

Date of submission: 4th February, 2022

To, The Secretary Listing Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code – 539551	To, The Secretary Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai – 400 051 Scrip Code- NH
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Dear Sir/Madam,

Sub: Investor Presentation for the Third Quarter ended 31st December, 2021

With reference to the subject, please find enclosed Investor Presentation for the Third Quarter ended 31st December, 2021.

Kindly take the above information on record.

Thanking you.

Yours faithfully
For **Narayana Hrudayalaya Limited**



Sridhar S
Group Company Secretary, Legal & Compliance Officer

Encl.: as above



Investor Presentation

February 2022

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Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company’s business, its competitive environment and political, economic, legal and social conditions in India.

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As on 31st December 2021



47 Healthcare Facilities Operational beds

20	Owned / Operated Hospitals ⁽¹⁾	5,531 Beds
2	Managed Hospitals ⁽²⁾	212 Beds
5	Heart Centres ⁽³⁾	318 Beds
19	Primary Healthcare Facilities ⁽⁴⁾	10 Beds
1	Hospital in Cayman Islands	110 Beds



6,845 Capacity Beds

6,181⁽⁵⁾ Operational Beds

3.3 mn⁽⁶⁾ Average Effective Capital Cost per Operational Bed

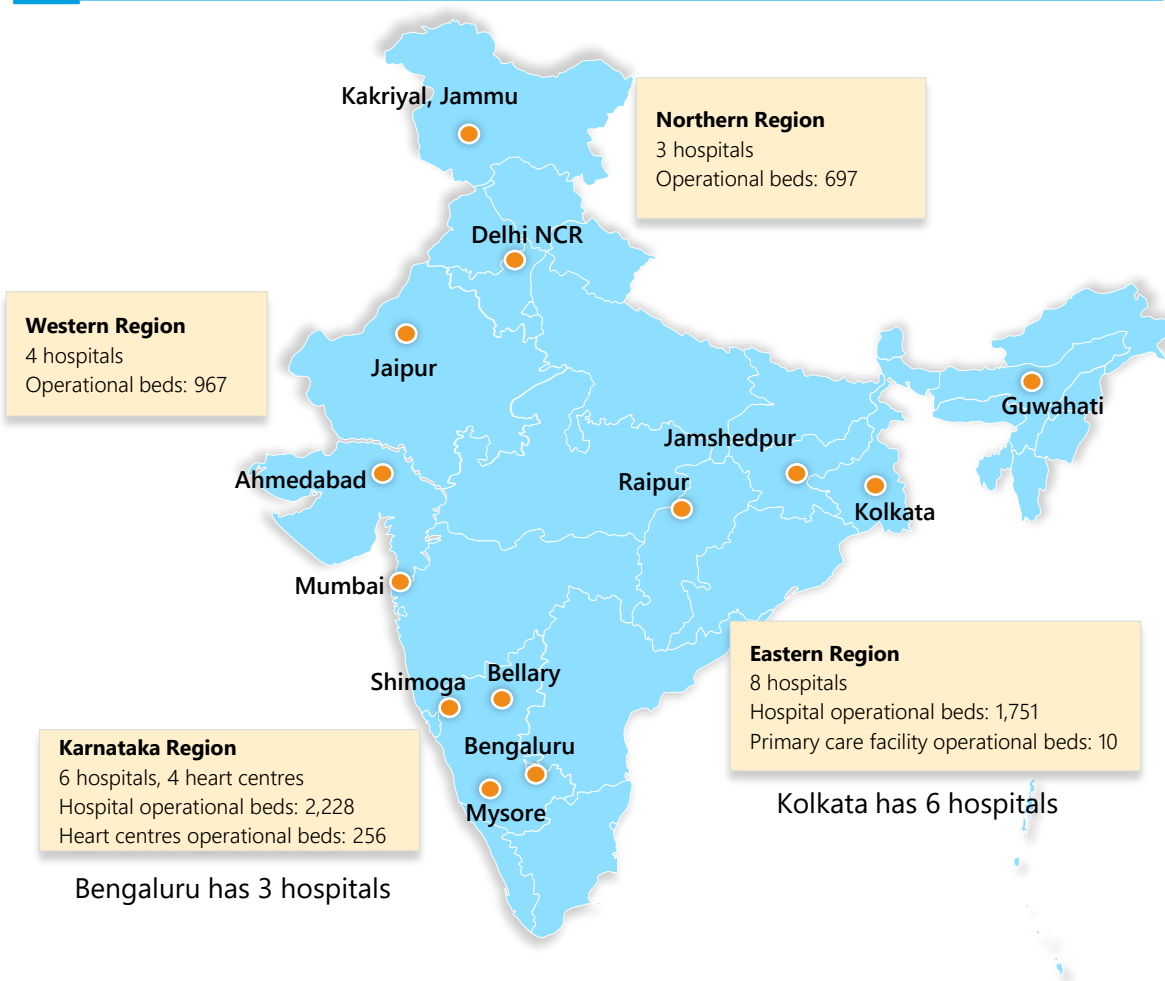


30+ Specialities



17,370 Full-time Employees and Associates including 3,636 doctors

NH's footprint in India



(1) NH owns the P&L responsibility

(2) NH manages 3rd party hospitals for Management Fees; including 1 project at St. Lucia

(3) Including 1 heart centre in Chittagong, Bangladesh

(4) Includes clinics, information centres, etc

(5) In FY21, exited operations at CNH Heart Centre (39 operational beds) wef 1st April 2020 and St Marthas (27 operational beds) in December 2020

(6) Based on (Gross Block for Fixed Assets (adjusted for non-cash government grant provision impact, non-cash financial lease impact for Dharamshila unit, non-cash EPCG license impact) + Capital Work in Progress (CWIP)) / Number of operational beds as of December 31st 2021 but excluding Managed Hospitals and Cayman facility



Clinical & Operational

