



## Earnings update – Q1 FY24

Aug 07, 2023



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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”).
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.

Q1 FY24 Highlights

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About the Company

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## Q1 FY24 Highlights

## Executive Summary: Q1 FY24 (1/2)

### Network Financial highlights

- ✱ Gross revenue was INR 1,719 Cr compared to INR 1,473 Cr in Q1 FY23 and INR 1,637 Cr in Q4 FY23; reflecting a growth of +17% YoY and +5% QoQ. YoY growth of +17% is attributed to increase in ARPOB by +13%, OBDs by +3% and other operating income by 1%
- ✱ Operating EBITDA for Q1 FY24 was INR 436 Cr compared to INR 370 Cr in Q1 FY23 and INR 437 Cr in Q4 FY23, reflecting a growth of +18% YoY and flat QoQ. Q1 is traditionally a weak quarter compared to trailing quarter due to annual merit increase & lower occupancies owing to summer vacations
  - ✱ EBITDA margin<sup>1</sup> for the quarter was 26.8% versus 26.5% in Q1 FY23 and 28.2% in Q4 FY23
  - ✱ EBITDA per bed<sup>2</sup> (annualised) stood at INR 70.4 Lakhs, growth of +14% YoY and flat QoQ
- ✱ Max Shalimar Bagh reported a YoY Revenue & EBITDA growth of 37% & 43% respectively with average occupancy of 77% after addition of 122 beds in last 4 months, taking overall capacity to 402 beds
- ✱ PAT was INR 291 Cr versus INR 229 Cr in Q1 FY23 and INR 320 Cr in Q4 FY23, growth of +27% YoY and (9%) QoQ
- ✱ Cash generated from operations<sup>3</sup> was INR 261 Cr versus INR 237 Cr in Q1 FY23. Further, INR 38 Cr was deployed towards ongoing capacity expansion projects. Cash generation was impacted by increase in AR due to overdue from Institutions & TPAs and expediting of the routine capex for the year
- ✱ Net Cash<sup>4</sup> at the end of Jun'23 stood at INR 957 Cr compared to Net Debt<sup>4</sup> of INR 217 Cr as on Jun'22 and Net Cash of INR 733 Cr at the end of Mar'23
- ✱ Pre-tax ROCE<sup>5</sup> for Q1 FY24 stood at 34.6% versus 29.9% in Q1 FY23 and 35.6% in Q4 FY23

### Operational highlights

- ✱ Y-o-Y bed capacity increased by 4.15%. % occupancy stood at 74%, same as in Q1 FY23 and lower than 77% in Q4 FY23. However, OBDs grew by 3% YoY and 91% of this increase in OBD was in CTI segment
- ✱ Institutional patients bed share was 29.7% in Q1 FY24 vs 30.3% in Q1 FY23 and 29.2% in Q4 FY23. The bed share excluding Max Shalimar Bagh, where we added 122 beds, dropped from 30.1% in Q1 FY23 to 27.4% in Q1 FY24
  - ✱ In addition to price revision for room rent & consults in Apr'23, the tariffs for 36 radiological imaging investigations were also revised upwards in Jun'23
- ✱ International patient revenue improved by +31% YoY and +3% QoQ; accounting for 9% of the hospital revenue

## Executive Summary: Q1 FY24 (2/2)

### Operational highlights (contd..)

- ✦ ARPOB<sup>1</sup> for Q1 FY24 stood at INR 74.8k versus INR 66k in Q1 FY23 +13% YoY and reflects growth of 6% QoQ
  - ✦ Increase in ARPOB over Q1 FY23 was driven by disparate growth in revenue from Oncology, Orthopaedics & Cardiac. Further, the price revisions including that in CGHS tariff, has contributed to growth in ARPOB.
  - ✦ ALOS stood at 4.1 days in Q1 FY24, compared to 4.2 days in Q1 FY23 & 4.4 days in Q4 FY23
- ✦ OP consults stood at 6.24 lakhs reflecting a growth of +14% over Q1 FY23 and +6% over Q4 FY23
- ✦ Digital revenue from online marketing activities, web-based appointments and digital lead management stood at INR 356 Cr, i.e. ~21% of overall revenue. The websites traffic grew by +12% YoY to reach 36 lakhs+ sessions
- ✦ Max Lab (non-captive pathology vertical) reported gross revenue of INR 34 Cr. On a like to like basis, the revenue (excl. Covid-19 related tests) grew by +39% YoY and +10% QoQ. The geographic footprint has been further expanded to 36 Cities
- ✦ Max@Home gross revenue was INR 40 Cr, a growth of +24% YoY and +7% QoQ. Critical care and medical rooms service lines drove the growth during the quarter
- ✦ “Max MyHealth” introduced IPD module allowing inpatients to avail reports & settle bills just by the touch of a button. Further, the cumulative downloads stood at ~3.3L as at end of Jun’23
- ✦ ~37,516 OPD consults and ~1,260 IPD admissions from economically weaker sections were provided free of charge

### Clinical Highlights

#### Clinical update:

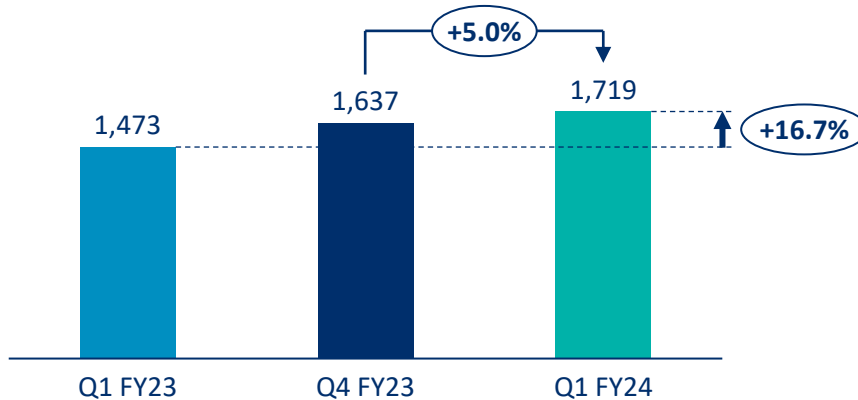
- ✦ 2,300+ Liver Transplants, ~3,700 Kidney Transplants and 1,700+ Bone Marrow Transplants have been performed till date
- ✦ Max Mohali successfully cured a 28 day old baby suffering from Patent Ductus Arteriosus using a Piccolo device, becoming the only hospital in tri-city to perform such a complex procedure

#### Research and academics:

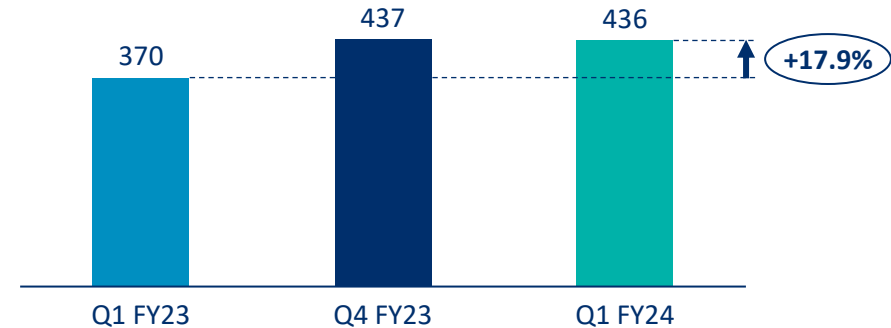
- ✦ Partnered with IIIT Delhi & IIT Bombay to work in the areas of Oncology, Molecular Genomics & Radiology
- ✦ Published 93 articles in high impact journals during Q1FY24; ~103 clinical trials and 22 grant studies are underway

