

Date of Submission: 5th February 2021

To The Secretary Listing Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code – 539551	To The Secretary Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai – 400 050 Stock Code- NH
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Dear Sir/Madam,

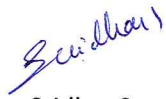
Sub: Investor Presentation for the Third Quarter ended 31st December 2020

With reference to the subject, please find enclosed Investor Presentation for Third Quarter ended 31st December 2020.

Kindly take the above information on record.

Yours faithfully.

For NARAYANA HRUDAYALAYA LIMITED



Sridhar S
Group Company Secretary, Legal and Compliance Officer



 NH Narayana Health



Investor Presentation

February 2021

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Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company’s business, its competitive environment and political, economic, legal and social conditions in India.

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As on 31st Dec 2020



47 Healthcare Facilities	Operational beds
20 Owned / Operated Hospitals ⁽¹⁾	5,352 Beds
1 Managed Hospital ⁽²⁾	112 Beds
6 Heart Centres ⁽³⁾	345 Beds
19 Primary Healthcare Facilities ⁽⁴⁾	10 Beds
1 Hospital in Cayman Islands	110 Beds



6,663 Capacity Beds
5,929 ⁽⁵⁾ Operational Beds
3.2 mn ⁽⁶⁾ Average Effective Capital Cost per Operational Bed

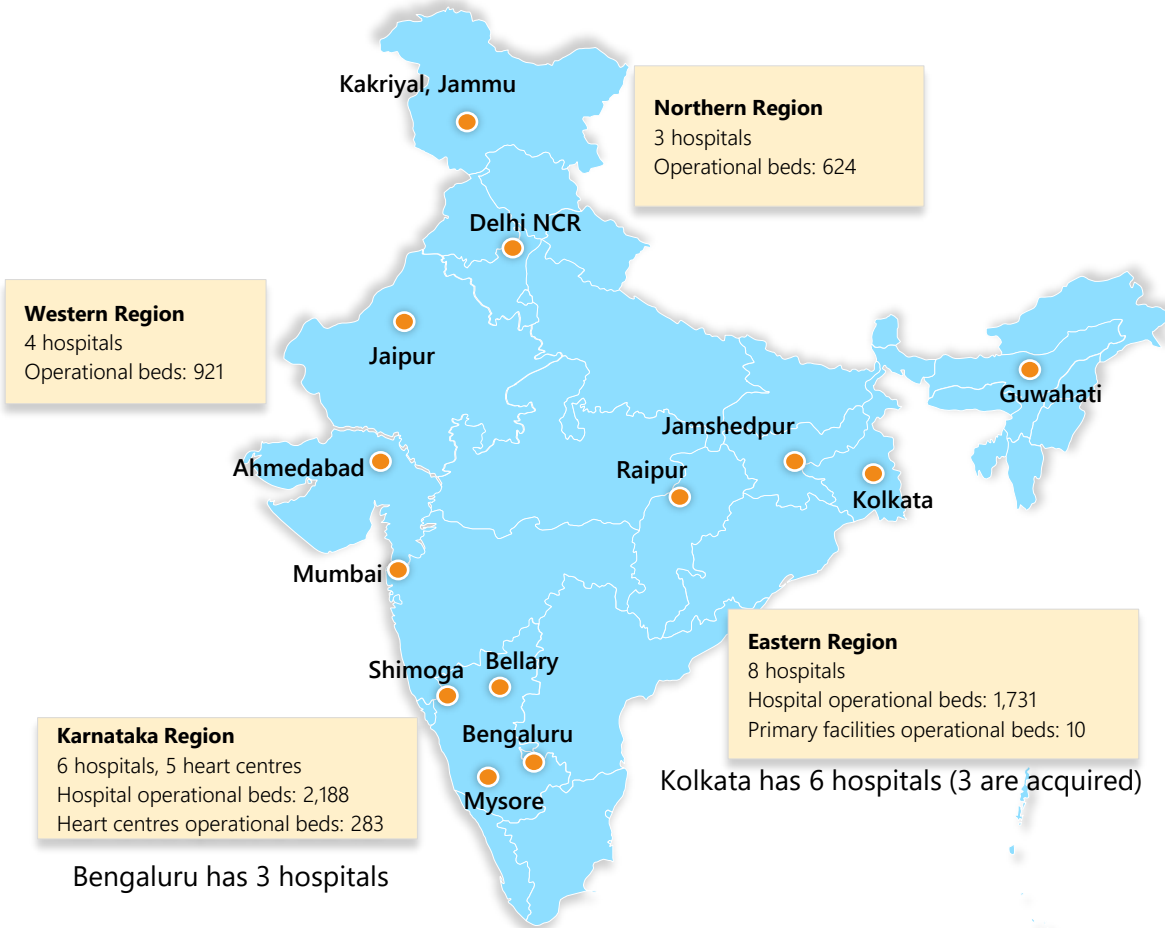


30+ Specialities



16,386 Full-time Employees and Associates including 3,428 doctors

NH's footprint in India



(1) NH owns the P&L responsibility

(2) NH manages 3rd party hospital for Management Fees

(3) NH operates 1 heart centre in Chittagong, Bangladesh

(4) Includes clinics, information centres, etc

(5) In FY20, operations shut down at Whitefield Hospital (118 operational beds), Durgapur Heart Centre (49 operational beds), Managed Hospital Durgapur IQ City (386 operational beds) and operations commenced at Chittagong Heart Centre (62 operational beds) and exited operations at CNH Heart Centre (39 operational beds) wef 1st April 2020

