



November 12, 2020

National Stock Exchange of India Limited,
Compliance Department,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051,
Maharashtra, India

BSE Limited,
Compliance Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001,
Maharashtra, India

Dear Sir/Madam,

Subject : *Press release*

Stock Code : *BSE – 539787, NSE – HCG*

We wish to inform you that the Board of Directors of the Company, at their meeting held on November 12, 2020, *inter alia*, has approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 2020.

In this respect, we enclose herewith the communication being released to the Press on the Financial Results of the Company for the quarter and half year ended September 30, 2020.

Request you to take this on record.

Thanking you,

For **HealthCare Global Enterprises Limited**

Sunu Manuel
Company Secretary & Compliance Officer

Encl: a/a.

HealthCare Global Enterprises Ltd. reports Q2 FY21 results

**Revenue for Q2 FY21 of INR 2,479 Million, a decline of 11% (y-o-y)
and for H1 FY21 of INR 4,414 Million, a decline of 19% (y-o-y)**

**EBITDA for Q2 FY21 of INR 340 Million, a decline of 28% (y-o-y)
and EBITDA for H1 FY21 of INR 561 Million, a decline of 40% (y-o-y)**

Bengaluru, November 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 (“Q2”) and six months (“H1”) ended September 30 for fiscal year (“FY21”).

Effective 1 April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on 1 April 2019 and all financials are as per IND AS 116.

Highlights for quarter ended September 30th, 2020

- Consolidated Income from Operations (“Revenue”) was **INR 2,479 mn** as compared to **INR 2,785 mn** in the corresponding quarter of the previous year, reflecting a year-on-year decline of **11%** and a quarter-on-quarter growth of **28%**
- Consolidated Profit Before Depreciation and Amortization, Finance Costs, Exceptional Items and Taxes (“EBITDA”) was **INR 340 mn**, as compared to **INR 471 mn** in the corresponding quarter of the previous year, a decline of **28%** year-on-year and a growth of **54%** quarter-on-quarter
- Consolidated Profit Before Other Income, Depreciation and Amortization, Finance Costs, Exceptional Items and Taxes (“Operating EBITDA”), was **INR 300 mn**, as compared to **INR 456 mn** in the corresponding quarter of the previous year, a decline of **34%** year-on-year and a growth of **55%** quarter-on-quarter
- Operating EBITDA for existing centers was **INR 329 mn**, a growth of **29%** quarter-on-quarter, reflecting an Operating EBITDA margin of **17%**
- Loss from new centers was **INR 29 mn**, as compared to loss of **INR 48 mn** in the corresponding quarter of the previous year, a reduction of **40%** year-on-year and **52%** quarter-on-quarter
- Consolidated Profit after Taxes and Minority Interest (“PAT”)⁽⁴⁾ was a loss of **INR 223 mn**, as compared to loss of **INR 223 mn** in the corresponding quarter of the previous year

INR million except earnings per share

Period Ended Sep 30	Q2-FY21	Q2-FY20	Growth (y-o-y)
Income from Operations	2,479	2,785	-11.0%
Other Income	40	15	
EBITDA⁽¹⁾	340	471	-27.7%
<i>EBITDA Margin (%)</i>	<i>13.5%</i>	<i>16.8%</i>	
Operating EBITDA⁽²⁾	300	456	-34.1%
<i>EBITDA Margin (%)</i>	<i>12.1%</i>	<i>16.4%</i>	
PBT⁽³⁾	(323)	(269)	NM
<i>PBT Margin (%)</i>	<i>-13.0%</i>	<i>-9.7%</i>	
PAT⁽⁴⁾	(223)	(223)	NM
<i>PAT Margin (%)</i>	<i>-9.0%</i>	<i>-8.0%</i>	
Earnings Per Share	(1.94)	(2.51)	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 Q2 FY21

- Robust response to COVID led disruptions across our businesses:
 - Treatment of cancer patients continued with minimal interruptions across all our oncology centers
 - Multispecialty hospitals saw improvements in occupancy on account of ramp-up in both, COVID and non-Covid procedures
 - Milann, our IVF business, saw bounce back across new registrations, IVF cycles and revenues on q-o-q basis
- Oncology centers demonstrated strong resilience and ramp-up across regions:
 - Revenues of Hubli and Shimoga centers in Karnataka grew 55% and 25.6% y-o-y respectively
 - New oncology centers across Mumbai, namely Borivali and South Mumbai, clocked revenue growth on y-o-y and q-o-q basis with substantial reduction in losses
 - Nashik oncology center, establishing the highest quality and technology benchmarks for a Tier 2 town completed over 100+ robotic surgeries in the current quarter,
- Entered unique collaboration agreement with Elekta, the global leader in radiation technology, towards introducing innovative linear accelerators, oncology information systems etc. in an asset-light model
- Center of Excellence in Bangalore, in partnership with Karnataka Government and COVID India campaign, launched the state's first-of-its-kind plasma bank to combat COVID in near term and overall patient care across disease segments over long-term
- Milann, with focus on consolidation across geographies, discontinued operations of its IVF center in Ahmedabad
- Strand Lifesciences, our associate company focused on precision diagnostics, completed divestment of Gurgaon lab in view of COVID challenges and reported a profitable quarter

Commenting on the results, **Dr. B.S. Ajaikumar, Chairman and CEO, HealthCare Global Enterprises Ltd.** said, *"We report Q2 FY21 results with continued resilience amidst an environment struck with economic and social uncertainty brought about by the COVID pandemic. Strong performance of oncology centers in Tier 2/3 towns, improvements across the board at our new centers across Mumbai, with Borivali almost at the verge of operational break-even at unit level, and bounce back of Kolkata center, demonstrates that we have not only adapted well to the challenges but also emerged stronger, particularly in our domain. The depth of our operating systems and internal efficiencies have allowed us to uphold our mission of maintaining continuity and quality of care for oncology patients across the country, while minimising revenue and cost disruptions to the extent possible. This is a testament of sustainability of our business model fundamentals, which includes focused delivery of comprehensive cancer care, creating last-mile access on a pan-India basis, while being at the forefront of clinical, technological and digital innovations in the industry. With substantial deleveraging of our balance sheet, reduction in losses across new centers, on y-o-y & q-o-q basis, and focus on free cash flow generation, we are excited to move closer to our inflexion point that augurs profitability and return accretive phase for the company. HCG will continue to strengthen its dominant leadership in oncology, fertility and precision diagnostics, with a dedicated team and Pan-India presence, and is committed towards value creation and social impact for all our stakeholders."*

Earnings Call

The company will conduct a one hour conference call at **5:30 PM IST on Thursday November 12, 2020** where the management will discuss insights about the company's performance and answer questions from participants. To participate, the dial-in numbers are **+91 22 6280 1107 / +91 7045671221**, please join ten minutes ahead of the scheduled start time. Other numbers are listed in the conference call invite uploaded on stock exchanges and our website.

About HealthCare Global Enterprises Ltd.

HealthCare Global Enterprises Ltd. (HCG), is one of 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. Under the "Milann" brand, HCG operates 7 fertility centers. Strand Life Sciences, an associate company of HCG, is a precision

diagnostics company with strong track record in bioinformatics and a pioneer of genomic testing in India. **For further information**, visit www.hcgel.com or **contact: Company Secretary and Compliance Officer: Sunu Manuel**, investors@hcgoncology.com