



Apollo Hospitals Enterprise Limited

Investor Presentation

March 2023

Key Highlights



**India's Largest
Integrated
Healthcare
System**



**Clinical
Pioneers**



**Attractive
Industry
Opportunity**



**Engines
of Growth**



**Strong
Financial &
Operational
Track Record**



**Prioritizing
ESG**



Annexure



India's Largest Integrated Healthcare System



Clinical Pioneers



Attractive Industry Opportunity



Engines of Growth



Strong Financial & Operational Track Record



Prioritizing ESG



Annexure

Transforming Healthcare delivery In India : Over 35 Years of legacy



Largest Hospital Chain in India

70 hospitals
9,900+ beds
10,000+ doctors



Largest Offline Pharmacy in India

5,500+ stores in 1100+ cities and towns
>2x second largest Indian pharmacy⁽²⁾
~250mn+ transactions p. a.



India's Leading Retail Healthcare Network

343 primary clinics, 129 dental clinics, 58 sugar clinics, 26 birthing centers, 111 dialysis centers, 25 surgery centers, 1750 diagnostic collection centers



3rd Largest Private Health Insurer in India

Fastest insurer to reach break-even point
Divested to **HDFC ERGO**



Created Unmatched Capabilities in Offline Healthcare Delivery

Any other player trying to replicate will take many years and huge investments, without guaranteed success



Built the Apollo Brand

Synonymous with quality and trust – most important factors in healthcare in India – while transcending healthcare delivery formats



Inimitable Consumer Insights

The Group understands consumer dynamics very well, having successfully created multiple consumer-centric healthcare businesses



Created Significant Shareholder Value

6x increase in market capitalization in last 10 years for listed AHEL; new businesses added to AHEL have contributed significant value



Successful Partnerships

Worked successfully with several partners, including APAX partners, Schrodgers, Munich Reinsurance, IHH, General Atlantic, Mitsui, among others on a long term basis



Indian Government Recognition

Dr. Prathap Reddy, Founder Chairman, has been conferred 'Padma Vibhushan', India's second highest civilian award for significant contribution to India healthcare

2 By number of stores.

India's Largest Integrated Health System



Pan India & International Clients



CLINICAL OUTCOMES

- Culture of innovation
- Clinical expertise
- Learning Organisation

Empowered and engaged patients; fostering brand loyalty across all touch points with Apollo

Encourage performance and data-driven culture that optimizes/enhances clinical outcomes

Fully digital, scalable, and adaptive 21st Century Digital Organization

Leverage technology to improve clinical effectiveness, operational efficiency and drive effective asset utilization

Transform IT/IS organization & services/infrastructure and adopt new technologies to support digital agenda

FINANCIALS AND SUPPLY-CHAIN

- Governed by quality Clinical Outcomes
- Cyber Security
- Best in Class Privacy

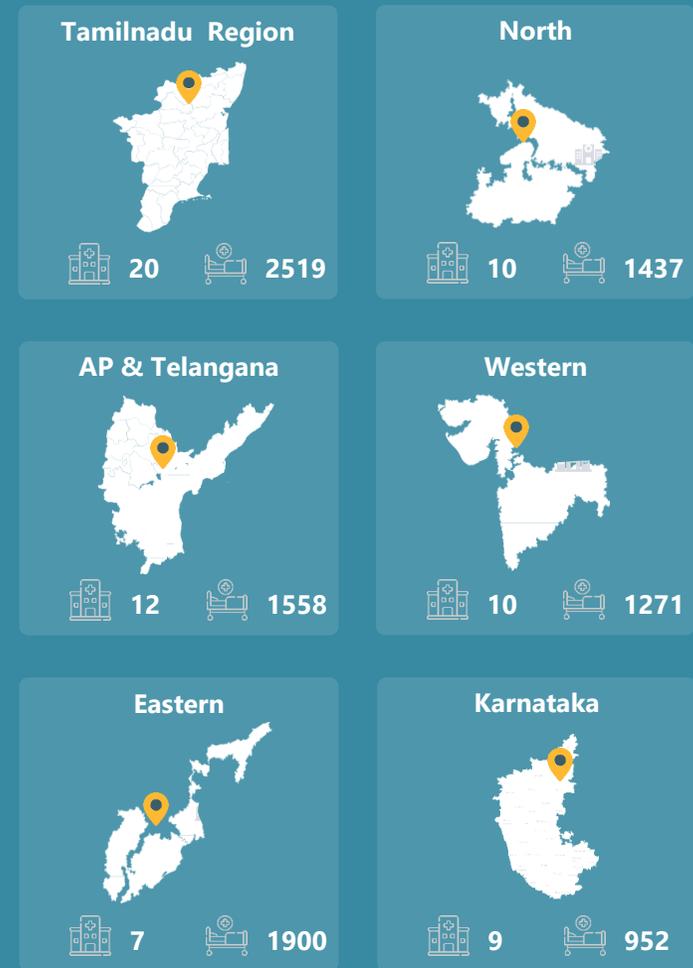
Largest Pan-India Hospital Chain



	Hospitals	Capacity Beds	Operational beds
AHEL* (a+b)	70	9,957	9,273
Owned Sub & JVs	43	8,544	7,860
Managed Hospitals	5	851	851
Total (a)	48	9,395	8,711
AHLL# (b)	22	562	562

* Apollo Hospitals Enterprise Limited (Hospitals) . # Apollo Health and Life Style (Retail Healthcare Formats)

Hospitals 70 ; Beds 9,957



Not included above:-Kerala (1 Managed Hospital with 300 beds) ; Outside India (1 Managed Hospital with 20 beds).

Includes Hospitals, AHLL and Managed Hospitals



Transforming Retail Health through access and convenience

Apollo Health & Lifestyle Ltd (AHLL)

Looking at the market through **Two broad levers**



Out-of-Hospital care

- Outpatient Clinics
- Diagnostics and dialysis
- Day Surgery centers
- Single Specialty Facilities

Organizing the unorganized

- Pathology – Organized chains represent only ~30%
- Mother and Child, Specialized Surgical Centers
- IVF Centers

March 23

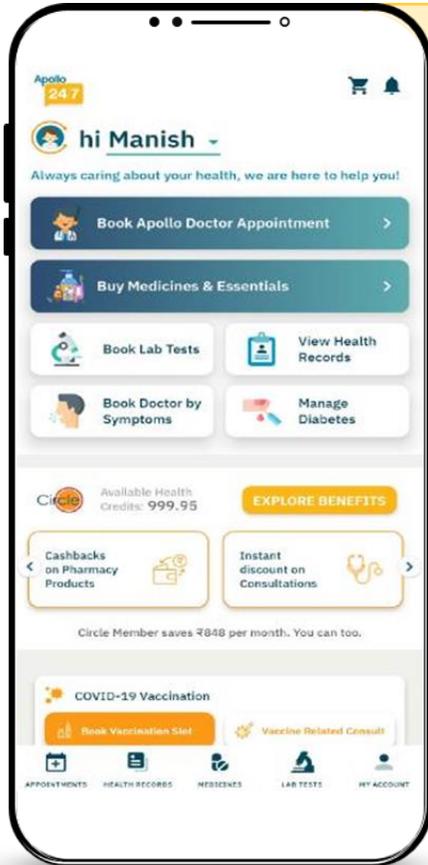
Significant **opportunity to grow** the primary care and diagnostics businesses Plays a vital role in last-mile care delivery, and in ensuring continuum of care for the consumer

343	58	129	26	25	1,750	111	2,442
Primary Clinics	Sugar Clinics	Dental Clinics	Birthing Centers ¹	Spectra ¹	Diagnostics	Dialysis	No of Care Sites

¹Includes BOMA (2 BOMA in Birthing Centers (Cradle & IVF) 12 BOMA in Spectra)

Largest Omni-Channel Digital Health Offering

Apollo HealthCo Ltd (AHL)



Apollo 247 –Digital Platform

As at March 31, 2023

~25Mn+ Registrations

~7 Lakh+ Daily Active Users

~6,000+ Doctors

Virtual Doctor Consultation

Daily Consultations
6500+

Online Medicine delivery

Daily Medicine orders
47,300+

Online Diagnostic Booking

Daily sample collections
~2400

Patient e-health records

Apollo 247 –Digital Platform



Future Launch....

