



MAX
Healthcare

Q2 & H1 FY23 – Earnings update

November 1, 2022



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1. Strictly applying the principles of IND AS 110, the financial results of MHIL Group consists of operating performance of MHIL, its subsidiaries and deemed separate entities (i.e. silos for Managed Healthcare Facilities). However, in order to present a fair view of performance of the Group and given the significant Network bed capacity at Partner Healthcare Facilities (“PHF”) and financial exposure Group carries with respect to these PHFs, it is considered appropriate to disclose the financial performance of the Network Hospitals as a whole, by way of a management consolidation of financial results of operations of MHIL, its subsidiaries, Managed Healthcare Facilities and Partner Healthcare Facilities.
2. The Consolidated financial information contained in this presentation is thus different from that of the MHIL Group since the financials of Partner Healthcare Facilities (PHF’s) are also included. The information is drawn up based on the management consolidation of the unaudited financials (after limited review by the respective auditor) of the Company, its subsidiaries, Managed Healthcare Facilities and those of the PHFs (prepared under IGAAP), duly adjusted for intra-network eliminations and IND AS related adjustments. The Consolidated financial information post IND AS adjustments, is certified by an independent firm of chartered accountants.
3. Healthcare undertaking of Radiant Life Care Private Limited (“Radiant”) and residual business of erstwhile Max India Limited merged into Max Healthcare Institute Limited (“MHIL” or “the Company”) through a NCLT approved Composite Scheme of Amalgamation and Arrangement on June 1, 2020. The merger resulted into Radiant promoters controlling the merged MHIL. The transaction was accounted for as a business combination under IND AS 103 “Business Combinations”, where under Radiant was identified as the accounting acquirer and thus the merger qualified as a “reverse acquisition”.
4. The Group, while accounting for the Business Combination in June 2020 has thus carried out a fair valuation exercise, whereby the assets and liabilities of the acquired entity (i.e. MHIL) & its subsidiaries and effects thereof were captured in the financials of the Company. The fair valuation exercise has led to an increase in the tangible and intangible assets of the Network by INR 3,662 Cr, which includes INR 252 Cr towards the Partner Healthcare Facilities. Further, the Company acquired a step down subsidiary during Q2 FY22 and the purchase price allocation (“PPA”) of this acquisition led to incremental change in tangible and intangible assets by INR 107 Cr beyond the investment value.
5. The Profit and Loss statement in the earnings update is prepared after line by line consolidation of the financials of MHIL, its subsidiaries, deemed separate entities as well as Partner Healthcare Facilities (Network) in an investor friendly format.
6. In order to better explain the financial results, the exceptional items and items which don’t truly represent the operating income/expenditure and are non-cash in nature have been identified and reported separately to reflect the Operating EBITDA performance of the Network. The numbers are regrouped to meet industry specific information requirement of Investors.

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Network Balance Sheet

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Q2 FY23 Highlights

Executive Summary: Q2 FY23 (1/2)

Network Financial highlights

- * Gross revenue for Q2 FY23 was INR 1,567 Cr compared to INR 1,434 Cr in Q2 FY22 and INR 1,473 Cr in Q1 FY23
 - * Gross revenue (excl. Covid-19 vaccination) for Q2 FY23 was INR 1,567 Cr compared to INR 1,343 in Q2 FY22 and INR 1,471 in Q1 FY23, reflecting a growth of +17% YoY and +6% QoQ
 - * Covid-19 Vaccination revenue in Q2 FY23 was INR 0.3 Cr compared to INR 91 Cr in Q2 FY22 and INR 2 Cr in Q1 FY23
- * Operating EBITDA for Q2 FY23 was INR 410 Cr compared to INR 362 Cr in Q2 FY22 and INR 370 Cr in Q1 FY23
 - * EBITDA (excl. Covid-19 vaccination) for Q2 FY23 was INR 410 Cr compared to INR 337 Cr in Q2 FY22 and INR 370 Cr in Q1 FY23, reflecting a growth of +22% YoY and +11% QoQ on like to like basis
 - * EBITDA from vaccination was negligible in both Q2 FY23 and Q1 FY23 compared to INR 25 Cr in Q2 FY22
 - * EBITDA margin¹ (excl. vaccination) for the quarter stood at 27.7% versus 26.7% in Q2 FY22 and 26.6% in Q1 FY23
 - * EBITDA per bed² (annualised) stood at INR 64.3 Lakhs, growth of +17% YoY and +4% QoQ
- * Q2 FY23 PAT was INR 267 Cr versus INR 207 Cr in Q2 FY22 and INR 229 Cr in Q1 FY23, growth of +29% YoY and +17% QoQ. In addition, there is an one time gain of INR 244 Cr due to reversal of deferred tax liability (net of capital gains tax) relating to Intangible Assets transferred to MHIL pursuant to voluntary liquidation of Saket City Hospital Limited and distribution of its business undertaking in August 2022. Overall PAT for the Q2 FY23 was thus, INR 511 Cr
- * Cash generated from operations (after interest, tax, working capital changes and replacement capex) was INR 287 Cr versus INR 237 Cr in Q1 FY23. Further, INR 28 Cr was deployed towards ongoing capacity expansion projects.
- * At the end of Sep'22 , Net Cash³ stood at INR 42 Cr compared to Net Debt³ of INR 217 Cr as on June 30 2022
- * Pre-tax ROCE⁴ for Q2 FY23 stood at 33% versus 32% in Q2 FY22 and 30% in Q1 FY23
- * Occupancy for Q2 FY23 stood at 78% versus 75% in Q2 FY22 and 74% in Q1 FY23. Internal Medicine witnessed a 26% jump in occupied bed days QoQ, driven by seasonal infections
 - * Covid-19 occupied bed share was negligible in all the comparable quarters
 - * Institutional patients (relatively a lower ARPOB channel) bed share dropped to 28% compared to 37% in Q2 FY22 and 30% in Q1 FY23 in line with our plan. Further, on an average 1800+ beds were occupied by CTI patients
- * International patient revenue improved by 16% QoQ and reflected ~110% of Pre-Covid normal. Patient flows from Afghanistan, one of the key territories in Pre-Covid times, continued to be negligible

Operational highlights

Operational highlights

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- ✦ ARPOB¹ for Q2 FY23 stood at INR 66.0k versus INR 59.0k in Q2 FY22 (+12% YoY) and INR 66.0k in Q1 FY23
 - ✦ Increase in ARPOB over Q2 FY22 was led by improvement in payor mix and surgical mix, normalisation of OPD footfalls and annual price revision. Further, ALOS stood at ~4.3 days in Q2 FY23, similar to Q2 FY22 and Q1 FY23
- ✦ OP consults stood at 5.7 lakhs reflecting a growth of 4% over Q1 FY23
- ✦ Digital revenue from online marketing activities and web-based appointments stood at INR 242 Cr, i.e. ~15% of overall revenue. Website traffic grew 42% YoY and 4% QoQ to reach 35 lakhs+ sessions
- ✦ Max Lab (non-captive pathology vertical) reported gross revenue of INR 30 Cr. It added 65+ channel partners during Q2 FY23, taking the overall active network to ~920 spread across 34 cities supported by a dedicated team of 700+ personnel; On a like to like basis, the revenue (excl. Covid-19 related tests) grew by 65% YoY and 21% QoQ
- ✦ Max@Home gross revenue during the quarter was INR 35 Cr, a growth of 26% YoY and 9% QoQ. 800+ strong team served 35,000+ unique patients during the quarter across 13 specialised service lines
- ✦ New proprietary app “Max MyHealth” was soft launched towards end of Sep’22 - to further enhance patient & clinician experience. The app provides a gamut of services on touch of a button including pathology & radiology tests, ambulance services, home care services and also facilitates physical & virtual consults, while providing ready access to health records
- ✦ 39,729 OPD and 1,298 IPD patients from economically weaker sections were treated free of charge

Clinical update:

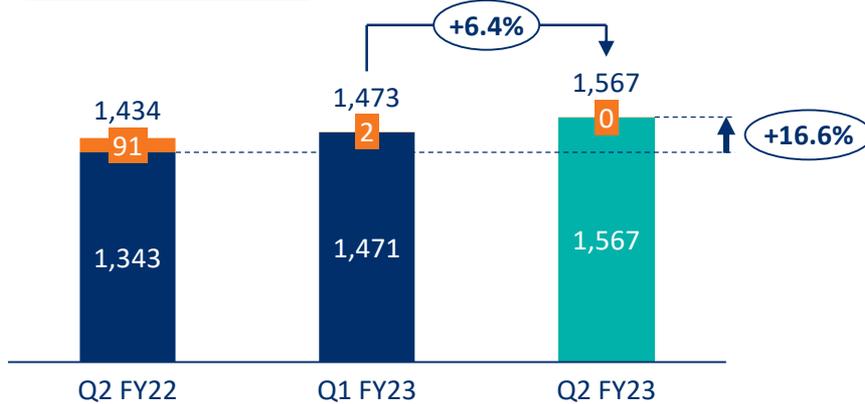
- ✦ MSSH Saket became India’s first centre to successfully perform a dual-split liver transplant from a domino donor
- ✦ Successfully performed BENTALL procedure, a challenging surgical intervention involving total aortic root reconstruction, on a 32 year old male at MSSH Mohali

Research and academics:

- ✦ Executed a MoU with Pfizer Inc. to build joint research and academic program on data research. Further, grant received from Pfizer for Fellowship in Rheumatology
- ✦ Published ~111 articles in high impact journals during Q2 FY23; ~100 clinical trials and 14 ongoing research grants
- ✦ ~100 MBBS students currently pursuing a 2 year Clinical rotation in collaboration with Lincoln American University

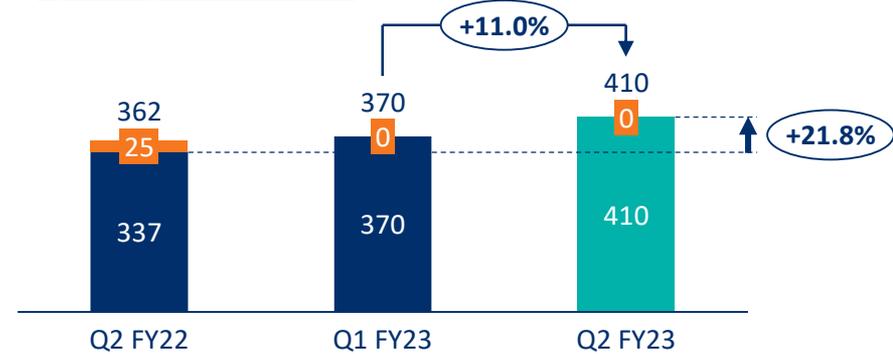
Key Financial Highlights

Gross Revenue (INR Cr)