- Mazumdar Shaw Medical Centre, Bengaluru performed a unique Total Robotic Bariatric Procedure (OAGB) in a first ever such case for Karnataka and second in the country
- SRCC Children's Hospital, Mumbai performed a complex case in perinatology to treat a case of twin-to-twin transfusion syndrome (TTFS) through fetoscopic laser ablation (FLA)
- MMI Narayana Superspeciality Hospital, Raipur performed a complex Onco-surgery procedure - Internal Hemipelvectomy for Chondrosarcoma of pelvic bone, a rare primary cancer of bone which does not respond to chemotherapy and radiotherapy, making it the first such reported procedure in Chhattisgarh
- Narayana Superspeciality Hospital, Guwahati performed a complex Whipple procedure, also known as pancreaticoduodenectomy, on a 10-year-old child with a large pancreatic tumor (SPEN)
- Narayana Multispeciality Hospital, Ahmedabad successfully did a total elbow joint replacement on a patient with inflammatory arthritis and separately also performed a complex coronary intervention procedure - IVUS (intra vascular ultrasound) guided angioplasty with Chronic Total Occlusion (CTO)



Financial Performance

- Consolidated operating revenues of INR 9,596 mn in Q3 FY22, an increase of 27.9% YoY
- Consolidated EBITDA of INR 1,819⁽¹⁾ mn in Q3 FY22 translating into EBITDA margin of 19.0% and consolidated PAT of INR 975⁽²⁾ mn at a PAT margin of 10.2%
- Consolidated Total Borrowings less Cash & Bank Balance and Current Investments of INR 2,132 mn as on 31st Dec, 2021 ie net debt to equity ratio of 0.15 (Out of which, debt worth US\$ 33.7 mn is foreign currency denominated)

(1) As per the new accounting treatment for leases per IND AS 116 effective 1st April 2019 which resulted in INR 149 mn increase in EBITDA for Q3 FY22 and INR 431 mn increase in 9M FY22

(2) As per the new accounting treatment for leases per IND AS 116 effective 1st April 2019 which resulted in INR 2 mn increase in PAT for Q3 FY22 and decrease of INR 7 mn in 9M FY22



Digital Initiatives

- ATHMA Health Information System, AADI Mobile Application, Attune Lab Information System and Electronic Claim management systems implemented at our overseas operations at HCCI, Cayman Islands
- Improved patient registration experience by integrating with Veri5digital's regulatory compliant AADHAAR base Know Your Customer (KYC) database