- Condition management
- Well-being companion
- Health Insurance

Added FY 23	1,151	No of Pharmacies	Private label sales / Generic Sales
Closed FY 23	139		
Net	1,012	5,541	~15.5%

Highlights FY23



Healthcare Services (Hospitals)

43 Owned + **5** Managed Hospitals

9,395 Owned & Managed Beds

64% Occupancy

₹ 51,668 / day ARPOB¹
₹ 53,232 / day in Q4FY23

540,881 In-patients

Diagnostics & Retail Health

22 Ambulatory care & Birthing Centers

562 Beds

1,700+ Diagnostics Centers

343 Clinics

111 Dialysis Centers

129 Dental Centers

Digital Health & Pharmacy Distribution

5,541 Outlets

~15.5% Private label / Generic sales

~25 mn+ Registered users

~6,000+ Doctors

Revenue

₹ 86,768 Mio

52%

Rev Share

₹ 12,311 Mio

7%

Rev Share

₹ 67,045 Mio

41%

Rev Share

EBITDA

₹ 21,331 Mio

24.6%

Margin

₹ 1,182 Mio

9.6%

Margin

₹ 5,338 Mio

excl 247 & ESOP Cost

8.0%

Margin

247 cost
₹(6,574) Mio

ESOP
₹(781) Mio

¹ARPOB is net of fees paid to fee for "service doctors" and is netted off in the Reported Revenues.



India's Largest
Integrated
Healthcare System



**Clinical
Pioneers**



Attractive Industry
Opportunity



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Annexure

Clinical pioneers bringing in tectonic shifts in the healthcare industry



Bringing in Latest Technologies First

20 Robotic surgical systems

Largest minimally invasive program in the country

Advanced Diagnostics

First MRI, CT, Pet CT in India
Genome testing – Blood test for early detection of Breast Cancer

G4 Cyber-knife

Asia Pacific's most advanced Cyber Knife® launched at Apollo Cancer Centres, Chennai

Proton therapy for cancer

First in South East Asia. 150 bedded Comprehensive Cancer Care Centre

640 slice CT

640 slice dynamic multi-detector CT scanner, used in heart, brain and whole body scanning

Among the first to adopt robotic precision in minimally invasive surgery

Remote Healthcare

Providing access to quality healthcare for underserved, both in Urban and Rural geographies in India & Abroad



3,37,222

Tele-consults



2,80,305

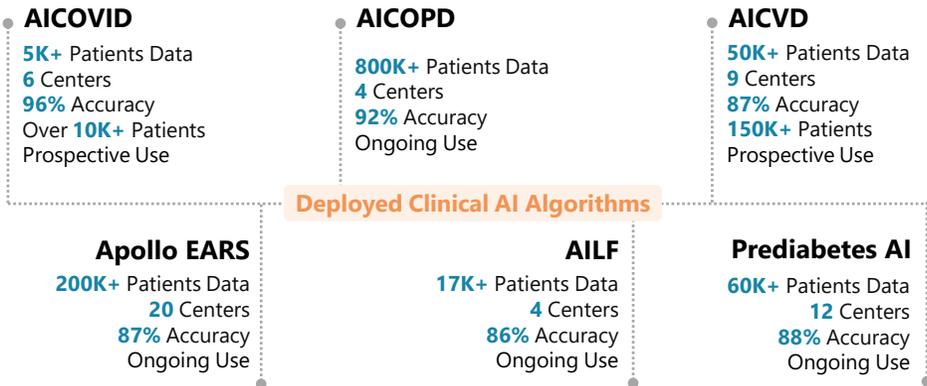
Fundus Checks



67,175

Tele-Radiology Reads

Predictive Diagnostics and Healthcare using AI



Software as Medical Device – ISO 13485 : 2016 – MD 763515
– First Hospital Based AI Systems to be Certified

Partnership with.....

Microsoft to develop and deploy new AI and machine learning models to predict patient risk for heart disease

Google India to launch 'Symptom Search'.

We have worked on the Design, Development of AI based Application Programming Interface for providing information by means of Clinical Decision Support for Cardiovascular, Prediabetes and Diabetes, Liver Fibrosis, Empirical Antibiotic Recommendation and acute exacerbation of COPD & Asthma



Clinical Excellence



Medically Known for Clinical Excellence

COEs
Outcomes
Quality-Systems & Protocols
Leading in Technology

Service Excellence



Patient Care Through Service Excellence

Patient Care Plan
Ward as a unit
Continuum of Care

Execution Excellence



Value for Money

Case Mix
Communication of Value
Resource utilization

Volumes

Revenue

Costs

Margins

How we Work?



AOP & Tool Kits

Team Spirit

Focus on the Community

Fact Based Data – Led Discussions

100% Delivery



What we Believe in?

Preventive Healthcare

Life is Priceless

Research & Innovation

Continuous Learning & Development

Respect, Reward & Recognition

World Class Outcomes driven by Systems and Protocols



Apollo Hospitals Group aims at establishing the highest standards of clinical care and patient safety for all its hospitals irrespective of their location or size.



Apollo Quality Program

Multifaceted program measuring, compliance on Safety across various hospital interactions, Surgical safety, Medication safety, and the safety goals as per JCI, as well as patient satisfaction achieved by a highly empathetic service delivery system to create – TLC moments
1000+ Service Standards
Yearly training and certification

Apollo Clinical Excellence

Is a clinically balanced scorecard tracking complication rates, mortality rates, one-year survival rates and ALOS after major surgery and across Apollo CoE's benchmarked against the most appropriate indicator with the best-in-class indicator.
50 Indicators selected, updated on



360°
Service
Excellence

Apollo Nursing Excellence

Patient care and outcomes measured for effectiveness and quality of nursing services across all units, benchmarked against appropriate best-in-class reference units such as JCI, NABH, NCBI and British Journal of Anaesthesia.



Apollo Mortality Review

The mortality review in all Apollo Hospital units is standardized with trigger criteria, checklists, peer review processes and mortality meeting formats. Formal, structured review of deaths is conducted.



Expertise driven by Academics & Research

Campus Education

AIMSR, Hyderabad

AIMSR, Chittoor

The Apollo University, Chittoor

Apollo Buckingham Campus, UK

11 Nursing schools in India

1 Nursing school in Bhutan

College of Physiotherapy

Healthcare management

39

International Professor

168

Adjunct Professor

178

Adjunct Tutor

Diplomate National Board



45 Specialties

19 centers

8% of India's National Board Trainees

Skilling & Upskilling



Transforming the skill landscape

In partnership with The National Skill Development Corporation (NSDC)

21 centres

260,000 healthcare workers

Medvarsity



Asia's Largest Healthcare Ed Tech

500,000 professionals trained

192 countries

200 clinical and management courses for doctors, nurses and general management personnel

Global Workforce Development

Apollo Radiology, Royal College of Radiologists and Health

Education England Earn, Learn and Return

Apollo Med Skills



The official journal of Apollo Hospitals Group

Wolters Kluwer

Quarterly since September 2004

Indexed with Directory of Open Access Journals (DOAJ)

Registered with 11 partners

50% increase in page views and downloads

Published Papers



3rd highest publications from India on Pubmed; after PGIMER and AIIMS.



