October 26, 2018

Shalby/SE/2018-19/70

The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai 400 051.

Scrip Code : SHALBY
Through : https://www.connect2nse.com/LISTING/

Corporate Service Department
BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

Scrip Code: 540797
Through : http://listing.bseindia.com

Sub : Investor Presentation for quarter ended 30th September 2018

Dear Sir / Madam,

We are submitting herewith Investor Presentation on financial & operational performance of the Company for quarter ended 30th September 2018, which is also being made available on our website.

We request to take the same on your records and disseminate the same to the members.

Thanking you,

Yours sincerely,
For **Shalby Limited**

JAYESH RAVJIBHAI PATEL

Digitally signed by JAYESH RAVJIBHAI PATEL
DN: c=IN, o=Personal, cn=JAYESH RAVJIBHAI PATEL, serialNumber=c39d869609ee0908072dafb75a616264536bd76c5261ff1c9895a39885bdf0d8, postalCode=380058, 2.5.4.20=e43b26ec0c6694a3945186c1fe15a748b939ab540a407192b19e18a4fe3da828, st=Gujarat
Date: 2018.10.26 10:58:03 +05'30'

Jayesh Patel
Company Secretary & Compliance Officer

Encl.: as above

Investor Presentation

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…because passion drives perfection…

…and perfection drives

performance

“

Current Scale of Operations

11 Hospitals

2,012* Total Bed Capacity

1,102** Operational beds

887 Census Beds

165 Non Census Beds

55% Operating bed to total bed capacity

51% Bed Occupancy (based on census beds)

31% 11 year CAGR Revenue

40% 11 year CAGR EBITDA

405 Doctors & **3,000+** Support Staff

- Double-digit return ratios against industry trend of single-digit
- Consistently superior ROCE of mature hospitals

* Maximum number of beds according to structure of the hospital

***The operational bed count of 1,102 considers 50 operational beds at Zynova-Shalby Hospital, Mumbai, for which no other operational parameters are tracked*

Performance Q2FY19

Key Achievements of the Quarter

SHALBY MULTI-SPECIALTY HOSPITALS

Huge Ovarian Mass removed from an 11 year old girl at Shalby Jaipur

Avg. Occupied Beds rose by 42% Y-o-Y

Revenue growth of 34% Y-o-Y and EBITDA for the quarter stood at 21%

Performance Synopsis

(INR in million)

Particulars	Quarter Ended 30-09-18	% of Revenue	Quarter Ended 30-09-17	% of Revenue	Growth
Total Revenue	1,216.1		909.0		33.8%
EBITDA	250.5	20.6%	245.5	27.0%	2.1%
Bed Capacity (Nos.)	2012		2012		0%
Operational Beds (Nos.)	1,102		941		17.1%
Average Length of Stay(Days)	2.82		3.69		23.6%
Occupancy (Beds)	452		318		42.2%
In-Patient Count (Nos.)	14,761		7,923		86.3%
Out patient Count (Nos.)	76,794		55,554		38.2%
Surgeries Count	4,897		3,953		23.9%
ARPOB (In Rs.)	29,244		31,071		-5.9%

Note: The operational bed count of 1,102 considers 50 operational beds at Zynova-Shalby Hospital, Mumbai, for which no other operational parameters are tracked

