

# INVESTOR PRESENTATION

March 2022





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## KEY HIGHLIGHTS

01 | **Leading** private sector  
healthcare services  
provider

03 | **Performance** with a  
**Purpose**

05 | **Strong** Governance  
Structure

07 | **Prioritizing** Material  
**ESG Issues**

02 | **Attractive** industry  
opportunity

04 | **Superior** operating &  
financial track record

06 | Strategy for **future**  
**growth**



**01**

**LEADING PRIVATE SECTOR  
HEALTHCARE SERVICES  
PROVIDER**



# APOLLO HAS ALWAYS BEEN AT THE FORE-FRONT OF DEVELOPMENT OF INDIA'S HEALTHCARE SECTOR

## *Apollo Impact*

- Improved overall availability of private health care services in India
- Better access to care in semi-urban and rural areas



- Equitable access to health services through price differentiation, telemedicine, and CSR initiatives



- First in India to obtain international JCI accreditation



- Attractive destination for medical talent in India and from overseas
- Helped India become the destination of choice for medical tourists





# BUSINESS AT A GLANCE

Data as of March 31, Apollo 24/7# cumulative upto 31st March 22

## Healthcare Services

55%<sup>1</sup>  
of revenue



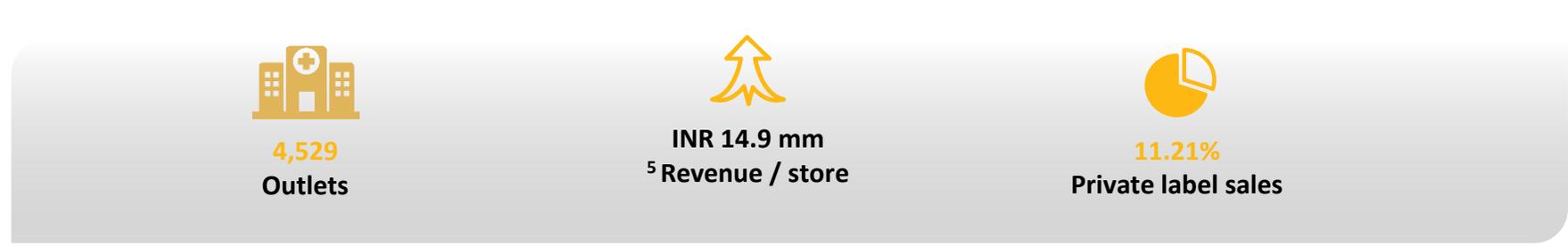
## Apollo Health and Lifestyle

9%<sup>1</sup>  
Of revenue



## Health Co Pharmacy Distribution

36%<sup>1</sup>  
Of revenue



## Apollo 24x7#



Revenue FY22: INR 147bn

EBITDA<sup>5</sup> FY22: INR 22bn

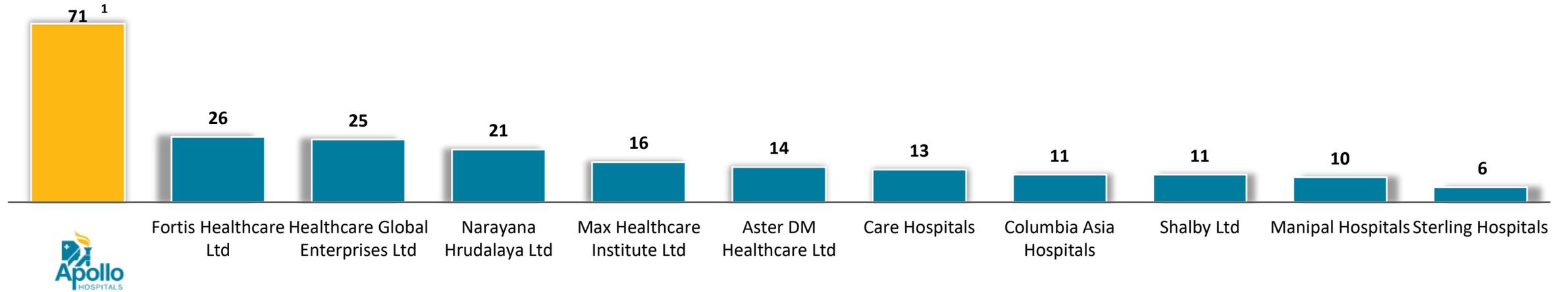
Note: <sup>1</sup> Including proforma for Delhi (22% holding) whose Revenues are not consolidated under Ind AS due to joint control; <sup>2</sup> Calculated as Total occupied bed days / total operating bed days for owned hospitals; <sup>3</sup> ALOS: Average length of stay in hospitals; <sup>4</sup> ARPOB: Average revenue per occupied bed excluding fees paid to fee-for-service consultants (excludes Vaccination revenue); <sup>5</sup> EBITDA is Post IND-AS 116. \*Includes BOMA (Brand Operations and Management Agreement) Apollo Spectra (7) and Apollo Cradle & Children's Hospital (2).

<sup>5</sup> Combined Pharmacy Revenue. Health Co from 16<sup>th</sup> March 2022.

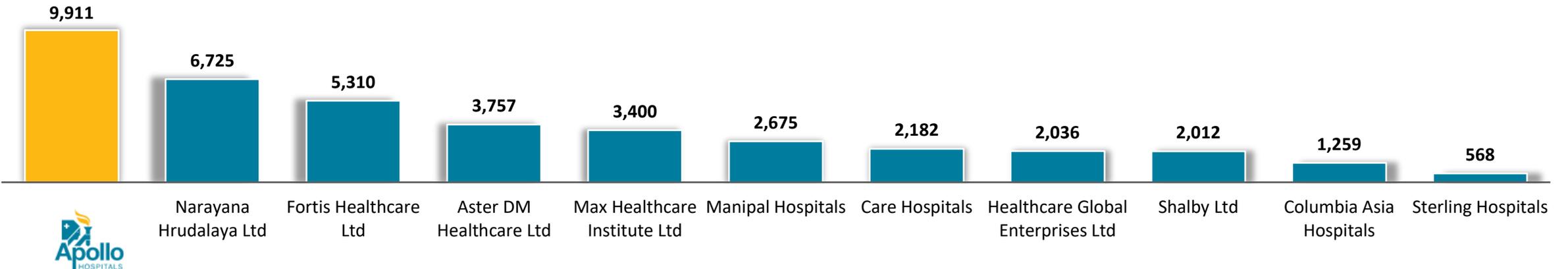


# LARGEST PRIVATE HEALTHCARE SERVICES PROVIDER IN INDIA

## Leading player in India in terms of number of hospitals



## Leading player in India in terms of number of beds available



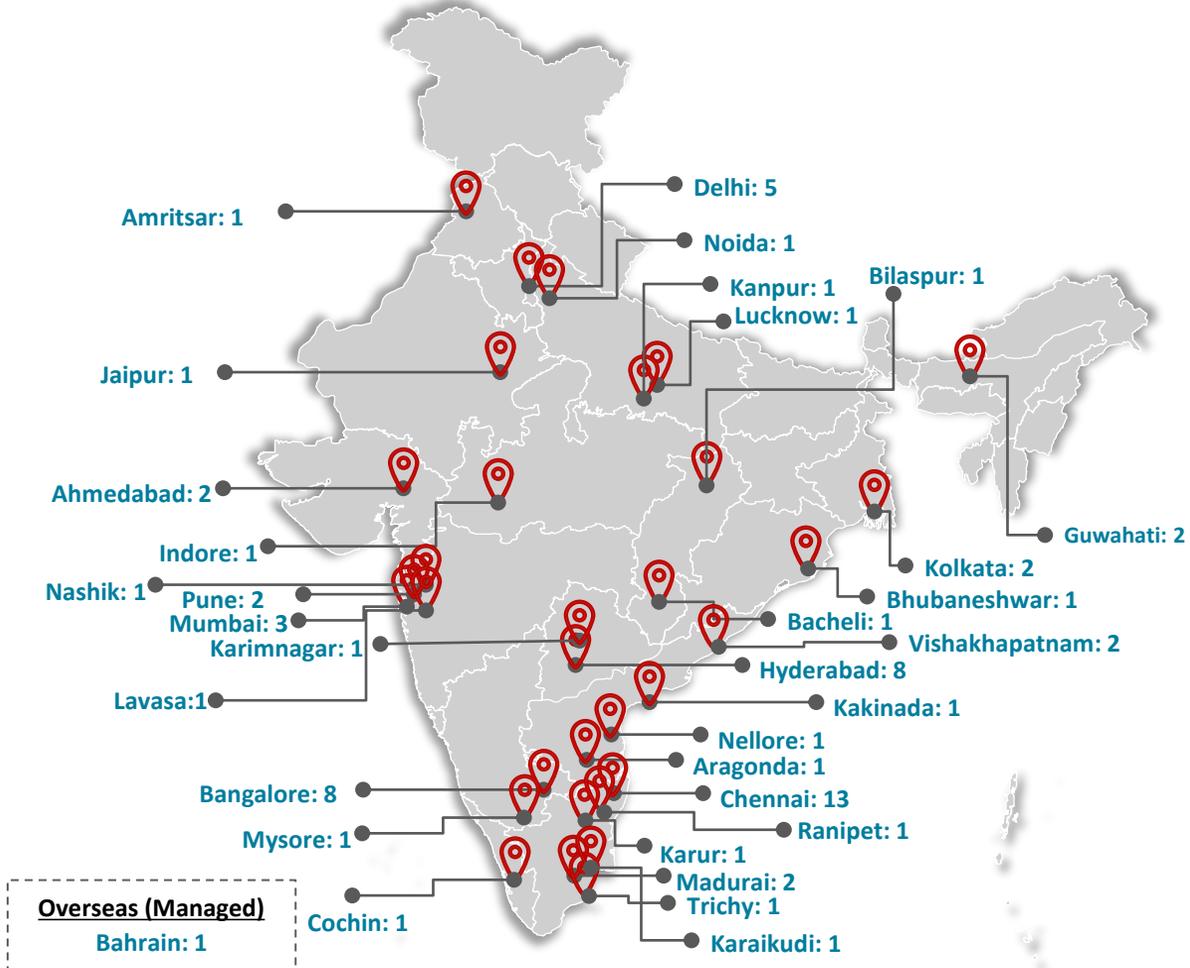
Note: Data as of Fiscal 2022; <sup>1</sup> Number of hospitals include only owned & managed hospitals . The numbers above exclude primary healthcare centers and clinics. Max Healthcare Institute includes beds in associate trust owned hospitals



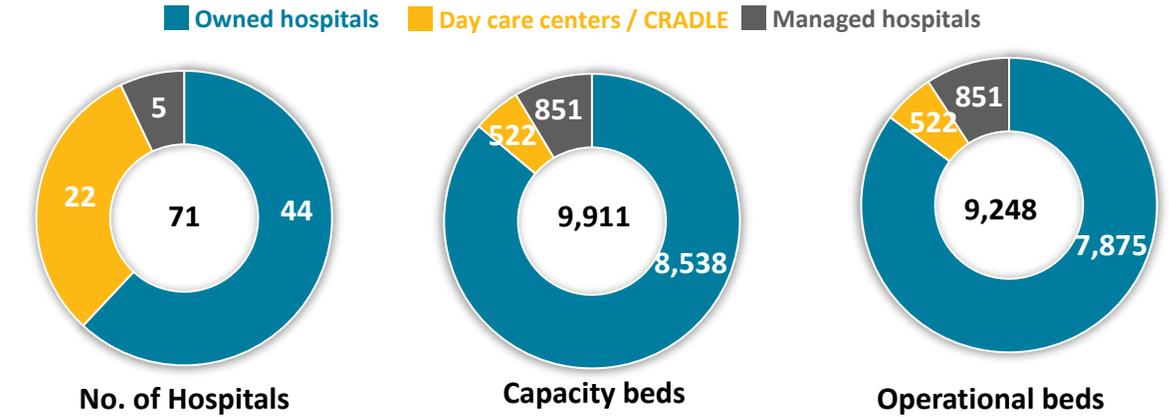
# PAN INDIA PRESENCE

Steadily increasing footprint supporting meaningful upside in future

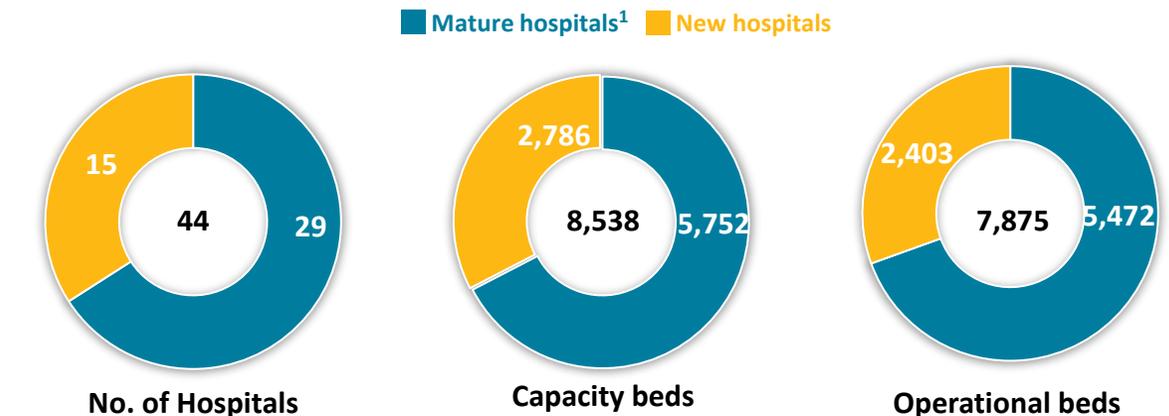
## 71 hospitals present across India



## Healthy mix by category



## Healthy mix by vintage (owned hospitals)



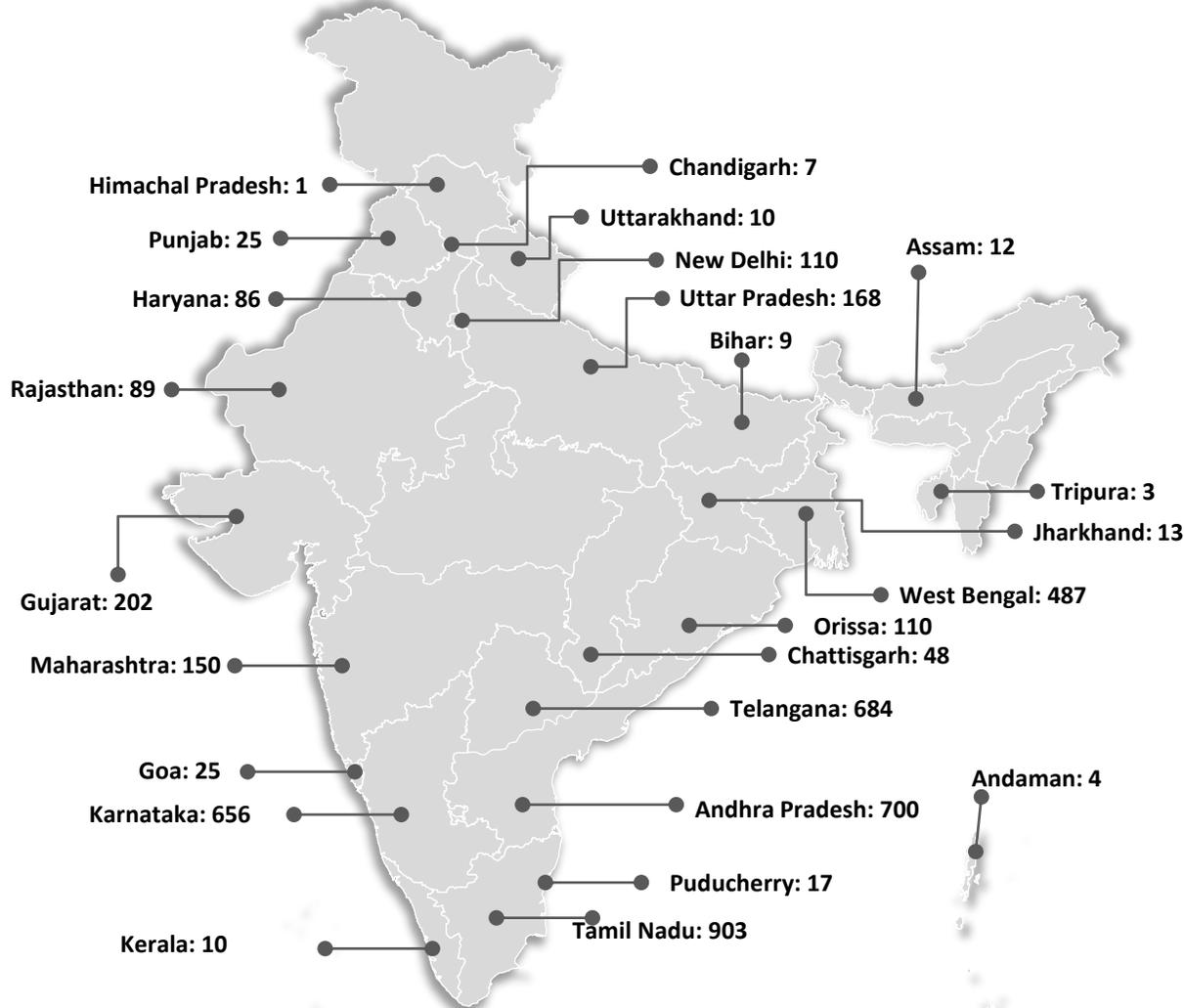
Note: Data as of March 31, 2022; <sup>1</sup>Internally company classifies any hospital commissioned prior to 10 years as mature hospital