2nd highest publications on COVID in India; after AIIMS and ahead of PGIMER

Apollo Hospitals Educational & Research Foundation (AHERF)

48 projects

21 collaborators

Apollo Research & Innovations (ARI)



1300+ clinical studies

150+ Clinical trial on ground

22 operational sites

28 Covid-19 clinical studies Indian SARS-CoV-2 Genomics Consortium (INSACOG)

SAPIEN Biosciences Bio Banking

Apollo Med Skills

bookmysim.one
A Medvarsity initiative



Resulting in Higher Clinical Volumes

Pioneering in cutting edge treatment



First liver transplant



First combined kidney & Liver transplant



First simultaneous Kidney-Pancreas transplant



First bilateral Minimally Invasive Knee Replacement

Leaders in Clinical Care



8



32

FY23



~73,500+

Cardiac Procedures¹



37,000+

Neuroscience Discharges



1,600+

Transplant²



~35,900+

Joint Replacements and Other Ortho Discharges



~14,700+

Radiotherapy Patients



270+

Bone Marrow Transplant



2,400+

Robotic Surgeries



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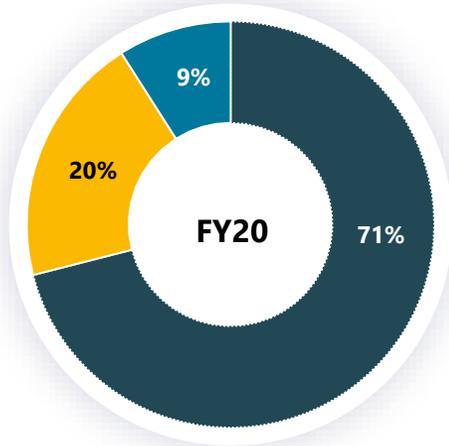
Annexure



Hugely Under-Penetrated Market with Attractive Dynamics

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

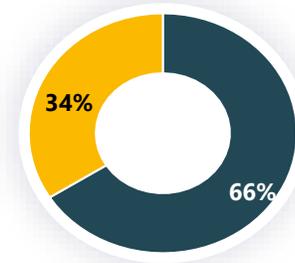
Growing Indian Healthcare Delivery Industry



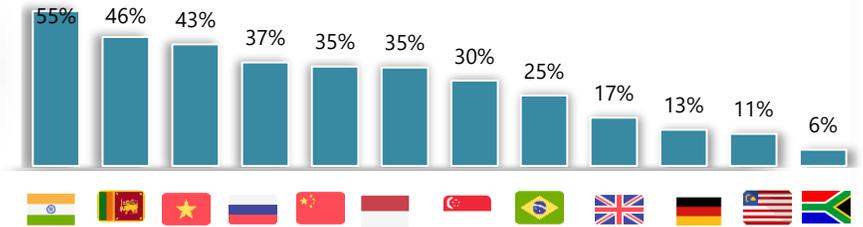
The healthcare delivery industry has **grown at CAGR of 10-12%** over FY17-22 and is expected to reach **₹ 8.6 trn by fiscal 2027 (CAGR of 10-12%)**

- Healthcare Delivery
- Domestic Pharmaceuticals
- Medical Devices

Public healthcare expenditure low, with private sector accounting for bulk

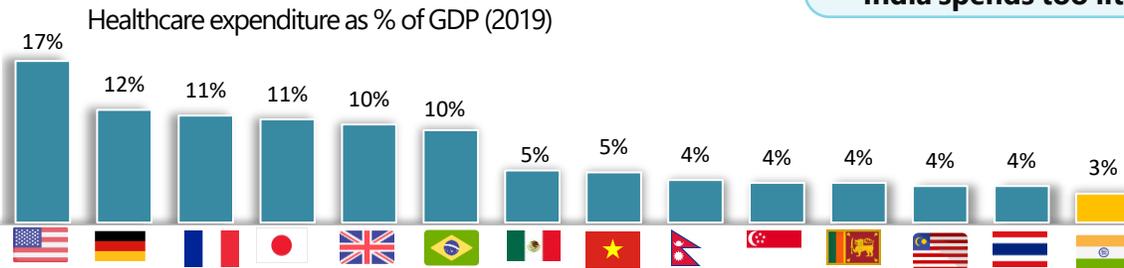


- Private
 - Government
- India Healthcare expenditure

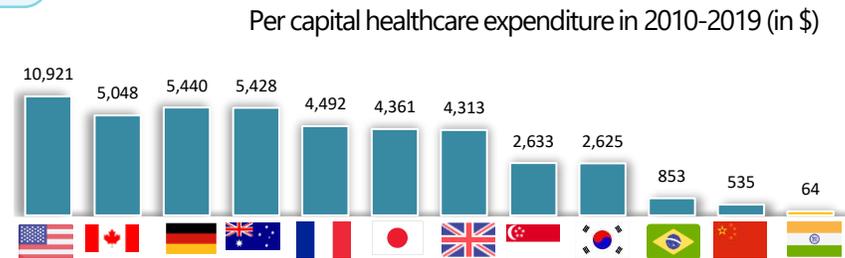


Out-of-pocket expenses as % of Healthcare expenditure

India spends too little on its healthcare



Healthcare expenditure as % of GDP (2019)



Per capita healthcare expenditure in 2010-2019 (in \$)

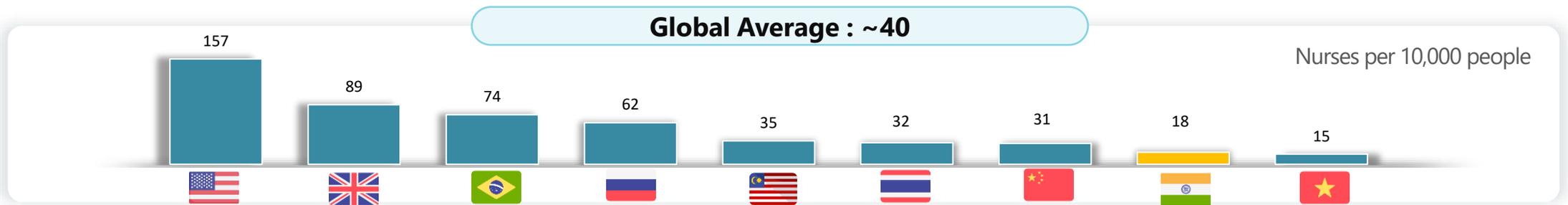
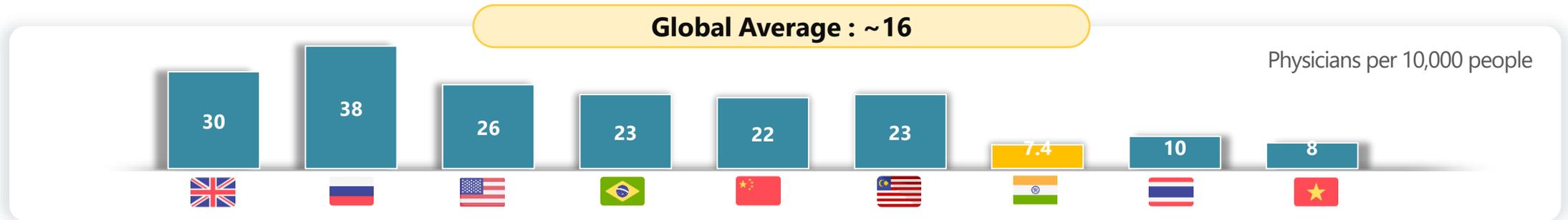
Source: CRISIL research Jan 23

Note: Healthcare expenditure data as of 2019; Per-capita data at an international dollar rate, adjusted for purchasing-power parity from CRISIL Research Sep 22