(6) Based on (Gross Block for Fixed Assets (adjusted for non-cash government grant provision, non-cash financial lease for Dharamshila unit) + Capital Work in Progress (CWIP)) / Number of operational beds as of December 31st 2020 but excluding Managed Hospitals and Cayman facility



Clinical & Operational

- Mazumdar Shaw Medical Centre, Bengaluru (MSMC) operated on a case of bifurcation aneurysm using endovascular contour device, first such case in India and third in Asia
- Narayana Superspeciality Hospital, Howrah successfully treated the case of d-transposition of great arteries, ventricular septal defect and pulmonary stenosis (dTGA, VSD, PS) through Pulmonary Root Translocation
- Narayana SRCC Children’s Hospital, Mumbai successfully performed a complex procedure, fetal intra uterine PU valve fulguration on a 20-week pregnant woman
- Narayana Multispeciality Hospital, Jaipur treated a patient with a rare condition, Dextrocardia (reverse position of body organs) with Tetralogy of Fallot (TOF) which led to heart pumping oxygen poor blood to the rest of the body
- Narayana SRCC Children’s Hospital, Mumbai started liver transplant program in December
- Narayana Superspeciality Hospital, Raipur performed a complex surgery, excision of retroperitoneal liposarcoma with R Nephrectomy after guarded dissection along IVC, C loop of duodenum and ascending colon



Financial Performance

- Consolidated operating revenues of INR 7,504 mn in Q3 FY21, an increase of 24.9% QoQ and decrease of 4.4% YoY
- Consolidated EBITDA of INR 1,095⁽¹⁾ mn in Q3 FY21 translating into EBITDA margin of 14.6% as against INR 372 mn in Q2 FY21 and INR 1,082 mn in Q3 FY20
- Consolidated net debt of INR 5,326 mn as on 31st December 2020, reflecting net debt to equity ratio of 0.51 (Out of which, debt worth US\$ 42.7 mn is foreign currency denominated)

(1) As per the new accounting treatment for leases per IND AS 116 effective 1st April 2019 which resulted in INR 127 mn increase in EBITDA and decrease of INR 16 mn in PAT for Q3 FY 21 on a like-to-like basis (pre IND AS 116)



Digital Initiatives

- Implemented Rapid AI for neurology in Healthy City, Bengaluru; it empowers clinicians to make faster, more accurate diagnostic and treatment decisions for stroke and aneurysm patients using clinically proven, data-driven technology
- Rolled out updates to AADI (Athma App for Doctors Insights) clinical care app which helps provide better quality care providing detailed information about patients electronically
- Blood bank module rollout has been initiated across the group; this will help in managing end to end lifecycle of blood management

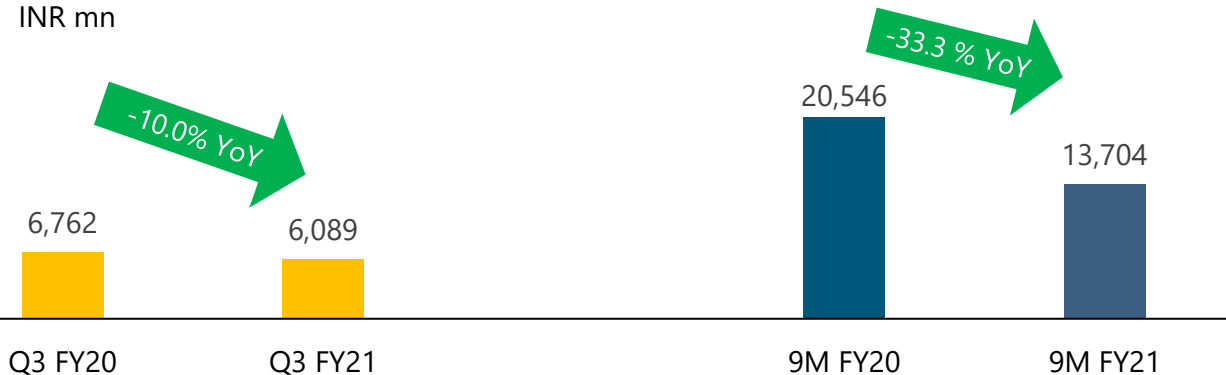


ESG Initiatives

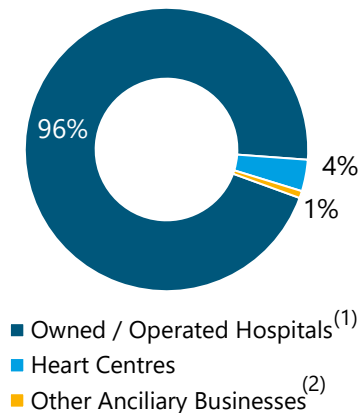
- Implementation of renewable energy system at Health City, Bengaluru is expected to drive annual saving of INR 30 mn
- Fire safety audit completed at Mysore, Guwahati, Raipur and RTIICS facilities
- Heat pump installation at MSMC, Bengaluru is expected to drive annual saving of INR 30 mn

