



MAX
Healthcare

**Earnings update –
Q3 & 9M ended Dec'23**

January 31, 2024



This presentation contains certain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Max Healthcare Institute Limited’s (“MHIL” / “MHC”) future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market conditions, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, regulatory developments, and other key factors beyond the control of MHIL, such as Covid-19, lockdowns etc. that could adversely affect our business and financial performance. MHIL undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

In addition, this presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. The financial information outlined in this presentation is different from that of the Consolidated financials of MHIL since the financial information of the Partner Healthcare Facilities is included in this presentation and hence might not meet statutory, regulatory or other audit or similar stipulated requirements. Further the financial information contained in this presentation is based on the unaudited financials of the Company, its subsidiaries, Managed Healthcare Facilities along with the unaudited financial information (prepared under IGAAP) of the Partner Healthcare Facilities as received from such partners and updated for intra-network eliminations and IND AS related adjustments. The unaudited financial information relating to Partner Healthcare Facilities post IND AS adjustments, have neither been verified by the Company nor by its Subsidiaries or its auditors. Accordingly, to that extent, limited reliance should be placed on the financial information of such Partner Healthcare Facilities included in this presentation. MHIL may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such change or changes. This presentation should not be copied or disseminated in any manner.

The information contained in this presentation is for information purposes only and does not constitute an offer or invitation to sell or recommendation or solicitation of an offer to subscribe to securities for or invitation to purchase any securities of MHIL. This presentation should not, nor should anything contained in it, form the basis of, or be relied upon in any connection with any contract or commitment whatsoever.

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 respective 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 and 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.

Q3 FY24 Highlights

05

9M ended Dec'23 Highlights

20

About the Company

28

Q3 FY24 Highlights

Executive Summary: Q3 FY24 (1/2)

Network Financial highlights

- ✱ Gross revenue was INR 1779 Cr compared to INR 1,559 Cr in Q3 FY23 and INR 1,827 Cr in Q2 FY24; reflecting a growth of +14% YoY and -3% QoQ. YoY growth of +14% is mainly driven by increase in ARPOB +15% while OBDs fell by 1%.
 - ✱ QoQ growth in revenue was impacted due to festivities in Q3 and vector borne diseases related admissions in Q2
- ✱ Operating EBITDA for Q3 FY24 was INR 471 Cr compared to INR 419 Cr in Q3 FY23 and INR 497 Cr in Q2 FY24, reflecting a growth of +12% YoY and drop of 5% QoQ. EBITDA margin¹ was 27.9% versus 28.3% in Q3 FY23 and 28.7 % in Q2 FY24
 - ✱ YoY growth in EBITDA was impacted due to movement in provision for d. debts, reversal of provision for PSP in Q3FY23, GST costs on variable fees and one-time litigation costs, with overall impact of ~INR 25 Cr on like to like basis
 - ✱ EBITDA per bed² (annualised) stood at INR 76 Lakhs, growth of +13% YoY and +1% QoQ
- ✱ Max Shalimar Bagh reported a YoY growth of 36% & 42% in its Revenue & EBITDA respectively. Average Occupancy on expanded bed capacity of 402 beds was 74%
- ✱ Profit after tax was INR 338 Cr versus INR 269 Cr in Q3 FY23 and INR 338 Cr in Q2 FY24, +26% YoY and flat QoQ
- ✱ Cash generated from operations³ was INR 226 Cr versus INR 332 Cr in Q3 FY23, after additional outlay of ~INR 40 Cr for purchase of Robotic systems in 4 hospitals. Of this, INR 137 Cr was deployed towards the ongoing capacity expansion projects and INR 97 Cr was paid as dividend
- ✱ Net Cash⁴ at the end of Dec'23 stood at INR 1,295 Cr compared to INR 372 Cr (Dec'22 end) and INR 1,303 Cr (Sep'23 end)
- ✱ Pre-tax ROCE⁵ for Q3 FY24 stood at 33.9% versus 34.2% in Q3 FY23 and 38.3 % in Q2 FY24

Operational & Other highlights

- ✱ Executed a Share Purchase Agreement to acquire 100% equity of Starlit Medical Centre Pvt. Ltd., which had entered into a Business Transfer Agreement with Sahara India Medical Institute Limited for purchase of its Healthcare Undertaking consisting of 550 bedded Sahara Hospital, Gomti Nagar, Lucknow, U.P, on a slump sale basis. The consummation of the transaction is expected in Q4 FY24
- ✱ Occupancy stood at 73% in Q3 FY24 vs 77% Q3 FY23 and 77% in Q2 FY24. OBDs fell by 1% YoY & 5% QoQ
- ✱ Institutional patients bed share was 29.5% in Q3 FY24 vs 29.4% in Q3 FY23 and 27.3% in Q2 FY24
 - ✱ Bed share excluding Max S. Bagh, where 122 beds were added, dropped from 28.6% in Q3 FY23 to 27.4% in Q3 FY24
 - ✱ In Dec 23, Institutional tariff was revised for Cardiac & PET CT leading to a net loss of INR 6 Cr p.a. owing to ~50% reduction in price of PET CT. Net gain from price revisions during FY 24 in institutional tariff was INR ~14 Cr in Q3 FY 24

Executive Summary: Q3 FY24 (2/2)

Operational & Other highlights

(contd..)

- ✱ International patient revenue was INR 157 Cr in Q3 FY24 compared to INR 126 Cr in Q3 FY23 and INR 158 Cr in Q2FY24, reflecting a growth of +25% YoY and was flat QoQ ; accounting for ~9.4% of the hospital revenue
- ✱ ARPOB¹ for Q3 FY24 stood at INR 76.8k versus INR 66.8k in Q3 FY23 and INR 74.6k in Q2 FY24 reflecting, +15% YoY and +3% QoQ growth
 - ✱ Improvement in ARPOB over Q3 FY23 was witnessed across all the specialities and hospitals. Increase in share of Oncology did contribute to YoY as well as QoQ growth in ARPOB
 - ✱ ALOS stood at 4.2 days in Q3 FY24, same as in Q3 FY23 & 4.1 days in Q2 FY24
- ✱ OP consults were 5.92 lakhs reflecting a growth of +3% YoY and drop of 9% QoQ, due to festival season
- ✱ Digital revenue from online marketing activities, web-based appointments and digital lead management stood at INR 400 Cr, i.e. ~22% of overall revenue. The websites traffic grew by +21% YoY to reach 34 lakhs+ sessions
- ✱ Max Lab reported gross revenue of INR 34 Cr and registered a growth of 20% YoY. Max Lab services are now available across 41 cities
- ✱ Max@Home gross revenue was INR 44 Cr, a growth of +24% YoY and +5% QoQ
- ✱ Free treatment : ~36,695 OPD consults and ~1,249 IPD admissions were provided to patients from economically weaker sections

Clinical Highlights

Clinical update:

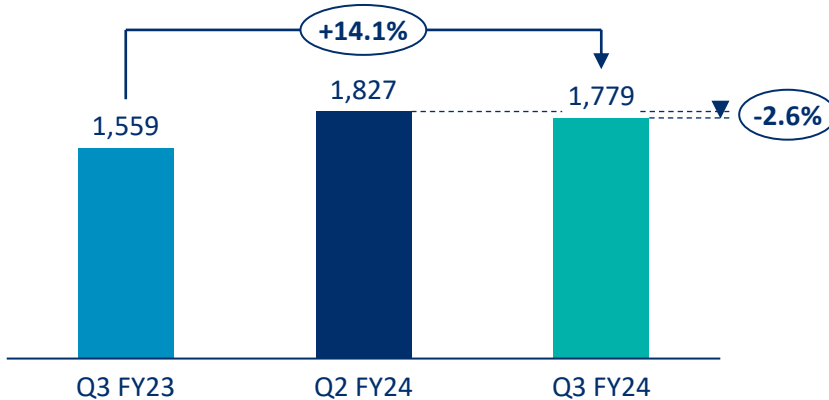
- ✱ Collaborated with ImmunoACT to launch CAR-T cell therapy, NexCAR19, for B-cell malignancies at Max Hospital Vaishali. The collaboration is being extended to all major Max Hospitals
- ✱ ~2,600 Liver Transplants, ~3,890 Kidney Transplants & 1,750+ Bone Marrow Transplants performed till date

Research and academics:

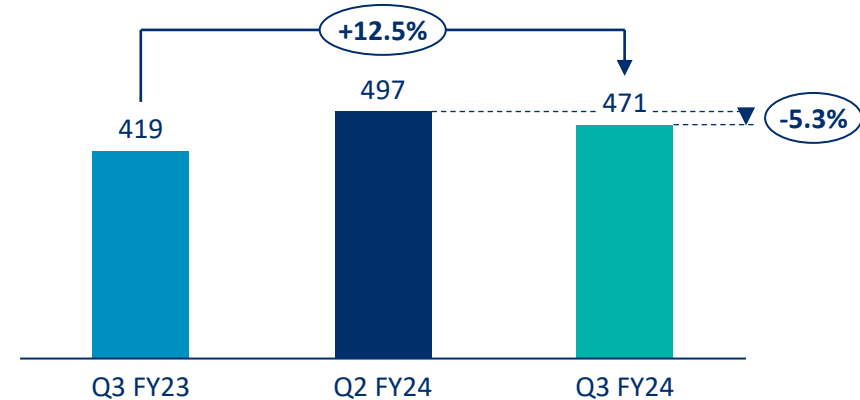
- ✱ MoU signed with the IIT Delhi and BITS Pilani for exploring and implementing evidence based innovative solutions to address healthcare challenges
- ✱ Published 90 articles in high impact journals & ~120 clinical trials and 22 grant studies are underway

Key Financial Highlights

Gross Revenue (INR Cr)

