



25<sup>th</sup> June 2020

## **Apollo Hospitals to lead digital revolution in healthcare powered by Artificial Intelligence, Robotics and Automation**

### **Initiatives like Apollo 24/7 to give digital edge to build on strong FY20 performance**

Launched Apollo 24|7, India's largest end-to-end omnichannel healthcare digital platform enabling users from any part of the country to access a full bouquet of healthcare services – 24x7 tele-consultation with 1000+ Apollo doctors across 55+ specialities, Online pharmacy, Diagnostics @ home, Digital health records and Health management.

### **Apollo Hospitals ends FY20 on a strong note despite COVID headwinds**

Consolidated Revenues for FY20 cross Rs. 10,000 Cr for the first time; show steady growth across all segments and regions, including retail pharmacies

Apollo Health and Lifestyle ends the year with EBITDA of Rs.1.8 Cr, a positive swing of Rs. 62 Cr from the position in FY19

'Project Kavach', a comprehensive response plan to fight COVID-19 launched encompassing education & information, screening and assessment, testing, to infrastructure for quarantine and treatment. Several Corporates are now part of the Apollo Kavach program.

Over 15 million Indians take AI-based Coronavirus Risk Assessment scan on Apollo 24/7 digital platform

Conducted educational and risk management seminars with 250+ corporates on safe working environment. Over 50,000 individuals trained on the online COVID-19 course

Apollo Proton Cancer Centre has completed over 200 Proton Sessions for patients from around the world with complex cancers

Dr. Prathap C. Reddy, Chairman, Apollo Hospitals Group conferred with the Rotary Institute 2019 Super Achiever Excellence in Healthcare Award for pioneering innovation in accessible healthcare, bringing high quality healthcare within the reach of all and conceptualizing a model for preventive healthcare



**FY20 Standalone Revenues up 17% at Rs.9,794 crore**  
**EBITDA (Pre IND AS 116) at Rs.1,189 crore, higher by 17% yoy**  
**EBITDA (Post IND AS 116) at Rs. 1,415 crore, higher by 39% yoy**  
**PAT grows 55 % yoy to Rs. 470 Crore**

**FY20 Consolidated Revenues up 17% at Rs.11,247 crore**  
**EBITDA (Pre IND AS 116) at Rs.1,288 crore, higher by 21% yoy**  
**EBITDA (Post IND AS 116) at Rs. 1,587 crore, higher by 49% yoy**  
**PAT grows 93 % yoy to Rs. 455 Crore**

**Q4FY20 Standalone Revenues up 19% at Rs. 2,572 crore**  
**EBITDA (Pre IND AS 116) up 8% at Rs.288 crore**  
**EBITDA (Post IND AS 116) up 31% at Rs.348 crore**  
**PAT up 168 % at Rs. 206 crore**

**Q4FY20 Consolidated Revenues up 17% at Rs. 2,922 crore**  
**EBITDA (Pre IND AS 116) up 7% at Rs.299 crore**  
**EBITDA (Post IND AS 116) up 36% at Rs.380 crore**  
**PAT up 169 % at Rs. 219 crore**

**SAP business reported 33% growth in Revenues in Q4FY20**  
**EBITDA (Pre IND AS 116) grew by 52 %, EBITDA margins at 6.2% in Q4FY20**  
**EBITDA (Post IND AS 116) grew by 129 %, EBITDA margins at 9.4% in Q4FY20**  
**Net addition of 66 stores in Q4FY20; Pan-India network now at 3,766 stores**

**Q4FY20 Standalone** Revenues grew 19% to Rs.25,721 million compared to Rs.21,671 million in Q4FY19, aided by Healthcare services growth of 6% YoY and SAP growth of 33%. Healthcare services grew 6% YoY led by growth both in the mature hospitals and new hospitals which grew 3% and 8% YOY respectively. EBITDA (Pre Ind AS 116) was at Rs.2,877 million in Q4FY20 as against Rs. 2,658 million in Q4FY19 a YoY growth of 8%. PAT grew by 168 % to Rs.2,056 million in Q4FY20.



