



July 29, 2020

**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

Dear Sir/Madam,

**Subject** : *Press release*

**Stock Code** : *BSE – 539787, NSE – HCG*

We wish to inform you that the Board of Directors of the Company, at their meeting held on July 28, 2020, *inter alia*, has approved the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 31, 2020.

In this respect, we enclose herewith the communication being released to the Press on the Financial Results of the Company for the quarter and year ended March 31, 2020.

Request you to take this on record.

Thanking you,

For **HealthCare Global Enterprises Limited**

**Sunu Manuel**  
**Company Secretary & Compliance Officer**

**Encl: a/a.**

## HealthCare Global Enterprises Ltd. reports Q4 and FY20 results

**Revenue for Q4 FY20 of INR 2,704 Million, a growth of 4.8% (y-o-y) and for FY20 of INR 10,956 Million, a growth of 12.0% (y-o-y)**

**EBITDA for Q4 FY20 at INR 377 Million, a growth of 6.5% (y-o-y) and for FY20 of INR 1,792 Million, a growth of 35.1% (y-o-y)**

**Bengaluru, July 28, 2020:** HealthCare Global Enterprises Limited (“HCG”) the leader in India in speciality healthcare services focused on oncology, fertility and precision diagnostics today announced its financial results for the quarter (“Q4 FY20”) and fiscal year (“FY20”) ended March 31, 2020.

Effective 1 April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on 1 April 2019. The effect of this adoption have not been retrospectively adjusted for the year ended 31 March 2019 and previous period financials are not comparable.

### Highlights for quarter ended March 31<sup>st</sup>, 2020

- Consolidated Income from Operations (“Revenue”) was **INR 2,704 mn** as compared to **INR 2,579 mn** in the corresponding quarter of the previous year, reflecting a year-on-year increase of **4.8%**.
- Consolidated Profit Before Depreciation and Amortization, Finance Costs, Exceptional Items and Taxes (“EBITDA”) was **INR 377 mn (INR 233 mn** excluding IND AS116 adjustment) as compared to **INR 354 mn** in the previous year in the corresponding quarter of the previous year.

### Highlights for year ended March 31<sup>st</sup>, 2020

- Consolidated Income from Operations (“Revenue”) was **INR 10,956 mn** as compared to **INR 9,787 mn** in the previous year, reflecting a year-on-year increase of **12.0%**.
- Consolidated Profit Before Other Income, Depreciation and Amortization, Finance Costs, Exceptional Items and Taxes (“Operating EBITDA”) was **INR 1,722 mn (INR 1,145 mn** excluding IND AS116 adjustment) as compared to **INR 1,252 mn** in the previous year.
- Operating EBITDA for existing centers was **INR 1,599 mn** excluding IND AS116 adjustment, reflecting an Operating EBITDA margin of **17.2%**.
- Operating EBITDA loss from new centers was **INR 455 mn** excluding IND AS116 adjustment as compared to a loss of **INR 295 mn** in the previous year.
- Consolidated Profit after Taxes and Minority Interest (“PAT”)<sup>(4)</sup> was a loss of **INR 1,067 mn** (loss of **INR 718 mn** excluding IND AS116 adjustment), as compared to loss of **INR 248 mn** in the previous year.

INR million except earnings per share

Period Ended Mar 31	Q4-FY20 As per AS 116	Q4-FY19	Growth (y-o-y)	Q4-FY20 w/o AS 116	Growth (y-o-y)	FY20 As per AS 116	FY19	Growth (y-o-y)	FY20 w/o AS 116	Growth (y-o-y)
<b>Income from Operations</b>	<b>2,704</b>	<b>2,579</b>	<b>4.8%</b>	<b>2,704</b>	<b>4.8%</b>	<b>10,956</b>	<b>9,787</b>	<b>12.0%</b>	<b>10,956</b>	<b>12.0%</b>
Other Income	17	32		17		70	74		70	
<b>EBITDA<sup>(1)</sup></b>	<b>377</b>	<b>354</b>	<b>6.5%</b>	<b>233</b>	<b>-34.3%</b>	<b>1,792</b>	<b>1,326</b>	<b>35.1%</b>	<b>1,215</b>	<b>-8.4%</b>
EBITDA Margin (%)	13.9%	13.6%		8.5%		16.2%	13.4%		11.0%	
<b>Operating EBITDA<sup>(2)</sup></b>	<b>360</b>	<b>322</b>	<b>11.9%</b>	<b>216</b>	<b>-33.0%</b>	<b>1,722</b>	<b>1,252</b>	<b>37.5%</b>	<b>1,145</b>	<b>-8.5%</b>
Operating EBITDA Margin (%)	13.3%	12.5%		8.0%		15.7%	12.8%		10.5%	
<b>PBT<sup>(3)</sup></b>	<b>(417)</b>	<b>(82)</b>	<b>NM</b>	<b>(320)</b>	<b>NM</b>	<b>(1193)</b>	<b>(334)</b>	<b>NM</b>	<b>(813)</b>	<b>NM</b>
PBT Margin (%)	-15.4%	-3.2%		-11.8%		-10.9%	-3.4%		-7.4%	
<b>PAT<sup>(4)</sup></b>	<b>(436)</b>	<b>(87)</b>	<b>NM</b>	<b>(290)</b>	<b>NM</b>	<b>(1067)</b>	<b>(248)</b>	<b>NM</b>	<b>(718)</b>	<b>NM</b>
PAT Margin (%)	-16.1%	-3.4%		-10.7%		-9.7%	-2.5%		-6.5%	
<b>Earnings Per Share</b>	<b>(4.92)</b>	<b>(0.99)</b>	<b>NM</b>	<b>(3.27)</b>	<b>NM</b>	<b>(12.05)</b>	<b>(2.82)</b>	<b>NM</b>	<b>(8.10)</b>	<b>NM</b>