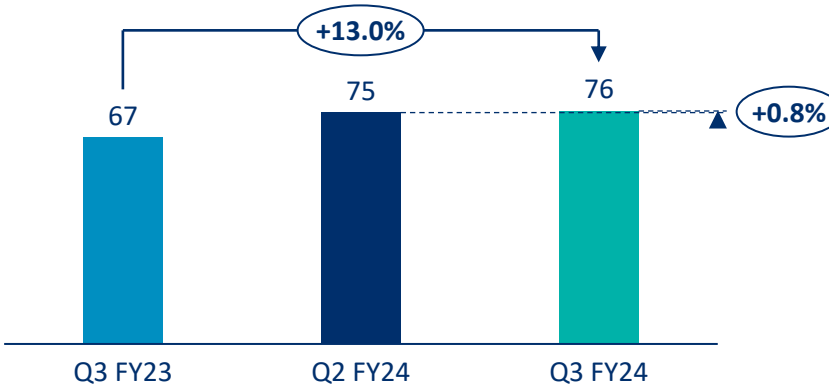


Operating EBITDA (INR Cr)

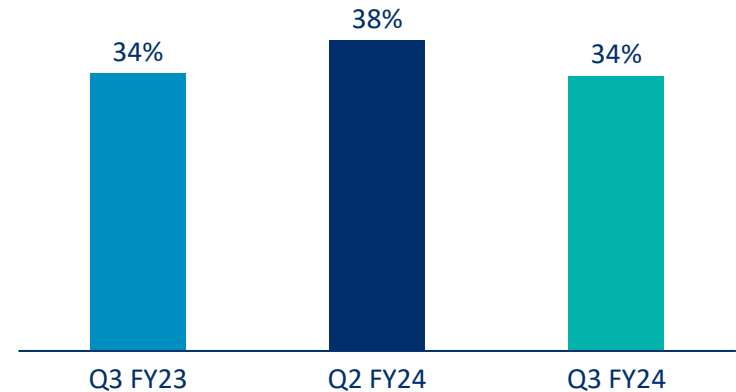


Margin¹ (%) Q3 FY23 : 28.3% | Q2 FY24 : 28.7% | Q3 FY24 : 27.9%

Operating EBITDA per bed² (INR Lakhs)

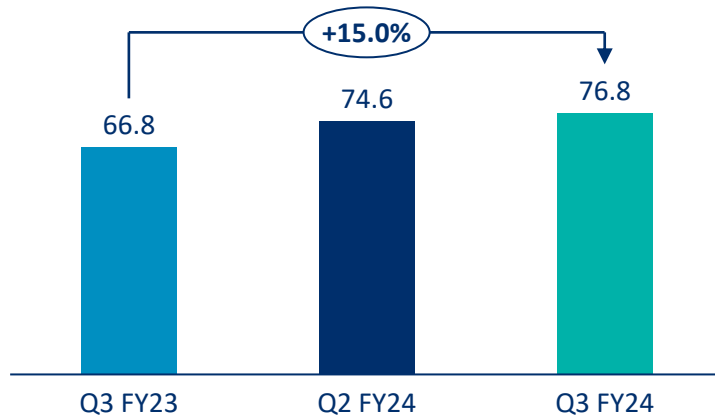


Pre-tax ROCE³

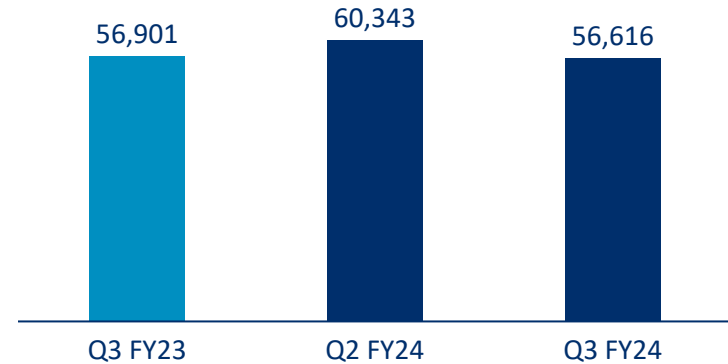


(1) Margin calculated on net revenue | (2) EBITDA per bed is annualised using relevant quarterly performance; excludes EBITDA from Max Lab operations | (3) Based on quarterly EBIT annualised; capital employed excludes (a) impact of Purchase price allocation at the time of merger with Radiant, (b) acquisition of ET Planner in Q2 FY22 and (c) FDRs. Depreciation for EBIT has been considered based on normalised routine capex.

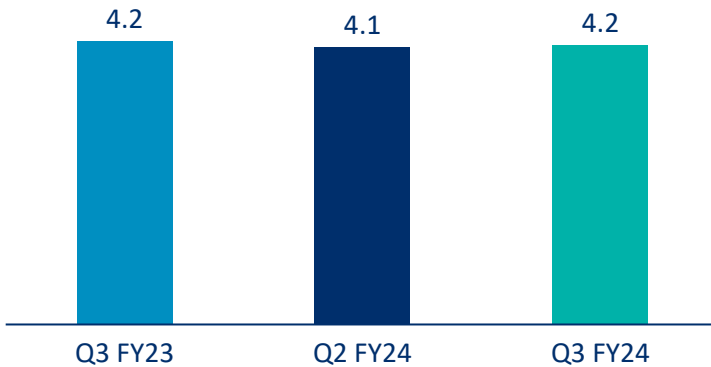
ARPOB¹ (INR/OBD) ('000)



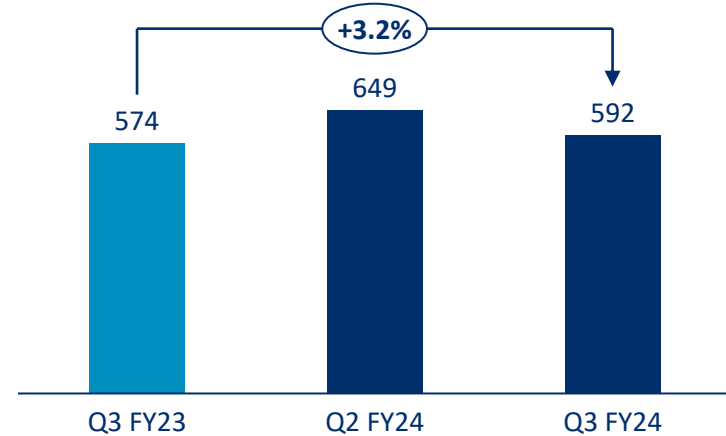
Inpatient Volumes²



ALOS³ (in days)



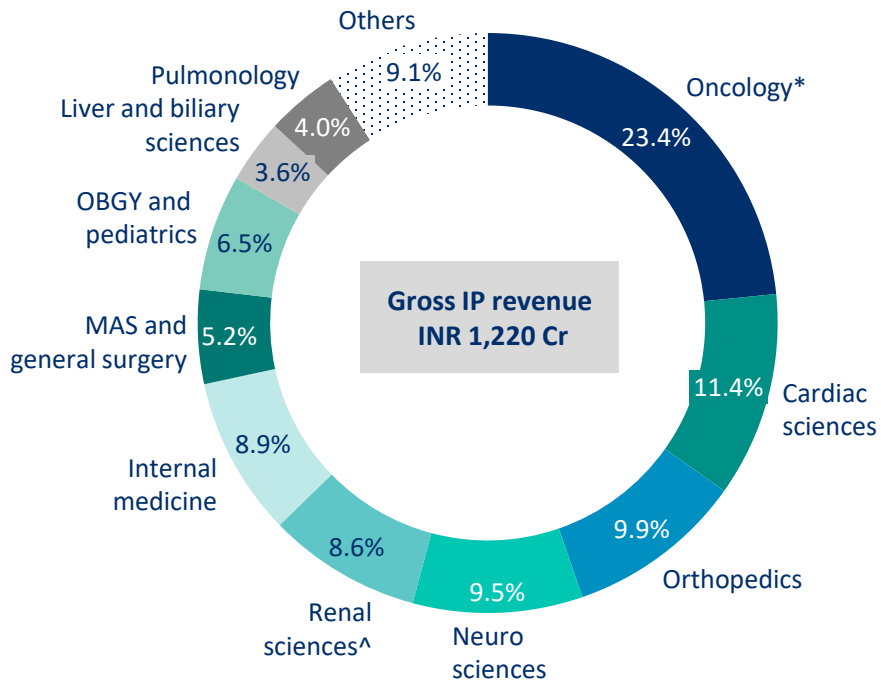
Outpatient consults ('000)



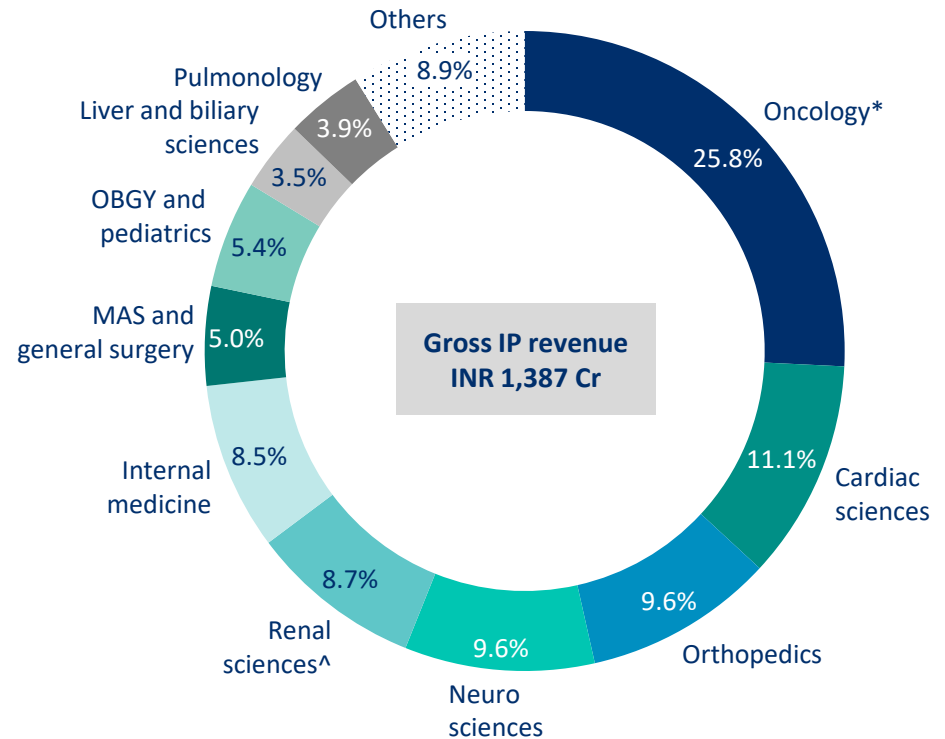
(1) ARPOB calculated as gross revenue/total OBD; Gross revenue excludes revenue from Max Lab operations | (2) Inpatient Volumes are calculated basis number of patients discharged | (3) ALOS calculated for discharged IP patients

