

Shalby/SE/2021-22/32

The Listing Department
National Stock Exchange of India Ltd
Mumbai 400 051.

Scrip Code : SHALBY

Through : <https://www.connect2nse.com/LISTING/>

Corporate Service Department
BSE Limited
Mumbai 400 001.

Scrip Code: 540797

Through : <http://listing.bseindia.com>

Sub: Investor Presentation - Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("the SEBI LODR")

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we are enclosing herewith updated Investor Presentation of the Company.

The said presentation is also being made available at the website of the Company at www.shalby.org.

Thanking you,

Yours sincerely
For **Shalby Limited**



Tushar Shah
AVP & Company Secretary
Mem. No: FCS-7216



Encl.: as above

Shalby Limited

Regd. Off. : Opp. Karnavati Club, S G Road, Ahmedabad – 380015 (India)

Tel. No. : (079) 40203000 | Fax : (079) 40203109 | www.shalby.org | info@shalby.org

Regd. No. : 061000596 | CIN : L85110GJ2004PLC044667

Vapi - Indore - Jabalpur - Mohali - Naroda (Ahmedabad) Krishna Shalby (Ahmedabad) Surat - Jaipur **Upcoming Hospitals : Nashik - Mumbai**

Investor Presentation

June 2021

SHALBY LIMITED (BSE CODE: 540797 | SHALBY, NSE CODE: SHALBY)

A leader in Joint Replacement surgeries in India with an established chain of multi-specialty tertiary care hospitals.



BUSINESS OVERVIEW



FINANCIAL PERFORMANCE



STRATEGIC DIRECTION



SHALBY IMPLANT BUSINESS



APPENDIX

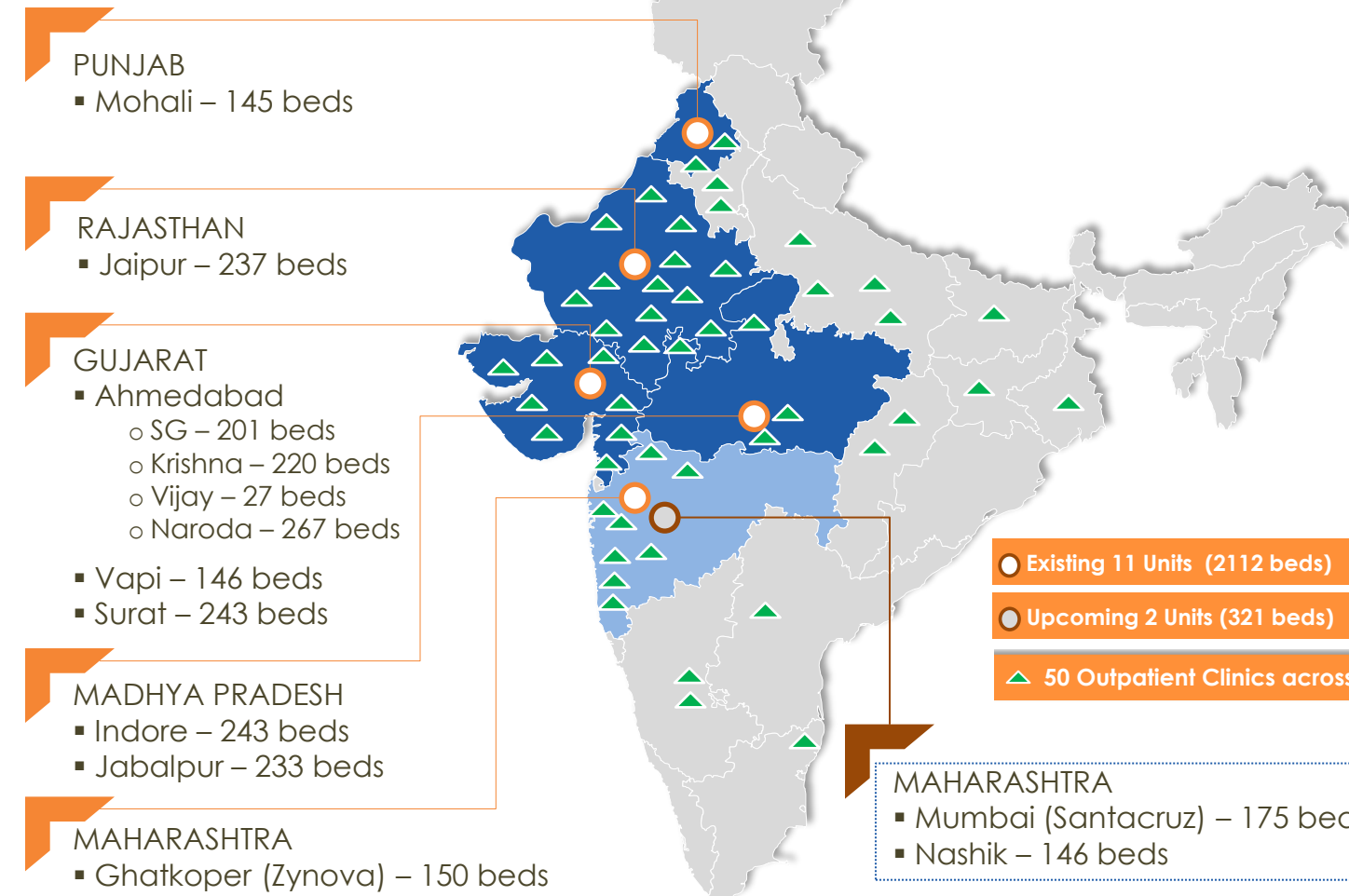


BUSINESS OVERVIEW

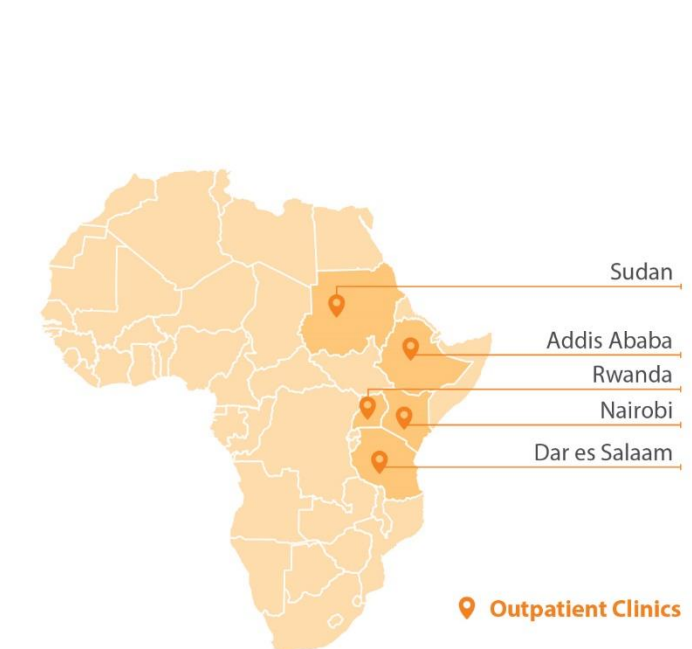
OUR REGIONAL PRESENCE

Shalby has developed strong brand recognition in its core markets and is well positioned for further expansion

➤ National Presence



➤ International Presence (in Africa)



MAHARASHTRA

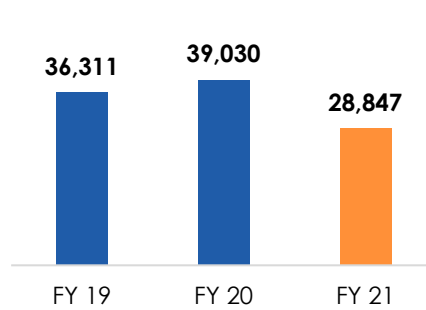
- Mumbai (Santacruz) – 175 beds
- Nashik – 146 beds

Upcoming Two Units

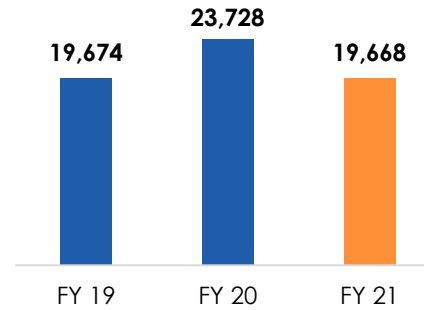
ANNUAL PERFORMANCE TRENDS

Significant impact of Covid-19 on the key operational parameters in FY21

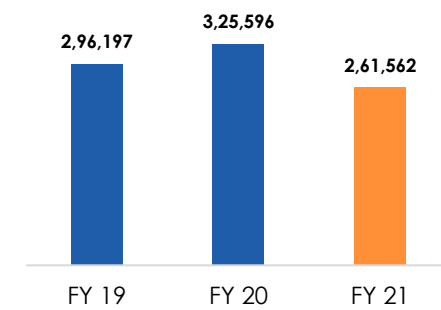
In Patients



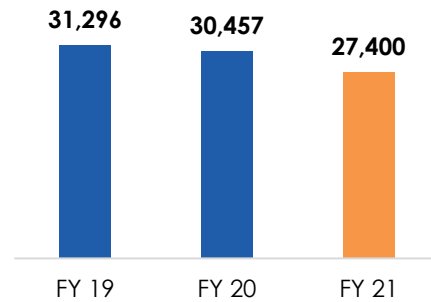
Day Care



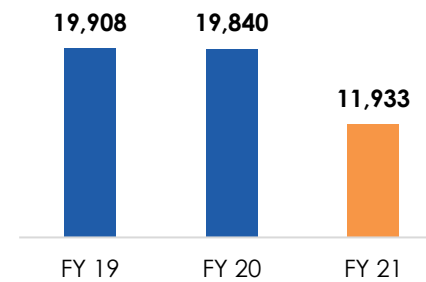
Out Patients



ARPOB (In Rs.)



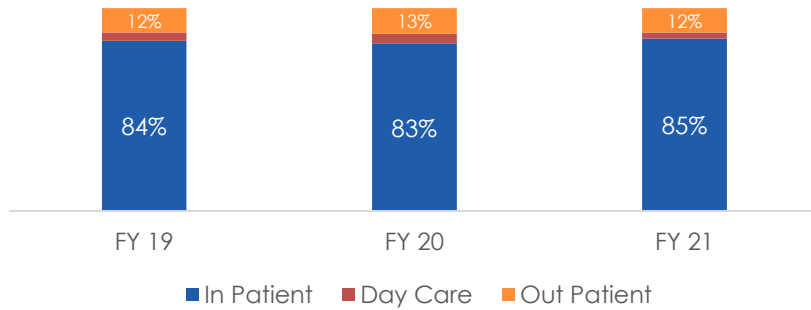
Surgery Count



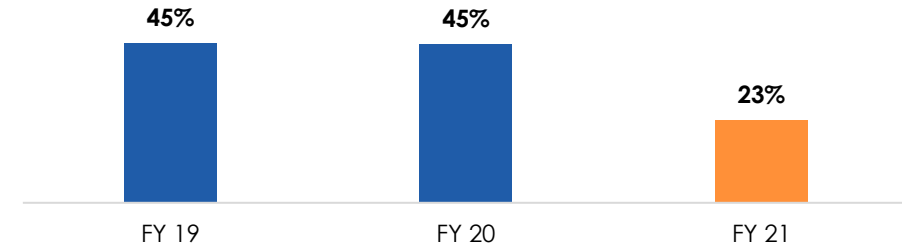
ANNUAL PERFORMANCE TRENDS

Arthroplasty contribution to total revenue and bed occupancy levels declined due to Covid-19 pandemic especially during first half of the year