ESG Initiatives

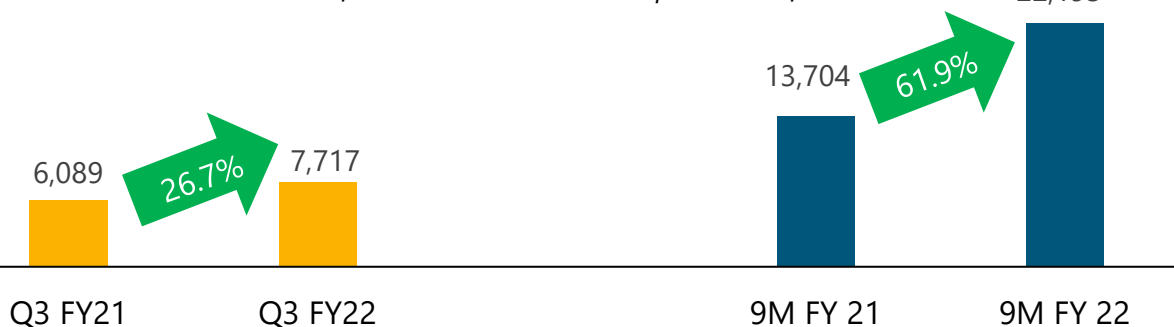
- Achieved a net carbon reduction equivalent of 3,913 tonne through various energy optimisation activities like using alternate energy, upgrade/replacement of equipment etc adopted across the network
- Conducted electrical safety, thermography and energy audits across 13 units across the network
- Upgradation of the critical fire detection systems across our hospitals at Howrah completed with work under progress for few other units in East
- Segregation of waste at source , transportation and processing being monitored in all units as per best practices and guidelines laid down by Pollution Control Board

INR mn

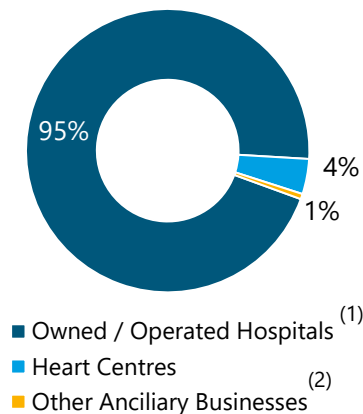
Operating Revenues

Q3 FY22 - Vaccine Revenues of INR 39 mn with consumption cost of INR 38 mn

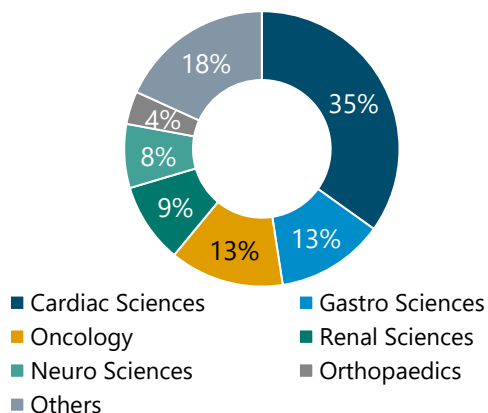
9M FY 22 - Vaccine Revenues of INR 483 mn with consumption cost of INR 421 mn



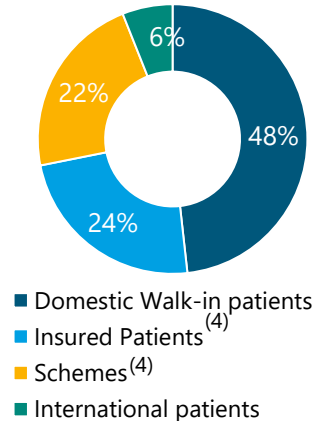
Business Mix⁽⁶⁾



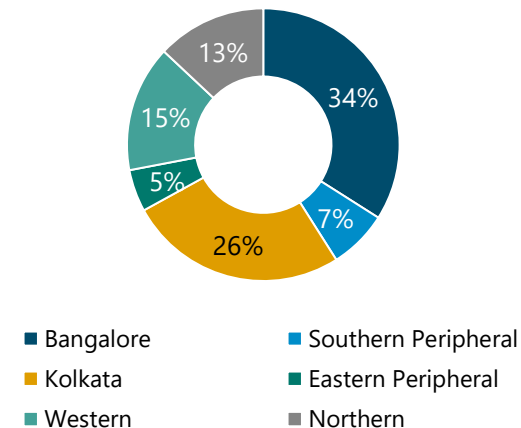
Speciality-Profile⁽³⁾



Payee-Profile⁽³⁾



Cluster-Wise^(5,6)



(1) NH owns the P&L responsibility

(2) Includes managed hospital, clinics, learning and development, teleradiology, etc