- Inpatient volumes dropped by ~ 13% YoY at Internal Medicine & Paediatrics due to negligible cases of seasonal vector borne diseases related admissions in Q3 FY24

Q3 FY23



Q3 FY24

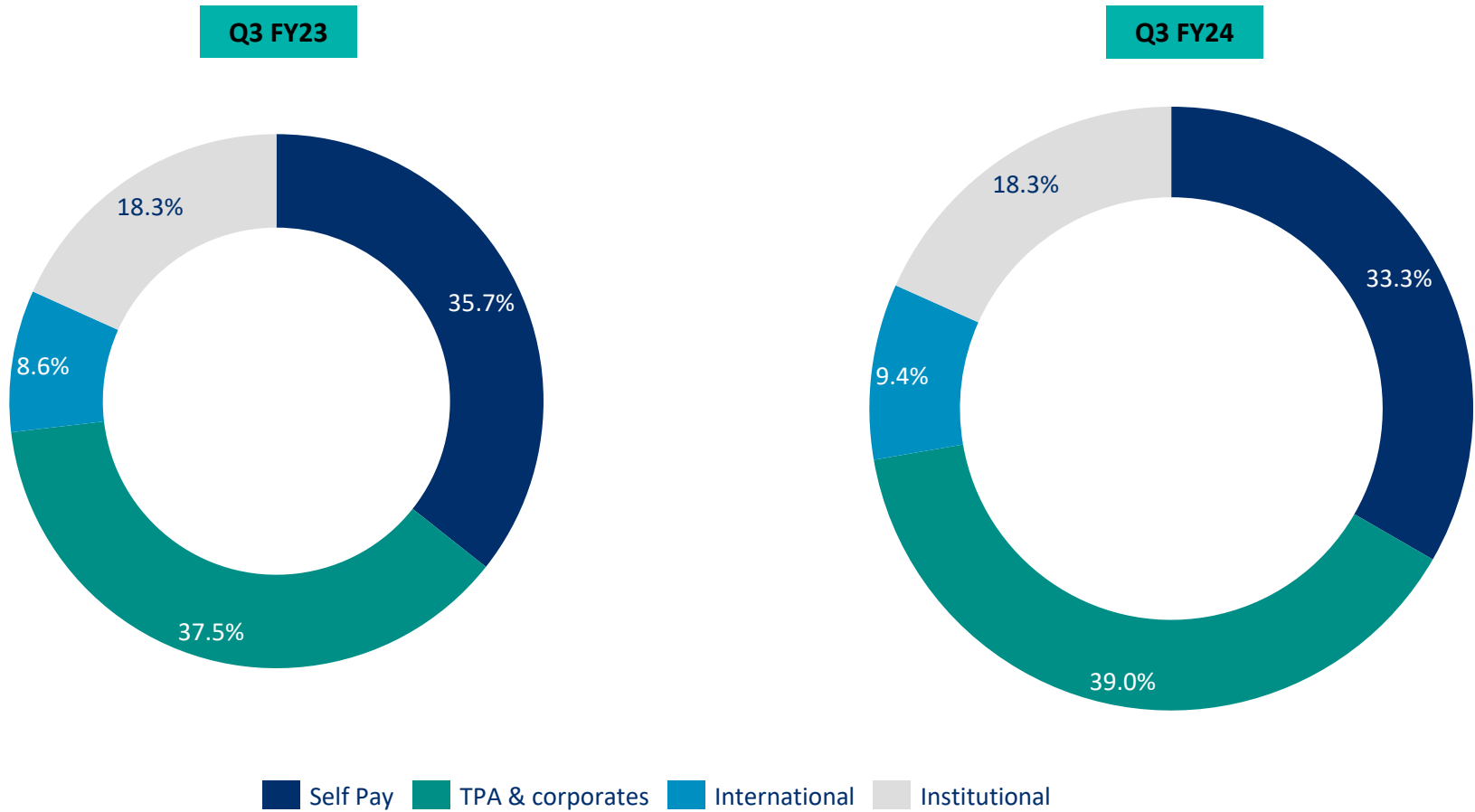


Note: Excludes OP and day care revenue, revenue from SBUs and other operating income;

* Includes chemotherapy and radiotherapy

^ Includes Dialysis

Share of Revenue*



Note:

*Excludes revenue from SBUs and other operating income

Network P&L Statement: Q3 FY24

Figs in INR Cr

	Q3 FY23		Q2 FY24		Q3 FY24	
	Amount	% NR	Amount	% NR	Amount	% NR
Gross revenue	1,559		1,827		1,779	
Net revenue	1,478	100.0%	1,732	100.0%	1,689	100.0%
Direct costs ¹	573	38.8%	667	38.5%	650	38.5%
Contribution	905	61.2%	1,065	61.5%	1,038	61.5%
Indirect overheads ²	486	32.9%	567	32.8%	567	33.6%
Operating EBITDA	419	28.3%	497	28.7%	471	27.9%
Less:						
ESOP (Equity-settled Scheme)	12	0.8%	12	0.7%	12	0.7%
Movement in fair value of contingent consideration payable and amortisation of contract assets ³	6	0.4%	7	0.4%	(8)	(0.5%)
Reported EBITDA	401	27.1%	478	27.6%	467	27.7%
Finance cost/(income) ⁴	7	0.5%	(17)	(1.0%)	(14)	(0.8%)
Depreciation and amortisation	63	4.3%	66	3.8%	70	4.1%
Profit before tax	331	22.4%	429	24.8%	411	24.3%
Tax ⁵	61	4.2%	91	5.3%	73	4.3%
Profit after tax	269	18.2%	338	19.5%	338	20.0%

1. Direct costs include material cost, F&B and Clinician's cost etc.

2. Indirect overheads include personnel cost and other indirect overheads. YoY increase is due to annual merit increase, additional manpower for new beds/OT's, movement in Prov. for DD (~ INR 10 Cr) due to PSU and Int'l payers, GST on variable management fees (~ INR 5 Cr), one time litigation and M&A related advisory costs (~ INR 4.0 Cr).

3. This is a non cash item representing change in fair value of contingent consideration payable to Trust/Society over the balance period (~19 to 30 years) under O&M Contracts and mainly represents impact of changes in the time value of discounted liability

4. Net off interest income on deposits, capitalisation of projects underway and tax refunds & include forex gain/loss etc.