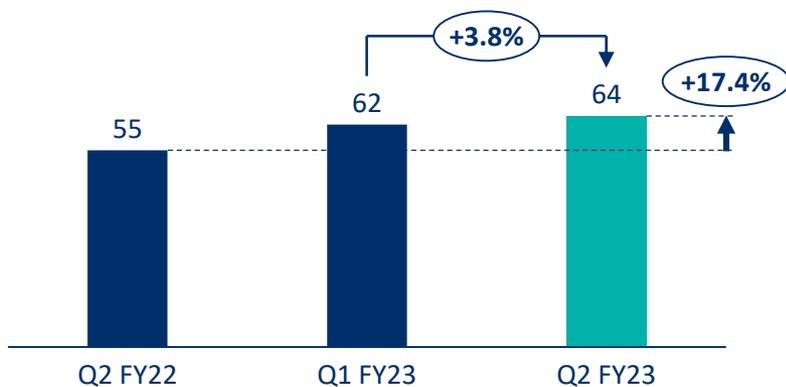
 Covid-19 vaccination & related antibody tests revenue

Operating EBITDA (INR Cr)

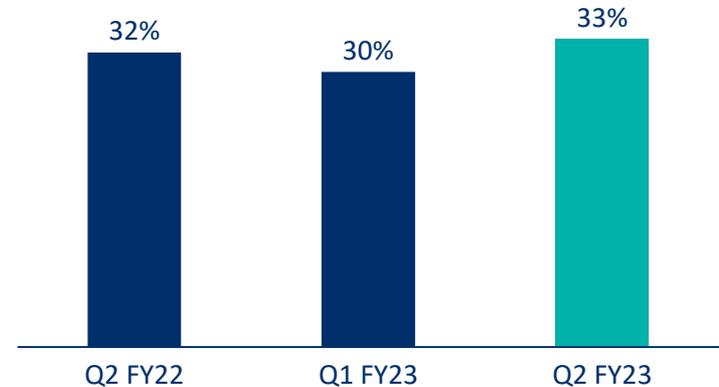


 Covid-19 vaccination & related antibody tests EBITDA
Margin¹ (%) Q2 FY22 : 26.8% | Q1 FY23 : 26.5% | Q2 FY23 : 27.7%

Operating EBITDA per bed² (INR Lakhs)



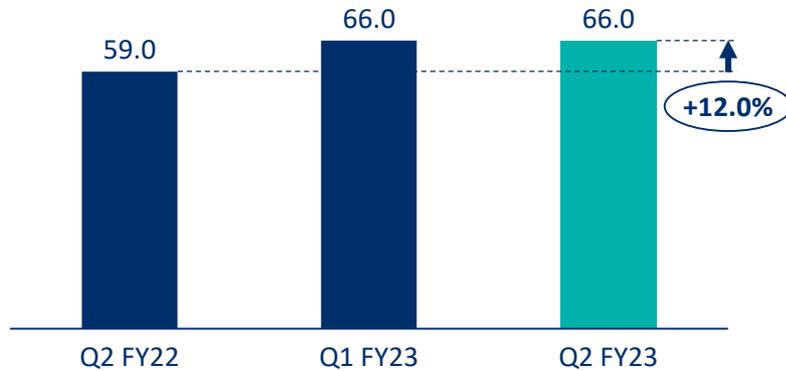
Pre-tax ROCE³



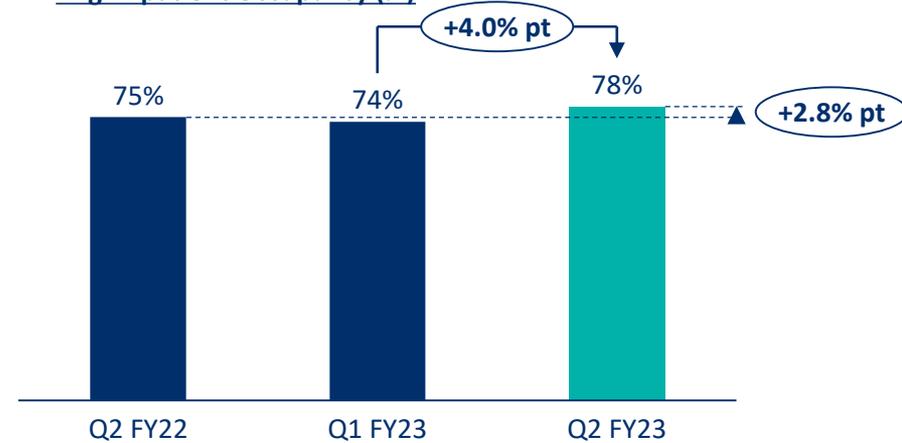
(1) Margin calculated on net revenue | (2) EBITDA per bed is annualised using relevant quarterly performance; excludes EBITDA from Covid-19 vaccination & related antibody tests and Max Lab operations | (3) Based on quarterly EBIT (excluding impact of Covid-19 vaccination & related antibody tests) annualised; capital employed excludes impact of Purchase price allocation consequent to merger with Radiant & Q2 FY22 acquisition and short term FDRs. Depreciation has been considered based on normalised replacement capex.

Key Operational Highlights

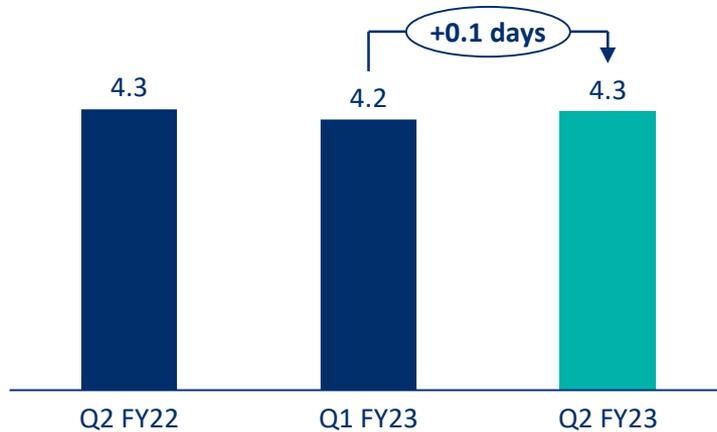
ARPOB¹ (INR/OBD) ('000)



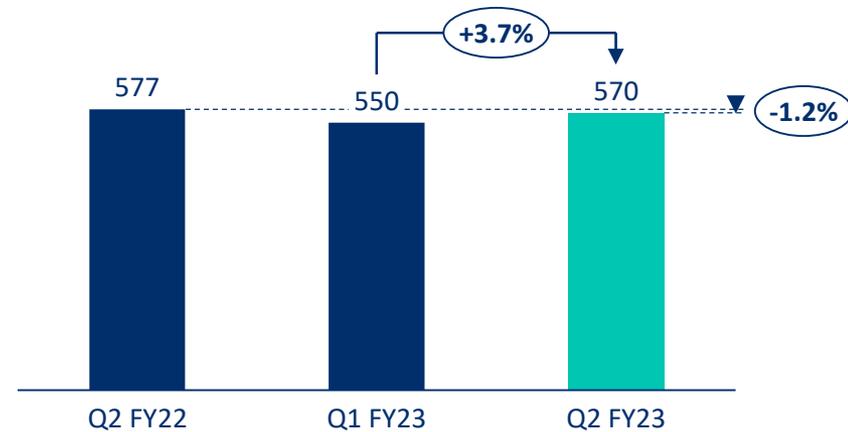
Avg. Inpatient Occupancy (%)



ALOS² (in days)



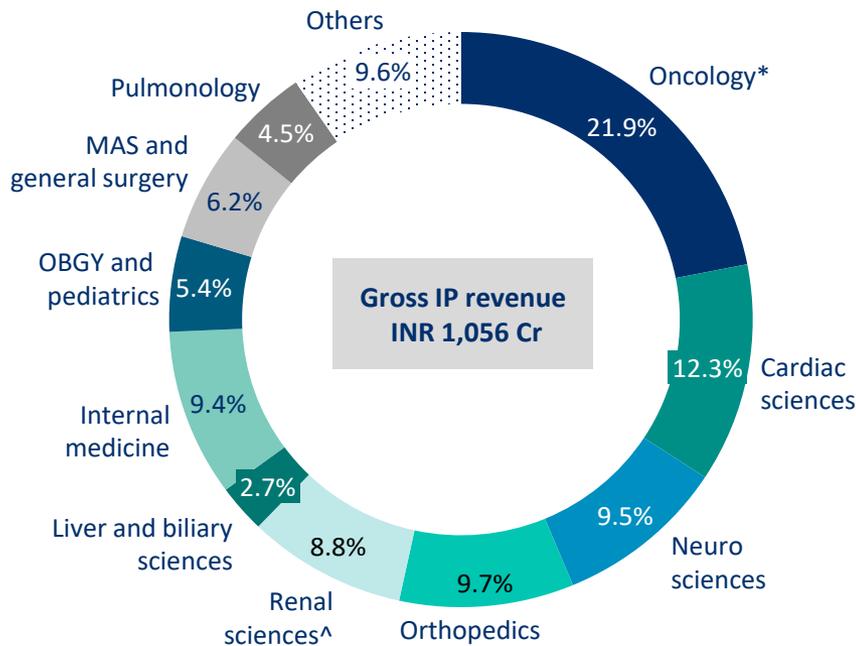
Outpatient consults ('000)³



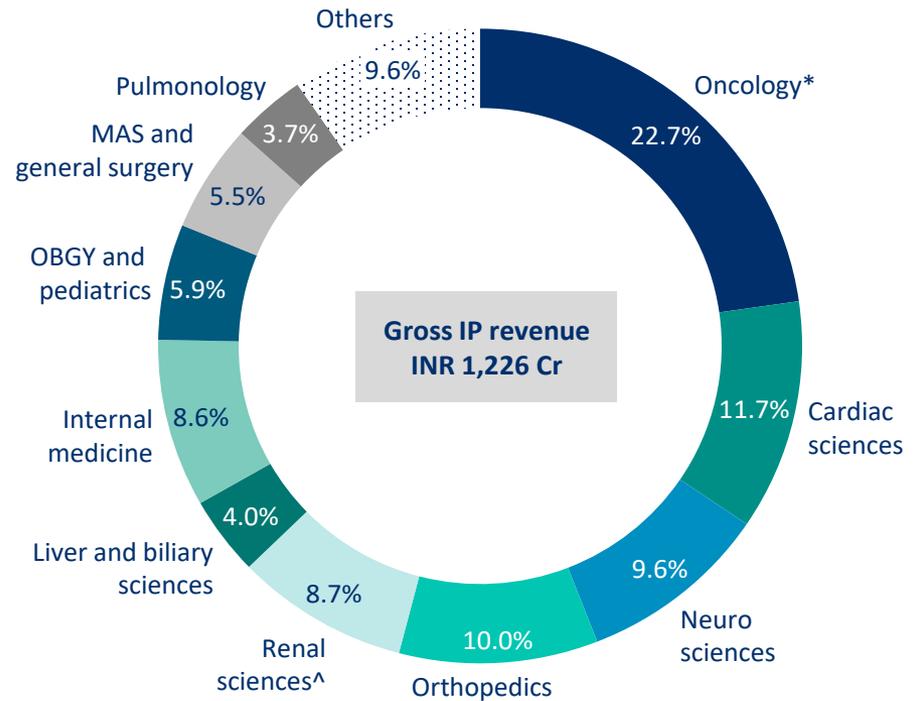
(1) ARPOB calculated as gross revenue/total OBD; Gross revenue excludes revenue from Covid-19 vaccination & related antibody tests and Max Lab operations

(2) ALOS calculated for discharged IP patients | (3) There is a dip in Q2 FY23 OP consults over Q2 FY22 due to dis-empnelment of certain PSUs.