**Dr. Prathap C Reddy, Chairman, Apollo Hospitals said,** *“The last quarter of FY20 saw the world facing the unprecedented threat of the novel coronavirus. We are very happy that we have been able to be of service in these times of crisis, by screening, testing and treating COVID-19. Our expertise and experience in treating all kinds of ailments over the last 36 years has held us in good stead, enabling us to create a strong flank in the management and treatment of COVID-19. Nevertheless, in the middle of the COVID-19 crisis, we have not forgotten the tsunami of NCDs that still ails our population.*

*Apollo Hospitals was formed to provide the best of clinical care for Indians, at an affordable rate. In that same spirit, we have put up COVID treatment beds in our hospitals, but with a difference. There is an ‘iron curtain’ of the highest Standards of Excellence in Infection Control Protocols and Best Practices separating our COVID beds from the other treatment beds. This is because we realise that we need to treat our regular patients also with the same zeal and with utmost safety.*

*We have upgraded the capacity at all our testing centres. Our team at Apollo Diagnostics have also made all efforts to ensure that we have sufficient testing kits to test all the necessary people.*

*We are doing our best for our COVID patients, and are working on a plan to reach out directly to individuals, families, and corporates, to bring them under a comprehensive protection plan, mainly to remove any fear from their minds. As Fear will not help in quick recovery.*

*Our Apollo 24/7 app enabling round-the-clock communication between patient and the healthcare provider is playing a big role in alleviating fear. It is one of the greatest tool that we have dedicated in the service of the nation. Over a million calls and enquiries have already been received on the app, and thousands of consultations are happening every day.*

*Currently, we are keeping in focus our patients who have trusted us for the last 36 years – patients from various parts of the country and from across the globe. I feel immensely proud and happy that Apollo Hospitals is safe and a beacon of hope for those who need care, especially for their regular ailments, which can sometimes turn life threatening if left unattended. We have ensured that Apollo Hospitals is safe with robust comprehensive Isolation protocols and an Infection Prevention and Control program that creates a barrier between COVID patients and other Medical & Surgical Patients, including separate teams to handle COVID patients.*

*I take this opportunity to acknowledge with gratitude the extraordinary efforts of our doctors, nurses and support staff during this pandemic, and am very grateful to our doctors who have given themselves completely to twin purposes – treatment of COVID-19 patients and treatment of regular patients in completely separate ways.*

*The financial year 2020-21 will be challenging due to the effect of the COVID-19 pandemic. COVID has affected not just the Indian healthcare sector but also other sectors and the global economy. The short term may see an adverse impact on aspects such as medical value travel or medical tourism, but in the longer term, I am sure that healthcare being a resilient industry will bounce back to its normal growth.*



*On a different note - the second decade of the 21<sup>st</sup> century was supposed to herald Automation, Artificial Intelligence and Robotics into healthcare, to improve the quality of health care delivery. Recognising this, we floated a global tender, and after several rounds of selection, chose DXC as our partner in this digital journey. They have already made a significant impact on our health-checks and in bringing about perfection in our medical practice, which is helping all our doctors.*

*I am happy to share that Apollo Hospitals is performing the highest number of robot-assisted surgeries in the country, and we have started using robots in performing cardiac procedures. We look forward to leading the digital transformation of healthcare in the country as we battle both Communicable and Non-communicable diseases.”*



## **Major Financial Highlights**

- **Standalone FY20 Performance**

- *Revenues grew 17% to Rs. 97,944 mn vs Rs.83,367 mn in FY19*
- *EBITDA (Pre Ind AS116) grew 17% to Rs.11,894 mn vs Rs.10,181 mn in FY19*
- *EBITDA (Post Ind AS116) grew 39% to Rs.14,152 mn vs Rs.10,181 mn in FY19*
- *PAT grew 55% to Rs.4,702 mn vs Rs.3,028 mn in FY19*
- *Includes Exceptional income of Rs 1,644 mio. (being Net proceeds from sale of stake in Apollo Munich Health Insurance ). PAT impact of Rs 1,421 mio post tax.*
- *Diluted EPS of Rs.33.80 per share in FY20*

- **Standalone Q4FY20 Performance**

- *Revenues grew 19% to Rs.25,721 mn vs Rs.21,671 mn in Q4FY19*
- *EBITDA (Pre Ind AS116) grew 8% to Rs.2,877 mn vs Rs.2,658 million in FY19*
- *EBITDA (Post Ind AS116) grew 31% to Rs.3,483 mn vs Rs.2,658 mn in FY19*
- *PAT grew 168% to Rs.2,056 mn vs Rs.767 mn in FY19*
- *Diluted EPS of Rs.14.78 per share in Q4FY20 (not annualised)*

