

13th August 2021

Apollo Hospitals reports Q1FY22 Earnings

At the forefront of the battle against COVID-19; Over 1,50,000 patients treated with over 5000 beds dedicated to COVID treatment at peak

Digital health platform Apollo 24/7 played a pivotal role in supporting consumers during the crisis, by making available 2-hour pharmacy deliveries in 17,000 pincodes, enabling turnaround of RT-PCR test results in 24 hours, and facilitating timely virtual consults with India's best specialists

Strongly supported the Government's efforts to vaccinate all Indians; Country's largest private healthcare vaccinator with over 30% of total vaccines administered; Over 200 vaccination centres operated, alongside mass vaccination and onsite centres

Released COVID-19 Red Book, a ready reckoner of COVID-19 protocols, processes and guidelines for use by other healthcare institutions, nursing homes, and individual medical practitioners.

Launched free Tele-Access to Apollo COVID Critical Care Experts across India to guide other doctors in offering evidence-based therapy to COVID patients

Continues its leadership role and drives preparedness through best-in-class clinical protocols, service and access

Exemplary Non-Covid work continues - Apollo Hospitals Bangalore launches a robot-assisted knee replacement program, the NAVIO surgical system designed with use of next generation robotics; Apollo Hospitals Navi Mumbai is first in Western India to offer Mazor XTM Robotic Guidance System for Spine Surgery

Tie-up with NASSCOM FutureSkills PRIME to upskill and future proof its Healthcare Workforce with Digital skills through Technical Educational Platform

Dr. Prathap C Reddy, Chairman, Apollo Hospitals Group said

“The first quarter of the new financial year saw Apollo Hospitals facing the COVID challenge anew as the second wave swept across the country. It was to the credit of our experience over the last year and the dedication of our doctors, nurses and paramedical staff that we emerged through the second wave successfully saving lives and ensuring that no patient suffered for want of care. When the oxygen requirement soared, we took the initiative of importing oxygen concentrators from Germany and airlifting them to India on a war footing. At the same time, we ensured that patients facing emergencies or requiring treatment for life-threatening conditions other than COVID continued to receive care with an iron curtain separating COVID and non-COVID areas of the hospitals with strict infection control protocols in place.

We have increased the pace of digitization and today a patient can have a completely paperless experience right from booking an appointment to initial screening and virtual consultation by a doctor. The use of digital health through the Apollo 24/7 app has enhanced access to specialist care within minutes. AI and ML are powering diagnosis and decision making and supporting our clinicians. With the increasing acceptance of remote care among the people, we are E-Health ready with a digital ecosystem that brings every part of Apollo together, whether consults, diagnostics, pharmacy or preventive health.

Pandemic notwithstanding, we continued to promote ProHealth to create a bulwark against the looming threat of NCDs (non-communicable diseases). Pro Health empowers individuals and businesses with actionable health analytics, to know and eradicate risks of developing NCDs, and, lead healthier lives.

As India’s foremost hospitals Group, and a pioneer in modern day emergency medicine and trauma care in India, we believe we should lead the way in improving access to high-quality acute care for all those who need it, be it in our hospitals or outside. For this, we are launching our Universal Intensive Care and Emergency Care Modules. We are always in a 24-hour state of readiness to deliver the life-changing edge in acute care and the Universal Intensive Care and Emergency Care Modules we produce will ensure the development of the highest levels of skill, expertise and infrastructure.

Standing together as one, the Apollo Hospitals family is ready to face any challenge that may arise in the coming quarters of the financial year. We are confident that as India emerges from the shadow of the pandemic, Apollo Hospitals will stand tall as a beacon of good health and well-being not just for the people of India, but for people around the world.”

Financial Highlights

The results for Q1 FY22 are not comparable with Q1 FY21 in light of the extensive lockdown that the country had in Q1 FY21 due to the first wave of Covid, and therefore a low base effect.

