



November 7, 2023

Listing Department,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Plot C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 051

Symbol: MAXHEALTH

Listing Department,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

Scrip Code: 543220

**Sub.: Presentation for Investor Conference**

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Dear Sir / Madam,

This is in continuation to our earlier intimation dated October 31, 2023 wherein we had informed that the senior management of the Company will be participating in UBS India Annual Conference 2023 scheduled to be held on Wednesday, November 8, 2023.

In this regard, please find enclosed herewith the investor presentation to be made during aforesaid conference.

This disclosure will also be hosted on Company's website viz. [www.maxhealthcare.in](http://www.maxhealthcare.in).

Kindly take the same on record.

Thanking you

Yours truly,  
For **Max Healthcare Institute Limited**

**Dhiraj Arora**  
**SVP - Company Secretary and Compliance Officer**

*Encl.: As above*



**MAX**  
Healthcare

## Investor Presentation

November 7, 2023



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Company Overview

04

Key Growth Drivers

13

Financial Highlights

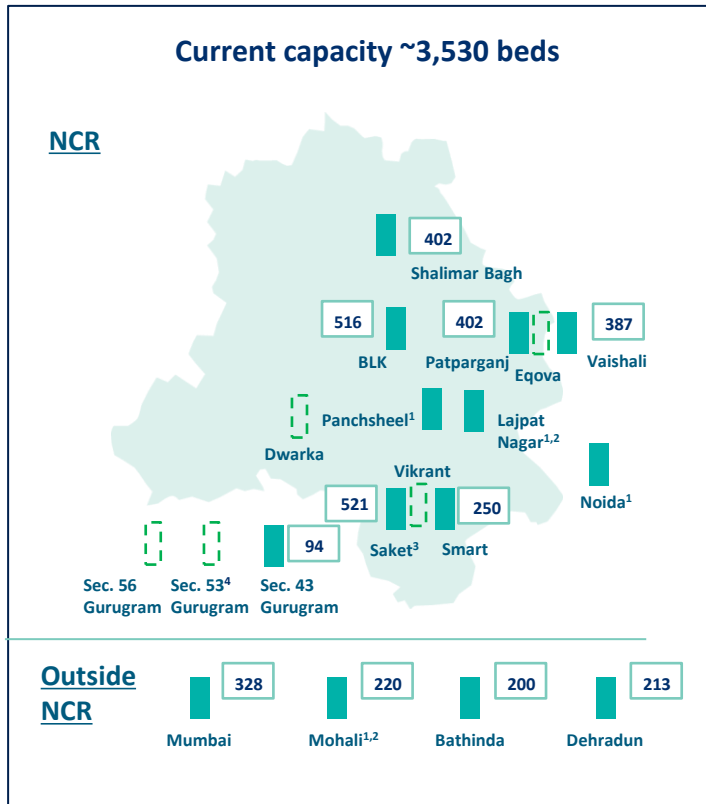
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Appendix

29

# Company Overview

# Max Healthcare: India's second largest\* hospital chain in terms of revenue, EBITDA and market capitalisation



 Current hospitals and medical centres  
 Upcoming hospitals



17 Facilities



~82% Beds in metros



~75% H1 FY24 Occupancy



13% Revenue CAGR<sup>^</sup> 3 years

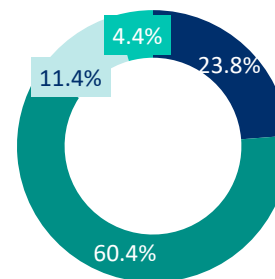


41% EBITDA CAGR<sup>^</sup> 3 years



~36% H1 FY24 ROCE

## Shareholding structure (as on September 30, 2023)



## Top Public investors:

- Capital Group (All funds)
- Government of Singapore / GIC
- GQG Partners (All funds)
- Blackrock / iShares (All funds)
- HDFC Mutual Funds
- Vanguard (All funds)
- Canara Robeco Mutual Funds
- SBI Mutual Funds

 Abhay Soi  DII  
 FPIs and FIIs  Others

\* Based on publicly available information for listed companies (FY23) | (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 | (4) Currently the land at Sec. 53 is under litigation with HSVP | ^ CAGR is calculated for FY20 to FY23

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**

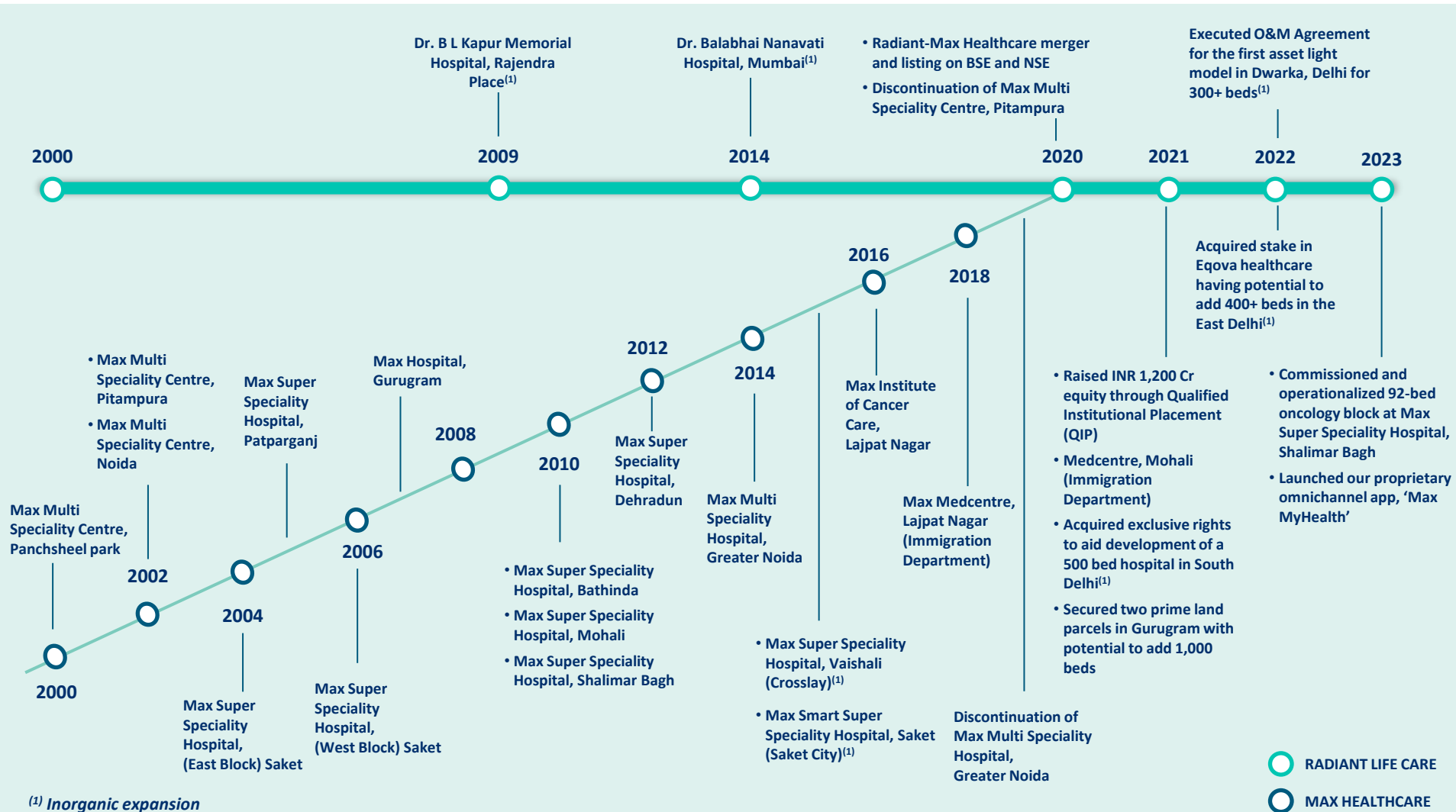
- ✦ Quaternary care facilities
- ✦ Best-in-class clinical outcomes
- ✦ Patient centric approach
- ✦ Global best practices