Infrastructure lag provides strong growth tailwinds

India lags other developed and emerging economies in healthcare infrastructure



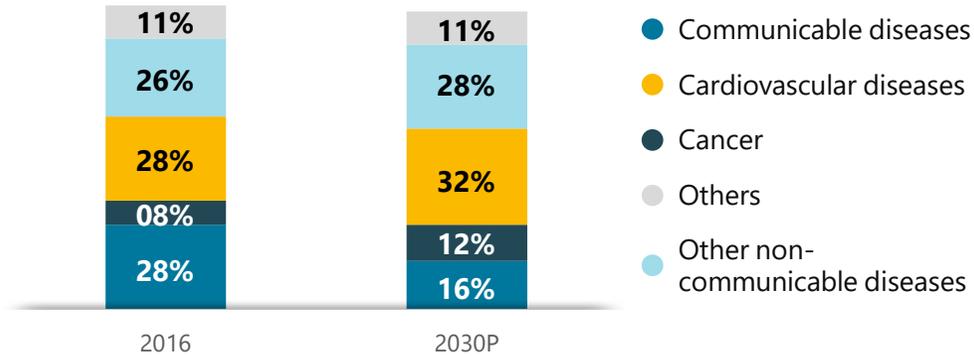
Source: CRISIL Research Jan 2023 | India Bed Density is estimated by CRISIL Research;



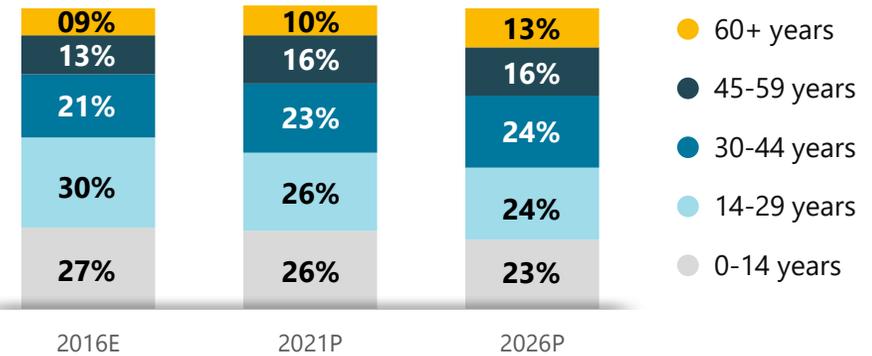
Rapid Demand Growth Driven by

Demographic shifts, Changing consumption patterns, increasing affordability and favorable regulatory environment

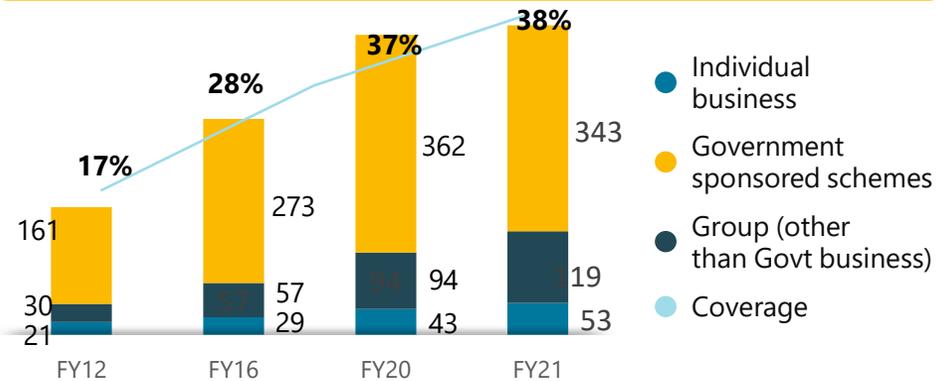
Non-communicable disease accounts for most number of deaths



Population in 60+ age group to grow faster



Growing health insurance penetration to propel demand



Higher health insurance penetration allows greater access to quality healthcare

Pradhan Mantri Jan Arogya Yojana adds a demand impetus



Strategic partnerships to spread awareness, technology partnership and industry partnerships

“Heal in India” Global hub for medical and wellness tourism



HEAL IN INDIA

Initiative, aims to promote Medical Value Travel in the Country.



The medical tourism market valued at **USD 6 billion in 2020** fiscal year is expected to **double by 2026**



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



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



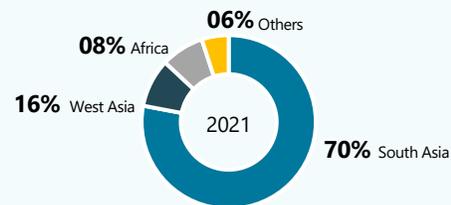
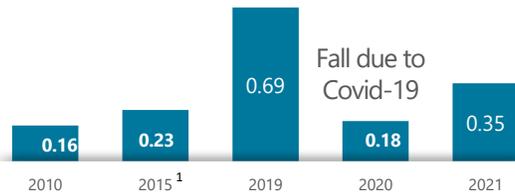
Medical treatment cost in India
+
Travel Costs to India

= 1/10



Treatment Cost in US

India is fast emerging as a major medical tourist destination



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 Jan 2023

Note: ¹ Includes medical visa and medical attendant visa

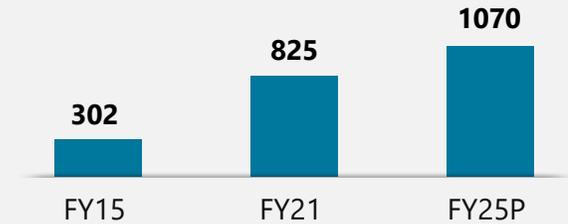
Increasing Digital Adoption will transform every sector including Healthcare



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

Robust internet subscribers' growth and Smartphone penetration.....

Internet Users (mn)



Source: CRISIL research March 2022

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



..... aiding emergence of new technologies in Indian Healthcare



Telemedicine



E-pharmacy



Records Management



Health & Wellness Aggregation



Health Info / AI Symptom Checker



Disease Management

Source: McKinsey Global Institute 'Digital India' report March 2019

By 2025, Digital Will Transform India's Economy, Sector By Sector

Growth potential





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Annexure

Optimize Hospital Occupancy through Enhanced COE focus and Payor mix



Mature Hospitals



**29
Hospitals¹**



**5,767
Capacity Beds**



**5,476
Operational Beds**



**65%
Occupancy rate**

New Hospitals



**14
Hospitals¹**



**2,777
Capacity Beds**



**2,384
Operational Beds**



**61%
Occupancy rate**



Focus on Centers of Excellence with strong, clinically differentiated anchor specialties in each market



Extend and expand our oncology presence both through specialization and exclusive oncology referral hospitals in the cluster



Set benchmark standards in clinical outcomes, technology and practices in select acute and tertiary care services (CONNECT)



Further **Strengthen Clinical engagement** through sub specialty focus



Drive Conscious consumption and Cost Efficiencies

Note: Data as of March 31, 2023; Internally company classifies any hospital commissioned prior to 11 years as mature hospital; ¹ Corresponds to owned, Subs & Jvs hospitals only

Focused on Diagnostics & Primary Care as the Next Growth Vector



Primary Care

Focus on taking Healthcare Closer to Communities

Network expansion via various formats (varying by location) to bring quality healthcare services closer to communities and large residential settlements

Grow Condition Management, Concierge Services and Specialty Services eg. Sugar and Dental

Enhance service offerings and expand synergies with the Group - Building in Continuum of Care models

Diagnostics

Aim for Enhancing Market Share and complete pan-India expansion

Market Saturation – Market share consolidation in existing markets and expansion in high potential metro markets via organic/inorganic routes

Full Stack Digital Player – Apollo 24|7 as a partner – Build digital capabilities and ensure seamless integration to adapt with changing consumer preferences for on-tap services

Full Spectrum Pathology – Expand technical capabilities and offer next-gen pathology services