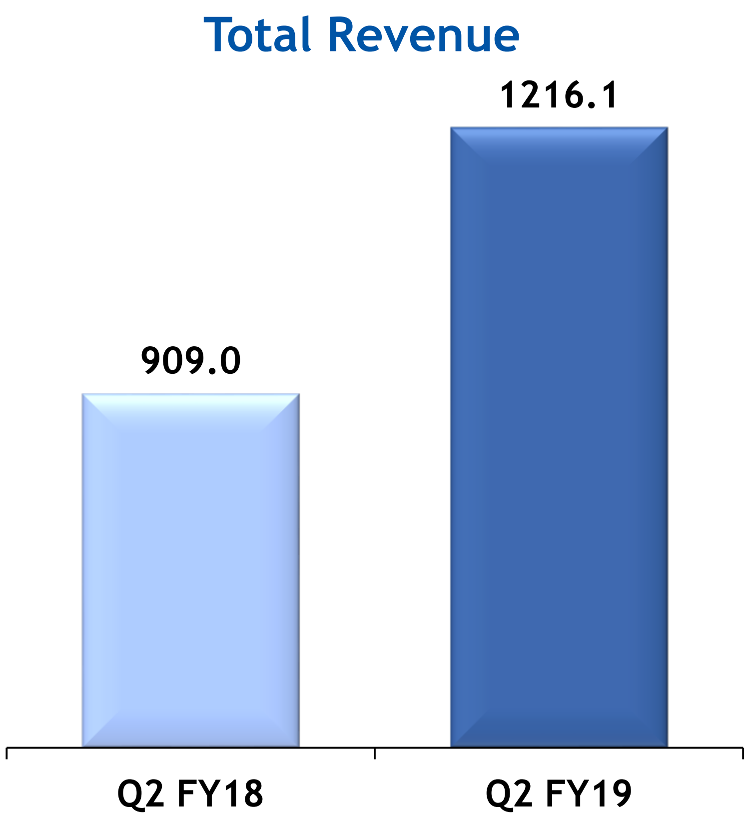
Financial Highlights Q2FY19 Standalone

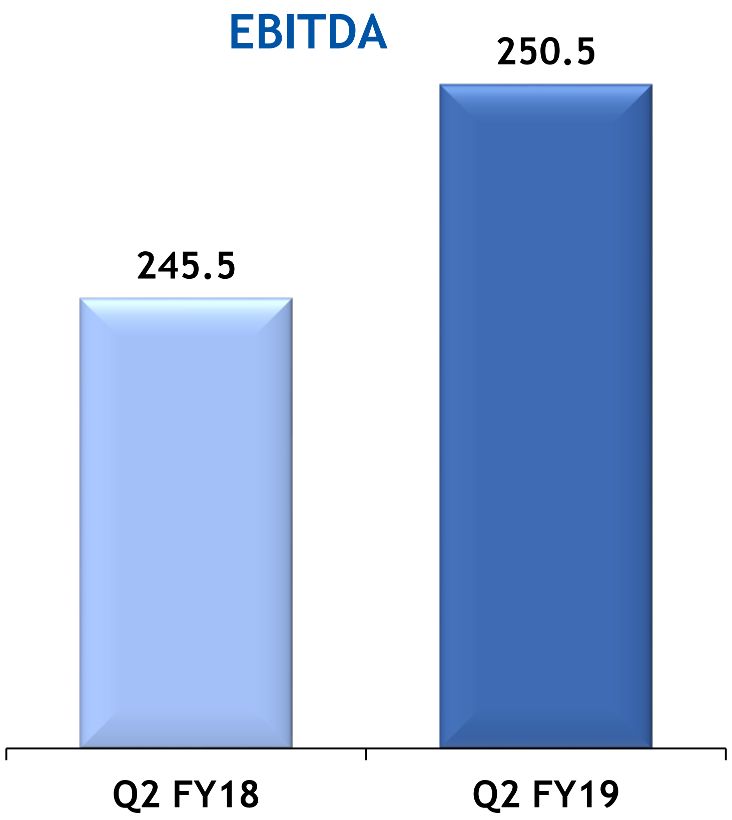
(INR in million)

