



January 17, 2020

**National Stock Exchange of India Limited,**  
Compliance Department,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051,  
Maharashtra, India

**BSE Limited,**  
Compliance Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001,  
Maharashtra, India

Dear Sirs,

**Sub** : **Investor Presentation**  
**Ref** : **HealthCare Global Enterprises Limited (“the Company”) BSE – 539787,  
NSE - HCG**

We enclose herewith the Presentation made by the Company on 14<sup>th</sup> January 2020, at the J.P. Morgan Healthcare Conference 2020, in San Francisco, California, USA.

This is for your kind information and records.

Thanking you,

For **HealthCare Global Enterprises Limited**

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



# HealthCare Global Enterprises Ltd.



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## Snapshot of the Business

- Specialty healthcare provider with a focus on cancer and fertility
- Largest<sup>1</sup> provider of cancer care in India under the HCG brand
- Leading provider of fertility treatment under the Milann<sup>2</sup> brand
- Precision medicine services through associate Strand (39% equity stake)
- Key financials (FY19). **Revenue: ~\$140 million; EBITDA: ~\$18 million**
- NABH, ISO 9001, NABL and CAP accredited<sup>5</sup>

## Recent Developments

- Launch of Jaipur, South Mumbai and Kolkata cancer centres
- Acquired Quest's India diagnostics business and integration with Strand



Cancer Care

- Comprehensive cancer diagnosis and treatment services
- 22<sup>6</sup> comprehensive cancer centers,



Fertility Treatment

- Comprehensive reproductive medicine services including assisted reproduction, and fertility preservation
- 7 fertility centers across India



Precision Medicine

- Leading provider of bioinformatics, translational research and specialised clinical reference lab services






Multi-specialty Hospital

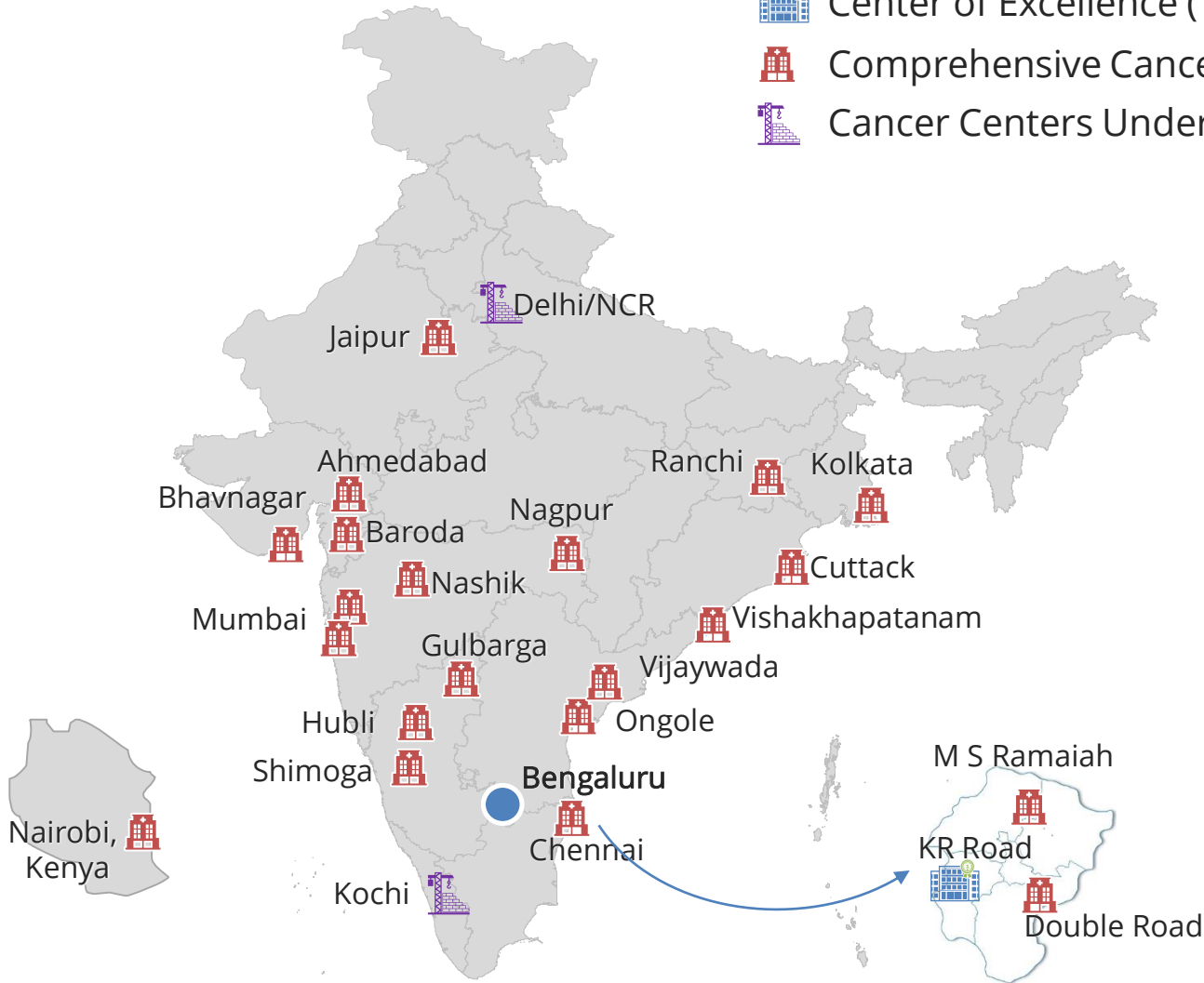
- 4<sup>7</sup> multispecialty hospitals in Ahmedabad, Bhavnagar, Rajkot and Hubli



