

**Max Healthcare reports robust growth in revenue and profitability;  
Network<sup>1</sup> Revenue totalled INR 1559 Cr, + 12% YoY  
Highest ever Operating EBITDA at INR 419 Cr, +15% YoY  
PAT for the quarter stood at INR 269 Cr**

- **Gross Revenue** stood at **INR 1,559 Cr**, 13% growth YoY on like to like basis<sup>2</sup> & flat QoQ
- **Network Operating EBITDA** touched a new high of **INR 419 Cr**, growth of 15% YoY and 2% QoQ,
- **Operating Margin<sup>2</sup>** stood at **28.3%** versus 27.8% in Q3 FY22 and 27.7% in Q2 FY23
- **EBITDA per bed<sup>3</sup>** improved to **INR 66.9 lakhs** in Q3 FY23, from INR 59.7 lakhs in Q3 FY22 and INR 64.3 lakhs in Q2 FY23
- **PAT<sup>2</sup>** stood at **INR 269 Cr** in Q3 FY23 versus INR 252 Cr in Q3 FY22 and INR 267 Cr in Q2 FY23
- **Cash from Operations<sup>4</sup>** was **INR 332 Cr** in Q3 FY23, of this **INR 102 Cr** spent towards ongoing capacity expansion projects; **Net Cash<sup>5</sup>** as on Dec 31, 2022 stood at **INR 372 Cr**
- **Bed occupancy** in Q3 FY23 stood at **77%**
- **ARPOB<sup>6</sup>** improved to **INR 66.8k** vs. INR 61.0k in Q3 FY22 and 66.0k in Q2 FY23
- **Free treatment** provided to **38,344 patients in OPD and 1,264 patients in IPD** from the economically weaker sections

**Mumbai, Feb 2, 2023: Max Healthcare Institute Ltd.** (MHIL, 'the Company'), one of the largest private sector healthcare services company in India, announced its financial and operating results for the third quarter ended Dec 31, 2022, today.

Network gross revenue increased to INR 1,559 Cr, reflecting a growth of 13% YoY on a like-to-like basis<sup>2</sup>. Increase in ARPOB (+10% YoY) and occupied beds (+3% YoY) contributed to the revenue growth.

Network Operating EBITDA was at its highest ever at INR 419 Cr compared to INR 364 Cr in the corresponding quarter last year (Q3 FY22) and INR 410 Cr in the previous quarter (Q2 FY23). This reflects a growth of 15% YoY and 2% QoQ. The Operating EBITDA margin<sup>2</sup> grew to 28.3% for the quarter, compared to 27.8% in Q3 FY22 and 27.7% in Q2 FY23. EBITDA per bed<sup>3</sup> during the quarter improved to INR 66.9 lakhs, registering a growth of 12% YoY and 4% QoQ.

Profit after tax<sup>2</sup> (PAT) for the quarter stood at INR 269 Cr compared to INR 252 Cr in Q3 FY22 and INR 267 Cr in Q2 FY23, despite increase in ESOP (Equity-settled Scheme) expenses by ~INR 8 Cr consequent to a grant of 81.84 lakh ESOPs to 271 eligible employees in Nov 2022. PAT accordingly, grew by 7% over corresponding quarter last year.

Cash flow from operations<sup>5</sup> increased to INR 332 Cr during the quarter, of which INR ~102 Cr was spent on capacity expansion projects. Net Cash<sup>6</sup> surplus at the end of Dec 2022 stood at INR 372 Cr, compared to INR 42 Cr at the end of Sep 2022.

The YoY growth in ARPOB and Operating EBITDA was driven by improvement in payer mix, case mix, increase in OP footfalls and annual price revisions, complemented by efficient cost management.

(1) Network includes the Company, its subsidiaries, managed hospitals and partner healthcare facilities | (2) Excluding non-recurring revenue from Covid-19 vaccination. Further, PAT also excludes one-time gain of INR 244 Cr in tax expenses in Q2FY23 on reversal of deferred tax liability (net) | (3) Based on Operating EBITDA per OBD (annualised) and excludes Max Lab operations | (4) After Interest, tax, working capital changes and replacement capex | (5) After considering term loans, cash credit & put option liability. Includes INR ~100 Cr received from HSVP in Nov 2022 after unilateral cancellation of 6.11 acre of land allotted pursuant to e-auction in Aug 2021. Hon'ble Punjab & Haryana High Court has ordered "status quo" on Jan 2, 2023, while admitting Company's petition challenging the cancellation | (6) Excludes revenue from COVID-19 vaccination and Max Lab operations

International patient revenue grew by 62% YoY and was flat QoQ. This represents 110% of Pre-covid average revenue.

Max Lab (non-captive pathology vertical) reported gross revenue of INR 28 Cr during the quarter, recording a growth of 46% YoY on a like to like basis<sup>1</sup> (excluding Covid-19 related tests) and dropped by 4% QoQ due to seasonal factors. Further, the overall active network partners stood at 900+ across 34 cities supported by a dedicated team of 700+ personnel.

Max@Home gross revenue during Q3 FY23 was INR 36 Cr, a growth of 30% YoY and 4% QoQ. The 800+ strong team has served 36,000+ unique patients during the quarter across 14 specialised service lines and continue to achieve high level of patient satisfaction for the quality of care being delivered.

For the nine months ended Dec 2022, the Network gross revenue stood at INR 4,597 Cr representing a ~16% growth on a like-to-like basis<sup>1</sup> over the corresponding period last fiscal.