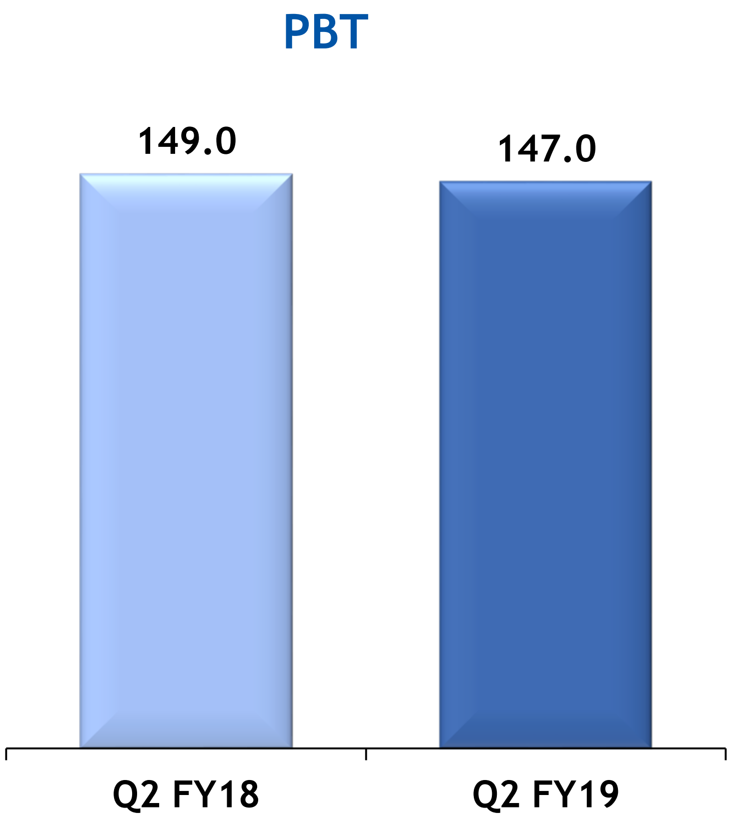
Particulars	Quarter Ended 30/09/2018	% of Revenue	Quarter Ended 30/09/2017	% of Revenue	Growth
Revenue from Operations	1193.9		893.7		33.6%
Other Income	22.2		15.3		
Total Income	**1216.1**		**909.0**		**33.8%**
Expenses					
Materials & Consumables	304.5	25.0%	225.5	24.8%	
Fees to Doctors and Consultants	327.1	26.9%	197.6	21.7%	
Other Operative Expenses	41.9	3.4%	33.0	3.6%	
Employee Costs	212.2	17.4%	142.2	15.6%	
Administrative Expenses	65.8	5.4%	50.1	5.5%	
Advt & Promotion	14.1	1.2%	15.1	1.7%	
Total Operational Expenses	965.6	79.4%	663.5	73.0%	
EBITDA	**250.5**	20.6%	**245.5**	27.0%	**2.1%**
Finance Cost	20.1		46.1		
Depreciation & Amortization Expense	83.4		50.4		
Profit before tax (PBT)	**147.0**		**149.0**		**-1.3%**
Tax Expense	110.2		0		
Profit after tax (PAT)	**36.8**	3.0%	**149.0**	16.4%	**-75.3%**

Financials Parameters

(INR in million)

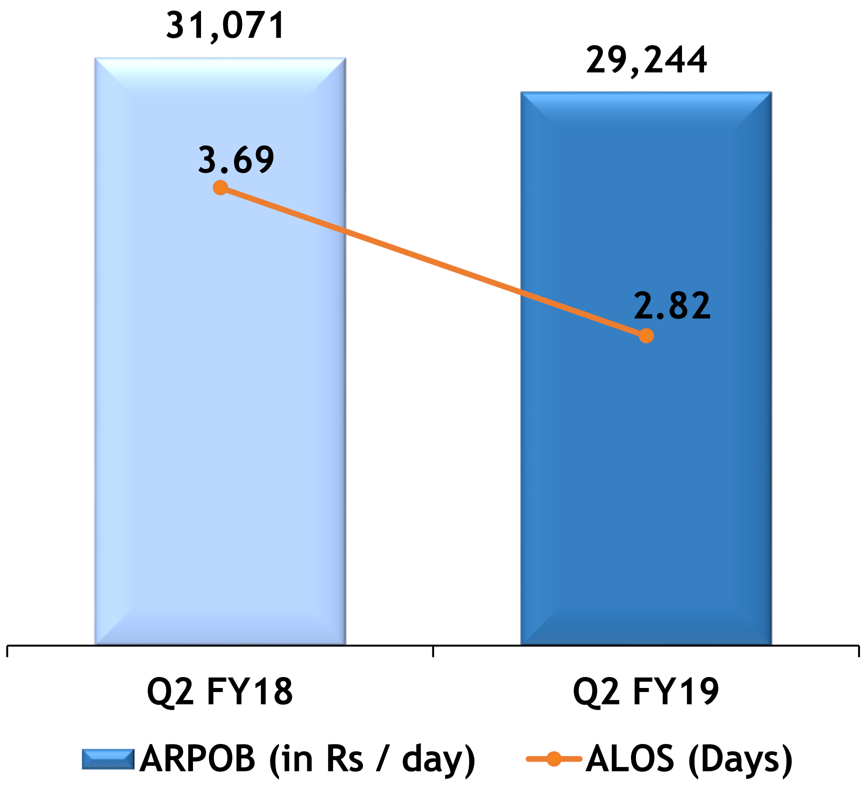






- Total Revenue has increased by 33.8% on Year on Year basis
- PBT for Q2 FY 19 has decreased by 1.3% compared to Q2 FY 18 as Depreciation has increased by 65.6%
- Finance cost has decreased by 56.4% as substantial portion of the debt has been paid by the IPO proceeds and has enabled the company to turn as net cash company