<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> Through 50.1% equity interest in BACC Healthcare acquired in 2013 and its wholly owned subsidiary DKR Healthcare; <sup>3</sup> Discontinued operations <sup>4</sup> Post minority Interest <sup>5</sup> NABH accreditation for HCC Bengaluru, HMS Ahmedabad; ISO 9001 certification for pathology laboratory at HMS; NABL and CAP accreditations for Strand; <sup>6</sup> Includes center in Kenya; Bhavnagar multispecialty also includes comprehensive cancer services hence included in CCC count; <sup>7</sup> Suchiaryu, Hubli hospital managed under Operations and Management contract, not branded as HCG Hospital

# India's Leading Provider of Cancer Care

-  Center of Excellence (1)<sup>1</sup>
-  Comprehensive Cancer Center (21)<sup>2</sup>
-  Cancer Centers Under Development (2)



**1,654**  
OPERATIONAL  
BEDS



**28**  
LINEAR  
ACCELERATORS



**16**  
PET-CT  
SCANNERS



**300+**  
ONCOLOGISTS



**~72K**  
NEW CANCER  
PATIENTS/YR

# Comparable outcomes at a fraction of the cost



HARVARD | BUSINESS | SCHOOL

N9-313-030

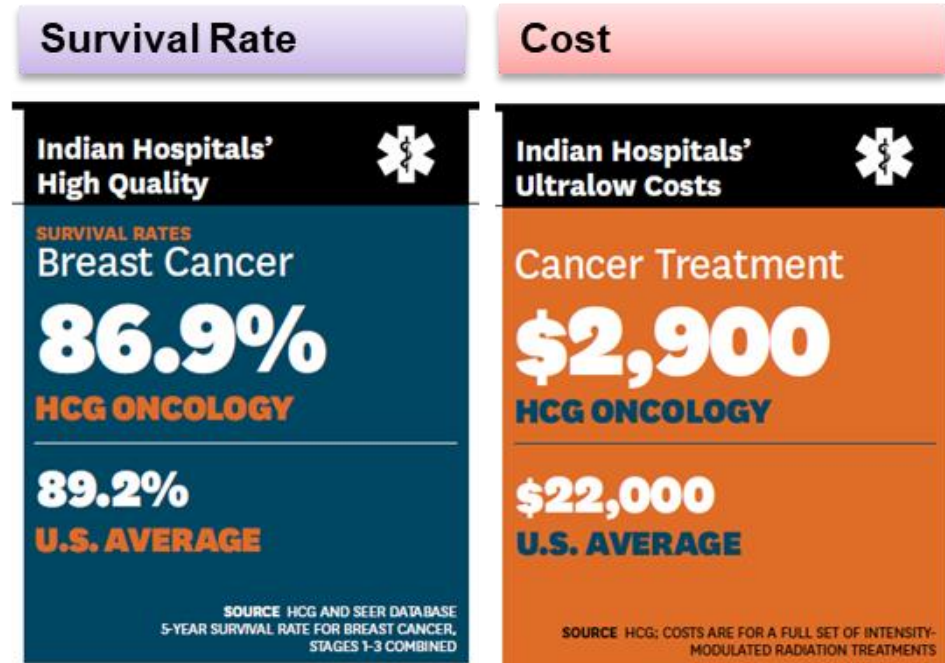
JULY 27, 2012

REGINA HERZLINGER  
AMIT GHORAWAT  
MEERA KRISHNAN  
NAIYYA SAGGI

## Hub and Spoke, Health Care Global, and Additional Focused Factory Models for Cancer Care

### Introduction

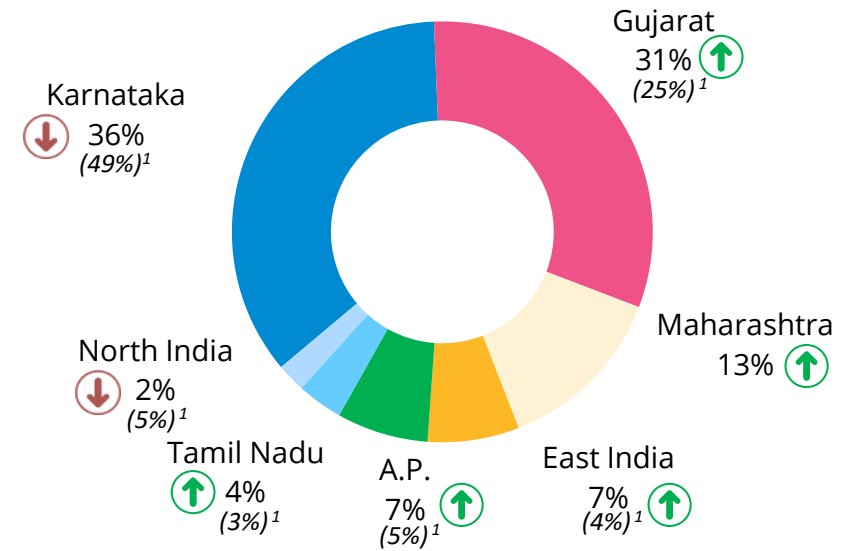