Operating Revenues

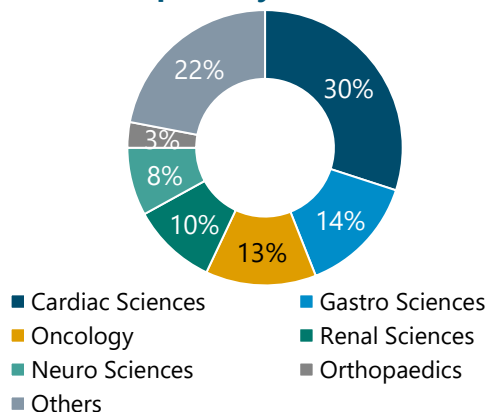
INR mn



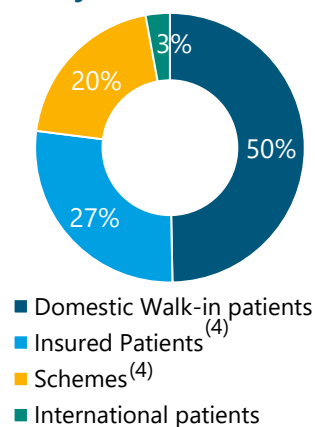
Business Mix⁽⁶⁾



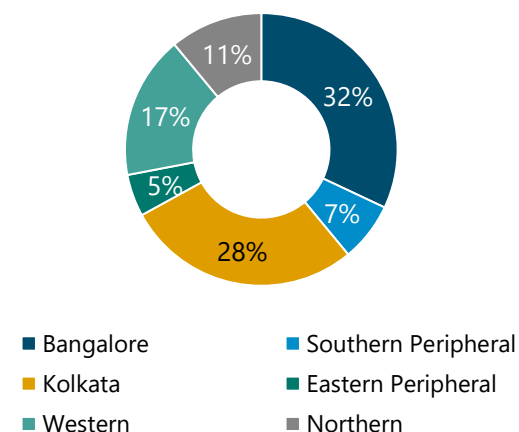
Speciality-Profile⁽³⁾



Payee-Profile⁽³⁾



Cluster-Wise⁽⁵⁾



(1) NH owns the P&L responsibility

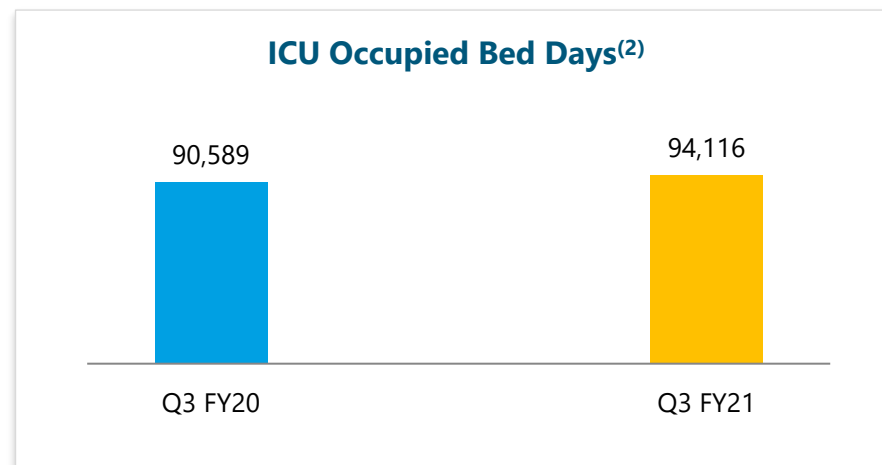
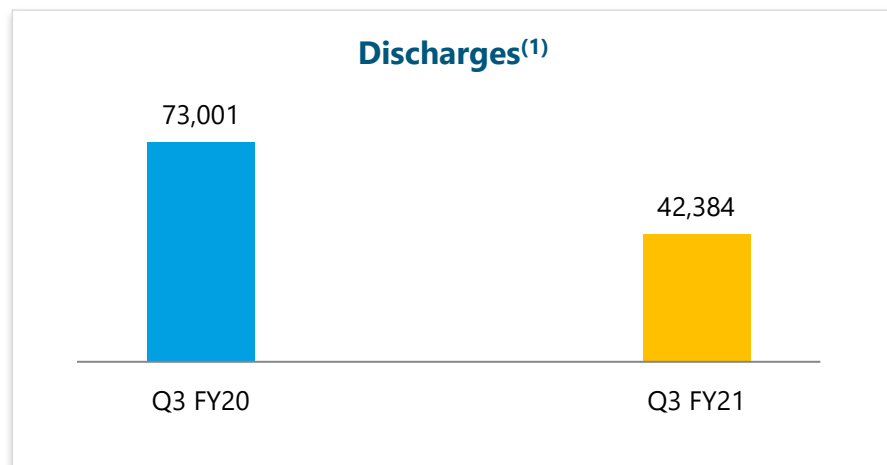
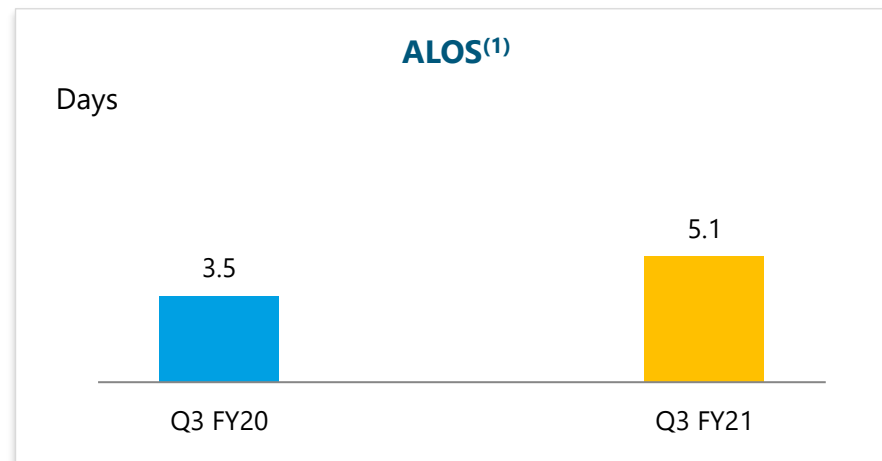