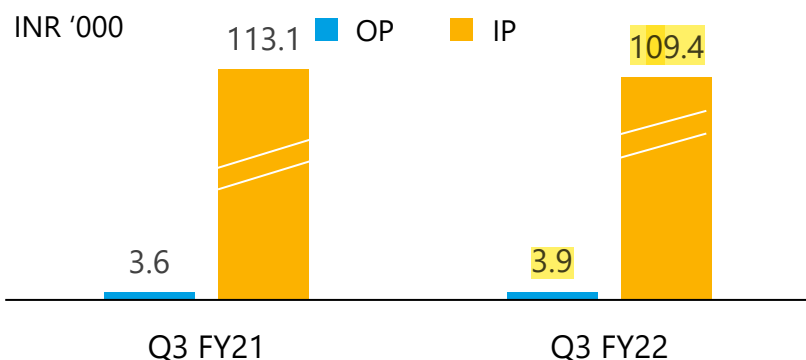
(3) As percentage of IP and OP revenue, excludes Jammu VGF, clinics, other ancillary business

(4) Insured Patients include Insurance-covered patients, corporate patients (including public sector undertakings); Schemes include CGHS, ESIS, other state government schemes

(5) Calculated on operating revenue of owned / operated hospitals

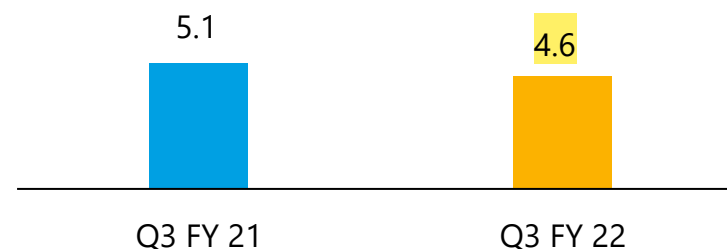
(6) Percentages might not add upto 100% due to rounding off

Average Revenue Per Patient (IP & OP)^(1,2)

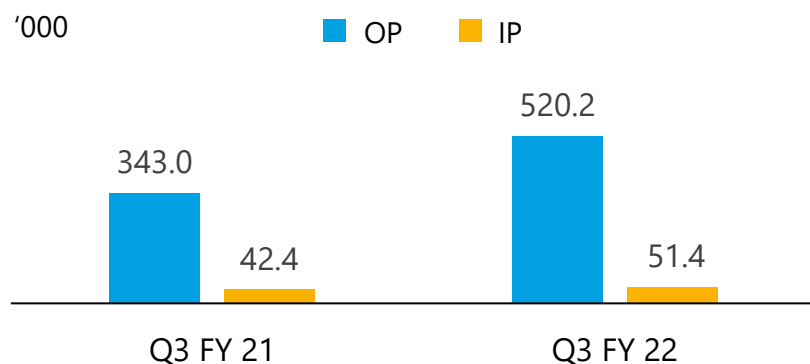


ALOS

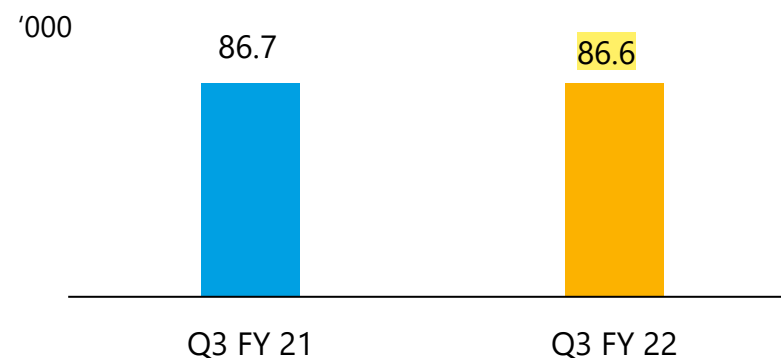
Days



Patients' Footfalls (IP & OP)^(1,3)



ICU Occupied Bed Days⁽⁴⁾



(1) OP figures include day-care business but does not include Vaccine footfalls (Double line graphs are not to scale)

(2) ARPOB for the period Q3 FY22 was INR 11.7 mn as against INR 10.2 mn in Q3 FY 21

