

Max Healthcare once again reports best ever performance, Q2 FY23
Network¹ Revenue and Operating EBITDA of INR 1,567 Cr & INR 410 Cr, growth² of 17% and 22% YoY respectively;
PAT² for the quarter stood at INR 511 Cr

- **Highest ever Gross Revenue** stood at **INR 1,567 Cr**, growth of 9% YoY and 6% QoQ. On a like to like basis², the Gross Revenue for the quarter reflects a growth of 17% YoY
- **Network Operating EBITDA** was **INR 410 Cr**, growth of 13% YoY and 11% QoQ. On a like to like basis² the network operating EBITDA grew by 22% YoY
- **Operating EBITDA margin** for the quarter stood at **27.7%** versus 26.7% in Q2 FY22 and 26.6% in Q1 FY23 on a like to like basis²
- **EBITDA per bed³** improved to **INR 64.3 lakhs** in Q2 FY23, from INR 54.8 lakhs in Q2 FY22 and INR 62.0 lakhs in Q1 FY23
- **PAT²** stood at **INR 511 Cr** in Q2 FY23 versus INR 207 Cr in Q2 FY22 and INR 229 Cr in Q1 FY23
- **Bed occupancy** in Q2 FY23 stood at **78%**; ~1% of total occupied beds were used for Covid-19 patients
- **ARPOB⁴** improved to **INR 66.0k** vs. INR 59.0k in Q2 FY22 and 66.0K in Q1 FY23
- **Cash from Operations⁵** stood at **INR 287 Cr** in Q2 FY23; **Net Cash⁶** as on Sep 30, 2022 was **INR 42 Cr**
- **Free treatment** provided to **39,729 patients in OPD and 1,298 patients in IPD** from the economically weaker sections

New Delhi/Mumbai, November 1, 2022: Max Healthcare Institute Ltd. (MHIL, 'the Company'), one of the largest private sector healthcare services company in India, announced its financial results for the three months ended Sep 30, 2022, today.

The Network gross revenue stood at INR 1,567 Cr during the second quarter reflecting a growth of 17% YoY and 6% QoQ on a like-to-like basis².

The Network Operating EBITDA stood at INR 410 Cr compared to INR 362 Cr in corresponding quarter last year (Q2 FY22) and INR 370 Cr in the previous quarter (Q1 FY23). This reflects a growth of 22% YoY and 11% QoQ on a like-to-like basis². Correspondingly, the Operating EBITDA margin stood at 27.7% for the quarter, compared to 26.7% in Q2 FY22 and 26.6% in Q1 FY23. EBITDA per bed² during the quarter improved to INR 64 lakhs, registering a growth of 17% YoY and 4% QoQ.

Profit after tax² (PAT) for the quarter stood at INR 511 Cr compared to INR 207 Cr in Q2 last year and INR 229 Cr in Q1 FY23. This includes one-time impact of INR 244 Cr due to reversal of deferred tax liability (net of capital gains tax) relating to Intangible Assets transferred to MHIL pursuant to voluntary liquidation of Saket City Hospital Limited and distribution of its business undertaking in August 2022. PAT thus, grew by 29% over corresponding quarter last year on a like-to-like basis². At the end of Q2 FY23, the Net Cash⁶ surplus stood at INR 42 Cr, compared to Net Debt of INR 217 Cr at the end of Q1 FY23.

The growth in Q2 FY23 revenue and Operating EBITDA were driven by higher occupancies, improved payor mix, and increased ARR in OPD. International patient revenue grew by 16% QoQ and reflected

1. Network includes the Company, its subsidiaries, managed hospitals and partner healthcare facilities | 2. Excluding non-recurring revenue and EBITDA from Covid-19 vaccination. PAT includes impact of one time gain of INR 244 Cr in tax expenses on reversal of deferred tax liability (net) in Q2 FY23 | 3. Based on Operating EBITDA per OBD (annualised) and excludes impact of COVID-19 vaccination and Max Lab operations | 4. Excludes revenue from COVID-19 vaccination and Max Lab operations | 5. After Interest, tax and replacement capex | 6. After considering term loans, Cash Credit & Put Option Liability

~110% of pre-Covid average.