- ✦ 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



<sup>(1)</sup> Inorganic expansion

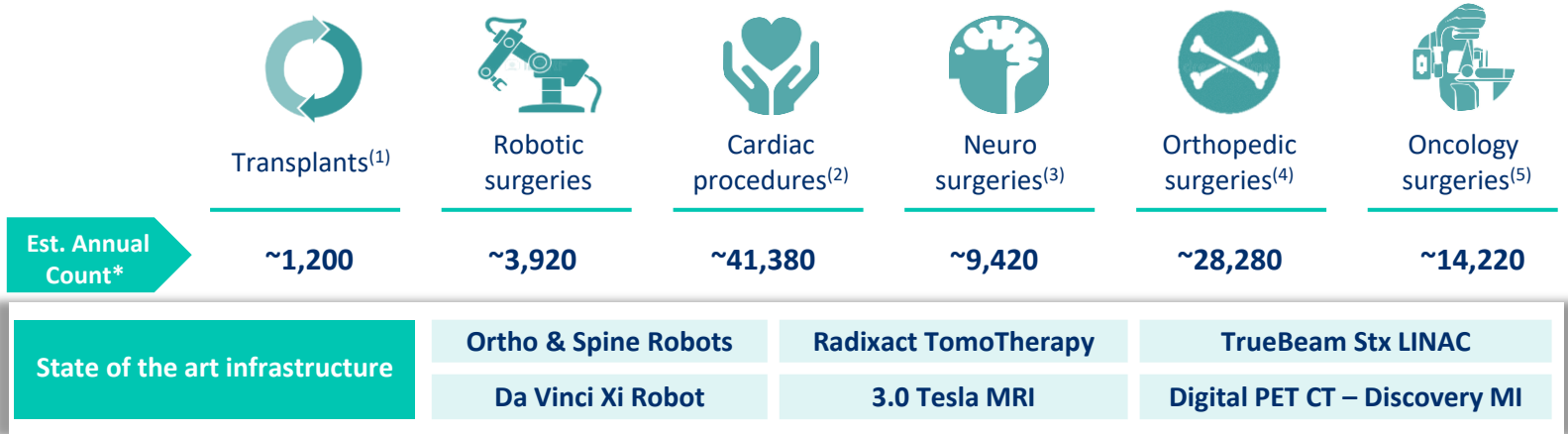


High end quaternary care facilities



including 3 JCI and 2 AACI accredited

## Complex procedures performed



## Research

- Significant **strategic partnerships**: Imperial College London, Ashoka University, IIT Bombay, IIIT Delhi, IIIT D iHub Innovation Center, Pfizer, RMIT and Deakin University – 30,000+ research participants and USD 2 million in research grants
- 2,200+ **research publications** in indexed journals over last 8 years
- Private **bio bank** – ~22,000 bio samples stored
- Several **research grants** from leading organisations such as CSIR, DBT, ICMR, DST iHUB, Wellcome Trust, BIRAC, INSA, DHR, Pfizer, NIHR, MRC, Innovate UK
- **AI enabled Radiomics project** with IIT Delhi and **HKA automation project** with IIT Bombay
- **500 clinical research projects completed to date, 120 ongoing**

## Academics

- Max Institute of Medical Excellence (MIME) is the **education division** of MHC for medical education & training
- Signed MoU with the prestigious **Royal College Of Obstetricians & Gynecologists UK**, for **MRCOG training**
  - Only approved center in North India for hosting **MRCP PACES UK exam** and running the **IMT program with JRCPTB, UK at Level 3 accreditation** (~50 students enrolled).
  - Started (i) First time in India - **Advanced Stroke Life Support Course** in association with American Heart Association & Gordon Center USA (ii) **Advanced Trauma Life Support Instructor course** in association with **American College of Surgeons, USA** (iii) **American Heart Association Training Centre** faculty course (iv) Clinical rotations tie up with **Bridgetown International University, Barbados** (v) Affiliation with **Lincoln American University, Guyana** for MBBS students
  - **Masters in Emergency Medicine** trainee doctors accredited through **George Washington University, USA**
  - **500 trainee doctors** are part of **DNB program**, with NBE across **33 specialties**; **~27,000 trainees** enrolled in the last 3 years across various academic programs

Focus on Research and Academics

(1) Transplants include kidney, heart, liver, lung, etc. | (2) Includes Cardiac Surgery, Cardiac Paed. Surgery, Vascular Surgery, Angioplasty, Angiography and Other Cardiac Procedures | (3) Includes Surgical and Spinal Surgeries | (4) Includes Joints and Other surgeries | (5) Includes Onco Surgical and bone marrow transplant (BMT)

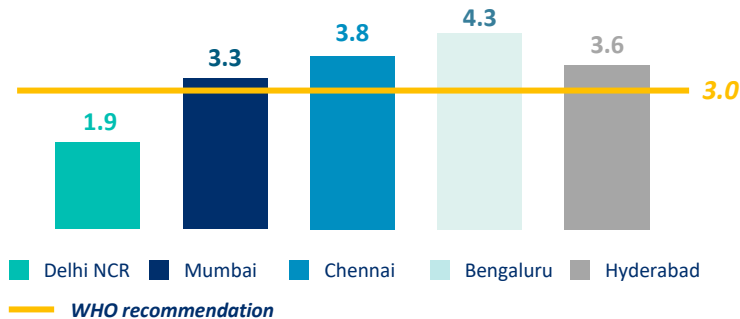
\*Q2 FY24 Annualized numbers

# Dominant presence in the most attractive markets (1/2)

Low bed density, higher per capita income, higher ARPOB and rising insurance penetration make Delhi and Mumbai attractive avenues for growth

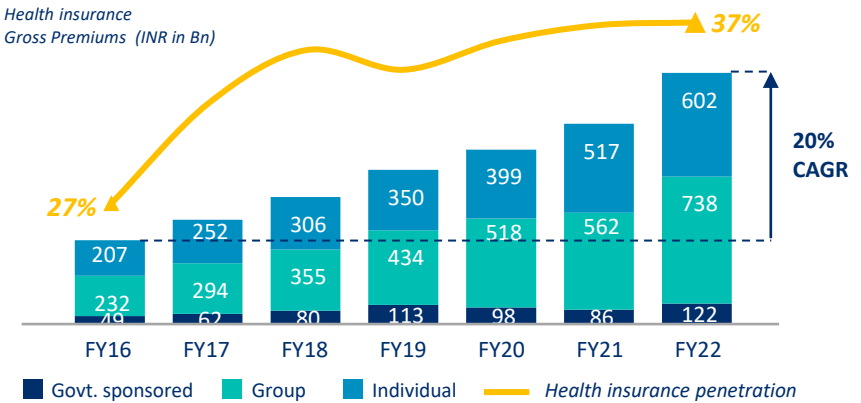
High demand-supply gap in Delhi NCR & Mumbai...

Total beds per '000 population

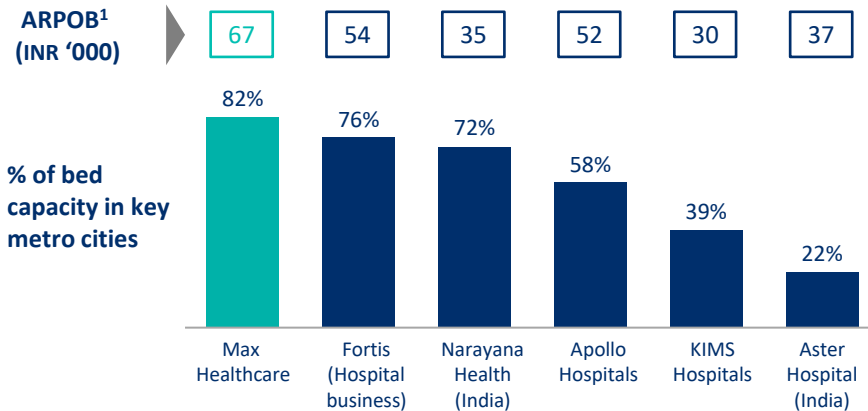


...coupled with rising insurance penetration

Health insurance Gross Premiums (INR in Bn)



Higher proportion of beds in these cities positions MHC for industry leading ARPOB on an aggregate basis

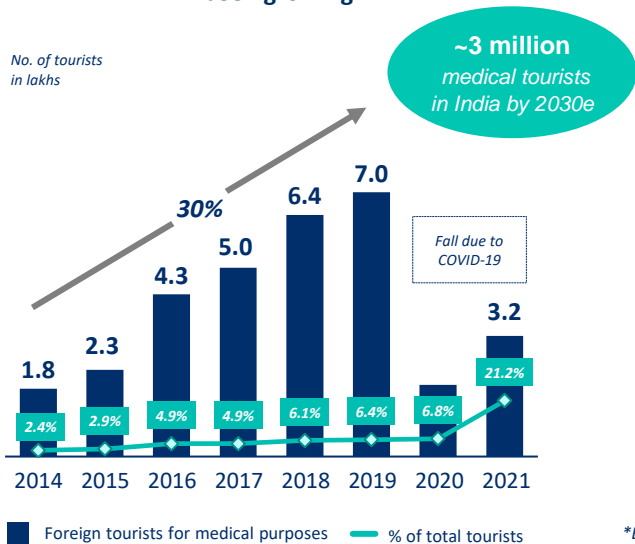


- MHC has ~2,900 beds in Delhi NCR & Mumbai – highest proportion compared to peers
- Large metros have inherent advantages:
  - High per capita income, high insurance penetration and propensity to pay for high end quaternary care facilities
  - Availability of senior/ staturesd clinical talent leading to metros becoming regional hubs
  - Higher health awareness

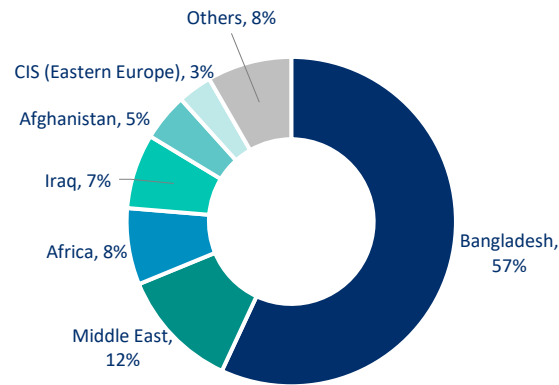
(1) ARPOB for FY23 (excl. Covid-19 vaccination revenues); Apollo's revenue has been grossed up for adjustment of doctor fees as per the disclosures in the last annual report of FY23 | Source: CRISIL research, IRDAI and company websites / presentations