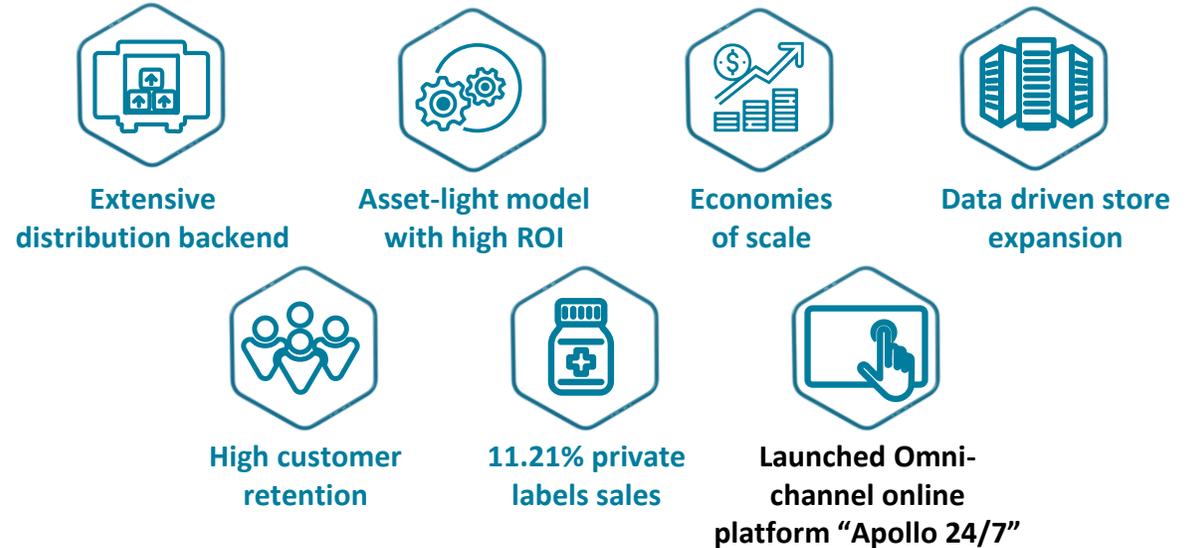
# LARGEST PHARMACY PLATFORM IN INDIA

Extensive Pharmacy network also supports the growth of Apollo 24X7 – Digital pharmacy platform

## Largest pan-India pharmacy network



## Highly differentiated business model driving growth



## Highly strategic partnership with Pharmacy Platform

- Exclusive supplier** to Apollo Pharmacy Ltd (25.5% stake)
- Backend supply chain** housed with AHEL
- Agreement** to license "Apollo Pharmacy" brand
- Substantial majority of combined revenue & profits** to be captured in AHEL

Note: Data as of March 31, 2022 ; Total no of Pharmacies is 4,529 operated by Apollo Pharmacy Ltd (25.5% stake)



02

## ATTRACTIVE INDUSTRY OPPORTUNITY

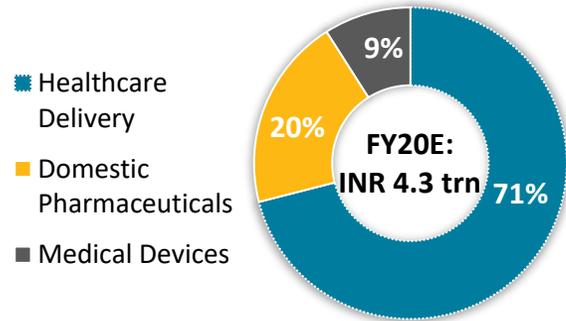


# HUGELY UNDER-PENETRATED MARKET WITH ATTRACTIVE DYNAMICS

*Private sector players are well-positioned to leverage opportunity given low contribution of government spending*

## Growing Indian Healthcare Delivery industry

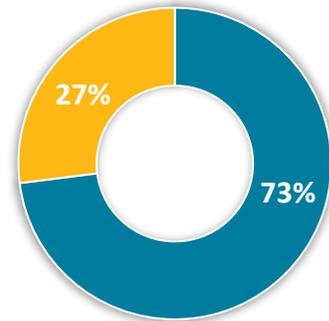
The healthcare delivery industry has **grown at CAGR of 12-14%** over FY16-20E and is expected to reach **INR 7.3trn by fiscal 2024**



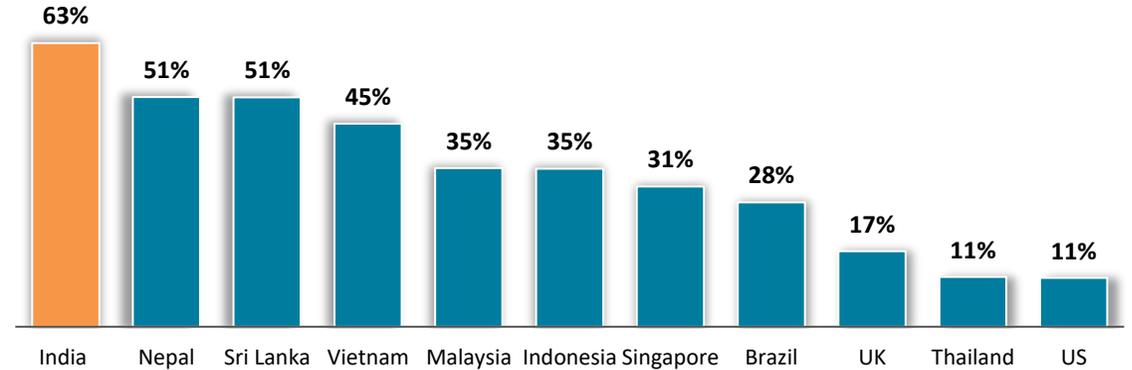
## Public healthcare expenditure is low, with private sector accounting for bulk

India Healthcare expenditure

■ Private ■ Government

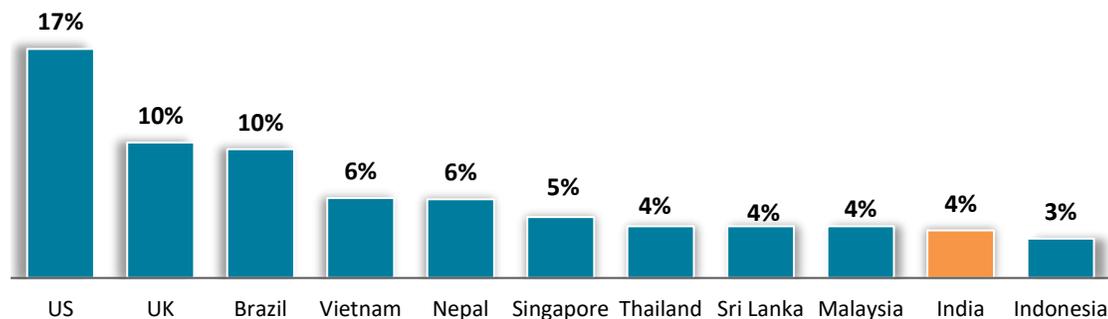


Out-of-pocket expenses as % of Healthcare expenditure



## India spends too little on its healthcare

Healthcare expenditure as % of GDP



Per capital healthcare expenditure (in \$)



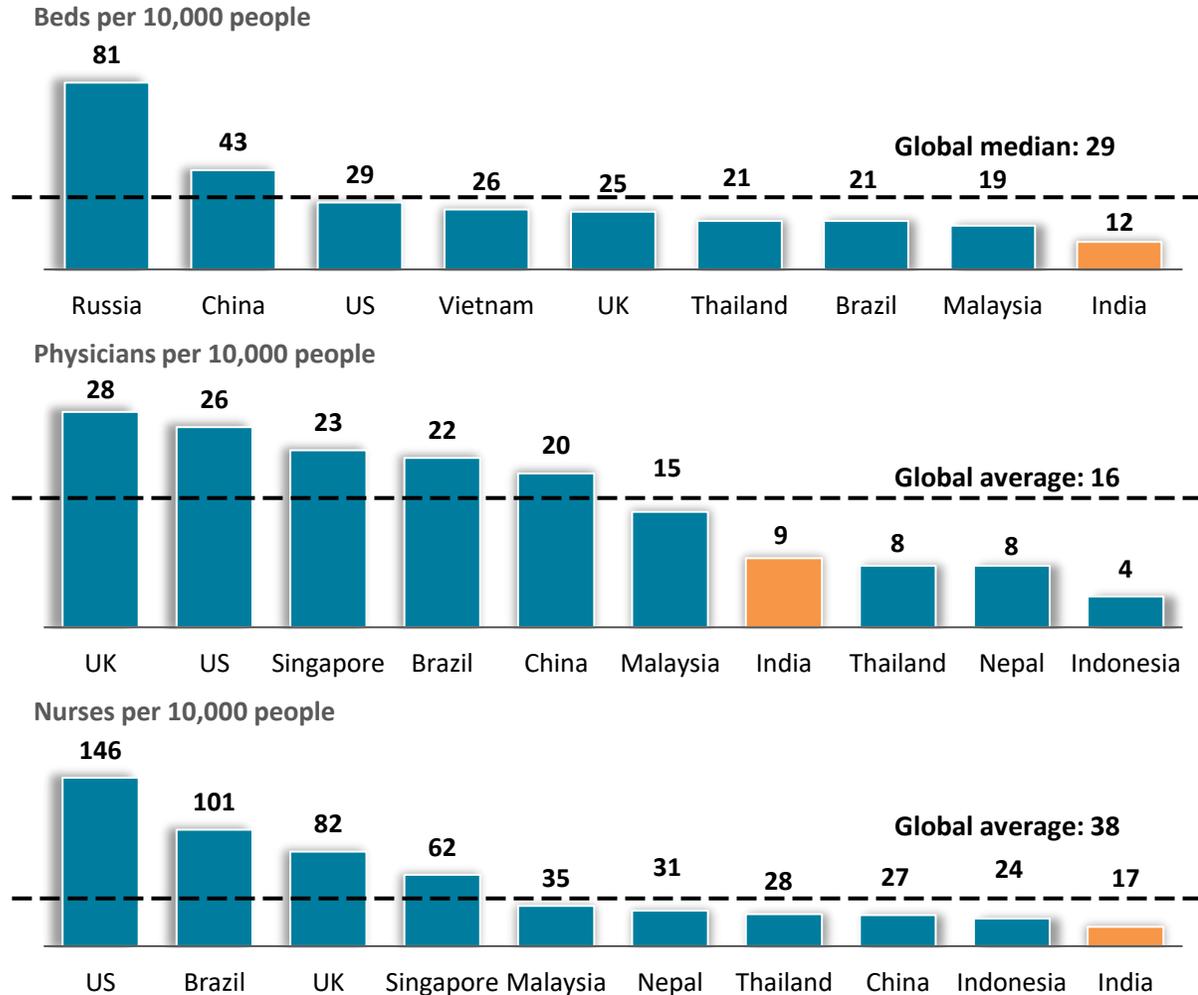
Source: CRISIL research

Note: Healthcare expenditure data as of 2018; Per-capita data at an international dollar rate, adjusted for purchasing-power parity



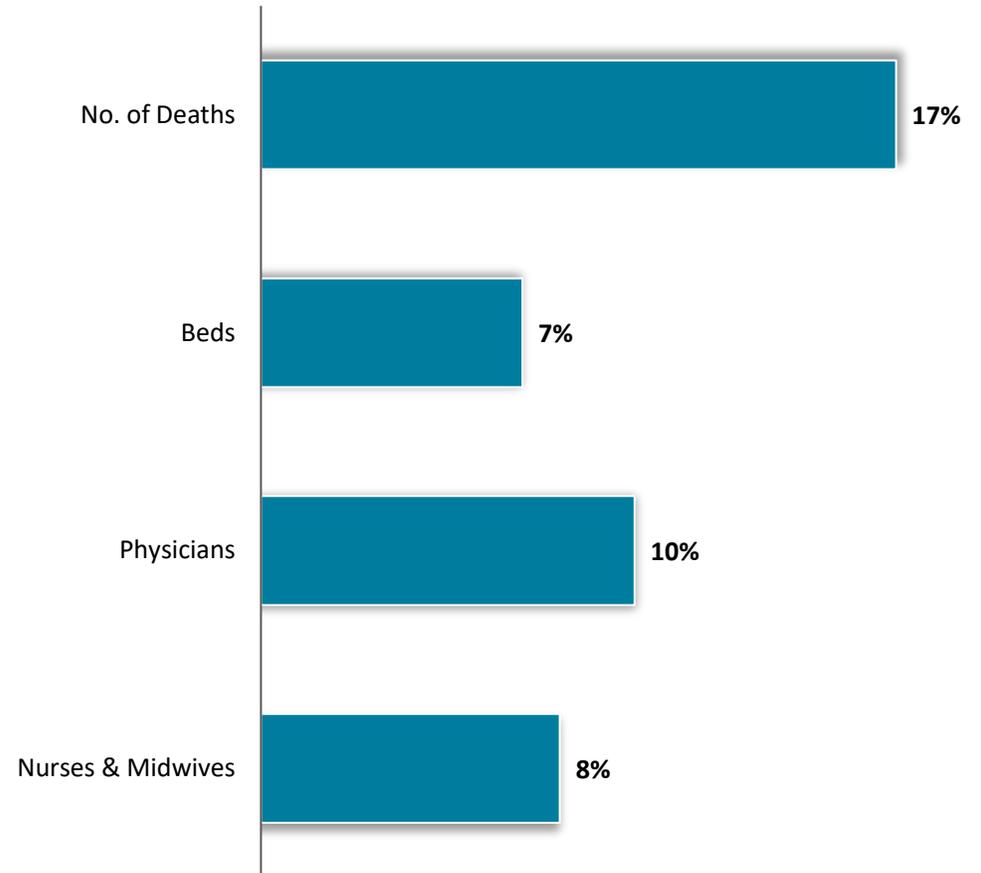
# LARGE MARKET WITH STRONG GROWTH PROSPECTS

India lags behind other developed and emerging economies in healthcare infrastructure