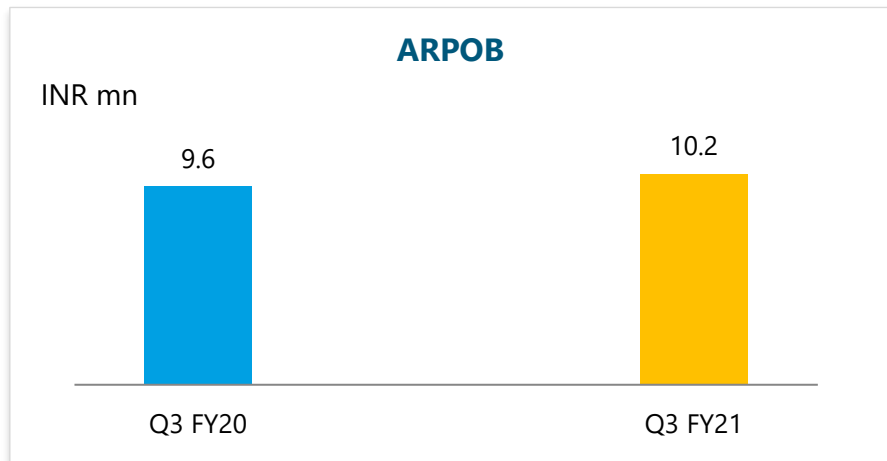
(2) Includes managed hospital, clinics, learning and development, teleradiology, etc

(3) As percentage of IP and OP revenue, excludes Jammu VGF, clinics, other ancillary business

(4) Insured Patients include Insurance-covered patients, corporate patients (including public sector undertakings); Schemes include CGHS, ESIS, other state government schemes

