

Medi Assist Healthcare Services Ltd



MEDIASSI is India's largest health benefits administrator (aka third party administrator – TPA) by revenue and PUM for retail and group policies. It aids insurance companies via independent claim processing and investigation servicers. It serves as an intermediary between: i) general and health insurance companies and the insured members; ii) insurance companies and healthcare providers (such as hospitals); and iii) the Government and beneficiaries of public health schemes.

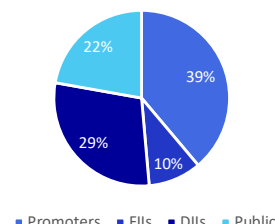
INR(Cr)

Key financial Metrics (Yearly)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Key Data
Revenue	318.6	322.7	393.8	504.9	634.7	Rating
Revenue Growth %	15.09%	1.30%	22.02%	28.22%	25.71%	12 month TP (INR)
Expenses	236.9	247.0	301.7	385.1	501.4	Stock P/E
Expenses Growth %	21.89%	4.29%	22.13%	27.67%	30.20%	EPS
EBITDA	81.7	75.7	92.2	119.8	133.3	EPS Growth
EBITDA Growth %	-0.92%	-7.34%	21.68%	30.01%	11.26%	Face Value
EBITDA Margin %	25.66%	23.47%	23.40%	23.73%	21.00%	ROE
Profit Before Tax	58.8	49.3	81.4	102.3	82.3	ROCE
PBT Margin %	18.44%	15.28%	20.68%	20.27%	12.96%	Debt to Equity
PBT Growth %	42.31%	-16.08%	65.16%	25.66%	-19.61%	EV/EBITDA
Profit After Tax	34.6	26.3	64.2	74.1	66.9	
PAT Margin %	10.85%	8.14%	16.31%	14.67%	10.55%	
PAT Growth %	32.00%	-23.98%	144.37%	15.32%	-9.61%	
Premium Under Mgmt (Total PUM)	7,790.0	7,900.0	11,050.0	14,575.0	19,050.0	
PUM Growth %	17.32%	1.41%	39.87%	31.90%	30.70%	

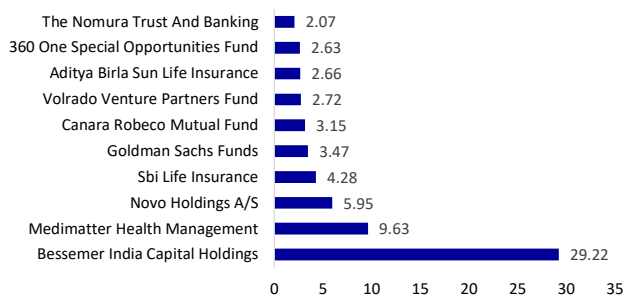
Key financial Metrics (Quarterly)	Q4 FY 2023	Q1 FY 2024	Q2 FY 2024E	Q3 FY 2024E	Q4 FY 2024E
Revenue	166.8	167.7	183.3	192.7	202.1
Revenue Growth %	0.49%	0.55%	9.32%	5.12%	4.87%
Expenses	129.8	132.5	146.4	154.2	162.1
Expenses Growth %	-1.74%	2.09%	10.47%	5.38%	5.10%
EBITDA	37.0	35.2	37.0	38.5	40.0
EBITDA Growth %	9.17%	-4.84%	4.96%	4.11%	3.94%
EBITDA Margin %	22.19%	21.00%	20.16%	19.97%	19.79%
Profit Before Tax	28.1	24.9	24.6	24.5	24.3
PBT Margin %	16.82%	14.86%	13.42%	12.70%	12.04%
PBT Growth %	9.61%	-11.16%	-1.27%	-0.56%	-0.56%
Profit After Tax	25.1	18.8	21.6	22.1	22.6
PAT Margin %	15.05%	11.22%	11.79%	11.47%	11.18%
PAT Growth %	22.38%	-25.02%	14.89%	2.23%	2.19%

Rating	Sell
12 month TP (INR)	601
Stock P/E	56.7
EPS	9.53
EPS Growth	11.30%
Face Value	5
ROE	18.90%
ROCE	23.30%
Debt to Equity	0.06
EV/EBITDA	29.3
Enterprise Value	
CMP as on 8 Sep 2024	645
Number of Share	7
Market Capitalization	4,536
Less: Cash & Equivalent	(164)
Add : Total Debt	26
Add : Minority Interest	96
Enterprise Value	4,494

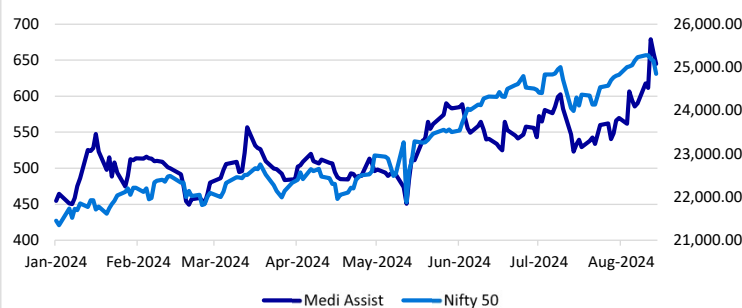
Shareholding Pattern



Top 10 Shareholders



Medi Assist Vs Nifty 50 (YTD)



Strengths

1. Medi Assist has firmly established itself as a market leader in the Indian health benefits administration sector. With a 30.4% market share in the group health insurance segment.
2. Medi Assist's vast network of over 19,305 healthcare facilities across 1,066 cities enables broad access to healthcare services. Leveraging its market position and technology, the company negotiates discounted rates and preferential packages with hospitals.
3. Medi Assist's acquisition of Mayfair We Care, UK, enhances its ability to serve Indian corporates globally and positions the company to enter the growing international private medical insurance (IPMI) market, paving the way for future global expansion.

Threats

1. Medi Assist faces client concentration risk, with 71.6% of FY24 revenue coming from its top five clients. Losing a major client or a reduction in their business could negatively impact operations.
2. Medi Assist faces competition risk as insurance companies may begin processing claims in-house, increasing competitive pressure in the industry.
3. Medi Assist's growth strategy involves acquisitions, which pose risks related to integration, cultural alignment, and achieving expected synergies.
4. Medi Assist faces economic risk as downturns could reduce healthcare spending and insurance coverage, potentially impacting business volume.