Deaths due to disease is higher while healthcare infrastructure is poor

India's share as percentage to world



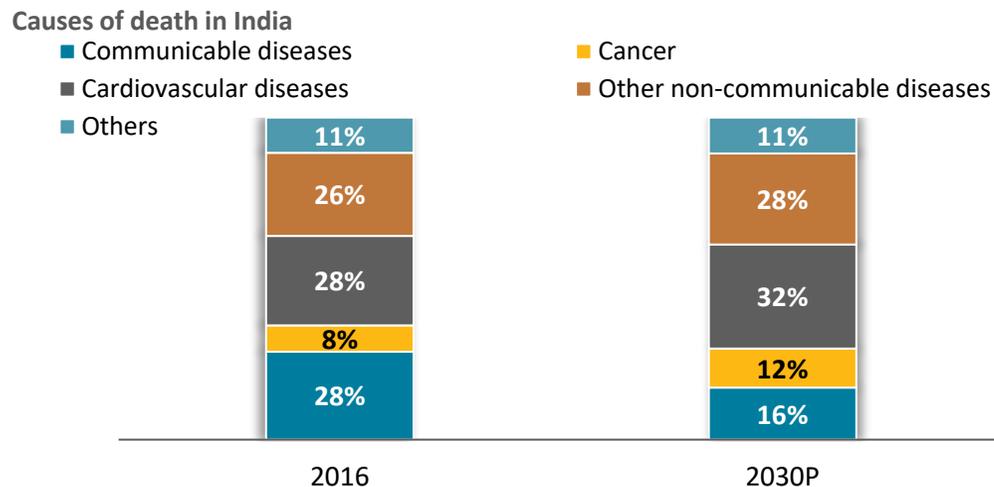
Source: CRISIL research

Note: India bed density is estimated by CRISIL Research; Bed Density data as of 2017; Annual no. of deaths in India (2017) caused due to disease have been considered as compared to that of the world

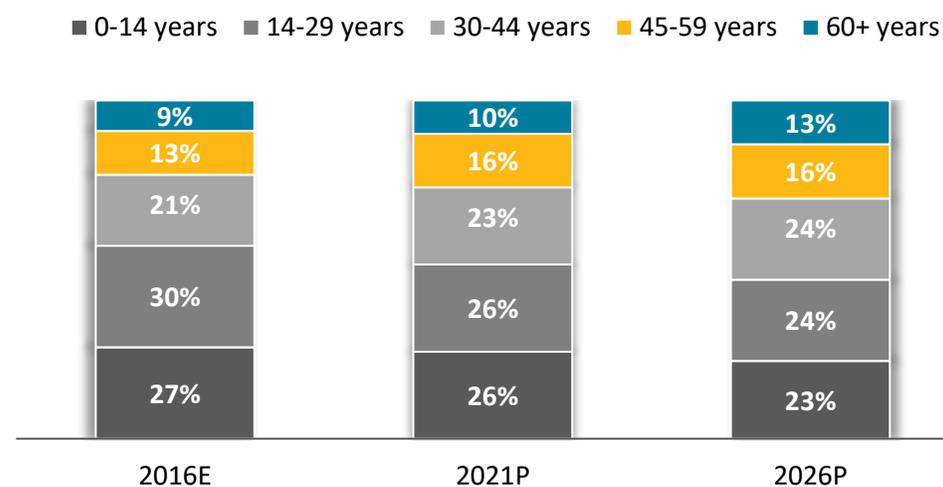
# RAPID DEMAND GROWTH DRIVEN BY DEMOGRAPHIC SHIFTS, CHANGING CONSUMPTION PATTERNS, INCREASING AFFORDABILITY AND FAVORABLE REGULATORY ENVIRONMENT



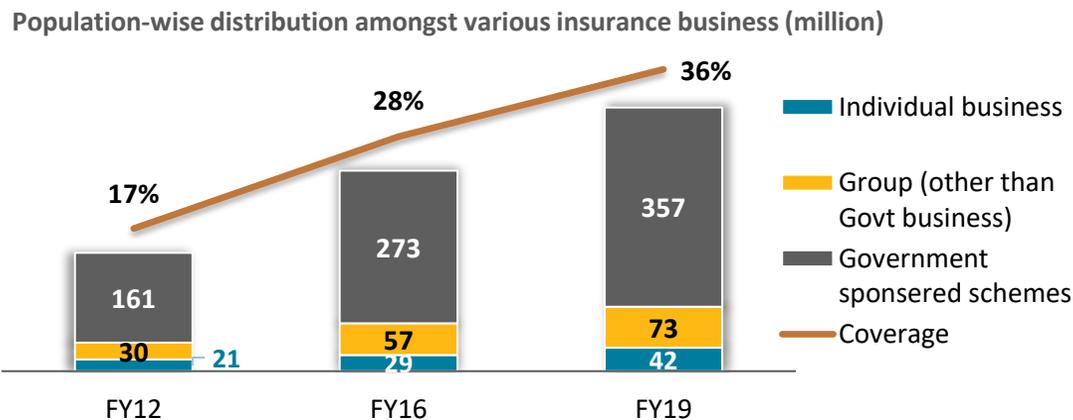
## Non-communicable disease accounts for most number of deaths



## Population in 60+ age group to grow faster



## Growing health insurance penetration to propel demand



## Pradhan Mantri Jan Arogya Yojana adds a demand impetus



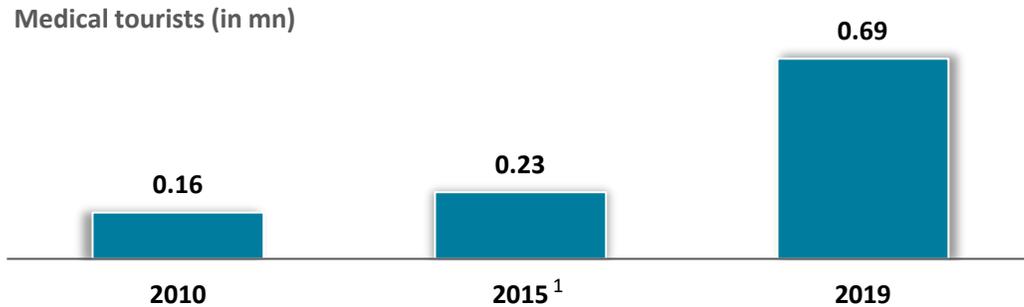
Higher health insurance penetration allows greater access to quality healthcare

Strategic partnerships to spread awareness, technology partnership and industry partnerships



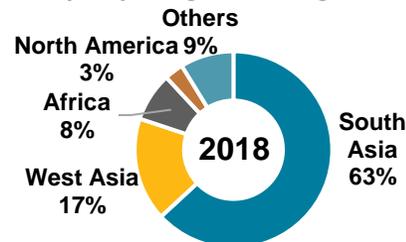
# INDIA OFFERS SIGNIFICANT OPPORTUNITY FOR GROWTH OF MEDICAL TOURISM

## India is fast emerging as a major medical tourist destination



## ~63% of medical tourism demand from neighboring countries

Break-up of medical tourists by major regions of origin



## India enjoys a cost advantage globally with control over quality

Ailments (US\$)	US	Korea	Singapore	Thailand	India
Hip replacement	50,000	14,120	12,000	7,879	7,000
Knee Replacement	50,000	19,800	13,000	12,297	6,200
Heart bypass	144,000	28,900	18,500	15,121	5,200
Angioplasty	57,000	15,200	13,000	3,788	3,300
Heart valve replacement	170,000	43,500	12,500	21,212	5,500
Dental implant	2,800	4,200	1,500	3,636	1,000

Source: CRISIL research

Note: <sup>1</sup> Includes medical visa and medical attendant visa

01

Medical tourism market in India to **rise at a CAGR of 65-70%** between **fiscals 2021 and 2025**

02

Treatments mostly sought after in India are **high end treatments pertaining to complex ailments** like heart surgery, knee implant, cosmetic surgery and dental care, due to the **low costs of treatments** in India

03

Growth in medical tourism expected primarily due to (i) **Technologically advanced** hospitals (ii) highly **skilled doctors**; (iii) **lower cost** of treatment and (iv) **e-medical visas** (v) **holistic wellness** - traditional healthcare therapies (Ayurveda & Yoga) combined with allopathic treatments

04

Medical tourist from **South and West Asia** region continue to constitute **majority share**

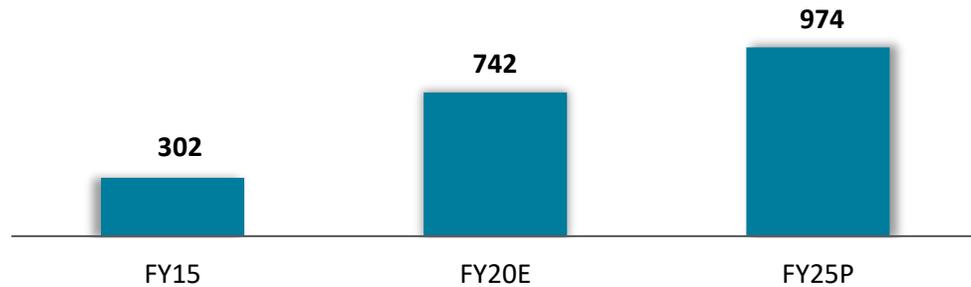


# OPPORTUNITY FROM INCREASING DIGITAL ADOPTION AIDED BY FAVORABLE CONSUMER BEHAVIOR AND STRONG IMPETUS PROVIDED BY COVID

Data driven revolution in the country has led to a generation of digitally inclined consumer...

## Robust internet subscribers growth...

■ Internet users (in mm)



## ...and rapid tech adoption



556  
FY20E



911  
FY25P

4G & 5G subscriber base in India (mm)



~60%

Smartphone penetration by 2022

## ... which has been further driven by Covid



Healthcare delivery witnessing an influx of mobile-based applications



Growth in demand for telemedicine and e-pharmacy



Movement towards low touch healthcare model

No. of people using online health consultations



~3 times

between March to November 2020

No. of users using e-pharmacy website/apps



2.5-3 times

between March and June 2020



**03**

## **PERFORMANCE WITH A PURPOSE**



# QUALITY HEALTHCARE SERVICES DELIVERY ON THE BACK OF WORLD-CLASS CLINICAL EXCELLENCE

Leaders in clinical quality & excellence – 8 hospitals received JCI accreditations & 32<sup>1</sup> hospitals NABH accreditations



- 32 Units
- 7,700+ heart surgeries in FY22



- 36 Units
- 29,000+ Neuro surgical discharges in FY22



- 24 Units with Medical & Surgical Oncology
- 13 Units with Medical, Surgical and Radiation Oncology



- 23 Units
- ~1,200 Solid Organ transplant in FY22



- 33 Units
- 6,100+ Joint replacements in FY22



- 35 Units
- 210,000+ footfalls annually

- **Responsible procurement** with stringent selection criteria
- A capital expenditure budgeting system with special focus on the **introduction of new technology** and replacement of old equipment



## Key differentiating factors for Centers of Excellence

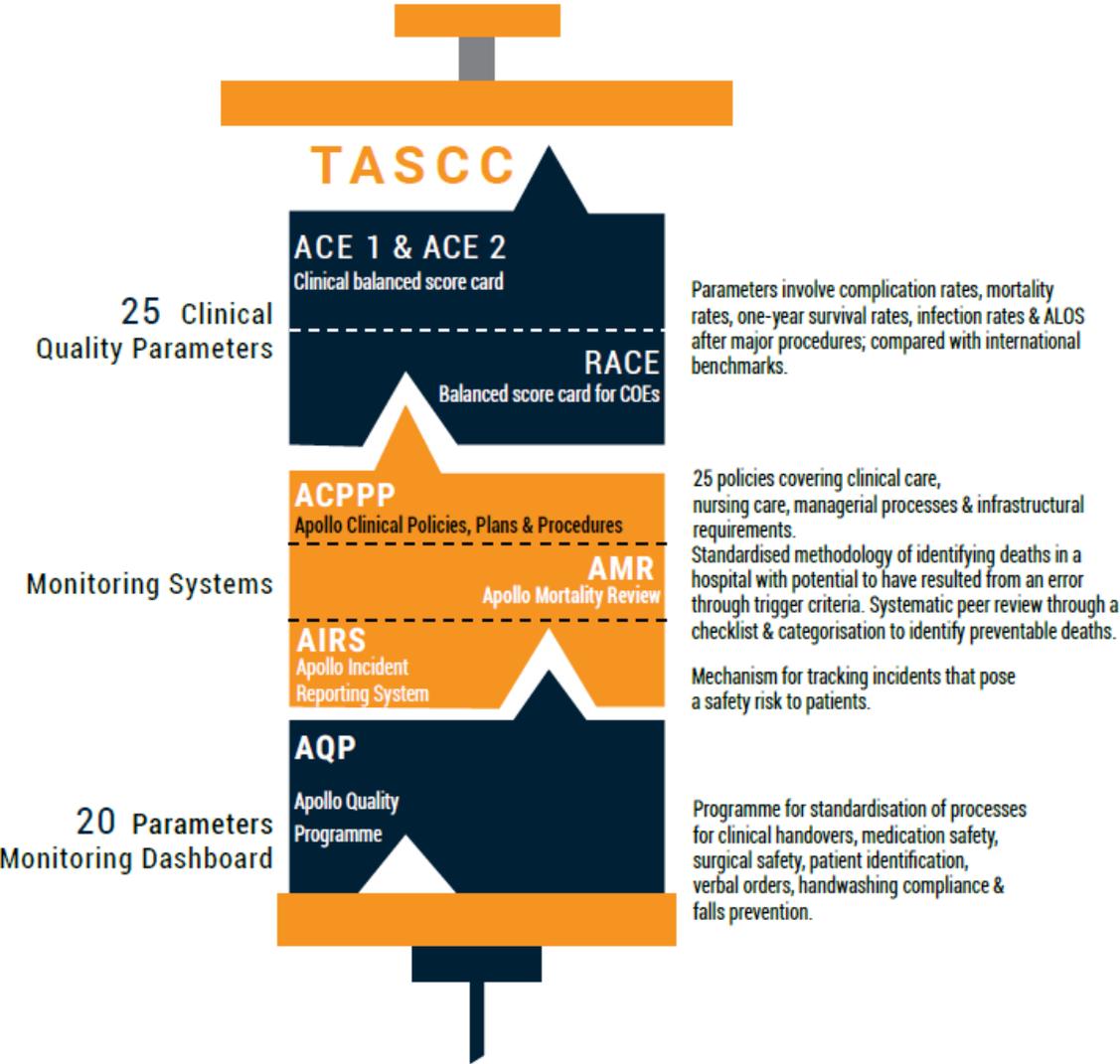


Note: Data as of Mar 31, 2022. FY22 – Q1 & Q4 impacted due to COVID-19.<sup>1</sup>accreditations as of FY22.