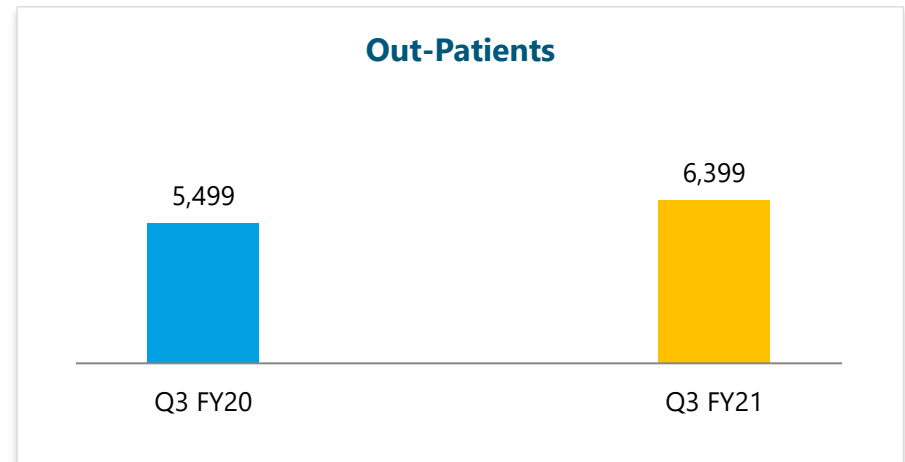
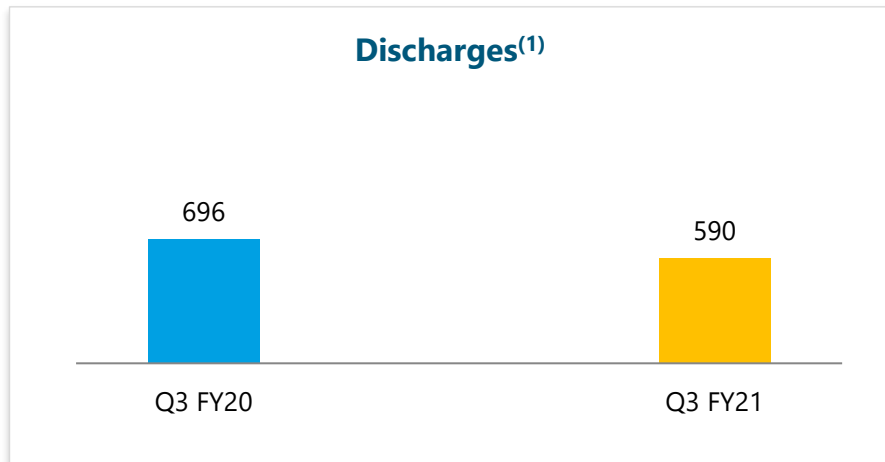
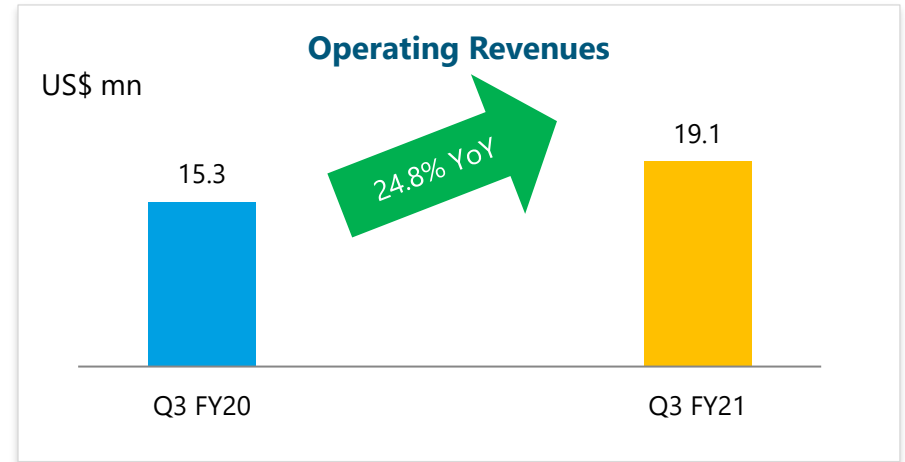
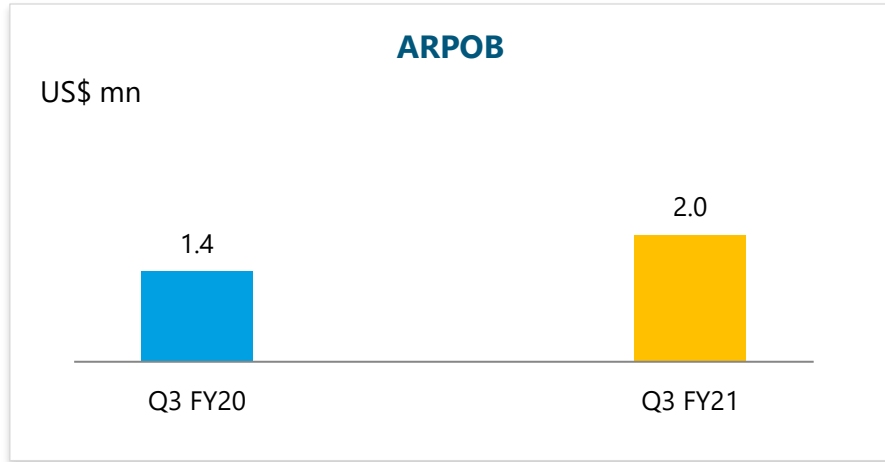
(5) Calculated on operating revenue of owned / operated hospitals

(6) Percentages might not add upto 100% due to rounding off



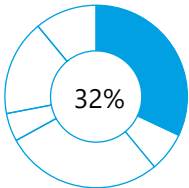
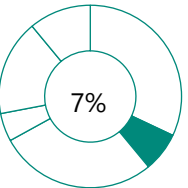
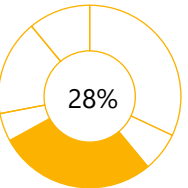
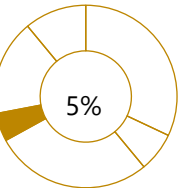
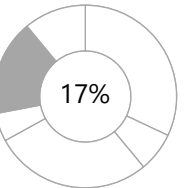
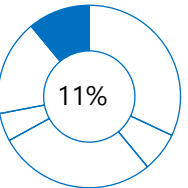