Specialty Care

Sustained growth with synergies to Apollo Ecosystem

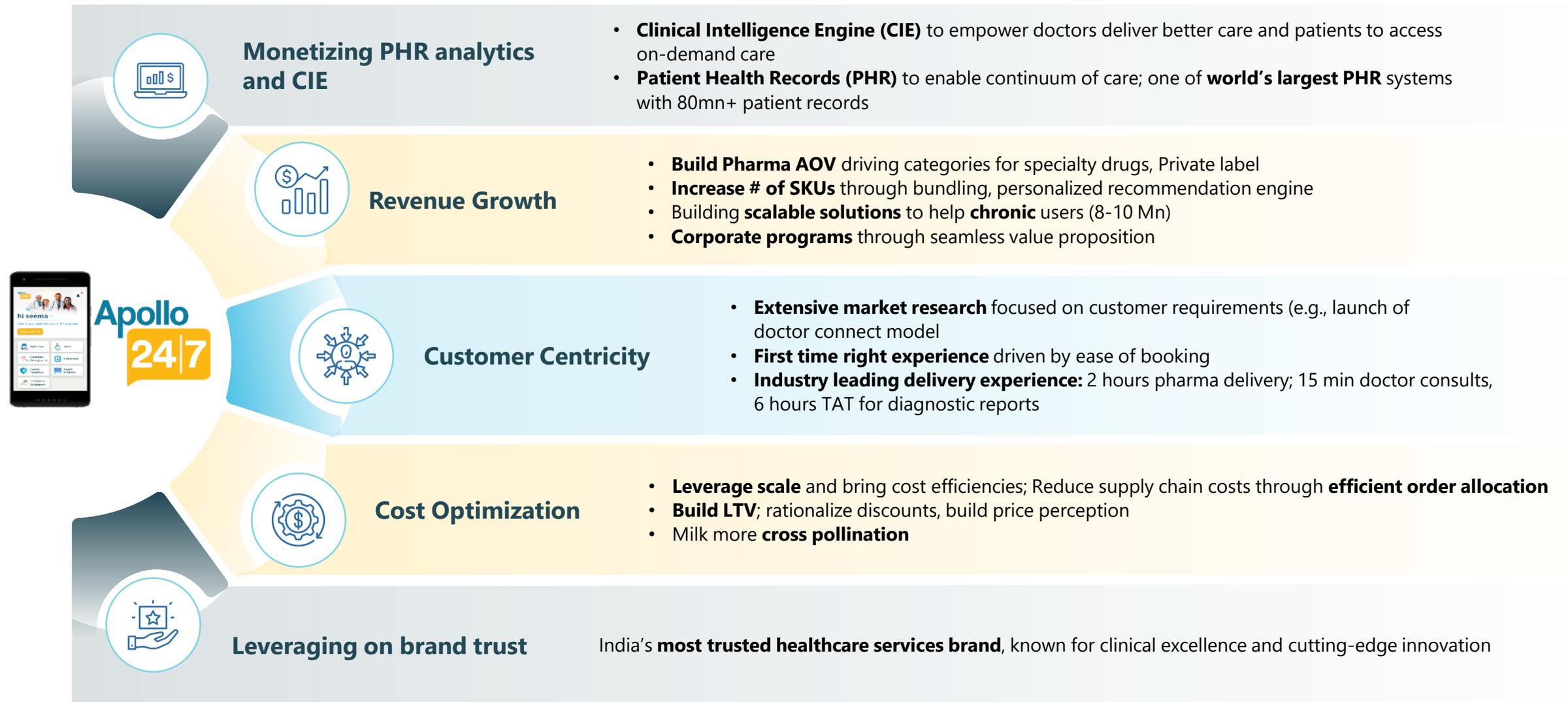
Cradle: Expansion in key markets across select metros to consolidate market share; Focus on building deeper capabilities for advanced pediatrics and comprehensive women's health

Spectra: Dedicated CoEs for specialties like Urology, Laser aided surgery, Pain Management, Bariatrics; Enhancing the digital customer acquisition model via adoption of comprehensive CRM modules; Improve OT Utilization ; Standardized Clinical Protocol

Fertility: Implement international standard protocols, strong audits, benchmarked outcomes and clinically relevant technology. Expand through unique doctor engagement model which ensures long term association and viability in metros/tier 1 locations

Dialysis: SIS - H (Shop-in-Shop Hospitals) Models in Non-Apollo hospitals; Growth via PPP engagements.

HealthCo : Building Scale through Customer Centricity





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Annexure

Strong Growth in Revenues across Businesses

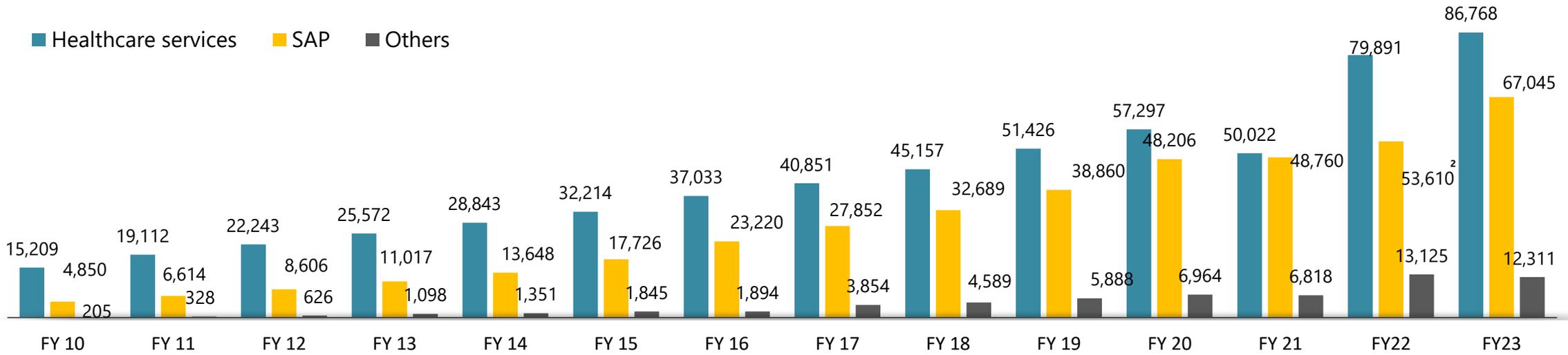


FY23
\$2.02 billion
 Consolidated Revenue¹

FY13-FY23
16%
 CAGR (Consolidated Rev)

FY13-FY23
14%
 CAGR (HCS incl AHLL)

FY13-FY23
20%
 CAGR (Pharmacy)²



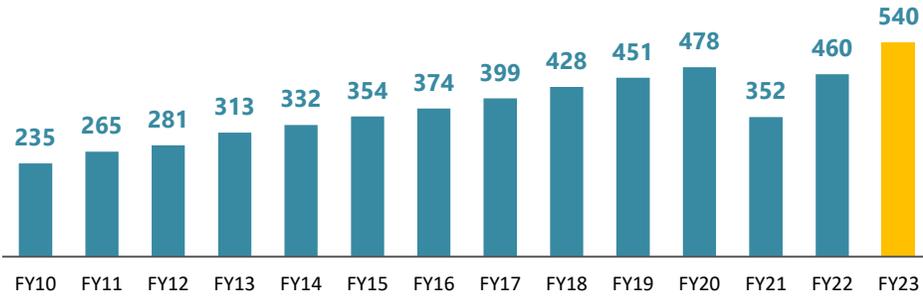
Total Consolidated Revenues (1) (₹Mn) | Revenue is net of fees paid to fee-for-service consultants in Hospitals | Revenues of Delhi is not consolidated under Ind AS due to joint control
 Others segment above includes AHLL & Apollo Munich till FY15 and post that only AHLL as Apollo Munich is not consolidated.