Q2 FY22



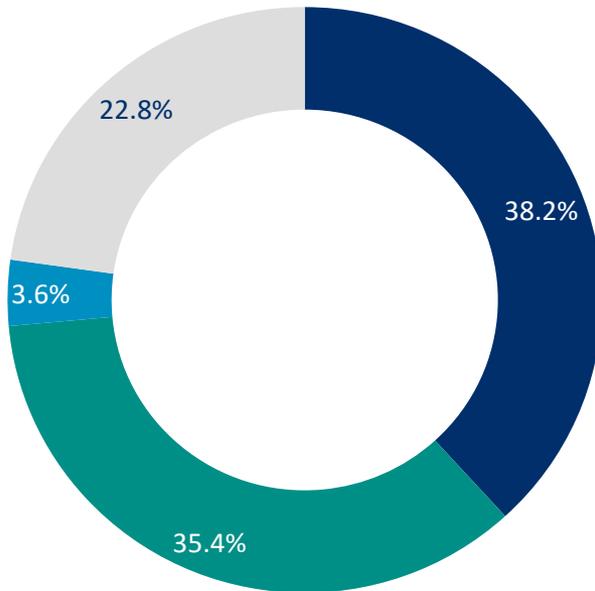
Q2 FY23



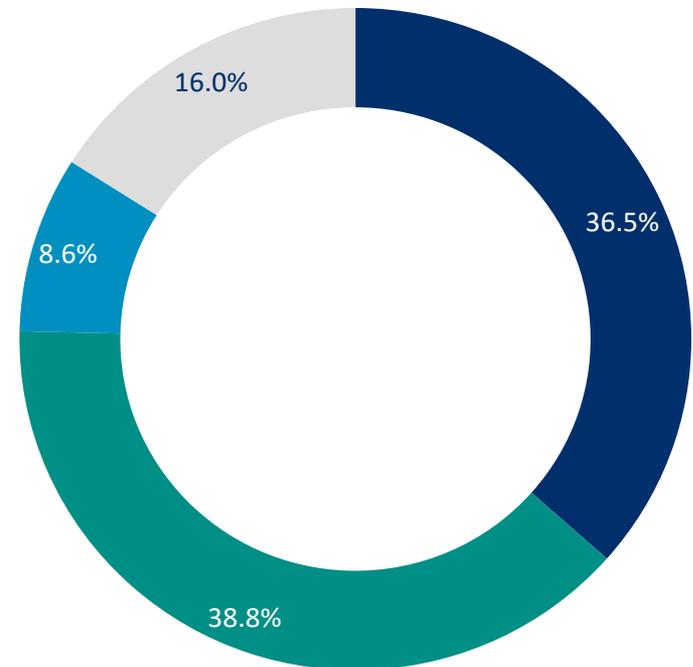
Note: Excludes OP and day care revenue, revenue from SBUs and other operating income;
 * Includes chemotherapy and radiotherapy
 ^ Includes Dialysis

Share of Revenue

Q2 FY22



Q2 FY23



■ Self Pay ■ TPA & corporates ■ International ■ Institutional

Figs in INR Cr

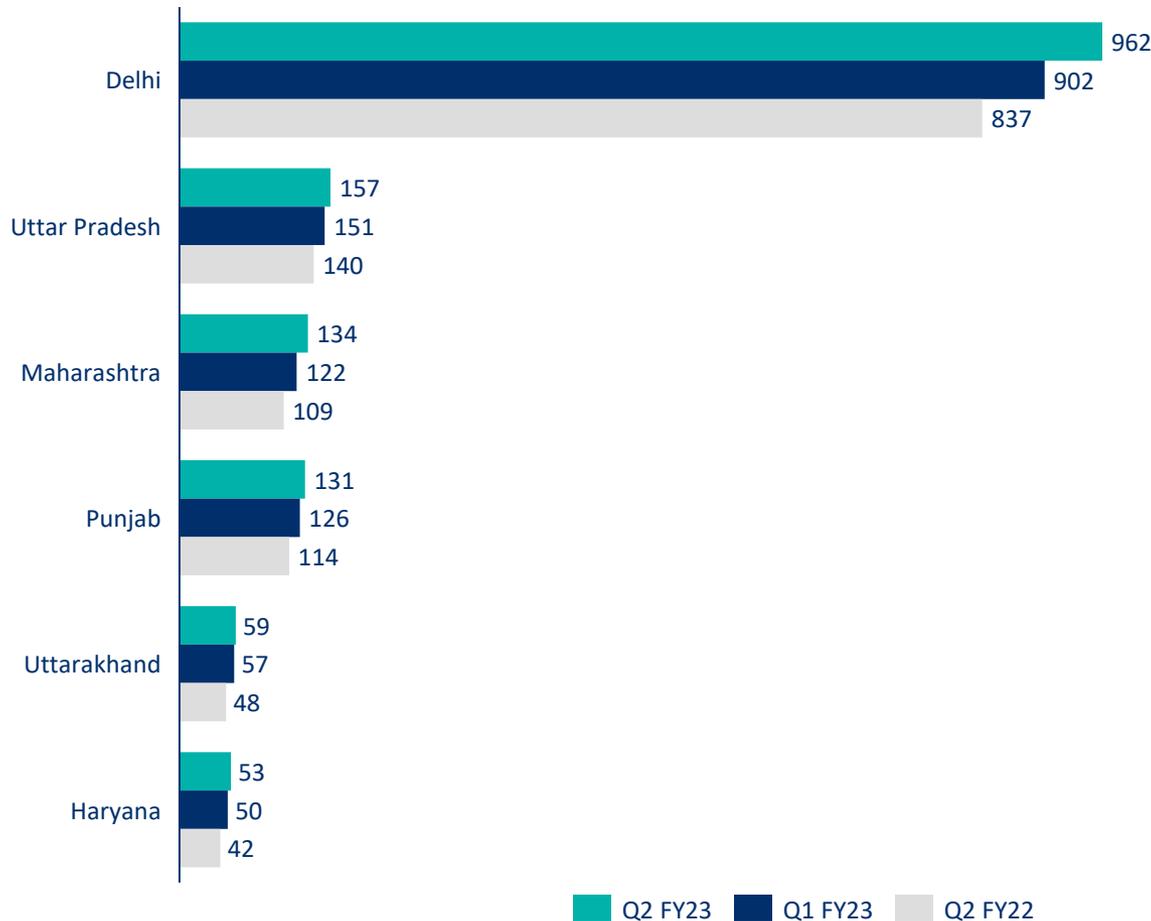
	Q2 FY22		Q1 FY23		Q2 FY23	
	Amount	% NR	Amount	% NR	Amount	% NR
Gross revenue ¹	1,434		1,473		1,567	
Net revenue	1,353	100.0%	1,393	100.0%	1,482	100.0%
Direct costs	553	40.9%	551	39.6%	575	38.8%
Contribution	800	59.1%	842	60.4%	907	61.2%
Indirect overheads ²	438	32.4%	472	33.9%	497	33.5%
Operating EBITDA	362	26.8%	370	26.5%	410	27.7%
ESOP (Equity-settled Scheme)	12	0.9%	5	0.4%	5	0.4%
Movement in fair value of contingent consideration payable and amortisation of contract assets ³	4	0.3%	6	0.4%	6	0.4%
Exceptional item : Payment to employees under VRS	8	0.6%	-	-	-	-
Reported EBITDA	338	25.0%	359	25.8%	399	26.9%
Finance cost (net)	30	2.2%	20	1.4%	14	0.9%
Depreciation and amortisation	63	4.7%	65	4.6%	64	4.3%
Profit before tax	246	18.2%	274	19.7%	321	21.7%
Tax ⁴	39	2.9%	46	3.3%	(190)	(12.8)%
Profit after tax	207	15.3%	229	16.4%	511	34.5%

Operating EBITDA (excl. Covid-19 vaccination)	337	26.7%	370	26.6%	410	27.7%
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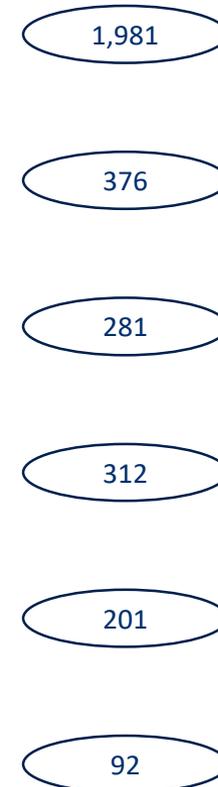
1. Q2 FY22, Q1 FY23 and Q2 FY23 includes gross revenue of INR 91 Cr, INR 2 Cr & INR 0.3 Cr respectively from Covid-19 vaccination & related antibody tests
2. Increase in Q2 FY23 is due to provisioning for CGHS bills > 365 days per Company policy, seasonal increase in power cost and incremental cost of S&M relating to international patients
3. This is a non cash item representing change in fair value of contingent consideration payable to Trust/Society over the balance period (~21 to 32 years) under O&M Contracts and mainly represents impact of changes in the time value of discounted liability
4. Q2 FY23 includes impact of one time reversal of INR 244 Cr deferred tax liability (net of capital gains tax) pursuant to voluntary liquidation and distribution of assets of a subsidiary on a going concern basis to its holding Company (MHIL)

Gross revenue from hospitals, by region

Gross Revenue* (INR Cr)

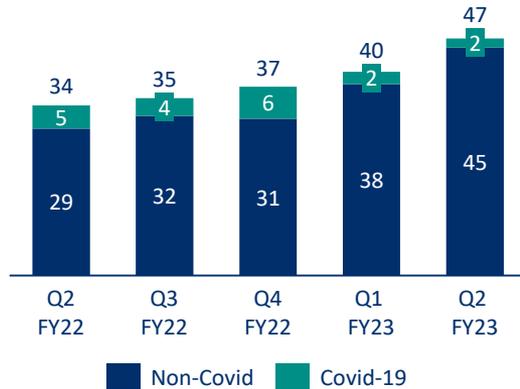


Operational beds (Q2 FY23)

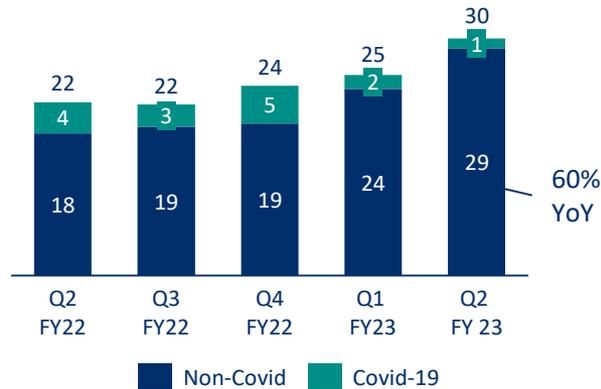


*Excludes revenue from Covid-19 vaccination & related antibody tests, Max Lab operations and Max@Home