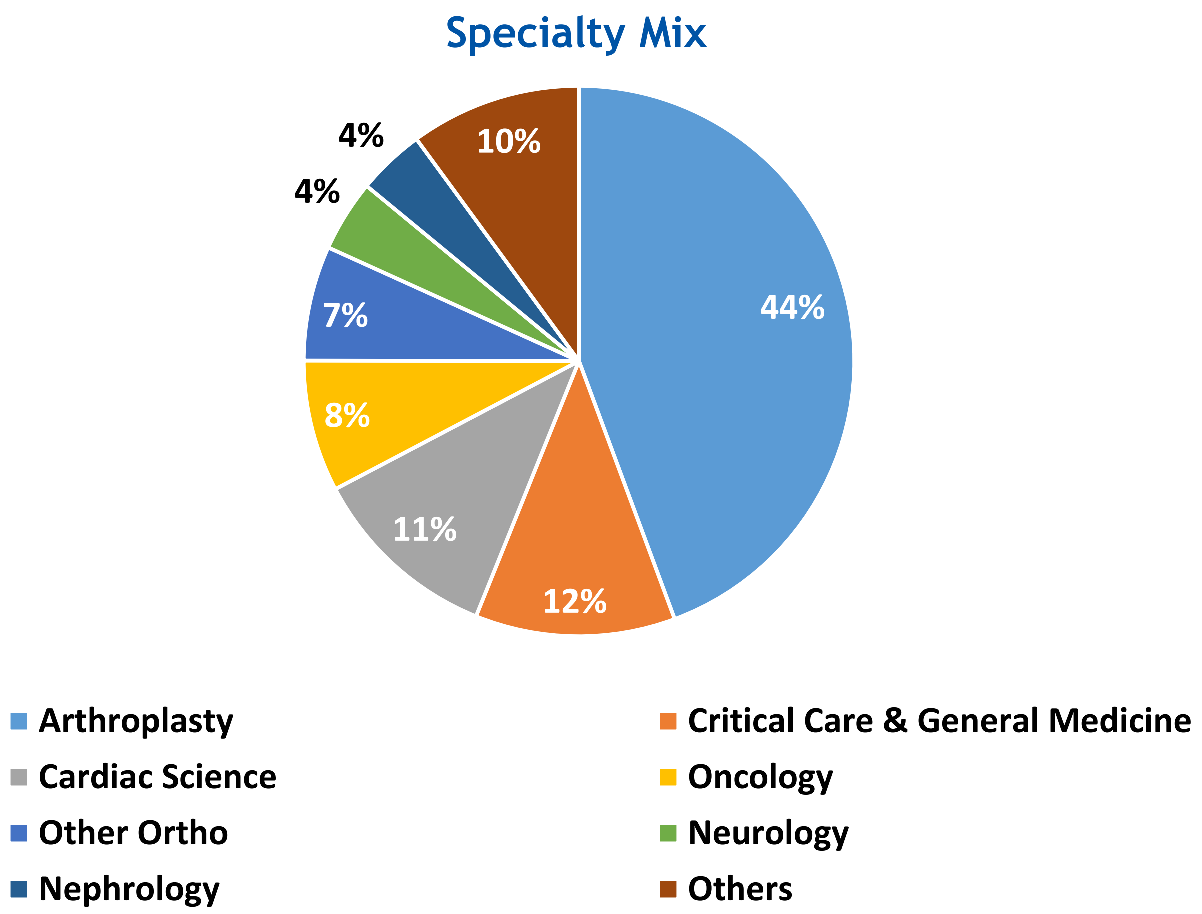
ARPOB and ALOS

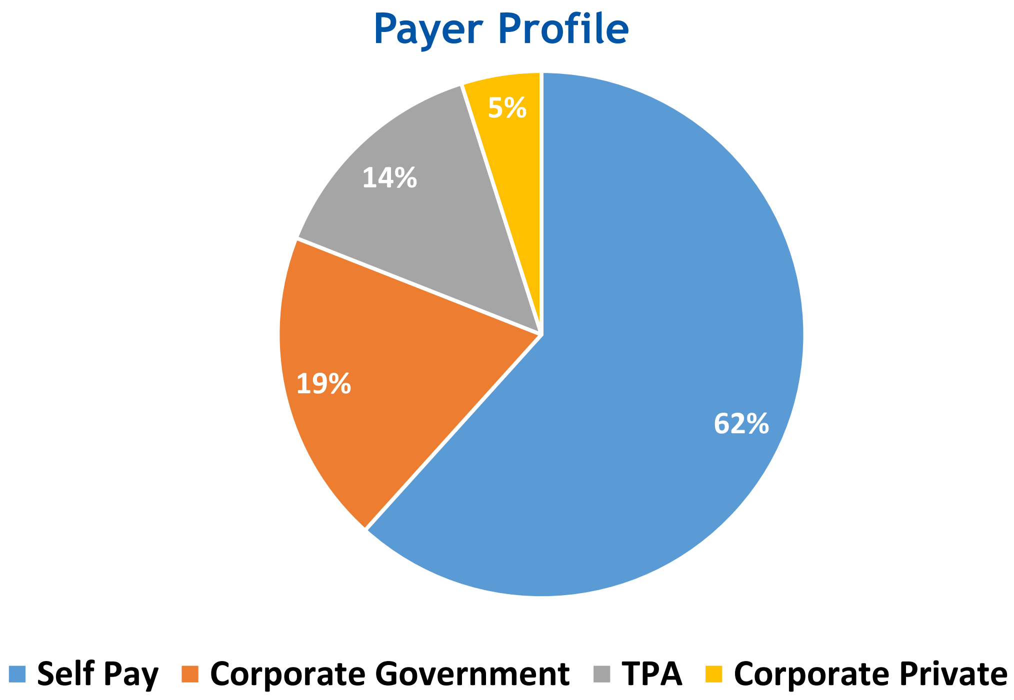


- Marginal shrink in ARPOB is due to change in specialty mix due to increased multi-specialty focus as well as current quarter witnessing epidemic resulting into high number of non-surgical procedures