# BEST-IN CLASS CLINICAL STANDARDS AND GOVERNANCE



The Apollo Standards of Clinical Care to improve patient care and outcomes



## TASCC & Apollo Quality Program (AQP)

Clinical Excellence	Operations	Quality
<ul style="list-style-type: none"> <li>Clinical Governance Committees hold regular meetings</li> <li>Clinical outcome KPIs, including ACE 1 and 2, complication rates etc are being monitored and measured against national and international benchmarks</li> </ul>	<ul style="list-style-type: none"> <li>Patient satisfaction rates stood at 96% in 2020</li> <li>Tracking Net Promoter scores</li> </ul>	<ul style="list-style-type: none"> <li>Apollo Incident Reporting System (AIRS)</li> <li>360 Degree Review and audits</li> <li>Doctor credentialing and re-credentialing every three years</li> </ul>



# PIONEERS IN TECHNOLOGY ADOPTION

*One of the first to adopt robotic precision in minimally invasive surgery*

Eleven robotic surgical systems that enable robotic precision in minimally invasive surgery.  
Largest **minimally invasive program** in the country

**2014**  
**3.0 Magnetic resonance imaging ("MRI") system**, an advanced diagnostic imaging system which produces three dimensional images

**2019**  
**Proton Beam Therapy**, an advanced form of radiotherapy

**2020**  
One Prism 640 slice dynamic **multi-detector CT scanner**, an advanced diagnostic tool used in heart, brain and whole body scanning

Since its inception, Apollo Hospitals has actively invested and strived to embrace advanced medical technology

# SERVICE EXCELLENCE – THE MINTMARK OF APOLLO

**Voice Of Customer**

➤ Mainstream **Software enabled feedback collection** framework

**Apollo Instant Feedback System**

➤ Tool for **collecting feedback** given by patient/attender at the **point of service**

**Centralized Post Discharge**

➤ Initiative to **reach out** to patients **within 72 hours post discharge**

**Dial 30**

➤ An **inpatient non-clinical software enabled assist system** to **address the non-clinical needs** of our patient/attender

**Tender Loving Care**

➤ **Motto** of the organization & follows the **concept of ADCA**

**SE@29 Review**

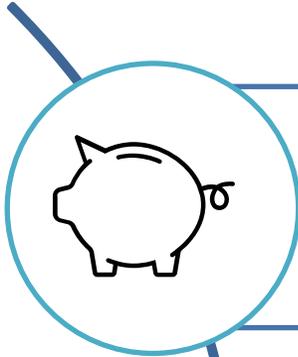
➤ **Monthly review** mechanism for **Key Service Excellence Initiatives**

**Patient satisfaction projects**

➤ **Reduction of wait time** during **in-patient discharge**

# AFFORDABLE AND ACCESSIBLE HEALTHCARE

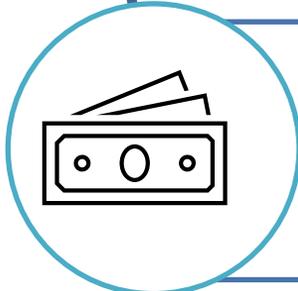
*Affordable services are made available*



## ***Transparent Pricing and Customization for Customer requirements***

Transparency and assurance through Assured Pricing Plans for 100+ procedures

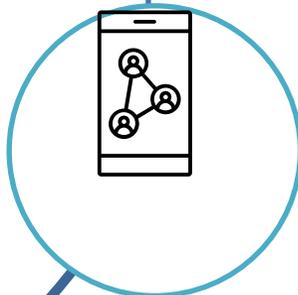
Trained financial counsellors assist patients in understanding their options and choosing what would suit them best based on their affordability or insurance plan.



## ***Subsidized Patient Financing***

Collaboration with leading institutions like HDFC Bank, SBI, and Bajaj FinServ, to provide funding to non-insured patients.

These institutions provide financing for the patients and Apollo Hospitals provides a subvention on their interest rates to make it more affordable for customers, sometimes at 0% interest rate.



## ***Bringing Healthcare Closer to The Consumer***

Apollo Pharmacy with its extensive networks across India including Home delivery of medicines.

“Apollo 24x7” – our Digital healthcare services platform - provides medicine delivery, consultation and diagnostics on the go

Multiple formats of care (clinics, diagnostics centres, birthing centres, day surgery centres etc) to enable ease of access and convenience for the consumer

Extensive tele-medicine network through more than 700 installations, including multiple public-private partnerships for the delivery of primary, secondary and tertiary support



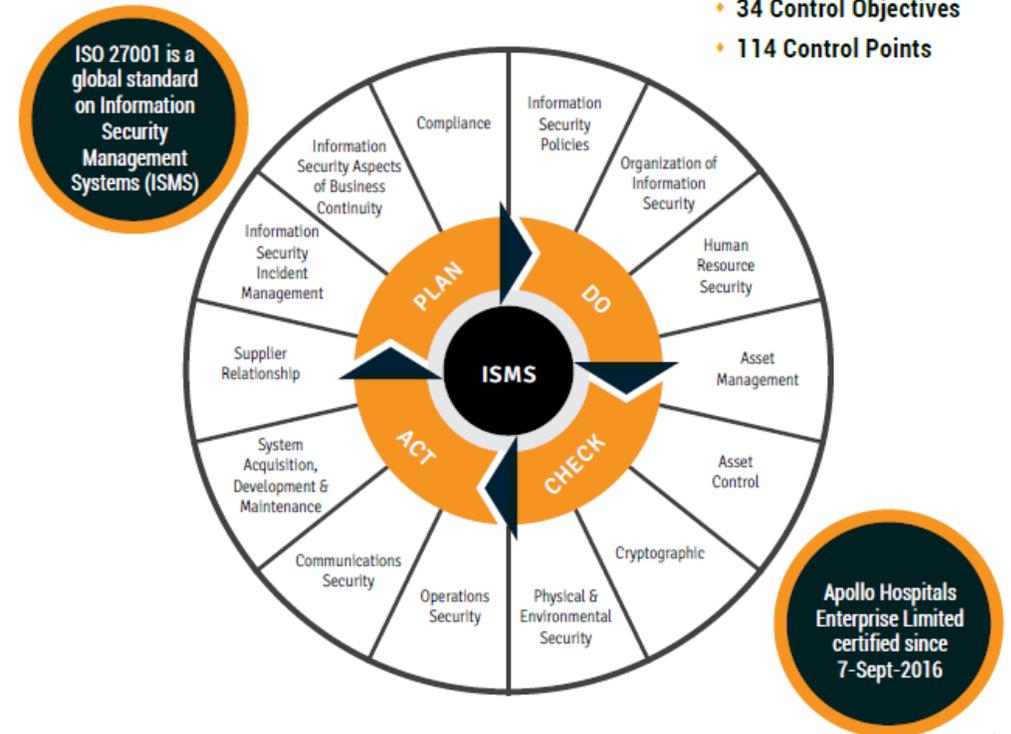
# PATIENT PRIVACY AND DATA SECURITY

*Uncompromising in our cybersecurity measures*

- Management's involvement in overseeing the group-wide information security system (MISF)
- The information security management system applies to the Health Information infrastructure of Apollo's Data Centres
- Certified by Information Security Management System ISO 27001:2013
- **Regular audits** of the information security systems by an independent auditor
- At Stage 6 of the HIMSS Analytics EMR Adoption ModelSM, an electronic patient record environment for meaningful healthcare information exchange within local and/or international medical communities.
- SAFE: Security Assessment Framework for enterprises from Lucideus that embeds AI and ML algorithms for effective threat management, enabling an organization to predict cyber breaches in their environment while contextually aggregating signals from existing cybersecurity products, external threat intelligence and business context
- **No violation of patient privacy rights over the last five fiscal years**

## Information Security – ISO 27001 Framework

- 14 Control Areas
- 34 Control Objectives
- 114 Control Points



# AHEL as the Employer of Choice



## *Human Capital – Our Bedrock*

### Talent Development

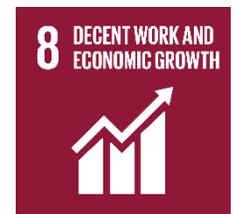
- Investment in continuous learning as an integral component of the HR system
- All employees undergo safety and upskilling training on a regular basis based on role, domain and individual needs
- The performance evaluation system is systematic, supported by performance-based incentives

### Labor Relations

- Respect for fundamental human and labor rights
- Collective bargaining agreements made in the area of wage and salary revisions

### Employee Health & Safety

- Code of Business Conduct and Human Resource manual detailing Apollo's commitments to employee health and safety
- Enhanced safety protocols during the COVID-19 pandemic
- As part of the employee welfare program, around 99% of our employees have had a complimentary annual health check in FY2020, with follow-up sessions if necessary





# AHEL as the Employer of Choice

## *Diversity, Inclusion and Equity*

- Committed to promoting diversity and preventing discrimination based on gender, ethnicity, age, socio-economic background, religion, trade union membership, and political beliefs.
- An equal opportunity employer, who integrates differently-abled people in appropriate areas and positions.
- A well-defined Sexual Harassment Policy in place, which sets out a mechanism for resolution of complaints and conducting mandatory training programs for all employees.
- Complaints are resolved within 15 days and cases that have been presented to the Sexual Harassment Redressal Committee have been satisfactorily resolved





**04**

## **SUPERIOR OPERATING & FINANCIAL TRACK RECORD**

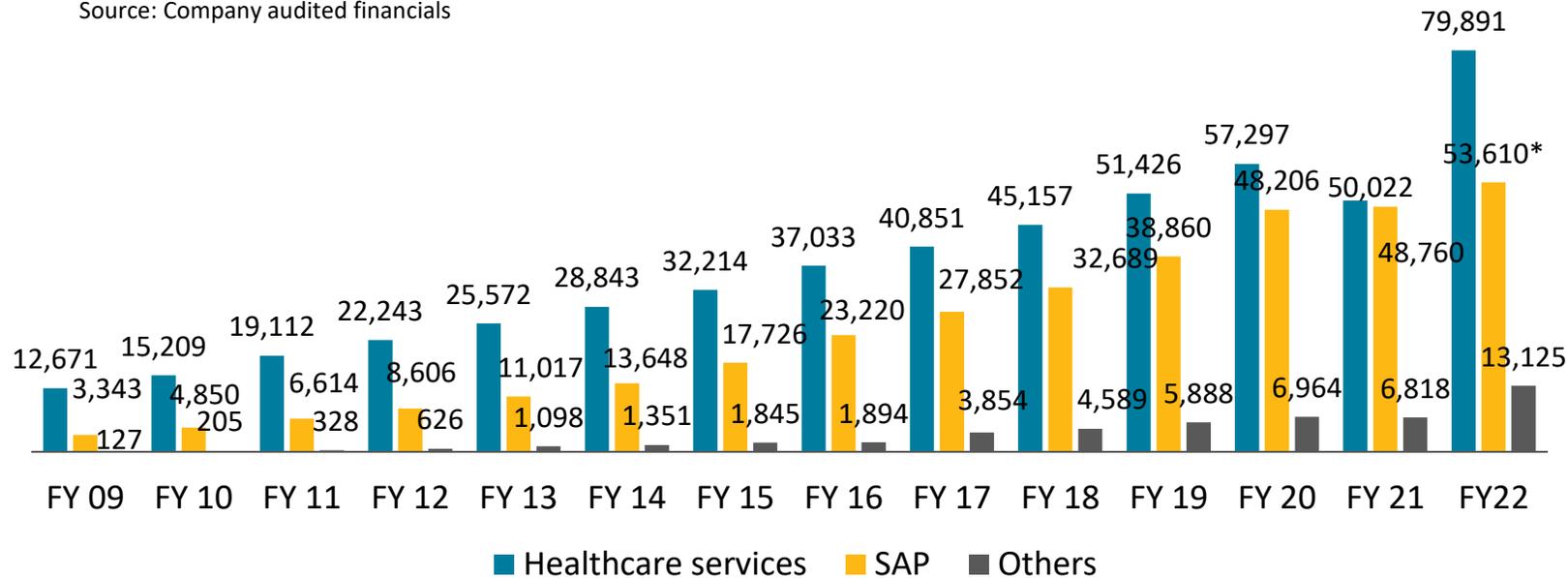


# STRONG GROWTH IN REVENUES ACROSS BUSINESSES ...

## Total Consolidated Revenues<sup>(1)</sup> (₹ Mn)

 **FY 22 Consolidated Revenues of \$ 1.9 billion<sup>(2)</sup>**

(1) Revenue is net of fees paid to fee-for-service consultants in Hospitals  
(2) Revenues of Delhi is not consolidated under Ind AS due to joint control  
Others segment above includes AHLL & Apollo Munich till FY15 and post that only AHLL as Apollo Munich is not consolidated.  
Source: Company audited financials



 **Consolidated Revenues CAGR (FY13-22) of 16%.**

 **Healthcare services including AHLL\*\* Revenue CAGR (FY13-22) of 15%**

 **\*Standalone Pharmacies Revenue CAGR (FY13-22) of 19%.**

\*\*AHLL – Apollo Health and Lifestyle Ltd . \*Health Co from 16<sup>th</sup> March 2022



## ... AIDED BY STRONG OPERATING METRICS (1/2)

### Operational Highlights

#### Occupancy rates remain high despite bed additions

- Growth of in-patient volumes in line with addition of beds
- New hospitals are ramping up well

- Steady growth of In-patient admissions from **235,000** in FY10 to **460,000** in FY22, CAGR of 6%

#### Average length of stay (ALOS) has reduced across the portfolio

- Reduced in mature hospitals due to advancement in treatments
- Increase in minimally – invasive procedures

- Consistent reduction in ALOS from **4.84** days in FY10 to **3.96** days in FY22

#### Average revenue per occupied bed (ARPOB) has grown at a healthy CAGR of 9% over the last 12 years

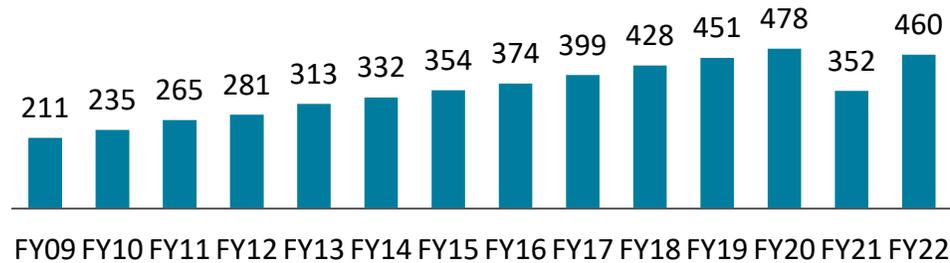
- Culmination of high occupancy, higher realizations, better case mix & decreasing ALOS

- Average Revenue per Occupied Bed has a healthy **CAGR of 9%** for the last twelve years

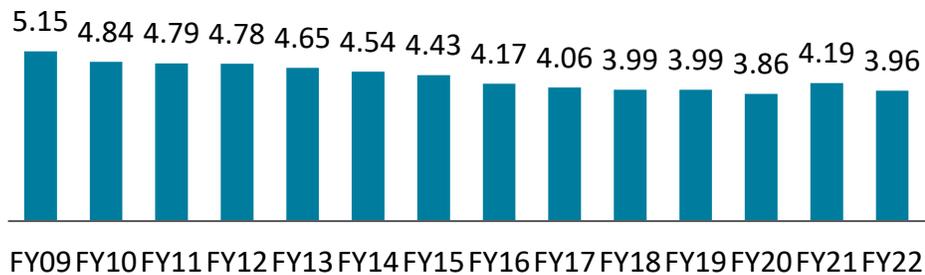


## ... AIDED BY STRONG OPERATING METRICS (2/2)

### In-patient Admissions ('000)



### Average Length of Stay (Days)<sup>(3)</sup>



Note: All operating data for owned hospitals.

(1) Bed Occupancy Rate: Total Occupied Bed Days/Total Operating Bed Days.  
Represents % of available hospital beds occupied by patients.

(2) Excludes our hospitals located outside India.

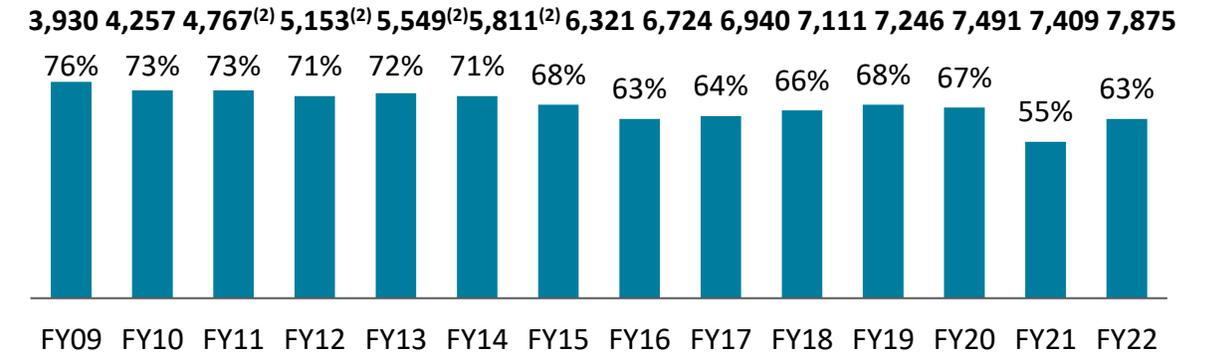
(3) ALOS represents average number of days patients stay in our hospitals.

