

HealthCare Global Enterprises Ltd. reports Q3 FY20 results

**Revenue for Q3 FY20 of INR 2,779 Million, a growth of 12% (y-o-y)
and for YTD FY20 of INR 8,253 Million, a growth of 15% (y-o-y)**

**EBITDA for Q3 FY20 of INR 482 Million, a growth of 61% (y-o-y)
and EBITDA for YTD FY20 of INR 1,414 Million, a growth of 46% (y-o-y)**

Bengaluru, February 12, 2020: HealthCare Global Enterprises Limited (“HCG”), the leader in India in speciality healthcare services focused on oncology, fertility and precision diagnostics today announced its financial results for the quarter (“Q3”) and nine months (“YTD”) ended December 31, 2019 for fiscal year (“FY20”).

Effective 1 April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on 1 April 2019. The effect of this adoption have not been retrospectively adjusted for the year ended 31 March 2019 and previous period financials are not comparable.

Highlights for quarter ended December 31st, 2019

- Consolidated Income from Operations (“Revenue”) was **INR 2,779 mn** as compared to **INR 2,488 mn** in the corresponding quarter of the previous year, reflecting a year-on-year increase of **12%**.
- Consolidated Profit Before Depreciation and Amortization, Finance Costs, Exceptional Items and Taxes (“EBITDA”) was **INR 482 mn (INR 325 mn** excluding IND AS116 adjustment), as compared to **INR 299 mn** in the corresponding quarter of the previous year.
- Consolidated Profit Before Other Income, Depreciation and Amortization, Finance Costs, Exceptional Items and Taxes (“Operating EBITDA”), was **INR 457 mn (INR 300 mn** excluding IND AS 116 adjustment), as compared to **INR 289 mn** in the corresponding quarter of the previous year.
- Operating EBITDA for existing centers was **INR 419 mn** excluding IND AS116 adjustment, reflecting an Operating EBITDA margin of **18%**.
- Loss from new centers was **INR 118 mn** excluding IND AS116 adjustment, as compared to loss of **INR 85 mn** in the corresponding quarter of the previous year.
- Consolidated Profit after Taxes and Minority Interest (“PAT”)⁽⁴⁾ was a loss of **INR 228 mn** (loss of **INR 187 mn** excluding IND AS116 adjustment), as compared to loss of **INR 62 mn** in the corresponding quarter of the previous year.

INR million except earnings per share

Period Ended Dec 31	Q3-FY20 As per AS 116	Q3-FY19	Growth (y-o-y)	Q3-FY20 w/o AS 116	Growth (y-o-y)
Income from Operations	2,779	2,488	11.7%	2,779	11.7%
Other Income	25	10		25	
EBITDA⁽¹⁾	482	299	61.1%	325	8.6%
EBITDA Margin (%)	17.2%	12.0%		11.6%	
Operating EBITDA⁽²⁾	457	289	58.0%	300	3.7%
Operating EBITDA Margin (%)	16.5%	11.6%		10.8%	
PBT⁽³⁾	(278)	(73)	NM	(163)	NM
PBT Margin (%)	-10.0%	-2.9%		-5.9%	
PAT⁽⁴⁾	(228)	(62)	NM	(187)	NM
PAT Margin (%)	-8.2%	-2.5%		-6.7%	
Earnings Per Share	(2.57)	(0.71)	NM	(2.11)	NM

(1) Profit before depreciation and amortization, finance costs, exceptional items and taxes

(2) EBITDA excluding other income

(3) Profit / (Loss) before tax and share of profit / (loss) of equity accounted investee

(4) Profit / (Loss) for the period after share of profit / (loss) of equity accounted investee, taxes and minority interests

Business Updates for Q3 FY20

- Center of Excellence at Bengaluru establishes new standards for precision, accuracy and speed in cancer diagnostics and treatment
 - Becomes the 1st hospital with fully digitized pathology platform
 - Launches South India's 2nd Digital PET CT technology
- HCG emerging as leading private cancer care provider across Mumbai
 - Borivali center ramping-up well with **30.9%** y-o-y revenue growth
 - Comprehensive oncology services launched at South Mumbai center with 1st Cyberknife technology for advanced radiosurgery in Western India
- Rajkot multispecialty center achieves break-even, strong growth momentum continues
- Launched HCG's centralised call-center service for increased patient accessibility and care
- Milann center in Whitefield, Bengaluru achieves break-even towards continued leadership in an attractive market for comprehensive fertility services

Commenting on the results, **Dr. B.S. Ajaikumar, Chairman and CEO, HealthCare Global Enterprises Ltd.** said, *"We are pleased to report Q3 and YTD FY20 results with strong performance and outlook. The recently published study by World Health Organization predicts 1 out of 10 Indians to get cancer in their lifetime with high mortality rate, which is an alarming statistic. HCG's oncology network, through its presence and depth, uniquely positions us to address the growing cancer burden in India holistically, while delivering quality cancer care and outcomes. With South Mumbai center being operational, we have entered a period of consolidation with no further capex on new centers in the medium term. Through focus on driving profitability in our new centers and improving efficiencies in our existing centers, we expect to see robust growth in operating cash flows and consequent reduction in leverage. The Company has successfully achieved scale-up across specialised platforms in oncology, fertility and precision diagnostics, with pan-India leadership, and we remain committed to driving long-term value creation for all our stakeholders."*

Earnings Call

The company will conduct a one hour conference call at **6:00 PM IST on Wednesday February 12, 2020** where the management will discuss insights about the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in number for this call is **+91 22 6280 1107 /+91 22 7115 8008**. Other numbers are listed in the conference call invite which is uploaded on the stock exchange and posted on our website.

About HCG Enterprises Ltd.:

HealthCare Global Enterprises Ltd. (HCG), headquartered in Bengaluru, is the largest provider of cancer care in India. Through its network of 22 comprehensive cancer centers across India and Africa, HCG has brought advanced cancer care to the doorstep of millions of people. HCG's comprehensive cancer centers provide expertise and advanced technologies required for the effective diagnosis and treatment of cancer under one roof. HCG has pioneered the introduction and adoption of several technologies in the country including stereotactic radiosurgery, robotic radiosurgery and the use of genomics for personalized treatment of cancer. Under the "Milann" brand, HCG operates 8 fertility centers. **For further information**, visit www.hcge.com or **contact: Company Secretary and Compliance Officer: Sunu Manuel, investors@hcgoncology.com**