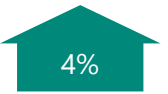


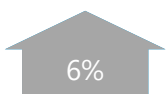
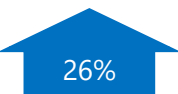
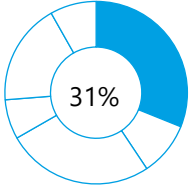
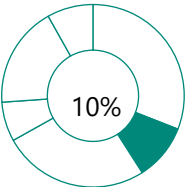
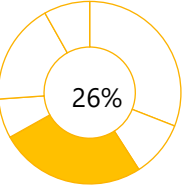
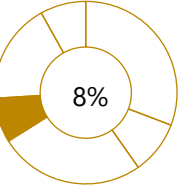
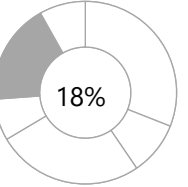
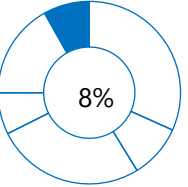



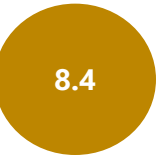




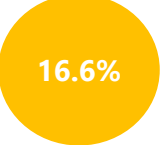


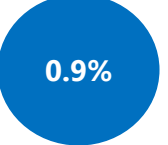
1) Due to transition to homegrown ATHMA Hospital Information System, IP discharges have been distinctly demarcated and segregated from any daycare/emergency discharges (non-census beds), therefore prior period comparison is not relevant

2) Includes critical care and step-down care beds



(1) ALOS for the period Q3 FY20 was 5.8 days and 6.0 days for Q3 FY21

This considers owned/operated hospitals in India (excl. Jammu)

Regions	Bangalore	Southern Peripheral	Kolkata	Eastern Peripheral	Western	Delhi NCR
	<ul style="list-style-type: none"> NICS MSMC HSR 	<ul style="list-style-type: none"> Mysore Shimoga 	<ul style="list-style-type: none"> RTIICS Barasat NMH & NSH RNN NSC 	<ul style="list-style-type: none"> Jamshedpur Guwahati 	<ul style="list-style-type: none"> Mumbai Ahmedabad Jaipur Raipur 	<ul style="list-style-type: none"> Gurugram New Delhi
% of Hospital Operating Revenues	 32%	 7%	 28%	 5%	 17%	 11%
YoY Revenue Growth	 -23% ⁽¹⁾	 4%	 -11%	 -9%	 6%	 26%
% of Hospital Operational Beds	 31%	 10%	 26%	 8%	 18%	 8%
ARPOB (INR mn)	 11.7	 8.9	 8.7	 8.4	 10.0	 14.2
EBITDAR Margin	 19.4%	 22.2%	 16.6%	 11.1%	 8.9%	 0.9%

(1) Adjusted for Whitefield facility, for Bangalore region, YoY revenue growth is -21%

This considers owned/operated hospitals in India (excl. Jammu)⁽¹⁾

Maturity	Hospitals (Exc. Managed Hospital & Jammu)	Hospital Operating Revenues		% of Hospital Operational Beds	Key Performance Indicators		
		% of Total	YoY Growth		ARPOB (INR mn)	Discharges ⁽³⁾	EBITDAR Margin ⁽⁴⁾
Existing	16	87%	-12% ⁽²⁾	89%	9.8	34,718	17.4%
New	3	13%	21%	11%	13.5	3,424	-3.9%

New: Mumbai, Delhi and Gurugram units

- (1) Jammu facility reported operational revenues of INR 204 mn
- (2) Adjusted for Whitefield facility, YoY revenue growth for existing bucket is -11.5%
- (3) Due to transition to homegrown ATHMA Hospital Information System, IP discharges have been distinctly demarcated and segregated from any daycare/emergency discharges (non-census beds), therefore prior period comparison is not relevant and ALOS of matured set is 5.2 days and new units is 5.9 days in Q3 FY21
- (4) EBITDA before rental/revenue share and before allocation of any corporate expenses