5. Effective tax rate in Q3 FY24 stood at 17.7% compared to 18.6% in Q3 FY23

Q3 FY24: Memorandum Consolidation of Network P&L

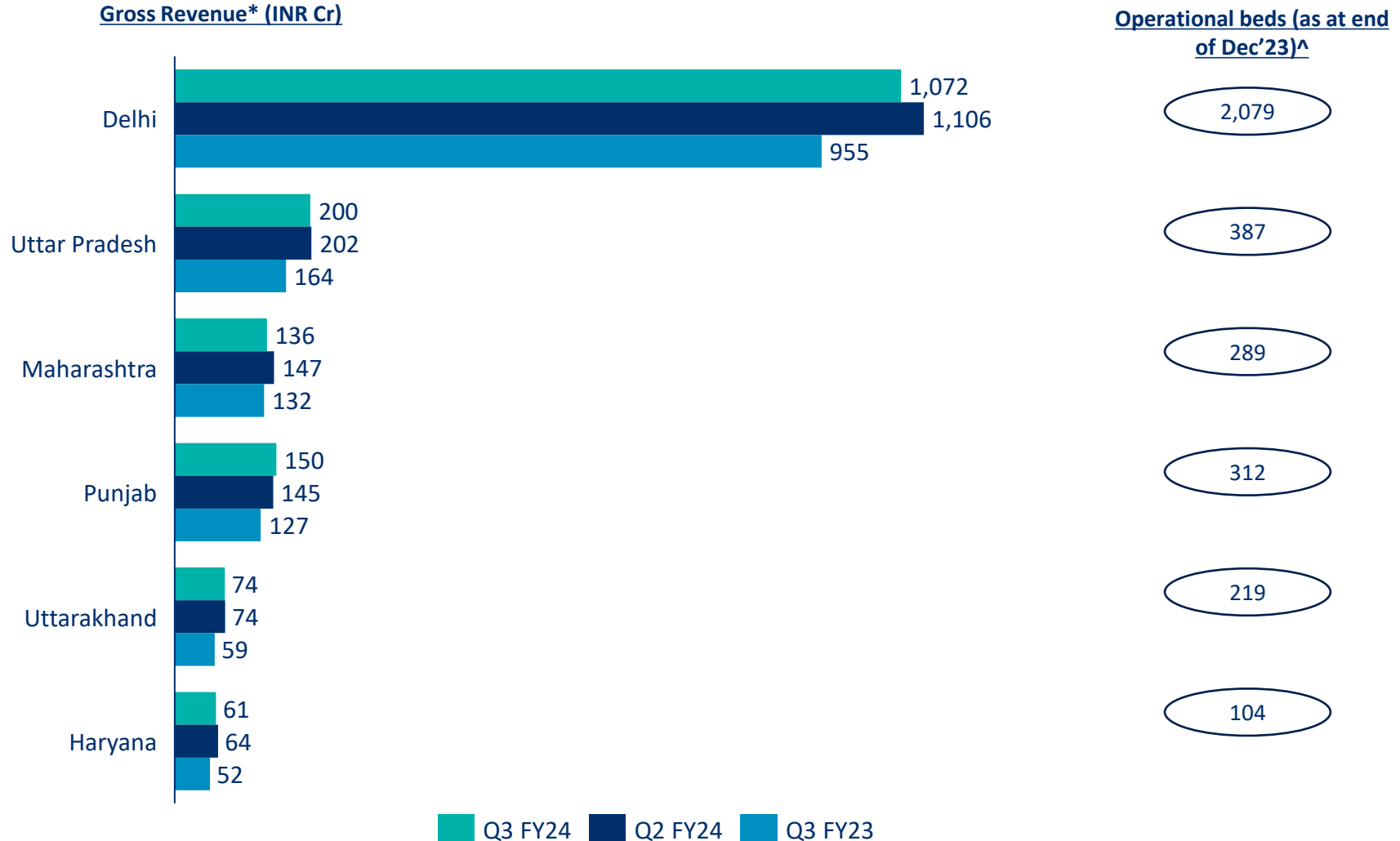
Figs in INR Cr

	MHIL, its subsidiaries & Silos	Partner Healthcare Facilities ("PHF") Financials (IGAAP Unaudited)*				Eliminations & Adjustment ⁽²⁾	MHC Network (Consolidated) (Certified by an ICA)
	IND AS Unaudited	Balaji Society	GM Modi Society	Devki Devi Society	IND AS Adjustment ⁽¹⁾		
Net revenue from operations	1335	159	103	199	-	(115)	1682
Other income ⁽³⁾	5	1	1	3	-	(4)	6
Total operating income	1340	160	105	203	-	(119)	1689
Pharmacy, drugs, consumables & other direct costs	267	31	21	56	-	16	391
Employee benefits expense ⁽⁴⁾	219	21	14	19	-	63	337
Other expenses ⁽⁵⁾	459	85	53	104	(2)	(210)	489
Total expenses	946	137	88	180	(2)	(131)	1218
Operating EBITDA	394	23	17	23	2	12	471
Less:							
ESOP (Equity-settled Scheme)	12	-	-	-	-	-	12
Movement in fair value of contingent consideration payable and amortisation of contract assets	(8)	-	-	-	-	-	(8)
Reported EBITDA	391	23	17	23	2	12	467
Finance costs (net)	(29)	(1)	7	5	1	4	(14)
Depreciation & Amortisation	61	5	4	5	1	(7)	70
Profit before tax	359	19	5	13	(0)	15	411
Tax	70	-	-	-	-	2	73
Profit after tax	289	19	5	13	(0)	13	338

*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 other Society over the contract period was accrued during PPA and payment made for the year there against in Q3 FY24 has 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) Includes cost of admitting doctors, net provision for doubtful debts & excludes movement in fair value of contingent consideration and amortisation of contract assets which is reflected below Operating EBITDA.

Gross revenue from hospitals, by region

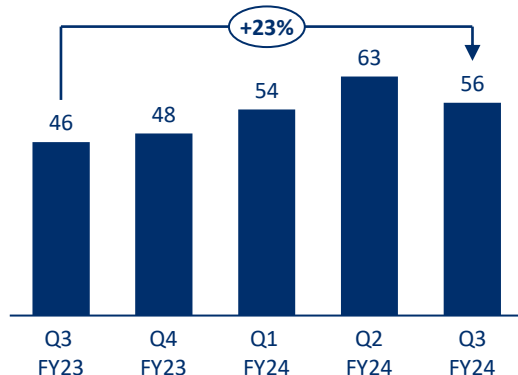


*Excludes revenue from Max Lab operations, Max@Home and other SBUs

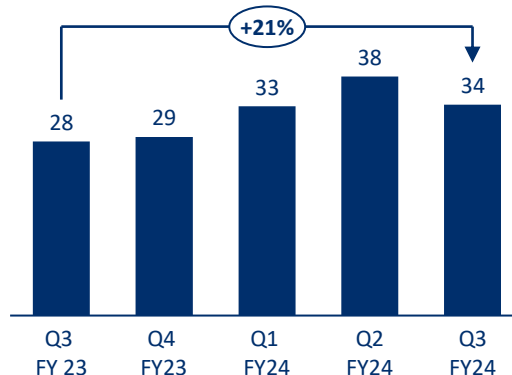
^16 beds added in Gurgaon and Dehradun through reconfiguration of internal spaces

Max Lab: Key performance indicators

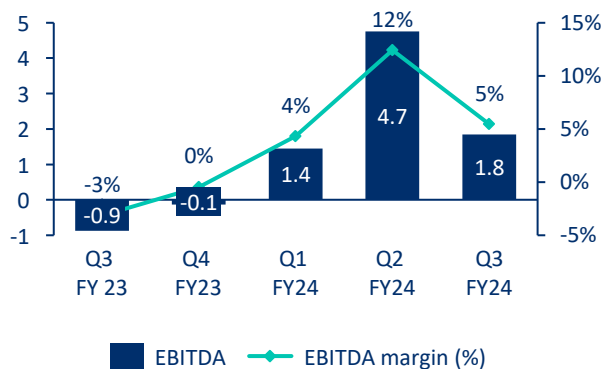
Gross Billing Value (INR Cr)



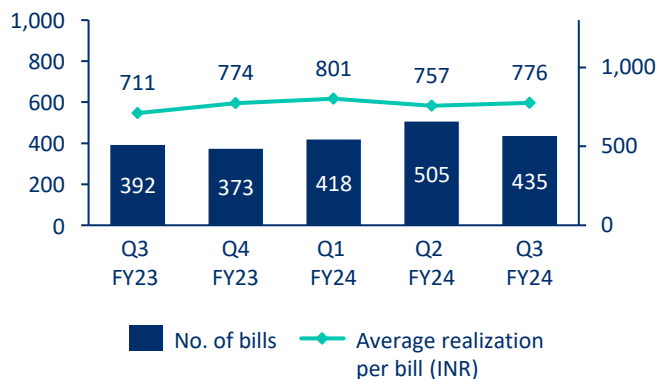
Net revenue (INR Cr)



EBITDA* (INR Cr)



No. of Bills ('000) & Avg. net realisation per bill (INR)



Operational footprint (as of Dec, 2023)

525+
Partner-run
collection centres

23
Company owned
collection centres (CoCC)

~160
Phlebotomist
At Site (PAS)

275+
Pick-Up
Points (PUPs)

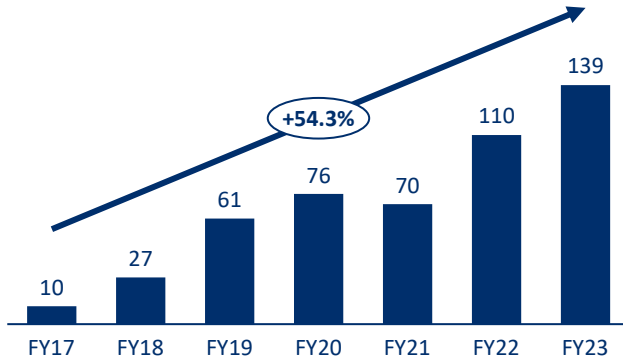
44
HLMs & OLMs

41
Cities of
operations

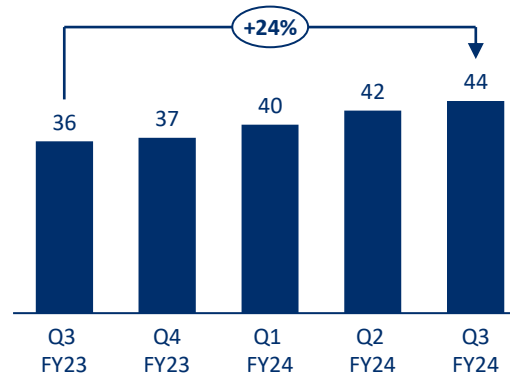
Partner count of 1,070+

Note: Gross Billing Value (GBV) is the amount billed to patients; Net Revenue represents GBV minus partner share;
* margin computed on net revenue, revenue share between Max Lab & hospitals is assumed 60:40 from FY23 onwards for samples tested in hospital labs

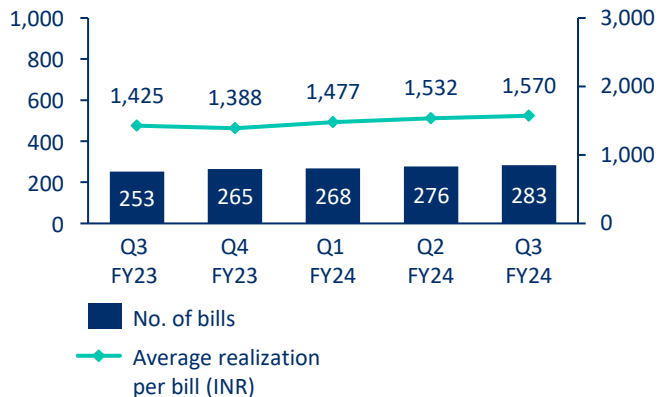
Gross revenue (INR Cr)



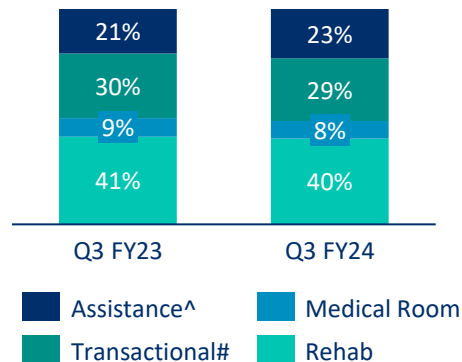
Quarterly Gross Revenue Trend (INR Cr)



No. of Bills ('000) & Avg. net realisation per bill (INR)



Key Service Lines (Rev Mix YoY)



Key Pointers (as of Dec, 2023)

14

Specialised
Service Lines

~1,300

Strong
Team*

QAI

Accredited
(ISQua member)

~116

Medical
Rooms

10+

Cities of Operations

50%+

Repeat Transactional Service
patient share over 1 year

Note:

*Manpower incl. support & outsourced teams | [^]Assistance Service Line Incl. Critical Care, Nursing Care, Attendants & Physiotherapy@Home
| [#]Transactional Service Line incl. Medicine Delivery, Pathology & Radiology@Home