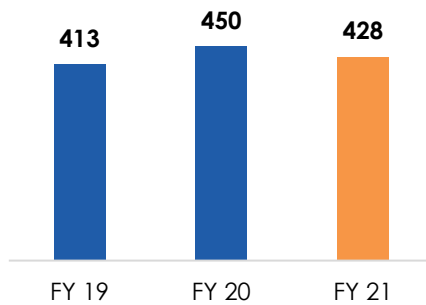
Hospital Revenue Mix by Care



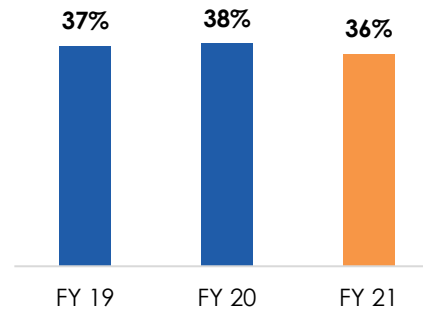
% of Revenue from Arthroplasty



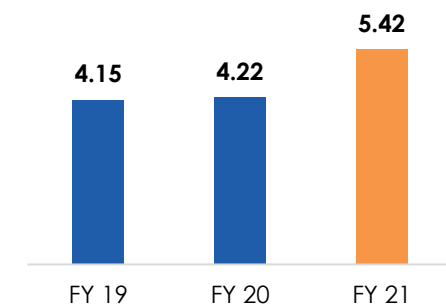
No. of Beds Occupied



Occupancy Rate



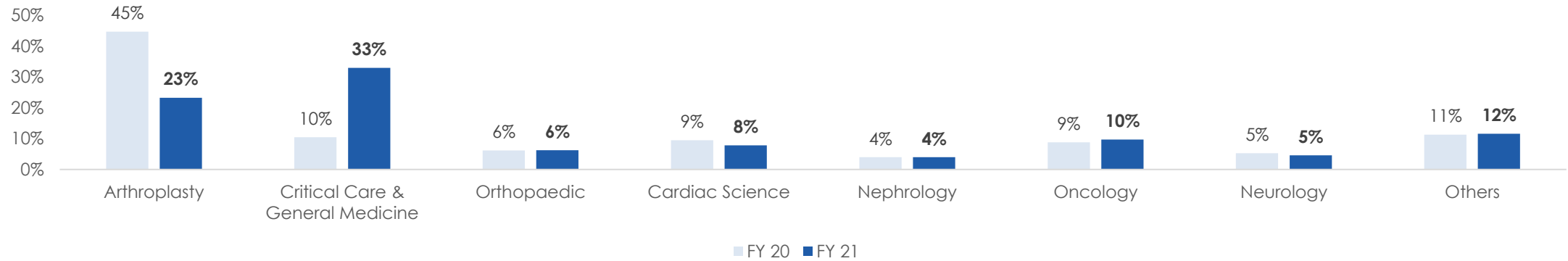
ALOS (Days)



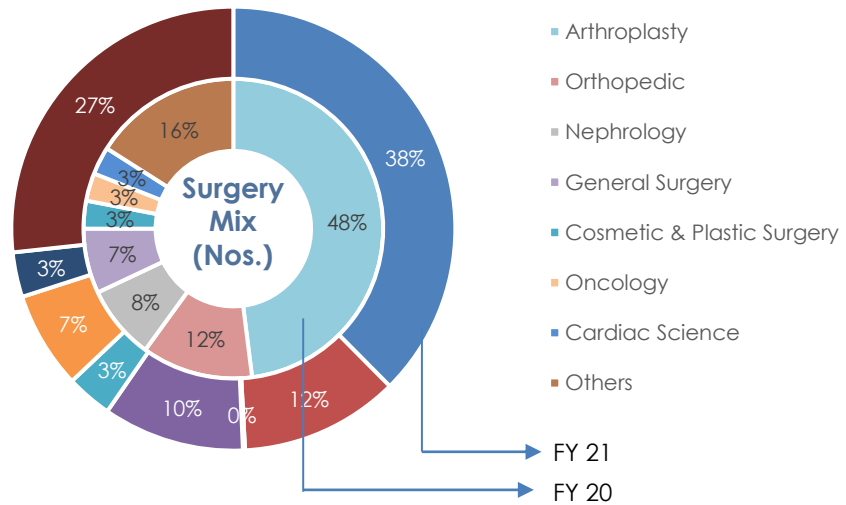
Notes:

1. ALOS is without Day Care

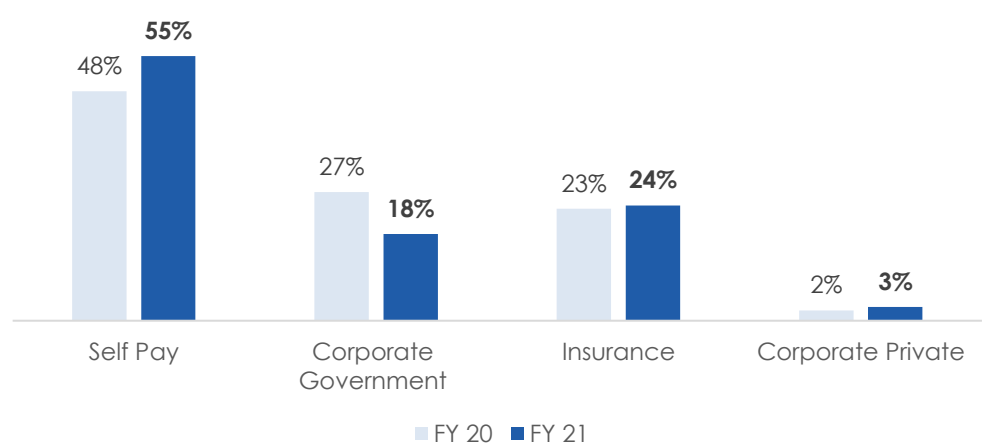
Revenue by Hospital Specialty



Number of Surgeries by Specialty

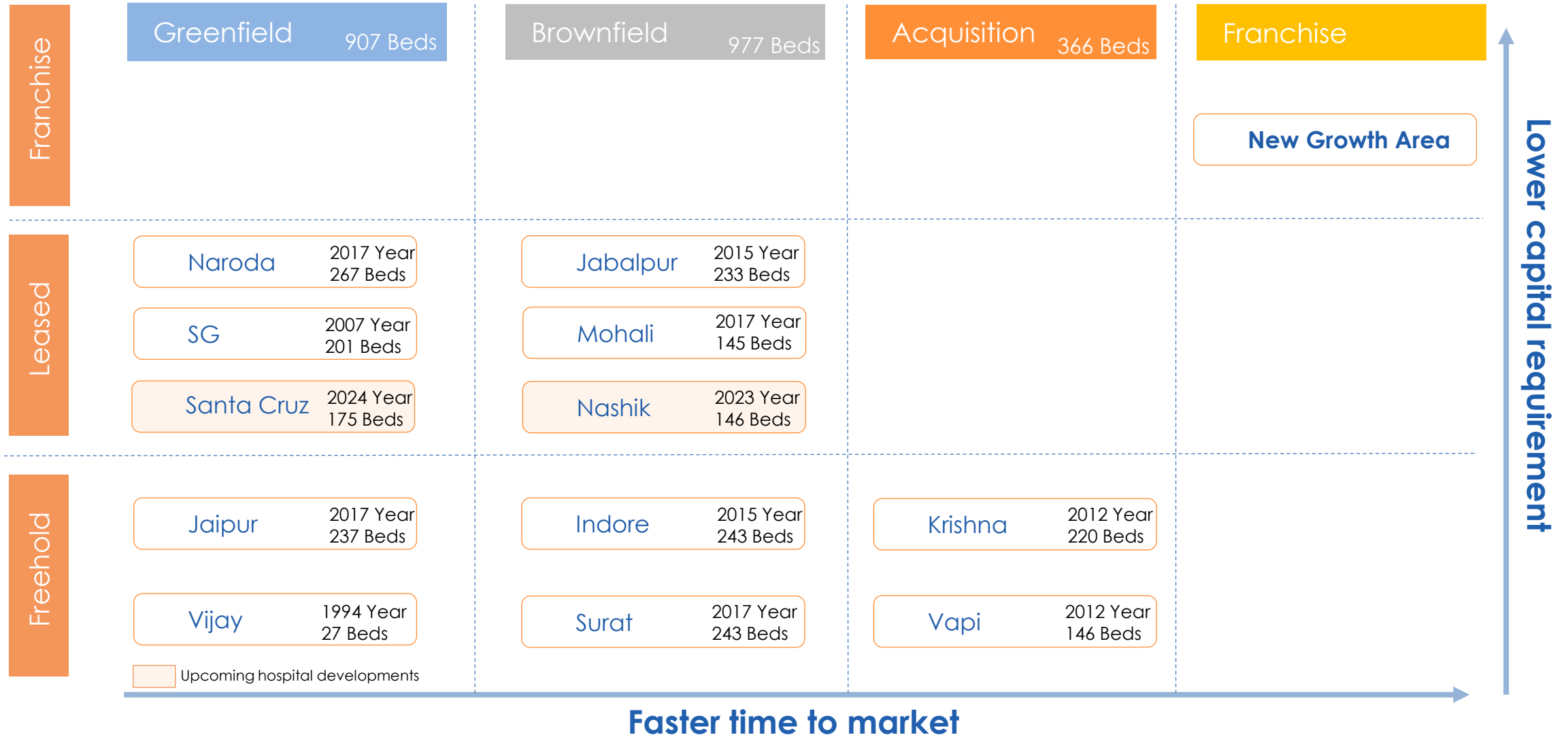


Revenues by End Patient



Note:
1. All numbers are on Standalone basis

BUSINESS MODEL

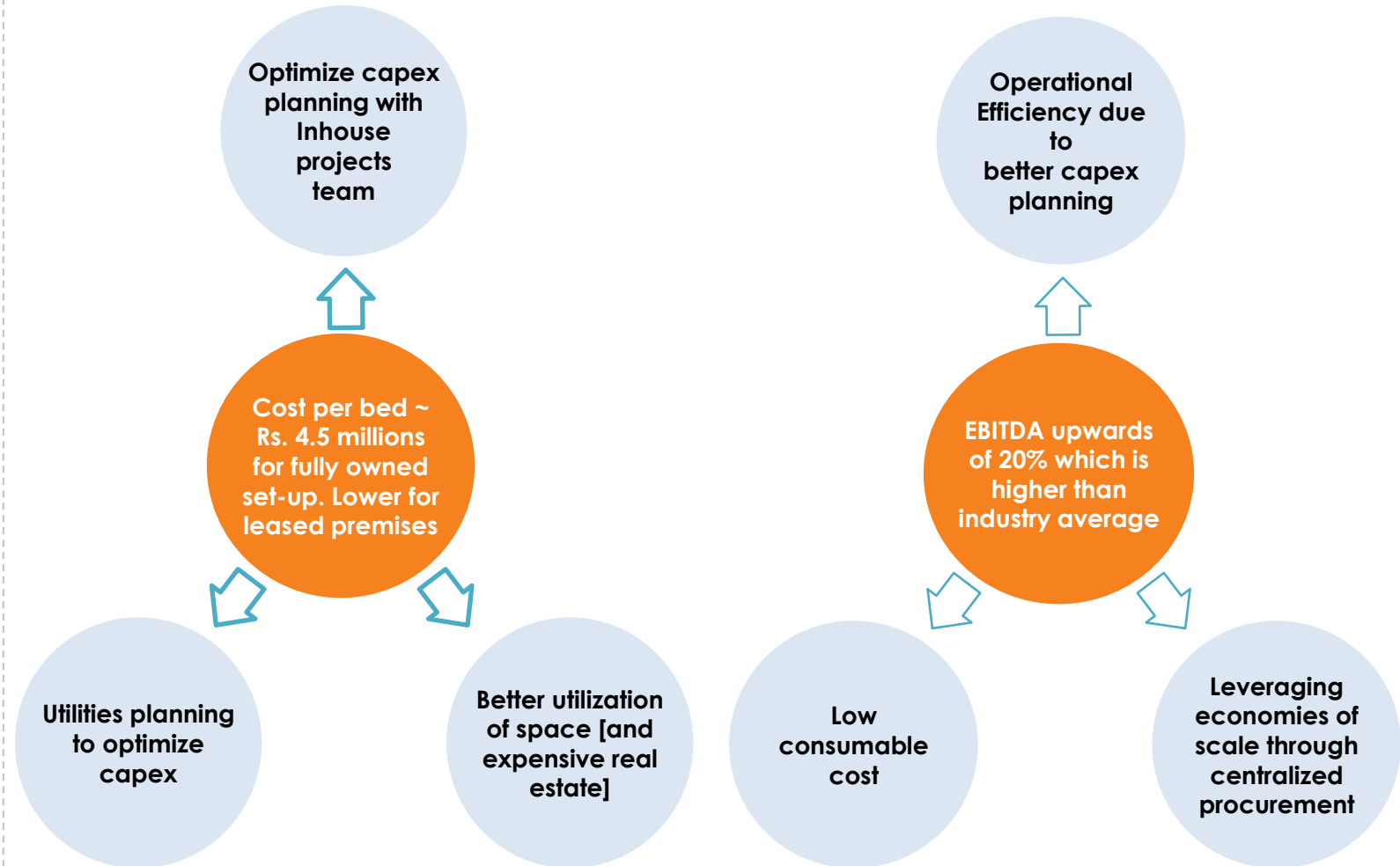


Notes:

1. SG Group comprises of SG and Vijay. Surat Group comprises of Surat and Vapi
2. Fixed rent of Rs. 5L per month is paid by Shalby SG to Dr. Vikram Shah and Rs. 50,000 per month is paid by Vijay Shalby to Shalby Orthopedic and Research Centre in which Dr. Vikram Shah is a partner
3. Total bed count of 2112 includes 150 beds at Zynova-Shalby Hospital, Mumbai

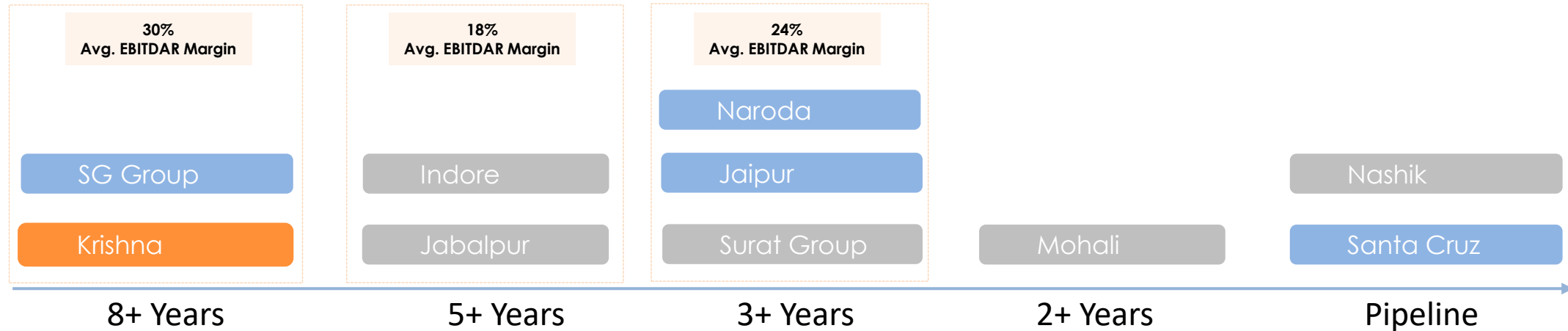
Our Business Model – Optimising Capex and Opex

- Lowest Capex and Opex per bed due to optimal use of real-estate
- Equipment planning and utilities planning
- In-house planning teams
- Focus on surgeries with higher ARPOB, better margins and return ratios
- Centralised procurement
- Gradual ramp-up of bed capacity
- Fully owned or O&M on revenue sharing (no fixed rentals, no security deposit or MG)

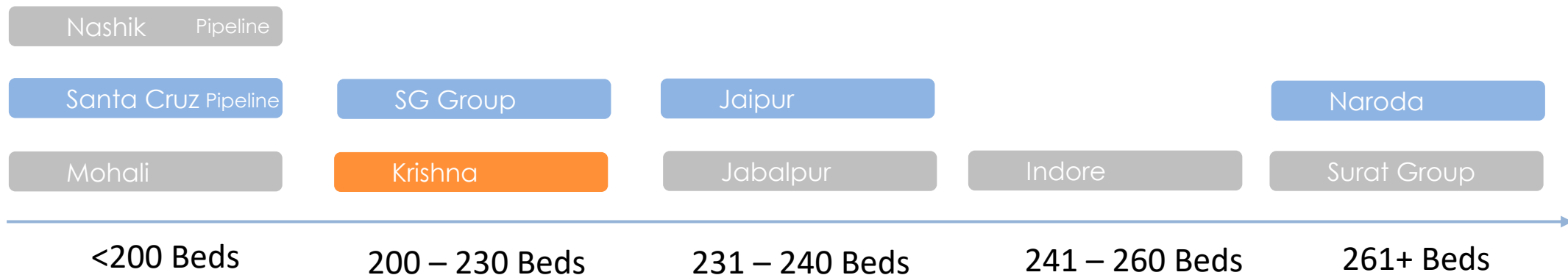


HOSPITAL MATURITY PROFILE

Shalby Hospitals generates positive EBITDAR Margin within 3 years of its operations



Pipeline focused on high ARPOB regions and Franchise rollout



Note:
1. All numbers are on Standalone and FY2021 basis



Santa Cruz Development Update

Business Model: **Revenue Sharing**

Bed Capacity: **175**

Operating and Management Term: **30 + 30 years**

Operationalization Year: **FY 2024**

Estimated Cost: **Rs. 1,600 million**

Approval awaited from Brihanmumbai Municipal Corporation (BMC). Formed a wholly owned subsidiary in the name of Shalby Hospitals Mumbai Private Limited to manage Mumbai hospital



Nashik Development Update

Business Model: **Revenue Sharing**

Bed Capacity: **146**

Operating and Management Term: **30 years**

Operationalization Year: **FY 2023**

Estimated Cost: **Rs. 310 million**

Brownfield development with Shalby to invest in medical equipments. Shell structure is ready. MEP & interior work is underway



EXPERIENCED BOARD OF DIRECTORS

Dr. Vikram Shah
Chairman and Managing Director



Over two and a half decades of professional healthcare experience across UK, USA and India, Dr. Shah has been serving as Director of the Department of Knee Replacement at Shalby Hospitals since 1993. Recognised for his outstanding contribution in the field of orthopaedics on completion of 1,00,000 joint replacement surgeries, he received the 'Times Man of the Year' Award by Times of India Group in 2018.

Dr. Ashok Bhatia
Non- Executive Director



With more than 40 years of professional experience, in the past Dr. Bhatia was associated with Cadila Healthcare as President, Emerging Markets. Currently, he is an external consultant of McKinsey & Co and a visiting faculty member at IIM Ahmedabad, IIM Rohtak and IIT Gandhinagar.

Mr. Tej Malhotra
Independent Director



Mr. Malhotra has over four decades of experience in various industries both in India and internationally. Previously he held the positions of Senior Executive Director at GHCL, Technical Director at Idea Soda Ash and Calcium Chloride Company of Saudi Arabia and Executive Engineer (Mechanical) at Hindustan Copper.

Mr. Sushobhan Dasgupta
Non – Executive Director



With over 30 years experience in the field of healthcare, he has worked in several developed & emerging markets across several businesses and disciplines in the medical technology, orthopedics and consumer health sectors. Responsible for managing the hospital business and leading strategic initiatives at Shalby

Mr. Shyamal Joshi
Independent Director



Associated with Shalby Hospitals since 2010, Mr. Joshi has significant experience in various areas including corporate strategy and fund raising. he holds a Bachelor's degree in Commerce from Gujarat University and is also a member of the ICAI.

Dr. Umesh Menon
Independent Director



Dr. Menon has experience in the areas of finance and cost accounting and is currently also on the board of directors of Varis Management Services. He is a regular visiting faculty member at Emirates Foundation and an international expert and trainer for the United Nations Industrial Development Organisation.

Ms. Sujana Shah
Independent Director



Ms. Shah is a practicing Chartered Accountant and has vast experience of over 18 years in the fields of finance, accounts, audit, direct and indirect taxes, banking and treasury. Presently she is a partner of V. R. Shah & Associates. She has also been the statutory and internal auditor of some of the most reputed public banks of India.

Senior Management

Mr. Sushobhan Dasgupta
Vice Chairman and Global President



With over 30 years experience in the field of healthcare, he has worked in several developed & emerging markets across several businesses and disciplines in the medical technology, orthopedics and consumer health sectors. Responsible for managing the hospital business and leading strategic initiatives at Shalby

Mr. Muraarie Rajan
Principal Advisor



25 years experience in corporate strategy, mergers and acquisitions and fund raising. Worked at Wolfensohn & Company, Credit Suisse and JP Morgan in New York. Was Executive Director at Piramal Enterprises and JSW. Qualified as Chartered Accountant from the UK and holds an MBA from MIT Sloan School of Management

Dr. Nishita Shukla
Chief Operating Officer



Dr. Shukla holds a bachelors' degree in Homeopathic Medicine and Surgery and has experience of over 13 years in the healthcare industry. As the Shalby Hospitals Group COO, her responsibilities include overseeing the overall business, clinical operations and administration of all hospital facilities.

Mr. Shanay Shah
President



With over seven years of experience in the healthcare industry, Mr. Shah is involved in overseeing the international business, investor relations and digital transformation of Shalby Hospitals.

Mr. Prahalad Rai Inani
Chief Financial Officer



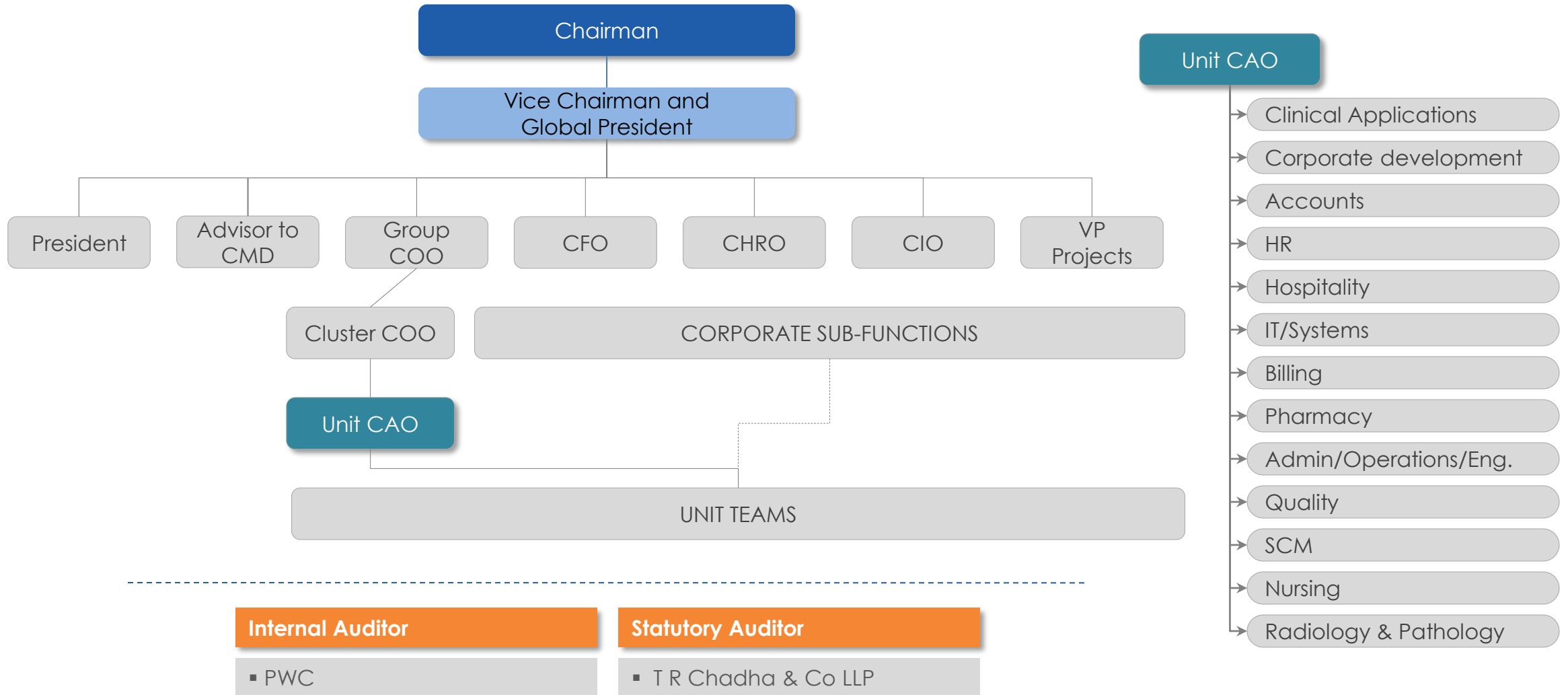
Mr. Inani has over 24 years of experience in the fields of finance, accounts, financial planning & analysis, budgeting, cost control, project costing and auditing. Previously he was associated with Apollo Hospitals, TM Goup of Companies and Octant Interactive Technologies.