- **Standalone Q1FY22 Performance**

- Revenues of Rs.29,947 mn vs Rs.19,615 mn in Q1FY21
- EBITDA (Post Ind AS 116) of Rs.3,906 mn vs Rs.414 mn in Q1FY21
- PAT was at Rs. 1500 mn vs loss of Rs.(1,491) mn in Q1FY21
- Diluted EPS of Rs.10.44 per share in Q1FY22 (not annualised)

- **Consolidated Q1FY22 Performance**

- Revenues of Rs.37,602 mn vs Rs.21,715 mn in Q1FY21
- EBITDA (Post Ind AS 116) of Rs.5,199 mn vs Rs.355 mn in Q1 FY21
- PAT stood at Rs.4,893 mn vs loss of Rs.(2,082) mn in Q1FY21
- Diluted EPS of Rs.34.03 per share in Q1FY22 (not annualised)
- Diluted EPS (excluding exceptional gain of Rs 2,941 mn) of Rs 13.57 per share.

Segment-wise Performance Update

As on June 30, 2021, Apollo Hospitals had 7,647 operating beds across the network (excluding AHLL & managed beds), out of which 14 were new with 2,210 operating beds.

Healthcare services

Consolidated Revenues of the healthcare services division increased by 145% to Rs.19,392 million in Q1FY22 compared to Rs.7,899 million in Q1FY21. Revenue of existing hospitals grew 134% while the new hospitals grew by 175%.

EBITDA for the healthcare services division was at Rs.3,936 million in Q1FY22 compared to loss of Rs. (838) million in Q1FY21.

Revenues in the Tamil Nadu cluster grew by 146%, IP Volumes grew by 79%. ARPOB grew by 14% to Rs.50,466. Overall occupancy in the cluster was 1,314 beds (62% occupancy) as

compared to 608 beds (32 % occupancy) in the corresponding period of last year.

In AP Telangana region, Revenues grew by 170%, IP volumes grew by 76%. ARPOB grew by 25% to Rs.49,853. Occupancy in the cluster was 842 beds (63% occupancy) as compared to 389 beds (29 % occupancy) in the previous year.

The Karnataka region improved on the growth seen in previous quarters. Malleswaram witnessed an IP volume growth of 67%. Occupancy in the cluster was 637 beds (75% occupancy) as compared to 293 beds (36 % occupancy) in Q1FY21.

Revenues of the Others Cluster grew by 87% while IP volumes grew by 23%. ARPOB grew by 33% to Rs. 32,592. Occupancy in the cluster was 778 beds (77% occupancy) as compared to 553 beds (58 % occupancy) in Q1FY21.

Revenues of the Significant Subs/Jvs/associates grew by 131% while IP volumes grew by 46%. ARPOB grew by 27% to Rs. 43,261. Occupancy in the cluster was 1537 beds (66% occupancy) as compared to 899 beds (40 % occupancy) in Q1FY21.

Pharmacy business

Post the NCLT approval, 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, within a vertical called “Pharmacy Distribution”. Due to the demerger, the figures of the current quarter for the pharmacy business are not comparable to the previous quarters.

Revenues grew to 18% Rs. 15,120 million in Q1FY22 from Rs. 12,791 million in Q1FY21. EBITDA was down 5% from Rs. 1,220 million in Q1FY21 to Rs. 1,153 million in Q1FY22. The EBITDA margin was at 7.62% in Q1FY22 compared to 9.54% in Q1FY21.

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 1,239 centers in total as of June 30, 2021.

AHLL Consolidated Revenues grew to Rs. 3,090 million in Q1FY22 compared to Rs.1,024 million in Q1FY21. EBITDA for AHLL was at Rs. 479 million in Q1FY22 compared to a loss of Rs. 27 million in Q1FY21.