- **Consolidated FY20 Performance**

- *Revenues grew 17% to Rs.112,468 mn vs Rs.96,169 mn in FY19*
- *EBITDA (Pre Ind AS116) grew 21% to Rs.12,880 mn vs Rs.10,637 mn in FY19*
- *EBITDA (Post Ind AS116) grew 49% to Rs.15,873 mn vs Rs.10,637 mn in FY19*
- *PAT grew 93% to Rs.4,549 mn vs Rs.2,360 mn in FY19*
- *Diluted EPS of Rs.32.70 per share in FY20*

- **Consolidated Q4FY20 Performance**

- *Revenues grew 17% to Rs.29,224 mn vs Rs.24,990 mn in Q4FY19*
- *EBITDA (Pre Ind AS116) grew 7% to Rs.2,989 mn vs Rs.2,796 mn in Q4FY19*
- *EBITDA (Post Ind AS116) grew 36% to Rs.3,801 mn vs Rs.2,796 mn in Q4 FY19*
- *PAT grew 169% to Rs.2,193 mn vs Rs.816 million in Q4FY19*
- *Diluted EPS of Rs.15.77 per share in Q4FY20 (not annualised)*



As on March 31, 2020, Apollo Hospitals had 7,491 operating beds across the network (excluding AHLL & managed beds), out of which 14 were new with 2,002 operating beds. The new hospitals are demonstrating good traction with a utilisation of over 62% and should continue to witness double digit growth in volumes and improvement in utilisation and profitability going forward.

### **Segment-wise Performance Update**

#### **Hospitals**

**Standalone Revenues of the healthcare services division increased by 19% to Rs.25,721 million in Q4FY20 compared to Rs.21,671 million in Q4FY19.** Revenue of existing hospitals grew 3% while the new hospitals grew by 8%.

*EBITDA (Pre Ind AS116)* was at Rs.2,877 million in Q4FY20 compared to Rs.2,658 million in Q4FY19. EBITDA was higher by 8% yoy.

Revenues in the Tamil Nadu cluster grew by 11%, IP Volumes grew by 5%. ARPOB grew by 7% to Rs.47,151. Overall occupancy in the cluster was 1298 beds (59% occupancy) as compared to 1258 beds (59% occupancy) in the previous year.

In AP Telangana region, Revenues grew by 7% ,IP volumes grew by 1%. ARPOB grew by 10% to Rs.36,184. Occupancy in the cluster was 831 beds (62% occupancy) as compared to 852 beds (63% occupancy) in the previous year.

The Karnataka region improved on the growth seen in previous quarters. Malleswaram witnessed an IP volume growth of 18%. Occupancy in the cluster was 551 beds (72% occupancy) as compared to 531 beds (71% occupancy) in the previous year.

Revenues of the Others Cluster grew by 13% while IP volumes grew by 10%. ARPOB grew by 8% to Rs. 25,790. Occupancy in the cluster was 785 beds (82% occupancy) as compared to 749 beds (82% occupancy) in the previous year.

#### **Standalone Pharmacies**

In Q4FY20, we added 86 stores and closed 20 stores for a net addition of 66 stores. The total store network as of March 31, 2020 stands at 3766 operational stores.

Revenues grew by 33% to Rs. 13,585 million in Q4FY20 from Rs. 10,184 million in Q4FY19. EBITDA grew 52% from Rs.557 million in Q4FY19 to Rs.847 million in Q4FY20. The EBITDA margin was at 6.2% in Q4FY20 compared to 5.5% in Q4FY19. Private label sales stood at 8.4%.

Revenue per store grew 21% with EBITDA margins remaining strong at 6.2%. The pre 2012 stores EBITDA growth was at 27% with an EBITDA margin of 8.6%.



## **Apollo Munich Health Insurance Company Limited**

The divestment to HDFC and its subsidiary HDFC Ergo was completed on January 9th, 2020 after approvals from the Competition Commission of India, the RBI and the Insurance Regulatory and Development Authority of India.

### **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 956 centers in total as of March 31, 2020.

AHLL Consolidated Revenues grew to Rs. 6,964 million in FY20 compared to Rs.5,888 million in FY19. The business reported an EBITDA of Rs. 18 million in FY20 compared to a loss of Rs. (599) million in FY19.