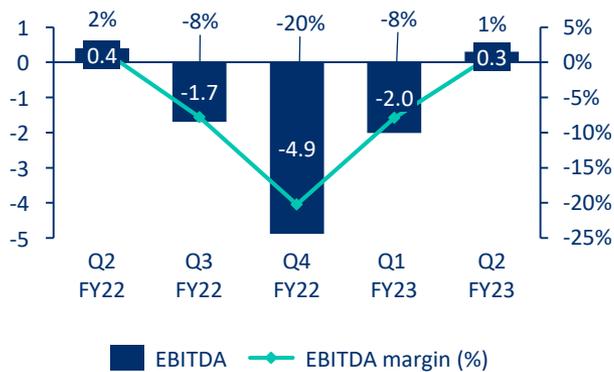
Gross Billing Value (INR Cr)



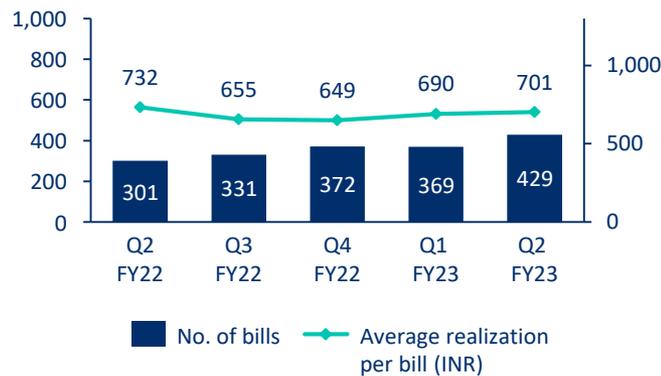
Net revenue (INR Cr)



EBITDA* (INR Cr)



No. of Bills ('000) & Avg. net realisation per bill (INR)



Operational footprint (as of Sep 30, 2022)

410+
Partner-run
collection centres

23
Company owned
collection centres (CoCC)

~190
Phlebotomist
At Site (PAS)

~240
Pick-Up
Points (PUPs)

38
Hospital based Lab Management
(HLMs)

34
Cities of
operations

**Added 65+ partners
during Q2 FY23**

Note: Gross Billing Value (GBV) is the amount billed to patients; Net Revenue represents GBV minus partner share;
Covid-19 and related tests include RTPCR, Antigen, Antibody, CBNAAT, IL-6, D-Dimer, Ferritin, CRP, LDH, Procalcitonin
* margin computed on net revenue, using arm length revenue share between Max Lab and hospitals (60:40 for FY23) for samples tested in hospital labs

Clinical and Research & Academics update

- ✦ MSSH Saket became **India's first centre** to successfully perform a **dual-split liver transplant** from a domino donor
- ✦ Successfully performed **BENTALL procedure**, a challenging surgical intervention involving total aortic root reconstruction, on a 32 year old male at MSSH Mohali
- ✦ BLK Max achieved a significant milestone of **500+ liver transplants**. Further, Max Saket has performed **1,200+ liver transplants** till date
- ✦ **Cured** a 56 year old female for **Refractory Trigeminal Neuralgia** by performing a complex microvascular surgery at BLK Max
- ✦ Treated a 2 year old girl with **an enlarged left kidney, suggestive of pyonephrosis**, by performing Robotic Pyeloplasty at BLK Max
- ✦ A breast cancer survivor, underwent **fertility cryopreservation program** for oncology patients at Max Gurgaon, subsequently delivering a healthy baby
- ✦ Successfully performed **right renal mass excision with IVC(inferior Vena Canal) thrombectomy**, a complex surgical procedure, on a 72 year old male MSSH Vaishali
- ✦ Performed **2 autologous & complex allogeneic bone marrow transplants** on patients with acute leukemia at Nanavati Max
- ✦ Cured an 8 year old boy suffering from a **rare case of Osteosarcoma of Femur** using extracorporeal radiation, thus saving the child's knee & costs related to expensive prosthesis at Nanavati Max
- ✦ Successfully treated a 51 year old male patient of **ICAD (Intracranial atherosclerotic disease)** by Neuro - intervention in the form of intracranial angioplasty and stenting at MSSH Shalimar Bagh
- ✦ Performed a **rare procedure of Trans Vascular EBUS TBNA** on a 17 year old male patient with persistent necrotic isolated pre vascular lymph node at MSSH Shalimar Bagh
- ✦ Successfully performed a **rare brain cerebral bypass surgery** on a 67 year old suffering from frequent mini –strokes at MSSH Shalimar Bagh

✦ National and international publications

✦ **111 scientific publications** in high impact factor journals during Q2 FY23

✦ **Top high Index and high impact factor publications** are from Cardiology, Oncology , Endocrinology & Orthopaedic departments

✦ **97 clinical trials** are currently underway across the Network

✦ **14 ongoing research grants** comprising of 2 International and 12 national grants

✦ **Entered into a MoU with Pfizer** to build joint research and academic program on data research, 3 projects identified for immediate start. Also received grant from Pfizer for Fellowship in Rheumatology.

✦ **16** students currently enrolled in Clinical Research internship course & **16** students enrolled in Post Graduate Diploma in Clinical Research with collaboration of ICRI

✦ **79** students currently enrolled in **Masters in Emergency Medicine (International) course**, being run under the aegis of **George Washington University, USA**

✦ **Ongoing IMT program** with **53 doctors enrolled**; MRCP-PACES EXAM will be conducted in Nov 2022

✦ **~2,000 students are currently enrolled** across various programs, such as Allied Health internships, MBBS internships, observerships, fellowships etc.

✦ **~100 MBBS students currently pursuing** 2 year Clinical rotation in collaboration with Lincoln American University

✦ **DNB accreditation** for 33 specialities; total strength of DNB residents across Network Hospitals at **345** currently

✦ American Heart association certified BLS & ACLS course conducted at United Hospital, Dhaka, Bangladesh

H1 FY23 Highlights

Executive Summary: H1 FY23

Network Financial highlights

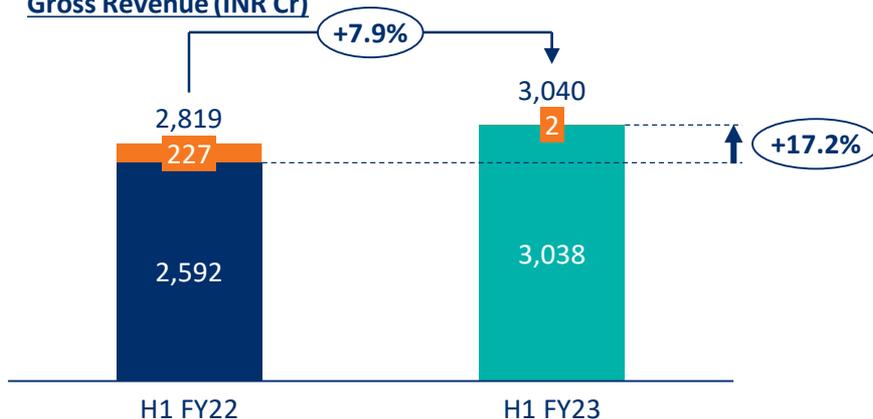
- ✦ H1 FY23 Gross revenue¹ at INR 3,040 Cr versus INR 2,819 Cr in H1 FY22
 - ✦ Gross revenue (excl. Covid-19 vaccination) for H1 FY23 was INR 3,038 Cr compared to INR 2,592 in H1 FY22, reflecting a growth of +17% YoY
 - ✦ Covid-19 Vaccination revenue in H1 FY23 was INR 2 Cr compared to INR 227 Cr in H1 FY22
- ✦ Operating EBITDA for H1 FY23 stood at INR 780 Cr versus INR 722 Cr in H1 FY22
 - ✦ EBITDA (excl. Covid-19 vaccination) for H1 FY23 was INR 780 Cr compared to INR 637 Cr in H1 FY22 , reflecting a growth of +22% YoY on like to like basis
 - ✦ Margin expansion was driven by higher ARPOB, improved OPD footfalls, reduction in institutional payor mix & ALOS, supported by revenue enhancement measures
 - ✦ EBITDA per bed² (annualized) grew to INR 63 lakhs (+26% YoY)
 - ✦ H1 FY23 EBITDA margin¹ (excl. vaccination) grew to 27.2% from 26.0% in H1 FY22
- ✦ H1 FY23 PAT was INR 740 Cr versus INR 412 Cr in H1 FY22. This includes impact of one off reversal of INR 244 Cr deferred tax liability (net of capital gain tax) in Q2 FY23 pursuant to voluntary liquidation and distribution of assets of a subsidiary
- ✦ Cash from operations during H1 FY23 was INR 524 Cr and Net Cash³ as at end of H1 FY23 stands at INR 42 Cr

Operational highlights

- ✦ Occupancy for H1 FY23 stood at 76.0% versus 78.0% in H1 FY22
 - ✦ During H1 FY23 less than 1% of the total occupied beds were used for treatment of Covid-19 patients compared to ~21% in H1 FY22
- ✦ ARPOB⁴ for H1 FY23 stood at INR 66.0k versus INR 55.1k in H1 FY22 (+20% YoY)
 - ✦ Revenue from International medical tourism normalized to Pre-Covid levels (H1 FY20). Patient flows from Afghanistan, one of the key territories in Pre-Covid times, continued to be impacted with negligible revenue
- ✦ OP consults stood at 11.2 L in H1 FY23 (+16% YoY)
- ✦ ~25,000 video consults during H1 FY23; Digital revenue through web-based marketing activities and online appointments stood at INR 473 Cr, i.e. ~16% of overall revenues representing a ~79% growth YoY
- ✦ ~76,929 OPD and ~2,568 IPD patients from economically weaker section were treated free of charge

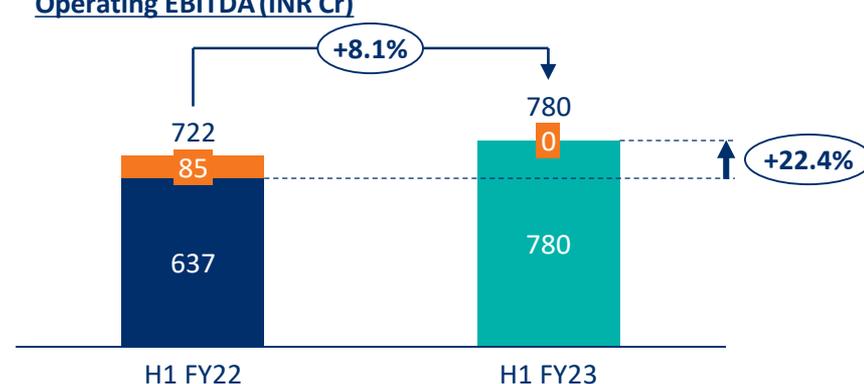
Key Financial Highlights

Gross Revenue (INR Cr)