## Being metro-centric also positions MHC well to capitalise on medical tourism

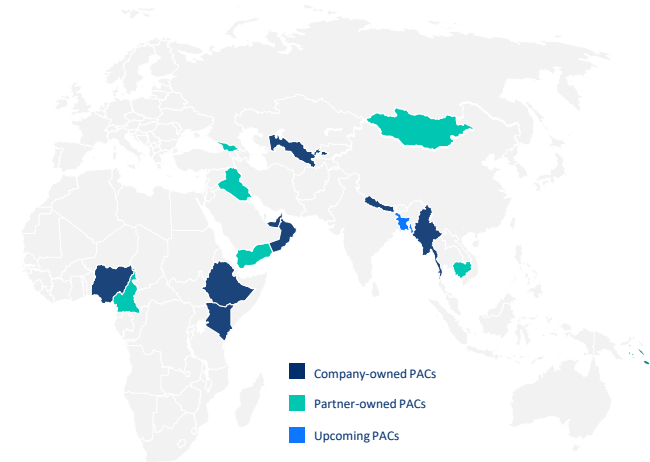
India's foreign medical tourism industry has been growing



Break-up of medical tourists\* by major country of origin



18 company & partner-owned Patient Assistance Centres (PACs) across 15 countries, 1 more upcoming



\*Based on data as of 2019, since 2020 and 2021 were impacted due to COVID-19

Note: Map not to scale

## MHC is well-equipped to serve medical tourists



Modern infrastructure and facilities



State-of-the-art medical equipment



Availability of senior clinical talent



Reputed for tertiary/quaternary care

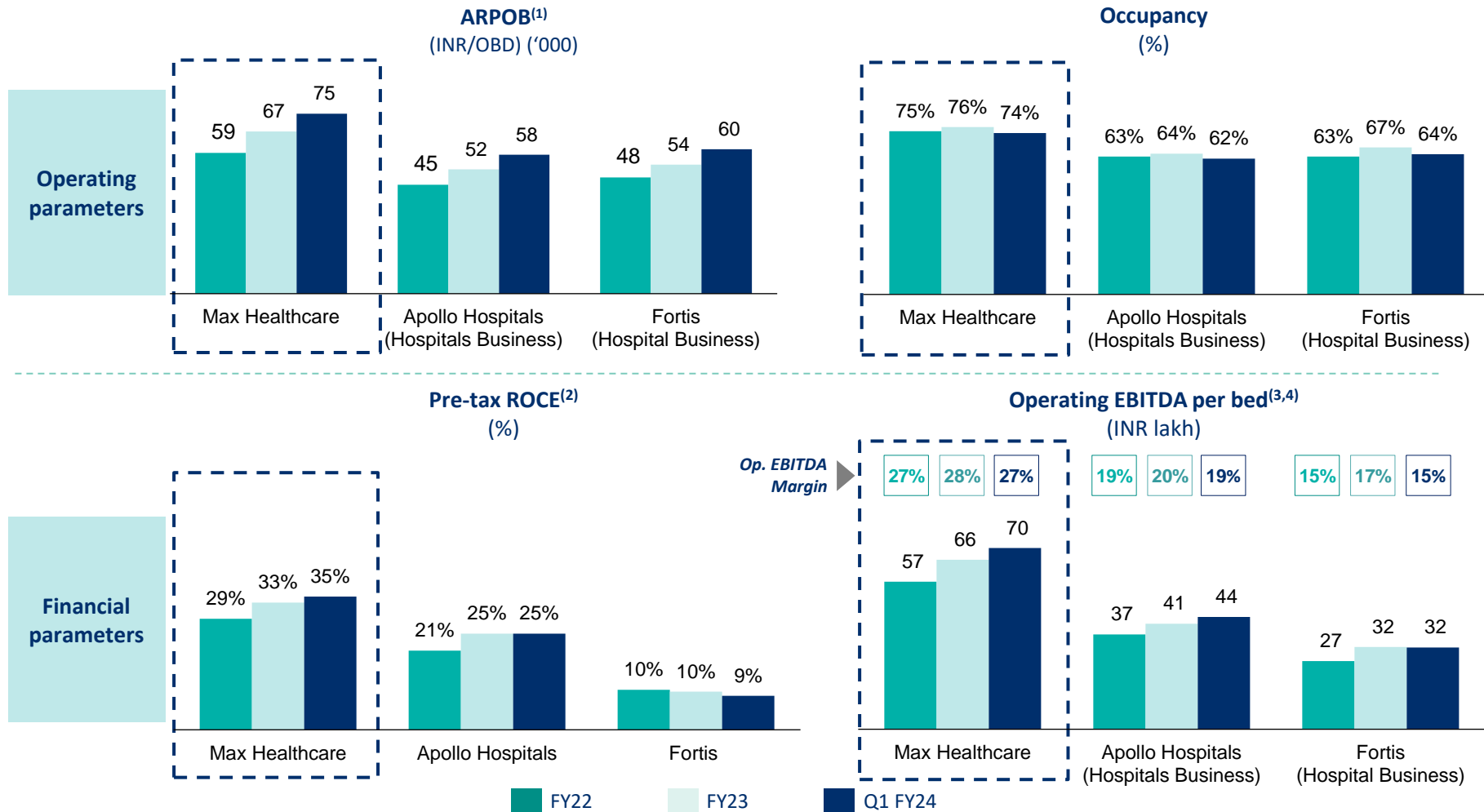


High global and domestic connectivity



**Strong free cash flow generation and Net Cash surplus on balance sheet along with brand equity, capability and track record to generate industry leading ROCEs and deliver long term growth**

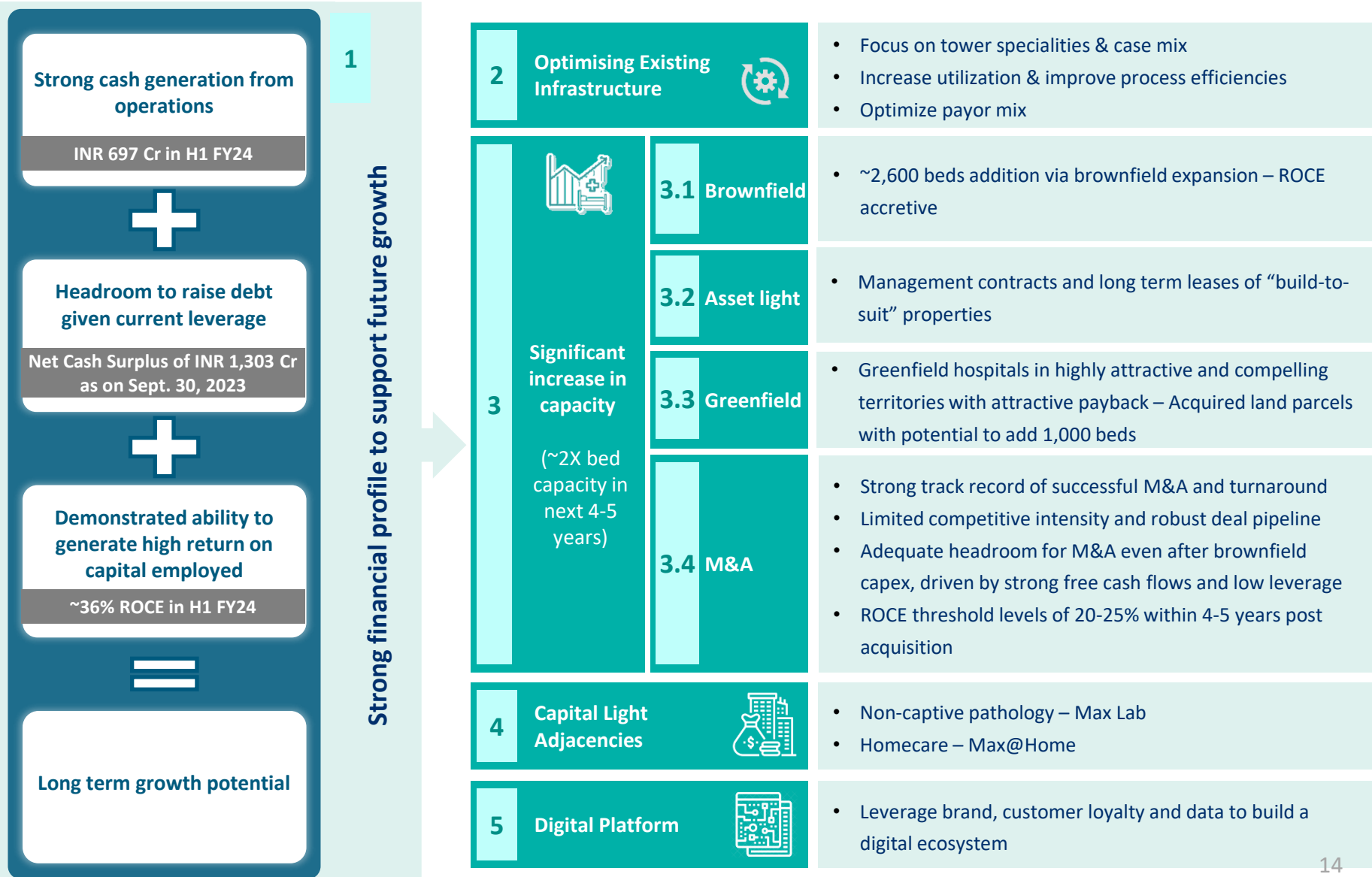
# Best in class performance parameters



(1) ARPOB calculated on gross revenue excluding revenue from Covid-19 vaccinations, non captive Pathology and Pharmacy; ARPOB of Apollo & Fortis is as published in their Earning's update | (2) Indicative company level ROCE; Apollo ROCE is as published in their earning update for their consolidated financial performance; Fortis EBIT is computed from Group Consolidated P&L including share of Profits in associates and Capital employed is after adjusting for cash & bank balances assuming 85% of that are held in short term FDRs | (3) Operating EBITDA excludes exceptional items and non operating Income and non cash items | (4) Operating EBITDA per bed includes that from vaccinations in absence of information for other players and excludes that from non captive Pathology and Pharmacy; Apollo revenue & EBITDA includes Indraprastha Apollo Delhi. The revenue has been grossed up for adjustment of doctor fees as per the disclosures in the last annual report of FY22 for the calculation of operating EBITDA margin %