Apollo 24/7

Apollo 24X7 – India’s largest Omni-channel healthcare platform, continued deepening and strengthening its presence this quarter. The platform activated its neighborhood pharmacies to deliver orders in under 2 hours in over 17,000 pincodes across the country. In order to support patients during the crisis and support early treatment, Apollo 24/7 enabled turnaround of RT-PCR test results in under 24 hours. Virtual consults with the best specialists in the country were enabled, and appointments were available within 15 minutes, to ensure timely care for both COVID and Non-COVID patients. To ensure that diagnosis did not stop during regional lockdowns, home collection services were strengthened, and accurate test results delivered within the App.

Some key highlights as of 30th June 2021:

- 10 Mn registrations on the Platform
- More than 2 Mn Weekly Active Users
- Delivered 16.5 lakh + online medicine orders
- Delivered 5.7 lakh + online consultations with 5500 doctors across 60 specialities
- Collected 1 lakh + Home lab samples

Clinical Excellence Highlights

- For the first time in India, Apollo Hospitals, Hyderabad successfully performed a complex combined liver and kidney transplant by using one organ from a non-matching blood group
- Apollo Hospitals, Chennai successfully performed a fusion less scoliosis surgery on a female patient from the United States of America who was affected by idiopathic Scoliosis, an abnormal curvature of the spine
- Apollo Hospitals, Chennai has successfully performed total femur replacement on a child from Bangladesh suffering from osteosarcoma
- Doctors at Apollo Proton Cancer Centre has successfully performed India's first Mega prosthesis Fixation for femur and Laparoscopic Radical nephrectomy as a single stage surgery through a Multimodal approach.
- A Cyber Knife Radiosurgery procedure was successfully performed by Apollo Cancer Centre, Chennai on a 34-year-old athlete from New Zealand, relieving him from symptoms of a special form of epilepsy called Medial temporal lobe Epilepsy (MTLE) while preserving his memory.
- Apollo Proton Cancer Centre has successfully performed Rectal Cancer surgery with the Robotic Stapler on a patient from Bangladesh

New launches , Initiatives and Partnerships

- NASSCOM FutureSkills PRIME, Apollo Hospitals Collaborate to launch Technical Educational Platform to up skill Digital Healthcare Workforce
- Apollo Hospitals Group unveiled a report on the Health of the Nation that puts a spotlight on how the last two decades have seen a steady rise in non-communicable diseases (NCDs). The contribution of NCDs as the top causes of death in India has risen to a staggering 64.9% as compared to communicable diseases, maternal and other causes that dropped to 25%.
- Apollo Proton Cancer Centre launched a dedicated Robot-Assisted Cancer Surgery Unit equipped with the advanced fourth-generation 'Da Vinci Surgical System'.
- Apollo Hospitals in collaboration with Dr. Reddy's Laboratories launched a pilot program for administering Sputnik V vaccines.
- Apollo Hospital launched a free tele-access facility for general physicians and nursing homes. Through this, they can get advice from COVID Critical Care experts to treat COVID-19 patients.
- The Department of Pediatric Cardiology and Pediatric Cardiac Surgery of Apollo

Children's Hospital, Chennai collaborated with Rotary Club of Madras East to help underprivileged children requiring lifesaving heart surgery.

- Apollo Specialty Hospitals, Vanagaram-Tamil Nadu launched a Quaternary Care, Level FOUR Epilepsy Care Center to help people living with epilepsy.

Awards and Accolades

- Apollo Gleneagles Hospital, Kolkata won the Green Building award in the 28th Convergence India and 6th Smart Cities India Expo 2021 held in Delhi.
- Apollo Specialty Hospitals, Jayanagar, Bangalore bagged the Centre of Excellence award by The Deccan Herald Healing Hands Initiative in recognition for the work during COVID-19.
- The Newsweek partnered with Statista has recognized and ranked Apollo Hospitals Group as the World's Best Smart Hospitals 2021, for using the most advanced technologies.

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 10,261 beds across 71 Hospitals, 3766 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 on to: www.apollohospitals.com

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