(4) ARPOB (Net of doctor fees): Total Hospital Revenue/Patient Days (Total Occupancy in Numbers (Average Daily Census) x No of days).

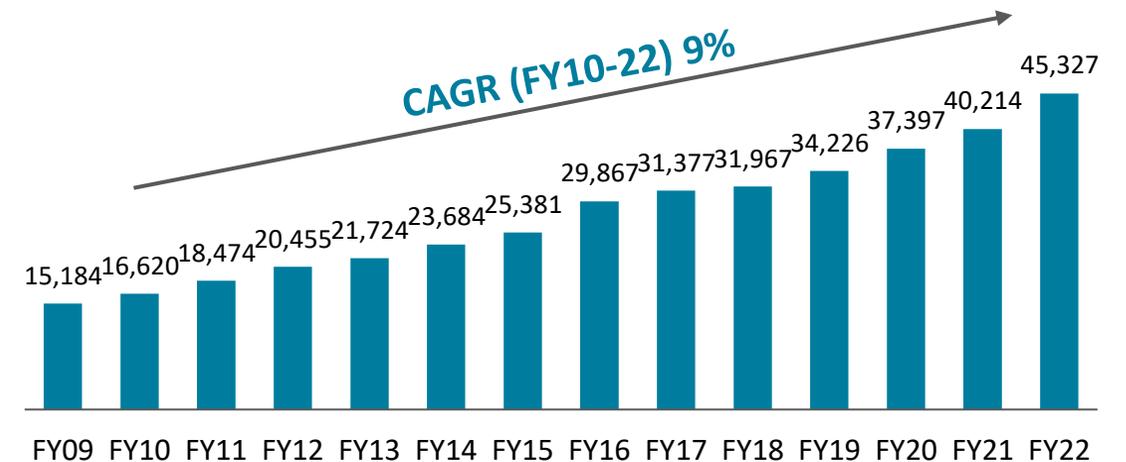
Source: Company MIS reports

### Bed Occupancy Rate<sup>(1)</sup> %

#### Operating Beds



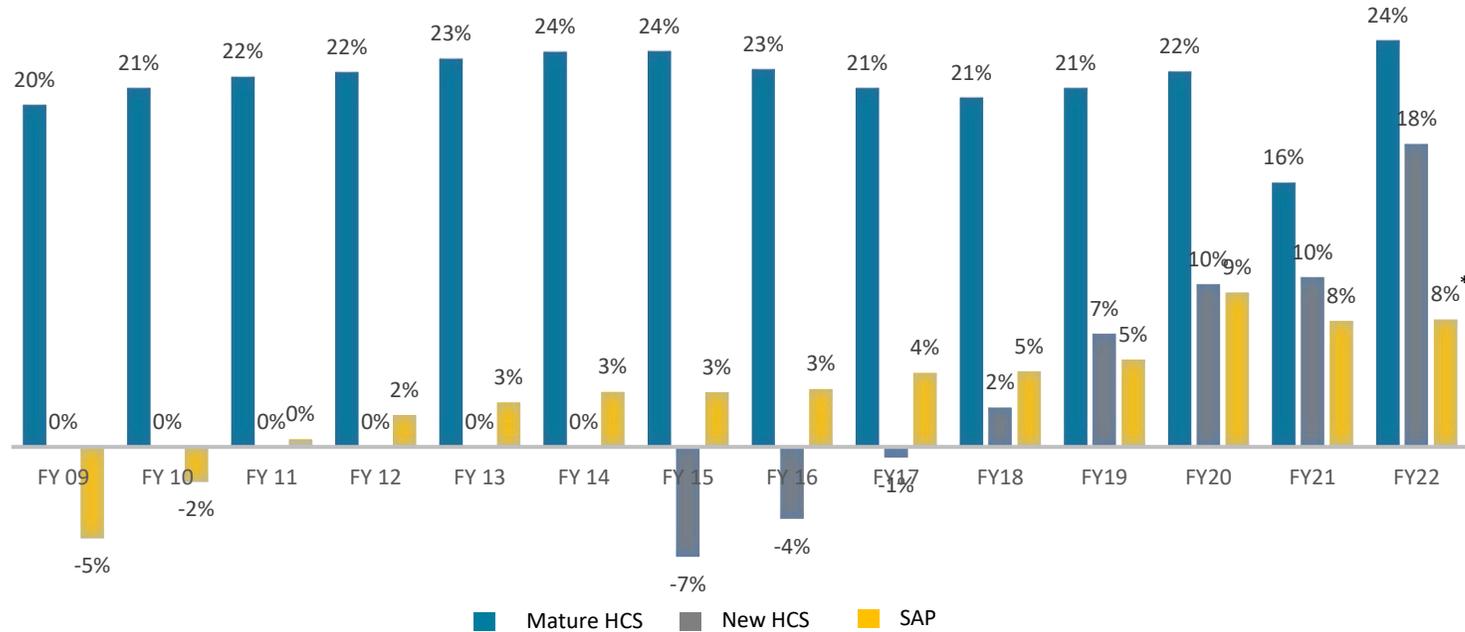
### Average Revenue Per Occupied Bed<sup>(4)</sup> ARPOB (₹/Day)





# ... RESULTING IN CONSISTENT PROFITABILITY

## Segment wise EBITDA<sup>1</sup> Margins (%)



Mature Hospitals **EBITDA target of 23%-24%** in the next 2 years.

**15 New hospitals including Proton with 2,700+** beds (2,400 operational beds) added in the last few years with \$455 mn of Capital employed will contribute meaningfully to EBITDA over the next 2 years.

**AHLL** which represents the Company's foray into Retail Healthcare business with **AHEL investment** of over **\$ 40** mn expected to yield returns over the next 2-3 years driven primarily through expansion of Diagnostics and Clinics.

Consolidated reported EBITDA includes 3 separate businesses with different margin profiles; Healthcare Services (55% of total Revenues), Standalone Pharmacies (36% of total Revenues) and Retail Healthcare (AHLL) (9%).

Source: Company audited financials

\*Health Co from 16<sup>th</sup> March 2022

<sup>1</sup>EBITDA Post Ind AS 116 (effective 1<sup>st</sup> April 2019)



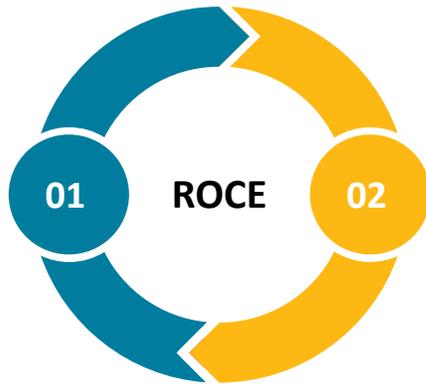
# ... AND HEALTHY RETURN ON INVESTMENT

## Steady Improvement in Return on Capital Employed (ROCE)

### Efficiency (Asset Turnover)

#### Efficient use of capital

- Strong project execution capabilities
- Right mix of beds & medical infrastructure
- Higher utilization of key facilities & equipments
- Quick ramp up of new hospitals— increasing patient flow & occupancy



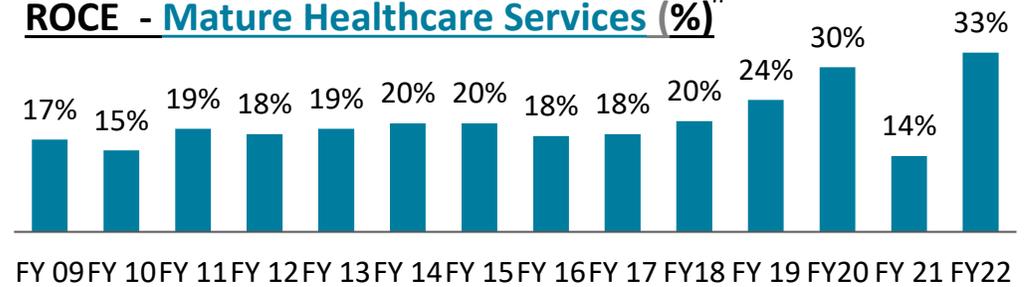
### Profitability

#### Higher revenue & profitability

- Balanced out-patient & in-patient mix
- Reduced ALOS
- Increasing ARPOB
- Improving case mix

Source: Company audited financials

### ROCE - Mature Healthcare Services (%)<sup>#</sup>

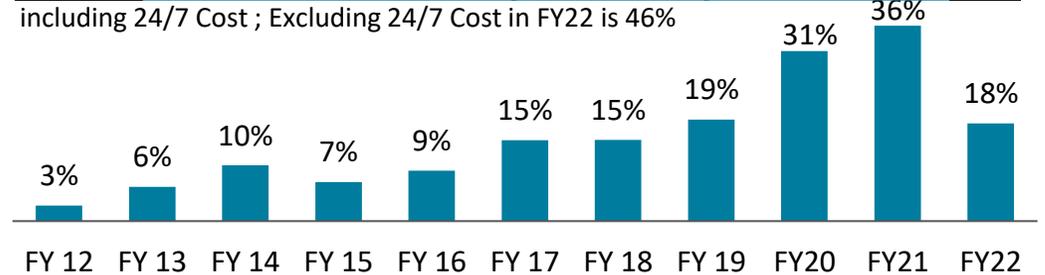


FY 09 FY 10 FY 11 FY 12 FY 13 FY 14 FY 15 FY 16 FY 17 FY 18 FY 19 FY 20 FY 21 FY 22

ROCE of healthcare services excludes new hospitals (Vanagaram, Jayanagar, Trichy, Nashik, Karapakkam, Nellore, OMR, Vizag new, Malleswaram, Navi Mumbai, Indore, Assam, Lucknow) New hospitals Capital employed of Rs 33,653 mn as of Mar 22.

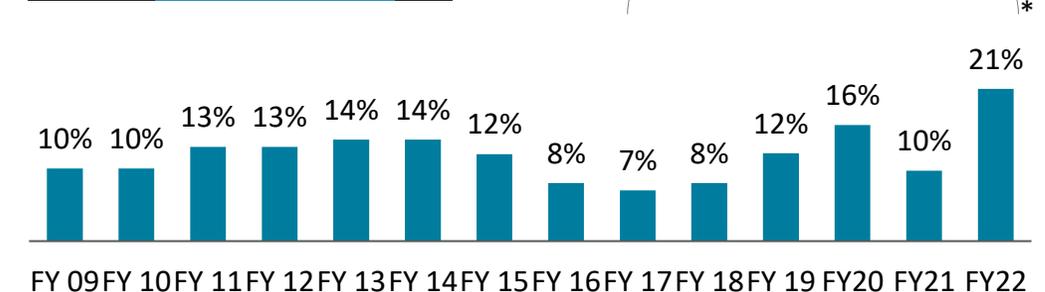
### ROCE - Standalone Pharmacy/Pharmacy Distribution (%)<sup>1</sup>

including 24/7 Cost ; Excluding 24/7 Cost in FY22 is 46%



### ROCE - Consolidated (%)<sup>#</sup>

Includes New Hospitals Investments\*



FY 09 FY 10 FY 11 FY 12 FY 13 FY 14 FY 15 FY 16 FY 17 FY 18 FY 19 FY 20 FY 21 FY 22

\* FY 22 ROCE (excluding capital employed of New Hospitals and Clinics) is at 30%

# Excludes CWIP & Investments in liquid mutual funds ; Post Ind AS 116 (effective 1<sup>st</sup> April 2019)

<sup>1</sup>Healthco from 16th March 2022.



# FY22: FINANCIAL PERFORMANCE (1/5)

## Consolidated Financials (₹ Mn)

	FY21	FY22	yoy (%)
<b>Total Revenues</b>	<b>105,600</b>	<b>146,626</b>	<b>38.9%</b>
EBITDA (Post Ind AS 116)	11,374	21,851	92.1%
<i>margin (%)</i>	<i>10.77%</i>	<i>14.90%</i>	<i>413 bps</i>
<b>EBIT</b>	<b>5,643</b>	<b>15,844</b>	<b>180.8%</b>
<i>margin (%)</i>	<i>5.34%</i>	<i>10.81%</i>	<i>546 bps</i>
<b>PAT (before tax adj on Apollo Health Co biz combination u/s Ind AS 103)<sup>#</sup> and Expectional item</b>	<b>1,504</b>	<b>8,497</b>	<b>465.1%</b>
Exceptional item <sup>*</sup>		-2941	
Capital Gain tax <sup>#</sup>		882	
<b>Profit After Tax (Reported)</b>	<b>1,504</b>	<b>10,556</b>	<b>602.1%</b>
Total Debt		26,358	
Cash & Cash equivalents (includes investment in liquid funds)		15,372	
Net Debt		10,986	

# Q4 FY22 : SEGMENT-WISE PERFORMANCE (2/5)

Consolidated Financials (₹ mn)



		Healthcare Serv Group (Mature)	Healthcare Serv Group (New & Others)	Proton	Healthcare Serv Group (Total)	*Health Co & Pharmacy Distribution	AHLL	Consol
Q4 FY22	Hospitals	29	14	1	44			
	Operating beds	5,472	2,350	53	7,875			
	Occupancy	60%	55%	42%	58%			
	<b>Revenue</b>	<b>12,823</b>	<b>5,321</b>	<b>486</b>	<b>18,630</b>	<b>13,745</b>	<b>3,089</b>	<b>35,464</b>
	<b>EBITDA (Post Ind AS 116)**</b>	<b>3,111</b>	<b>826</b>	<b>139</b>	<b>4,075</b>	<b>1,027</b>	<b>371</b>	<b>5,473</b>
	<b>margin (%)</b>	<b>24.3%</b>	<b>15.5%</b>	<b>28.5%</b>	<b>21.9%</b>	<b>7.5%</b>	<b>12.0%</b>	<b>15.4%</b>
	24/7 Operating Costs	0	0		0	-841	0	-841
	<b>EBITDA (Post Ind AS 116)</b>	<b>3,111</b>	<b>826</b>	<b>139</b>	<b>4,075</b>	<b>186</b>	<b>371</b>	<b>4,632</b>
	<b>margin (%)</b>	<b>24.3%</b>	<b>15.5%</b>	<b>28.5%</b>	<b>21.9%</b>	<b>1.4%</b>	<b>12.0%</b>	<b>13.1%</b>
	EBIT	2,335	420	-1	2,754	84	130	2,968
<b>margin (%)</b>	<b>18.2%</b>	<b>7.9%</b>		<b>14.8%</b>	<b>0.6%</b>	<b>4.2%</b>	<b>8.4%</b>	
Q4 FY21	Hospitals	30	13	1	44			
	Operating beds	5,290	2,066	53	7,409			
	Occupancy	64%	60%	35%	63%			
	<b>Revenue</b>	<b>10,597</b>	<b>4,481</b>	<b>309</b>	<b>15,388</b>	<b>11,187</b>	<b>2,105</b>	<b>28,680</b>
	<b>EBITDA (Post Ind AS 116)**</b>	<b>2,552</b>	<b>677</b>	<b>25</b>	<b>3,254</b>	<b>811</b>	<b>305</b>	<b>4,370</b>
	<b>margin (%)</b>	<b>24.1%</b>	<b>15.1%</b>	<b>8.1%</b>	<b>21.1%</b>	<b>7.3%</b>	<b>14.5%</b>	<b>15.2%</b>
	24/7 Operating Costs					-252		-252
	<b>EBITDA (Post Ind AS 116)</b>	<b>2,552</b>	<b>677</b>	<b>25</b>	<b>3,254</b>	<b>559</b>	<b>305</b>	<b>4,118</b>
	<b>margin (%)</b>	<b>24.1%</b>	<b>15.1%</b>	<b>8.1%</b>	<b>21.1%</b>	<b>5.0%</b>	<b>14.5%</b>	<b>14.4%</b>
	EBIT	1,895	335	-74	2,155	501	77	2,734
<b>margin (%)</b>	<b>17.9%</b>	<b>7.5%</b>		<b>14.0%</b>	<b>4.5%</b>	<b>3.7%</b>	<b>9.5%</b>	
<b>YOY Growth</b>								
Revenue Growth		21.0%	18.8%	57.2%	21.1%	22.9%	46.8%	23.7%
EBITDA (Post Ind AS 116) Growth **		21.9%	22.0%	456.1%	25.2%	26.6%	21.5%	25.2%
EBITDA (Post Ind AS 116) Growth						-66.7%		12.5%
EBIT Growth		23.3%	25.2%		27.8%	-83.2%	68.1%	8.6%

