



May 23, 2019

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

Sub: Investor Presentation

**Ref: HealthCare Global Enterprises Limited ("the Company") (NSE Scrip Code: HCG/
BSE Scrip Code: 539787)**

Dear Sir/Madam,

We wish to inform you that the Board of Directors of the Company, at their meeting held on this day, 23rd May 2019, *inter alia*, has approved the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 31, 2019.

In this respect, we enclose herewith the Presentation on the Financial Results of the Company for the quarter and year ended March 31, 2019.

Request you to take this on record.

For HealthCare Global Enterprises Limited

Sunu Manuel
Company Secretary & Compliance Officer

Encl: as above



HealthCare Global Enterprises Limited

Q4 - FY19 and FY19 Investor Presentation - May 2019



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Financial Highlights: Q4 and FY19

INR million except earnings per share

Period Ended Dec 31	Q4-FY19	Q4-FY18	Growth (y-o-y)	FY19	FY18	Growth (y-o-y)
Income from Operations	2,579	2,223	16.0%	9,787	8,307	17.8%
Other Income	32	26		74	128	
EBITDA⁽¹⁾	354	348	1.8%	1,326	1,316	0.7%
EBITDA Margin (%)	13.6%	15.5%		13.4%	15.6%	
Operating EBITDA⁽²⁾	322	322	0.0%	1,252	1,188	5.4%
EBITDA Margin (%)	12.5%	14.5%		12.8%	14.3%	
PBT⁽³⁾	(82)	21	NM	(334)	272	NM
PBT Margin (%)	-3.2%	1.0%		-3.4%	3.3%	
PAT⁽⁴⁾	(87)	26	NM	(248)	205	NM
PAT Margin (%)	-3.4%	1.2%		-2.5%	2.5%	
Earnings Per Share	-0.99	0.31	NM	-2.82	2.40	NM

• Q4'19 Revenue grew 16.0% y-o-y

- HCG⁽¹⁾ centers: **+18.0%**
- Milann⁽²⁾ centers: **-6.8%**

• Q4'19 Operating EBITDA

- Existing centers: INR 344 Mn (**17.5%** margin vs 19.6% margin in Q4-FY18)
- New centers⁽³⁾: Loss of INR (**22**) Mn (vs. loss of INR (21) Mn in Q4-FY18)

• FY19 Revenue grew 17.8% y-o-y

- HCG⁽¹⁾ centers: **+19.7%**
- Milann⁽²⁾ centers: **-3.8%**

• FY19 Operating EBITDA

- Existing centers: INR 1,392 Mn (**18.2%** margin vs 18.7% margin in FY18)
- New centers⁽³⁾: Loss of INR (**140**) Mn (vs. loss of INR (90) Mn in FY18)

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

2) EBITDA excluding other Income

3) Profit / (Loss) before tax and after 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

(1) 20 comprehensive cancer centers, 3 multispecialty hospitals, 3 diagnostic centers and 1 day care chemotherapy center operated under "HCG" brand and 1 multispecialty hospital managed by HCG.

(2) 8 fertility centers operated under "Milann" brand

(3) 9 HCG centers and 5 Milann centers that commenced operation after April 1, 2015

(4) Financials of HCG Africa and Strand Life Sciences consolidated at equity level