(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

## Business Updates for Q4 FY20:

- Focus on leadership in cancer care in Mumbai region continues:
  - Borivali center ramping-up with **29%** y-o-y revenue growth and substantial reduction in losses
  - Patients adopting advanced radiosurgery procedures through Cyberknife at South Mumbai center
- Oncology operations addition at Bhavnagar center in Gujarat delivered **200%** EBITDA growth, with margin improvement of **800+** basis points for the center, in FY20 on y-o-y basis
- Andhra Pradesh region demonstrates strong all-round performance:
  - Existing centers revenues grew **29%** in Q4 and **16%** in FY20, on y-o-y basis
  - Vizag center launched advanced head and neck cancer program through 'Oral Integrative Oncology Conference'
- New cancer center in Kolkata shows strong ramp-up with specialized offerings including Bone Marrow Transplants (BMT) procedures

Commenting on the results, **Dr. B.S. Ajaikumar, Chairman and CEO, HealthCare Global Enterprises Ltd.** said, *"We are pleased to report Q4 and FY20 earnings, with strong resilience amidst a very challenging environment. At the start of fiscal FY20, an unexpected margin cap on oncology drugs was ordered by the government, which not only impacted our revenues and margins negatively but also affected our ability to offer 'cross-subsidy' for making treatments affordable to economically challenged patients. Our initiatives focused towards recovering from this impact had yielded positive results starting Q3-FY20 and are ongoing. Now, with the world witnessing one of the biggest medical and economic crises in recent history in form of COVID-19 pandemic, HCG business has also been disrupted, in the form of reduction in footfalls and procedures across our hospitals. However, our focus on Oncology along with graded cost reduction with support of our employees, who have risen beyond their call of duty, helped in minimising adversities and maintaining continuity of care to the highest extent possible. This is a testament of the dedication and commitment of HCG towards cancer patients, even in the most challenging circumstances. While we cannot foresee how things will normalize completely, we continue to maintain focus towards our inflexion point and generating returns from the substantial expansions and investments, which should drive strong growth for the next few years. The uniqueness and inherent strength of our model is being recognised and reinforced, given that in the toughest of times, we have completed a large fund raise with a marquee long-term investor. This will not only deleverage the balance sheet substantially, but also can potentially transform the company towards a much stronger and better future. Overall, we are thankful to our shareholders who continue to believe in us and support us, and we remain excited about HCG's scaled platform in oncology, with Pan-India presence, and are committed on driving value creation for all our stakeholders."*

## Earnings Call

The company will conduct a one-hour conference call at **3.30 PM IST on Wednesday July 29, 2020** where the management will discuss insights about the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in number for this call is **+91 22 6280 1107 /+91 7045671221**. Other numbers are listed in the conference call invite which is uploaded on the stock exchange and posted on our website.

## About HCG Enterprises Ltd.:

HealthCare Global Enterprises Ltd. (HCG), headquartered in Bengaluru, is the largest provider of cancer care in India. Through its network of 22 comprehensive cancer centers across India and Africa, HCG has brought advanced cancer care to the doorstep of millions of people. HCG's comprehensive cancer centers provide expertise and advanced technologies required for the effective diagnosis and treatment of cancer under one roof. HCG has pioneered the introduction and adoption of several technologies in the country including stereotactic radiosurgery, robotic radiosurgery for treatment of cancer. Under the "Milann" brand, HCG operates 8 fertility centers. Strand Life Sciences, an associate company of HCG, is a precision diagnostics company with strong track record in bioinformatics and a pioneer of genomic testing in India. **For further information, visit [www.hcgel.com](http://www.hcgel.com) or contact: Company Secretary and Compliance Officer: Sunu Manuel, [investors@hcgoncology.com](mailto:investors@hcgoncology.com)**