## Key Growth Drivers

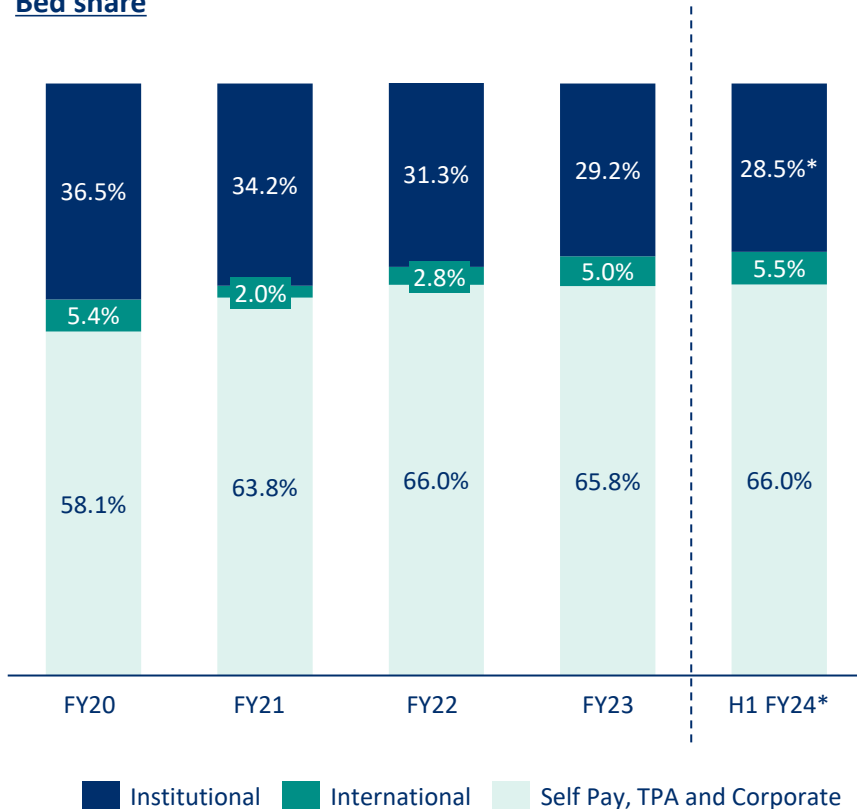
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## Growth opportunity in existing facilities

### Optimising payor mix

#### Bed share



- Push for reduction in institutional business in order to cater to demand from preferred channels, driven by -
  - Steady pace of organic growth in Self Pay, TPA and corporate channels, and
  - Growth in International medical tourism, post resumption of regular international travel
  - Increase in upcountry footfalls consequent to improved connectivity
- Given that ARPOB for institutional business is ~40% lower than other channels, its replacement has the potential to unlock **incremental 300-400 bps in EBITDA margins**

\*In H1 FY24, we added 122 beds at Max Super Speciality Hospital, Shalimar Bagh and decided to ramp up occupancy on some of these beds with institutional patients. Excluding this hospital, the institutional bed share for H1 FY24 dropped to 26.4%.

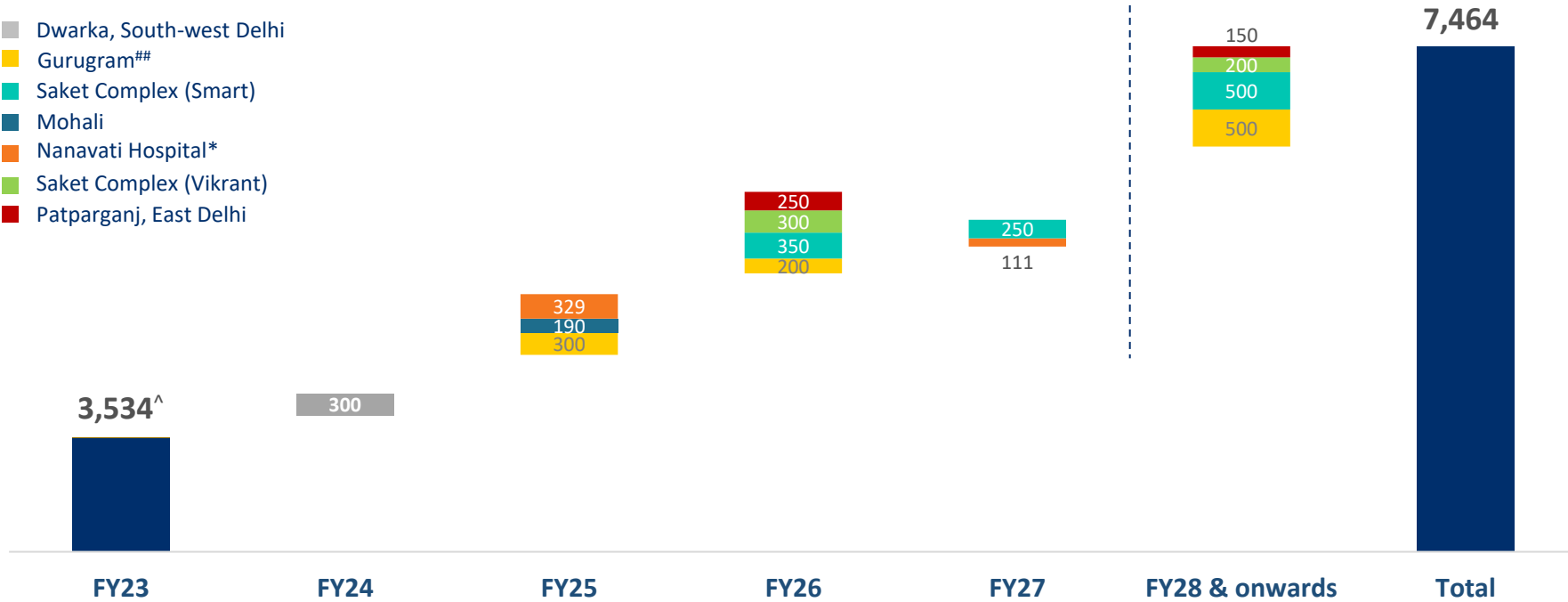




# Existing valuable land bank to enable addition of 4,000+ beds, with ~2,600 beds coming over next 4 years

## Indicative timelines for completion of expansion projects

- ◆ Dwarka, South-west Delhi
- ◆ Gurugram##
- ◆ Saket Complex (Smart)
- ◆ Mohali
- ◆ Nanavati Hospital\*
- ◆ Saket Complex (Vikrant)
- ◆ Patparganj, East Delhi



Bed Additions\*\*

300

819

1,100

521\*

1,350<sup>##</sup>

Estimated Capex<sup>#</sup>  
(INR Cr)