\*Health Co from 16<sup>th</sup> March 2022

\*\*EBITDA Post Ind AS 116 - excluding 24/7 operating costs

# FY22: SEGMENT-WISE PERFORMANCE (3/5)

Consolidated Financials (₹ mn)



		Healthcare Serv Group (Mature)	Healthcare Serv Group (New & Others)	Proton	Healthcare Serv Group (Total)	*Health Co & Pharmacy Distribution	AHLL	Consol
FY22	Hospitals	29	14	1	44			
	Operating beds	5,472	2,350	53	7,875			
	Occupancy	63%	64%	52%	63%			
	<b>Revenue</b>	<b>54,198</b>	<b>23,816</b>	<b>1,878</b>	<b>79,891</b>	<b>53,610</b>	<b>13,125</b>	<b>146,626</b>
	<b>EBITDA (Post Ind AS 116)**</b>	<b>13,178</b>	<b>4,315</b>	<b>540</b>	<b>18,032</b>	<b>4,089</b>	<b>1,966</b>	<b>24,087</b>
	<b>margin (%)</b>	<b>24.3%</b>	<b>18.1%</b>	<b>28.7%</b>	<b>22.6%</b>	<b>7.6%</b>	<b>15.0%</b>	<b>16.4%</b>
	24/7 Operating Costs					-2,236		-2,236
	EBITDA (Post Ind AS 116)	13,178	4,315	540	18,032	1,853	1,966	21,851
	<b>margin (%)</b>	<b>24.3%</b>	<b>18.1%</b>	<b>28.7%</b>	<b>22.6%</b>	<b>3.5%</b>	<b>15.0%</b>	<b>14.9%</b>
	EBIT	10,387	2,877	91	13,355	1466	1,023	15,844
<b>margin (%)</b>	<b>19.2%</b>	<b>12.1%</b>	<b>4.8%</b>	<b>16.7%</b>	<b>2.7%</b>	<b>7.8%</b>	<b>10.8%</b>	
FY21	Hospitals	30	13	1	44			
	Operating beds	5,290	2,066	53	7,409			
	Occupancy	54%	57%	35%	55%			
	<b>Revenue</b>	<b>34,682</b>	<b>14,358</b>	<b>982</b>	<b>50,022</b>	<b>48,760</b>	<b>6,818</b>	<b>105,600</b>
	<b>EBITDA (Post Ind AS 116)**</b>	<b>5,480</b>	<b>1,457</b>	<b>-11</b>	<b>6,925</b>	<b>3,932</b>	<b>768</b>	<b>11,626</b>
	<b>margin (%)</b>	<b>15.8%</b>	<b>10.1%</b>		<b>13.8%</b>	<b>8.1%</b>	<b>11.3%</b>	<b>11.0%</b>
	24/7 Operating Costs					-252		-252
	EBITDA (Post Ind AS 116)	5,480	1,457	-11	6,925	3,680	768	11,374
	<b>margin (%)</b>	<b>15.8%</b>	<b>10.1%</b>		<b>13.8%</b>	<b>7.5%</b>	<b>11.3%</b>	<b>10.8%</b>
	EBIT	3,026	213	-393	2,845	2904	-107	5,643
<b>margin (%)</b>	<b>8.7%</b>	<b>1.5%</b>		<b>5.7%</b>	<b>6.0%</b>	<b>-1.6%</b>	<b>5.3%</b>	
<b>YOY Growth</b>								
Revenue Growth		56.3%	65.9%	91.2%	59.7%	9.9%	92.5%	38.9%
EBITDA (Post Ind AS 116) Growth **		140.5%	196.1%		160.4%	4.0%	155.9%	107.2%
EBITDA (Post Ind AS 116) Growth						-49.7%		92.1%
EBIT Growth		243.3%	1250.3%		369.4%	-49.5%		180.8%

\*Health Co from 16<sup>th</sup> March 2022

\*\*EBITDA Post Ind AS 116 - excluding 24/7 operating costs



# FY22: HOSPITAL CLUSTER - WISE OPERATIONAL PERFORMANCE (4/5)

Particulars	Total <sup>(6)</sup>			Tamilnadu Region (Chennai & others) <sup>(1)</sup>			AP, Telengana Region (Hyderabad & others) <sup>(2)</sup>		
	FY 21	FY 22	yoy (%)	FY 21	FY 22	yoy (%)	FY 21	FY 22	yoy (%)
No. of Operating beds	7,409	7,875		2,043	2,131		1,344	1,344	
Inpatient volume	352,624	460,152	30.5%	85,403	122,817	43.8%	50,151	66,451	32.5%
Outpatient volume <sup>(7)</sup>	1,160,247	2,514,365	116.7%	311,329	824,562	164.9%	167,513	262,875	56.9%
Inpatient ALOS (days)	4.19	3.96		4.20	3.89		4.48	4.22	
Bed Occupancy Rate (%)	55%	63%		48%	61%		46%	57%	
Inpatient revenue (₹ mio)	NA	NA		14,252	21,072	47.9%	8,761	12,283	40.2%
Outpatient revenue (₹ mio)	NA	NA		3,348	6,067	81.2%	1,685	2,592	53.8%
ARPOB (₹ /day) <sup>(8)</sup> excluding Vaccination	40,214	45,327	12.7%	49,115	55,498	13.0%	46,479	50,871	9.5%
Total Net Revenue (₹ mio) <sup>(6)</sup>	NA	NA		17,600	27,139	54.2%	10,445	14,875	42.4%

## Notes:

(1) Tamilnadu region includes Chennai hospitals, Madurai, Karur, Karaikudi, Trichy & Nellore.

(2) AP, Telangana Region includes Hyderabad, Karimnagar, Vizag old, Vizag new & Kakinada.

(3) Karnataka region includes Bangalore, Mysore, Jayanagar & Malleswaram.

(4) Others include Bhubaneswar, Bilaspur, Nashik & Navi Mumbai.

(5) Significant Hospital JVs/Subs/Associates are – Ahmedabad, Kolkata, Delhi, Indore, Assam & Lucknow (full revenues shown in table above).

(6) Revenues under the head “Total” have not been provided as Consolidated actual results will differ from total due to proportionate consolidation.

(7) Outpatient volume represents New Registrations only.

(8) Revenues under Ind AS have been grossed up for Fixed fee Doctors & considered separately as operating cost. This was earlier being netted off from Revenues under Indian GAAP.

ARPOB excludes Vaccination Revenue



# FY22: HOSPITAL CLUSTER - WISE OPERATIONAL PERFORMANCE (5/5)

Particulars	Karnataka Region (Bangalore & others) <sup>(3)</sup>			Others <sup>(4)</sup>			Significant Subs/JVs/associates <sup>(5)</sup>		
	FY 21	FY 22	yoy (%)	FY 21	FY 22	yoy (%)	FY 21	FY 22	yoy (%)
No. of Operating beds	769	775		1,011	1,107		2,242	2,518	
Inpatient volume	45,392	54,249	19.5%	62,297	75,060	20.5%	109,381	141,575	29.4%
Outpatient volume <sup>(7)</sup>	166,271	252,658	52.0%	138,304	339,637	145.6%	376,830	834,633	121.5%
Inpatient ALOS (days)	3.79	3.50		4.00	3.74		4.32	4.19	
Bed Occupancy Rate (%)	61%	67%		67%	69%		58%	64%	
Inpatient revenue (₹ mio)	5,410	7,741	43.1%	6,191	8,290	33.9%	14,368	20,749	44.4%
Outpatient revenue (₹ mio)	1,035	2,108	103.6%	1,009	1,864	84.7%	2,836	5,380	89.7%
ARPOB (₹ /day) <sup>(8)excluding Vaccination</sup>	37,463	47,680	27.3%	28,919	33,997	17.6%	36,441	42,660	17.1%
Total Net Revenue (₹ mio) <sup>(6)</sup>	6,446	9,849	52.8%	7,200	10,154	41.0%	17,204	26,130	51.9%

## Notes:

((1) Tamilnadu region includes Chennai hospitals, Madurai, Karur, Karaikudi, Trichy & Nellore.

(2) AP, Telangana Region includes Hyderabad, Karimnagar, Vizag old, Vizag new & Kakinada.

(3) Karnataka region includes Bangalore, Mysore, Jayanagar & Malleswaram.

(4) Others include Bhubaneswar, Bilaspur, Nashik & Navi Mumbai.

(5) Significant Hospital JVs/Subs/Associates are – Ahmedabad, Kolkata, Delhi, Indore, Assam & Lucknow (full revenues shown in table above).

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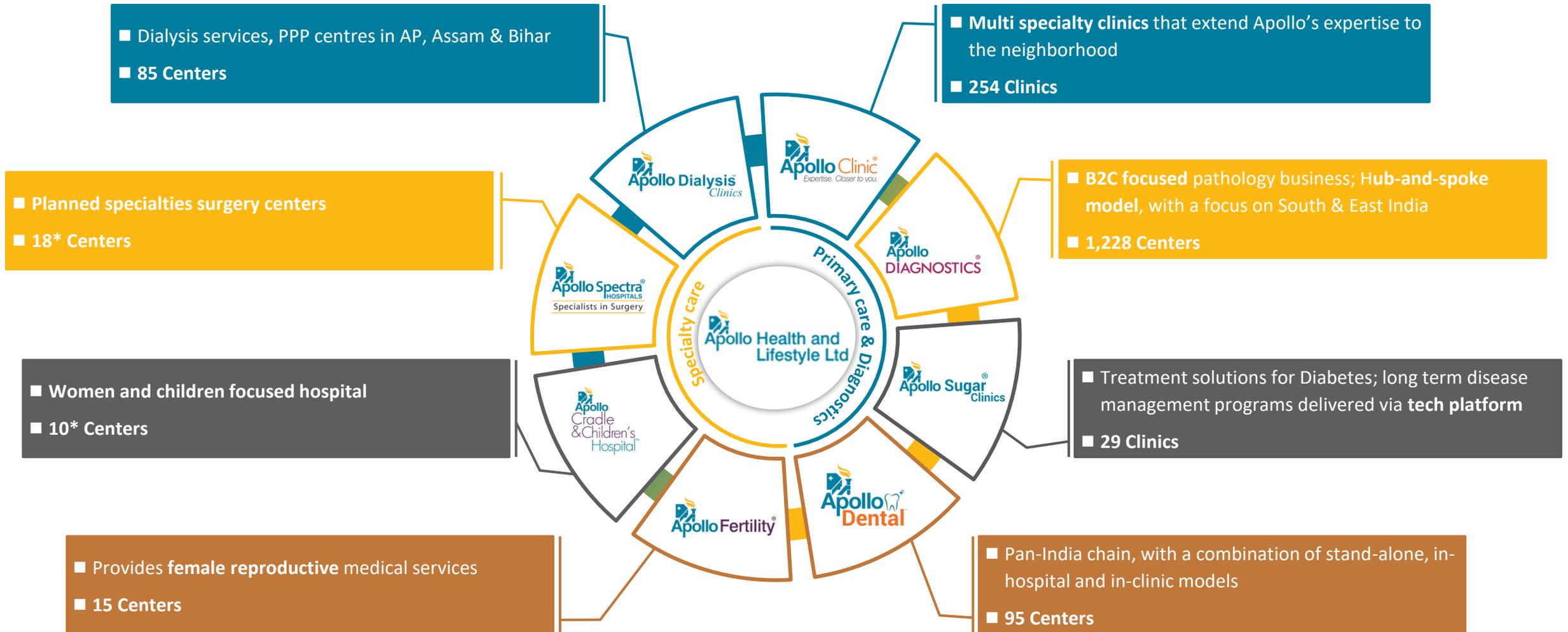
(8) Revenues under Ind AS have been grossed up for Fixed fee Doctors & considered separately as operating cost. This was earlier being netted off from Revenues under Indian GAAP.

ARPOB excludes Vaccination Revenue



# APOLLO HEALTH AND LIFESTYLE – RETAIL HEALTHCARE

Revenue FY22 of INR 13,125 mm – Primary Care (34%), Diagnostics (30%) & Specialty Care (41%)



Note: % indicate share of net revenue ; \*Includes BOMA (Brand Operations and Management Agreement) Apollo Spectra (7) and Apollo Cradle & Children’s Hospital (2).

# AHLL –FY22



(₹ mio)

FY22	Clinics	Diagnostics	Sugar	Dental	Dialysis	Cradles (IP)	IVF	Spectra (IP)
Network	254	1228	29	95	90	8	15	11
Footfalls/Day*	5818	13409	383	148	1227	41	20	67
Gross ARPP (Rs.)*	1282	760	2863	6486	1515	100398	38652	104185



		Diagnostics	Primary Care	Specialty Care	Corporate	Intra Group	AHLL (Consol)
Gross Revenue	FY22	3987	4516	5333	0	-712	13,125
	FY21	1749	1814	3618	1	-364	6,818
Net Revenue	FY22	3877	3226	3657	0	-420	10,339
	FY21	1657	1439	2453	1	-358	5,191
EBITDA [with Ind AS 116]	FY22	753	791	770	-348	0	1,966
	FY21	281	232	534	-280	2	768
EBITDA (with out Ind AS 116)	FY22	679	610	284	-348	0	1,225
	FY21	220	54	103	-280	2	98
EBIT	FY22	646	545	196	-364	0	1,023
	FY21	189	-9	5	-293	2	-107
PAT	FY22	607	433	-194	-385	0	461
	FY21	159	-85	-348	-336	0	-609

## Key Highlights

AHLL reported

- EBITDA of ₹ **1,966 mio** as compared to ₹ **768 mio** inFY21

AHLL reported

- PAT of ₹ **461 mio** as compared to ₹ **(609) mio** inFY21

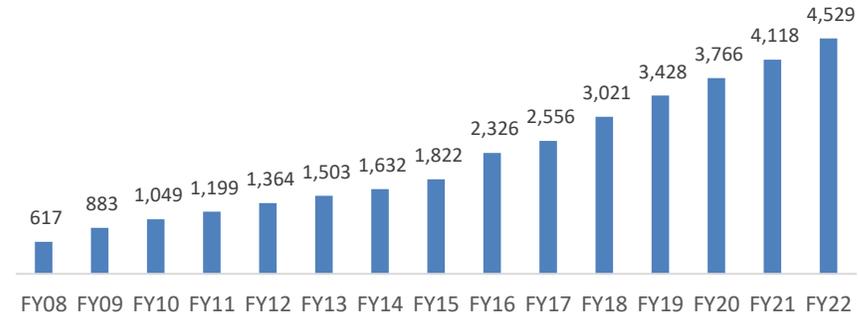
\* Footfalls and ARPP for diagnostics represent outpatient / external business and for Cradle and Spectra it represents Inpatient volumes. In Dialysis Sessions are considered for Footfall and ARPP IVF Includes Cycles ,Procedures, Other Fertility Procedures and IUI. Primary care includes Clinics, Sugar, Dental and Dialysis segments. Specialty care includes Cradles and Spectra.