Dr. Ajaikumar, chairman and CEO of Health Care Global (HCG), a network of cancer care centers in India, was awakened by the flight crew serving breakfast on his long journey from Africa to India. As he sipped his tepid lemon tea, he reviewed the short notes on Africa his team had prepared. (See Exhibit 1 for the notes and Exhibit 2 for Dr. Kumar's biography.)



Govindarajan et. al. *Harvard Business Review*, November 2012, "Delivering World Class Health Care Affordably, Innovative hospitals in India are pointing the way" G

# Scale of the Oncology Business 2016-19

<p><b>No. of Centres</b></p> <p>FY19: <b>21</b></p> <p>FY16: <b>15</b></p>	<p><b>Beds</b></p> <p>FY19: <b>1,524</b></p> <p>FY16: <b>1,028</b></p>	<p><b>New Patients</b></p> <p>FY19: <b>72,110</b></p> <p>FY16: <b>43,714</b></p> <p>↑ 65%</p>
<p><b>Average Occupancy</b></p> <p>FY19: <b>44.2%</b></p> <p>FY16: <b>47.3%</b></p> <p>↓ 310 bps</p>	<p><b>ALOS (Days)</b></p> <p>FY19: <b>2.06</b></p> <p>FY16: <b>2.86</b></p>	<p><b>ARPOB (\$/ Day)</b></p> <p>FY19: <b>\$466</b></p> <p>FY16: <b>\$381</b></p> <p>↑ 22%</p>
<p><b>Revenue (\$Mn)</b></p> <p>FY19: <b>\$113 Mn</b></p> <p>FY16: <b>\$68 Mn</b></p> <p>↑ 66%</p>	<p><b>EBITDA (\$Mn)</b></p> <p>FY19: <b>\$22 Mn</b></p> <p>FY16: <b>\$14 Mn</b></p> <p>↑ 57%</p>	<p><b>EBITDA Margin</b></p> <p>FY19: <b>19.2%</b></p> <p>FY16: <b>20.0%</b></p> <p>↓ 80 bps</p>



<sup>1</sup>(FY16)