Clinical and Research & Academics update

- ✱ **Collaborated with ImmunoACT** to launch CART-T cell therapy, NexCAR19, for B-cell malignancies at MSSH Vaishali. The collaboration shall extend to all major Max Hospitals nationwide
- ✱ **~2,600 Liver Transplants, ~3,890 Kidney Transplants & 1,750+ Bone Marrow Transplants** performed till date
- ✱ Max Hospital Mohali **received Liver Transplant Program License**. Subsequently, the program is expected to be commissioned
- ✱ Max Hospital Dehradun became **the 1st hospital in Uttarakhand region** to perform **advanced heart valve implantation** (repair of the mitral valve with Mitris Resilia Edwards bio-prosthetic valve and repair of the tricuspid valve using St. Jude ring) saving 64 year old patient
- ✱ Max Hospital Patparganj successfully performed an **open heart congenital cardiac surgery**, thus saving the life of a 34 year old patient with **extra heart chamber (DCRV)**
- ✱ Cured a 59 year old patient suffering from **end stage liver disease along with degenerative aortic stenosis** by performing non-surgical Trans-catheter Aortic Valve Replacement (TAVR) & liver transplant within a short span of 2 weeks at BLK – Max Hospital
- ✱ Max Hospital Gurgaon successfully implanted **Cardiac contractility modulation (CCM) device** to a 44 year old male patient with overt heart failure
- ✱ Treated a 30 year old patient with **advanced Tuberculosis of the kidneys and urinary bladder** using the minimally invasive robot assisted augmentation cystoplasty at Max Hospital Saket
- ✱ Treated a 16 month old, **suffering with a giant posterior fossa** with the placement of right frontal EVD at Max Smart Hospital Saket

- ✱ National and international publications
 - ✱ **90 scientific publications** in high impact factor journals during Q3 FY24
 - ✱ Top high Index and high impact factor publications are from Cardiology (Nature Medicine : 24.69, NEJM : 26.02), Oncology (Journal Clinical Oncology : 10.6, Lancet Reg Health South Asia : 7. 37)
- ✱ **~120 clinical trials and 22 grant studies** are ongoing
- ✱ **MoU signed** with the IIT Delhi and BITS Pilani for exploring and implementing evidence based innovative solutions to address healthcare challenges.
- ✱ Partnership with Regional Centre for Biotechnology Faridabad for affiliation for academic programs; started with MSc Clinical Research
- ✱ **~1000 trainee doctors** across the network including : **~500 students in DNB programmes** across **37** specialities, **~90 students** currently enrolled in **Masters in Emergency Medicine course**, being run under the aegis of George Washington University, **~50 students in IMT program** , **~120 students in Fellowship** programs and **200+ students in bespoke training programs**
- ✱ **~225 health care professionals** are currently enrolled across internships and observerships
- ✱ **~70 MBBS** students currently pursuing 2 year Clinical rotation in collaboration with Lincoln American University and BIU
- ✱ **~2,200 health care professionals** trained in American Heart association certified courses and MELS program
- ✱ **~65 students are pursuing** MPH, MSc Clinical Research, MSc HCQM and PhD.

9M ended Dec'23 Highlights

Executive Summary: 9M ended Dec'23

Network Financial highlights

- ✱ 9M ended Dec'23 Gross revenue was INR 5,325 Cr versus INR 4,599 Cr in 9M ended Dec'22, reflecting a growth of 16% YoY. Growth was driven by 14% YoY increase in ARPOB and 2% increase in OBDs
- ✱ Operating EBITDA for 9M ended Dec'23 stood at INR 1,404 Cr versus INR 1,199 Cr in 9M ended Dec'22, registering a growth of +17% YoY
 - ✱ Margin expansion was witnessed in most of the network hospitals driven by higher ARPOB, better specialty mix and augmentation of bed capacity at Max Shalimar Bagh
 - ✱ 9M ended Dec'23 EBITDA margin¹ grew to 27.8% from 27.5% in 9M ended Dec'22
 - ✱ EBITDA per bed² (annualized) grew to INR 73.8 lakhs (+15% YoY)
- ✱ 9M ended Dec'23 PAT was INR 966 Cr versus INR 765 Cr in 9M ended Dec'22 on a like to like basis³. This represents a growth of +26% YoY
- ✱ Cash from operations during 9M ended Dec'23 was INR 924 Cr, of which INR 265 Cr has been deployed for ongoing capacity expansion projects and INR 97 Cr was paid to shareholders towards dividend. Net Cash⁴ as at end of 9M ended Dec'23 stands at INR 1,295 Cr

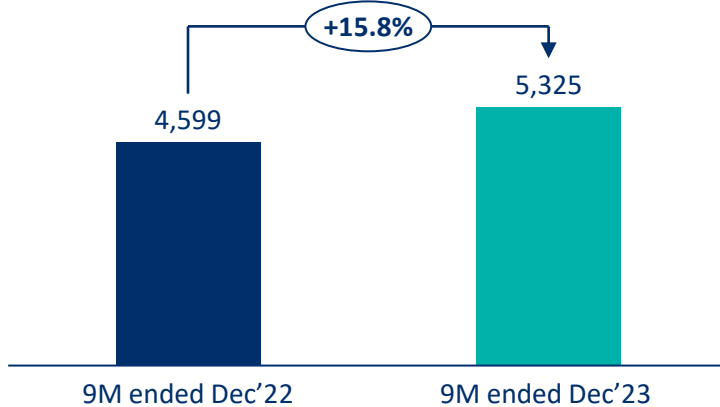
Operational highlights

- ✱ Occupancy for 9M ended Dec'23 stood at 75% versus 76% in 9M ended Dec'22. However OBDs during the period were up by 2%. Max Shalimar Bagh occupancy during the period was 76% even after addition of 122 beds to last year operational capacity of 280 beds
- ✱ ARPOB² for 9M ended Dec'23 stood at INR 75.4k versus INR 66.3k during 9M ended Dec'23 (+14% YoY)
 - ✱ Revenue from International patients, price revisions including those in Institutional segment, improved share of oncology in IPD and increased OPD footfalls contributed to growth in ARPOB
- ✱ Revenue from international patients stood at INR 458 Cr (+27% YoY), representing 9% of hospital revenue
- ✱ OP consults stood at 18.7 Lakhs in 9M ended Dec'23 (+10% YoY)
- ✱ Digital revenue through web-based marketing activities and online appointments stood at INR 1,151 Cr, i.e. ~22% of overall revenues representing a +54% growth YoY; this includes, ~32K video consults during the period
- ✱ ~1,13,183 OPD and ~3,804 IPD patients from economically weaker section were treated free of charge

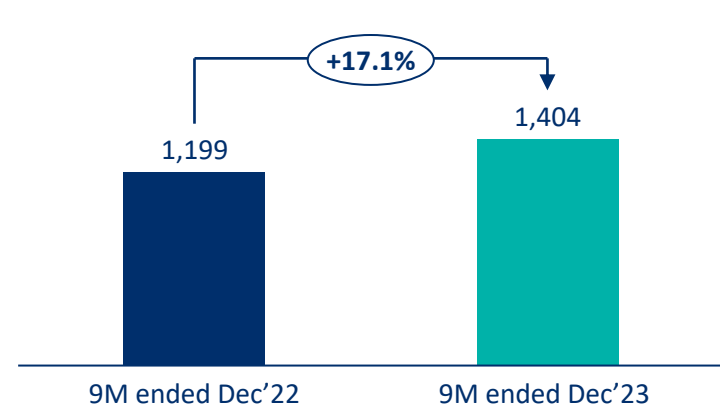
(1) Margin calculated on net revenue | (2) Excluding Max Lab operations | (3) 9M FY23 includes impact of one time reversal of INR 244 Cr deferred tax liability (net of capital gains tax) pursuant to voluntary liquidation of a subsidiary | (4) After considering term loans, Cash Credit & Put Option Liability but excludes Lease Liability

Key Financial Highlights

Gross Revenue (INR Cr)

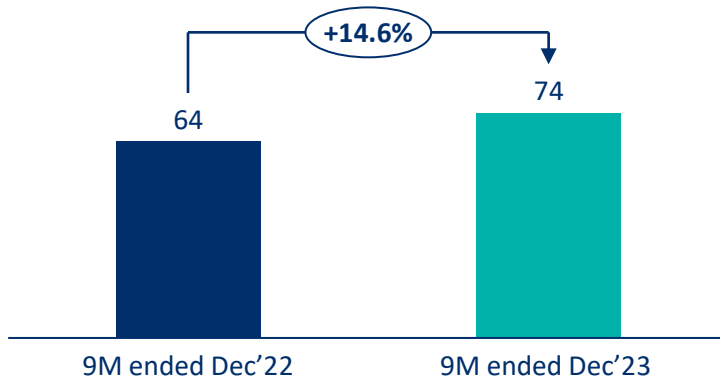


Operating EBITDA (INR Cr)

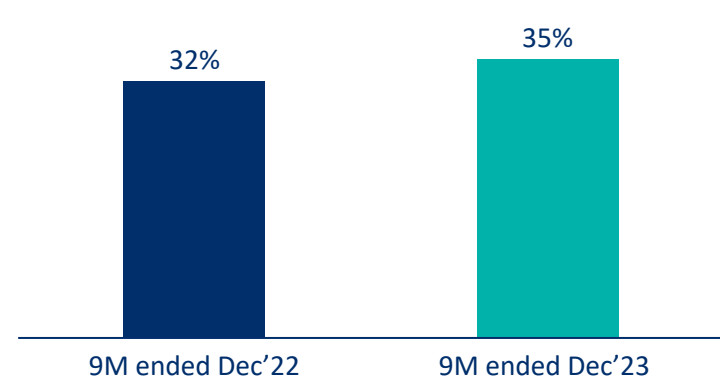


Margin¹ (%) 9M FY23 : 27.5% | 9M FY24 : 27.8%

Operating EBITDA per bed² (INR Lakhs)