Source: Company audited financials | ² Pharmacy Distribution :- HealthCo from 16th March 2022 | AHLL :- Apollo Health & Lifestyle Ltd

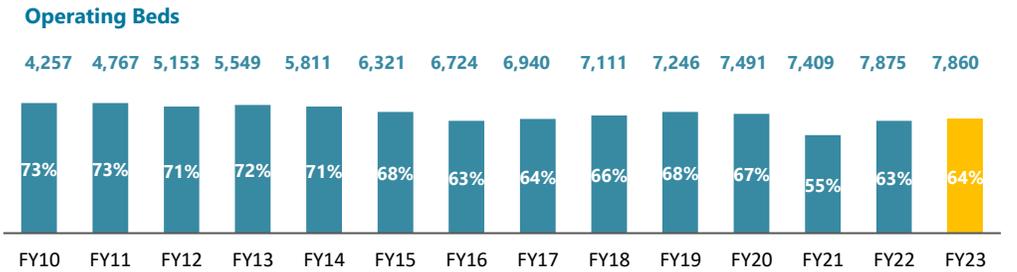


.....Aided by Strong Operating Metrics

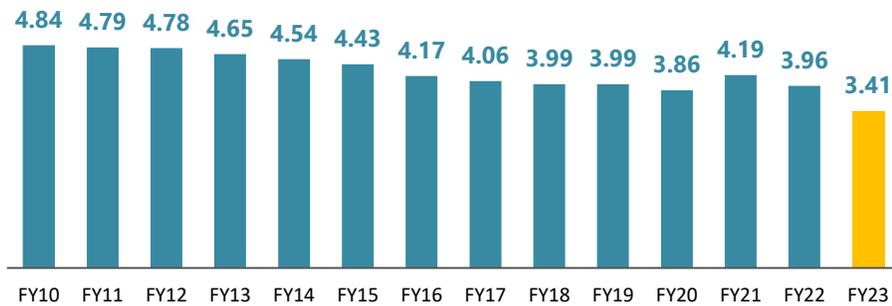
In-patient Admissions ('000)



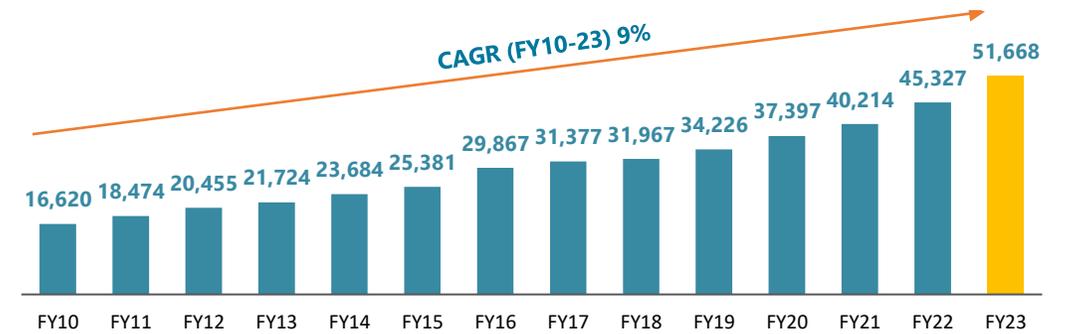
Bed Occupancy Rate⁽¹⁾ %



Average Length of Stay (Days)⁽²⁾



Average Revenue Per Occupied Bed ⁽³⁾ ARPOB (₹/Day)



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

(3) 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

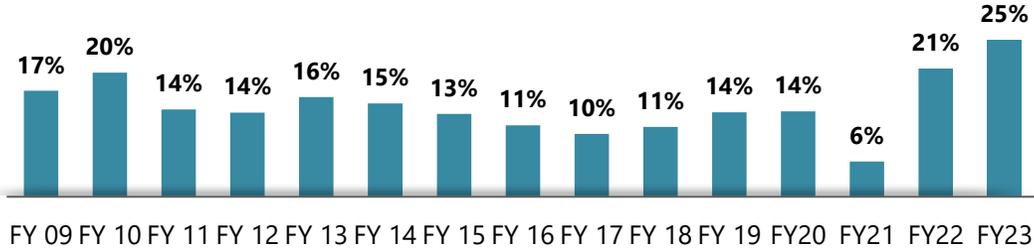
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....and Healthy Return on Capital Employed

ROCE - Healthcare Services

Healthcare services excluding CWIP



Driven by

Efficiency (Asset Turnover)

Efficient use of capital

Strong project execution capabilities

Right mix of beds & medical

Higher utilization of key facilities & equipment

Quick ramp up of new hospitals—increasing patient flow & occupancy

Profitability

Higher revenue & profitability

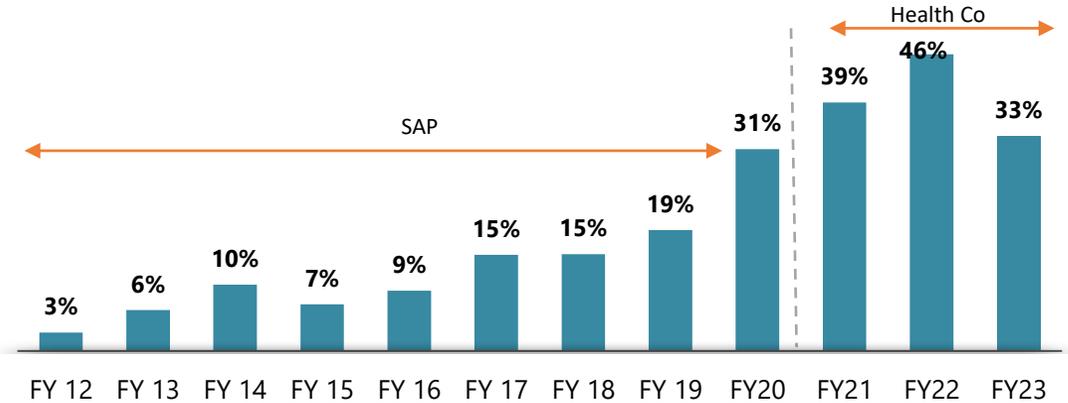
Balanced out-patient & in-patient mix

Reduced ALOS

Increasing ARPOB

Improving case mix

Offline Pharmacy Distribution excl 24|7 Operating cost



excludes 24/7 operating cost from FY21

ROCE - Consolidated

Segment	Capital employed	ROCE
HCS (excl CWIP)	₹66,163	25.1%
Pharmacy Distribution ¹	₹14,684	33.3%
AHEL Consolidated ²	₹79,396	18.1%

¹ ROCE = EBIT of Offline Pharmacy Distribution / Capital Employed of Pharmacy Distribution

² Includes Capital Employed of : AHLL ₹2,331 mio & Apollo 24|7 (₹3,782) mio ; Excludes CWIP (₹6,098 mio towards new projects under development)

As on March 2023

Consolidated Financials FY23



(₹ mio)

₹ Mio	Healthcare Services	Diagnostics & Retail Health	Digital Health & Pharmacy Distribution	Consol	
FY 23	Total Revenues	86,768	12,311	67,045	166,125
	EBITDA (Post Ind AS 116) (Pre 24 7 Cost)	21,331	1,182	5,338	27,851
	margin (%)	24.6%	9.6%	8.0%	16.8%
	24/7 Operating Cost			-6,574	-6,574
	ESOP(Non Cash expense)			-781	-781
	EBITDA (Post Ind AS 116)	21,331	1,182	-2,017	20,496
	margin (%)	24.6%	9.6%	-	12.3%
	EBIT	16,610	200	-2,465	14,344
	margin (%)	19.1%	1.6%	-	8.6%
	PBT	14,547	-380	-3,159	11,008
	margin (%)	16.8%	-	-	6.6%
	PAT (Normalized for exceptional charge / write back)¹	10,335	-382	-3,036	6,916
Add : DT Reversal & CG Tax on PD,Karapakkam Transf				1,274	
PAT (Reported)				8,191	
FY 22	Total Revenues	79,891	13,125	53,610	146,626
	EBITDA (Post Ind AS 116) (Pre 24 7 Cost)	18,032	1,966	4,089	24,087
	margin (%)	22.6%	15.0%	7.6%	16.4%
	24/7 Operating Cost			-2,236	-2,236
	EBITDA (Post Ind AS 116)	18,032	1,966	1,853	21,851
	margin (%)	22.6%	15.0%	3.5%	14.9%
	EBIT	13,355	1,023	1,466	15,844
	margin (%)	16.7%	7.8%	2.7%	10.8%
	PBT	14,015	427	1,411	15,854
	margin (%)	17.5%	3.3%	2.6%	10.8%
	PAT (Normalized for exceptional charge / write back)²	7,269	315	914	8,497
	Add: Exceptional item , CG Tax on PD Transf				2,059
PAT (Reported)				10,556	
YOY Growth					
Revenue	9%	-6%	25%	13%	
Revenue Excl Vaccination - Refer note 1	13%	10%	25%	17%	