918

1,592

1,377

552

To be  
firmed up

◆ Brownfield ◆ Greenfield

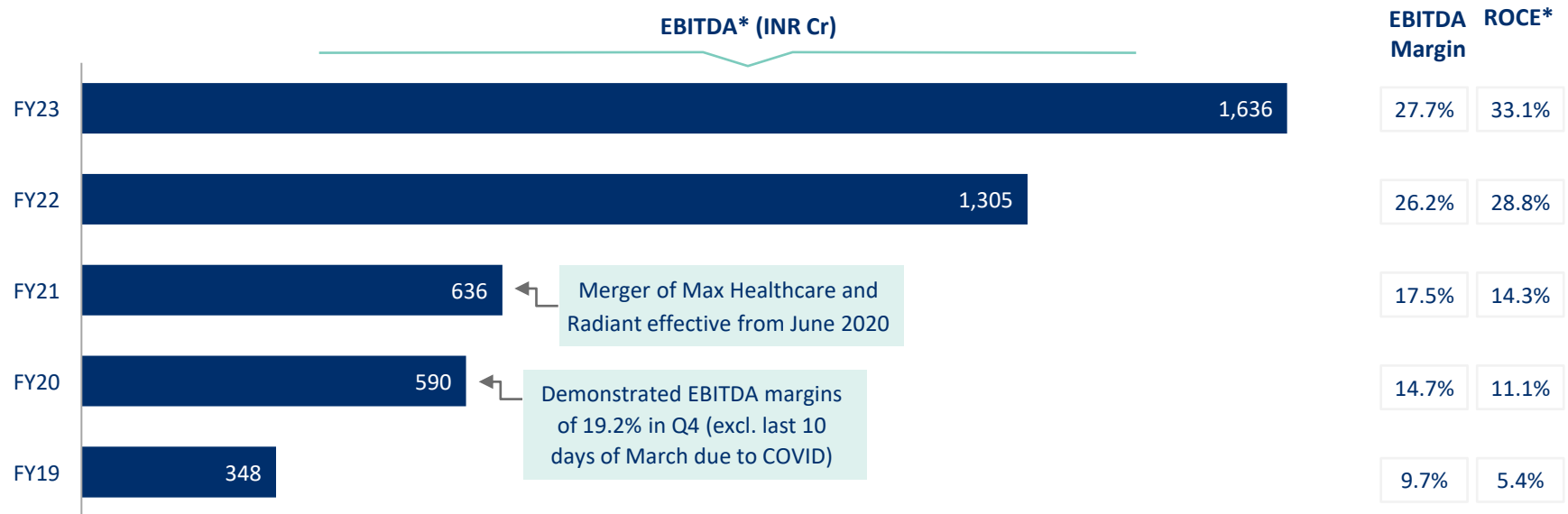
\*160 beds need to be demolished before commencement of Phase 2 | \*\* No. of beds may vary slightly subject to configuration of ward beds | # Values are estimated based on EPC model of contracting and will be firmed as each project's execution gains momentum | ## Currently, the land parcel at Sector-53 is under litigation with HSVP. May impact 500 beds potential assumed FY28 onwards | ^ Includes 122 beds added at Max Shalimar Bagh - 92 beds (added in March 2023) at the new oncology tower and 30 beds (added in June 2023) through internal reconfiguration



## Strong track record of successful acquisitions

- Management team has done multiple successful acquisitions including BLK, Nanavati and Max Healthcare
- Adequate headroom driven by strong free cash flows and low leverage to pursue M&A even after spend on brownfield and greenfield expansions

### Case study on Max acquisition and turnaround



#### Performance improvement from FY19 to FY23 largely driven by:

- ~INR 330 Cr impact on EBITDA driven by structural cost initiatives as well as merger synergies, with ~INR 140 Cr flowing in EBITDA in FY20, ~INR 73 Cr flowing in EBITDA in FY21 and balance in FY22
- Significant growth in high-end tertiary and quaternary procedures with hiring of new senior clinical teams and deployment of latest medical technology across our Network, including 17 robotic systems

## Status of Expansion Projects

### Dwarka – 300 beds



- Application of OC has been submitted in October.
- Majority of the MEP and interior work are complete.
- Lift installation and other finishing work are in progress.
- Expected commissioning by end of Q4 FY24, subject to developer obtaining the OC.

### Mohali – 190 beds



- All statutory approvals to start the construction have been received
- D-wall is completed and excavation work is underway.
- EPC contractor has mobilized people on site.
- Design development is in progress and the project is largely on time.

### Nanavati – 329 beds in Phase I



- Excavation and raft work are complete.
- Steel fabrication up to ground level and slab work have also been completed.
- Ground level structure is expected to be completed in Q3 and the project is largely on schedule.

### Sec. 56, GGN – 300 beds in Phase I



- D-wall has been completed and site excavation is nearly done.
- EPC contractor is on board and design development is under progress.
- TDR approval for additional 0.5 FAR has been received.

### Saket Complex (Max Smart) – 350 beds in Phase I



- The process of transplanting the trees has been initiated, which are on the critical path.
- The work on project will start in December 2023.

### Saket Complex (Vikrant) – 300 beds in Phase I

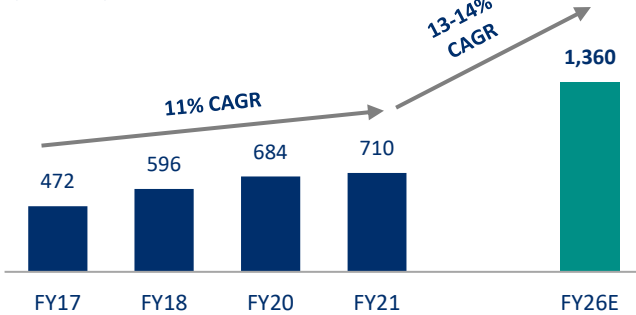
- Environmental Clearance has been received from the State Level Environment Impact Assessment Authority.
- Submission of drawings on Municipal Corporation of Delhi (MCD) portal is in process.



# Develop asset light adjacencies: Max Lab – Non-captive pathology SBU

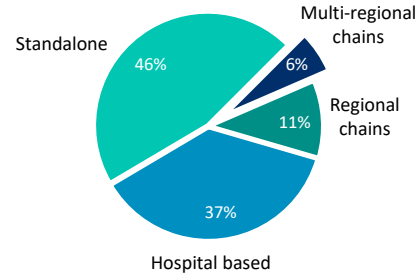
## Organised diagnostics players to grow faster than overall Diagnostic Industry

### India Diagnostic market to see steady growth (INR Bn)



Source: Axis Capital, Investec reports

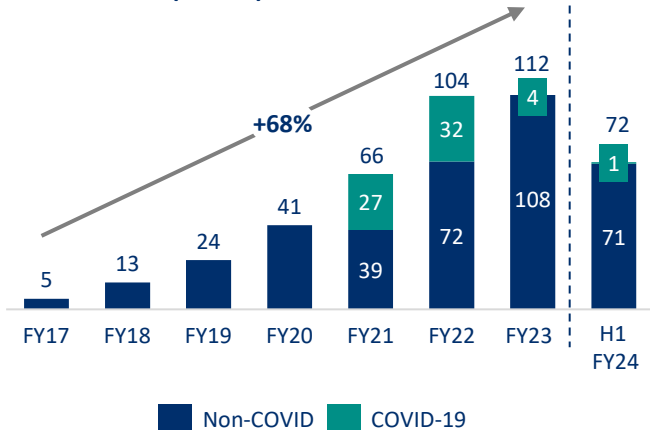
### Indian Diagnostic Industry mix by type of providers



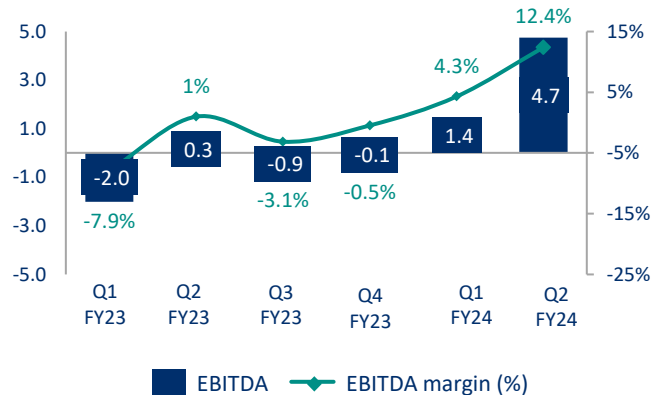
Shift to organised diagnostics centers driven by preference for higher quality and brands

## Investing for growth, 68% CAGR since FY17

### Net revenue (INR Cr)



### EBITDA\* (INR Cr)



## Operational footprint (as of Sept. 30, 2023)

435+

Partner-run collection centres

23

Company owned collection centres (CoCC)

~170

Plebotomist At Site (PAS)

275+

Pick-Up Points (PUPs)

44

HLMs & OLMs

36

Cities of operations

1,000+ Active Partners

**Note:** COVID-19 and related tests include RTPCR, Antigen, Antibody, CBNAAT, IL-6, D-Dimer, Ferritin, CRP, LDH, Procalcitonin

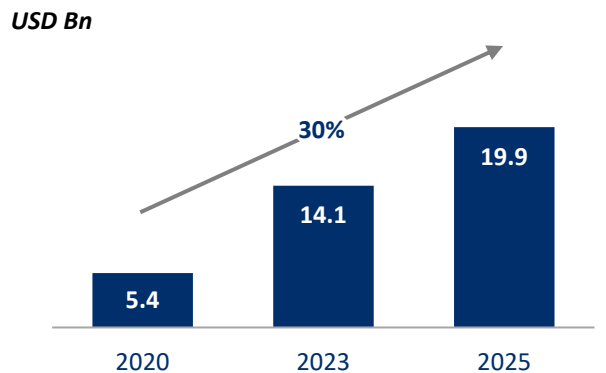
\* Margin computed on net revenue, using arm length revenue share between Max Lab and hospitals (60:40 from FY23 onwards) for samples tested in hospital labs



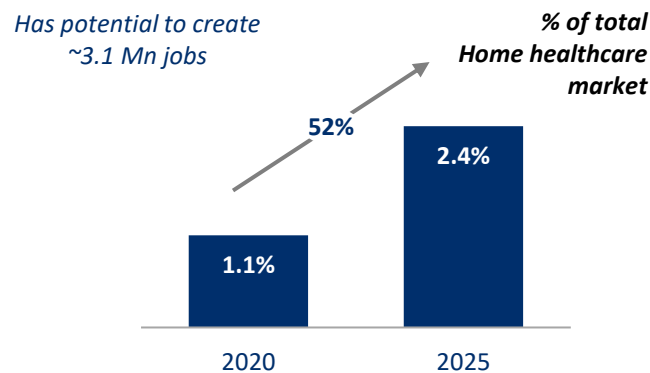
# Develop asset light adjacencies: Max@Home – Amongst the largest homecare providers in the country

Indian home healthcare is under-penetrated with only ~3.6% of total health spending on home healthcare vis-à-vis ~8.3% in the US

Indian home healthcare market expected to grow ~2.5 times by 2025...