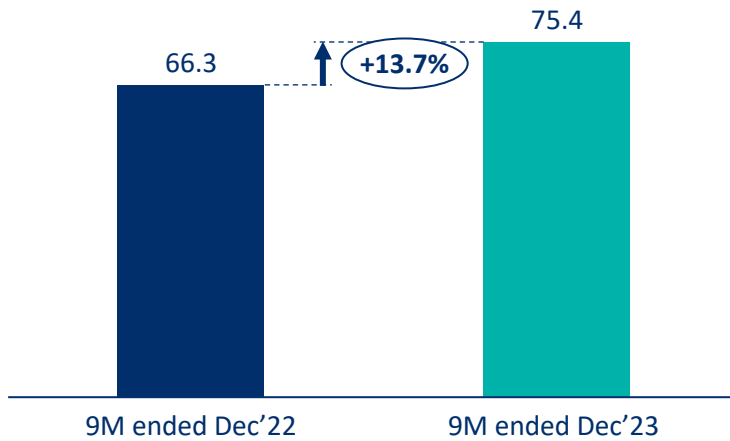
Pre-tax ROCE³



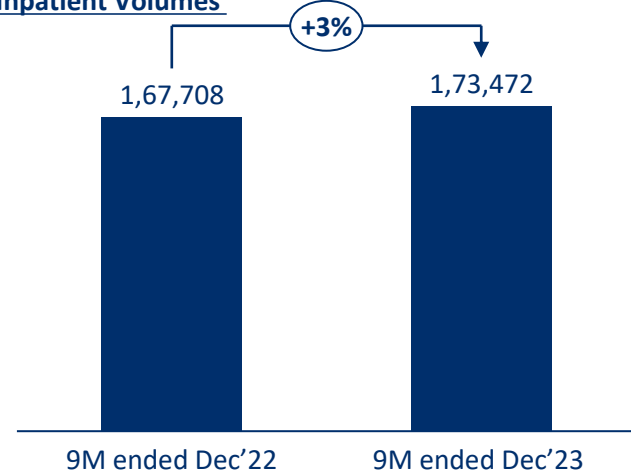
(1) Margin calculated on net revenue | (2) EBITDA per bed is annualised using relevant 9M performance; excludes EBITDA from Max Lab operations | (3) 9M EBIT annualized; Excludes impact of Purchase price allocation on capital employed consequent to merger with Radiant and Q2 FY22 acquisition; Also excludes short term FDRs. Depreciation has been considered based on normalised replacement capex.

Key Operational Highlights

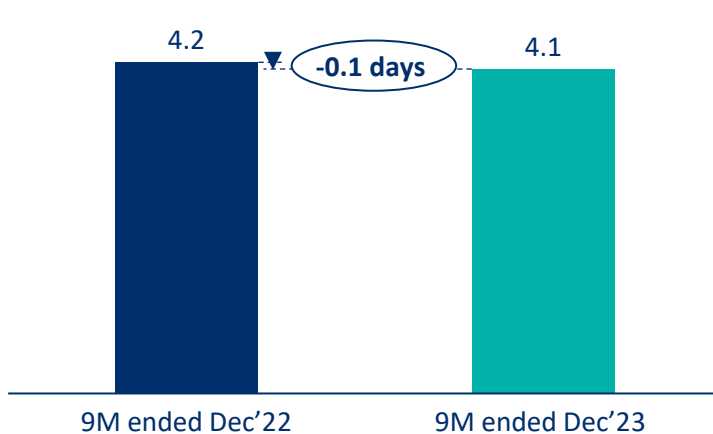
ARPOB¹ (INR/OBD) ('000)



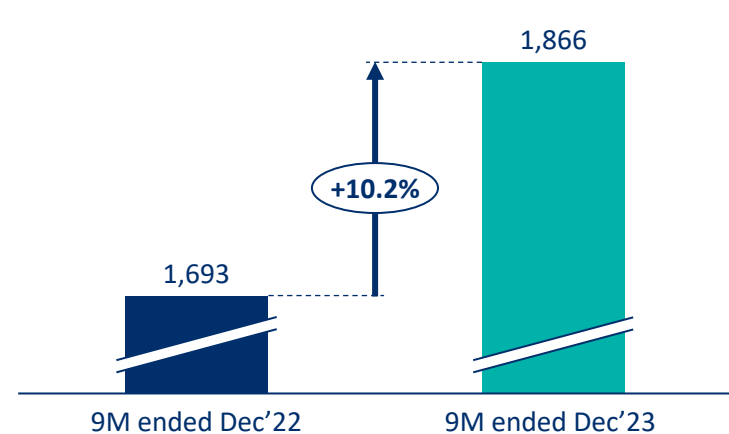
Inpatient Volumes



ALOS³ (in days)

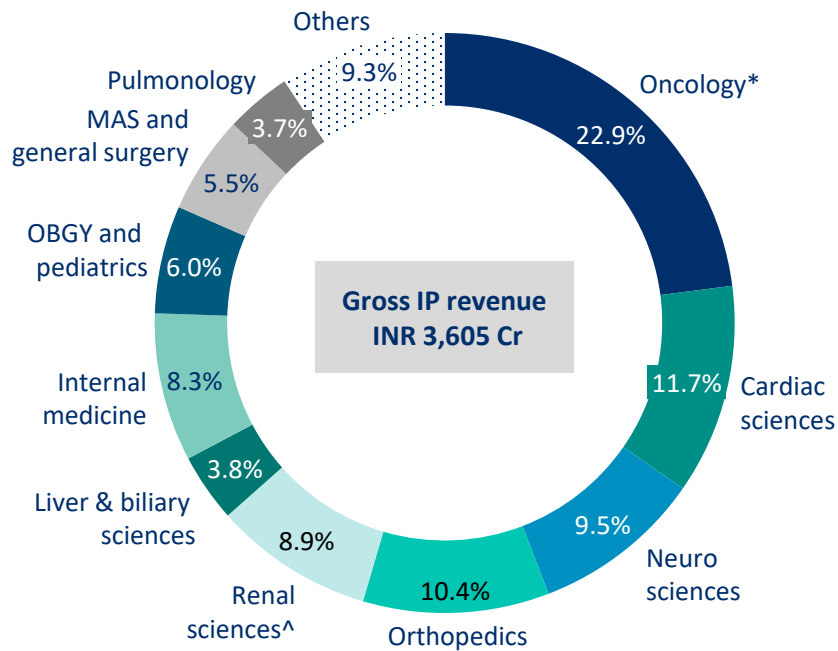


Outpatient consults ('000)

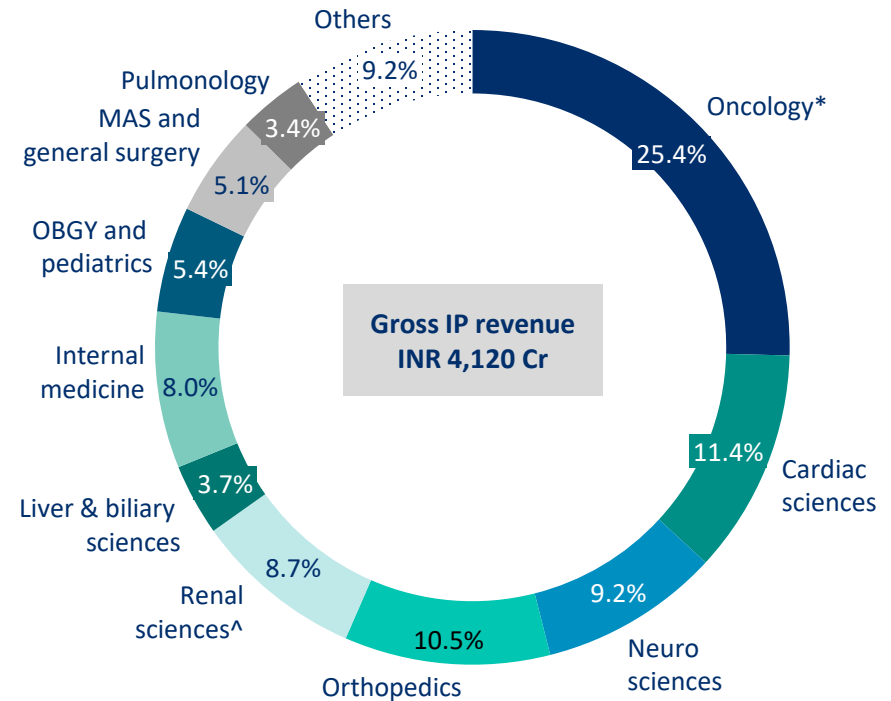


(1) ARPOB calculated as gross revenue / total OBD; Gross revenue excludes revenue from Covid-19 vaccination & related antibody tests and Max Lab operations

9M ended Dec'22



9M ended Dec'23



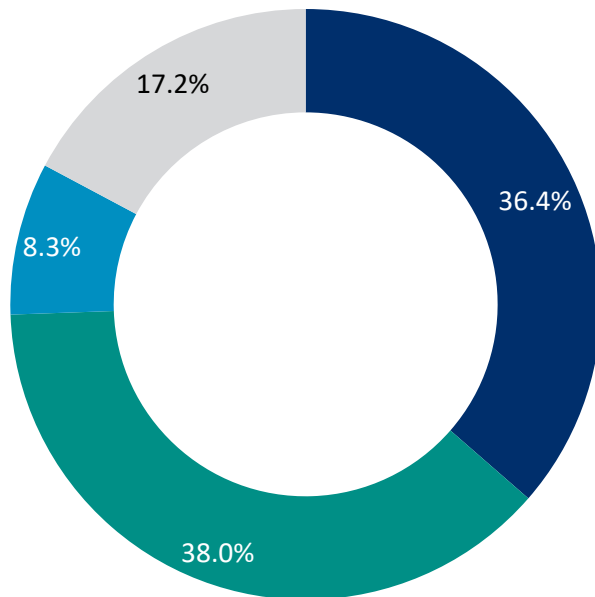
Note: Excludes OP and day care revenue, revenue from SBUs and other operating income