Mr. Babu Thomas
Chief Human Resource Officer



With over 25 years of experience in talent management, Mr. Thomas heads the Human Resources and Operation functions of the Group. He is involved in strategic HR initiatives, change management, talent acquisition, employee engagement, Shalby Academy and training and development.

ORGANISATION STRUCTURE

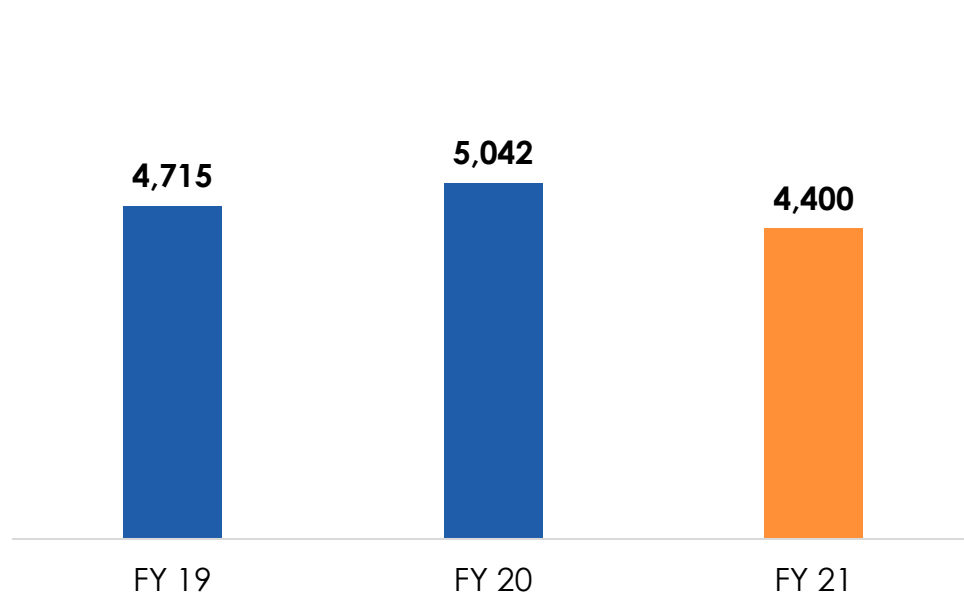




FINANCIAL PERFORMANCE

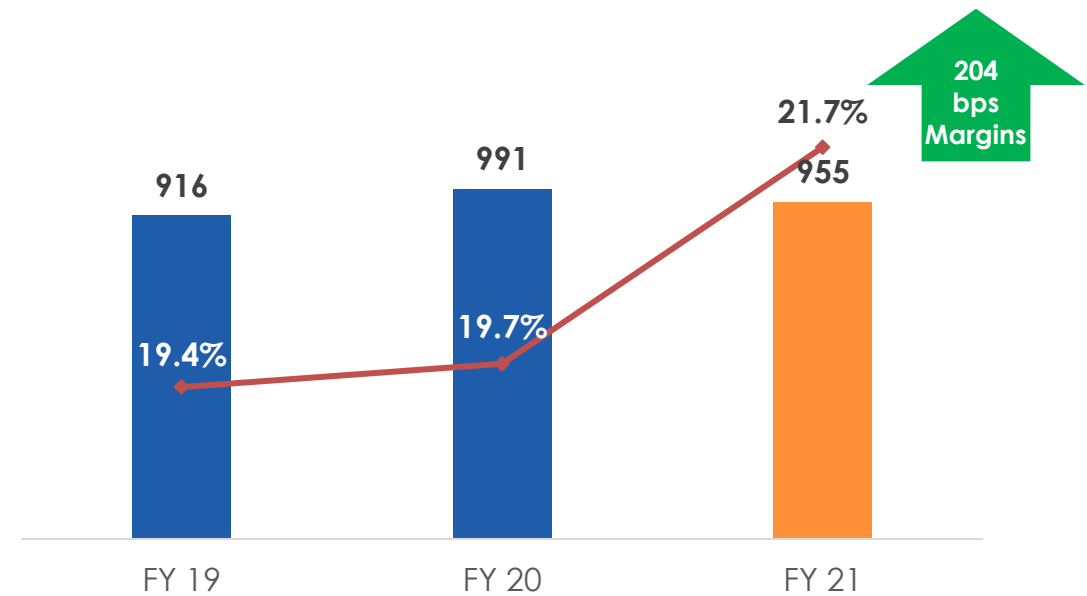
FINANCIAL PERFORMANCE

Total Revenue (Rs. Mn)



Significant impact on FY21 surgeries and topline due to Covid-19 pandemic

Total EBITDA (Rs. Mn) and Margin %



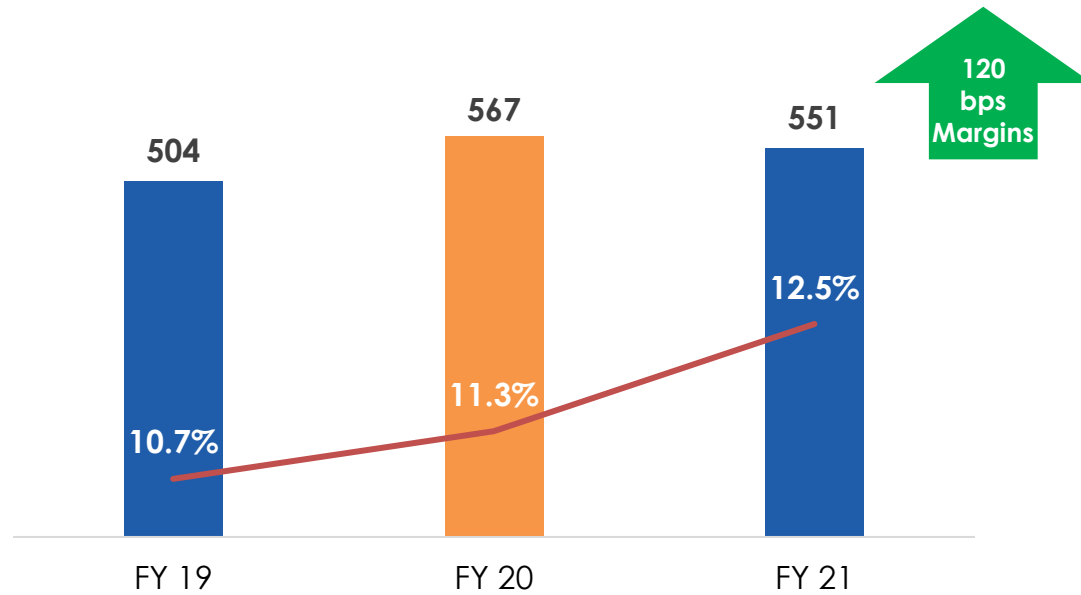
Improved margins and profitability driven by an increase in occupancy levels coupled with cost rationalization initiatives

Notes:

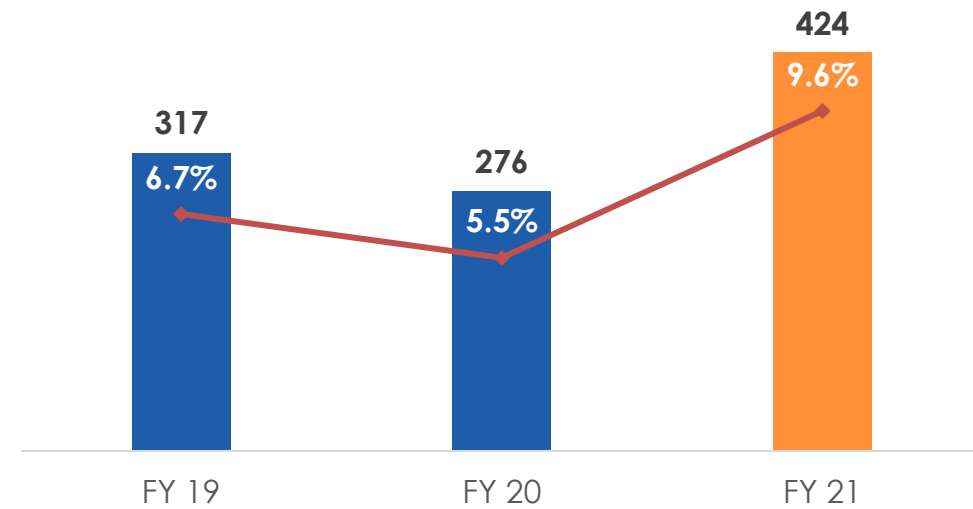
1. All numbers are on Consolidated basis

FINANCIAL PERFORMANCE

Total PBT (Rs. Mn) and Margin %



Total PAT (Rs. Mn) and Margin %



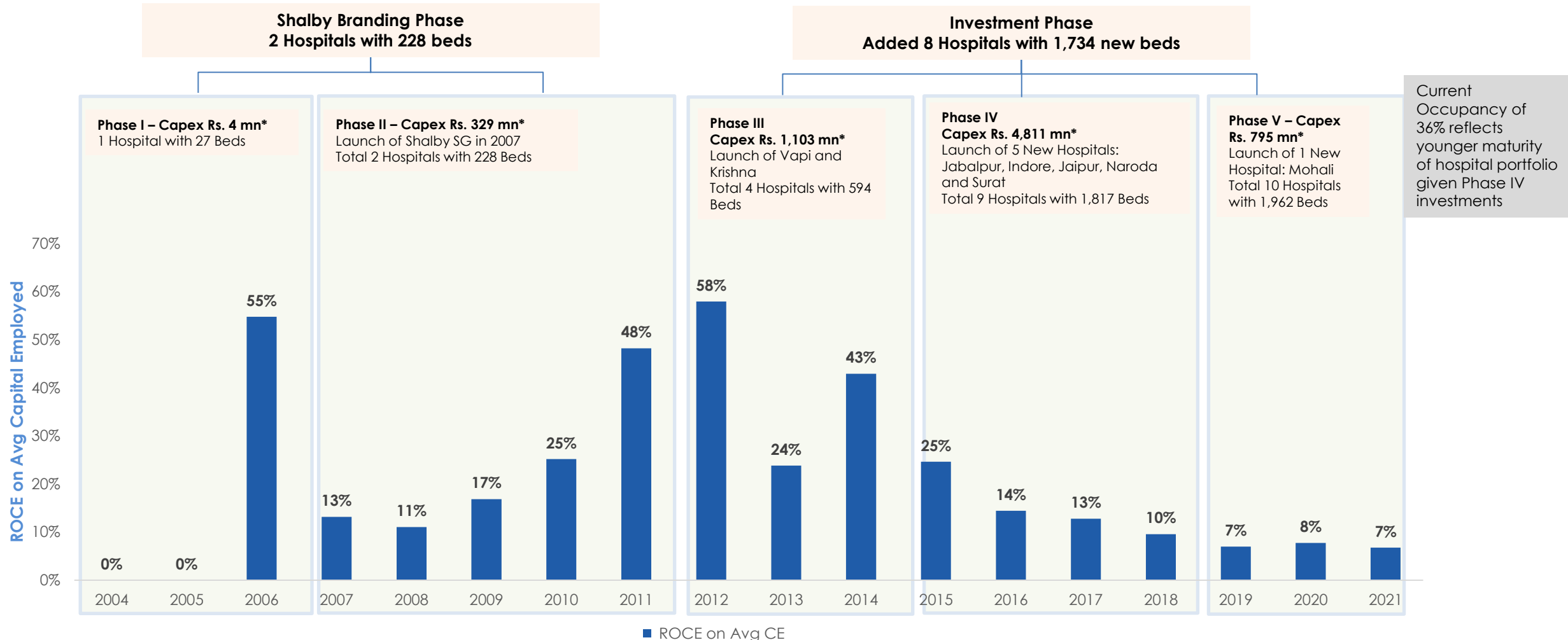
Improved margins and profitability driven by an increase in occupancy levels coupled with cost rationalization initiatives