## Key Financial Highlights

### Gross Revenue (INR Cr)

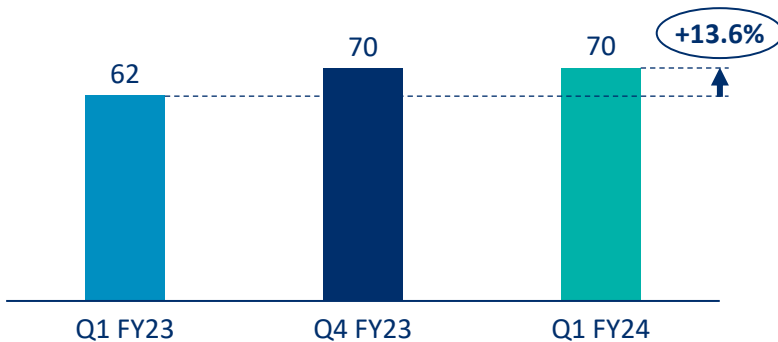


### Operating EBITDA (INR Cr)

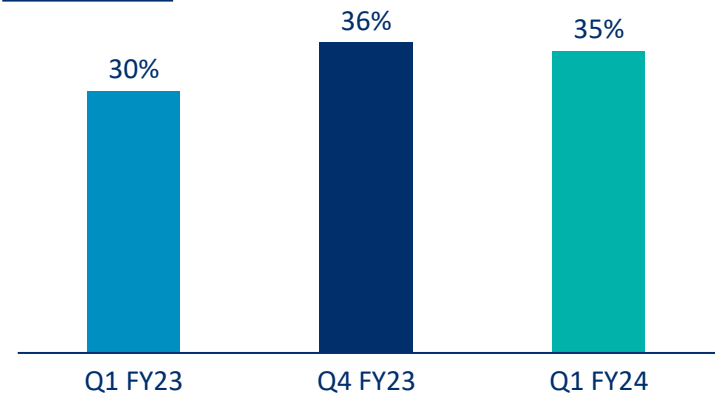


Margin<sup>1</sup> (%)    Q1 FY23 : 26.5%    |    Q4 FY23 : 28.2%    |    Q1 FY24 : 26.8%

### Operating EBITDA per bed<sup>2</sup> (INR Lakhs)



### Pre-tax ROCE<sup>3</sup>

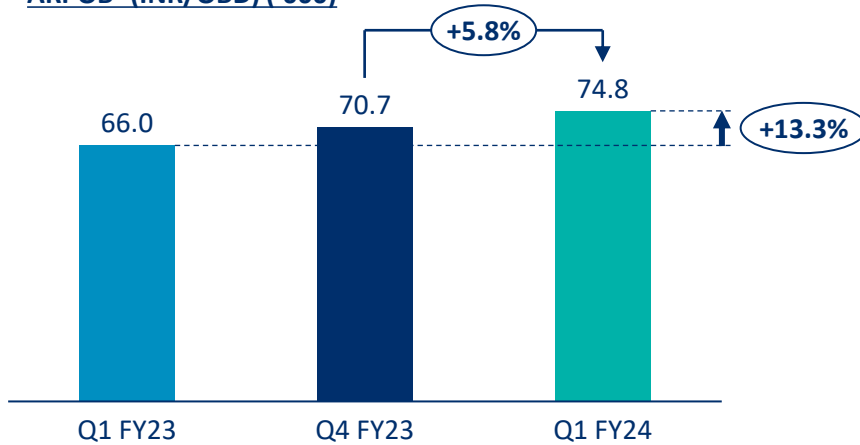


(1) Margin calculated on net revenue | (2) EBITDA per bed is annualised using relevant quarterly performance; excludes EBITDA from Max Lab operations | (3) Based on quarterly EBIT annualised; capital employed excludes (a) impact of Purchase price allocation at the time of merger with Radiant, (b) acquisition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

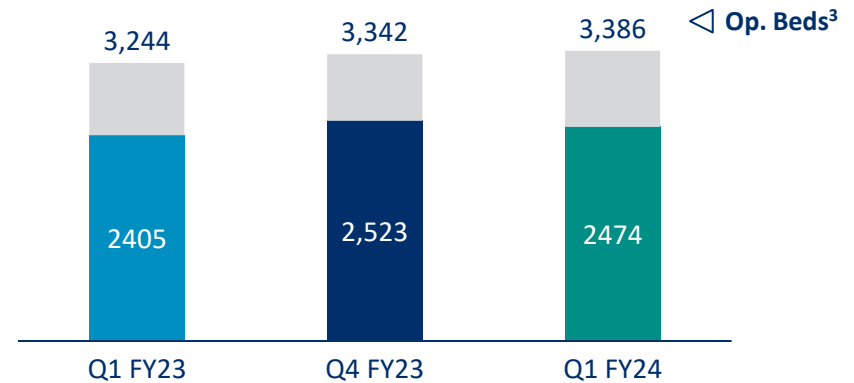


## Key Operational Highlights

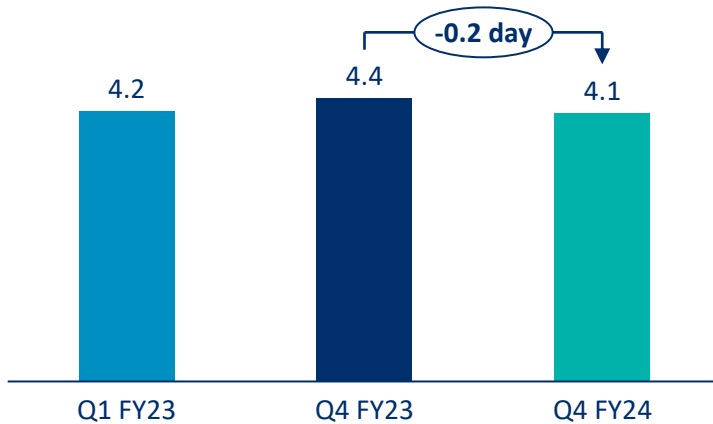
ARPOB<sup>1</sup> (INR/OBD) ('000)



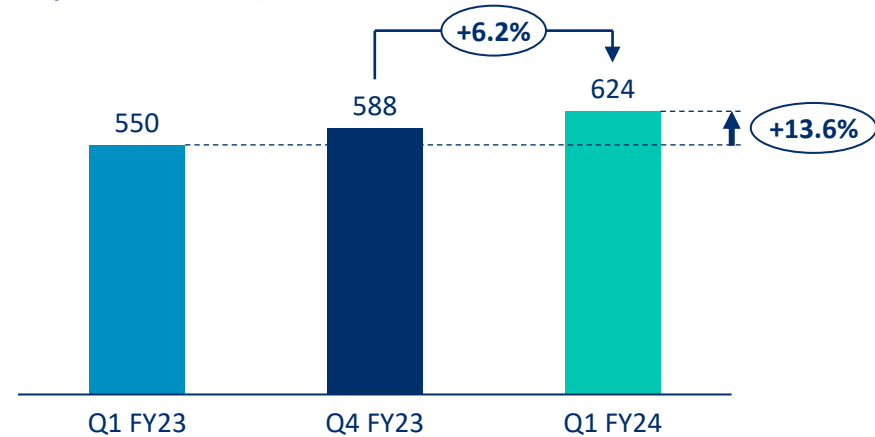
Avg. Inpatient Occupancy



ALOS<sup>2</sup> (in days)