## Revenue FY16 to FY19:

- Existing Centers: **\$105 Mn** in FY19 (\$68 Mn in FY16), representing a CAGR of **16.0%**
- New Centers: **\$8 Mn** in FY19

## EBITDA FY16 to FY19:

- Existing Centers: **\$25 Mn** (vs \$14 Mn in FY16), margin of **23.4%** (vs 20.2% in FY16)
- New Centers generated **\$3 Mn** loss in FY19

# Growth supported by profitability of centres

## Revenue (INR Mn)

Fiscal Year ended March 31



As on 30<sup>th</sup> Sept' 2019



Existing  
Center(1)  
EBITDA  
Margin  
**21.5%**



Existing  
Center(1)  
ROCE  
**18.4%**

(1) Excludes new centres that started operation since April 1, 2017. Excludes corporate overheads



# Strategies

## Existing Centres

- Singular organization focus/alignment on growth at Existing Centres
- Capacity / cost optimization measures
- Cohesive engagement among clinical, sales and admin/operations
- Stabilize operations; drive towards break-even at Borivali, S Mumbai, Kolkata Centres
- Clinical engagement approaches to bring in and retain best talent
- No new projects until new centres stabilize

## New Centers

## Brand

- HCG as the destination for quality cancer in domestic and select international markets
- Promotion strategies, including selective investments

## Asset Light Growth

- Pay per use model for key medical equipment
- O&M contracts to manage radiation therapy for third party cancer centres

## Technology

- Cell Therapy, Personalized Radiotherapy, Genomics Based Protocols
- Proprietary data asset for deep learning, integrating disparate sources (HIS, EMR, radiology, pathology and clinical outcomes data)

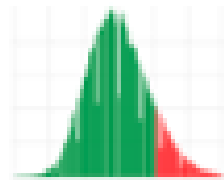


**Every Patient is Unique.  
Every Datapoint, Precious.  
Every Decision, Crucial.**

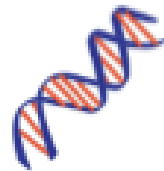
*Strand Lifesciences Pvt. Ltd. - CONFIDENTIAL  
November 2019*

**strand**   
**PRECISION MEDICINE SOLUTIONS**  
FOR BETTER HEALTHCARE DECISIONS

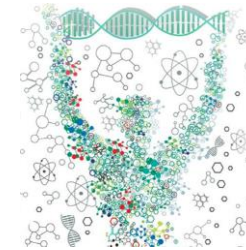
A unique global *precision medicine* solutions provider offering **informatics, software, assay design & validation,** and **clinical research** solutions



**Informatics  
& Software**

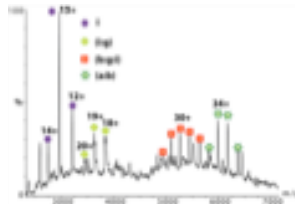


**Assay  
Design &  
Validation**

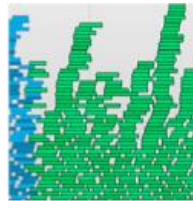


**Clinical  
Research**

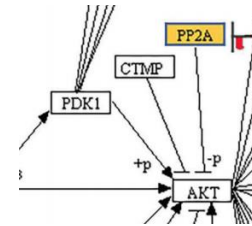
Over [25,000 peer reviewed citations](#) for informatics tools  
we have helped build



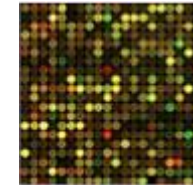
**Mass Spectrometry**



**Sequencing**

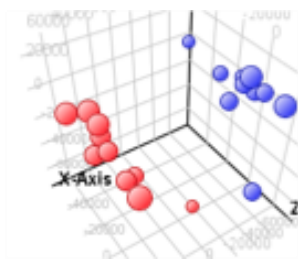


**Integrated Omics**

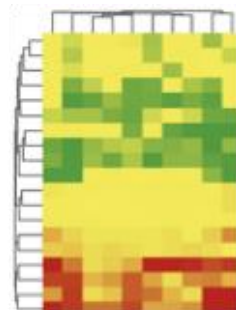


**Microarrays**

Long-term relationships with several **major instrument and diagnostics companies**, including for **regulatory submissions**