Notes:

1. All numbers are on Consolidated basis

HOSPITAL INVESTMENT JOURNEY

Return on Capital Employed currently reflects real estate investments and a relatively younger maturity portfolio

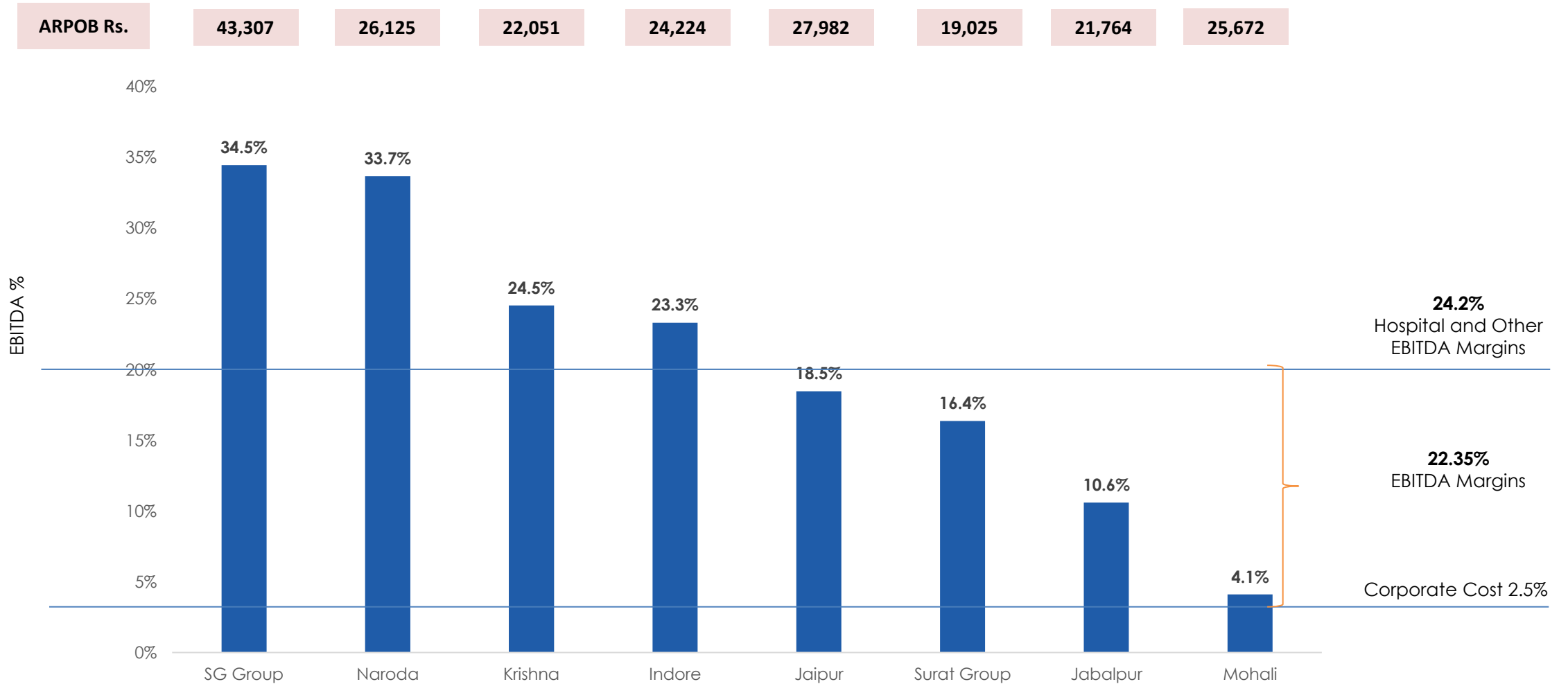


Notes:

1. ROCE is calculated as EBIT divided by Average Capital Employed
2. Total bed count of 1,962 at the end of FY2021 is excluding Zynova bed count of 50
3. All numbers are on Standalone FY2021 basis
4. Occupancy rate is calculated on operational number of beds

HOSPITAL MARGIN PROFILE

Each hospital group makes a positive contribution at the Shalby level

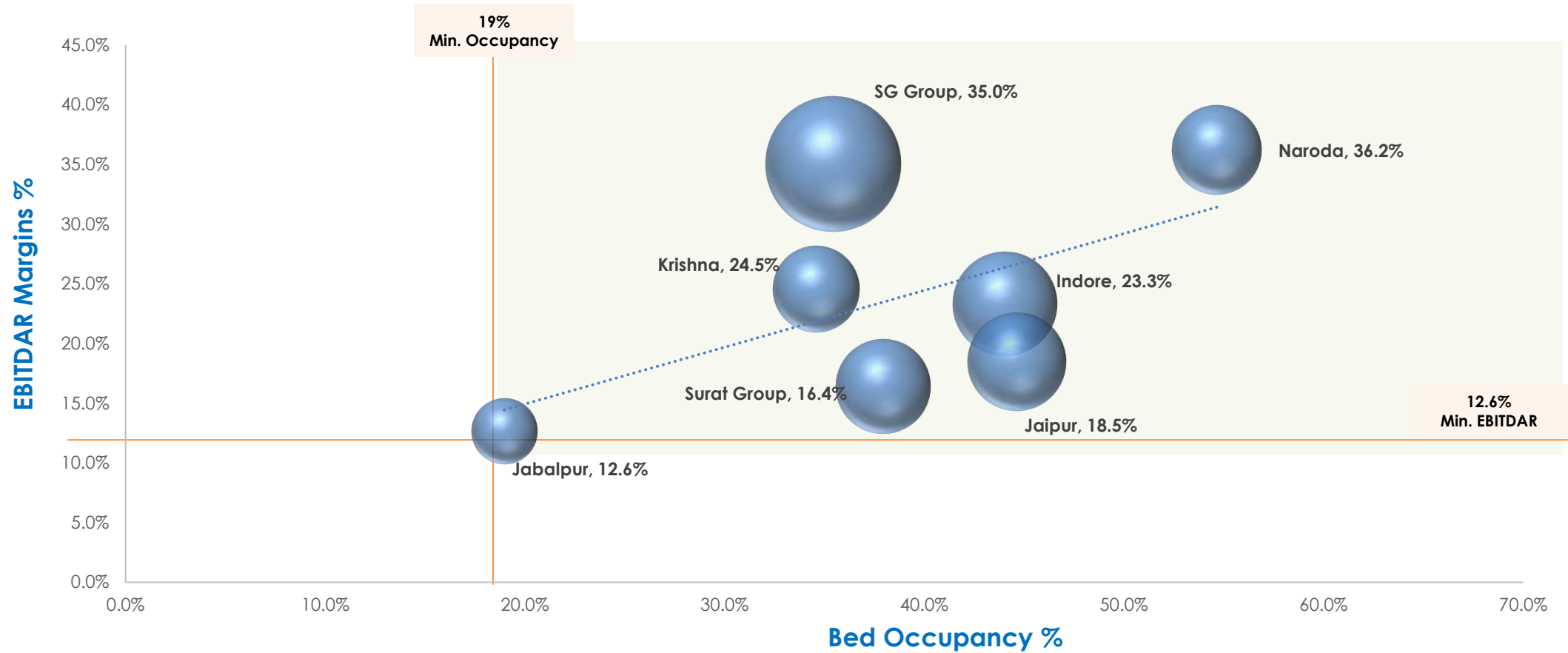


Notes:

1. Hospital and Other EBITDA Margins is a sum of Hospital EBITDA divided by Total Income and Other Income divided by Total Income
2. Corporate Cost primarily comprises of corporate employees, advertisements, CSR expenses, taxes and professional fees
3. All numbers are on FY2021 basis

HOSPITAL MARGIN PROFILE

Shalby is able to operate hospitals profitability at EBITDA and EBITDAR levels even at a bed occupancy of 20%
Jaipur, Surat and Naroda which have been operational for less than 5 years are currently ramping up



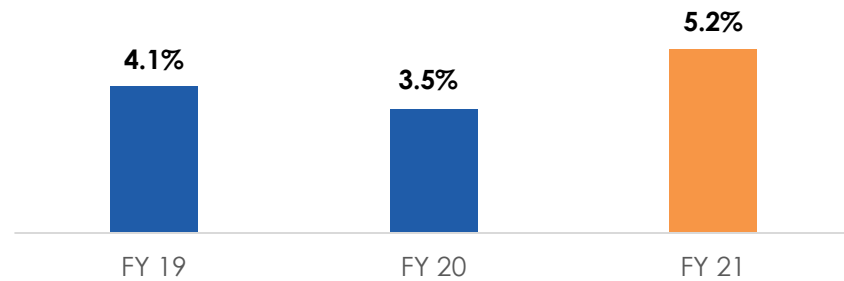
Notes:

1. All numbers are on Standalone FY2021 basis
2. Bubble size represents FY2021 Standalone Revenue
3. Mohali started contributing positively to EBITDAR but excluded from above analysis

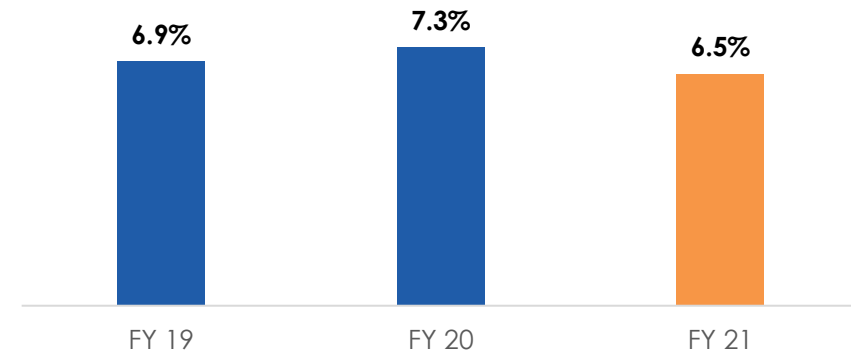
ANNUAL PERFORMANCE TRENDS

Strong EBITDA to Cash Flow conversion rate of 88.4%. Unlevered balance sheet results in lower Return on Equity