Network Operating EBIDTA for nine months ended Dec 2022 grew by 20% on a like-to-like basis<sup>1</sup> and stood at INR 1199 Cr. Further, the Operating margin for period was 27.6%, compared to 26.6% in 9M ended Dec 2021.

The Company has engaged services of L&T for the execution of its 600 bedded brownfield expansion plans at Nanavati Max Hospital, Mumbai on a turnkey basis. The project is being executed in two phases - Phase 1 of the project is underway & expected to be completed by Q4 FY25.

Commenting on Q3 results, **Mr. Abhay Soi, Chairman and MD, Max Healthcare Institute Ltd.**, said:

*“By virtue of focus on healthcare infrastructure, research and skilling as well as ground breaking policies such as National Digital Healthcare Mission, Heal In India and Heal By India, the Government has established a solid foundation to enable the private sector players in India to cater to both domestic and global requirements at affordable prices. As a leading player in this sector we are excited about the future.”*

**Financial and Operational Highlights (on like to like basis)<sup>1</sup>**

	Three Months ended			Growth		Nine Months ended		Growth
	Dec 22	Dec 21	Sep 22	YoY	QoQ	Dec 22	Dec 21	YoY
<b>Gross Revenue</b>	1,559	1,385	1,567	13%	(0%)	4,597	3,977	16%
<b>Net Revenue</b>	1,478	1,309	1,482	13%	(0%)	4,350	3,757	16%
<b>Operating EBIDTA</b>	419	364	410	15%	2%	1,199	1,001	20%
<b>Margin<sup>2</sup> %</b>	28.3%	27.8%	27.7%			27.6%	26.6%	
<b>PAT<sup>3</sup></b>	269	252	267	7%	1% <sup>3</sup>	765	580	32% <sup>3</sup>
<b>Net Cash/ (Net Debt)<sup>4</sup></b>	372	(296)	42			372	(296)	

(1) Excluding non-recurring revenue and EBIDTA from Covid-19 vaccination | (2) As a percent of net revenue | (3) Excludes impact of one time gain due to reversal of deferred tax liability (net) of INR 244 Cr in Q2 FY23. Growth % are thus reflected on like to like basis | (4) After spend of ~INR 102 Cr towards capacity expansion projects in Q3 FY23

### Clinical Update:

- Till date we have performed **1980+ Liver Transplants, ~3300 Kidney Transplants & 1600+ Bone Marrow Transplants**
- BLK-Max successfully performed the **Lymphedema Surgery (complex super microsurgery)** on a 43-year-old cancer patient
- Nanavati-Max treated an 11-year-old child suffering from a **rare genetic condition-Thrombotic Microangiopathy** by performing an extremely complex swap & paired transplant
- Max Hospital Vaishali stabilized a 60-year-old patient in a neglected cachectic state suffering from **advanced Colonic Cancer** in a short span of 4 months
- Max Hospital Mohali became the **1<sup>st</sup> hospital in Tricity** to successfully treat a pre-term baby (28 weeks) with an extremely **complicated heart ailment- Patent Ductus Arteriosus**

### Research and Academics:

- Entered into a MoU with Anuva Biotech to undertake genomics based research in breast cancer, lung cancer, diabetes, cardiac disease, kidney disease, drug resistant tuberculosis and others
- Published 75 articles in high impact journals during Q3 FY23
- ~100 clinical trials ongoing across the Network
- 82 research grants & 15 grant studies are currently ongoing across Network Hospitals with 14 clinical trials & 3 new grant studies initiated
- ~130 MBBS students currently pursuing a two-year clinical rotation in collaboration with Lincoln American University
- Total DNB residents across the network is ~500 currently

### Awards & Accolades

- **Max Healthcare bags five awards at ET Healthcare Awards, 2022** organised by Economic Times in Nov 2022. Max Hospital Vaishali & Max Smart Hospital Saket were recognised as the best Multi-Specialty Hospitals, Max Smart Hospital Saket also bagged the 'Best Hospital in Obstetrics & Gynaecology (OBGYN) category', 'Best Hospital in Paediatrics category' and 'Best Hospital in Orthopedic category' awards.
- Max Healthcare became the only large healthcare delivery organization to receive the **"Great Place to Work<sup>®</sup>"** Certification from the Great Place to Work institute.

## PRESS RELEASE



### **About Max Healthcare:**

*Max Healthcare Institute Limited (MHIL) is one of India's largest hospital chains (considering only income from healthcare services) in fiscal 2022. 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 and operated by the Company and its subsidiaries, partner healthcare facilities and managed healthcare facilities. These include state-of-the-art tertiary and quaternary care hospitals at Saket, Patparganj, Vaishali, Rajendra Place, and Shalimar Bagh in Delhi NCR 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 Delhi NCR 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 Max Lab. Max@Home is a platform that provides health and wellness services at home and Max Lab offers diagnostic services to patients outside its network.*

**Max Healthcare Institute Ltd. (NSE Symbol: MAXHEALTH, BSE scrip code: 543220)**

For more information, visit [www.maxhealthcare.in](http://www.maxhealthcare.in) or please contact:

**Shruti Verma at [shruti.verma@maxhealthcare.com](mailto:shruti.verma@maxhealthcare.com) / +91-9811566975**

**Apoorva Sharma at [apoorva.sharma@adfactorspr.com](mailto:apoorva.sharma@adfactorspr.com) / +91-9999739452**

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