* Includes chemotherapy and radiotherapy

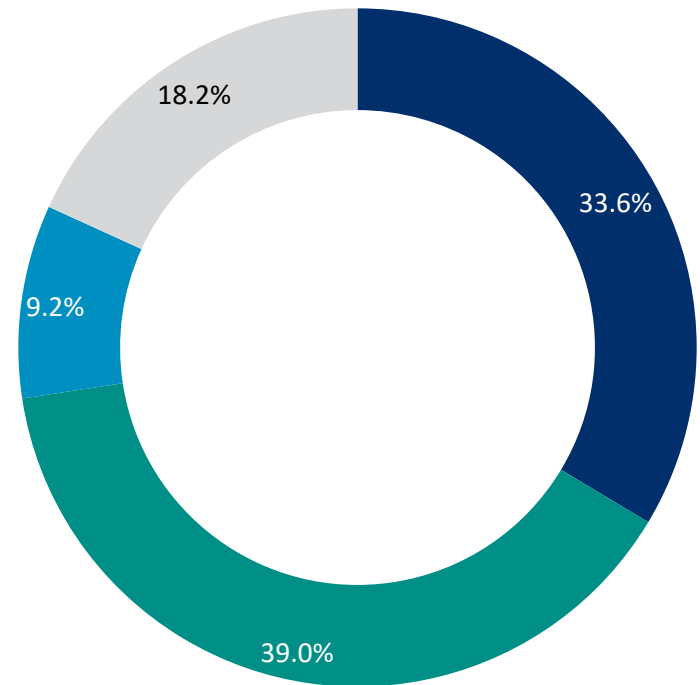
^ Includes Dialysis

Share of Revenue

9M ended Dec'22



9M ended Dec'23



■ Self Pay
 ■ TPA & corporates
 ■ International
 ■ Institutional#

Note: Excludes revenue from SBUs and other operating income

#The increase in revenue share of institutional despite marginal drop in bed share is mainly due to increase in ARPOB, a part of which is due to tariff revisions in April & June

P&L Statement: 9 Months ended Dec'23

Figs in INR Cr

	9M ended Dec'22		9M ended Dec'23	
	Amount	% NR	Amount	% NR
Gross revenue	4,599		5,325	
Net revenue	4,353	100.0%	5,049	100.0%
Direct costs	1,699	39.0%	1,968	39.0%
Contribution	2,653	61.0%	3,081	61.0%
Indirect Overheads ¹	1,454	33.4%	1,677	33.2%
Operating EBITDA	1,199	27.5%	1,404	27.8%
ESOP (Equity-settled Scheme)	22	0.5%	36	0.7%
Movement in fair value of contingent consideration payable and amortisation of contract assets ²	18	0.4%	6	0.1%
Reported EBITDA	1,159	26.6%	1,362	27.0%
Finance cost (net) ³	41	0.9%	(34)	(0.7%)
Depreciation and amortisation	192	4.4%	200	4.0%
Profit before tax	926	21.3%	1,196	23.7%
Tax ⁴	(83)	(1.9%)	229	4.5%
Profit after tax	1,009	23.2%	966	19.1%

1. The increase in indirect overheads is mainly due to annual increments, additional manpower to cater to increased level of activity, S&M costs relating to international patients, higher repairs & maintenance cost relating to BME, Legal and Professional expenses and GST impact on variable management fees
2. Non cash item represents the change in fair value of contingent consideration payable to Trust/Society over the balance period (~19 to 30 years) under O&M Contracts and represents changes in the time value of discounted liability and impact of changes in future business plan projections
3. Reduction is due to prepayment of loans, interest income from FDRs and impact of interest capitalization on projects under implementation
4. Includes impact of one time reversal of INR 244 Cr deferred tax liability (net of capital gains tax) in Q2 FY23 pursuant to voluntary liquidation of a subsidiary

9M ended Dec'23: Memorandum Consolidation of Network P&L

Figs in INR Cr

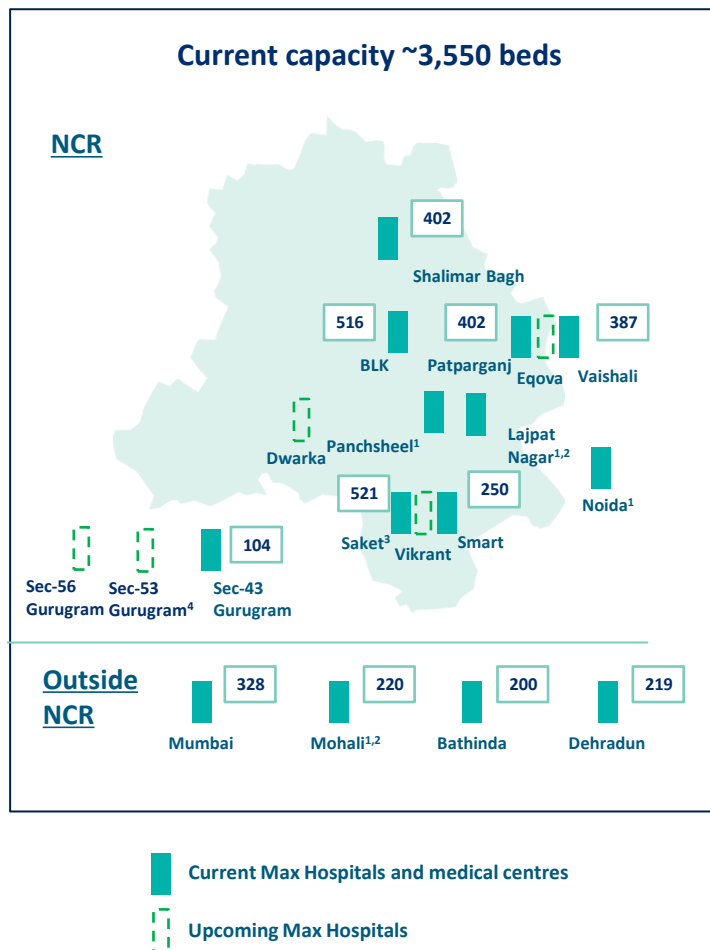
	MHIL, its subsidiaries & Silos	Partner Healthcare Facilities ("PHF") Financials (IGAAP Unaudited)*				Eliminations & Adjustment ⁽²⁾	MHC Network (Consolidated) (Certified by an ICA)
	IND AS Unaudited	Balaji Society	GM Modi Society	Devki Devi Society	IND AS Adjustment ⁽¹⁾		
Net revenue from operations	3983	469	324	589	-	(343)	5023
Other income ⁽³⁾	15	2	8	18	-	(17)	26
Total operating income	3998	472	332	607	-	(360)	5049
Pharmacy, drugs, consumables & other direct costs	823	95	70	162	-	51	1202
Employee benefits expense ⁽⁴⁾	663	62	40	59	-	193	1016
Other expenses ⁽⁵⁾	1351	239	167	289	(5)	(615)	1427
Total expenses	2837	396	278	510	(5)	(371)	3645
Operating EBITDA	1161	76	55	97	5	11	1404
Less:							
ESOP (Equity-settled Scheme)	36	-	-	-	-	-	36
Movement in fair value of contingent consideration payable and amortisation of contract assets	6	-	-	-	-	-	6
Reported EBITDA	1119	76	55	97	5	11	1362
Finance costs (net)	(79)	(4)	21	14	2	12	(34)
Depreciation & Amortisation	175	14	14	15	3	(20)	200
Profit before tax	1023	66	20	68	-	19	1196
Tax	223	-	-	-	-	7	229
Profit after tax	800	66	20	68	-	12	966

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 other Society over the contract period was accrued during PPA and payment made for the year there against in Q3 FY24 has 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) Includes cost of admitting doctors, net provision for doubtful debts & excludes movement in fair value of contingent consideration and amortisation of contract assets which is reflected below Operating EBITDA.

About the Company

Max Healthcare: India's Second Largest* Hospital Chain in terms of revenue, EBITDA and market capitalisation



17
Facilities



~82%
Beds in metros



~73%
Q3 FY24
Occupancy



13%
Revenue CAGR[^]
3 years

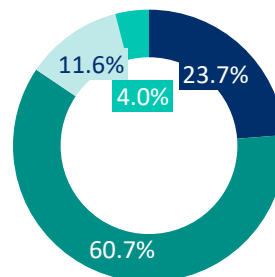


41%
EBITDA CAGR[^]
3 years



~34%
Q3 FY24
ROCE

Shareholding structure (as on Dec 31st, 2023)



Top Public investors:

- Capital Group (All funds)
- Government of Singapore / GIC
- GQG Partners (All funds)
- Blackrock/ iShares
- 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

Vision: To be the Most Well Regarded Healthcare Provider in India

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**



Da Vinci Robotic System



Advanced robotics provides high precision and enables minimal invasive surgery across multiple specialties such as Oncology, Neurology.

Ortho Robotic System



Robotic-assisted surgery for knee replacement incorporates the placement and alignment of a knee implant with the help of a robotic system.

Spine Robotic System



It allows surgeons to perform precise spinal fusion and provide improved screw placement accuracy, decrease surgery time, and reduce exposure to radiation.

Digital PET CT – Discovery MI



The digital PET-CT scanner redefines precision with advanced sensitivity and detectability parameters compared to analogue PET-CT scanners.

3.0T MRI Machine



3.0T MRI machine is the most advanced radiology technology that gives superior high-resolution images for accurate diagnosis.

Radixact – TomoTherapy System



Next generation TomoTherapy platform, designed to enable more efficient, effective and precise delivery of radiation to the entire spectrum of cancer indications

Research:



Significant **strategic partnerships**: Imperial College London, Ashoka University, IIT Bombay, IIIT Delhi, IIIT D iHub Innovation Center, IIT Delhi, BITS Pilani, Pfizer, RCB, RMIT and Deakin University – 30,000+ research participants and USD 2 million in research grants



~2,268 **research publications** in indexed journals over last 8 years including Nature with Impact Factor 69.50.