Max Lab (non-captive pathology vertical) added 65+ channel partners during Q2 FY23, taking the overall active clients to ~920 spread across 34 cities. The vertical continued to grow and gross revenue reached INR 30 Cr during the quarter, recording a growth of 21% QoQ on a like to like basis¹ (excluding Covid-19 related tests).

Max@Home gross revenue during the quarter was INR 35 Cr, a growth of 26% YoY and 9% QoQ. The 800+ strong team has served 35,000+ unique patients during the quarter across 13 specialised service lines.

For the six months ended Sep 2022, the Network gross revenue stood at INR 3,040 Cr representing a ~17% growth on a like-to-like basis¹ over the corresponding period last fiscal.

The Network Operating EBITDA grew by 22% on a like-to-like basis¹ over H1 FY22, and stood at INR 780 Cr. Further the Operating margin for H1 FY23 was 27.2%, compared to 26.0% in H1 FY22 on a like-to-like basis¹.

Announcing Q2 results, **Mr. Abhay Soi, Chairman and MD, Max Healthcare Institute Ltd.**, said:

“The performance for Q2 FY23 is as per our expectations and reflects the focus on execution across the organisation in line with our articulated strategy. Healthcare Sector in general and Max healthcare in particular are making significant investments over the next 4-5 years leading to huge employment opportunities and a multiplier effect on GDP. The impetus provided by the government through its focus on healthcare and Heal in India initiatives will provide a watershed moment for the industry.”

Financial and Operational Highlights:

	Three Months ended			Growth		Six Months ended		Growth
	Sep 22	Sep 21	Jun 22	YoY	QoQ	Sep 22	Sep 21	YoY
Gross Revenue	1,567	1,434	1,473	9%	6%	3,040	2,819	8%
Net Revenue	1,482	1,353	1,393	10%	6%	2,875	2,675	7%
Operating EBITDA	410	362	370	13%	11%	780	722	8%
Margin² %	27.7%	26.8%	26.5%			27.1%	27.0%	
PAT³	511	207	229	29% ³ / 147%	17% ³ / 124%	740	412	20% ³ / 79%
Net Cash/ (Net Debt)⁴	42	(259)	(217)			42	(259)	

Excl. Covid-19 vaccination and related antibody tests

Gross Revenue	1,567	1,343	1,471	17%	6%	3,038	2,592	17%
Operating EBITDA	410	337	370	22%	11%	780	637	22%
Margin² %	27.7%	26.7%	26.6%			27.2%	26.0%	

(1) Excluding non-recurring revenue and EBITDA from Covid-19 vaccination | (2) As a percent of net revenue | (3) Q2 FY23 & H1 FY23 PAT includes impact of one-time reversal of INR 244 Cr deferred tax liability (net) as detailed in the main body of this PR. Growth % are thus reflected on both like to like and overall basis | (4) After ~INR 28 Cr spend towards growth initiatives during Q2 FY23

Clinical Update:

- Max Hospital, Saket became India's first centre to successfully perform a **dual-split liver transplant from a domino donor**
- BLK-Max Hospital achieved a significant milestone of 500+ Liver Transplants. Further, Max Hospital, Saket has performed 1,200+ Liver Transplants till date
- Max Hospital, Mohali successfully performed **BENTALL procedure**, a challenging surgical intervention involving total aortic root reconstruction, on a 32-year-old male
- Nanvati-Max Hospital treated an 8-year-old boy suffering from a **rare case of Osteosarcoma of Femur** using extracorporeal radiation, thus saving the child's knee & costs related to expensive prosthesis
- Max Hospital, Shalimar Bagh performed a **rare procedure of Trans Vascular EBUS TBNA** on a 17-year-old male patient with persistent necrotic isolated pre vascular lymph node

Research and Academics:

- Entered into a MoU with Pfizer Inc. to build joint research and academic program on data research. Also received grant from Pfizer for Fellowship in Rheumatology
- Published 110+ articles in high impact journals during Q2 FY23
- 97 clinical trials ongoing across the Network
- 14 ongoing research grants across Network Hospitals comprising of two International and 12 National grants
- ~100 MBBS students currently pursuing a two-year clinical rotation in collaboration with Lincoln American University
- DNB accreditation approval in 33 specialties across network; total strength of DNB residents across network is 345 currently.

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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 MaxLab. Max@Home is a platform that provides health and wellness services at home and MaxLab offers diagnostic services to patients outside its network.

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

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