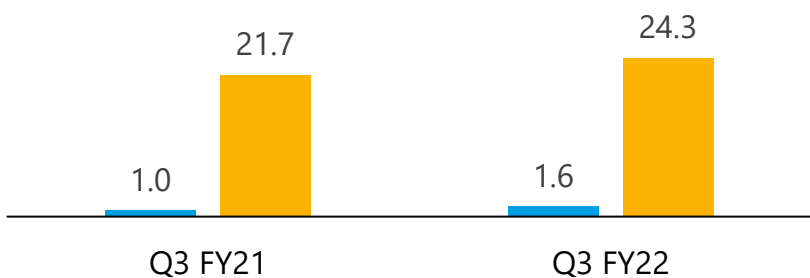
(3) Footfalls for IP correspond to Discharges

(4) Includes critical care and step-down care beds

Average Revenue Per Patient (IP & OP)^(1,2)

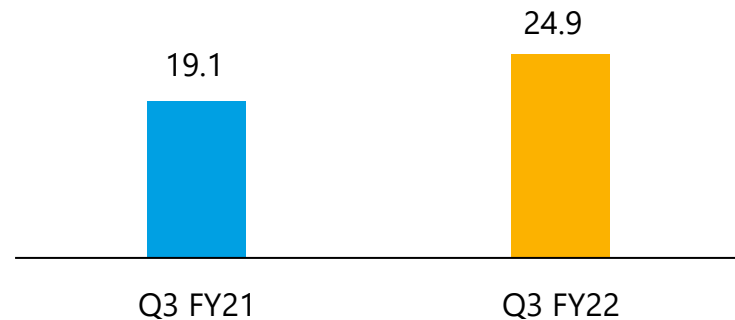
US\$ '000

■ OP ■ IP

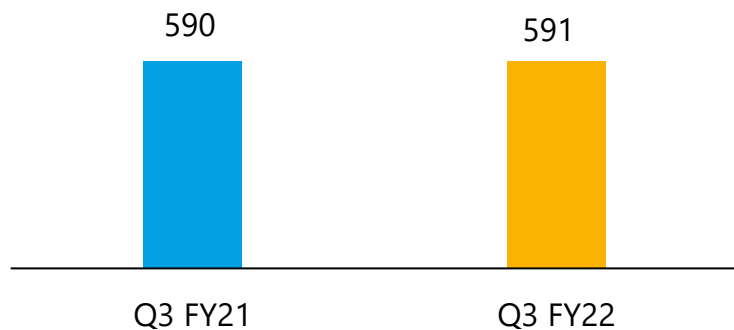


Operating Revenues

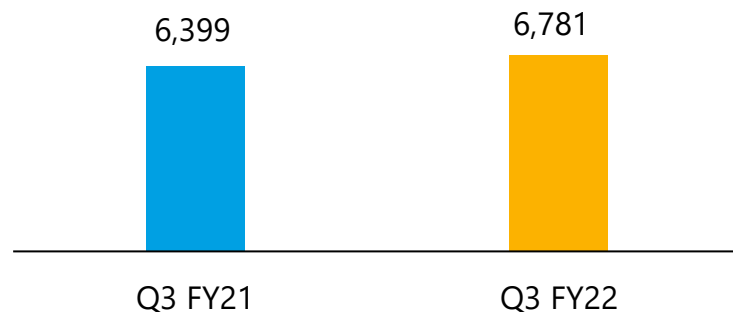
US\$ mn



Discharges⁽³⁾



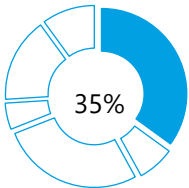
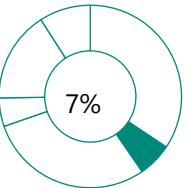
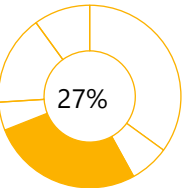
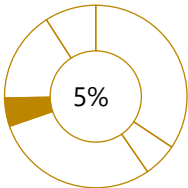
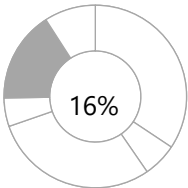
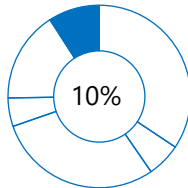
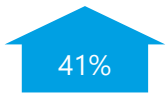
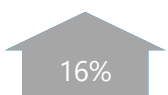
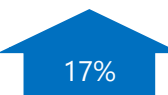
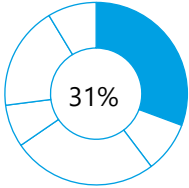
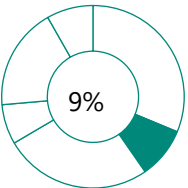
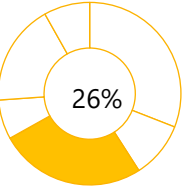
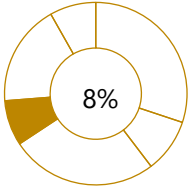
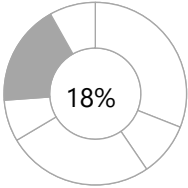
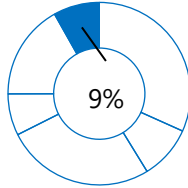
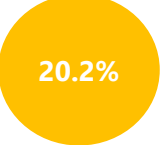
Out-Patients⁽¹⁾