# PHARMACY: CAPTURING THE GROWTH POTENTIAL

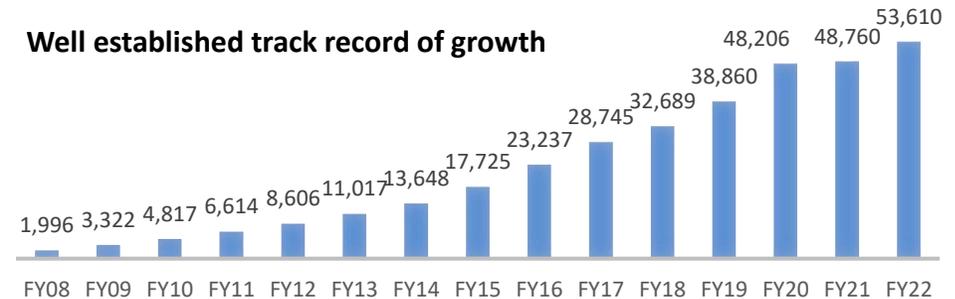
- **India's largest Organized Pharmacy Chain** with presence in ~1000 cities/ towns spread across 21 States and 4 union territories.
- 4,529 Operating Stores as on 31<sup>st</sup> March 2022.
- **Employee Strength of 35,000 people** serving ~ 600,000 + customers 24 X 7 everyday
- Consistent growth in Revenues & EBITDA improvement.
- Own brand private labels (FMCG & OTC drugs) constitutes over 11.21% of turnover in FY22.
- Attractive, **best-in-class ROCE at 18% (FY22)** – **\*Pharmacy Distribution**

## Proven ability to expand the store network



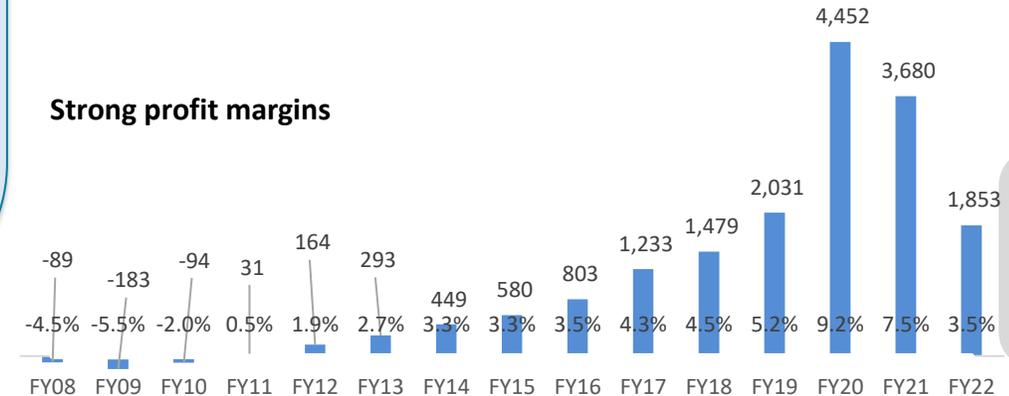
Pharmacy store ramp up

## Well established track record of growth



Revenues (₹ Mn)

## Strong profit margins



EBITDA<sup>1</sup> (₹ Mn) & Margins

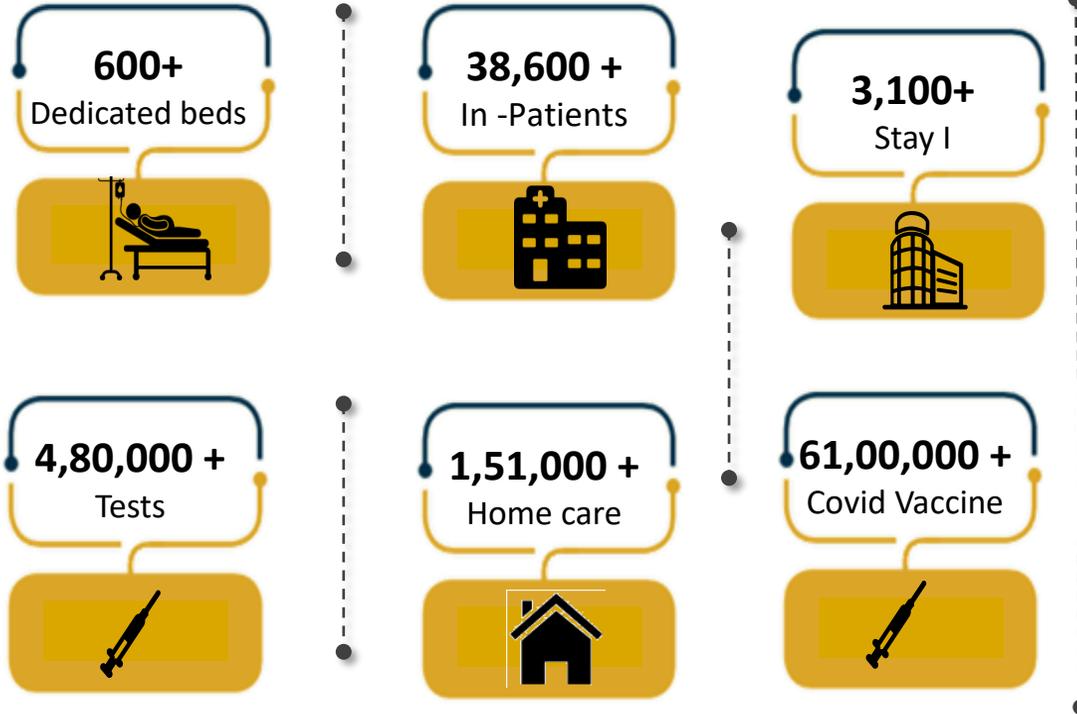
Source: Company audited financials and MIS reports ; \*Health Co from 16<sup>th</sup> March 2022

\*FY22 includes Healthco . Health Co from 16<sup>th</sup> March 2022

<sup>1</sup>EBITDA Post Ind AS 116 (effective 1<sup>st</sup> April 2019)



## COVID TESTING AND TREATMENT – FY22



- **'Project Stay I'** saw success with over 25,000 room nights.
- Our effort in the **Home care** segment enabled us to move into 1,51,000 homes, (of which COVID care was at 51,000 homes) and provide medically supervised home isolation services
- Digital healthcare app Apollo 24/7 – agile and digitally connected to the consumer, over 3 lakh digital consults during the Quarter.



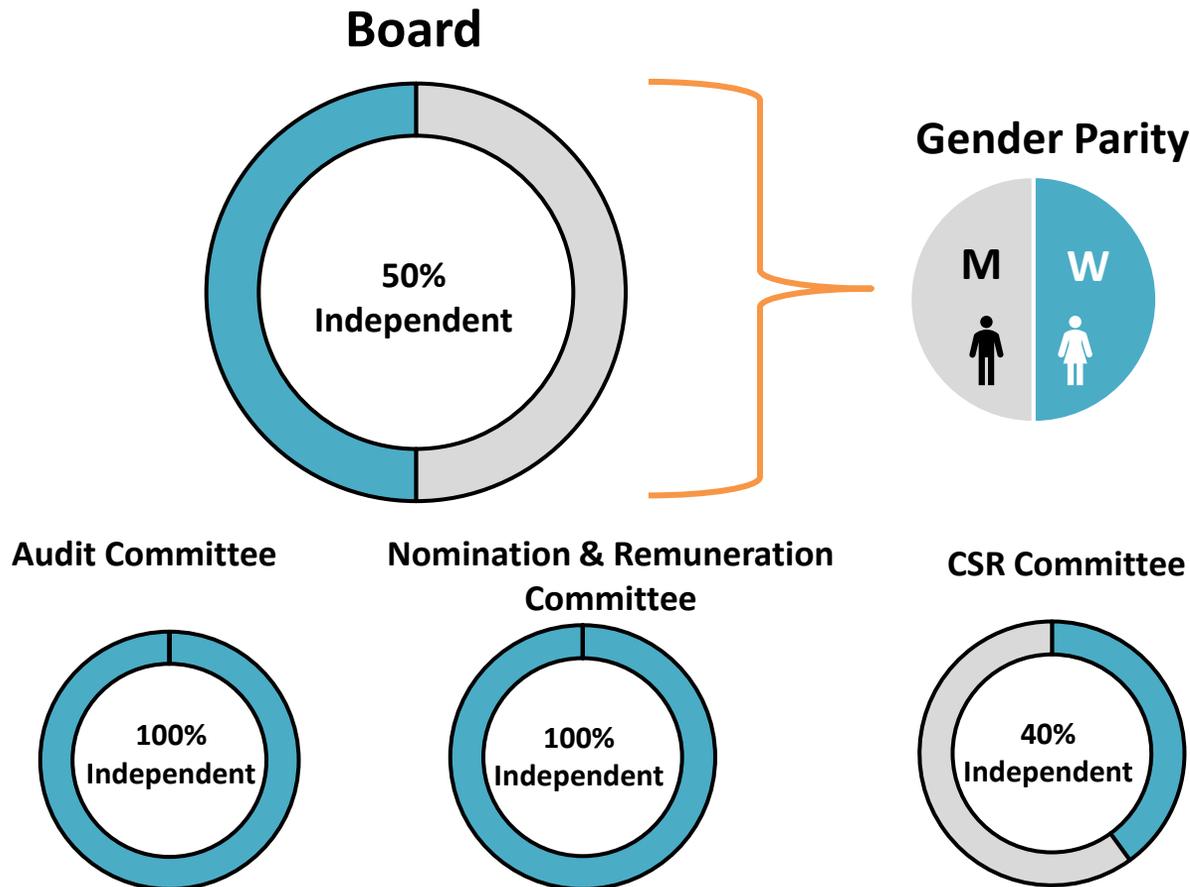
**05**

## **STRONG GOVERNANCE STRUCTURE**

# OUR APPROACH TO GOVERNANCE



The basic objective of corporate governance policies adopted by the Company is to attain the **highest levels of transparency, accountability and integrity**. This objective extends not merely to comply with statutory requirements but also to go beyond them by putting into place procedures and systems, which are in accordance with the **best practices of governance**.

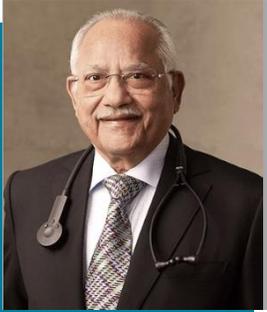


## Diverse and Complementary Skills

Name of the Director	Nature of Skills/Expertise						
	Corporate Leadership/ Strategy	Healthcare Experience	Financial Acumen	Diversity	Governance	Technology	Risk Management
Dr. Prathap C Reddy	√	√			√	√	
Smt. Preetha Reddy	√	√			√		√
Smt. Suneeta Reddy	√	√	√		√		√
Smt. Shobana Kamineni	√	√	√		√	√	
Smt. Sangita Reddy	√	√			√	√	
Shri. Vinayak Chatterjee	√		√	√	√	√	√
Dr. Murali Doraiswamy	√	√		√	√	√	
Smt. V. Kavitha Dutt	√		√	√	√		√
Shri. MBN Rao	√		√	√	√		√
Shri. Som Mittal	√		√	√	√	√	√
Smt. Rama Bijapurkar	√		√	√	√	√	√



# EXECUTIVE BOARD



**Dr. Prathap C. Reddy**  
**Executive Chairman, Founder**

- Conferred the Padma Vibhushan in 2010
- Conferred the Padma Bhushan in 1991
- Spent 36 years with Apollo Hospitals



**Suneeta Reddy**  
**Managing Director**

- On the Board since the year 2000



**Dr. Preetha Reddy**  
**Executive Vice Chairperson**

- On the Board since the year 1989
- 30+ years healthcare experience



**Sangita Reddy**  
**Joint Managing Director**

- On the Board since 2000



**Shobana Kamineni**  
**Executive Vice Chairperson**

- On the Board since 2010



# INDEPENDENT DIRECTORS



**Vinayak Chatterjee**  
**Independent Director**

- On the Board since 2014



**Bhaskara Mandavilli Nageswara Rao**  
**Independent Director**

- On the Board since Feb 2019



**Dr. Pudugramam Murali Doraiswamy**  
**Independent Director**

- On the Board since Sep 2018



**Som Mittal**  
**Independent Director**

- On the Board since July 2021



**Velagapudi Kavitha Dutt**  
**Independent Director**

- On the Board since Feb 2019



**Rama Bijapurkar**  
**Independent Director**

- On the Board since Nov 2021



06

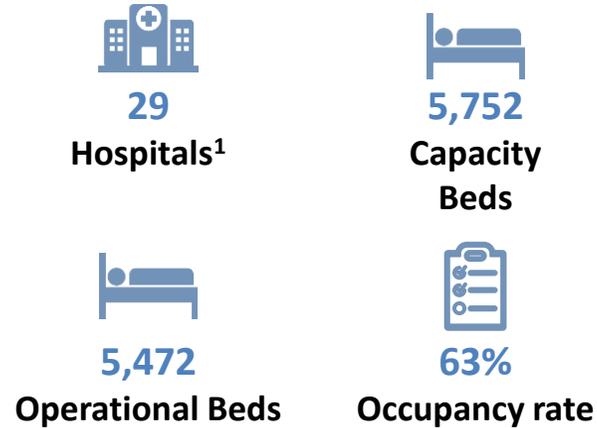
STRATEGY FOR **FUTURE  
GROWTH**



# STRATEGY FOR FUTURE GROWTH (1/2)

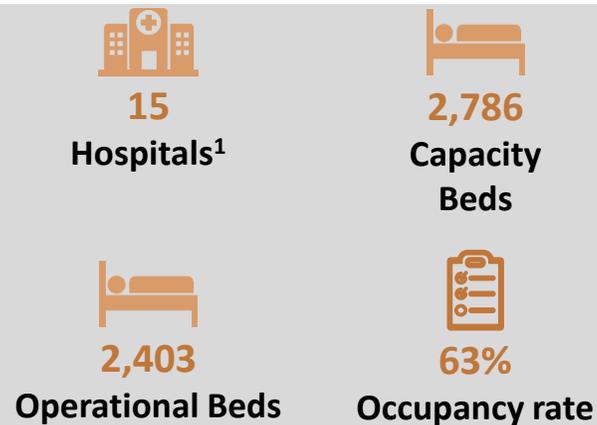
## Strategy

### Mature Hospitals



- **Optimise Asset Utilisation** in facilities & locations
- **Focus on Centers of Excellence** with one or two **anchor specialties** in each market
- **Extend and expand oncology presence** both through specialization and exclusive oncology referral hospitals in the cluster
- **Cost Efficiencies & Focus on Improving Key Operating Metrics**
- Onboard clinical talent with subspecialty expertise.