■ Covid-19 vaccination & related antibody tests revenue

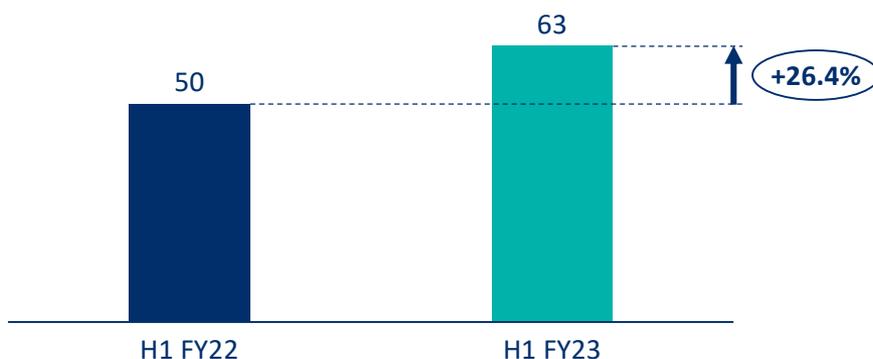
Operating EBITDA (INR Cr)



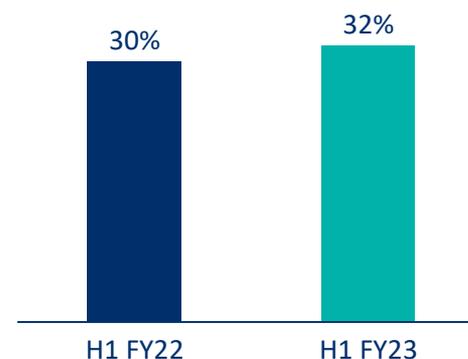
■ Covid-19 vaccination & related antibody tests EBITDA

Margin¹ (%) H1 FY22 : 27.0% | H1 FY23 : 27.1%

Operating EBITDA per bed² (INR Lakhs)



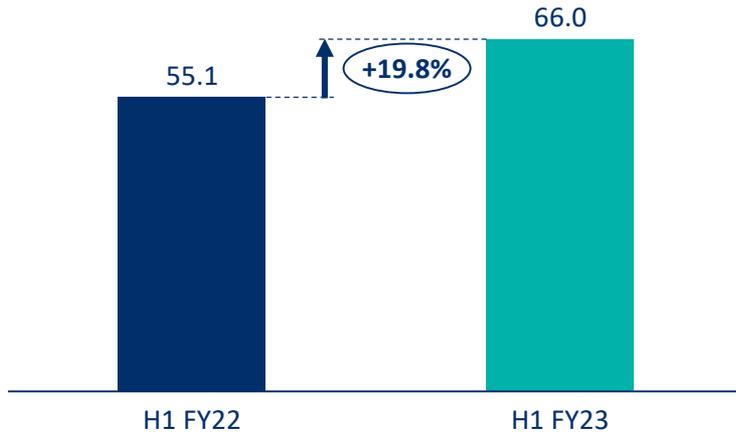
Pre-tax ROCE³



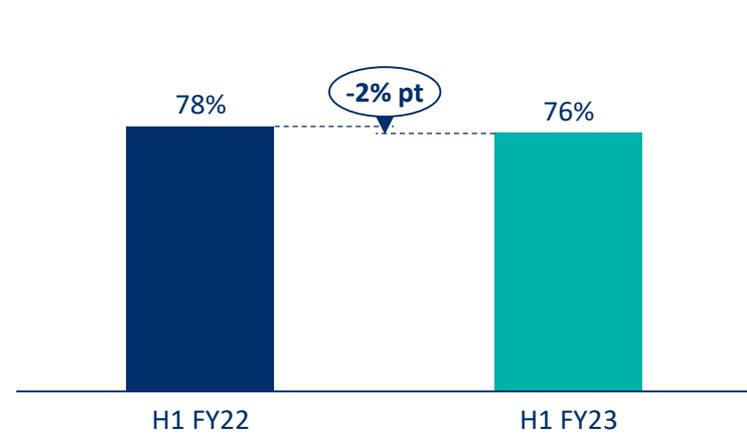
(1) Margin calculated on net revenue | (2) EBITDA per bed is annualised using relevant half-yearly performance; excludes EBITDA from Covid-19 vaccination & related antibody tests and Max Lab operations | (3) Half-yearly EBIT (excluding impact of Covid-19 vaccination & related antibody tests) annualised; Excludes impact of Purchase price allocation on capital employed consequent to merger with Radiant and Q2 FY22 acquisition; Also excludes short term FDRs. Depreciation has been considered based on normalised replacement capex.

Key Operational Highlights

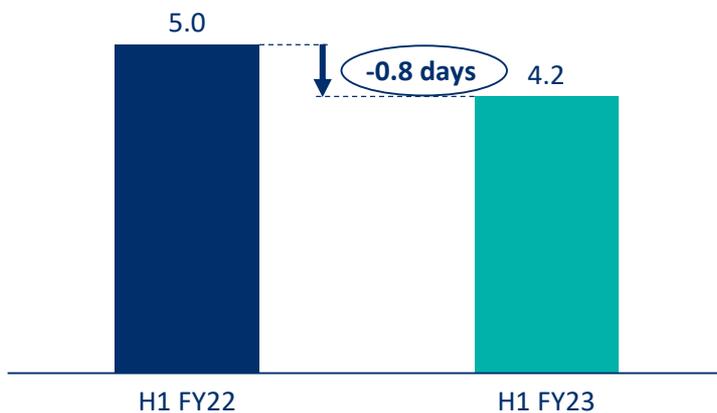
ARPOB¹ (INR/OBD) ('000)



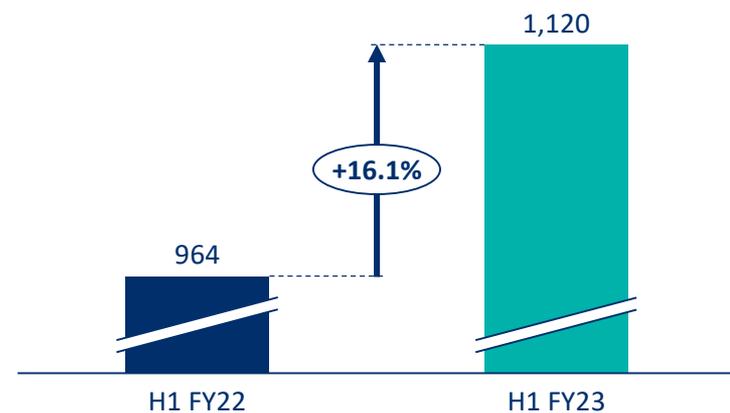
Avg. Inpatient Occupancy (%)



ALOS² (in days)

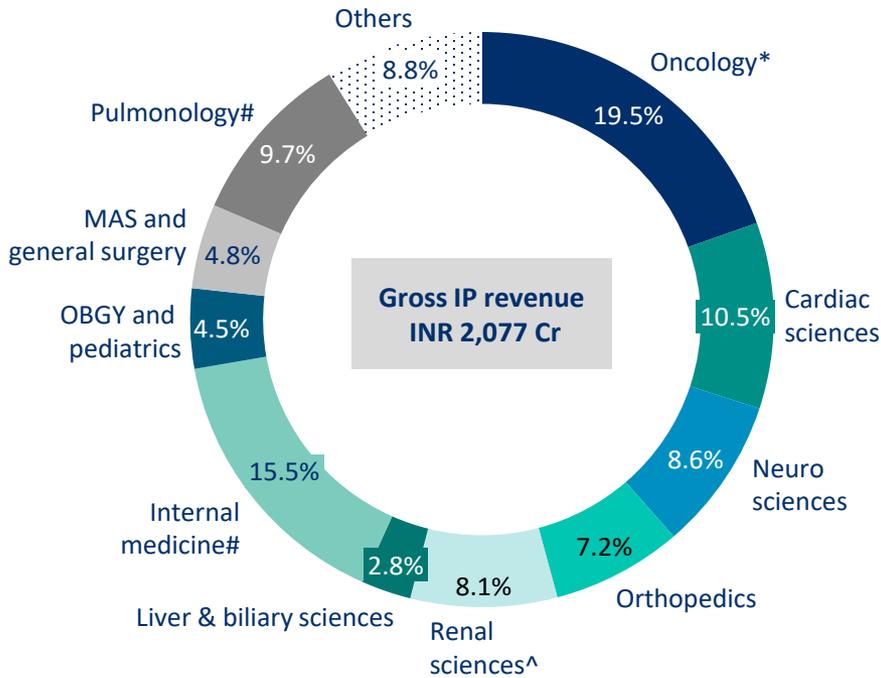


Outpatient consults ('000)

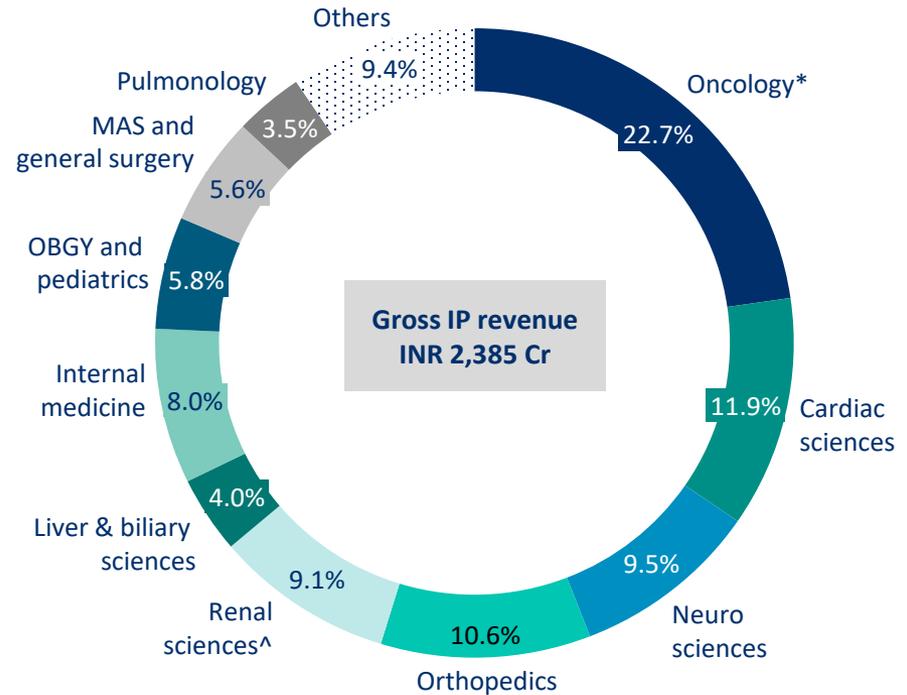


(1) ARPOB calculated as gross revenue / total OBD; Gross revenue excludes revenue from Covid-19 vaccination & related antibody tests and Max Lab operations |
 (2) ALOS calculated for discharged IP patients

H1 FY22



H1 FY23



Note: Excludes OP and day care revenue, revenue from SBUs and other operating income