(1) OP figures include day-care business

(2) ARPOB for the period Q3 FY 22 was USD 2.0 mn as compared to USD 2.0 mn in Q3 FY 21

(3) ALOS for the period Q3 FY22 was 8.2 days as compared to 6.0 days in Q3 FY21

Regions	Bangalore - NICS - MSMC - HSR	Southern Peripheral - Mysore - Shimoga	Kolkata - RTIICS - Barasat - NMH & NSH - RNN - NSC	Eastern Peripheral - Jamshedpur - Guwahati	Western - Mumbai - Ahmedabad - Jaipur - Raipur	Delhi NCR - Gurugram - New Delhi
% of Hospital Operating Revenues						
YoY Revenue Growth						
% of Hospital Operational Beds						
ARPOB (INR mn)						
EBITDAR Margin ⁽¹⁾						

Maturity	Hospitals (Exc. Managed Hospital & Jammu)	Hospital Operating Revenues		% of Hospital Operational Beds	Key Performance Indicators		
		% of Total	YoY Growth		ARPOB (INR mn)	Discharges ⁽²⁾	EBITDAR Margin ⁽³⁾
Existing	16	87%	27%	89%	11.6	40,556	23.0%
New	3	13%	22%	11%	15.0	4,738	-4.4%

New: Mumbai, Delhi and Gurugram units

(1) Jammu facility reported operational revenues of INR 236 mn

(2) ALOS of matured set is 4.8 days and new units is 4.7 days

(3) EBITDA before rental/revenue share and before allocation of any corporate expenses

