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Apollo Hospitals reports strong Q4FY21 earnings for the second consecutive quarter since the pandemic

Declares a final dividend of 60% at Rs 3 per share for FY21

Announces formation of Apollo HealthCo Ltd, in its transformational journey towards creating India's largest omni-channel healthcare platform

Completes acquisition of balance 50% stake in Kolkata hospital, renamed Apollo Multi-Specialty Hospital Limited, results consolidation from Q1 FY22

Completes acquisition of majority stake in Apollo Medics, Lucknow, results consolidated in Q4FY21

~ Apollo Hospitals is geared to support the Vaccination Drive of Government of India as India's largest private healthcare vaccinator

Q4 FY 21

Q4FY21 Standalone Revenues degrew by 6% at Rs. 2,410 crore; EBITDA (Pre IND AS 116) up 10% at Rs.315 crore; EBITDA (Post IND AS 116) degrew by 4% at Rs.336 crore; PAT degrew by 43.8 % at Rs. 116 crore

Q4FY21 Consolidated Revenues degrew by 2% at Rs. 2,868 crore EBITDA (Pre IND AS 116) up 24% at Rs.372 crore; EBITDA (Post IND AS 116) up 8% at Rs. 412 crore ; PAT degrew by 23.5% at Rs. 168 crore

Financial Year 2021

FY21 Standalone Revenues degrew by 7% at Rs. 9,153 crore; EBITDA (Pre IND AS 116) degrew by 33% at Rs.799 crore; EBITDA (Post IND AS 116) degrew by 33% at Rs.947 crore; PAT degrew by 77.6 % at Rs. 105 crore

FY21 Consolidated Revenues degrew by 6% at Rs. 10,560 crore; EBITDA (Pre IND AS 116) degrew by 29% at Rs.912 crore; EBITDA (Post IND AS 116) degrew by 28% at Rs.1,137 crore; PAT degrew by 66.9 % at Rs. 150 crore

Q4FY21 Standalone Revenues degrew 6% to Rs.24,101 million compared to Rs.25,721 million in Q4FY20, aided by growth in Healthcare services growth of 6% YoY and Pharmacy business degrowth of 18%. The pharmacy performance is after giving effect to the SAP restructuring with effect from 1st Sep 2020, so these numbers include the effect of the restructuring for the whole quarter. Without this effect, on a combined basis, the vertical grew at 4%, and recorded revenues of Rs. 1417 Cr.

EBITDA (Pre Ind AS 116) was at Rs.3,153 million in Q4FY21 as against Rs. 2,877 million in Q4FY20 a YoY growth of 10%. PAT degrew by 43.8 % to Rs.1,155 million in Q4FY21.

Healthcare services grew 6% YoY led by growth both in the mature hospitals and new hospitals which grew 2% and 16% YOY respectively.



Dr Prathap C. Reddy, Chairman, Apollo Hospital Group said, “The last financial year saw the healthcare sector facing unprecedented challenges with the pandemic leading to a massive crisis and putting immense pressure on the healthcare infrastructure. In these critical months, it was indeed encouraging to see the Apollo Hospitals family rise to the challenge and face the COVID-19 crisis from the frontlines with doctors, nurses, paramedical and support staff coming together and standing as one to save lives of our patients. Our efforts to enhance access were exemplified by the launch of our omni-channel digital health platform Apollo 24/7, which has more than 7 million active users now.

On the financial front, Apollo has bounced back and posted strong results in the second half of FY21, with a strong base to build on for FY22.

Today, the second wave is receding with cases on the decline, but for us at Apollo Hospitals, it is not a time to pause our efforts and rest. We continue to build an agile Apollo that is geared up to respond swiftly to prevent or mitigate the effects of any new wave of COVID-19 infection or a new infection.

Apollo Hospitals remained focused on actively creating awareness about the dangers posed by the threat of non-communicable diseases (NCDs), which is much more severe and can impose a huge cost burden on the country through its impact on productivity and economic growth. It is estimated that by the end of this decade, 80% of deaths worldwide will be from NCDs with world spending around \$30 trillion by 2030 to combat NCDs with India’s share at \$4.8 trillion. We need to do everything possible to counter this threat, especially with COVID-19 in the equation. ProHealth, a first-of-its-kind personalized health program, will play a key role in preventing illness, and will embrace “Future Health”, through integration of AI and automation.

Our focus on further AI-related initiatives continues. FY22 will see a significant acceleration of our efforts to reach the goal of complete digitisation of all services. This will bring in higher efficiencies and reduce costs of healthcare services delivery. Our extensive work in clinical trials/research, innovation and patents, will continue at an enhanced pace.

The world and India in particular, is severely short of healthcare resources. We appeal to the Government to increase the number of existing healthcare institutions to ensure higher availability of skilled healthcare talent. My vision is to see India as a knowledge leader in healthcare, contributing healthcare resources to other countries and building its brand image just as the IT sector has done.

The Government should also consider giving additional incentives to the healthcare sector to allow it to recover from the COVID impact and grow to contribute not just to the well-being of the country but to also give back health and happiness to the world! We look forward to continued growth in FY22 and wish all our stakeholders good health!”