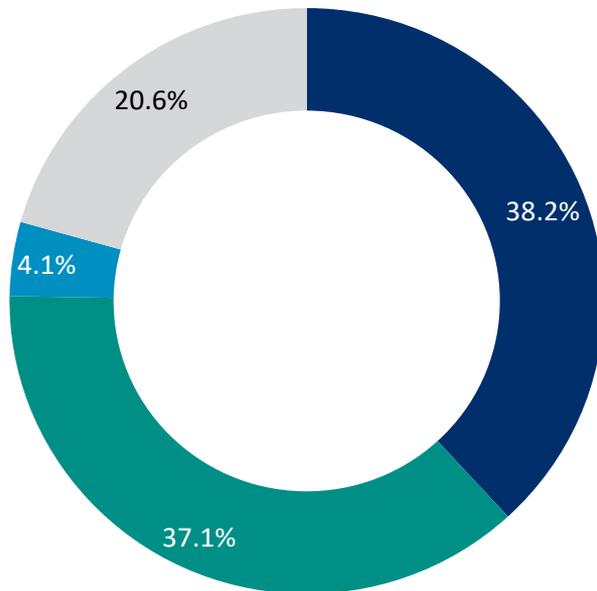
* Includes chemotherapy and radiotherapy

^ Includes Dialysis

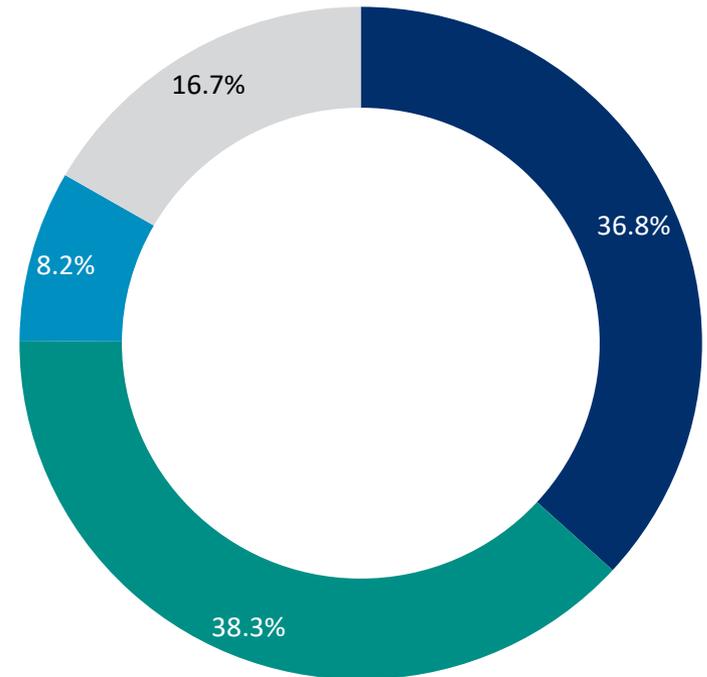
Higher share in H1 FY22 was due to Covid-19 admissions

Share of Revenue

H1 FY22



H1 FY23



■ Self Pay ■ TPA & corporates ■ International ■ Institutional

Figs in INR Cr

	H1 FY22		H1 FY23	
	Amount	% NR	Amount	% NR
Gross revenue ¹	2,819		3,040	
Net revenue	2,675	100.0%	2,875	100.0%
Direct costs	1,090	40.8%	1,126	39.2%
Contribution	1,585	59.2%	1,748	60.8%
Indirect Overheads ²	863	32.3%	968	33.7%
Operating EBITDA	722	27.0%	780	27.1%
ESOP (Equity-settled Scheme)	25	0.9%	10	0.4%
Movement in fair value of contingent consideration payable and amortisation of contract assets ³	10	0.4%	12	0.4%
Exceptional item : Payment to employees under VRS	8	0.3%	-	-
Reported EBITDA	679	25.4%	758	26.4%
Finance cost (net)	61	2.3%	34	1.2%
Depreciation and amortisation	122	4.6%	128	4.5%
Profit before tax	496	18.5%	596	20.7%
Tax ⁴	84	3.1%	(144)	(5.0%)
Profit after tax	412	15.4%	740	25.7%

Operating EBITDA (excl. Covid-19 vaccination)	637	26.0%	780	27.2%
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- H1 FY22 includes gross revenue of INR 227 Cr from Covid-19 vaccination & related antibody test whereas H1 FY23 gross revenue includes INR 2 Cr from Covid-19 vaccination & related antibody test
- The increase in expenses is mainly due to annual merit increase, provisioning for CGHS bills > 365 days as per Company policy, increase in power cost and incremental cost of S&M relating to international patients
- Non cash item represents the change in fair value of contingent consideration payable to Trust/Society over the balance period (~21 to 32 years) under O&M Contracts and represents changes in the time value of discounted liability and impact of changes in future business plan projections
- Includes impact of one time reversal of INR 244 Cr deferred tax liability (net of capital gains tax) in H1 FY23 pursuant to voluntary liquidation and distribution of assets of a subsidiary on a going concern basis to its holding Company (MHIL)

Max Healthcare: Memorandum Profit & Loss Consolidation sheet of Network Financials for H1 FY23

Figs in INR Cr

	MHIL, its subsidiaries & Silos	Partner Healthcare Facilities ("PHF") Financials (IGAAP Unaudited)*				Eliminations & Adjustment ⁽²⁾	MHC Network (Consolidated) (Certified by an ICA)
	IND AS Unaudited	Balaji Society	GM Modi Society	Devki Devi Society	IND AS Adjustment ⁽¹⁾		
Revenue from operations	2203	288	189	373	-	(191)	2862
Other income ⁽³⁾	10	2	2	3	-	(4)	13
Total operating income	2213	289	191	377	-	(195)	2875
Pharmacy, drugs, consumables & other direct costs	446	55	37	107	-	32	677
Employee benefits expense ⁽⁴⁾	384	39	24	39	-	113	598
Other expenses ⁽⁵⁾	767	135	97	161	(3)	(338)	819
Total expenses	1598	229	158	307	(3)	(194)	2095
Operating EBITDA	615	61	33	70	3	(1)	780
Less: non-operating expenses							
ESOP (Equity-settled Scheme)	10	-	-	-	-	-	10
Movement in fair value of contingent consideration payable and amortisation of contract assets	12	-	-	-	-	-	12
Reported EBITDA	593	61	33	70	3	(1)	758
Finance costs (net)	(4)	3	14	12	1	8	34
Depreciation & Amortisation	115	11	9	8	1	(16)	128
Profit before tax	482	46	10	50	0	7	596
Tax	(148)	-	-	-	-	5	(144)
Profit after tax	631	46	10	50	0	2	740

*Newly added PHFs i.e. Vikrant Children's Foundation and Nirogi Charitable and Medical Research Trust have not been reflected separately due to negligible values

1) Mainly IND AS 116 (Accounting for Leases) at PHFs | (2) Eliminations relate to revenue from PHFs and intra-network sale/purchase. Also includes consequential impact on amortisation due to reversal of Intangible assets recognized at MHIL & its subsidiaries for contracts with PHFs. The net present value of the amount payable by a PHF to unconsolidated part of the other Society over the contract period was accrued during PPA and payment there against has thus been knocked off against the liability so created. Further, cost of non-treating doctors on retainership, forex gain/loss etc. have been reclassified under Employee benefits expense & Finance costs resp. | (3) Other Income includes income from EPCG, unclaimed balances written back, donations & contributions, scrap sale, income from outlets/in hospital displays etc. | (4) Includes non-clinical doctors on retainership & movement in OCI for actuarial valuation impact but excludes ESOP expenses | (5) Net of bad debts recovered & excludes movement in fair value of contingent consideration and amortisation of contract assets which is reflected below Operating EBITDA & includes cost of treating doctors

Network Balance Sheet

Balance Sheet¹

(Includes Managed & Partner Healthcare Facilities)

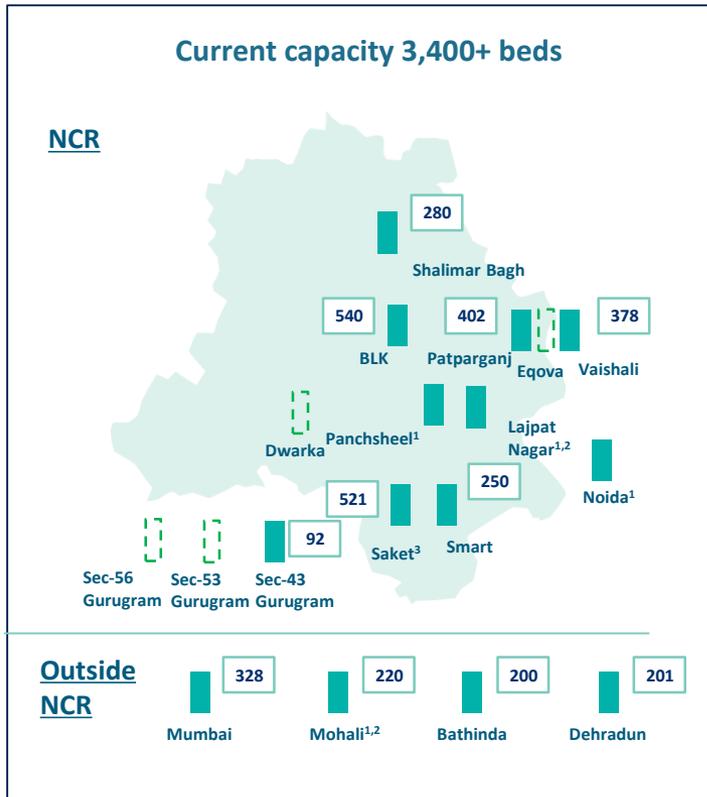
Figs in INR Cr

	Mar 22	Sep 22
Shareholders' Equity	6,718	7,462
Gross Debt	918	815
Deferred/Contingent Consideration Payable ²	425	446
Put Option Liability ³	139	144
Lease Liabilities	202	137
Deferred Tax Liability / (Deferred Tax Asset) ⁴	185	(72)
Total Liabilities	8,587	8,932
Goodwill	3,773	3,773
Net Tangible Assets (incl. CWIP)	3,227	3,260
Intangible Assets (incl. brand and O&M rights)	688	680
Right to Use Assets	235	205
Cash & Bank balance	615	1,000
Trade Receivable (Net)	490	452
Inventories	83	84
Investments	2	2
Net Current & Non-Current Assets/(Liabilities) ⁵	(526)	(524)
Total Assets	8,587	8,932

(1) Represents consolidation of unaudited financials of MHIL, its subsidiaries, Managed Healthcare Facilities and Partner Healthcare Facilities (PHFs) duly updated for IND AS related adjustments in a simplified format . The intra-network dues and intangible assets on account of medical services agreements with PHFs are eliminated & fair value of assets & liabilities of PHFs (as on June 1, 2020) are recognised, with balance reflected under Goodwill. | (2) Represents fair value of long term liabilities towards fees payable to Trust/Societies over the remaining contract period ranging from 21 to 83 years | (3) Put Option Liability is for the purchase of balance (74%) stake in Eqova Healthcare Pvt. Ltd. | (4) This includes impact of one off reversal of INR 283 Cr deferred tax liability pursuant to voluntary liquidation and distribution of assets of a subsidiary on a going concern basis to its holding company | (5) Mainly represents tax refunds receivable, capital advances, trade payables, provisions for retiral benefits and unfavorable lease liability recognized on PPA