Note 1 :

Covid Vaccination revenues in FY23

Hospitals : ₹ 3,217 mio

Clinics : ₹ 1,893 mio

Total : ₹ 5,109 mio

	HCS	Health Co	AHLL
Gross Debt	20,552	3,999	2,554
Cash & Cash Equivalents	10,500	303	1,208
Net Debt	10,052	3,695	1,345

Includes investments in liquid funds and FDs of ₹ 7,677 mio

Exceptional Charge/ Write back

- **FY23¹** : Deferred Tax reversal on migration to lower tax regime or ₹146Crs; Capital Tax on PD Transfer of ₹15 Crs and on Karapakkam Transfer of `4crs.
- **FY22²** : Fair Value Gain on revaluation of existing interest in JV(AMHL earlier known as AGHL) under Ind AS 103 Business Combination of ₹ 294Crs. Capital Gain tax arising out of Health Co reorganization, amounts to ₹ 88 Crs (under IND AS 103 Business combination).

Consolidated Healthcare Services Performance FY23



(₹ mio)

₹ Mio	Healthcare Serv Group (Mature)	Healthcare Serv Group (New & Others)	Healthcare Serv Group
FY 23	No of Hospitals	29	43
	Operating beds	5476	7860
	Occupancy	65%	64%
	Revenue	60,993	86,768
	EBITDA (Post Ind AS 116)	16,661	21,331
	margin (%)	27.3%	24.6%
	EBIT	13,888	16,610
	margin (%)	22.8%	19.1%
	PBT		14,547
	PAT		10,335
margin (%)		11.9%	
FY 22	No of Hospitals	29	44
	Operating beds	5472	7,875
	Occupancy	63%	63%
	Revenue	54,198	79,891
	EBITDA (Post Ind AS 116)	13,178	18,032
	margin (%)	24.3%	22.6%
	EBIT	10,387	13,355
	margin (%)	19.2%	16.7%
	PBT		14,015
	PAT		7,269
margin (%)		9.1%	
Revenue Growth	13%	0%	9%
Revenue Excl Vaccination	16%	6%	13%
EBITDA (Post Ind AS 116) Growth	26%	-4%	18%



Volume grew by 18% from 460,152 in FY22 to 540,881 in FY23.

Revenue grew by 13%YoY excluding covid vaccination



HCS EBITDA at ₹ 21,331 mio in FY23 growth of 18%



ARPOB grew by 14% to ₹ 51,668 in FY23

Region wise Operational Parameters



Particulars	Total ⁽⁶⁾			Tamilnadu Region (Chennai & others) ⁽¹⁾			AP, Telengana Region (Hyderabad & others) ⁽²⁾		
	FY 22	FY 23	yoy (%)	FY 22	FY 23	yoy (%)	FY 22	FY 23	yoy (%)
No. of Operating beds	7,875	7,860		2,131	2,112		1,344	1,297	
Inpatient volume	460,152	540,881	17.5%	122,817	144,798	17.9%	66,451	75,782	14.0%
Outpatient volume ⁽⁷⁾	2,514,365	1,879,171	-25.3%	824,562	619,206	-24.9%	262,875	196,764	-25.1%
Inpatient ALOS (days)	3.96	3.41		3.89	3.31		4.22	3.56	
Bed Occupancy Rate (%)	63%	64%		61%	62%		57%	57%	
Inpatient revenue (₹ mio)	NA	NA		21,072	23,441	11.2%	12,283	11,326	-7.8%
Outpatient revenue (₹ mio)	NA	NA		6,067	7,537	24.2%	2,592	2,233	-13.8%
ARPOB (₹ /day) ^{(8)excluding Vaccination in FY22}	45,327	51,668	14.0%	55,498	64,609	16.4%	50,871	50,308	-1.1%
Total Net Revenue (₹ mio) ⁽⁶⁾	NA	NA		27,139	30,977	14.1%	14,875	13,559	-8.8%

FY23 ARPOB in Metro cities at ₹ **61,129** and Non Metro cities is at ₹ **36,199**. Blended ARPOB ₹ **51,688**

Notes :

- Tamilnadu region includes Chennai hospitals, Madurai, Karur,
- Karaikudi, Trichy & Nellore.
- AP, Telangana Region includes Hyderabad, Karimnagar, Vizag old, Vizag new & Kakinada.
- Karnataka region includes Bangalore, Mysore, Jayanagar & Malleswaram.
- Others include Bhubaneswar, Bilaspur, Nashik & Navi Mumbai.
- Significant Hospital JVs/Subs/Associates are – Ahmedabad, Kolkata, Delhi, Indore, Assam & Lucknow (full revenues shown in table above).
- Revenues under the head “Total” have not been provided as Consolidated actual results will differ from total due to proportionate consolidation.
- Outpatient volume represents New Registrations only.
- 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

Particulars	Karnataka Region (Bangalore & others) ⁽³⁾			Others ⁽⁴⁾			Significant Subs/JVs/associates ⁽⁵⁾		
	FY 22	FY 23	yoy (%)	FY 22	FY 23	yoy (%)	FY 22	FY 23	yoy (%)
No. of Operating beds	775	766		1,107	1,153		2,518	2,532	
Inpatient volume	54,249	60,006	10.6%	75,060	79,054	5.3%	141,575	181,241	28.0%
Outpatient volume ⁽⁷⁾	252,658	185,370	-26.6%	339,637	189,625	-44.2%	834,633	688,206	-17.5%
Inpatient ALOS (days)	3.50	3.04		3.74	3.50		4.19	3.50	
Bed Occupancy Rate (%)	67%	65%		69%	66%		64%	69%	
Inpatient revenue (₹ mio)	7,741	8,289	7.1%	8,290	8,135	-1.9%	20,749	24,826	19.7%
Outpatient revenue (₹ mio)	2,108	1,598	-24.2%	1,864	1,545	-17.1%	5,380	5,965	10.9%
ARPOB (₹ /day) ^{(8)excluding Vaccination in FY22}	47,680	54,223	13.7%	33,997	34,983	2.9%	42,660	48,475	13.6%
Total Net Revenue (₹ mio) ⁽⁶⁾	9,849	9,887	0.4%	10,154	9,680	-4.7%	26,130	30,792	17.8%

ARPOB is net of fees paid to fee for “service doctors” and is netted off in the Reported Revenues.