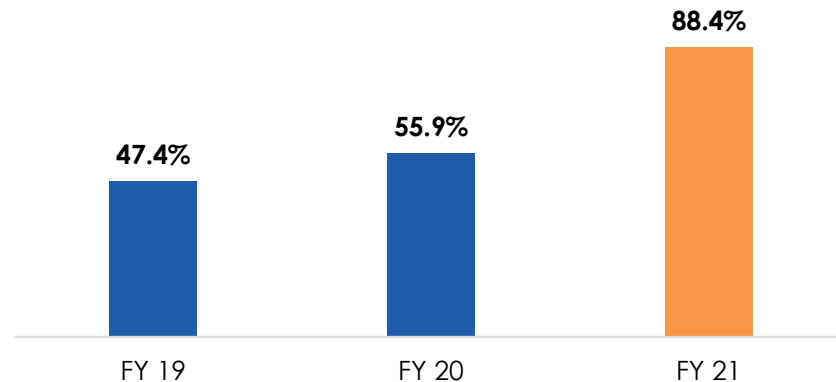
ROE



ROCE



CFO to EBITDA



Capital Structure

| Figures in Rs Million | FY 19 | FY 20 | FY 21 |
|-----------------------|-------|-------|-------|
| Gross Borrowings | 708 | 622 | 440 |
| Cash and Investments | 862 | 1,021 | 1,293 |
| Net Debt/ (Net Cash) | (154) | (399) | (853) |
| Equity | 7,798 | 7,992 | 8,347 |

Notes:

1. ROCE is calculated as EBIT divided by Average Capital Employed (Total Assets – Total Current Liabilities)
2. All numbers are on consolidated basis

Strong rebound in second half of the year despite Covid-19 challenges
Improved margins and profitability driven by an increase in occupancy levels coupled with cost rationalization initiatives

Net Profit increase of 53.6% to Rs. 424 Mn in FY21

- Revenue from operations of Rs. 4,400 Mn as compared to Rs. 5,042 Mn in FY20
- EBITDA of Rs. 955 Mn with margins of 21.7% in FY21 as compared to 991 Mn with margins of 19.7% in FY20
- Rationalization of operating expenses resulted in enhanced profitability during the year

Improving Operational Performance

- Critical care & general medicine was the largest revenue contributor with 33% to total revenues
- Diversifying business mix, yet maintaining leadership in arthroplasty segment contributing 23% to total revenues and 38% to surgery count
- Consistent improvement in bed occupancy, 428 beds were occupied during FY21 as compared to 450 in FY20

Cash Flow from Operations increase of 24% to Rs. 935 Mn

- Generated Cash flow from operations of Rs. 935 Mn in FY21 as compared to Rs. 755 Mn in FY20
- Total Debt Repaid of Rs. 182 Mn in FY21
- Cash and investments balance of Rs. 1,293 Mn at March 2021 as compared to Rs. 1,021 Mn at March 2020

Increasing Returns for Shareholders

- Board of Directors recommended a final dividend of Rs. 1 per share i.e. 10% of the face value
- Return on Equity improved to 5.2% in FY21 as compared to 3.5% in FY20
- Current occupancy rate of 39% is expected to improve in the coming years along with return ratios

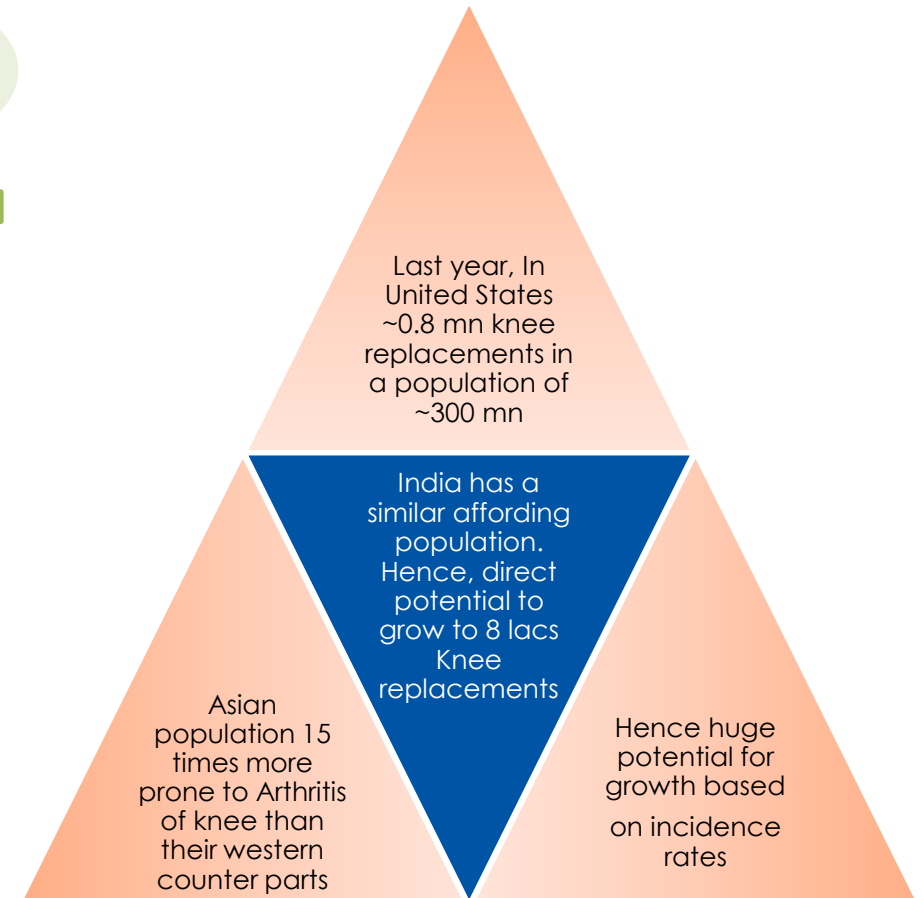
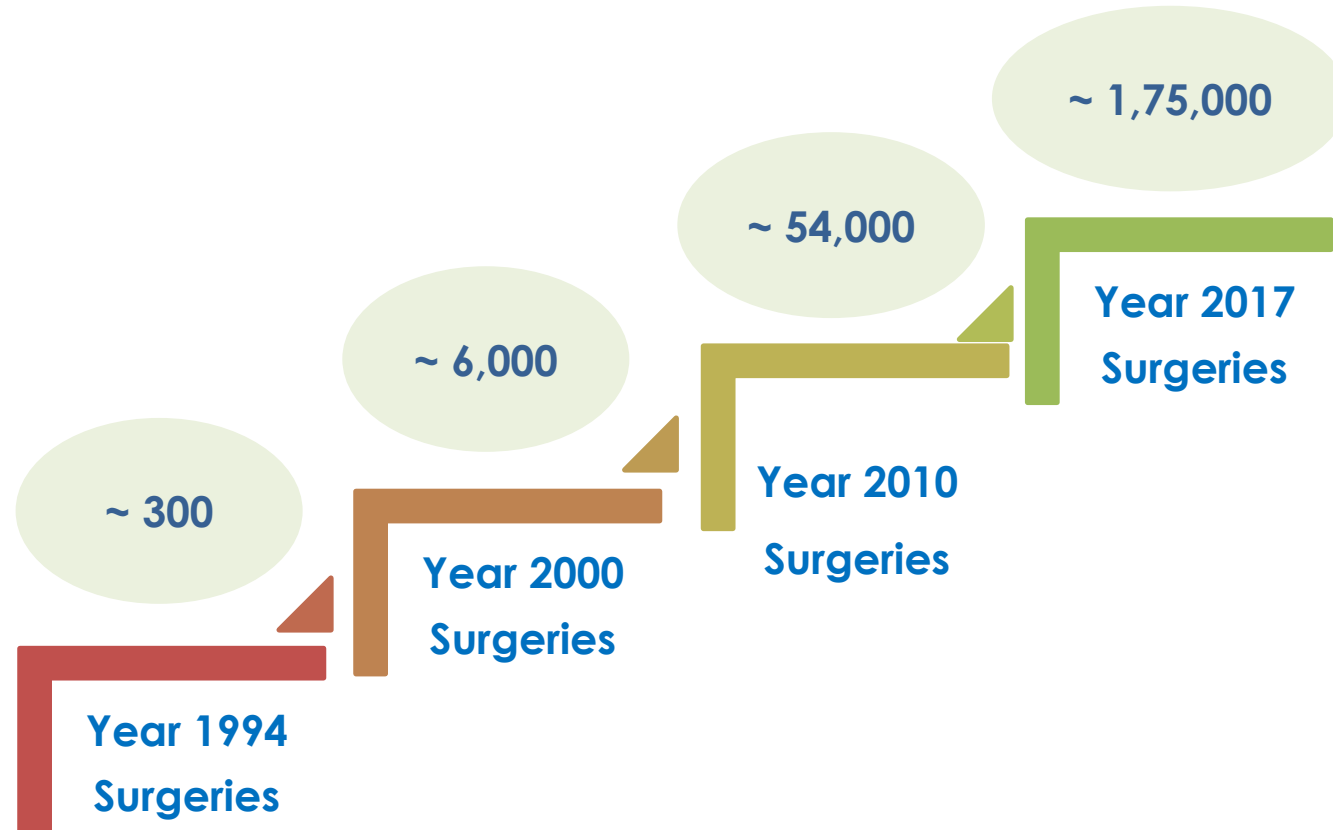
Note:

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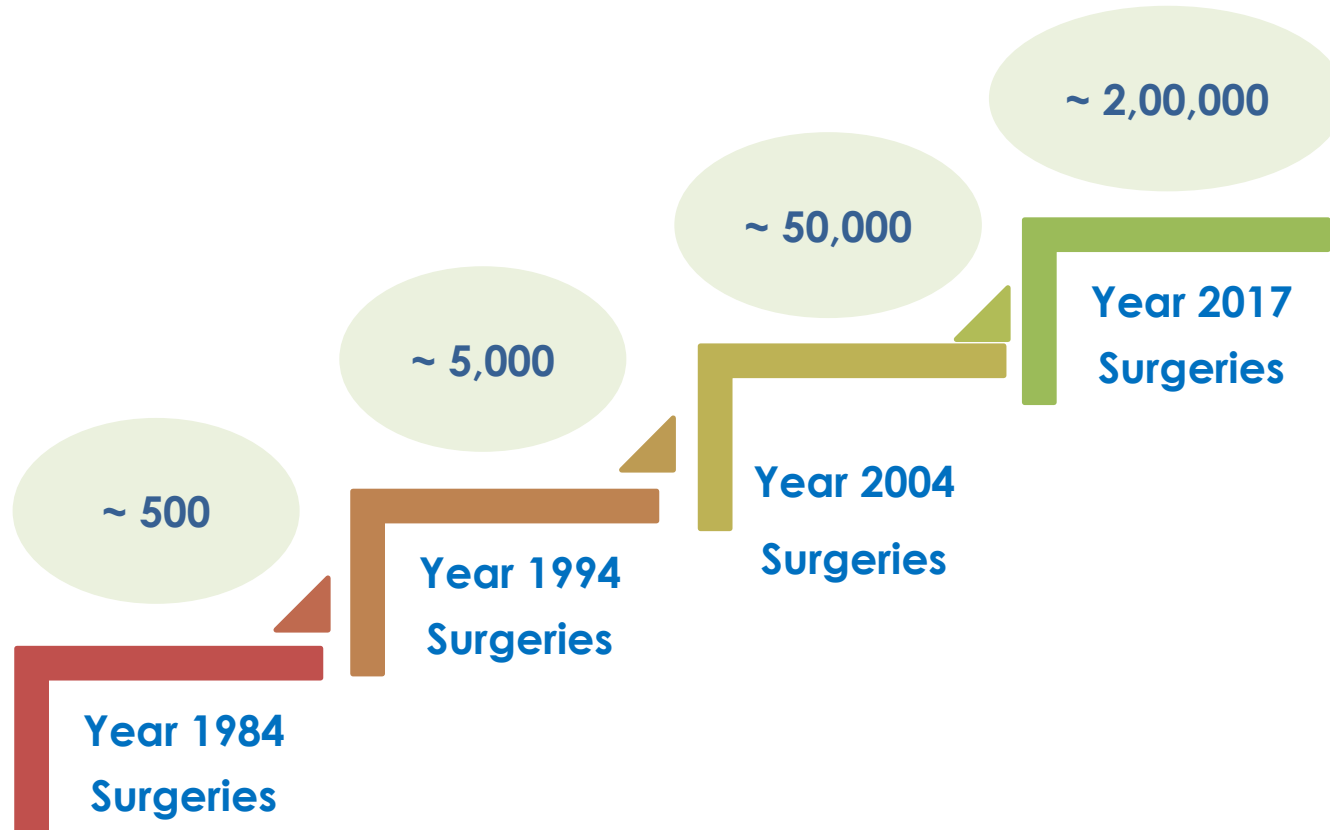