EBITDA and EBITDA Margin

INR mn

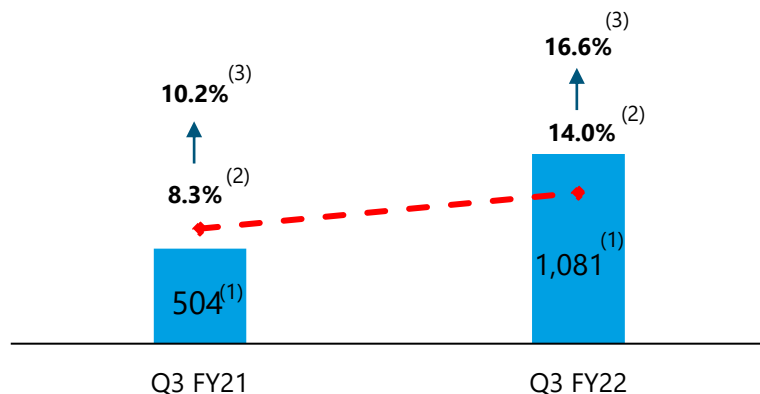
Movement across New Hospitals

Q3 FY21

Q3 FY22

	Loss/Profit	Revenues		Loss/Profit	Revenues
Total	(41)	744	Total	(48)	904

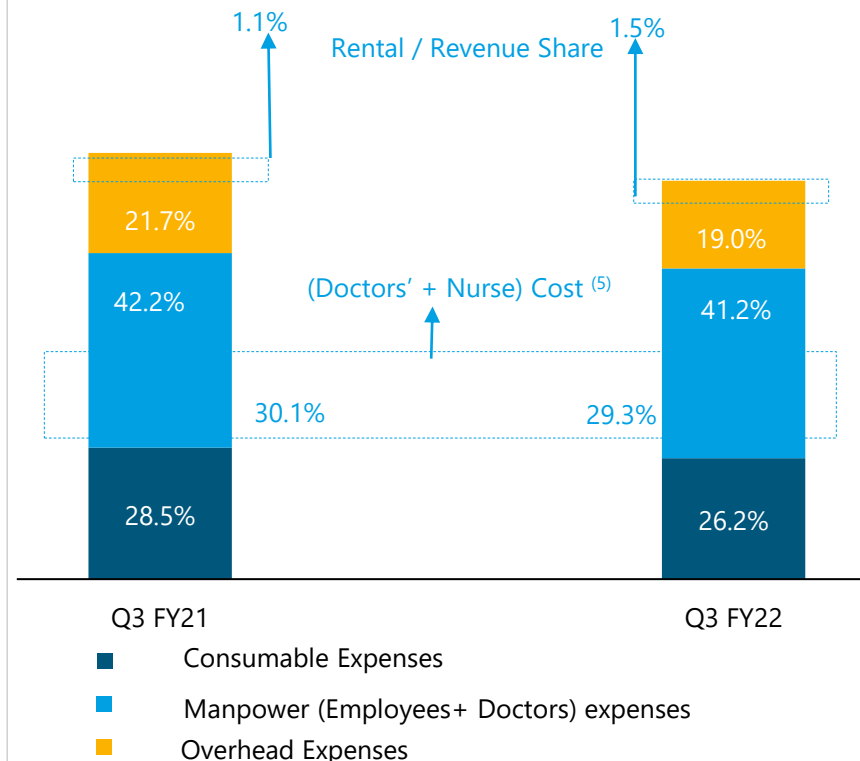
Adjusted for the above, the adjusted EBITDA margins would be as follows



- Heart Centres clocked an EBITDAR margin of 29.8%⁽⁴⁾ in Q3 FY22

Cost Structure

% of Operating Revenues



(1) Denotes EBITDA for India business

(2) Denotes EBITDA margin for India business

(3) Denotes EBITDA margin for India business adjusted for new centres

(4) EBITDA before rental/revenue share and before allocation of any corporate expenses

(5) Only Doctors' cost for Q3 FY 22 was 22.8% as against 23.0% in Q3 FY21

Categories have been calculated as

Consumable Expenses = Purchase of medical consumables, drugs and surgical equipment net of changes in inventories of medical consumables, drugs and surgical equipment;

Manpower (Employees and Doctors) expenses = Employee benefits + Professional fees to doctors;

Overhead expenses = all other expenses

Figures in INR mn, unless stated otherwise

Profit and Loss Statement^(1,3)

Particulars (INR mn)	Q3 FY22	9M FY22
Total Operating Revenue	9,596	27,597
Consumption	2,364	6,893
Doctors Expenses	1,940	5,549
Employee (Excluding Doctors) Expenses	1,694	5,052
Other Admin Expenses	1,849	5,328
Total Expenses	7,846	22,821
Other Income	69	257
EBITDA	1,819⁽⁴⁾	5,032⁽⁴⁾
Depreciation and Amortization	461	1,367
Finance Costs	163	500
Share of (loss)/profit of equity accounted investees	(23)	(59)
PBT	1,172	3,105
Tax Expense	196	374
PAT	975	2,732
Total Comprehensive Income	1,004	2,802

Key Balance Sheet Items⁽¹⁾

Particulars	31 st December 2021
Shareholder Equity	14,006
Total Borrowings	5,559
Lease Liability	1,866
Net Block + CWIP	17,045⁽²⁾
Goodwill	581
Right to Use Assets	1,770
Net Receivables	3,981
Current Investments	1,295
Cash and Bank Balance	2,133

As on December 31st, 2021, the Total Borrowings less Cash & Bank Balance and Current Investments was Rs 2,132 mn representing a net debt to equity ratio of 0.15 (Out of which, borrowings worth US\$ 33.7 mn is foreign currency denominated)