Major Financial Highlights

Quarterly

- **Standalone Q4FY21 Performance**

- Revenues degrew 6% to Rs.24,101 mn vs Rs.25,721 mn in Q4FY20
- EBITDA (Pre Ind AS116) grew 10% to Rs.3,153 mn vs Rs.2,877 mn in Q4FY20
- EBITDA (Post Ind AS116) degrew 4% to Rs.3,358 mn vs Rs.3,483 mn in Q4FY20
- PAT degrew 43.8% to Rs.1,155 mn vs Rs.2,056 mn in Q4FY20
- Diluted EPS of Rs.8.03 per share in Q4FY21 (not annualised)

- **Consolidated Q4FY21 Performance**

- Revenues degrew 2% to Rs.28,680 mn vs Rs.29,224 mn in Q4FY20
- EBITDA (Pre Ind AS116) grew 24% to Rs.3,718 mn vs Rs.2,989 mn in Q4FY20
- EBITDA (Post Ind AS116) grew 8% to Rs.4,118 mn vs Rs.3,801 mn in Q4 FY20
- PAT degrew 23.5% to Rs.1,679 mn vs Rs.2,193 million in Q4FY20
- Diluted EPS of Rs.11.67 per share in Q4FY21 (not annualised)

Financial Year 2021

- **Standalone FY21 Performance**

- Revenues degrew 7% to Rs.91,530 mn vs Rs.97,944 mn in FY20
- EBITDA (Pre Ind AS116) degrew 33% to Rs.7,988 mn vs Rs.11,894 million in FY20
- EBITDA (Post Ind AS116) degrew 33% to Rs.9,474 mn vs Rs.14,152 mn in FY20
- PAT degrew 77.6% to Rs.1,052 mn vs Rs.4,702 mn in FY20
- Diluted EPS of Rs.7.31 per share in FY21

- **Consolidated YTD FY21 Performance**

- Revenues degrew 6% to Rs.1,05,600 mn vs Rs.1,12,468 mn in FY20
- EBITDA (Pre Ind AS116) degrew 29% to Rs.9,122 mn vs Rs.12,880 mn in FY20
- EBITDA (Post Ind AS116) degrew 28% to Rs.11,374 mn vs Rs.15,873 mn in FY20
- PAT degrew 66.9% to Rs.1,504 mn vs Rs.4,549 million in FY20
- Diluted EPS of Rs.10.46 per share in FY21



As on March 31, 2021, Apollo Hospitals had 7,409 operating beds across the network (excluding AHLL & managed beds), out of which 14 were new with 2,119 operating beds. The new hospitals have a utilization of over 57% and are expected to witness robust growth in volumes and improvement in utilization and profitability going forward as non-Covid cases rise.

Segment-wise Performance Update

Hospitals

Standalone Revenues of the healthcare services division increased by 6% to Rs.12,913 million in Q4FY21 compared to Rs.12,136 million in Q4FY20. Revenue of existing hospitals grew 2% while the new hospitals grew by 16%.

EBIT for the healthcare services division was at Rs.1,843 million in Q4FY21 compared to Rs.1,335 million in Q4FY20. EBITDA was higher by 29% YoY.

Revenues in the Tamil Nadu cluster grew by 5.7%, IP Volumes degrew by 9.1%. ARPOB grew by 13.4% to Rs.53,329. Overall occupancy in the cluster was 1,164 beds (57% occupancy) as compared to 1,234 beds (56 % occupancy) in the previous year.

In AP Telangana region, Revenues grew by 19.4%, IP volumes degrew by 5%. ARPOB grew by 17.7% to Rs.47,510. Occupancy in the cluster was 730 beds (54% occupancy) as compared to 712 beds (53 % occupancy) in the previous year.

The Karnataka region improved on the growth seen in previous quarters. Malleswaram witnessed an IP volume degrowth of 7%. Occupancy in the cluster was 494 beds (64% occupancy) as compared to 500 beds (65% occupancy) in the previous year.

Revenues of the Others Cluster grew by 6.3 % while IP volumes degrew by 1.6%. ARPOB grew by 10% to Rs. 29,695. Occupancy in the cluster was 758 beds (75% occupancy) as compared to 776 beds (81 % occupancy) in the previous year.

Pharmacy business

The demerger of the front-end of the Pharmacy business came into effect from 01.09.2020. AHEL continues to handle the back-end pharma distribution. Due to the demerger, the figures of the current quarter for the pharmacy business are not comparable to the previous quarters.

Revenues stood at -18% to Rs. 11,187 million in Q4FY21 from Rs. 13,585 million in Q4FY20. EBIT degrew



by 42% from Rs.858 million in Q4FY20 to Rs.501 million in Q4FY21. The EBITDA margin was at 7.1% in Q4FY21 compared to 6.2 % in Q4FY20.