About the Company

Max Healthcare: India's Second Largest* Hospital Chain in terms of revenue, EBITDA and market capitalisation



Current Max Hospitals and medical centres
 Upcoming Max Hospitals



17 Facilities



~85% Beds in metros



~76% H1 FY23 Occupancy



12% Revenue CAGR[^] 3 years

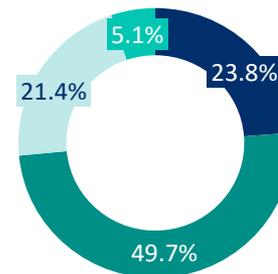


59% EBITDA CAGR[^] 3 years



32% H1 FY23 ROCE

Shareholding structure (as on October 28, 2022)



Top Public investors:

- Capital Group (All funds)
- SBI Mutual Funds
- Government of Singapore / GIC
- HDFC Mutual Funds
- Ward Ferry
- Vanguard (All funds)
- Canara Robeco Mutual Funds
- Polar Capital (All funds)

Abhay Soi DII
 FPIs and FIIs Others

* Based on publicly available information for listed companies (FY22)

(1) Standalone speciality clinics with outpatient and day care services | (2) 2 facilities each at these locations | (3) 320 beds in East Block and 201 in West Block

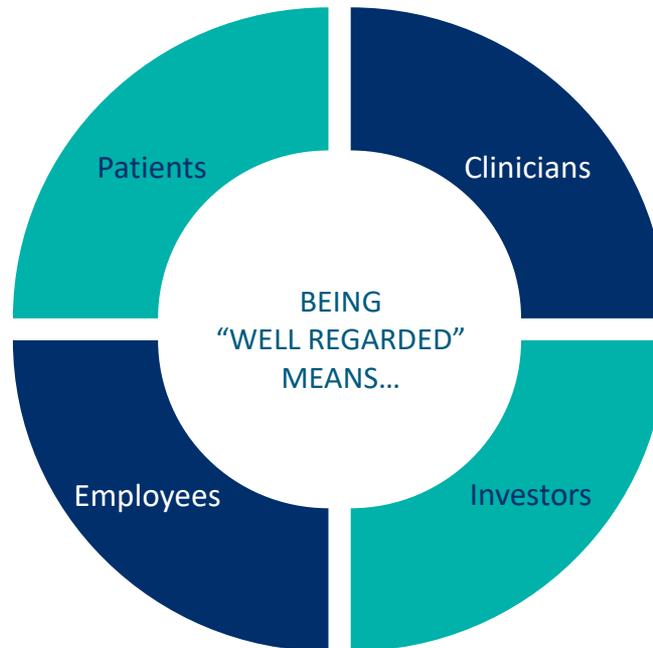
[^]CAGR is calculated for FY19 to FY22

Vision: To be the Most Well Regarded Healthcare Provider in India

To be the **most well regarded healthcare provider** in India committed to the highest standards of **clinical excellence and patient care** supported by **latest technology and cutting edge research**

- * Quaternary care facilities
- * Best-in-class clinical outcomes
- * Patient centric approach
- * Global best practices

- * Rewarded by growth
- * Constant pursuit to strengthen management
- * Collaborative approach



- * World class infrastructure
- * State-of-the-art technology
- * Well defined clinical protocols
- * Focus on research and academics

- * Strong governance
- * Profitable growth
- * Healthy balance sheet
- * Efficient operations

Robotics



Advanced robotics provides high precision and enables minimal invasive surgery across multiple specialties such as Oncology, Neurology

TrueBeam Stx LINAC System



Provides a variety of treatment techniques such as HyperArc and RapidArc to address a broad range of cancer cases

Cath Lab – Artis Zee Pure



Artis zee floor-mounted system with a large detector offers excellent performance for an improved clinical workflow with a larger field of view

S8 Navigation with O-Arm



StealthStation™ S8 navigation integrates with the O-arm(opens new window)™ imaging system, replacing intraoperative fluoroscopy with a fluid, 3D-navigated surgical experience

Radixact – TomoTherapy System



Next generation TomoTherapy platform, designed to enable more efficient, effective and precise delivery of radiation to the entire spectrum of cancer indications

Intra OP Portable CT



BodyTom® has the ability to perform axial, helical (CTA), and dynamic scanning, making it ideal for providing multi-departmental imaging solutions

Research:



Significant **strategic partnerships** including Deakin University, Australia, Imperial College London, Ashoka University & Pfizer Inc– 30,000+ research participants and 1 million pound research grant



1300+ high index journal **research publications** in last 5 years



Private **bio bank** - ~20,000 bio samples stored



Several **research grants** from leading organisations such as CSIR, DBT, ICMR, INSA, etc.



Researching use of Artificial Intelligence in Radiology with leading international partners



~100 on-going clinical **research projects**

Academics:

Max Institute of Medical Excellence (MIME) is the **education division** of MHC for medical education & training

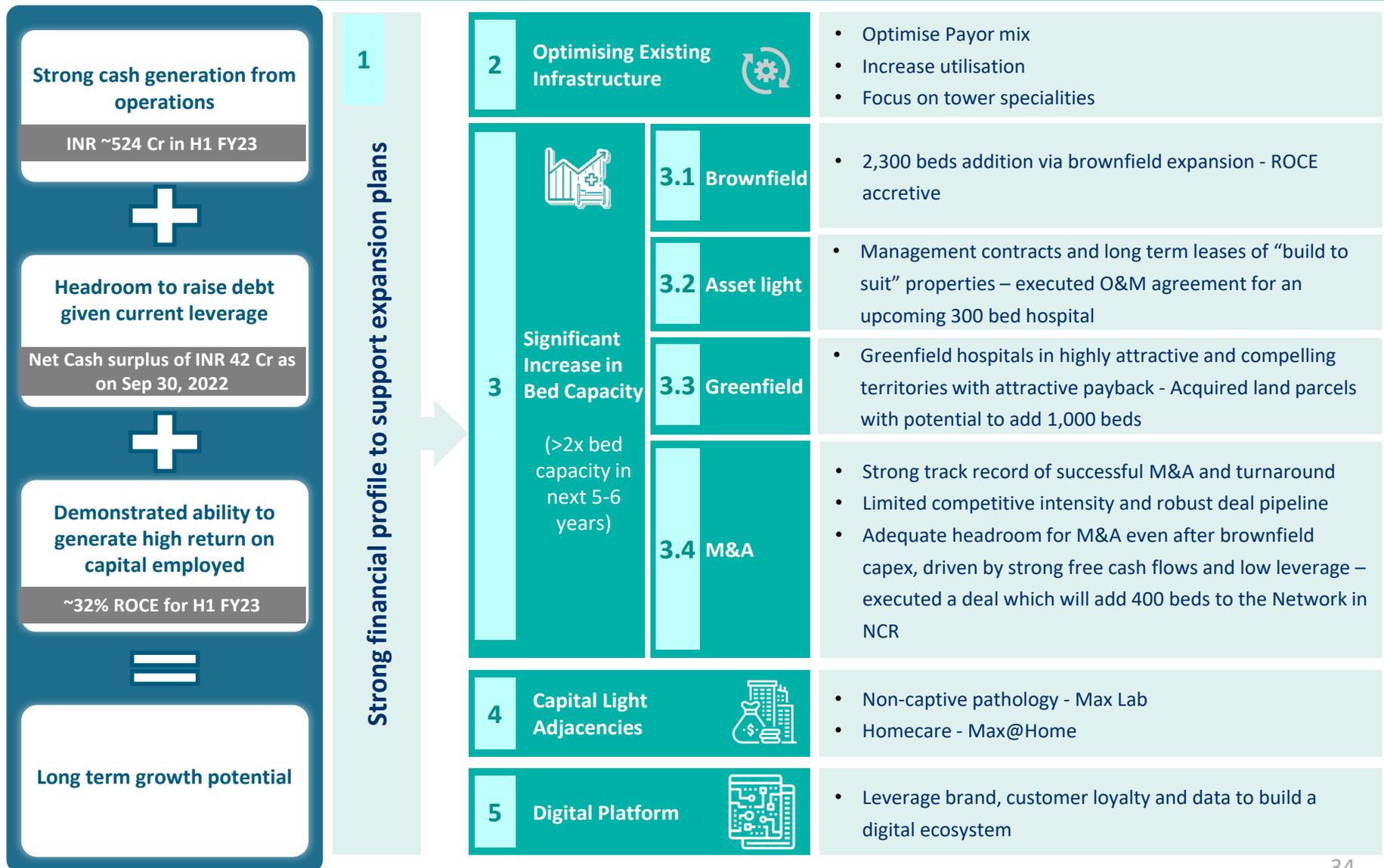
- * Started a 2 year Masters of Public Health program through a collaboration with AcSIR
- * Hosts prestigious Royal college of Physicians exam - successfully hosted 4 examinations
- * Recognised by JRCPTB to deliver post graduate Internal medicine training outside UK
- * Conducts Masters in Emergency program in collaboration with George Washington University, USA
- * 19,000+ students trained in Life Support programmes in last 5 years
- * ~12,000 trainees participate in various training programmes and exams annually
- * ~6,000 trainees undergo CMEs, workshops and bespoke trainings annually
- * ~500 post graduate students enrolled across 30+ specialties

Figs in INR Cr

	FY20		FY21		FY22		H1 FY23	
	Amount	% NR						
Gross revenue ¹	4,356		3,881		5,509		3,040	
Net revenue	4,023	100.0%	3,629	100.0%	5,218	100.0%	2,875	100.0%
Direct costs	1,715	42.6%	1,508	41.6%	2,103	40.3%	1,126	39.2%
Contribution	2,308	57.4%	2,121	58.4%	3,115	59.7%	1,748	60.8%
Indirect overheads	1,719	42.7%	1,485	40.9%	1,725	33.1%	968	33.7%
Operating EBITDA	590	14.7%	636	17.5%	1,390	26.6%	780	27.1%
ESOP (Equity - settled scheme)	-	-	27	0.7 %	34	0.7%	10	0.4%
Movement in fair value of contingent consideration payable and amortisation of contract assets ²	(3)	(0.1%)	1	0.0%	7	0.1%	12	0.4%
Transaction Cost including QIP related cost & Loss on fair valuation of pre-merger holding of Radiant under IND AS 103	43	1.1%	249	6.9%	-	-	-	-
Exceptional item : VRS pay-out to employees	-	-	-	-	9	0.2%	-	-
Reported EBITDA	549	13.6%	359	9.9%	1,340	25.7%	758	26.4%
Finance costs (net)	215	5.3%	187	5.2%	112	2.2%	34	1.2%
Depreciation and amortisation	208	5.2%	216	6.0%	248	4.8%	128	4.5%
Profit / (Loss) before tax	126	3.1%	(45)	(1.2%)	979	18.8%	596	20.7%
Tax ³	(3)	(0.1%)	50	1.4%	143	2.7%	(144)	(5.0%)
Profit / (Loss) after tax	129	3.2%	(95)	(2.6%)	837	16.0%	740	25.7%