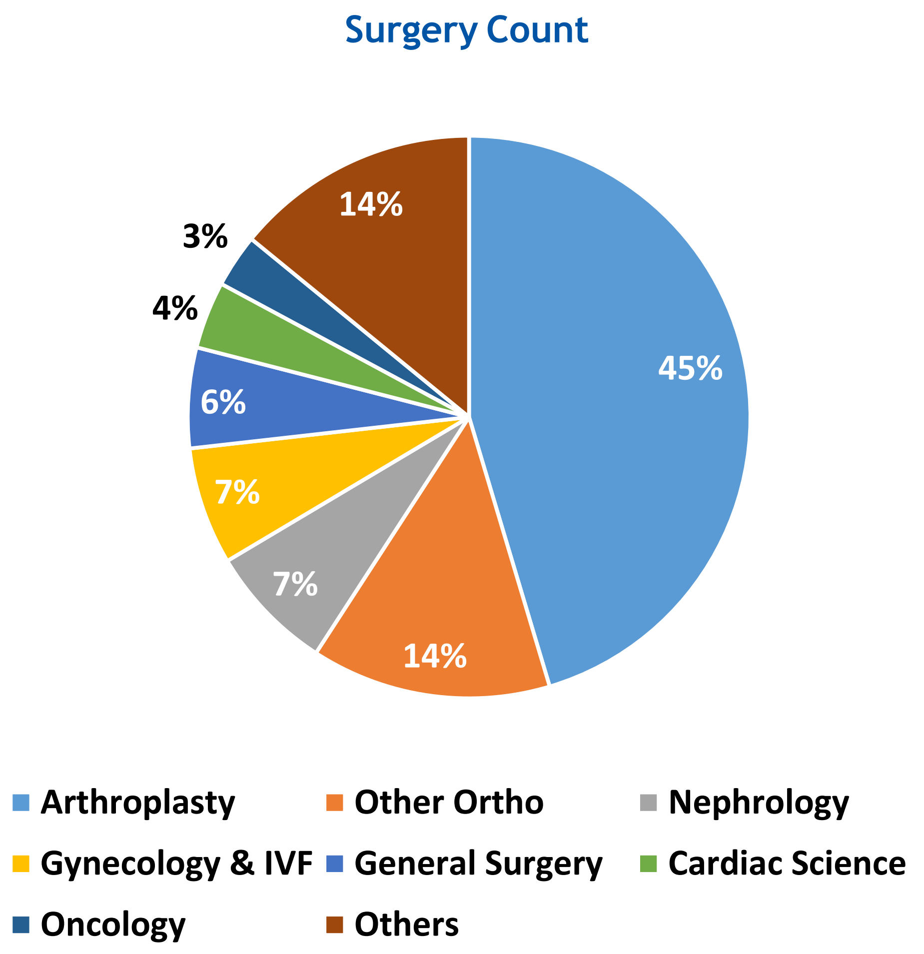
- Change in ALOS is a result of increase in operational excellence as a continuous process as well as increased multi-specialty focus including specialties like Oncology, Nephrology, Cardiac Sciences etc. which has large number of day care procedures