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 IIIT Delhi and HKA automation project with IIT Bombay



~600 **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

- ✳ MoU signed with the Royal College Of Obstetricians & Gynecologists UK
- ✳ 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).
- ✳ ~500 trainee doctors are part of **DNB program**, with NBE across **33 specialties**; ~30000 trainees enrolled in the last 3 years across various academic programs
- ✳ 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**; **PhD in Health Sciences & MPH with AcSIR**, **Masters in HQM with Santosh University & MSc in Clinical Research with RCB**

Figs in INR Cr

	FY21		FY22		FY23		9M FY24	
	Amount	% NR	Amount	% NR	Amount	% NR	Amount	% NR
Gross revenue ¹	3,881		5,509		6,236		5,325	
Net revenue	3,629	100.0%	5,218	100.0%	5,904	100.0%	5,049	100.0%
Direct costs	1,508	41.6%	2,103	40.3%	2,304	39.0%	1,968	39.0%
Contribution	2,121	58.4%	3,115	59.7%	3,600	61.0%	3,081	61.0%
Indirect overheads	1,485	40.9%	1,725	33.1%	1,964	33.3%	1,677	33.2%
Operating EBITDA¹	636	17.5%	1,390	26.6%	1,636	27.7%	1,404	27.8%
Less:								
ESOP (Equity - settled scheme)	27	0.7 %	34	0.7%	34	0.6%	36	0.7%
Movement in fair value of contingent consideration payable and amortisation of contract assets ²	1	0.0%	7	0.1%	4	0.1%	6	0.1%
Transaction Costs for QIP & Loss on fair valuation of pre-merger holding of Radiant under IND AS 103	249	6.9%	-	-	-	-	-	-
Exceptional item : VRS pay-out to employees	-	-	9	0.2%	-	-	-	-
Reported EBITDA	359	9.9%	1,340	25.7%	1,597	27.1%	1,362	27.0%
Finance costs (net)	187	5.2%	112	2.2%	39	0.7%	(34)	(0.7%)
Depreciation and amortisation	216	6.0%	248	4.8%	260	4.4%	200	4.0%
Profit / (Loss) before tax	(45)	(1.2%)	979	18.8%	1,298	22.0%	1,196	23.7%
Tax ³	50	1.4%	143	2.7%	(30)	(0.5%)	229	4.5%
Profit / (Loss) after tax	(95)	(2.6%)	837	16.0%	1,328	22.5%	966	19.1%

Note: The numbers for the previous period have been recasted and regrouped to make them comparable with the disclosure in the current period

1. FY22 includes gross revenue of INR 236 Cr and EBITDA of INR 85 Cr from Covid-19 vaccination & related antibody tests compared to INR 2 Cr revenues in FY23
2. Non cash item represents the change in fair value of contingent consideration payable to Trust/Society over the balance period (~19 to 30 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
3. 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

Multiple avenues for future growth

1

Strong cash generation from operations

INR ~924 Cr in 9M ended Dec'23



Headroom to raise debt given current leverage

Net Cash surplus of INR 1,295 Cr as on Dec 31, 2023



Demonstrated ability to generate high return on capital employed

~35% ROCE 9M ended Dec'23



Long term growth potential

Strong financial profile to support future growth

2

Optimising Existing Infrastructure



- Focus on tower specialities & case mix
- Increase utilization & improve process efficiencies
- Optimize payor mix

3



Significant increase in capacity

(~2X bed capacity in next 4-5 years)

3.1 Brownfield

3.2 Asset light

3.3 Greenfield

3.4 M&A

- ~2,600 beds addition via brownfield expansion - ROCE accretive
- Management contracts and long term leases of "build to suit" properties
- Greenfield hospitals in highly attractive and compelling territories with attractive payback - Acquired land parcels with potential to add 1,000 beds
- Strong track record of successful M&A and turnaround
- Limited competitive intensity and robust deal pipeline
- Adequate headroom for M&A even after brownfield capex, driven by strong free cash flows and low leverage
- ROCE threshold levels of 20-25% within 4-5 years post acquisition

4

Capital Light Adjacencies



- Non-captive pathology - Max Lab
- Homecare - Max@Home

5

Digital Platform



- Leverage brand, customer loyalty and data to build a digital ecosystem

Clinical Safety

- * Patient Safety Award by FICCI
- * Diamond Award for Stroke Ready Centre by the World Stroke Organisation
- * Times Healthcare Achievers Award



- * AHPI Healthcare award 2023 under multiple categories



Operational Excellence

- * Forbes India 'Entrepreneur Of The Year' 2023 Award



- * FICCI Excellence Awards for 'Operational Excellence'
- * CIMS Healthcare Excellence Awards 2021
- * Ranked 1st in "Excellence in Hospital Management during Covid Times" by Economic Times in 2021



Service Quality

- * Economic Times Healthcare Award 2022 under five categories



- * Bronze award for 'Life savers' project (Max Bike responder) at 'American Society for Quality'
- * Best customer service in Healthcare
- * D.L. Shah National Award for 'Economics of Quality' by QCI



Others

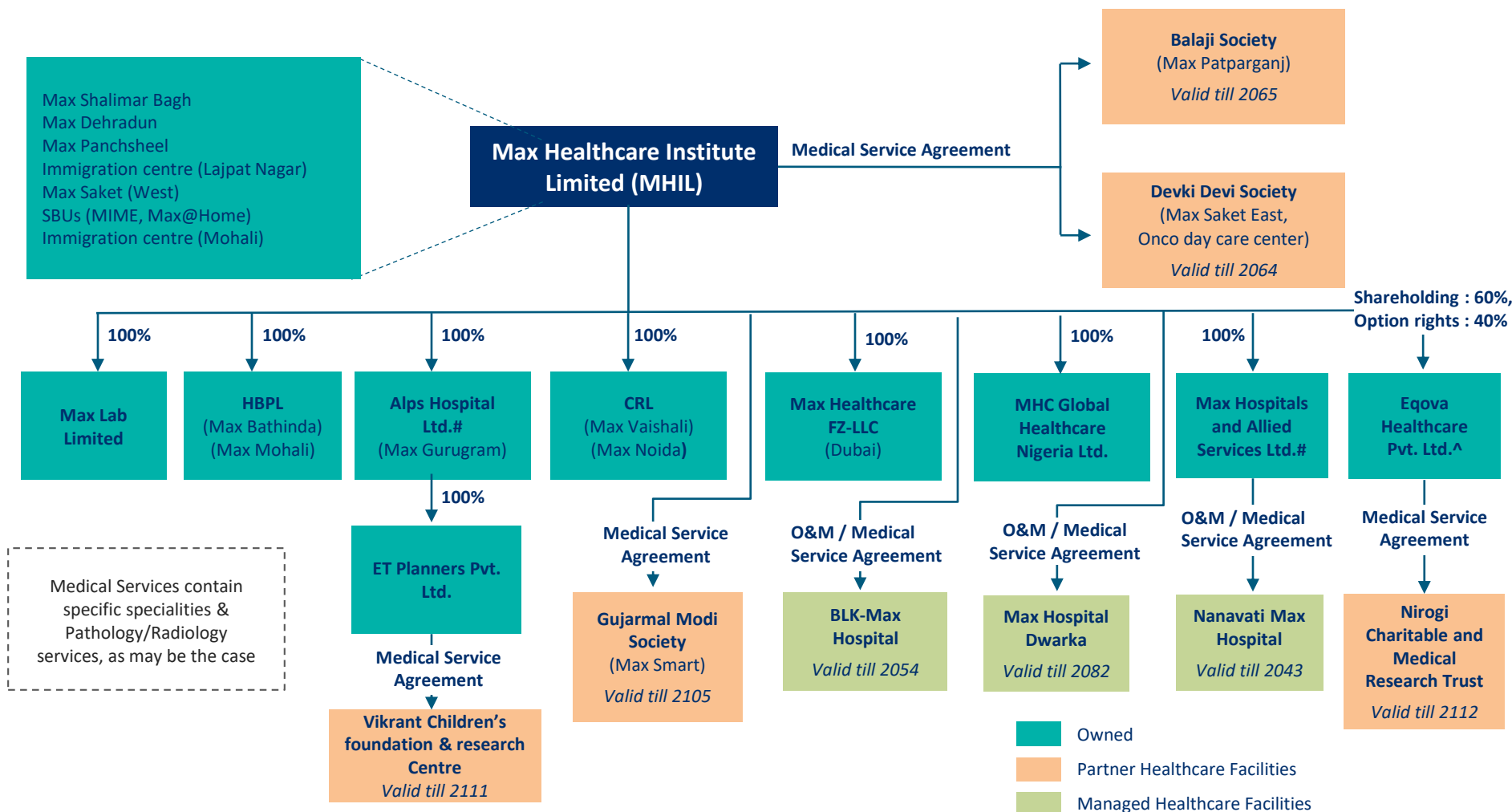
- * Certified Great Place to Work by Great Place to Work Institute



- * Ranked Best Multi Specialty Hospital in Delhi by Outlook Health 2022
- * Exchange4Media-Wing Trophy 2023, under two categories
- * Gold award from Hospital Management Asia



Network Holding Structure (As at end of Dec'23)



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.

| Saket City Hospital Ltd, a WOS is under voluntary liquidation and its business undertaking has been distributed by the liquidator on Aug 31, 2022 to MHIL;

CRL – Crosslay Remedies Limited; HBPL – Hometrail Buildtech Private Limited | Validity includes extensions available under the contract |

^MHIL holds & exercised the right to appoint majority directors in Eqova Healthcare Pvt. Ltd.

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 5 new upcoming Network facilities – one each in East Delhi (Patparganj), North West Delhi (Dwarka), Sector 56 Gurugram, South Delhi (Saket) and Lucknow (Gomti Nagar) through M&A

Definitions

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 segment where hospital tariff is the basis for the 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
IP Revenue	Denotes revenue from patients admitted in the hospital including that for Chemotherapy, Radiotherapy and Dialysis. However, this excludes revenues from day care surgeries
Net Revenue	Gross revenue minus management discounts, amount billed to EWS patients, employee discounts, marketing discounts and allowance for deductions for expected credit loss
OBDs	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;

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. 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.

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

Contact:

Aakrati Porwal

Max Healthcare Institute Ltd.

Tel: +91 9920409393

Email: Aakrati.porwal@maxhealthcare.com

Anoop Poojari / Suraj Digawalekar

CDR India

Tel: +91 98330 90434 / 98211 94418

Email: anoop@cdr-india.com, suraj@cdr-india.com