## **CLINICAL AND OPERATIONAL HIGHLIGHTS**

### **CLINICAL EXCELLENCE HIGHLIGHTS**

- Indraprastha Apollo Hospitals, New Delhi performs surgery for rare Wilms tumour of the chest-saves a 71-year-old Afghani woman. This was the first ever treatment of Wilms tumour at the hospital.
- Indraprastha Apollo Hospitals performed trachea reconstruction surgery for a 13-year-old boy from Uzbekistan and helped him regain his lost voice.
- Apollo Hospitals Navi Mumbai performs heart transplant surgery from a brain dead donor and saved a 36 year old man. This was the second recorded cadaver donor transplant surgery performed at the hospital successfully.
- Apollo Hospitals performed Asia's first Small Bowel and Abdominal Wall Transplant (First successful Combined Small Bowel and Abdominal Wall Transplant in Asia) & Kidney Transplant Using Hypothermic Oxygenated Machine Perfusion.
- Apollo Hospitals, Chennai successfully performed India's first Rotashock using Shockwave Lithoplasty.
- A cardiac tumour was removed through Minimally Invasive Cardiac Surgery at Apollo Hospitals,



Guwahati for the first time in North East India,

- Apollo Hospitals Bangalore, successfully performed double cataract surgery for a 95-year old man
- Apollo Hospitals Bangalore, successfully performed anterior cruciate ligament (ACL) surgery for a 25-year-old female patient
- Apollo Hospitals Bangalore, successfully performed exploratory laparotomy of the small intestine for a 58-year-old patient
- Apollo Hospitals Bangalore, successfully performed coil embolization technique to save a 15-year-old teen from a serious injury

#### **NEW LAUNCHES, INITIATIVES AND PARTNERSHIPS**

- Apollo hospitals launched a comprehensive response plan '**Project Kavach**' to fight COVID-19 post lockdown through a comprehensive approach that encompasses all aspects from information, screening and assessment, testing, to the infrastructure for quarantine and treatment.
- A part of Project Kavach included "**Project Stay I**" - an innovative initiative to strengthen the bulwark against COVID-19 by creating isolation rooms in hotels with light medical supervision for quarantine and creating a barrier to ensure people recover without spreading the virus, or moved to medical care if and when required. The Apollo Hospitals initiative was supported Hindustan Unilever, State Bank of India, Deutsche Bank, Oyo Rooms, Lemon Tree, Ginger hotels and Zomato.
- Apollo Hospitals Group, as Asia's largest and most trusted healthcare guardian, collaborated with Bajaj Finserv for the launch of the first of its kind co-branded Health EMI Card in association with Bajaj Finance Limited, the lending arm of Bajaj Finserv Ltd and the largest non-bank in India.
- Indraprastha Apollo Hospitals launched Radixact – the most advanced version of Tomotherapy - marked as the smartest radiation therapy to treat the most complicated cancer tumors
- Apollo Hospitals Ahmedabad launched Gujarat's first Advanced Functional Neuro Surgery Centre for advanced diagnosis and treatment of neurological disorders
- Apollo Hospitals, announced the launch of their Amazon Alexa Skill - Ask Apollo. To make



healthcare more accessible through technology, Apollo Hospitals has enabled users to find the nearest Apollo Hospitals, clinics, pharmacies and book appointments with doctors of their choice using simple voice commands.

## **AWARDS AND ACCOLADES**

- Dr. Prathap C. Reddy, Chairman, Apollo Hospitals Group conferred with the Rotary Institute 2019 Super Achiever Excellence in Healthcare Award for pioneering innovation in accessible healthcare, bringing high quality healthcare within the reach of all and conceptualizing a model for preventive healthcare.
- Dr Venkatesh Senior Consultant, Dept of Emergency and Trauma, Apollo Hospitals, Bangalore won Rising Star Award by Times Healthcare Achievers 2020 for the Best Emergency Care Hospital among Karnataka Hospitals
- Apollo Cancer Centre, Chennai has won Excellence in Quality Award 2020 by FICCI & Department of Health & Family Welfare, Government of Tamil Nadu in the 12th Edition of TANCARE 2020 in Chennai as the Best Cancer Care Hospital among NABH Hospitals.

## **About Apollo Hospitals Enterprise Ltd. (AHEL)**

It was in 1983 that Dr. Prathap Reddy made a pioneering endeavour 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 India. 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](http://www.apollohospitals.com)

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