### New Hospitals



- **Strengthen presence and increase market share in key strategic markets**
- Recruit relevant **local medical talent and introduce newer technology** to **augment clinical offerings**



# STRATEGY FOR FUTURE GROWTH (2/2)

## Apollo Health & Lifestyle (AHLL)



1691

Primary care centers



43\*

Specialty care centers

### Strategy

- Focus on urban markets for Specialty care; expand in clusters
- Drive growth in Diagnostics Business – both through Offline and Online
- Calibrated clinic expansion model with a combination of owned and franchisee clinics in metros and Tier II towns

## Pharmacies platform



4,529 Outlets



Strong distribution



Asset light model

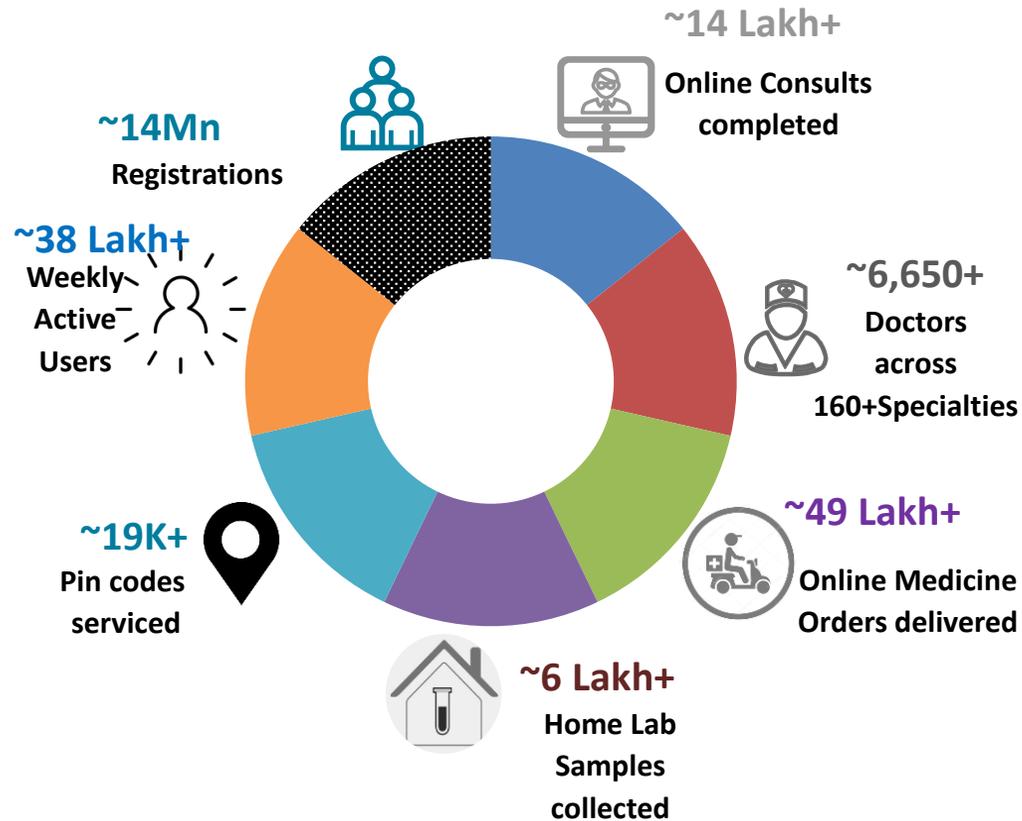


Robust supply chain

- Derive economies of scale that arise from the largest pharmacy chain
- Exclusive supplier to APL and license “Apollo Pharmacy” brand
- Enhance Private label business and focus on high prescription fulfilment rates
- Data-driven store expansion and Consolidation in Digital commerce

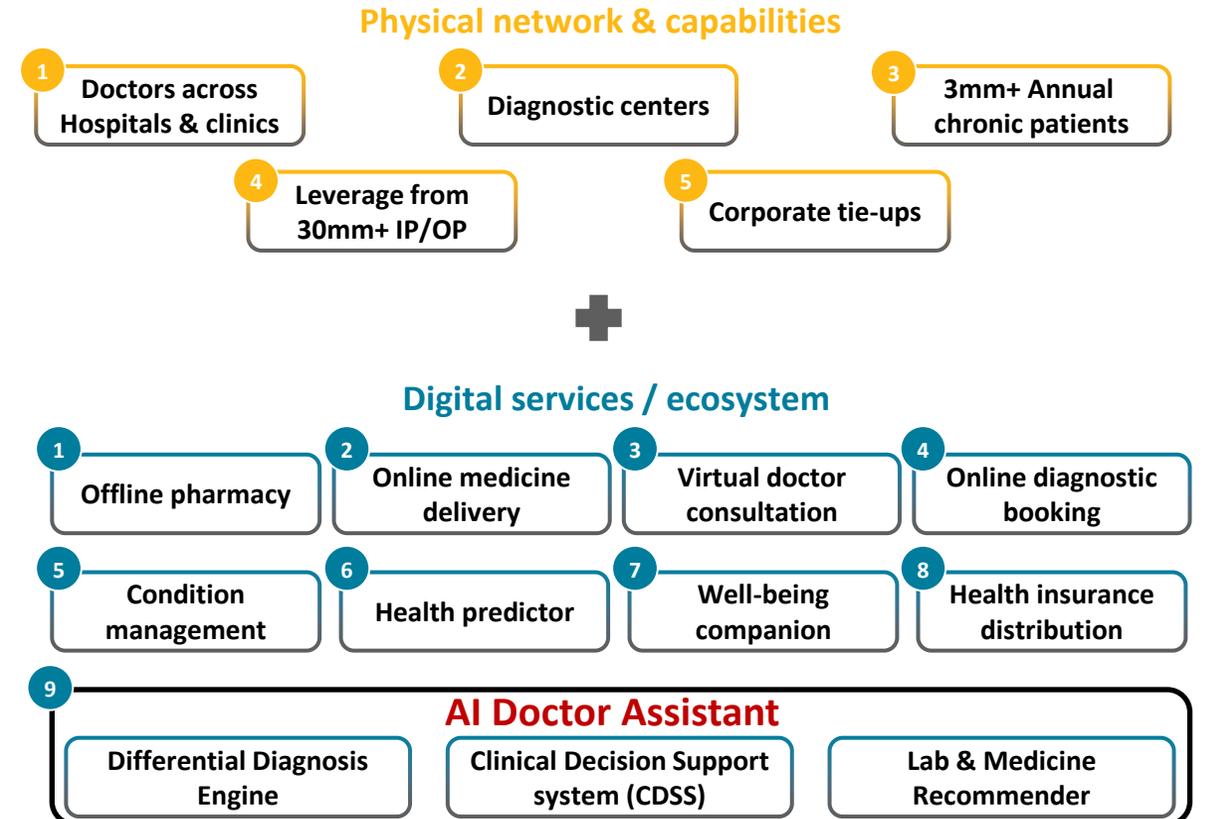
# Distinctive digital ecosystem...

Cumulative upto 31<sup>st</sup> March 2022



- Unique ecosystem extremely difficult to replicate
- Integrated healthcare platform with few parallels globally
- Best positioned to become the largest digital health platform

# ... coupled with adequate network and capabilities

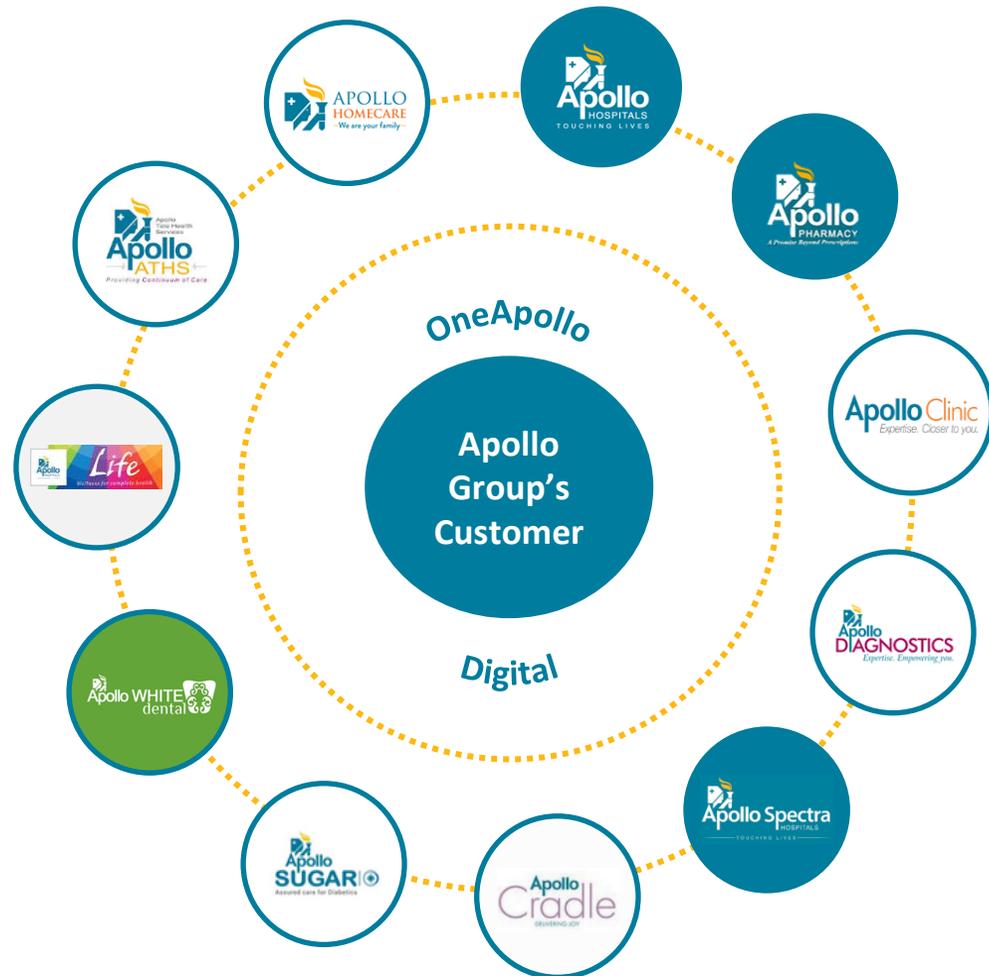


- Cost efficiencies through sharing of managerial and clinical resources
- Economies of scale & competitive prices through centralized purchasing
- Access to qualified & trained medical resources and larger patient base

# ONE APOLLO – TRANSFORMING THROUGH INTEGRATED TECHNOLOGY, CONTINUUM OF CARE AND VALUE PROPOSITION FOR THE CONSUMER



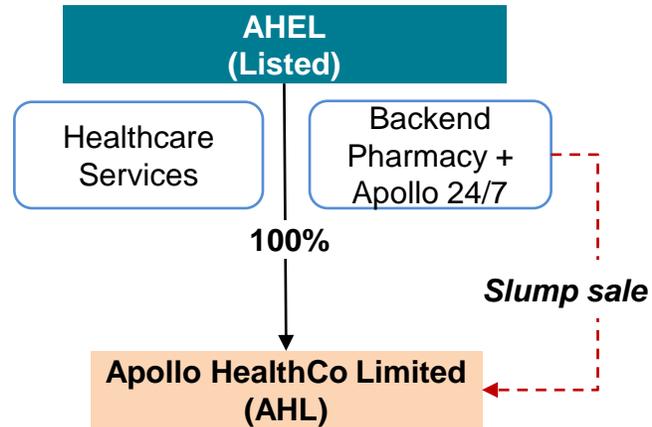
*Integrated digital strategy leveraging existing network, capabilities and market leadership*



-  **Focus on investments in advanced technology and innovation – “(re) Invent the health system of the future”**
-  **Asset Light & Bolt on acquisition led** expansion strategy in Tier I, Metros and select Tier II cities in India
-  Planning for reorganization of the 24/7 platform for better focus and value unlocking
-  Focus on **high value clinical specialties**
-  Improve **operating efficiencies and profitability**
-  Building **deep relationships** with the **Apollo consumer across category** – hospitals, pharmacy, clinics, diagnostics
-  Unlocking potential for **up-sell, cross-sell, and loyalty driven behavior** using **advanced analytics**
-  Focus on **Clinical Innovations and outcomes**



## Reorganization through Slump Sale



### Slump Sale of the identified business undertaking into AHL including the following

- Back-end pharmacy supply (excludes Hospital Based Pharmacies)
- Apollo 24/7 Digital healthcare Platform
- Investment in pharmacy retail business (i.e. Apollo Medicals Private Limited)
- “Apollo 24/7” brand, the “Apollo Pharmacy” brand and private label brands

 **Apollo 24/7 represents Apollo Group’s transformational journey to creating “India’s Largest Omnichannel Digital Healthcare Platform” that:**

- combines the strengths of Apollo Group’s offline healthcare leadership with Apollo Group’s new-age digital offerings to address all healthcare consumer needs;
- involves an asset light approach (through digital offerings) to fuel growth – 100 million targeted registered users on Apollo 24/7 platform in 5 years.
- presents huge funnelling potential for healthcare consumers into the Apollo Group ecosystem.

 **Structure to set the platform for a new pool of investor capital and to enable rapid scale-up. At the time of capital raise, AHL valuation to reflect current and future growth potential.**

 **Post external capital raise at AHL,**

- **AHEL expected to retain dominant majority shareholding in AHL; and**
- **Slump sale consideration of INR Rs 1,210 crs will be received by AHEL.**



**07**

## **PRIORITIZING MATERIAL ESG ISSUES**

# INAUGURAL SUSTAINABILITY REPORT



Showcasing Apollo Hospitals' Contribution to multiple stakeholders and UN SDGs



## Sustainability Report 2020 (published in 2021)

- More comprehensive than previous legally required Business Responsibility Reports
- Our contribution to **UN SDGs** highlighted in each thematic section
- Material ESG topics highlighted with related metrics disclosed throughout the report
- Taken global sustainability reporting initiatives into account:
  - **Global Reporting Initiative (GRI)**; and
  - materiality as set out in the **Sustainability Accounting Standards Board's (SASB)** framework for the Health Care Delivery industry.



# ESG STRATEGY FOR SUSTAINABLE GROWTH



## Current ESG Practice and Reporting



## Next Steps

### Achievements in 2020/2021

- **Published the Inaugural Sustainability Report** to improve Apollo's external communication on material ESG issues
- **Disclosed a number of operational metrics** related to material ESG issues
- **Engaged with multiple stakeholders**, including shareholders, to improve Apollo's sustainability performance

### Strategy

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- Putting in place an **enterprise-wide framework** that seamlessly brings together Apollo's sustainability practices
- Setting up a **monitoring system to track and improve environmental data** (such as GHG emissions)
- Identifying, measuring and enhancing **operational targets** related to material ESG issues
- Further **improving Apollo's sustainability reporting** to increase transparency, meet external stakeholders' expectations, and be compliant with BRSR requirements

# ESG Materiality Matrix

*Multi-stakeholder Approach – ESG risks and opportunities*



Impact on Key stakeholders

	<ul style="list-style-type: none"> <li>Affordability of Healthcare</li> <li>Access to Healthcare (accessibility)</li> <li>Customer Relationship Management</li> </ul>	<ul style="list-style-type: none"> <li>Quality of Care and Patient Safety</li> <li>Patient Privacy, EHR and Cyber-security</li> </ul>
<ul style="list-style-type: none"> <li>Diversity and Inclusion</li> <li>Community Development</li> </ul>	<ul style="list-style-type: none"> <li>Talent Development</li> <li>Labour Relations</li> <li>Employee Health &amp; Safety</li> </ul>	<ul style="list-style-type: none"> <li>Doctor Credentialing</li> <li>Technology and Innovation</li> <li>Good Governance</li> <li>Business Ethics and Compliance</li> </ul>
<ul style="list-style-type: none"> <li>Climate Change</li> <li>Water Management</li> <li>Energy Management</li> <li>Green Design and Construction</li> </ul>	<ul style="list-style-type: none"> <li>Waste Management</li> </ul>	<ul style="list-style-type: none"> <li>Procurement</li> </ul>

Impact on AHEL's enterprise value / success

## Materiality Assessment Process

- Regular engagement with key stakeholders: patients, employees, **shareholders**, local communities, business partners and the government
- Focus on ESG risk mitigation and responsible business conduct
- Will be **updated periodically** to ensure alignment with stakeholder expectations



# ESG FOCUS



*Aligned with International Frameworks to Focus on Material Issues*



**SASB Industry**  
Health Care Delivery

Dimension	Issue
Environment	Energy Management
	Waste & Hazardous Material Management
Social Capital	Data Security*
	Access & Affordability*
	Product Quality & Safety*
	Customer Welfare*
	Selling Practices & Product Labeling*
Human Capital	Employee Health & Safety*
	Employee Engagement, Diversity & Inclusion*
Business Model & Innovation	Physical Impacts of Climate Change
Leadership & Governance	Business Ethics

\*Please refer earlier section on Performance with Purpose

**THANK YOU**