Outpatient consults ('000)

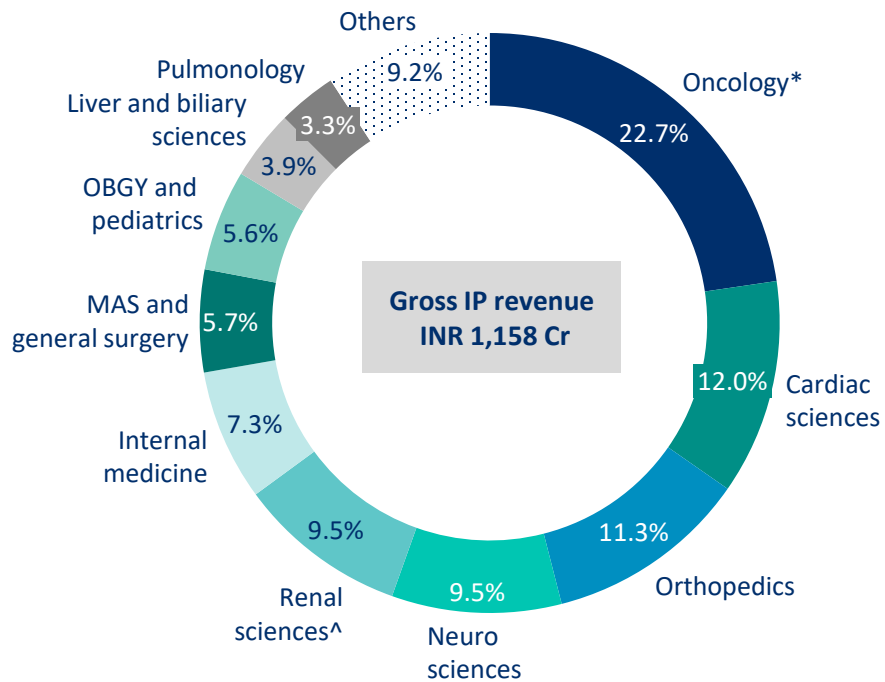


(1) ARPOB calculated as gross revenue/total OBD; Gross revenue excludes revenue from Max Lab operations

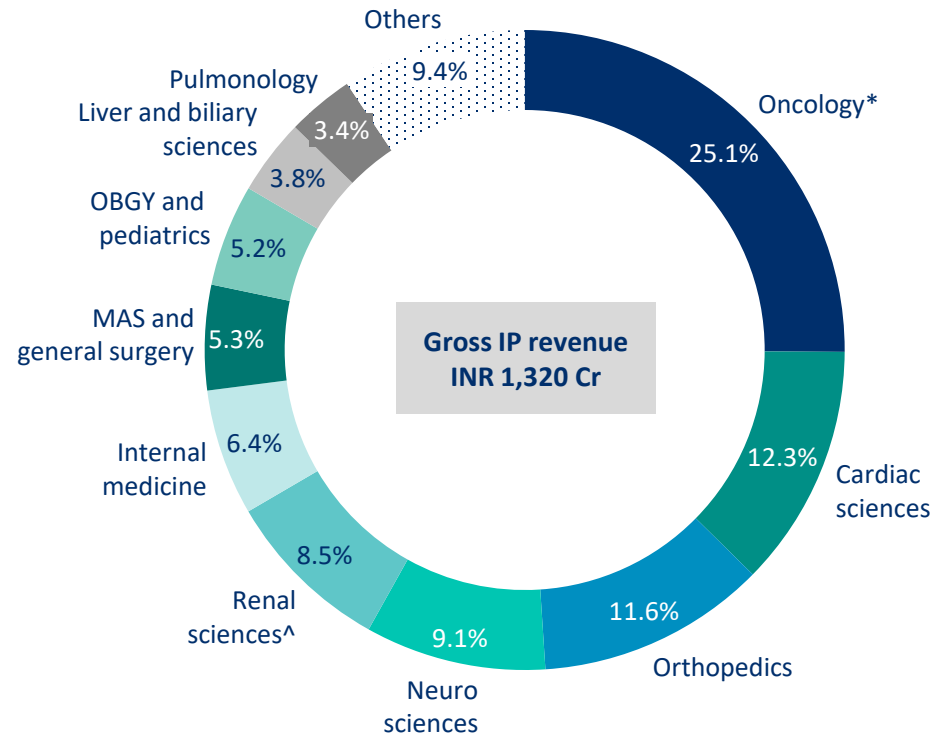
(2) ALOS calculated for discharged IP patients

