invest in HCG brand to make it the preferred choice for cancer patients across India. We are optimistic of improving our market share & strengthening our leadership position



### **About Healthcare Global Enterprises Limited (HCG):**

HealthCare Global Enterprises Ltd. (HCG), headquartered in Bengaluru, is the largest provider of cancer care in India. Through its network of 22 comprehensive cancer centers across India and Africa, HCG has brought advanced cancer care to the doorstep of millions of people. HCG's comprehensive cancer centers provide expertise and advanced technologies for the effective diagnosis and treatment of cancer under one roof. Under the "Milann" brand, HCG operates 7 fertility centers.

### **Safe Harbor**

This document may contain forward-looking statements about Healthcare Global Enterprises Limited and its Subsidiaries, which are based on the beliefs, opinions, and expectations of the company's management as the date of this Investor release and the companies do not assume any obligation to update their forward-looking statements if those beliefs, opinions, expectations, or other circumstances should change. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.

**For more information, please contact**

**Company : Healthcare Global Enterprises Limited**



CIN: L15200KA1998PLC023489

For updates and specific queries, please visit [www.hcgel.com](http://www.hcgel.com) or feel free to contact [investors@hcgoncology.com](mailto:investors@hcgoncology.com)

**Investor Relations : Strategic Growth Advisors**

**SGA** Strategic Growth Advisors

CIN: U74140MH2010PTC204285

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