Revenue Mix: FY19

Revenue:
INR 9,787 Mn



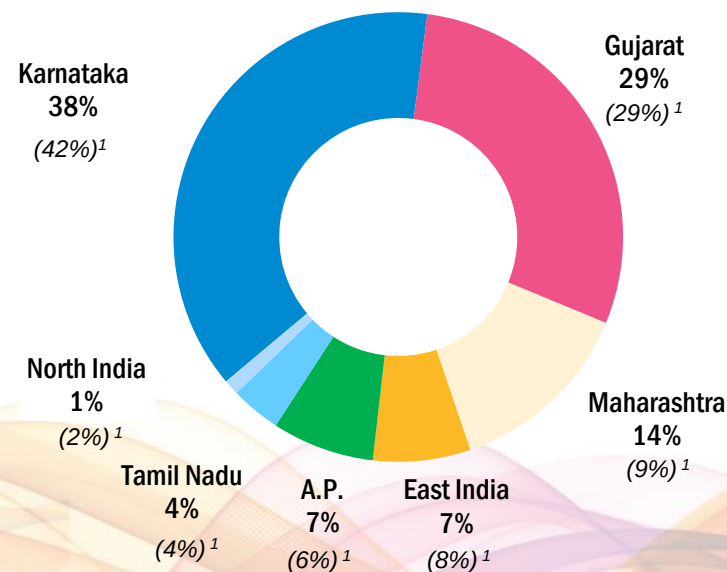
HCG ⁽¹⁾
centers
93%
(92%)¹



Fertility ⁽²⁾
centers
7%
(8%)¹



HCG Centers:
INR 9,143 Mn



(1) 20 comprehensive cancer centers, 3 multispecialty hospitals, 3 diagnostic centers and 1 day care chemotherapy center operated under "HCG" brand and 1 multispecialty hospital managed by HCG, as at March 31 2019

(2) 8 fertility centers operated under "Milann" brand

¹(FY18)

HCG Centers: Q4 and FY19 Revenues

INR million

Period Ended Dec 31	Q4-FY19	Q4-FY18	Growth (y-o-y)	FY19	FY18	Growth (y-o-y)
Karnataka	907	835	8.7%	3,490	3,247	7.5%
Gujarat	734	588	24.8%	2,668	2,220	20.2%
Maharashtra	316	228	38.5%	1,239	672	84.5%
East India	171	148	15.0%	642	587	9.3%
Andhra Pradesh	153	144	6.8%	674	497	35.5%
Tamil Nadu	87	77	12.5%	330	287	15.1%
North India*	48	4	1196.6%	100	28	257.3%
	2,416	2,024	19.4%	9,143	7,538	21.3%

*North India excludes revenue from Kanpur (discontinued operations) of INR 23 Mn in Q4-FY18 and INR 100 Mn in FY18.

- Strong growth continues at several existing and new centers in Q4-FY19
 - Nashik: +36.9% y-o-y
 - Baroda: +23.0% y-o-y
 - Ahmedabad: +17.1% y-o-y
- New centers contributed Revenue of INR 592 Mn in Q4-FY19
- Revenue from existing HCG centers grew 13% in Q4-FY19 on y-o-y basis

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HCG Centers: FY19 Operating Metrics

No. of Centers

FY19:

24

FY18:

22

Beds

FY19:

1,872

FY18:

1,569

Avg. Occupancy Rate

FY19:

43.7%

FY18:

44.5%

↓ **83 bps**

ALOS (Days)

FY19:

2.25

FY18:

2.39

↑ **14 bps**

ARPOB (INR / Day)

FY19:

31,423

FY18:

30,832

↑ **1.9%**

Revenue (INR mn)

FY19:

9,143

FY18:

7,638

↑ **19.7%**

Operating EBITDA Margin

FY19:

17.6%

FY18:

18.1%

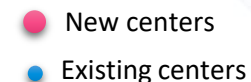
↓ **59 bps**

- ARPOB for existing centers at INR 35,334 against INR 33,406 in FY18
- Continuing reduction in ALOS to 2.25 on account of trend towards day care procedures and changing patient profile
- Operating EBITDA margins impacted with scale-up and losses of new centers
- Existing centers operating EBITDA margin improved by 76 bps to 23.8% in FY19 from 23.0% in FY18

Notes:

- (1) No. of Centers includes Cancer and Multispecialty hospitals operated under HCG brand and managed by HCG
- (2) Number of beds in operation as at the last day of the period
- (3) Occupied Bed Days calculated based on mid-day census
- (4) Average Occupancy Rate ("AOR") calculated as Occupied Bed Days divided by available bed days in the period
- (5) Average Revenue per Occupied Bed ("ARPOB") calculated as Revenue (gross for the hospital) divided by Occupied Bed Days
- (6) Average Length of Stay ("ALOS") calculated as Occupied Bed Days divided by number of admissions (including day care admissions)
- (7) Operating EBITDA margin before corporate expenses