(3) Operational Beds as at the end of quarter

Q1 FY23



Q1 FY24

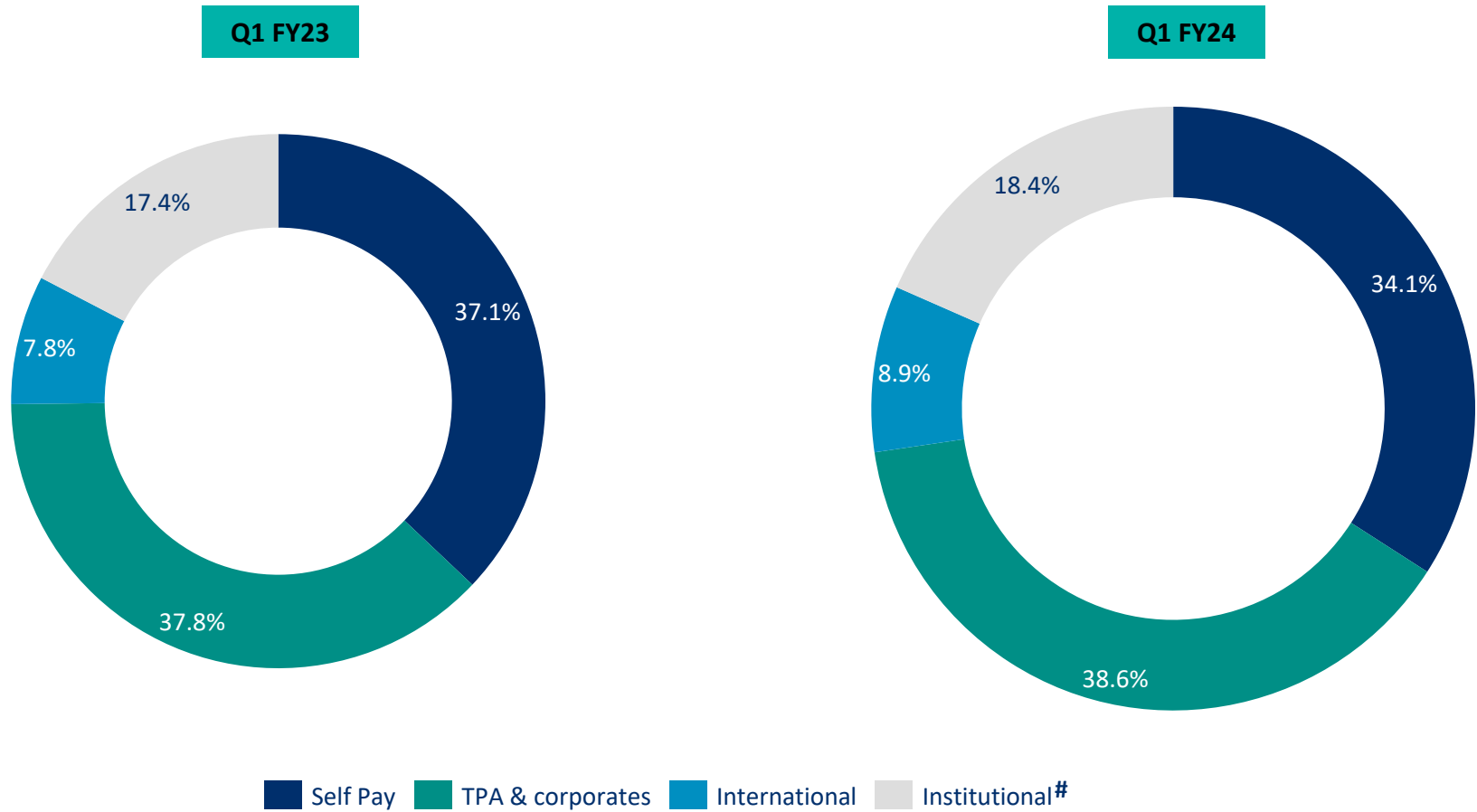


**Note:** Excludes OP and day care revenue, revenue from SBUs and other operating income;

\* Includes chemotherapy and radiotherapy

^ Includes Dialysis

## Share of Revenue\*



**Note:**

\*Excludes revenue from SBUs and other operating income

<sup>#</sup>The institutional revenue share has improved YoY despite reduction in bed share, due to increase in ARPOB post partial revision in prices during the quarter

## Network P&L Statement: Q1 FY24

Figs in INR Cr

	Q1 FY23		Q4 FY23		Q1 FY24	
	Amount	% NR	Amount	% NR	Amount	% NR
Gross revenue	1,473		1,637		1,719	
<b>Net revenue</b>	<b>1,393</b>	<b>100.0%</b>	<b>1,551</b>	<b>100.0%</b>	<b>1,629</b>	<b>100.0%</b>
Direct costs <sup>1</sup>	551	39.6%	605	39.0%	650	39.9%
<b>Contribution</b>	<b>842</b>	<b>60.4%</b>	<b>947</b>	<b>61.0%</b>	<b>979</b>	<b>60.1%</b>
Indirect overheads <sup>2</sup>	472	33.9%	510	32.8%	543	33.3%
<b>Operating EBITDA</b>	<b>370</b>	<b>26.5%</b>	<b>437</b>	<b>28.2%</b>	<b>436</b>	<b>26.8%</b>
<b>Less:</b>						
ESOP (Equity-settled Scheme)	5	0.4%	12	0.8%	12	0.7%
Movement in fair value of contingent consideration payable and amortisation of contract assets <sup>3</sup>	6	0.4%	(14)	(0.9%)	7	0.4%
<b>Reported EBITDA</b>	<b>359</b>	<b>25.8%</b>	<b>439</b>	<b>28.3%</b>	<b>417</b>	<b>25.6%</b>
Finance cost/(income) <sup>4</sup>	20	1.4%	(2)	(0.1%)	(3)	(0.2%)
Depreciation and amortisation	65	4.6%	69	4.4%	64	3.9%
<b>Profit before tax</b>	<b>274</b>	<b>19.7%</b>	<b>372</b>	<b>24.0%</b>	<b>356</b>	<b>21.9%</b>
Tax <sup>5</sup>	46	3.3%	52	3.4%	66	4.0%
<b>Profit after tax</b>	<b>229</b>	<b>16.4%</b>	<b>320</b>	<b>20.6%</b>	<b>291</b>	<b>17.8%</b>

1. Direct costs are up compared to Q4 owing to increase in the surgical mix, which stands at 55% compared to 51% in Q4. The no. of robotic procedures have doubled YoY
2. Increase is mainly attributed to annual merit increase, new hiring for additional beds & project execution capabilities, S&M costs relating to international channel and higher provisioning due to build up of AR in Q1
3. This is a non cash item representing change in fair value of contingent consideration payable to Trust/Society over the balance period (~20 to 31 years) under O&M Contracts and mainly represents impact of changes in the time value of discounted liability. Movement during Q4 is attributed to change in WACC & future business plan projections
4. Net off interest income on deposits and tax refunds & include forex gain/loss etc. Movement compared with Q1 FY23 is attributed to cash flow from operations over last 12 months
5. Effective tax rate in Q1 FY24 stood at 18.4% compared to 16.7% in Q1 FY23, due to increase in medical service fee from PHFs