...with organized healthcare contributing ~USD 480 Mn by 2025 and a significant headroom to grow



## Growth Drivers

Home healthcare solutions ~40% **less costly** compared to hospitals with **added convenience**

Rising **doctor's acceptance** of home healthcare post pandemic

Increase in the size of **aging population** and prevalence of chronic ailments

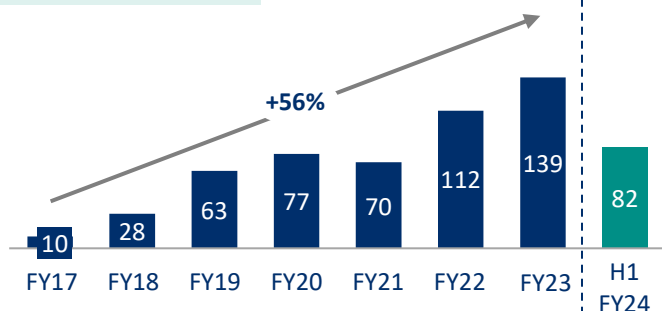
**Insurance policies** covering home healthcare expenses

Extension of services / scale through **digital products**

## Max@Home: Investing in Growth, over 56% CAGR

### Gross revenue (INR Cr)

Rapid growth through scale up of direct-to-customer services



**14** specialized services

**3,000+** daily billed transactions

**1,250+** strong team\*

**24x7** customer support

**QAI** Quality & Accreditation Institute (ISQua member) accredited

## Max@Home's comprehensive and round the clock service offerings

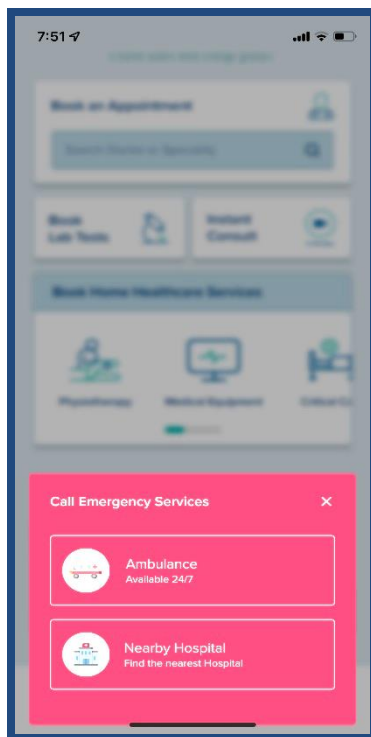
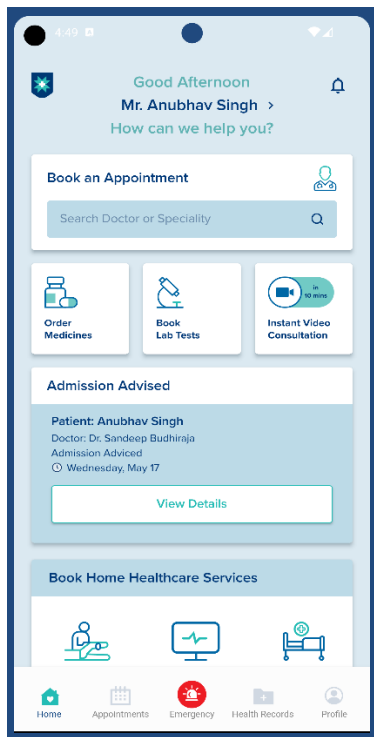
Critical Care | Nursing Care | Patient Attendants | X-ray at home | ECG/Holter at home | Dialysis | Physiotherapy | Medical rooms | Doctor Visits | Sleep Studies | Pathology | Pharmacy | Medical Equipment | Immunization

\*Manpower incl. support & outsourced teams as of September 30, 2023



## Max MyHealth – Proprietary digital platform enabling best-in-class omnichannel healthcare experience

### 'Max MyHealth' offering new age experience for patients and doctors



- Single App for all types of consults (physical and virtual) for both doctors and patients; **instant consults** with a general practitioner **within 10 minutes** of booking an appointment
- Track in-patient admission progress and make payments directly through app; **quick access to Emergency and Ambulance services** across Max network
- **Book Max@Home Services** on the app
- **In-app easy access to prescriptions, health records, diagnostic reports**, along with **graphic trends** for better comprehension
- Find and **connect with Doctors across Max Hospitals** irrespective of location
- **Link and view family members**, book appointments and view health records for all in the same app
- **Pre-consult document quality checks and case summary preparation** for efficient video consults
- **Enhanced patient experience** through intelligent lead management and **patient engagement platform (PEP)**

*Digital revenue through online marketing activities and web-based appointments accounted for ~21% of overall revenue in H1 FY24*

**Leverage Max Healthcare's strong brand, customer base, clinical expertise, doctor network and data to provide existing and new customers with a seamless and best-in-class omnichannel healthcare experience**

# Financial Highlights

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Figs in INR Cr

|   | Q2 FY23      |               | Q1 FY24      |               | Q2 FY24      |               |
|---|--------------|---------------|--------------|---------------|--------------|---------------|
|   | Amount       | % NR          | Amount       | % NR          | Amount       | % NR          |
| Gross revenue   | 1,567        |               | 1,719        |               | 1,827        |               |
| <b>Net revenue</b>  | <b>1,482</b> | <b>100.0%</b> | <b>1,629</b> | <b>100.0%</b> | <b>1,732</b> | <b>100.0%</b> |
| Direct costs <sup>1</sup>   | 575          | 38.8%         | 650          | 39.9%         | 667          | 38.5%         |
| <b>Contribution</b>   | <b>907</b>   | <b>61.2%</b>  | <b>979</b>   | <b>60.1%</b>  | <b>1,065</b> | <b>61.5%</b>  |
| Indirect overheads <sup>2</sup>   | 497          | 33.5%         | 543          | 33.3%         | 567          | 32.8%         |
| <b>Operating EBITDA (post Ind AS-116)</b>   | <b>410</b>   | <b>27.7%</b>  | <b>436</b>   | <b>26.8%</b>  | <b>497</b>   | <b>28.7%</b>  |
| ESOP (Equity-settled scheme)  | 5            | 0.4%          | 12           | 0.7%          | 12           | 0.7%          |
| Movement in fair value of contingent consideration payable and amortisation of contract assets <sup>3</sup> | 6            | 0.4%          | 7            | 0.4%          | 7            | 0.4%          |
| <b>Reported EBITDA</b>  | <b>399</b>   | <b>26.9%</b>  | <b>417</b>   | <b>25.6%</b>  | <b>478</b>   | <b>27.6%</b>  |
| Finance cost (net) <sup>4</sup>   | 14           | 0.9%          | (3)          | (0.2%)        | (17)         | (1.0%)        |
| Depreciation and amortisation   | 64           | 4.3%          | 64           | 3.9%          | 66           | 3.8%          |
| <b>Profit before tax</b>  | <b>321</b>   | <b>21.7%</b>  | <b>356</b>   | <b>21.9%</b>  | <b>429</b>   | <b>24.8%</b>  |
| Tax <sup>5</sup>  | (190)        | (12.8%)       | 66           | 4.0%          | 91           | 5.3%          |
| <b>Profit after tax</b>   | <b>511</b>   | <b>34.5%</b>  | <b>291</b>   | <b>17.8%</b>  | <b>338</b>   | <b>19.5%</b>  |

1. Direct costs are lower compared to Q1 FY24 due to increase in medical patients on account of seasonal vector borne diseases
2. Increase in Indirect overheads over Q1 FY24 is mainly attributed to S&M costs for international patients and seasonal increase in power consumption
3. This is a non-cash item representing change in fair value of contingent consideration payable to Trust / Society over the balance period (~20 to 31 years) under O&M Contracts and mainly represents impact of changes in the time value of discounted liability
4. Net of interest income on deposits & tax refunds and includes forex gain / loss, etc. Movement compared with Q1 FY24 is attributed to cash flow from operations and interest capitalisation on projects underway
5. Effective tax rate in Q2 FY24 stood at 21.2%, compared to 18.4% in Q1 FY24, due to increase in medical service fees and O&M fees