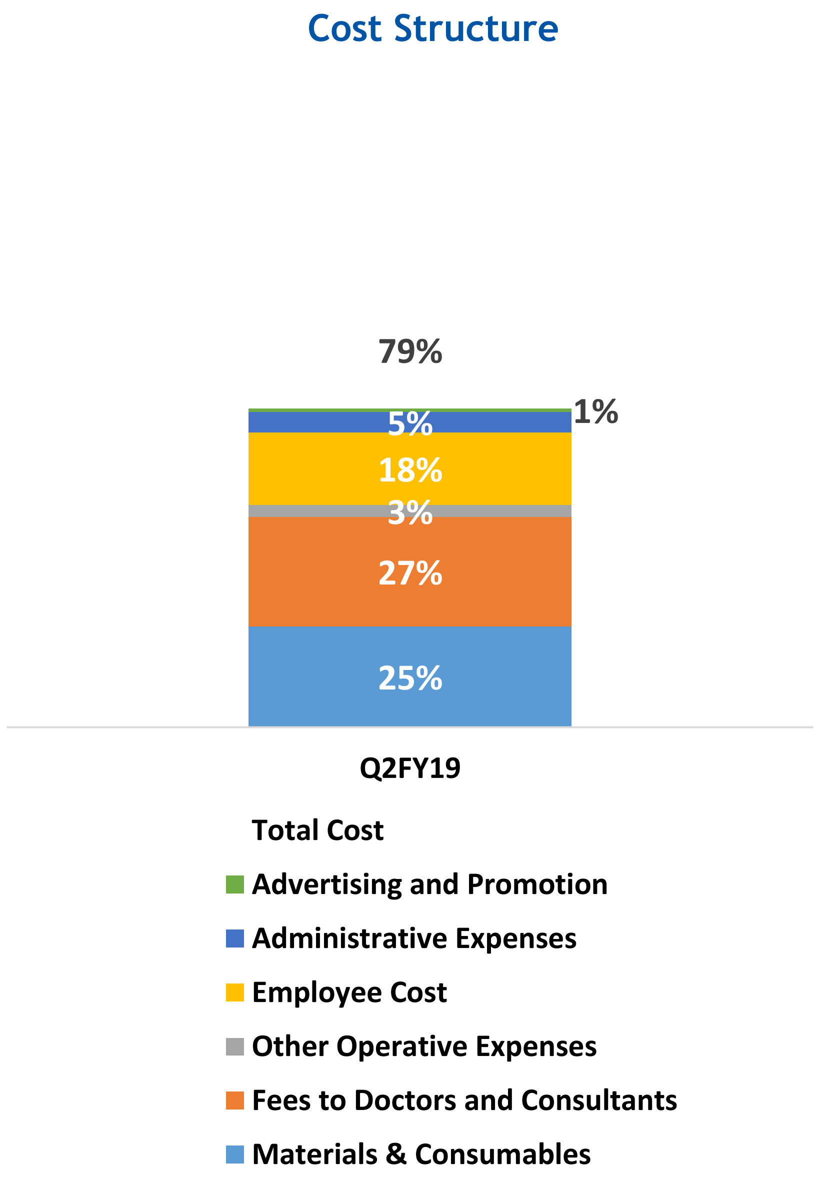
Revenue Mix Q2FY19



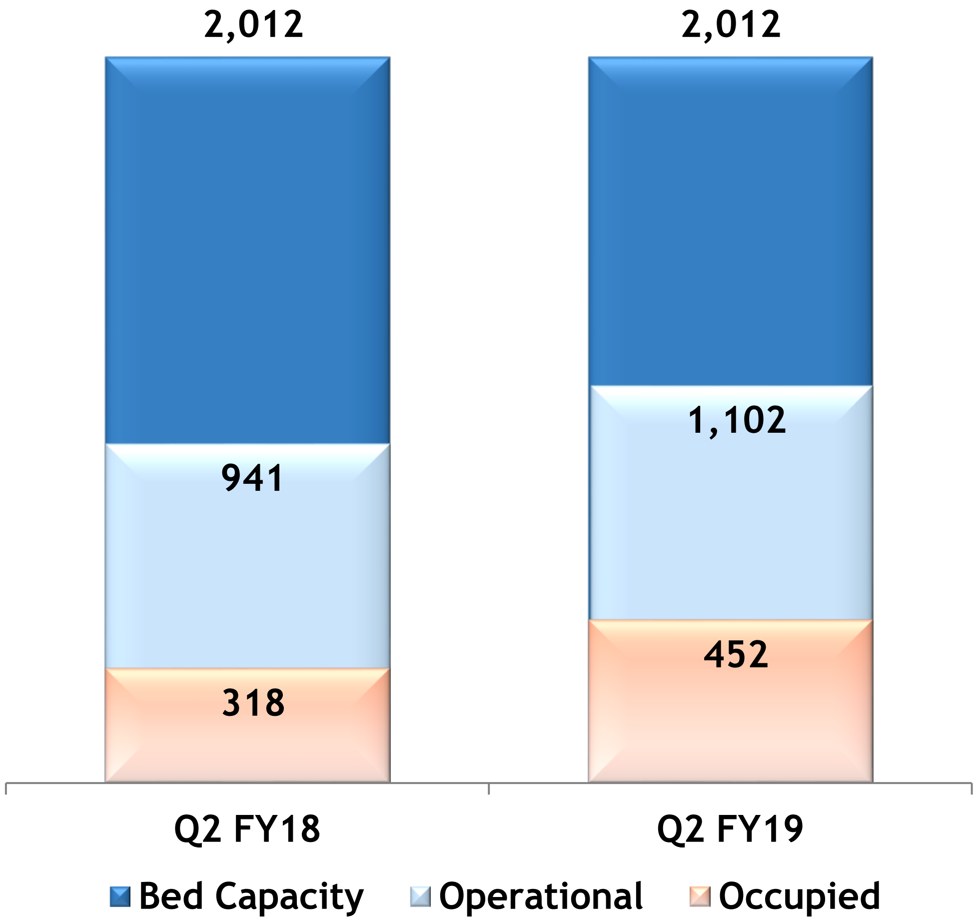


Surgery Count and Cost Structure Q2FY19





Bed Count Split



- Increase in occupancy by 42% on Year on Year basis reflects better utilization of increased operational capacity and ramp up of newly established units.

Maturity Profile – Q2FY19

Maturity Profile	Avg. Occupied Beds	Census Beds	Non-Census Beds	Operational Beds	Non-Operational Beds	Total Bed Capacity
4 years + (SG; Vijay; Krishna; Vapi)	178	325	57	382	212	594
2-4 years (Jabalpur, Indore)	157	309	52	361	115	476
< 2 years (Jaipur; Naroda; Surat; Mohali)	117	253	56	309	583	892
Total	452	887	165	1,102*	910	2,012

Note: The operational bed count of 1,102 considers 50 operational beds at Zynova-Shalby Hospital, Mumbai, for which no other operational parameters are tracked

Maturity Profile – Q2FY19 – with Revenue mix

Maturity Profile	% of Total Revenue	Arthroplasty	Non Arthroplasty	ALOS
4 years + (SG; Vijay; Krishna; Vapi)	50%	29%	20%	3.37
2-4 years (Jabalpur, Indore)	23%	4%	19%	3.75
< 2 years (Jaipur; Naroda; Surat; Mohali)	27%	11%	17%	1.79
Total	100%	44%	56%	2.82