# Q1 FY24 Memorandum Consolidation of Network P&L

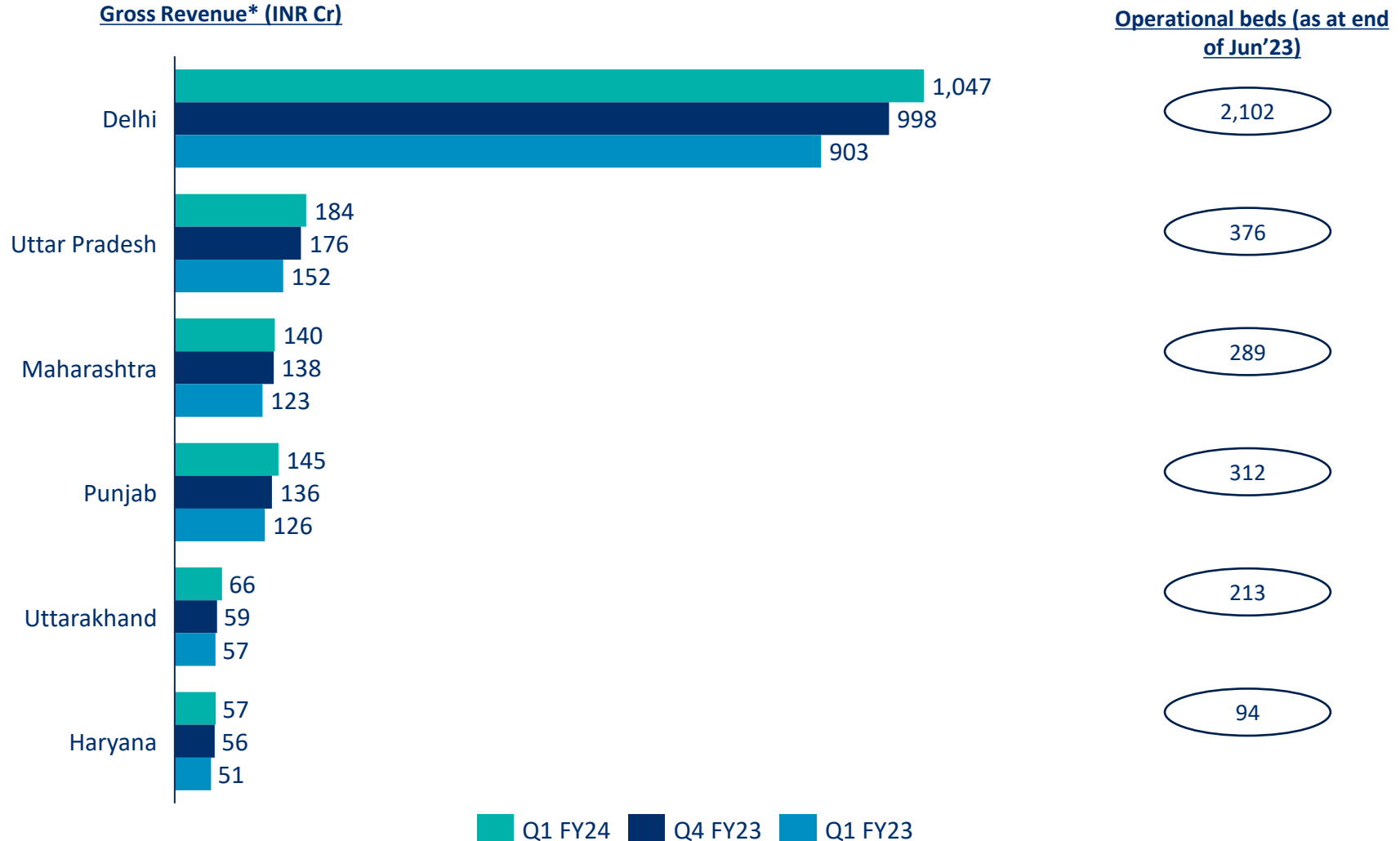
Figs in INR Cr

	MHIL, its subsidiaries & Silos	Partner Healthcare Facilities ("PHF") Financials (IGAAP Unaudited)*				Eliminations & Adjustment <sup>(2)</sup>	MHC Network (Consolidated) (Certified by an ICA)
	IND AS Unaudited	Balaji Society	GM Modi Society (Hospital)	Devki Devi Society	IND AS Adjustment <sup>(1)</sup>		
Net revenue from operations	1285	150	112	188	-	(113)	1622
Other income <sup>(3)</sup>	5	1	2	7	-	(8)	7
<b>Total operating income</b>	<b>1290</b>	<b>151</b>	<b>114</b>	<b>195</b>	<b>-</b>	<b>(121)</b>	<b>1629</b>
Pharmacy, drugs, consumables & other direct costs	276	32	26	53	-	18	404
Employee benefits expense <sup>(4)</sup>	214	20	13	19	-	66	333
Other expenses <sup>(5)</sup>	439	74	61	87	(1)	(204)	456
<b>Total expenses</b>	<b>929</b>	<b>126</b>	<b>100</b>	<b>159</b>	<b>(1)</b>	<b>(120)</b>	<b>1193</b>
<b>Operating EBITDA</b>	<b>361</b>	<b>24</b>	<b>14</b>	<b>35</b>	<b>1</b>	<b>(0)</b>	<b>436</b>
<b>Less:</b>							
ESOP (Equity-settled Scheme)	12	-	-	-	-	-	12
Movement in fair value of contingent consideration payable and amortisation of contract assets	7	-	-	-	-	-	7
<b>Reported EBITDA</b>	<b>342</b>	<b>24</b>	<b>14</b>	<b>35</b>	<b>1</b>	<b>(0)</b>	<b>417</b>
Finance costs (net)	(17)	(2)	7	4	0	4	(3)
Depreciation & Amortisation	56	4	5	5	1	(7)	64
<b>Profit before tax</b>	<b>303</b>	<b>22</b>	<b>3</b>	<b>27</b>	<b>0</b>	<b>2</b>	<b>356</b>
Tax	63	-	-	-	-	2	66
<b>Profit after tax</b>	<b>240</b>	<b>22</b>	<b>3</b>	<b>27</b>	<b>0</b>	<b>(0)</b>	<b>291</b>

\*New PHFs i.e. Vikrant Children's Foundation and Nirogi Charitable and Medical Research Trust have not been reflected separately and included in the Eliminations & Adjustments due to negligible values

1) Mainly IND AS 116 (Accounting for Leases) at PHFs | (2) Eliminations relate to revenue from PHFs and intra-network sale/purchase. Also includes consequential impact on amortisation due to reversal of Intangible assets recognized at MHIL & its subsidiaries for contracts with PHFs. The net present value of the amount payable by a PHF to unconsolidated part of the other Society over the contract period was accrued during PPA and payment there against has thus been knocked off against the liability so created. Further, cost of non-treating doctors on retainership, staff insurance, recruitment, forex gain/loss etc. have been reclassified under Employee benefits expense & Finance costs resp. | (3) Other Income includes unclaimed balances written back, donations & contributions, scrap sale, income from outlets etc. | (4) Includes non-clinical doctors on retainership & movement in OCI for actuarial valuation impact but excludes ESOP expenses | (5) Net of bad debts recovered, loss/gain on sale of fixed assets & excludes movement in fair value of contingent consideration and amortisation of contract assets which is reflected below Operating EBITDA & includes cost of admitting doctors

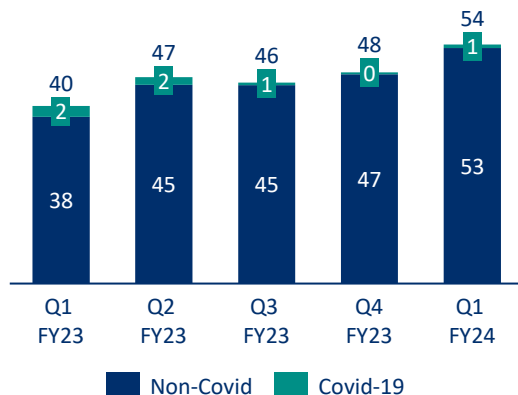
## Gross revenue from hospitals, by region



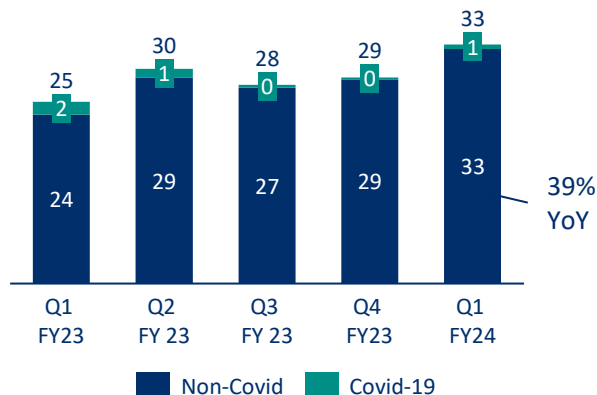
\*Excludes revenue from Max Lab operations, Max@Home and other SBUs

# Max Lab: Key performance indicators

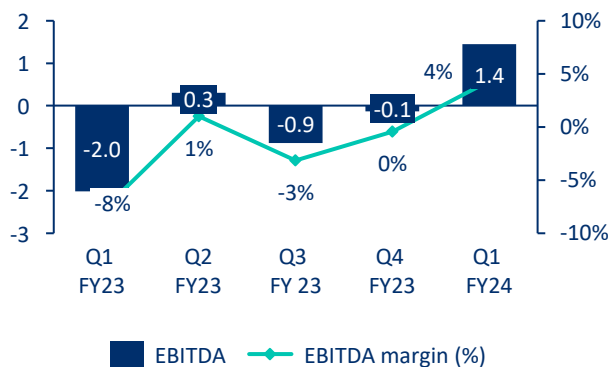
Gross Billing Value (INR Cr)



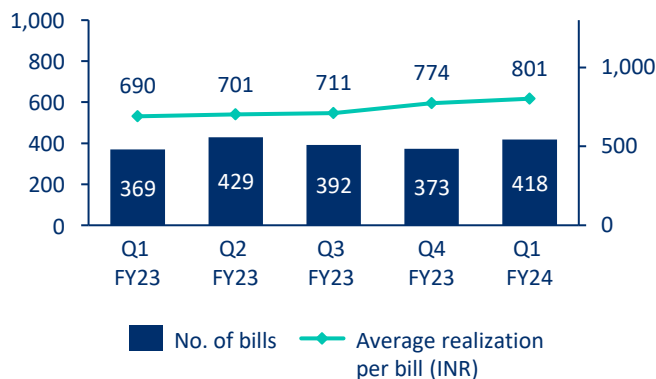
Net revenue (INR Cr)



EBITDA\* (INR Cr)



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



## Operational footprint (as of June, 2023)

~430

Partner-run  
collection centres

22

Company owned  
collection centres (CoCC)