|  | FY21         |               | FY22         |               | FY23         |               | H1 FY24      |               |
|--|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|
|  | Amount       | % NR          | Amount       | % NR          | Amount       | % NR          | Amount       | % NR          |
| Gross revenue <sup>1</sup>   | 3,881        |               | 5,509        |               | 6,236        |               | 3,546        |               |
| <b>Net revenue</b>   | <b>3,629</b> | <b>100.0%</b> | <b>5,218</b> | <b>100.0%</b> | <b>5,904</b> | <b>100.0%</b> | <b>3,361</b> | <b>100.0%</b> |
| Direct costs   | 1,508        | 41.6%         | 2,103        | 40.3%         | 2,304        | 39.0%         | 1,317        | 39.2%         |
| <b>Contribution</b>  | <b>2,121</b> | <b>58.4%</b>  | <b>3,115</b> | <b>59.7%</b>  | <b>3,600</b> | <b>61.0%</b>  | <b>2,043</b> | <b>60.8%</b>  |
| Indirect overheads   | 1,485        | 40.9%         | 1,725        | 33.1%         | 1,964        | 33.3%         | 1,110        | 33.0%         |
| <b>Operating EBITDA<sup>2</sup></b>  | <b>636</b>   | <b>17.5%</b>  | <b>1,390</b> | <b>26.6%</b>  | <b>1,636</b> | <b>27.7%</b>  | <b>933</b>   | <b>27.8%</b>  |
| ESOP (Equity-settled scheme)   | 27           | 0.7 %         | 34           | 0.7%          | 34           | 0.6%          | 24           | 0.7%          |
| Movement in fair value of contingent consideration payable and amortisation of contract assets <sup>3</sup>            | 1            | 0.0%          | 7            | 0.1%          | 4            | 0.1%          | 14           | 0.4%          |
| Transaction Cost including QIP related cost & Loss on fair valuation of pre-merger holding of Radiant under Ind AS 103 | 249          | 6.9%          | -            | -             | -            | -             | 0            | 0.0%          |
| Exceptional item: Payment to employees under VRS   | -            | -             | 9            | 0.2%          | -            | -             | -            | -             |
| <b>Reported EBITDA</b>   | <b>359</b>   | <b>9.9%</b>   | <b>1,340</b> | <b>25.7%</b>  | <b>1,597</b> | <b>27.1%</b>  | <b>895</b>   | <b>26.6%</b>  |
| Finance costs (net)  | 187          | 5.2%          | 112          | 2.2%          | 39           | 0.7%          | (20)         | (0.6%)        |
| Depreciation and amortisation  | 216          | 6.0%          | 248          | 4.8%          | 260          | 4.4%          | 130          | 3.9%          |
| <b>Profit / (Loss) before tax</b>  | <b>(45)</b>  | <b>(1.2%)</b> | <b>979</b>   | <b>18.8%</b>  | <b>1,298</b> | <b>22.0%</b>  | <b>785</b>   | <b>23.4%</b>  |
| Tax <sup>4</sup>   | 50           | 1.4%          | 143          | 2.7%          | (30)         | (0.5%)        | 157          | 4.7%          |
| <b>Profit / (Loss) after tax</b>   | <b>(95)</b>  | <b>(2.6%)</b> | <b>837</b>   | <b>16.0%</b>  | <b>1,328</b> | <b>22.5%</b>  | <b>628</b>   | <b>18.7%</b>  |

**Note:** The numbers for the previous period have been re-casted 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 compared to INR 2 Cr in FY23
2. Includes INR 85 Cr towards EBITDA from Covid-19 vaccination & related antibody tests in FY22
3. Non cash item represents the change in fair value of contingent consideration payable to Trust/Society over the balance period (~20 to 31 years) under O&M Contracts and represents change in the WACC, time value of discounted liability and impact of changes in future business plan projections
4. Includes impact of one time reversal of INR 244 Cr deferred tax liability (net of capital gains tax) in FY23 pursuant to voluntary liquidation of a subsidiary

Figs in INR Cr

|  | MHIL & its subsidiaries & Silos | Partner Healthcare Facilities ("PHF") Financials<br>(IGAAP Unaudited)* |                 |                    |                                  | Eliminations & Adjustment <sup>(2)</sup> | MHC Network (Consolidated)<br>(Certified by an ICA) |
|--|---------------------------------|--|-----------------|--------------------|----------------------------------|--|---|
|  | Ind AS Unaudited                | Balaji Society   | GM Modi Society | Devki Devi Society | IND AS Adjustment <sup>(1)</sup> |  |   |
| Revenue from operations  | 2,648                           | 310  | 221             | 390                | -                                | (229)                                    | 3,341   |
| Other income <sup>(3)</sup>  | 9                               | 2  | 7               | 15                 | -                                | (13)                                     | 20  |
| <b>Total operating income</b>  | <b>2,658</b>                    | <b>312</b>   | <b>228</b>      | <b>405</b>         | <b>-</b>                         | <b>(242)</b>                             | <b>3,361</b>  |
| Pharmacy, drugs, consumables & other direct costs  | 556                             | 65   | 49              | 106                | -                                | 35                                       | 811   |
| Employee benefits expense <sup>(4)</sup>   | 443                             | 41   | 26              | 40                 | -                                | 129                                      | 679   |
| Other expenses <sup>(5)</sup>  | 892                             | 154  | 114             | 185                | (3)                              | (405)                                    | 938   |
| <b>Total expenses</b>  | <b>1,891</b>                    | <b>259</b>   | <b>190</b>      | <b>330</b>         | <b>(3)</b>                       | <b>(240)</b>                             | <b>2,427</b>  |
| <b>Operating EBITDA</b>  | <b>767</b>                      | <b>53</b>  | <b>38</b>       | <b>74</b>          | <b>3</b>                         | <b>(1)</b>                               | <b>933</b>  |
| <b>Less: non-operating expenses</b>  |                                 |  |                 |                    |                                  |  |   |
| ESOP (Equity-settled Scheme)   | 24                              | -  | -               | -                  | -                                | -  | 24  |
| Movement in fair value of contingent consideration payable and amortisation of contract assets | 14                              | -  | -               | -                  | -                                | -  | 14  |
| <b>Reported EBITDA</b>   | <b>728</b>                      | <b>53</b>  | <b>38</b>       | <b>74</b>          | <b>3</b>                         | <b>(1)</b>                               | <b>895</b>  |
| Finance costs (Net)  | (49)                            | (3)  | 14              | 9                  | 1                                | 8  | (20)  |
| Depreciation & Amortisation  | 114                             | 9  | 9               | 10                 | 2                                | (13)                                     | 130   |
| <b>Profit / (Loss) before tax</b>  | <b>664</b>                      | <b>47</b>  | <b>15</b>       | <b>55</b>          | <b>0</b>                         | <b>4</b>                                 | <b>785</b>  |
| Tax  | 152                             | -  | -               | -                  | -                                | 5  | 157   |
| <b>Profit / (Loss) after tax</b>   | <b>512</b>                      | <b>47</b>  | <b>15</b>       | <b>55</b>          | <b>0</b>                         | <b>(1)</b>                               | <b>628</b>  |

\*New PHFs i.e. Vikrant Children's Foundation and Nirogi Charitable and Medical Research Trust have not been reflected separately and included in the Eliminations & Adjustments 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 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 and excludes movement in fair value of contingent consideration and amortisation of contract assets, which is reflected below Operating EBITDA, and includes cost of admitting doctors

# Network Balance Sheet<sup>1</sup>

(Includes Managed and Partner Healthcare Facilities)

Figs in INR Cr

| Sep 2022     | Particulars   | Mar 2023     | Sep 2023     |
|--------------|---|--------------|--------------|
| 7,462        | Shareholders' Equity  | 8,070        | 8,623        |
| 815          | Gross Debt  | 682          | 606          |
| 446          | Deferred / Contingent Consideration Payable <sup>2</sup>      | 440          | 463          |
| 144          | Put Option Liability <sup>3</sup>                             | 150          | 84           |
| 137          | Lease Liabilities (Ind AS 116)                                | 139          | 147          |
| (72)         | Deferred Tax Liability / (Deferred Tax Asset)                 | (50)         | (16)         |
| <b>8,932</b> | <b>Total Liabilities</b>                                      | <b>9,430</b> | <b>9,907</b> |
|              |   |              |              |
| 3,773        | Goodwill  | 3,773        | 3,773        |
| 3,260        | Net tangible Assets (incl. CWIP)                              | 3,458        | 3,552        |
| 680          | Intangible Assets (incl. brand and O&M rights)                | 681          | 692          |
| 205          | Right to Use Assets (Ind AS 116)                              | 203          | 206          |
| 1,000        | Cash & Bank balance   | 1,565        | 1,993        |
| 452          | Trade Receivables (Net) <sup>4</sup>                          | 434          | 546          |
| 84           | Inventories   | 104          | 98           |
| 2            | Investments   | 2            | 2            |
| (524)        | Net Current & Non-Current Assets / (Liabilities) <sup>5</sup> | (789)        | (955)        |
| <b>8,932</b> | <b>Total Assets</b>   | <b>9,430</b> | <b>9,907</b> |

- The intra-network dues and intangible assets on account of medical services agreements with PHFs are eliminated and fair value of assets & liabilities of PHFs (as on June 1, 2020) are recognised, with balance reflected under Goodwill
- Represents fair value of long term liabilities towards fees / revenue share payable to Trust / Societies over the remaining contract period ranging from 20 to 82 years
- Put Option Liability is for the purchase of balance stake (40%) in Eqova Healthcare Pvt. Ltd.
- Represents DSO of 61 days. Increase is attributed to growth in revenue from insurance and institutional patients
- Mainly represents tax refunds receivable, capital advances, provisions for retiral benefits and unfavorable lease liability recognized, PPA, dividend payable to MHIL shareholders and includes Trade payable of INR 792 Cr at the end of Sep 2023 compared to INR 719 Cr at the end of Mar 2023 and INR 661 Cr at the end of Sep 2022

1. Max Healthcare Institute Limited (“MHIL”), its subsidiaries and deemed separate entities (i.e. silos for managed healthcare facilities) constitute MHIL Group under IND AS 110. MHIL Group also has long term contracts with certain societies, who own and operate hospitals and act in concert with other Max Hospitals to provide high end medical care to the communities. MHIL Group carries significant financial exposure and control medical operations of these hospitals through Hospital Management Committee structure or otherwise. These hospitals are treated as Partner Healthcare Facilities (“PHF”) and form part of Max Network of Hospitals. Given the financial exposure and operating model, it is considered appropriate by MHIL management to disclose the financial performance of the Network Hospitals as a whole, by way of a certified memorandum consolidation of financial results of operations of MHIL, its subsidiaries, managed healthcare facilities and PHFs (all these entities combined together are referred as “Network”), which have been subjected to review by their statutory auditors.
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 (PHFs) are also included. The information is drawn up based on the management consolidation of the unaudited financials 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 Group, while accounting for the Business Combination in June 2020 has 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.
4. The Profit & Loss statement in the earnings update is prepared after line by line consolidation of the financials of MHIL, its subsidiaries, deemed separate entities/silos and PHFs, after eliminating intra Network transactions, in an investor friendly format.
5. In order to better explain the financial results, the exceptional items and material 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. Further, the Profit after tax includes the impact of change in other comprehensive income and thus reflects Total Comprehensive income for the period.