STRATEGIC DIRECTION

Knee Replacement - The big opportunity

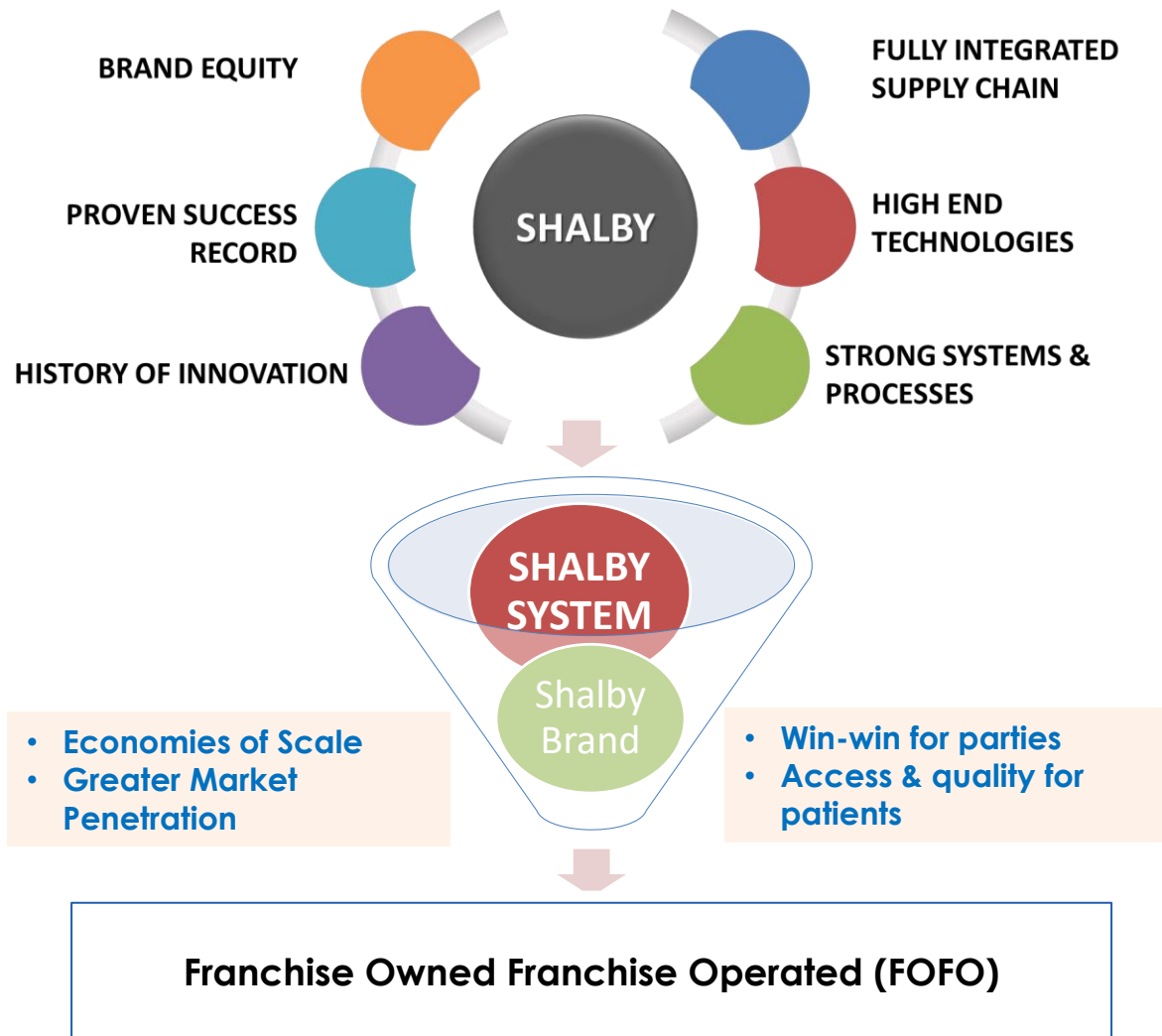


The Cardiac growth story in India



CAGR – 29% in 30 years.
Currently growing @ 2-3%

Wide procedure penetration
to Tier 2 and 3 cities



Franchisee Footprint

- All franchisees to be branded as Shalby
- Hospitals located in key catchment areas & should have upto 50 beds
- Focus on Orthopaedics as a specialty

Operating Model

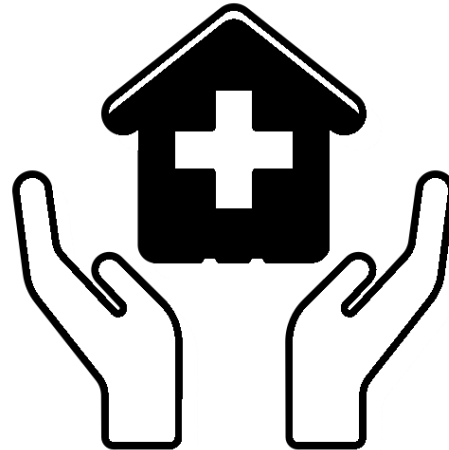
- Provide Shalby systems (HIS, procurement, manpower planning etc)
- All hospital activities will be supervised and governed by Shalby SOP
- The hospitals will be managed and operated by Franchisees

Financial Model

- Revenue sharing contract with Shalby receiving a % of revenues
- Franchisee is responsible for real estate and its maintenance
- Franchisee is responsible for all opex and capex

Present offerings

- Home COVID-19 care package
- Nursing (incl. critical care)
- Attendant
- Physiotherapy
- Pathology
- Medical Equipment
- Pharmacy @home
- Home visits by doctors



Future offerings

- ICU Setup @home
- Chronic disease management
- Rehabilitation
- Personalised & tech enabled integrated services

CARE CARD PRIMARY FEATURES



Membership Fee : Rs 2500/-

- **Complimentary Health check-up:** Worth Rs 2500/-
- **OPD Services:** Consultations(20%), Lab & Diagnostics (15%)
- **OP Pharmacy:** 10%
- **IP Services*:** 15% on service charges
- **Super-specialty Surgery discount :** NA
- **Room Category:** Economy



Membership Fee : Rs 5000/-

- **Complimentary Health check-up:** Worth Rs 5000/-
- **OPD Services:** Consultations(20%), Lab & Diagnostics (15%)
- **OP Pharmacy:** 10%
- **IP Services*:** 25% on service charges
- **Super-specialty Surgery discount* :** 15% on service charges
- **Room Category:** Economy, Twin-sharing

Note1: There are other benefits as well e.g. Homecare.

Note1: Family members of the card holder can avail the card at a discounted rate

Franchise Model

Strategy:

- The need for **localization** of hospital treatment. Faster penetration in pan India
- Franchise model which is **capital light** and fully leverages our expertise and brand name

Franchise Model:

- Franchise hospitals will be located in key catchment areas and will have around 50 beds
- Focus on Orthopaedics as a specialty
- Revenue sharing arrangement
- Franchisee remains responsible for all aspects of capex and opex

Home Care

Strategy:

- The healthcare dynamics in India all point towards a high need for **affordable medical services required at home**
- India has the **2nd largest geriatric population** and hence there is a greater need for homecare services

Services Offerings:

- The primary focus right now is on **Covid-19 packages** and diagnostic services
- Current offerings include:
 - COVID-19 home care package
 - Nursing (incl. critical care) services
 - Attendant services
 - Physiotherapy
 - Pathology
 - Medical Equipment rentals
 - Pharmacy @home
 - Home visits by doctors

Care Card

Strategy:

- Constructive mechanism to **promote health awareness**
- To provide affordable healthcare services to the **people who do not have Mediclaim/Insurance**
- Effective tool to **increase new** in-patient and out-patient count
- This will create **brand loyalty and is synergistic** with our core business

Service Offerings:

- Provide two levels of service to accommodate different patient requirements and budget
- Silver Care card will be available for a yearly membership fee of Rs. 2500
- Gold Care card will be available for a yearly membership fee of Rs. 5000



Shalby Implant Business

Shalby acquires selected implant assets from Consensus Orthopedics for a cash consideration of USD 11.45 million

Transaction Overview

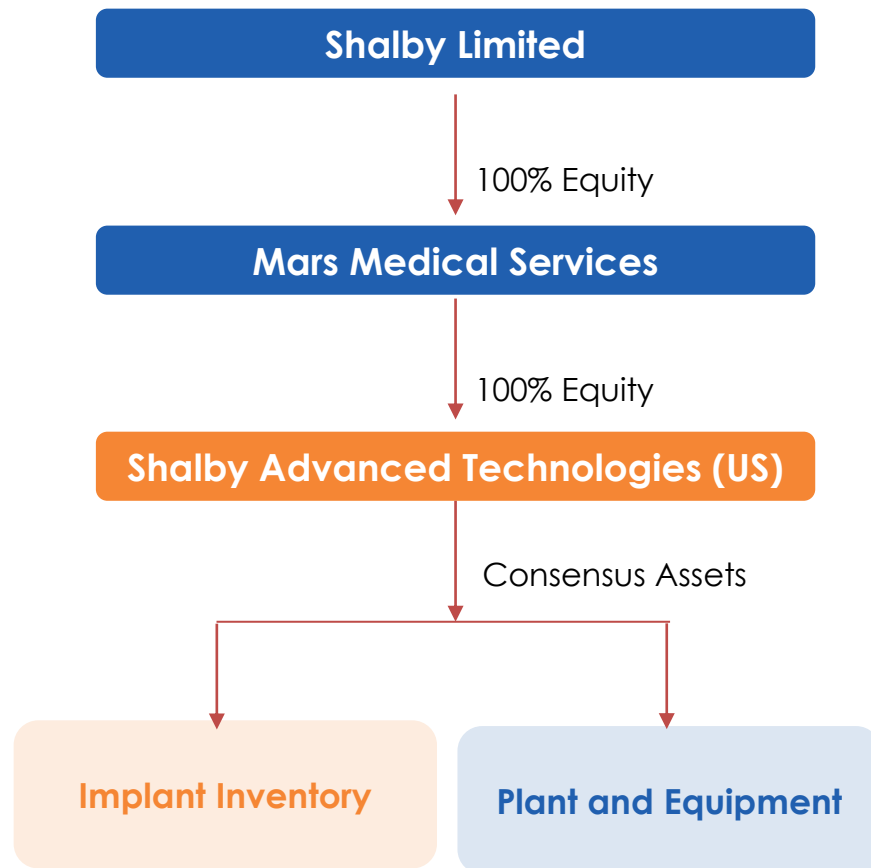
- ✓ Shalby has entered into a definitive agreement to acquire certain assets from Consensus Orthopedics (“Consensus”), a company headquartered in El Dorado Hills, Sacramento, California
- ✓ The assets were acquired by Shalby Advanced Technologies Inc, a wholly owned subsidiary of Mars Medical Devices which in turn is a wholly owned subsidiary of Shalby
- ✓ Shalby retained Zukin Partners (US) and Deloitte (India) as a transaction advisor and appointed Stradling Yocca Carlson & Rauth (US) as the legal advisor
- ✓ The transaction has been completed with no regulatory or other approvals required

Transaction Highlights

- ✓ Mr. Sushobhan Dasgupta appointed as Vice Chairman and Global President of Shalby Limited
- ✓ Mr. Daniel Hayes, former CEO and founder of Consensus, has been appointed as CEO of Shalby Advanced Technologies
- ✓ This corporate development is fully in line with Shalby’s stated strategy to grow the orthopedic business
- ✓ Enables Shalby to procure quality implants at a competitive price for its own consumption
- ✓ Transaction is expected to be earnings accretive in FY2023