~170

Phlebotomist  
At Site (PAS)

270+

Pick-Up  
Points (PUPs)

45

HLMs & OLMs

36

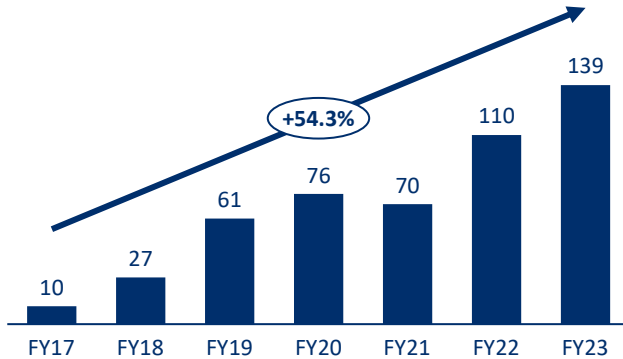
Cities of  
operations

Partner count of ~1000  
during Q1 FY24

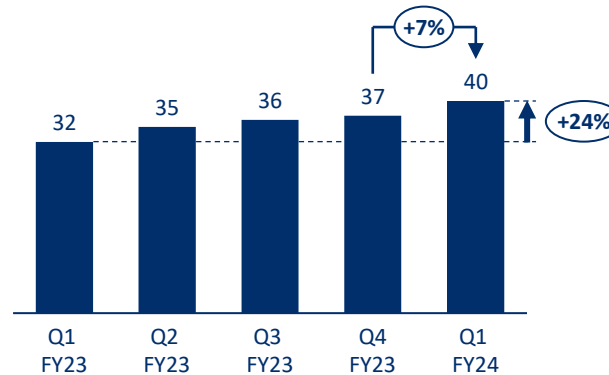
Note: Gross Billing Value (GBV) is the amount billed to patients; Net Revenue represents GBV minus partner share;  
Covid-19 and related tests include RTPCR, Antigen, Antibody, CBNAAT, IL-6, D-Dimer, Ferritin, CRP, LDH, Procalcitonin

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

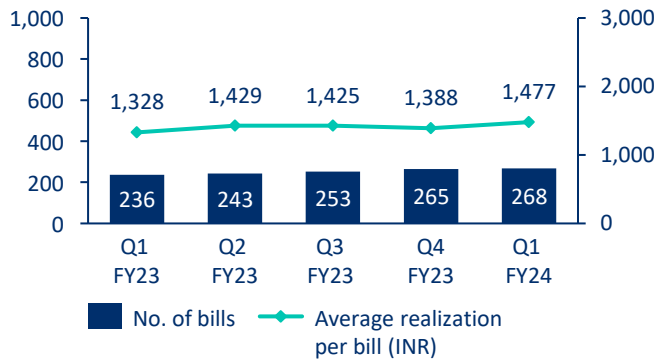
Gross revenue (INR Cr)



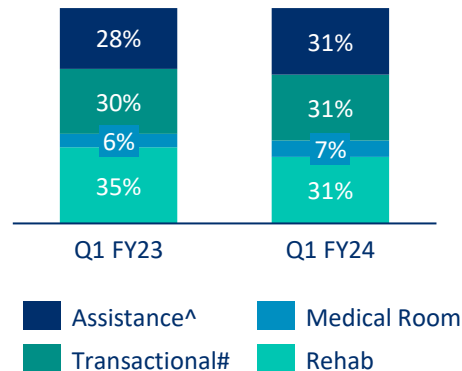
Quarterly Gross Revenue Trend (INR Cr)



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



Key Service Lines ( Rev Mix YoY)



Key Pointers  
(as of June, 2023)

**14**  
Specialised  
Service Lines

**1,200+**  
Strong  
Team\*

**QAI**  
Accredited  
(ISQua member)

**100+**  
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

- ✧ **2,300+ Liver Transplants, ~3,700 Kidney Transplants & 1,700+ Bone Marrow Transplants** performed till date
- ✧ MSSH-Mohali successfully cured a 28-day-old baby suffering from **Patent Ductus Arteriosus** using a Piccolo device, becoming the **only hospital** in tri-city to perform such a complex procedure
- ✧ Successfully removed the **adrenal tumor**, weighing 600 g, above the Kidney from a 2-year-old patient at BLK Max
- ✧ Cured a 3-month-old baby diagnosed with cardiac mass by performing the **debulking surgery** with Mitral valve repair on the **intra-cardiac tumor** at MSSH – Saket
- ✧ Successfully Removed a **2.5 feet long and 4 inch thick iron rod** from chest of a 22-year-old man at MSSH-Shalimar Bagh
- ✧ Max Smart successfully implanted **South East Asia's first Hybrid Cochlear implant** with N8 processor on a 3-year-old child
- ✧ Max Gurgaon treated a 27-year-old patient for **Giant bulla right lung upper lobe** using Right VATS/open bullectomy
- ✧ MSSH-Dehradun became the **1<sup>st</sup> hospital** to successfully perform **RADIAL PROBE-EBUS** left lung – lesion in left lower lobe & **CP-EBUS** in right hilar LAP on a patient with poor cardiac status
- ✧ MSSH-Vaishali removed a large **foreign body- "A Chicken Bone Vertebra"** lodged in the airway of an 85-year-old, despite challenges presented due to prolonged presence of the object in the body
- ✧ Nanavati Max successfully cured a 70-year-old patient with a **tongue tied by fish bone**, preventing damage to internal organs

- ✧ National and international publications

  - ✧ **93 scientific publications** in high impact factor journals during Q1 FY24

  - ✧ Top high Index and high impact factor publications are from Cardiology, Oncology, Endocrinology, Internal Medicine and Gastro

- ✧ **~125 research projects** are currently underway across the Network with **103 clinical trials and 22 grant studies** ongoing.

- ✧ **Signed an MoU with IIIT Delhi & IIT Bombay** to facilitate collaborative research and educational initiatives in the areas of Oncology, Molecular Genomics & Radiology

- ✧ **~ 800 trainee doctors** across the network including : **~500 students in DNB programmes** across 37 specialities, **~80** students currently enrolled in **Masters in Emergency Medicine course**, being run under the aegis of George Washington University, **~55 students in IMT program** , and more than 100 students in Fellowship programs

- ✧ **~400 health care professionals** are currently enrolled across internships and observer-ships