EBITDA and EBITDA Margin

INR mn

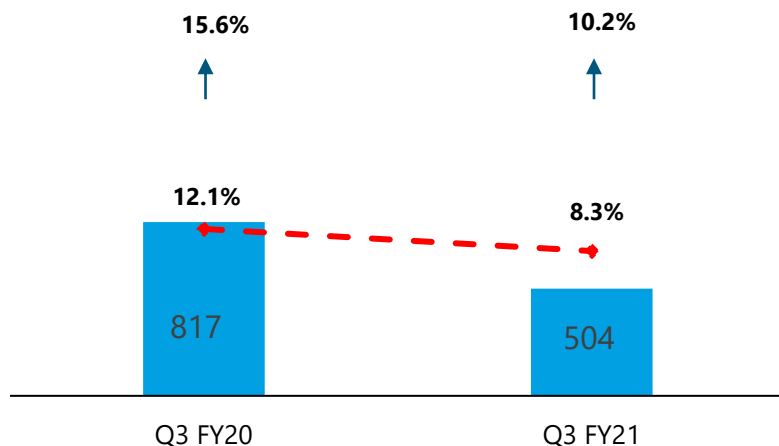
Movement across New Hospitals

Q3 FY20

Q3 FY21

	Loss/Profit	Revenues		Loss/Profit	Revenues
Total	(143)	616	Total	(41)	744

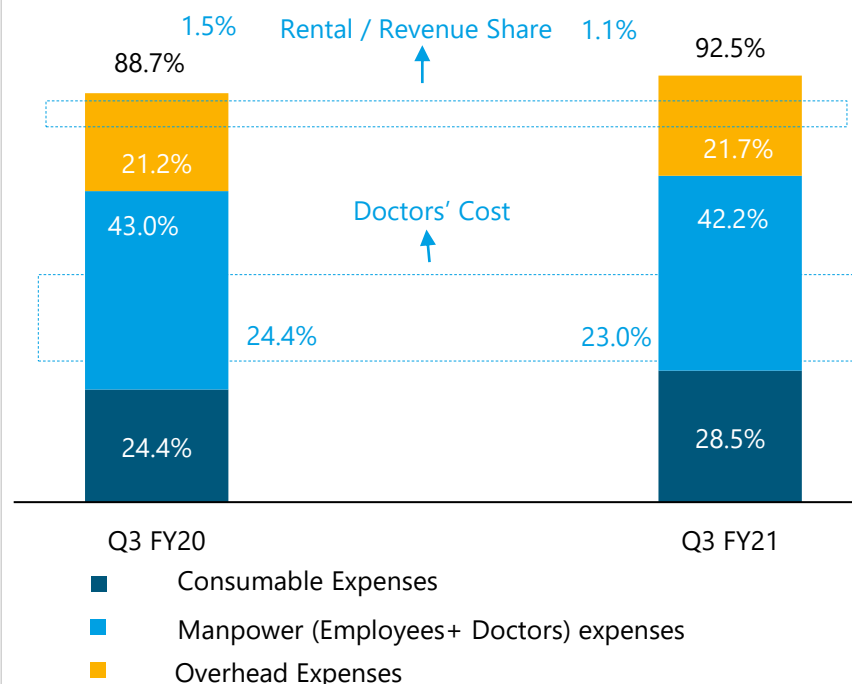
Adjusted for the above, the adjusted EBITDA margins would be as follows



- Heart Centres clocked an EBITDAR⁽¹⁾ margin of 21.5% in Q3 FY21

Cost Structure

% of Operating Revenues



(1) EBITDA before rental/revenue share and before allocation of any corporate expenses

Categories have been calculated as
 Consumable Expenses = Purchase of medical consumables, drugs and surgical equipment net of changes in inventories of medical consumables, drugs and surgical equipment;
 Manpower (Employees and Doctors) expenses = Employee benefits + Professional fees to doctors;
 Overhead expenses = all other expenses

Figures in INR mn, unless stated otherwise

Profit and Loss Statement^(1,3)

Particulars (INR mn)	Q3 FY21	9M FY21
Total Operating Revenue	7,504	17,446
Consumption	1,988	4,709
Doctors Expenses	1,550	4,116
Employee (Excluding Doctors) Expenses	1,384	4,026
Other Admin Expenses	1,532	4,187
Total Expenses	6,454	17,039
Other Income	46	196
EBITDA	1,095⁽⁴⁾	603⁽⁴⁾
Depreciation and Amortization	465	1,391
Finance Costs	186	577
Share of (loss)/profit of equity accounted investees	(28)	(49)
PBT	416	(1,414)
Tax Expense	8	(590)
PAT	408	(823)
Total Comprehensive Income	373	(897)

Key Balance Sheet Items⁽¹⁾

Particulars	31 st December 2020
Shareholder Equity	10,472
Total Debt	6,374
Lease Liability	2,114
Net Block + CWIP	16,671⁽²⁾
Goodwill	582
Right to Use Assets	2,053
Net Receivables	2,719
Current Investment	923
Cash and Bank Balance	1,048

As on December 31st, 2020, the consolidated net debt (Total Debt less Cash and Bank Balance) was Rs 5,326 mn, representing a net debt to equity ratio of 0.51 (Out of which, debt worth US\$ 42.7 mn is foreign currency denominated)

