



February 11, 2021

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 February 11, 2021, *inter alia*, has approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 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 nine months ended December 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 Q3 FY21 results

**Revenue for Q3 FY21 of INR 2,740 Million, a decline of 1% (y-o-y)
and for YTD FY21 of INR 7,154 Million, a decline of 13% (y-o-y)**

**EBITDA for Q3 FY21 of INR 437 Million, a decline of 9% (y-o-y)
and EBITDA for YTD FY21 of INR 998 Million, a decline of 30% (y-o-y)**

Bengaluru, February 11, 2021: 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 (“Q3”) and nine months (“YTD”) ended December 31, 2020 for fiscal year (“FY21”).

Effective 1 April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on 1 April 2019 and all financials are as per IND AS 116.

Highlights for quarter ended December 31st, 2020

- Consolidated Income from Operations (“Revenue”) was **INR 2,740 mn** as compared to **INR 2,779 mn** in the corresponding quarter of the previous year, reflecting a year-on-year decline of **1.4%** and a quarter-on-quarter growth of **10.5%**
- Consolidated Profit Before Depreciation and Amortization, Finance Costs, Exceptional Items and Taxes (“EBITDA”) was **INR 437 mn**, as compared to **INR 482 mn** in the corresponding quarter of the previous year, a decline of **9.4%** year-on-year and a growth of **28.3%** quarter-on-quarter
- Consolidated Profit Before Other Income, Depreciation and Amortization, Finance Costs, Exceptional Items and Taxes (“Operating EBITDA”), was **INR 378 mn**, as compared to **INR 457 mn** in the corresponding quarter of the previous year, a decline of **17.3%** year-on-year and a growth of **26%** quarter-on-quarter
- Operating EBITDA for existing centers was **INR 399 mn**, a growth of **21.3%** quarter-on-quarter, reflecting an Operating EBITDA margin of **18.2%**
- New Center loss was **INR 21 mn**, as compared to loss of **INR 57 mn** in the corresponding quarter of the previous year, a reduction of **63.2%** year-on-year and **27.6%** quarter-on-quarter
- Consolidated Profit after Taxes and Minority Interest (“PAT”)⁽⁴⁾ was a loss of **INR 293 mn**, as compared to loss of **INR 228 mn** in the corresponding quarter of the previous year

INR million except earnings per share

Period Ended Dec 31	Q3-FY21	Q3-FY20	Growth (y-o-y)
Income from Operations	2,740	2,779	-1.4%
Other Income	58	25	
EBITDA⁽¹⁾	437	482	-9.4%
<i>EBITDA Margin (%)</i>	<i>15.6%</i>	<i>17.2%</i>	
Operating EBITDA⁽²⁾	378	457	-17.3%
<i>EBITDA Margin (%)</i>	<i>13.8%</i>	<i>16.5%</i>	
PBT⁽³⁾	(354)	(278)	NM
<i>PBT Margin (%)</i>	<i>-12.9%</i>	<i>-10.0%</i>	
PAT⁽⁴⁾	(293)	(228)	NM
<i>PAT Margin (%)</i>	<i>-10.7%</i>	<i>-8.2%</i>	
Earnings Per Share	(2.33)	(2.57)	NM

(1) Profit before depreciation and amortization, finance costs, exceptional items and taxes

(2) EBITDA excluding other income

(3) Profit / (Loss) before tax and 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 interests

Business Updates for Q3 FY21

- Resilience and increasing normalization with reduction of COVID cases
 - HCG operating EBITDA grew **26%** with margin expansion of **170 bps** on q-o-q basis
 - New HCG centers deliver strong revenue growth of **24.8%** y-o-y
 - HCG centers revenues recovered with **0.3%** growth y-o-y, driven by domestic business ramp-up
 - Excluding revenues from international patients, all of the **top five regions** delivered revenue growth on y-o-y basis
- All-round strong performance in Maharashtra region
 - Revenue growth of **19.8%** y-o-y and operating EBITDA margin at unit level of **15.6%**, as compared to **9.9%** in corresponding quarter of previous year
 - Borivali center commenced offering of Bone Marrow Transplant (BMT) procedures; achieved unit level operating EBITDA break-even (on pre-IND AS basis) for the quarter
 - Revenue growth of **68.7%** at Nagpur center and **179%** at South Mumbai center on y-o-y basis; on the verge of achieving operating EBITDA break-even at unit level
- Strand Lifesciences, a pioneer in bioinformatics and precision diagnostics in India, where HCG owns **38.2%** stake, saw continued improvement in profitability and strong business traction

Other updates: Board decided to discontinue Kochi project on basis of commercial and strategic parameters

Commenting on the results, **Dr. B.S. Ajaikumar, Executive Chairman, HealthCare Global Enterprises Ltd.** said, *“We are pleased to report Q3 and YTD FY21 results with strong recovery in performance across the board. We are entering an exciting phase for HCG with our leadership team strengthened with joining of Raj as CEO and several of our new centers already over the tipping point and moving towards profitability. We welcome initiatives by the government to support COVID vaccination program and increased healthcare expenditure as the industry gains much deserved prominence in India’s journey of becoming an economic superpower in the coming years. With combined strength of HCG’s presence, brand and balance sheet, we are at an inflexion point and will continue to be at the forefront in delivering high quality cancer care and outcomes to patients, at scale, on pan-India basis. We appreciate the support of all our stakeholders without which this vision cannot be realised.”*

Mr. Raj Gore, CEO HealthCare Global Enterprises Ltd., added, *“HCG’s oncology-focused network of hospitals, uniquely positions us to address the growing cancer burden in India holistically. Not only have we demonstrated great resilience amidst the tough COVID times, but also we have now entered a period of consolidation with completion of capex and focus shifting to driving profitability and improving efficiencies. We are emerging as the largest private oncology player in Maharashtra with Borivali achieving break-even and other centers ramping-up towards profitability. With a majority of our other regions delivering revenue growth y-o-y basis, we expect to see robust growth in EBITDA and operating cash flows in the coming quarters. HCG will continue to strengthen its dominant leadership in oncology, fertility and precision diagnostics, and we remain committed to driving long-term value creation for all our stakeholders.”*

Earnings Call

The company will conduct a one hour conference call at **5:30 PM IST on Thursday February 11, 2021** 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 22 7115 8008**. 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 for the effective diagnosis and treatment of cancer under one roof. Under the “Milann” brand, HCG operates 7 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 or contact: Company Secretary and Compliance Officer: Sunu Manuel, investors@hcgoncology.com**