**Thank You**

# Appendix

1. ESG & CSR Updates
2. Network Structure

## Appendix 1

ESG Highlights

CSR Initiatives

## Environment

**33.3%** share of renewable energy in total energy mix

**ISO 14001** certification received for eight hospitals

**39%** water recycled out of total water consumption in FY 2023, up from 35.9% in FY 2022

**> 50%** of our waste being disposed through authorized recyclers

Water consumption decreased to **0.98 kilolitres** per bed in FY 2023 from 1.08 kilolitres per bed in FY 2022

**100%** water neutrality goal by 2025

## Social

### Employees

- **49%** women employees
- 9.95 lakh hours of upskilling programmes
- Certified **Great Place to Work®** by Great Place to Work institute

### Patients

- **363K** needy patients treated free in FY 2023
- **USD ~25 Mn** worth of free medical treatment to the underprivileged
- Introduced 'MaxCel' platform that aids in comparison of clinical outcomes to enhance patient care

### Community

- Nutrition support to **~2,300** TB patients for better recovery
- **~3,600** physical outreach OPDs in upcountry
- More than 6,000 community engagement activities conducted

## Governance

**Implementing policies** benchmarked against global best practices

**Ensuring diversity** in the boardroom

- **Five** out of eight directors on the board are independent including **one** woman director

**Risk management** with a framework that identifies, analyses and mitigates potential threats

**Instilling ethical** conduct by sustaining a culture of accountability



## Initiatives undertaken on Water Sustainability, Nutrition and Education



**Water Rejuvenation in Ghaziabad, UP**



**Support Govt. of India's Ni-kshay Mitra Programme**



**Donation of bus for Delhi Police Public School**

## Focus areas for FY24 and beyond: Education and Water Sustainability

### Education

#### I. Max Healthcare Scholarships

Address the gap of trained healthcare professionals by enabling meritorious students from financially disadvantaged sections of society fulfil their aspirations of a career in medicine

#### II. Skill Training for Sustainable Livelihood

Targeted EWS beneficiaries to be provided vocational skills training recognized by Govt. of India

### Water Sustainability

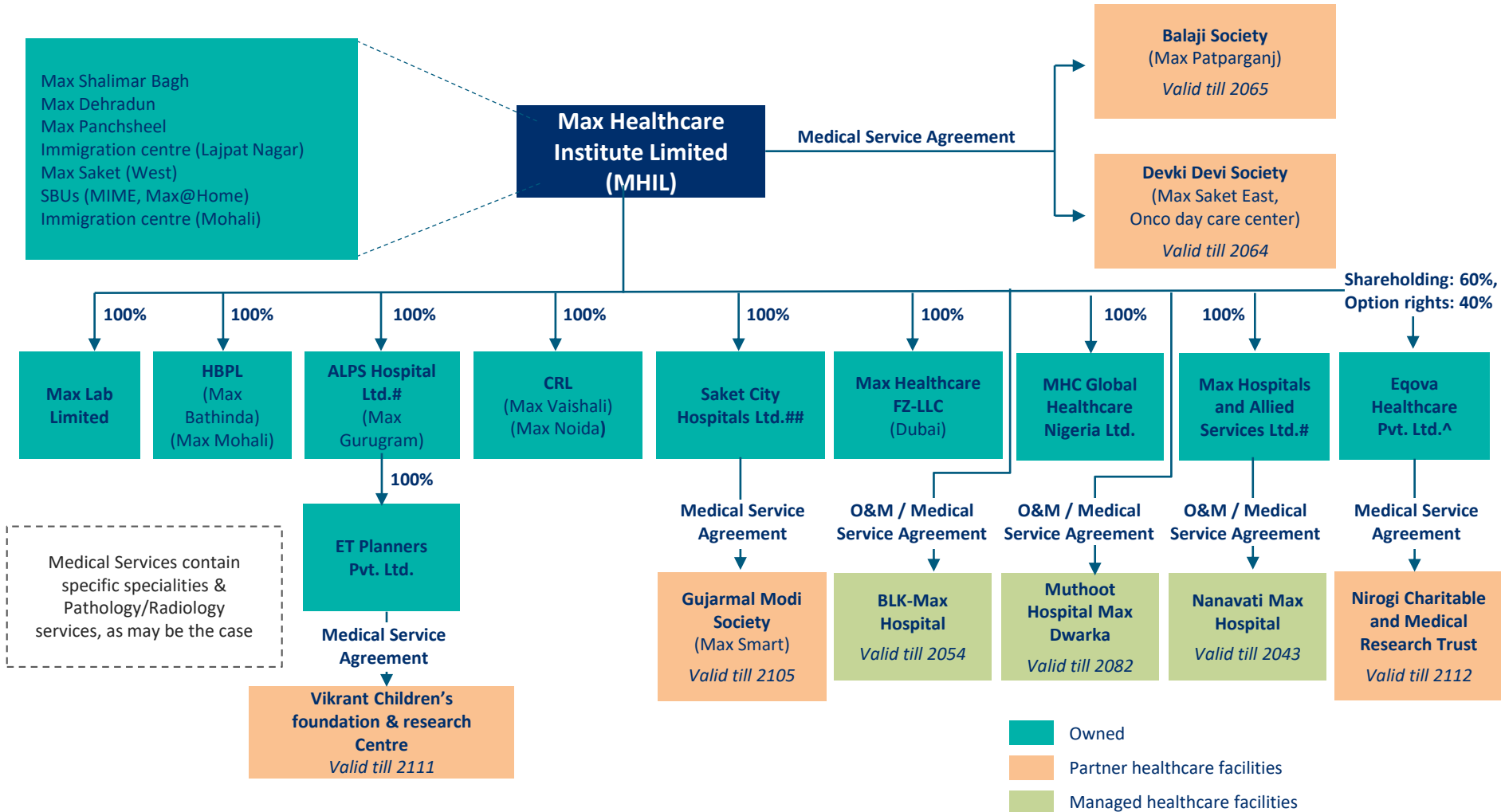
#### III. Water Rejuvenation

Construction of water recharge structures e.g. ponds in the vicinity of our operations, in line with our stated ESG goal of water neutrality by FY25

## Appendix 2

### Network structure

# Network Holding Structure (as of September 30, 2023)



# The Boards of Alps Hospitals Ltd. and Max Hospitals and Allied Services Ltd. have approved a scheme of amalgamation of the two entities and the same is yet to be approved by Hon'ble NCLT, Mumbai Bench | ## Under voluntary liquidation, letter of distribution of its business undertaking has been issued by the liquidator on August 31, 2022 and its operations have been consolidated with MHIL | ^ MHIL holds & has exercised the right to appoint majority directors in Eqova Healthcare | 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 South Delhi (Saket Complex – Vikrant), East Delhi (Patparganj), North West Delhi (Dwarka) and Gurugram (Sector 56)

| Term                              | Description   |
|-----------------------------------|---|
| ALOS                              | Average Length of Stay: discharged patients stay in the hospital, basis admission and discharge time  |
| 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  |
| Cash from operations              | Represents cash generated from operations after amount deployed for routine capex, finance cost and working capital changes relating to operations  |
| Contribution                      | Net revenue minus material cost, F&B cost and salary/professional fess paid to clinicians credentialed for OPD consultations and IPD admissions   |
| CTI                               | Represents self pay, private insurance & international patient segments where hospital tariff is the basis for billing / contract   |
| 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  |
| 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. |
| 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   |
| Net Revenue                       | Gross revenue minus management discounts, amount billed to EWS patients, employee discounts, marketing discounts and allowance for deductions for expected credit loss  |
| OBD                               | Occupied Bed Days   |
| 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;   |
| Greenfield / Brownfield expansion | Greenfield expansion denotes capacity addition at a new hospital in a new location; Brownfield expansion implies bed addition at or within 1 km of existing, operational Max hospital   |

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. The 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 with the Government of Punjab.

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](http://www.maxhealthcare.in)

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