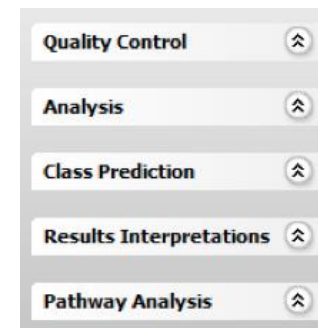
**Visualizations**



**Algorithms**



**Natural Language Processing**



**User Interfaces**



Variant databases with therapeutic implications for clinical reporting, used to drive **>10,000 CAP/CLIA somatic profiling reports**

**>15,000**

**Variants**

**>800**

**Drugs**

**>50000**

**Clinical  
Trials**

**>500**

**Genes**

Complex genomic assay design, CAP/CLIA validation,  
IUO design & validation, Single site PMAs, &  
partnerships for **Companion Dx** global roll-out

~10-5000  
genes

**Medium &  
Large Gene  
Panels**

qPCR,  
MLPA etc

**Targeted  
Gene  
Assays**

~0.1%  
LLoD

**Solid and  
Liquid  
Biopsies**

Luminex,  
ELISA,  
Nanostring

**RNA/Protein**

Strand is a key member of the Global Diagnostics Network anchored by Quest Diagnostics, with partners in all key geographies, including the *US*, *Europe* and *China*, enabling **single-window roll-out of Companion**

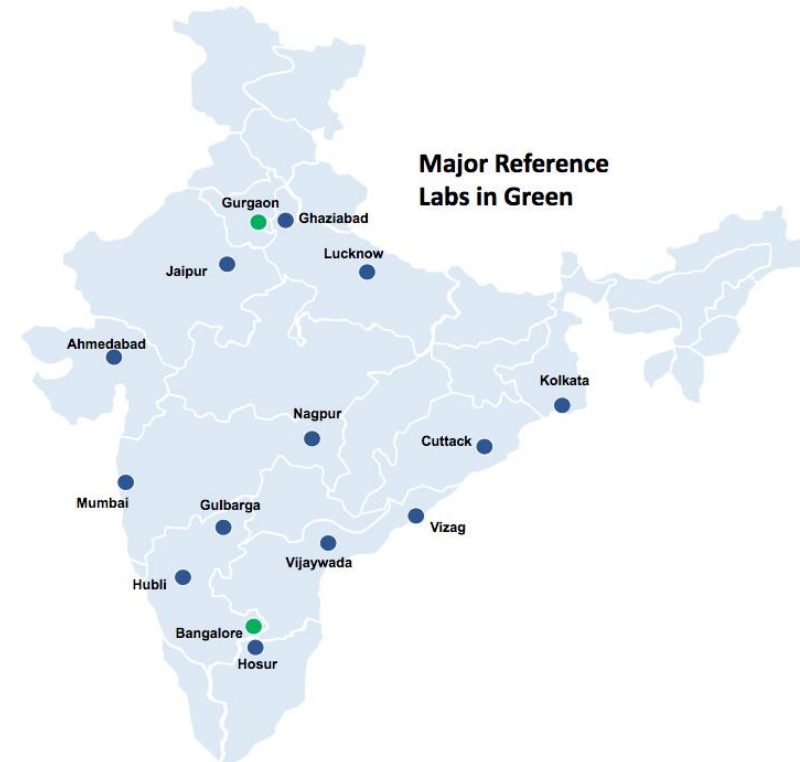
### Diagnos<sup>t</sup>ics



LSI Medience Corporation

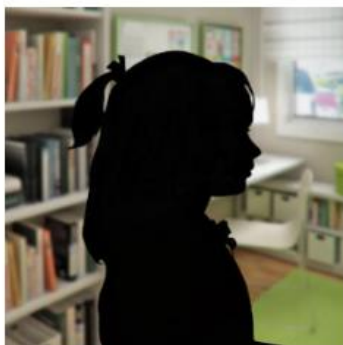


Strand operates a network of 19 labs across India (3 of which are CAP-accredited) performing **1.5m tests annually** across histopathology, flow cytometry, biochemistry, molecular Dx, and NGS. Strand recently acquired Quest Dx's India business.