Maturity Profile – Q2FY19 vs Q2 FY18 – Operational Parameters

SHALBY MULTI-SPECIALTY HOSPITALS

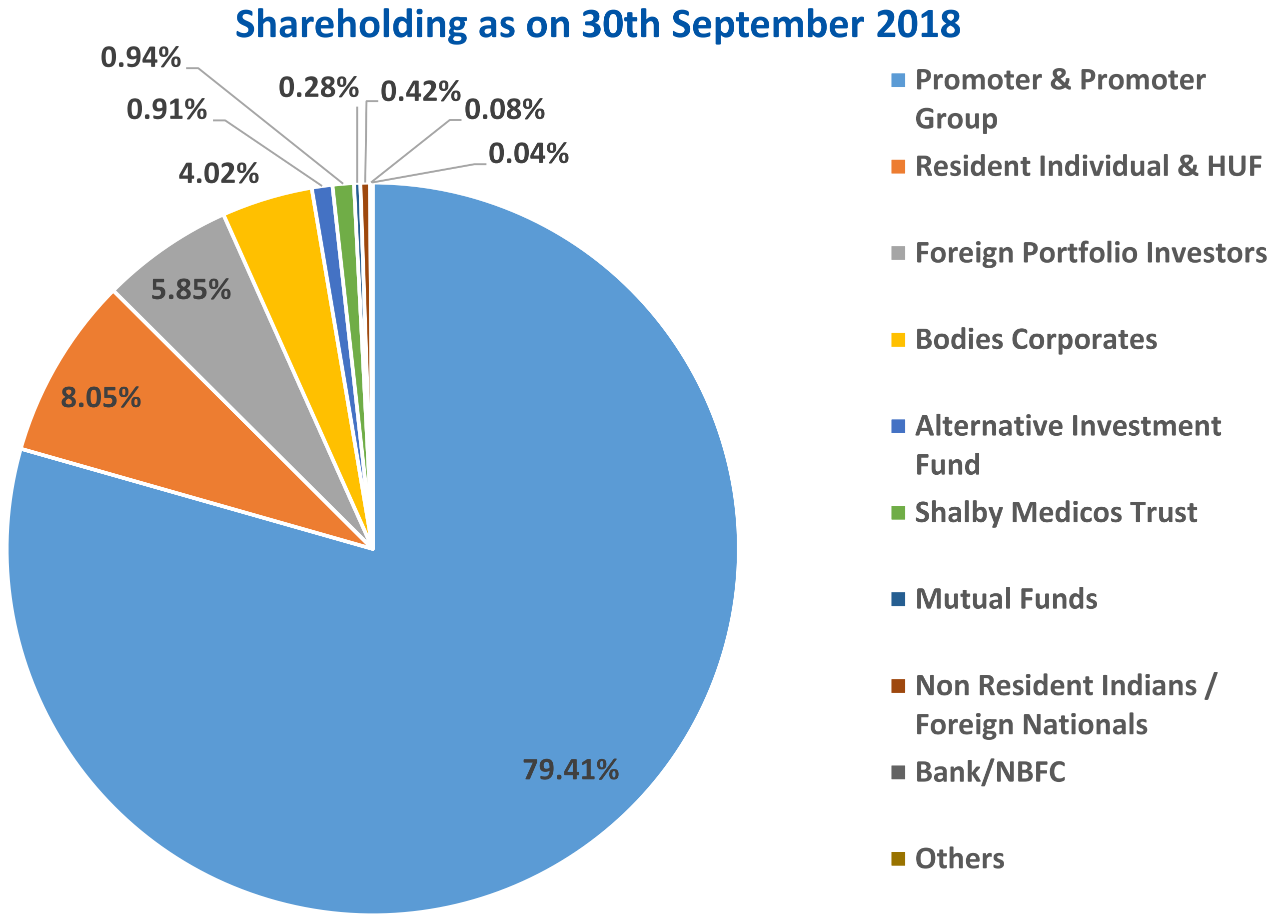
Q2 FY 19

Maturity Profile	IP Count	OP Count	Surgery Count
4 years + (SG; Vijay; Krishna; Vapi)	4,851	29,474	2,506
2-4 years (Jabalpur, Indore)	3,843	24,573	1,098
< 2 years (Jaipur; Naroda; Surat; Mohali)	6,067	22,747	1,293
Total	14,761	76,794	4,897

Q2 FY 18

Maturity Profile	IP Count	OP Count	Surgery Count
4 years + (SG; Vijay; Krishna; Vapi)	4,085	28,009	2,763
2-4 years (Jabalpur, Indore)	2,986	19,578	776
< 2 years (Jaipur; Naroda; Surat; Mohali)	852	7,967	414
Total	7,923	55,554	3,953

Shareholding Pattern



- Total Number of Shares: 108,009,770

Our Strengths and Differentiators

- Experienced promoters with hands-on involvement
- Strong brand, global leadership in Joint Replacement
- Optimized Business Model now being replicated
- Increasing focus on Quaternary treatments such as Oncology and Organ transplants
- Even after the IPO promoter holding is ~80%
- Unleveraged Balance Sheet
- Strong emphasis on governance and compliance
- Leadership and succession plan in place

Detailed Information

For more detailed information please click on the link below:

- Q2FY19 result
- Q1FY19 result
- Monitoring Agency Report for IPO proceeds
- FY18 result

Thank you

SHALBY MULTI-SPECIALTY HOSPITALS

SHALBY LIMITED

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