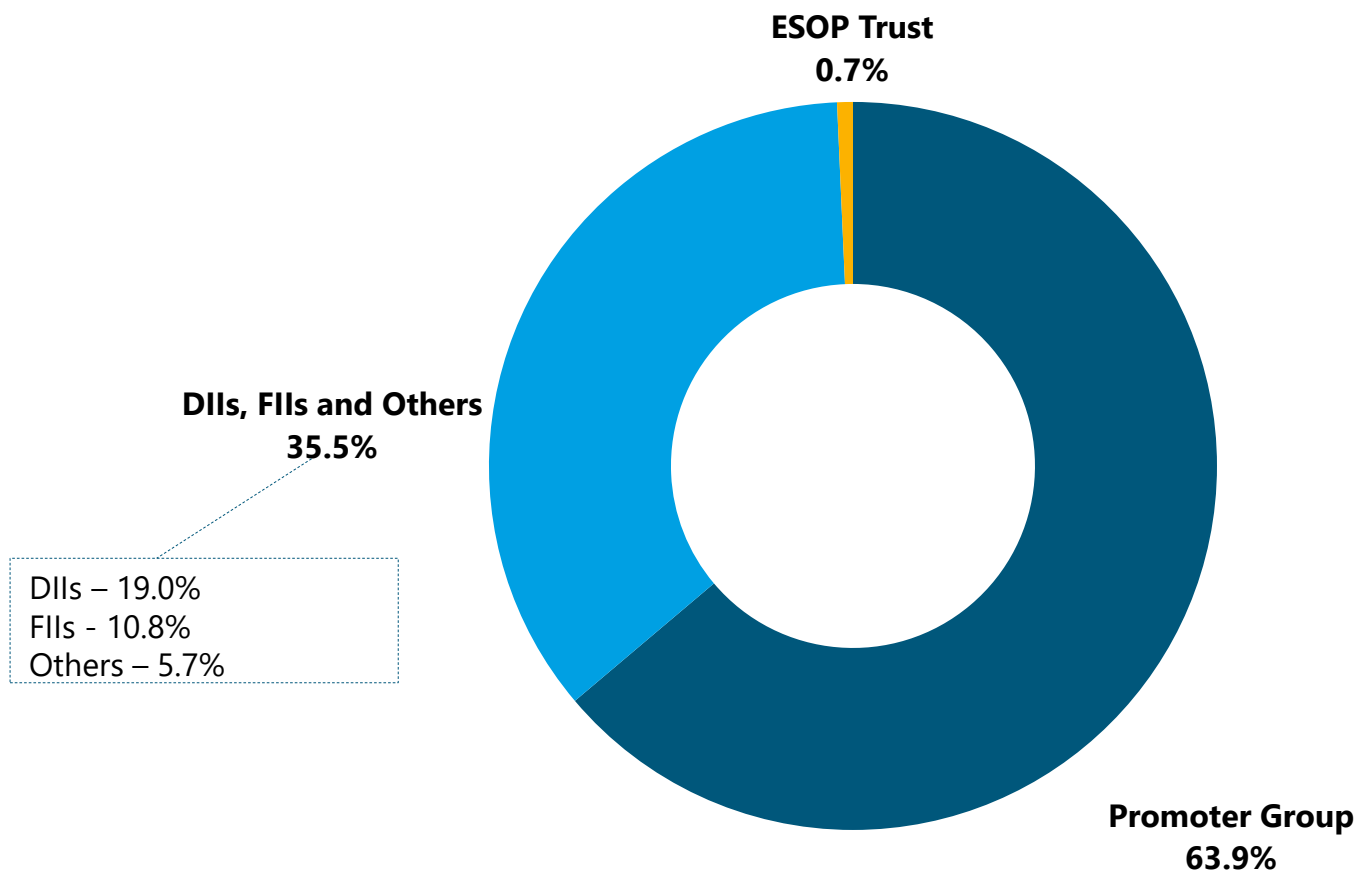
(1) Figures might not equal the reported numbers due to rounding off

(2) Net Block includes non-cash government grant impact of INR 1,204 mn, non-cash financial lease impact of INR 851 mn and non-cash EPCG license impact of INR 67 mn

(3) As per the new accounting treatment for leases per IND AS 116 effective 1st April 2019 which resulted in INR 107 mn increase in depreciation, INR 40 mn increase in finance cost resulting in increase of INR 2 mn in PAT for Q3 FY 22 on a like-to-like basis (pre-IND AS 116)

(4) In Q3 FY22, Heart centre at Chittagong incurred an EBITDA loss of INR 5mn, Hospital project management in St. Lucia generated an EBITDA loss of INR 20 mn and Software development project in North America generated no operational profit while in Q3 FY 21, Chittagong heart centre incurred EBITDA loss of INR 7 mn and St.Lucia and North America projects were not functional

As on 31st Dec 2021⁽¹⁾



Total Number of Shares

204,360,804

Key DIIs

SBI Asset Management

Axis Asset Management

Nippon Life India Asset Management

ICICI Prudential Life Insurance

DSP Investment Management

Key FIIs

Wellington Asset Management

Kuwait Investment Authority

Vanguard Index Fund

Mirae Asset Management

Simcah Partners

(1) Percentages might not add up to 100% due to rounding off