Note: The numbers for the previous period have been recasted and regrouped to make them comparable with the disclosure in the current period

1. FY22 includes gross revenue of INR 236 Cr from Covid-19 vaccination & related antibody tests, H1 FY23 gross revenue includes INR 0.3 Cr from Covid-19 vaccination & related antibody test
2. Non cash item represents the change in fair value of contingent consideration payable to Trust/Society over the balance period (~21 to 32 years) under O&M Contracts and represents changes in the time value of discounted liability and impact of changes in future business plan projections
3. Includes impact of one time reversal of INR 244 Cr deferred tax liability (net of capital gains tax) in Q2 FY23 pursuant to voluntary liquidation and distribution of assets of a subsidiary on a going concern basis to its holding Company (MHIL)



Strong cash generation from operations

INR ~524 Cr in H1 FY23



Headroom to raise debt given current leverage

Net Cash surplus of INR 42 Cr as on Sep 30, 2022



Demonstrated ability to generate high return on capital employed

~32% ROCE for H1 FY23



Long term growth potential

Clinical Safety

- * Patient Safety Award by FICCI
- * Diamond Award for Stroke Ready Centre by the World Stroke Organisation
- * Times Healthcare Achievers Award



- * AHPI Healthcare award 2022 under multiple categories



Operational Excellence

- * EY Entrepreneur Of The Year 2021 India Award in Business transformation category



- * FICCI Excellence Awards for 'Operational Excellence'
- * CIMS Healthcare Excellence Awards 2021
- * Ranked 1st in "Excellence in Hospital Management during Covid Times " by Economic Times in 2021



Service Quality

- * Best customer service in Healthcare



- * Bronze award for 'Life savers' project (Max Bike responder) at 'American Society for Quality'
- * Ranked amongst the best hospitals in North India (2021) by The Week
- * D.L. Shah National Award for 'Economics of Quality' by QCI



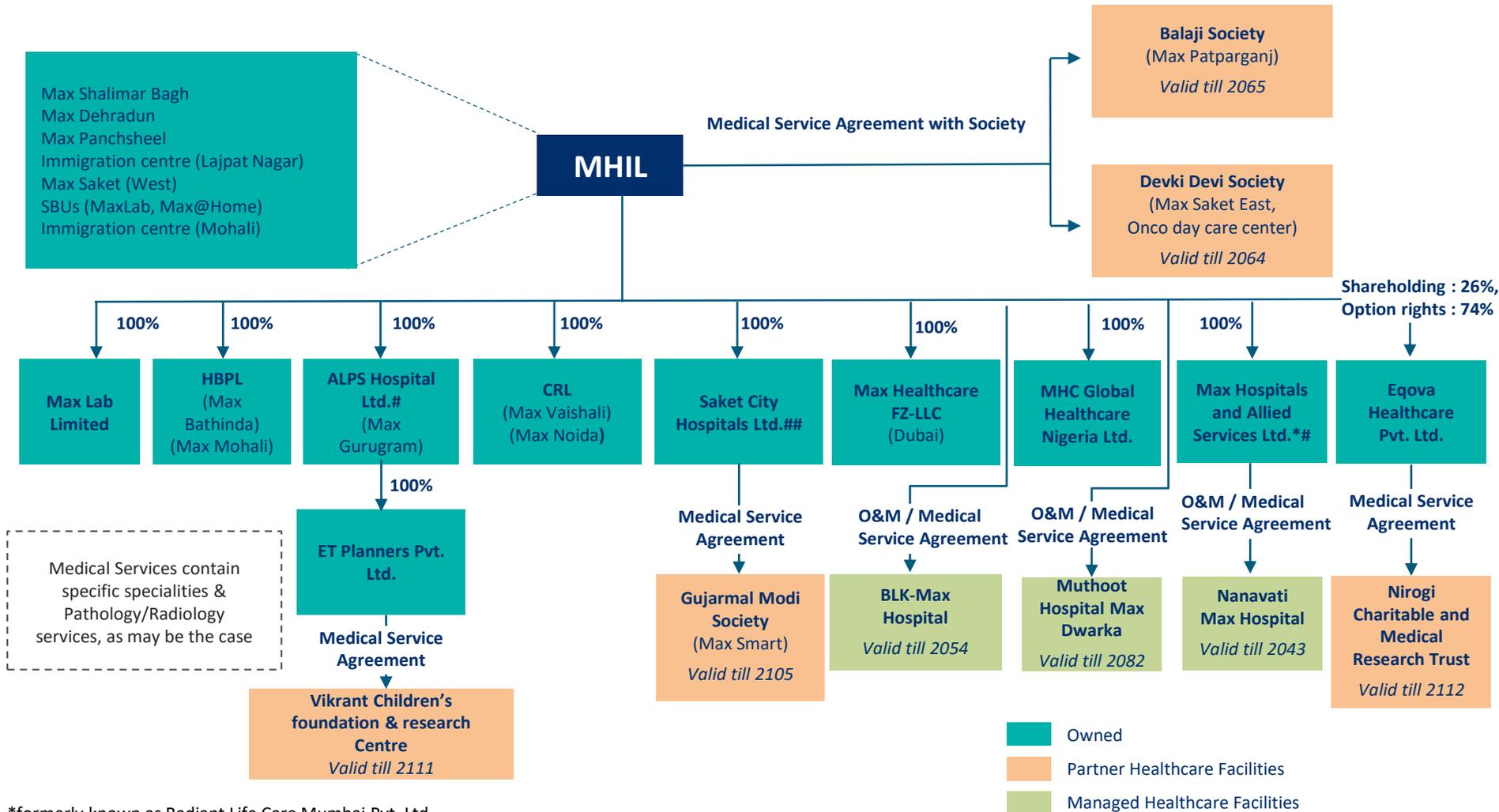
Others

- * Ranked Best Multi Specialty Hospital in Delhi by Outlook Health 2022
- * HIMSS-Elsevier Digital Healthcare Award 2019



- * Excellence award at the prestigious International Hospital Federation Awards 2021
- * Gold award from Hospital Management Asia





*formerly known as Radiant Life Care Mumbai Pvt. Ltd.

The Boards of Alps Hospitals Ltd and Max Hospitals and Allied Services Ltd have approved a scheme of amalgamation of the two entities

##Under voluntary liquidation, letter of distribution of its business undertaking has been issued by the liquidator on Aug 31, 2022 and its operations have been consolidated with MHIL

MHIL – Max Healthcare Institute Limited; CRL – Crosslay Remedies Limited; HBPL – Hometrail Buildtech Private Limited

Validity includes extensions available under the contract

List of Network Healthcare Facilities

Name	Location	Description
Max Super Speciality Hospital, (West Block) Saket	Delhi	Hospital
Max Super Speciality Hospital, (East Block) Saket	Delhi	Hospital
Max Smart Super Speciality Hospital, Saket	Delhi	Hospital
BLK-Max Super Speciality Hospital, Rajendra Place	Delhi	Hospital
Nanavati Max Hospital, Mumbai	Mumbai	Hospital
Max Hospital, Gurugram	Gurugram	Hospital
Max Super Speciality Hospital, Patparganj	Delhi	Hospital
Max Super Speciality Hospital, Vaishali	Ghaziabad	Hospital
Max Super Speciality Hospital, Shalimar Bagh	Delhi	Hospital
Max Super Speciality Hospital, Mohali	Mohali	Hospital
Max Super Speciality Hospital, Bhatinda	Bathinda	Hospital
Max Super Speciality Hospital, Dehradun	Dehradun	Hospital
Max Multi Speciality Centre, Panchsheel Park	Delhi	Medical centre
Max MedCentre, Lajpat Nagar (Immigration Department)	Delhi	Medical centre
Max Institute of Cancer Care, Lajpat Nagar	Delhi	Medical centre
Max Multi Speciality Centre, Noida	Noida	Medical centre
Max MedCentre, Mohali	Mohali	Medical centre

In addition to the above, there are 4 new upcoming Network facilities – one each in East Delhi (Patparganj), North west Delhi (Dwarka), Golf course road - sector 53 Gurugram and sector 56 Gurugram

Definitions

Term	Description
Gross Revenue	Amount billed to the patients/customers as per contracted/rack rates, as applicable, including the patients from the economically weaker section (EWS) on discharge basis; Also includes movement in unbilled revenue at the end of the period for patients admitted in the hospital on reporting date and other operating income such as SEIS income, EPCG income, unclaimed balances written back, etc.
CTI	Represents self pay, private insurance & international patient segment where hospital tariff is the basis for the billing / contract
Net Revenue	Gross revenue minus management discounts, amount billed to EWS patients, employee discounts, marketing discounts and allowance for deductions for expected credit loss
Contribution	Net revenue minus material cost, F&B cost and salary/professional fess paid to clinicians credentialed for OPD consultations and IPD admissions
Indirect overheads	Major costs include – Personnel costs (excl. clinicians credentialed for OPD consultations and IPD admissions), hospital services, admin, provision for doubtful debts, advertisement and allied costs, power and utilities, repair and maintenance
Operating EBITDA	Contribution minus indirect overheads, excluding one-off expenses, extraordinary expenses and specific non-cash expenses (itemised separately) which are accrued due to IND AS requirements, but are not operating in nature;
EBITDA per bed	Operating EBITDA divided by occupied bed days, annualised. Excludes incremental EBITDA from Covid-19 vaccination & related antibody tests and Max Lab operations
Cash from operations	Represents cash generated from operations after amount deployed for routine capex, finance cost and working capital changes relating to operations
ARPOB	Average Revenue per Occupied Bed; Gross revenue divided by the occupied bed days; excludes revenue from Covid-19 vaccination & related antibody tests and Max Lab operations
ALOS	Average Length of Stay; on discharge basis

Max Healthcare Institute Limited (MHIL) is India's leading provider of healthcare services. It is committed to the highest standards of medical and service excellence, patient care, scientific and medical education.

MHIL has major concentration in north India consisting of a network of 17 healthcare facilities. Out of the total network, eight hospitals and four medical centres are located in Delhi and the NCR and the others are located in the cities of Mumbai, Mohali, Bathinda and Dehradun. Max Network includes all the hospitals and medical centres owned, operated and managed by the Company and its subsidiaries, and partner healthcare facilities. These include state-of-the-art tertiary and quaternary care hospitals at Saket, Patparganj, Vaishali, Rajendra Place, and Shalimar Bagh in NCR Delhi and one each in Mumbai, Mohali, Bathinda and Dehradun, secondary care hospital in Gurgaon and Day Care Centres at Noida, Lajpat Nagar and Panchsheel Park in NCR Delhi and one in Mohali, Punjab. The hospitals in Mohali and Bathinda are under PPP arrangement.

In addition to its core hospital business, MHIL has two SBUs - Max@Home and MaxLab. Max@Home is a platform that provides health and wellness services at home and MaxLab offers diagnostic services to patients outside its network.

For further information, please visit

www.maxhealthcare.in

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