HCG Centers: FY19 Regional Highlights



Centers	Beds	AOR	ARPOB (INR/Day)	Revenue (INR MN)	Operating EBITDA %
Karnataka					
7	632	43.5% ↑ +3.2%(1)	34.8K ↑ +2.0%	3,490 ↑ +7.5%	25.1%
Gujarat					
5	447	45.8% ↑ +17.7%(1)	35.7K ↑ +2.1%	2,668 ↑ +20.2%	14.7%
Maharashtra					
3	336	37.7% ↑ +54.0%(1)	26.8K ↑ +15.7%	1,239 ↑ +84.5%	2.4%
Andhra Pradesh					
3	177	45.4% ↑ +85.1%(1)	23.0K ↓ -26.8%	674 ↑ +35.5%	22.8%
East India					
2	165	68.2% ↑ +1.7%(1)	15.6K ↑ +7.4%	642 ↑ +9.3%	25.3%

- COE ARPOB of INR 52.1k with 26.8% operating EBITDA margin
- FY19 COE ROCE improved from 22.5% to **25.8%**
- Focus on margin and returns optimization across region

- Strong occupancy and revenue growth with stable ARPOB
- Growth across existing and new centers in oncology and multispecialty
- EBITDA margin of existing cancer centers at **21%** for FY19

- Strong growth at Nashik center with EBITDA margin at **22.0%**
- Borivali and Nagpur new centers ramping up with continued reduction in losses

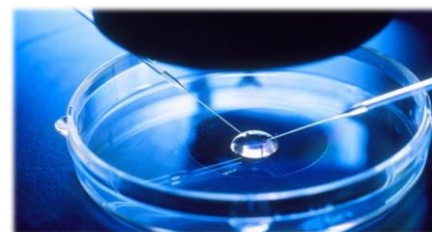
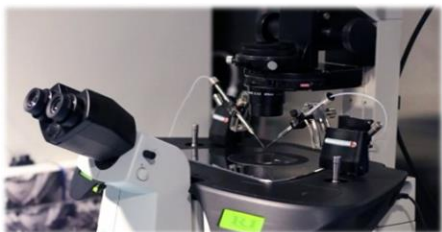
- Strong revenue growth, occupancy increase and ARPOB dilution driven by consolidation of partners business in Vijayawada
- New center in Vishakhapatnam continues to ramp up well

- EBITDA margin improvement of 52 basis points across the region
- Driven by improvements in patient and procedure mix

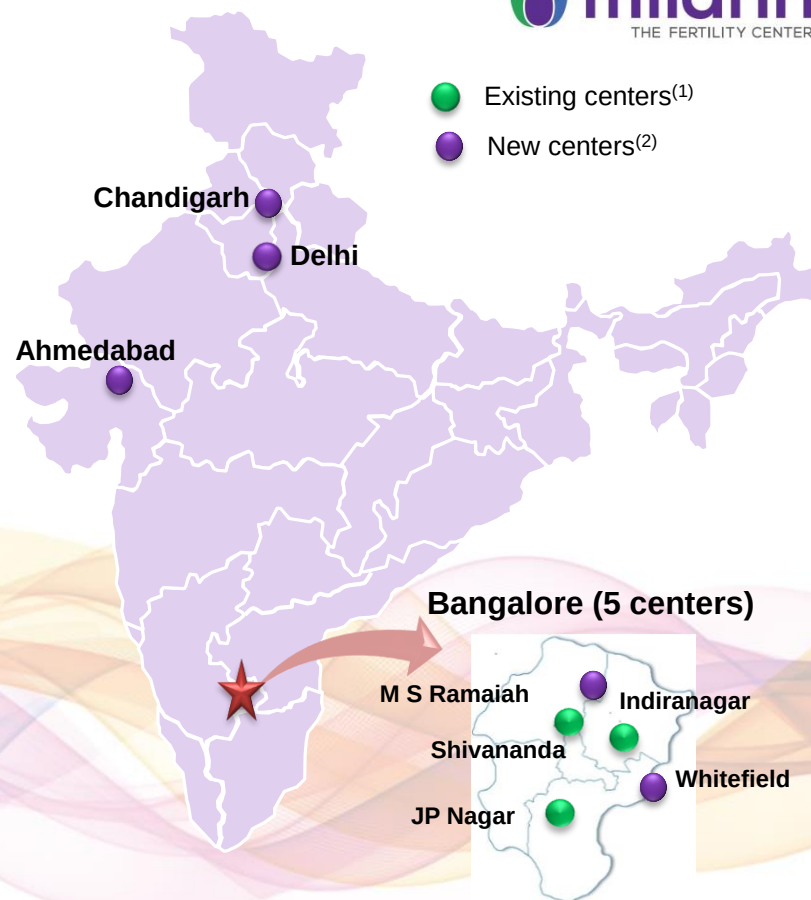
Notes:

- (1) Increase / (Decrease) in Occupied Bed Days
- (2) Growth numbers are year-on-year basis
- (3) EBITDA before corporate expenses

Milann: Implementing Strategic Initiatives



- Existing centers⁽¹⁾
- New centers⁽²⁾



	FY19	FY18	Growth
New Registrations	5,688	5,083	11.9%
IVF Cycles	2,045	2,178	-6.1%
Revenue (INR Mn)	644	669	-3.8%

- New Registrations growth at 16% y-o-y for Q4-FY19
- Whitefield continues to ramp-up well
- Leadership in attractive Bangalore market

- (1) Centers in operation prior to April 1, 2016, i.e. Shivananda, JP Nagar and Indiranagar
- (2) Mumbai Center exited in Q3-FY19

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Capital Expenditure and Net Debt

Capital Expenditure

INR Million

	Q4-FY19	FY19	FY18
HCG Centres			
Existing Centres	79	301	444
Expansions	97	467	220
New Centres	173	1,330	2,116
	349	2,099	2,780
Milann Centres			
Existing Centres	1	9	8
New Centres	2	7	86
	3	16	93
Total Capex	353	2,115	2,873

1. Includes Security Deposit for New Centers of INR 34 Mn in Q4-FY19, INR 82 Mn in FY19 and INR 139 Mn in FY18.

Net Debt

INR Million

	31-Mar-19	31-Dec-18	31-Mar-18
Net Debt			
Bank Debt ⁽¹⁾	4,255	4,114	2,374
Vendor Finance ⁽²⁾	1,481	1,660	1,503
Capital Leases	564	564	555
Other Debt	22	27	41
Less: Cash and Equivalents ⁽³⁾	(252)	(389)	(318)
	6,071	5,975	4,156
Debt in New Centres			
Bank Debt	3,845	3,687	2,261
Vendor Finance	1,444	1,608	1,261
Other Debt	-	-	2
	5,289	5,295	3,524
Net Debt (Excl. New Centres)	782	680	632

1. Net of Bank balance held as margin money of INR 226 Mn and investment in fixed deposits of INR 31 Mn as at 31st Mar-19, margin money of INR 226 Mn and investment in fixed deposits of INR 28 Mn as at 31st Dec-18. The unamortised portion of processing fees amounting to INR 75 Mn as on 31st Mar-19 & INR 75 Mn as on 31st Dec-18 netted off against Bank Debt.
2. Includes Forex reinstatement of INR 19 Mn as at 31st Mar-19 and INR 79 Mn as at 31st Dec-18 on account of exchange rate fluctuation
3. Includes investment in mutual funds of INR 46 Mn as at 31st Mar-19 and INR 45 Mn 31st Dec-18.

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Project Updates

Additional 3 new HCG centers in FY2019

Location	Bed Capacity	Project Cost (INR mn)	Start Date
Jaipur, Rajasthan	50	410	Q2-FY19
Bhavnagar, Gujarat	NA	150	Q2-FY19
Nashik Phase II, Maharashtra	92	623	Q2-FY19
Rajkot, Gujarat	120	310	Q1-FY19
Kolkata, West Bengal	50	450	Q1-FY20
South Mumbai, Maharashtra	32	430	Q1-FY20

1 new Milann center launched in Q1 FY2019

Location	Start Date
Delhi	Q1-FY17
Chandigarh	Q3-FY17
Ahmedabad	Q4-FY18
Whitefield (Bangalore)	Q1-FY19



THANK YOU



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