Retail Health

Apollo Health & Lifestyle Ltd. (AHLL) is a wholly owned subsidiary that houses the retail healthcare business of Apollo Hospitals. This includes the lifestyle birthing centers known as 'CRADLES', Daycare and short stay surgery centers, Diagnostic centers, Dialysis centers, Dental Care Centers and Apollo Clinics catering to a variety of ailments such as liver disease, joint pain, advanced fever and diabetes among others. The AHLL network has 1,175 centers in total as of March 31, 2021.

AHLL Consolidated Revenues degrew to Rs. 6,818 million in FY21 compared to Rs.6,964 million in FY20. The business reported an EBITDA (Post Ind AS 116) of Rs. 768 million in FY21 compared to a profit of Rs. 671 million in FY20.

CLINICAL EXCELLENCE HIGHLIGHTS

- Indraprastha Apollo Hospitals, Delhi successfully performed heart transplantation on a 5-month-old infant suffering from dilated cardiomyopathy
- A fast track Total Knee Replacement surgery was successfully performed by Apollo Hospitals, Chennai, on a 66-year old female patient who was diagnosed with severe Grade 4 Osteoarthritis of the Knee Joint with associated deformity
- In a first for Asia, four back-to-back MitraClip procedures were successfully performed in a single day at Apollo Hospitals, Chennai
- A 46-year-old resident of Navi Mumbai successfully underwent a heart transplant surgery at Apollo Hospitals, Navi Mumbai.
- Apollo Hospitals, Navi Mumbai, has successfully performed four liver transplants following COVID-19 recovery. The four patients were diagnosed with end stage liver disease, following which 3 patients underwent living donor liver transplant and 1 deceased donor liver transplant
- Apollomedics Super Specialty Hospital, Lucknow has successfully performed liver transplantation surgery on a 54-year-old patient suffering from liver cirrhosis
- A heart transplant was successfully done by a Apollo Hospitals, Hyderabad on a 44-year old man who was suffering from dilated cardiomyopathy.
- In a first in India, Apollo Hospitals, Chennai successfully treated Bangladeshi cancer patient with new tech - Tubeless VATS (Video assisted thoracoscopic surgery), a minimally invasive procedure to remove the lung metastatic nodule

NEW LAUNCHES, INITIATIVES AND PARTNERSHIPS

- Launched North India's first state-of-the-art IVF Centre in Noida
- Apollo Hospitals Chairman Dr. Prathap Reddy took the first shot of COVID-19 vaccine at their Greams Road Hospital's vaccination centre; joining the Nation's vaccination programme
- Apollo Hospitals, Anatomiz3D Medtech collaborate to make 3D printed implants for surgeries
- Apollo Hospitals collaborates with 500 women farmers to procure millets to be included in patients' menu
- Microsoft and Apollo team up to offer holistic healthcare services – increases reach of its omni-channel healthcare platform 24|7
- On the occasion of International Women's Day, Apollo Hospitals, Chennai launched breast cancer awareness programme
- Apollo Spectra Hospital launched at Ameerpet, Hyderabad. It will provide a range of services covering Orthopedics, General & Laparoscopic Surgery, Medical & Surgical Gastroenterology, Nephrology & Dialysis, Urology, Pulmonology, ENT, Dermatology, Neurology, Cardiology & CT Surgery and Diabetology among others.
- Launched one of the biggest standalone, state-of-the-art fertility centres in Banjara Hills, Hyderabad. The fertility centre is spread across 7,000 sq ft catering to all sorts of infertility related issues.

AWARDS AND ACCOLADES

- Preetha Reddy and Suneeta Reddy gets Business Women of the year award by The Economic Times

About Apollo Hospitals Enterprise Ltd. (AHEL)

It was in 1983 that Dr. Prathap Reddy made a pioneering endeavor by launching India's first corporate hospital - Apollo Hospitals in Chennai. Over the years, Apollo Hospitals has established itself as home to the largest cardiac practice in India with over 160,000 cardiac surgeries. Apollo Hospitals is also the world's largest private cancer care provider and runs the world's leading solid organ transplant program. As Asia's largest and most trusted healthcare group, its presence includes 10,209 beds across 71 Hospitals, 4,118 Pharmacies, over 200 Primary Care and Diagnostic Clinics, 148 plus Telemedicine Centres.

As an integrated healthcare service provider with Health Insurance services, Global Projects Consultancy capability, over 15 medical education centres and a Research Foundation with a focus on global Clinical Trials, epidemiological studies, stem cell & genetic research Apollo Hospitals has been at the forefront of new medical breakthroughs with the most recent investment being that of commissioning the first Proton Therapy Center in Chennai across Asia, Africa, and Australia. Every four days, the Apollo Hospitals Group touches a million lives, in



its mission to bring healthcare of International standards within reach of every individual.

In a rare honour, the Government of India issued a commemorative stamp in recognition of Apollo's contribution, the first for a healthcare organization. Apollo Hospitals Chairman, Dr. Prathap C Reddy, was conferred with the prestigious Padma Vibhushan in 2010. For more than 35 years, the Apollo Hospitals Group has continuously excelled and maintained leadership in medical innovation, world- class clinical services, and cutting-edge technology. Our hospitals are consistently ranked amongst the best hospitals globally for advanced medical services and research.

For further details, log onto: www.apollohospitals.com

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