TRANSACTION STRUCTURE

The assets have been acquired by Shalby Advanced Technologies Inc, a wholly owned subsidiary of Mars Medical Devices which in turn is a wholly owned subsidiary of Shalby



USD 11.45 million
Deal Consideration

USD 3.35 million
Cash

USD 12.65 million
Bank Borrowings

Note: US Dollar denominated bank borrowings and working capital facility of USD 4.55 million to be used to meet working capital requirements and near term operating expenses

Shalby Proforma Capital Structure

| Rs. In million | March 31, 2021 | Adjustments | Post Acquisition |
|----------------------------|----------------|--------------|------------------|
| Debt | 440 | 931 | 1,371 |
| Cash | (1,293) | 247 | (1,046) |
| Net Debt / (Cash) | (853) | 1,177 | 324 |
| Net Debt/Equity (x) | - | - | 0.04x |

Note: USD-INR – 75.59

Shalby appointed Sushobhan Dasgupta as Vice Chairman and Global President of Shalby Limited and Daniel Hayes as the Chief Executive Officer of Shalby Advanced Technologies

- ✓ Sushobhan Dasgupta, former Vice President -Orthopedics, DePuy Synthes at Johnson & Johnson Medical Asia Pacific
 - ✓ With over 30 years experience in the field of healthcare, he has worked in several developed & emerging markets across several businesses and disciplines in the medical technology, orthopedics and consumer health sectors
 - ✓ Successful in developing and nurturing talent, have led multifunctional teams at both strategic and operational levels with critical responsibilities as a profit center head, as well as a Asia Pacific Regional business lead
 - ✓ As Vice Chairman and Global President of Shalby Limited, he will be responsible for managing the hospital business and all the business heads will be directly reporting to him
 - ✓ In addition, Mr. Dasgupta will be working closely with Daniel Hayes, to expand Shalby Implant business both in India and internationally
- ✓ Daniel Hayes, former CEO and founder of Consensus
 - ✓ As the founder and CEO of several orthopedic companies, he has previously successfully led the acquisition and turnaround of three orthopedic implant companies
 - ✓ As the CEO of Shalby Advanced Technologies, Daniel will start to implement his 100 day plan centered on re-engaging with existing customers, developing a new sales pipeline and selectively investing in innovative technologies and patented products
 - ✓ Given his previous role as the founder and CEO of Hayes Medical (now called Consensus Orthopedics), Mr. Hayes will prove instrumental in driving the strategy and financial performance of Shalby Advanced Technologies over the coming years

The strategic and financial rationale for this acquisition is compelling

- ✓ Internationally experienced management team appointed to lead Shalby's implant business
- ✓ Enables Shalby to procure quality implants at a competitive price for its own consumption in India
- ✓ Build on the existing asset platform to enhance implant sales across the US and international markets
- ✓ Diversify Shalby's business and revenues mix. In FY2023 implant sales is expected to account for 15% of total revenues
- ✓ The transaction is expected to be earnings accretive in FY2023

**International
Management Team**

**Product Offering
Complements
Hospital Services**

**Post Transaction
Net Debt/Equity of
0.04x**



APPENDIX

HOSPITAL BUSINESS UPDATE

| | | | |
|---------|---|-------------------------|------------------------|
| SG |  | Commencement | 2007 13 Years |
| | | No. of beds / Occupancy | 201 34% |
| | | Type of Arrangement | Leased – Fixed Rent |
| | | Revenue Contribution % | 24% |
| Vijay |  | Commencement | 1994 26 Years |
| | | No. of beds / Occupancy | 27 45% |
| | | Type of Arrangement | Freehold |
| | | Revenue Contribution% | 1% |
| Krishna |  | Commencement | 2012 8 Years |
| | | No. of beds / Occupancy | 220 35% |
| | | Type of Arrangement | Freehold |
| | | Revenue Contribution% | 11% |
| Naroda |  | Commencement | 2017 3 Years |
| | | No. of beds / Occupancy | 267 55% |
| | | Type of Arrangement | Leased – Revenue Share |
| | | Revenue Contribution% | 11% |

Notes:
1. Revenue contribution % is a contribution to total hospital revenue
2. All numbers are on Standalone FY2021 basis

Catchment: Ahmedabad and surrounding areas of Gujarat, Rajasthan and Mumbai

- The unit has been active participants in the COVID vaccination drive vaccinating nearly 650 healthcare workers in the process.
- SG achieved all time highest home-care revenue.

Catchment: Ahmedabad and surrounding areas of Gujarat

- Orthopedics specialty outperformed in this quarter
- Critical care continued to contribute significantly

Catchment: Ahmedabad and surrounding areas of Gujarat and Rajasthan. Also attracts international patients

- Treated more than 90 COVID patients
- Arthroplasty work saw a big jump

Catchment: Ahmedabad and surrounding areas of Gujarat

- Treated more than 915 Covid-19 patients
- Radiotherapy department are on their peak (125-130 /Day)

SG Group

HOSPITAL BUSINESS UPDATE

| | | | |
|----------|---|-------------------------|------------------------|
| Surat |  | Commencement | 2017 3 Years |
| | | No. of beds / Occupancy | 243 49% |
| | | Type of Arrangement | Freehold |
| | | Revenue Contribution% | 11% |
| Vapi |  | Commencement | 2012 8 Years |
| | | No. of beds / Occupancy | 146 24% |
| | | Type of Arrangement | Freehold |
| | | Revenue Contribution% | 1% |
| Indore |  | Commencement | 2012 8 Years |
| | | No. of beds / Occupancy | 243 44% |
| | | Type of Arrangement | Freehold |
| | | Revenue Contribution% | 15% |
| Jabalpur |  | Commencement | 2015 5 Years |
| | | No. of beds / Occupancy | 233 19% |
| | | Type of Arrangement | Leased – Revenue Share |
| | | Revenue Contribution% | 6% |

Catchment: South Gujarat, North Maharashtra (including Mumbai)

- Treated More than 200 Covid patients in a month(March)
- Empanelment of 10 new private insurance companies
- Highest Ever revenue of 6 cr in the month of March 2021
- Vaccinated more then 5000 individuals in Q4 FY21

Catchment: South Gujarat

- Vaccinated more than 2700 people
- Sharp rebound in Arthroplasty segment

Catchment: Madhya Pradesh

- Occupancy was more than 65% in Q4 FY21
- Last Quarter was highest revenue generator quarter since inception




Catchment: Madhya Pradesh

- Tie up with visiting doctors for increasing revenue with 10 active visiting doctors
- Growth in Arthroplasty & Critical care

Surat Group

Notes:
1. Revenue contribution % is a contribution to total hospital revenue
2. All numbers are on Standalone FY2021 basis

HOSPITAL BUSINESS UPDATE

| | | | | |
|--------|--|-------------------------|-----------------|---|
| Mohali |  | Commencement | 2017 2+ Years | <p>Catchment: Punjab, Uttrakhand</p> <ul style="list-style-type: none"> • Collaboration done with elite orthopedics surgeon (Dr. Manuj Wadhwa) to enhance our Arthroplasty Business. • Promoting Critical Care and Pulmonology Program |
| | | No. of beds / Occupancy | 145 31% | |
| | | Type of Arrangement | Freehold | |
| | | Revenue Contribution% | 5% | |
| Jaipur |  | Commencement | 2017 3 Years | <p>Catchment: Rajasthan, Western UP, Punjab, Delhi</p> <ul style="list-style-type: none"> • Achieved highest rating of 4.7 points on google by providing consistent & committed care to patients. • Revenue performance is at the highest ever level in Q4 FY21 • All time highest nos. of Homecare services through enhanced and extended support at the comfort of patient |
| | | No. of beds / Occupancy | 237 45% | |
| | | Type of Arrangement | Freehold | |
| | | Revenue Contribution% | 14% | |
| Zynova |  | Commencement | 2017 3 Years | <p>Catchment: Mumbai</p> <ul style="list-style-type: none"> • Cath-lab has performed 125 procedures in Jan 2021. • 10 New consultants have started admitting patients in Q4 FY21 |
| | | No. of beds / Occupancy | 150* / na | |
| | | Type of Arrangement | O&M Model | |
| | | Revenue Contribution% | na | |

Quarterly Business Update

Notes:

1. Revenue contribution % is a contribution to total hospital revenue
2. All numbers are on Standalone FY2021 basis
3. * 150 bed is including 100 new beds added in June 2021

ANNUAL PERFORMANCE TRENDS

| Particulars (in Rs. Million) | FY 19 | FY 20 | FY 21 | Y-o-Y Growth |
|-------------------------------------|--------------|--------------|--------------|----------------|
| Revenue from Operations | 4,623 | 4,869 | 4,309 | (11.5)% |
| Other Income | 93 | 174 | 91 | (47.8)% |
| Total Income | 4,715 | 5,042 | 4,400 | (12.7)% |
| Expenses | | | | |
| COGS | 2,833 | 2,953 | 2,496 | (15.5)% |
| <i>% of Revenue from Operations</i> | 61% | 61% | 58% | |
| Employee Benefit Expenses | 646 | 655 | 570 | (13.0)% |
| <i>% of Revenue from Operations</i> | 14% | 13% | 13% | |
| Other Expenses | 320 | 443 | 379 | (14.4)% |
| <i>% of Revenue from Operations</i> | 7% | 9% | 9% | |
| Total Operating Expenses | 3,799 | 4,051 | 3,446 | (15.0)% |
| <i>% of Revenue from Operations</i> | 82% | 83% | 80% | |
| EBITDA | 916 | 991 | 955 | (3.7)% |
| EBITDA Margins % | 19.4% | 19.7% | 21.7% | 204 bps |
| Depreciation and Amortisation | 332 | 360 | 368 | 2.2% |
| Finance Cost | 81 | 64 | 36 | (43.1)% |
| PBT | 504 | 567 | 551 | |
| Total tax | 187 | 291 | 127 | (56.4)% |
| <i>Effective Tax Rate %</i> | 37.1% | 51.3% | | |
| PAT | 317 | 276 | 424 | 53.6% |
| PAT Margins % | 6.7% | 5.5% | 9.6% | 420 bps |

Note: Margins are calculated on the basis of Total Income

ANNUAL PERFORMANCE TRENDS

| Operational Metrics | FY 19 | FY 20 | FY 21 | Y-o-Y Growth |
|---|----------|----------|-----------------|----------------|
| In Patient Count (Nos.) | 36,311 | 39,030 | 28,847 | (26.1)% |
| Day Care Patient Count (Nos.) | 19,674 | 23,728 | 19,668 | (17.1)% |
| Out Patient Count (Nos.) | 2,96,197 | 3,25,596 | 2,61,562 | (19.7)% |
| Surgeries Count | 19,908 | 19,835 | 11,933 | (39.9)% |
| ARPOB (Rs.) | 31,296 | 30,457 | 27,400 | (10.0)% |
| Bed Capacity (Nos.) | 2,012 | 2,012 | 2,012 | 0.0% |
| Operational Beds (Nos.) | 1,102 | 1,200 | 1,200 | 0.0% |
| Occupancy (Beds) | 413 | 450 | 428 | (4.8)% |
| Occupancy (%) (operational beds) | 37.0% | 38.0% | 35.7% | (4.8)% |
| Average Length of Stay (without Daycare) | 4.15 | 4.22 | 5.42 | 28.4% |

Note: The operational bed count of 1,200 considers 36 operational beds at Zynova-Shalby Hospital, Mumbai, for which no other operational parameters are tracked

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For further information, please contact:

Ekta Haryani
AVP – Corporate Strategy & Investor Relations

+91 951 201 7180
avp.cs@shalby.in

Ravi Gothwal / Vikas Luhach
Churchgate Partners

+91 22 6169 5988
shalby@churchgatepartners.com

SHALBY LIMITED | Regd Off: Opp. Karnavati Club, S.G. Road, Ahmedabad – 380015, Gujarat, India. Phone: 079 4020 3000 Fax: +91 79 4020 3109 |

Website: www.shalby.org | CIN: L85110GJ2004PLC044667