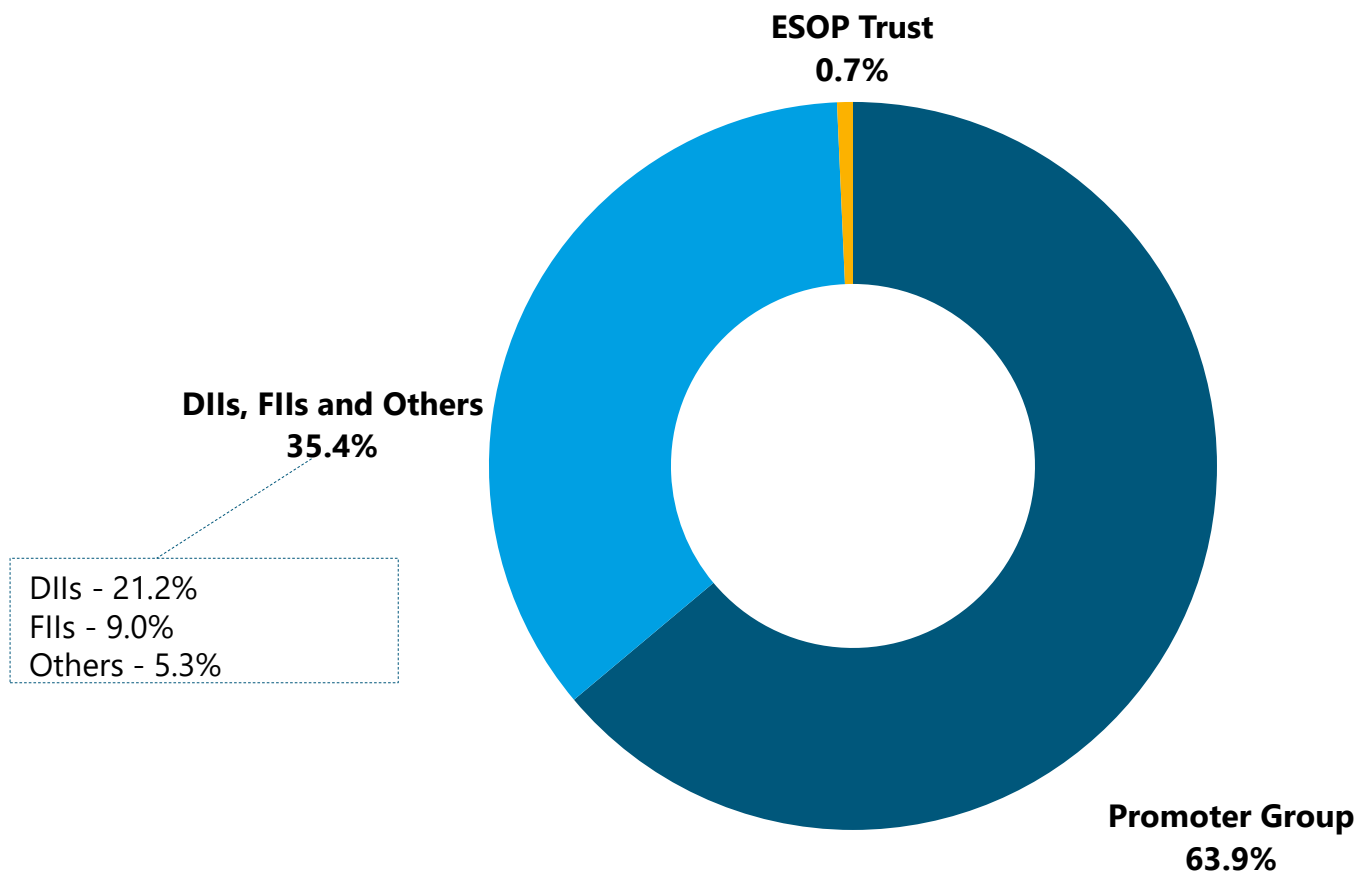
(1) Figures might not equal the reported numbers due to rounding off

(2) Net Block includes non-cash government grant impact of Rs 1,203 mn and non-cash financial lease impact of Rs 927 mn

(3) As per the new accounting treatment for leases per IND AS 116 effective 1st April 2019 which resulted in INR 101 mn increase in depreciation, INR 42 mn increase in finance cost for Q3 FY 21 resulting in decrease of INR 16 mn in PAT and INR 311 mn increase in depreciation, INR 131 mn increase in finance cost for 9M FY 21 resulting in decrease of INR 67 mn in PAT on a like-to-like basis (pre-IND AS 116)

(4) Heart centre at Chittagong (OPD commenced in February 2020) incurred an operational loss of INR 7 mn in Q3 FY21 and INR 16 mn in 9M FY21

As on 31st December 2020⁽¹⁾



Total Number of Shares

204,360,804

Key DIIs

SBI Asset Management

Nippon Life India Asset Management

ICICI Prudential Asset Management

Max Life Insurance

Axis Mutual Fund

Key FIs

Wellington Asset Management

Franklin Templeton

Mirae Asset Management

Simcah Partners

HSBC Global Investment

(1) Percentages might not add up to 100% due to rounding off