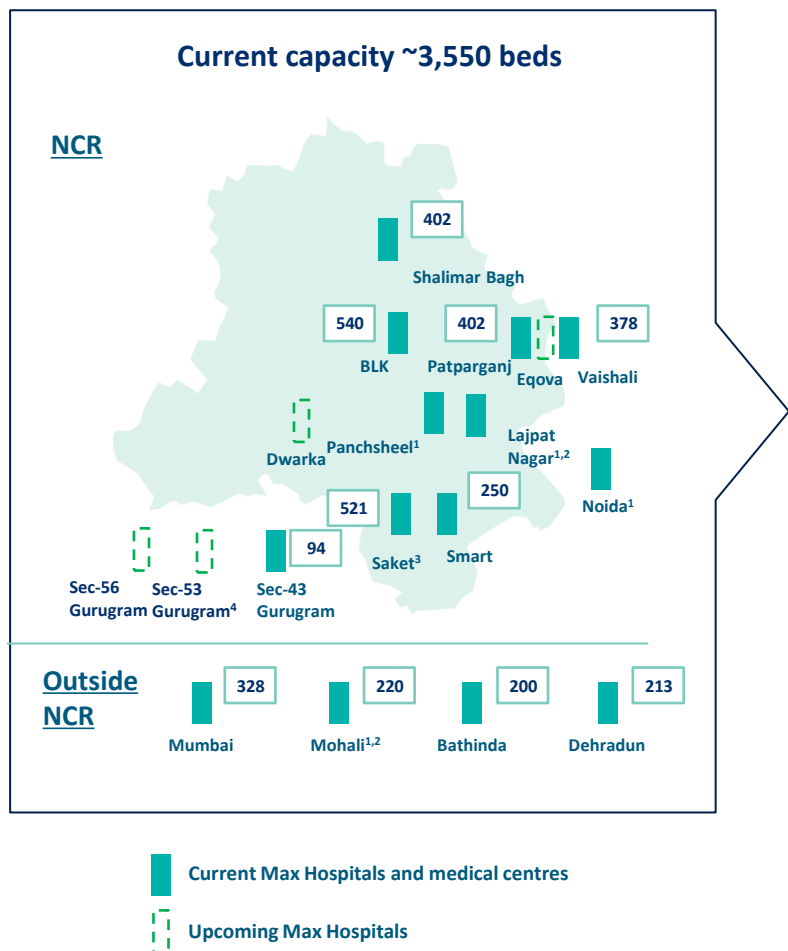
- ✧ **~130 MBBS** students currently pursuing 2 year Clinical rotation in collaboration with Lincoln American University

- ✧ **~520** health care professionals trained in American Heart association certified courses

- ✧ **~20 students** enrolled in Masters and PhD at Max Healthcare

## 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



~74%  
Q1 FY24  
Occupancy



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

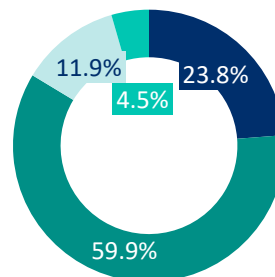


41%  
EBITDA CAGR<sup>^</sup>  
3 years



~35%  
Q1 FY24  
ROCE

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



## Top Public investors:

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

Abhay Soi  
FPIs and FIIs  
DII's  
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**



### Robotics



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** including Imperial College London, Ashoka University, IIT Bombay, IIIT Delhi, Pfizer Inc and Deakin University— 30,000+ research participants and 2 million USD research grant



~2,200 high index journal **research publications** in last 7 years



Private **bio bank** - ~22,000 bio samples stored



Several **research grants** from leading organisations such as CSIR, DBT, ICMR, BIRAC, INSA, DHR, Pfizer, NIHR, MRC, Innovate UK



Integrating use of Artificial Intelligence and Machine Learning with leading international partners and prestigious national academic institutions to healthcare



**~500 clinical research projects completed to date, ~120 ongoing**

## Academics:

Max Institute of Medical Excellence (MIME) is the **education division** of MHC for medical education & training

- ✦ Started a 2 year Masters of Public Health program through a collaboration with AcSIR
- ✦ First PhD batch enrolled in January 2023
- ✦ Hosts prestigious Royal college of Physicians UK exam - successfully hosted 8 examinations, only center in North India
- ✦ Recognised by JRCPTB, UK to deliver post graduate Internal Medicine Training outside UK, the only center in North India
- ✦ Conducts Masters in Emergency program in collaboration with George Washington University, USA
- ✦ 25,500+ students trained in Life Support programmes in last 5 years
- ✦ ~27,000 trainees participate in various training programs & exams in the last 3 years
- ✦ ~500 DNB students enrolled across 30+ specialties



Figs in INR Cr

	FY20		FY21		FY22		FY23	
	Amount	% NR	Amount	% NR	Amount	% NR	Amount	% NR
Gross revenue <sup>1</sup>	4,356		3,881		5,509		6,236	
<b>Net revenue</b>	<b>4,023</b>	<b>100.0%</b>	<b>3,629</b>	<b>100.0%</b>	<b>5,218</b>	<b>100.0%</b>	<b>5,904</b>	<b>100.0%</b>
Direct costs	1,715	42.6%	1,508	41.6%	2,103	40.3%	2,304	39.0%
<b>Contribution</b>	<b>2,308</b>	<b>57.4%</b>	<b>2,121</b>	<b>58.4%</b>	<b>3,115</b>	<b>59.7%</b>	<b>3,600</b>	<b>61.0%</b>
Indirect overheads	1,719	42.7%	1,485	40.9%	1,725	33.1%	1,964	33.3%
<b>Operating EBITDA<sup>2</sup></b>	<b>590</b>	<b>14.7%</b>	<b>636</b>	<b>17.5%</b>	<b>1,390</b>	<b>26.6%</b>	<b>1,636</b>	<b>27.7%</b>
<b>Less:</b>								
ESOP (Equity - settled scheme)	-	-	27	0.7 %	34	0.7%	34	0.6%
Movement in fair value of contingent consideration payable and amortisation of contract assets <sup>3</sup>	(3)	(0.1%)	1	0.0%	7	0.1%	4	0.1%
Transaction Costs for QIP & Loss on fair valuation of pre-merger holding of Radiant under IND AS 103	43	1.1%	249	6.9%	-	-	-	-
Exceptional item : VRS pay-out to employees	-	-	-	-	9	0.2%	-	-
<b>Reported EBITDA</b>	<b>549</b>	<b>13.6%</b>	<b>359</b>	<b>9.9%</b>	<b>1,340</b>	<b>25.7%</b>	<b>1,597</b>	<b>27.1%</b>
Finance costs (net)	215	5.3%	187	5.2%	112	2.2%	39	0.7%
Depreciation and amortisation	208	5.2%	216	6.0%	248	4.8%	260	4.4%
<b>Profit / (Loss) before tax</b>	<b>126</b>	<b>3.1%</b>	<b>(45)</b>	<b>(1.2%)</b>	<b>979</b>	<b>18.8%</b>	<b>1,298</b>	<b>22.0%</b>
Tax <sup>4</sup>	(3)	(0.1%)	50	1.4%	143	2.7%	(30)	(0.5%)
<b>Profit / (Loss) after tax</b>	<b>129</b>	<b>3.2%</b>	<b>(95)</b>	<b>(2.6%)</b>	<b>837</b>	<b>16.0%</b>	<b>1,328</b>	<b>22.5%</b>