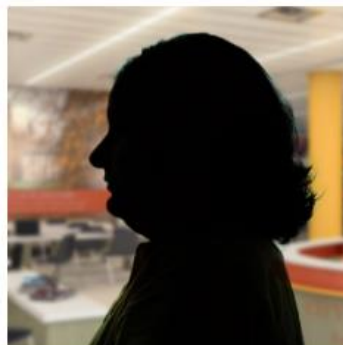


Strand is a pioneer of genomic testing in India, with experience in running **~15,000 genomic tests** spanning rare diseases, inherited cancer risk, somatic profiling, and liquid biopsy profiling

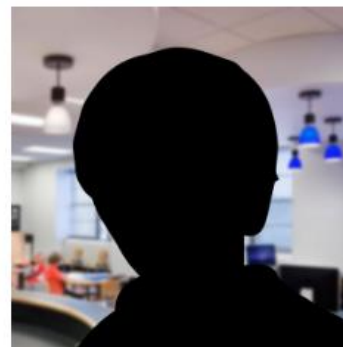
Strand's clinical exome test solves young girl's rare condition



Choosing the right targeted therapy for my breast cancer



Diagnostic odyssey ends after 5 years with Strand's test



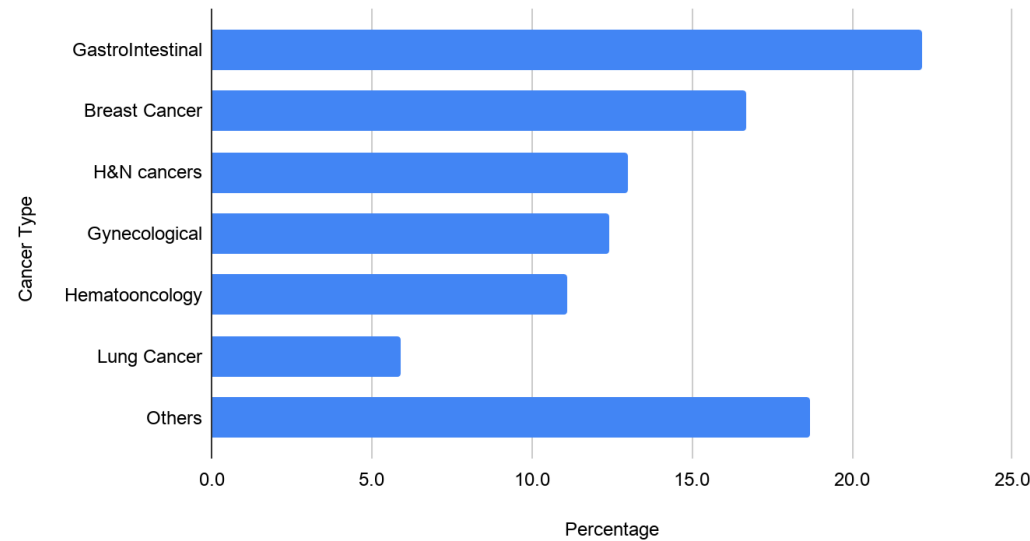
My neuromuscular degeneration explained after 13 years





Strand, through its exclusive strategic relationship with HCG, India's largest specialist oncology hospital chain, has access to **~30,000 cancer patients** and over **~100,000 biorepository tumor blocks** and associated medical data for translational research and clinical trials

Cancer type incidence at HCG/Strand



## Testimonials

*It is tough to beat Strand NGS RNAseq for painless data exploration, well thought out GUI and concise but highly functional toolset and statistics,*  
**Roy Williams, Aspen Neurosciences**

*We were very impressed with the quality of work and timeliness... you're definitely our go-to for bioinformatics software.*  
**Chris Edlund, Illumina**

*Strand NGS can handle 1000s of samples. I like this product. So, please keep improving or adding features for customers.*  
**Masaki Tanaka, Otsuka Pharma**

*We were immensely impressed by Strand's ability to rapidly recruit a substantial sized clinical cohort of cancer patients, and to design and run a complex liquid biopsy panel on samples drawn from the cohort, all in roughly a year's time.*  
**Nishant Agarwal, U. Chicago**

Strand's ~200 strong team comprises computer scientists, bioinformaticians, geneticists, molecular bench biologists, pathologists and clinical research personnel, all under one roof, with very strong R&D capabilities

>40

**Informaticians &  
Software  
Engineers**

>40

**Molecular &  
Bench  
Biologists**

>50

**Geneticists &  
Mol. Oncology  
Specialists**

>25

**M.D.  
Pathologists**

# Thank You

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[ramesh@strandls.com](mailto:ramesh@strandls.com)