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

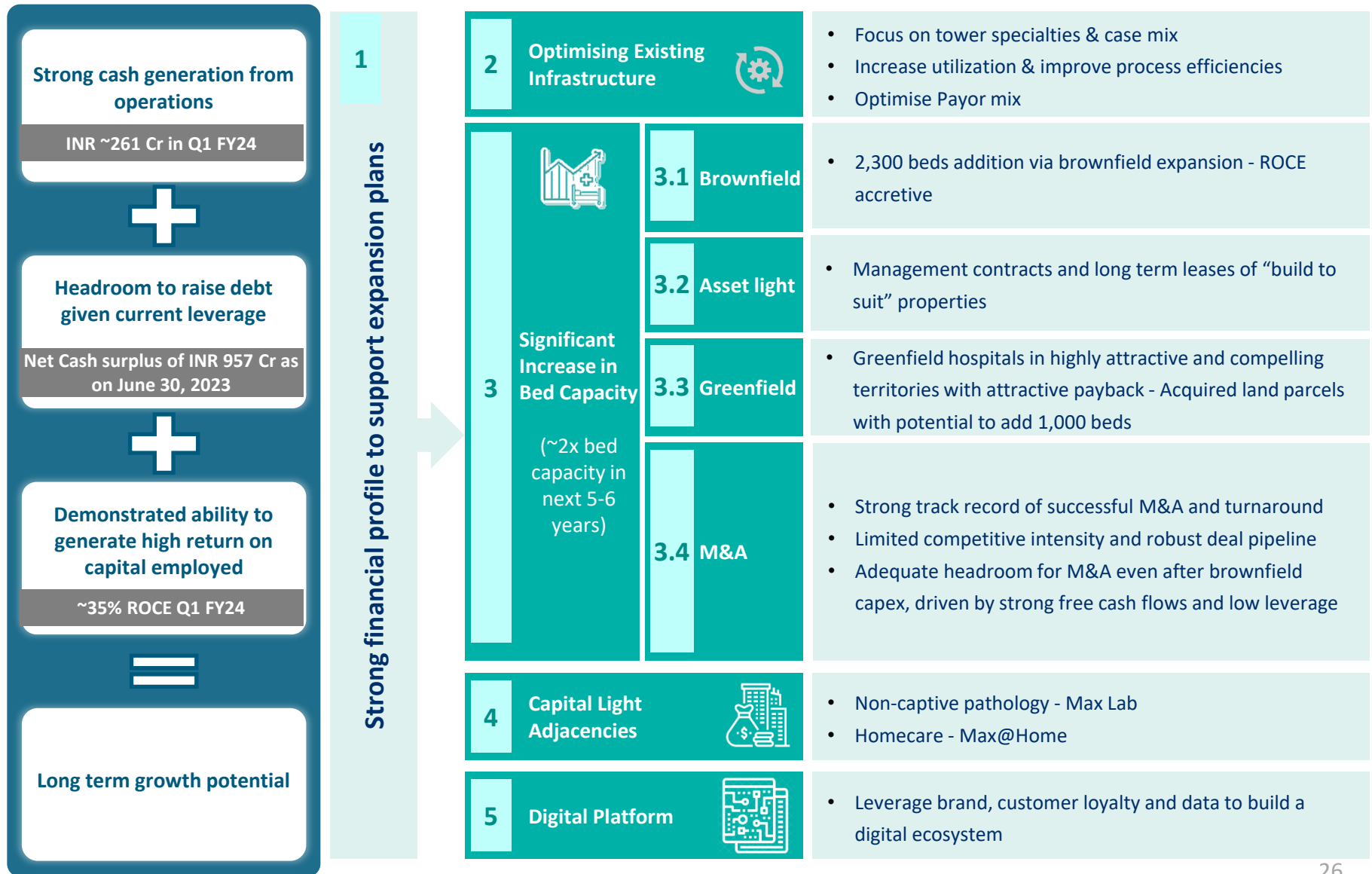
1. FY22 includes gross revenue of INR 236 Cr from Covid-19 vaccination & related antibody tests compared to INR 2 Cr in FY23

2. Includes INR 85 Cr towards EBITDA from Covid-19 vaccination & related antibody tests in FY22

3. Non cash item represents the change in fair value of contingent consideration payable to Trust/Society over the balance period (~20 to 31 years) under O&M Contracts and represents change in the WACC, time value of discounted liability and impact of changes in future business plan projections

4. Includes impact of one time reversal of INR 244 Cr deferred tax liability (net of capital gains tax) in FY23 pursuant to voluntary liquidation of a subsidiary

## Multiple avenues for future growth



## 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 2022 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 1<sup>st</sup> 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

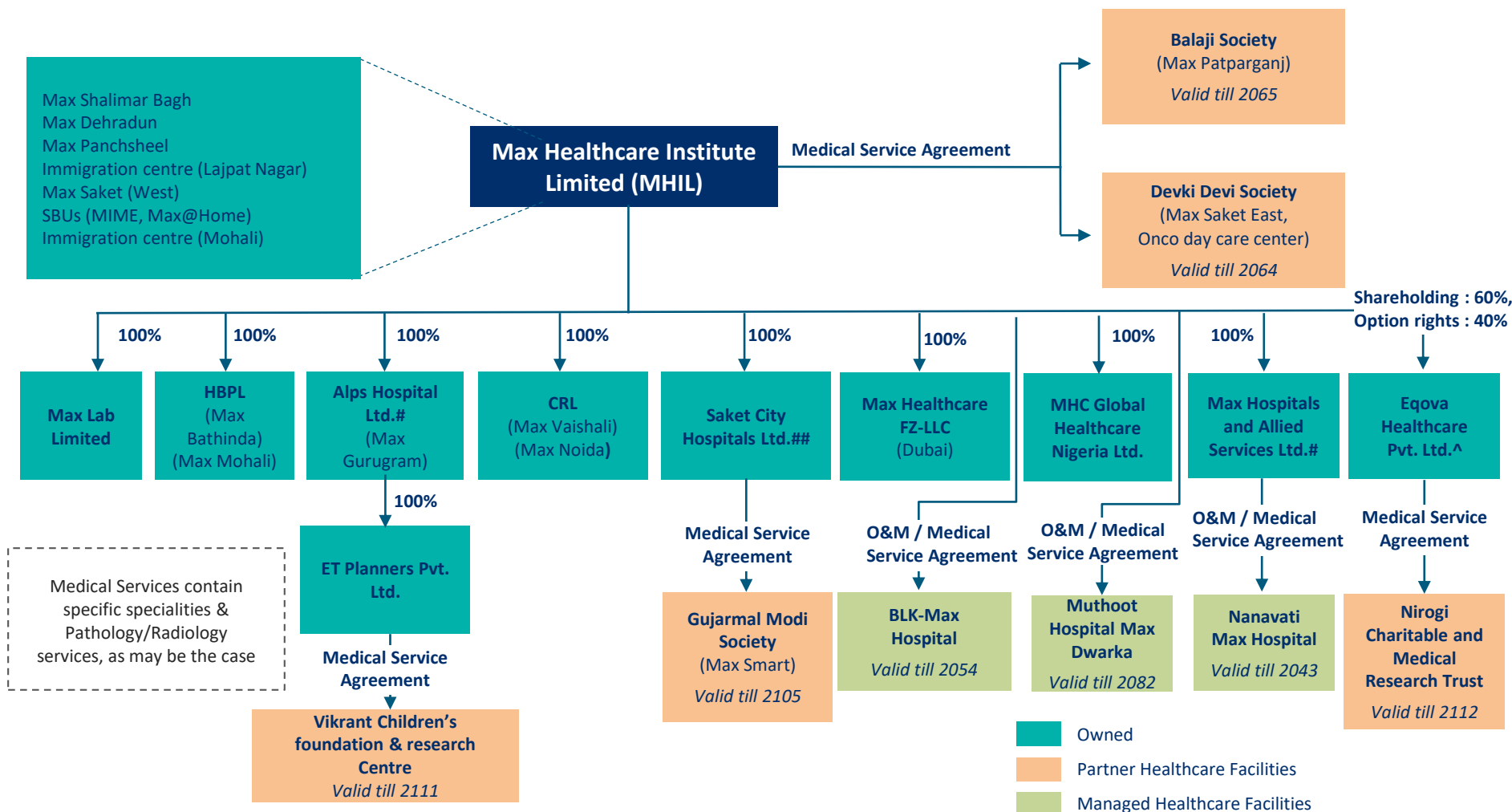
- \* Certified Great Place to Work by Great Place to Work Institute



- \* 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 Jun'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.

## Under voluntary liquidation, letter of distribution of its business undertaking has been issued by the liquidator on Aug 31, 2022 and its operations have been consolidated with 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 3 new upcoming Network facilities – one each in East Delhi (Patparganj), North West Delhi (Dwarka) and Sector 56 Gurugram

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

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