AHLL Financial Performance FY23



(₹ mio)

FY23	Clinics	Diagnostics	Sugar	Dental	Dialysis	Cradles (IP)	IVF	Spectra (IP)
Network	343	1,750	58	129	111	9	17	11
Footfalls/Day*	4,920	12,154	714	316	1,649	47	33	72
Gross ARPP (Rs.)*	1,510	757	2,846	5,553	1,596	104,777	40,361	107,760

AHLL Core Revenues (excluding Covid Vaccination, Covid Testing and Isolation Centre Revenues which were one-off revenues during the Covid period) **grew by 28% YoY in FY 23.**

FY23 vs FY22		Diagnostics	Primary Care	Specialty Care	Corporate	Intra Group	AHLL (Consol)
Gross Revenue	FY23	3,827	3,451	5,684	0	-650	12,311
	FY22	3,987	4,516	5,333	0	-712	13,125
	FY23 vs FY22	-4%	-24%	7%			-6%
EBITDA (Post Ind AS 116)	FY23	287	465	903	-475	2	1,182
	FY22	753	791	770	-348	0	1,966
EBIT	FY23	166	204	315	-487	2	200
	FY22	646	545	196	-364	0	1,023
PAT	FY23	124	106	-257	-529	0	-555
	FY22	607	433	-194	-385	0	461

Non-Covid Diagnostics (excluding Covid Testing) **grew by 45%** in FY23

Excluding both Covid and Allied Testing, **Diagnostics grew by 63%** YoY in FY23

Currently Diagnostics revenue at ₹ 1,031 mio in Q4FY23

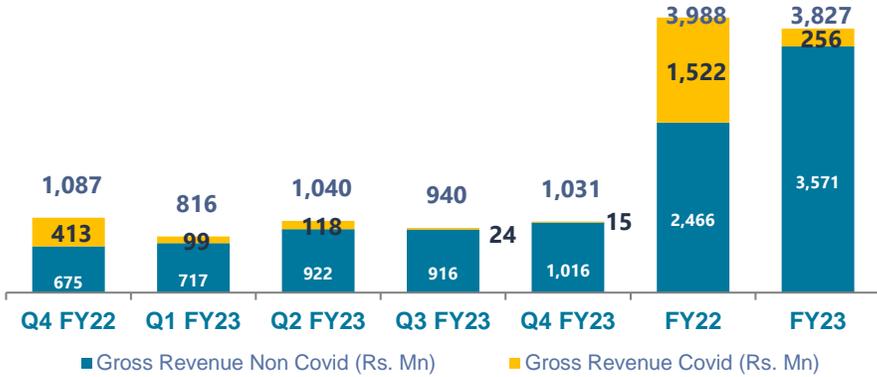
Core Revenues of **Primary Care and Specialty Care grew by 37% and 13% respectively**

* Footfalls and ARPP for diagnostics represent outpatient / external business and for Cradle and Spectra it represents Inpatient volumes. Primary care includes Clinics, Sugar, Dental and Dialysis segments. Specialty care includes Cradles and Spectra

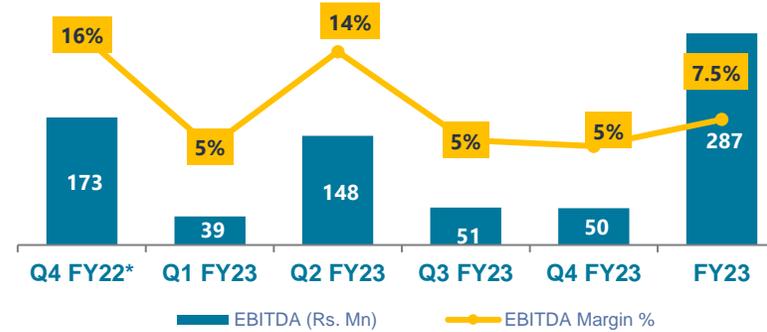


Diagnostics : Key Parameters

Gross Revenue (₹ Mn)¹



EBITDA* (₹ Mn)²



Operational footprint
(as of Mar 31, 2023)

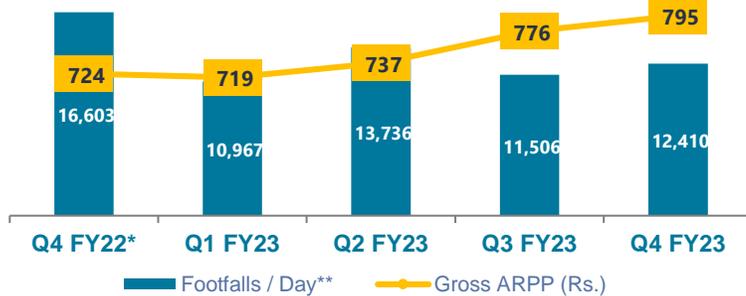
~200
Cities presence
in India

97
Labs

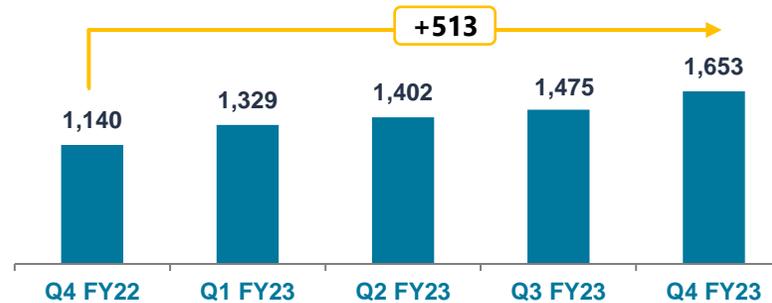
1650+
Collection
Centres

2,500+
Pick-up
Points (PUPs)

Avg. Footfalls per day & Avg. gross realization per patient (₹)**



Network Growth – Collection Centers



¹Covid Revenues include RTPCR and Antibody test revenues; exclude Covid Allied tests | ²EBITDA post IND AS 116; *FY22 volumes, ARPP and consequently the Revenues and EBITDA includes a large component of Covid and Allied Tests
** Footfalls and ARPP for diagnostics represent outpatient / external business



₹ Mio		Offline Pharmacy Distribution	Online Pharmacy Distribution & Apollo 247	Total Health Co
FY23	Total Revenues	59,951	7,094	67,045
	EBITDA (Post Ind AS 116)*	4,742	596	5,338
	margin (%)	7.9%	8.4%	8.0%
	24/7 Operating Cost		-6,574	-6,574
	ESOP Non Cash Charge		-781	-781
	EBITDA (Post Ind AS 116)	4,742	-6,759	-2,017
	margin (%)	7.9%	-	-
	EBIT			-2,465
	PBT			-3,159
	PAT(Reported)			-3,036

* Excluding 24/7 operating Cost and ESOP Non Cash Charge

Effective March 16, 2022, the Pharmacy distribution segment (which was part of the Standalone AHXL) segment was transferred to Apollo Health Co Ltd, a 100% subsidiary of AHXL. Hence the numbers are not comparable with the same period previous year

Key milestones : Digital Business

- Digital platform delivered GMV : Rs 1,643 cr in FY 23, with YoY growth of 266% over FY 22. New business segment IP/OP launched
- Improvement in quantitative parameters in FY 23 vs FY 22;
 - AOV grew by 32% (Rs 916 vs Rs 692 a year back),
 - Transacting user base grew by 119% (13 lakh vs 29 lakh, a year back)
 - Orders Per user per annum growing to 3.9 vs 3.3 with better cross pollination

Key milestones : Offline segment

- Improvement in quantitative parameters (through 5500+ stores)
 - 22% YoY growth registered in transactions (25 cr vs 22 cr a year back).
 - 35,000 neighborhood camps conducted through 2700+ stores
 - Building catchment relevant sub-categories : serving 50% of Mom & baby needs
- Combined Pharmacy Business reported revenue of Rs 8,238 cr in FY 23 compared to a revenue of Rs 6,768 cr FY 22 (excluding covid impact 29% growth, otherwise at 22%)
 - Online grew 4x in FY 23 vs FY 22 ;
 - Offline grew 20% in FY 23 vs FY 22 excluding covid impact (otherwise at 13%)
- Combined EBITDA (POST IND AS) – FY 23 is at Rs 612 cr. (7.4% to revenue) slightly lower by Rs 37 cr. vs previous year (due to increased establishment cost for new pharmacies added)



India's Largest
Integrated
Healthcare System



Clinical
Pioneers



Attractive Industry
Opportunity



Engines
of Growth



Strong Financial &
Operational
Track Record

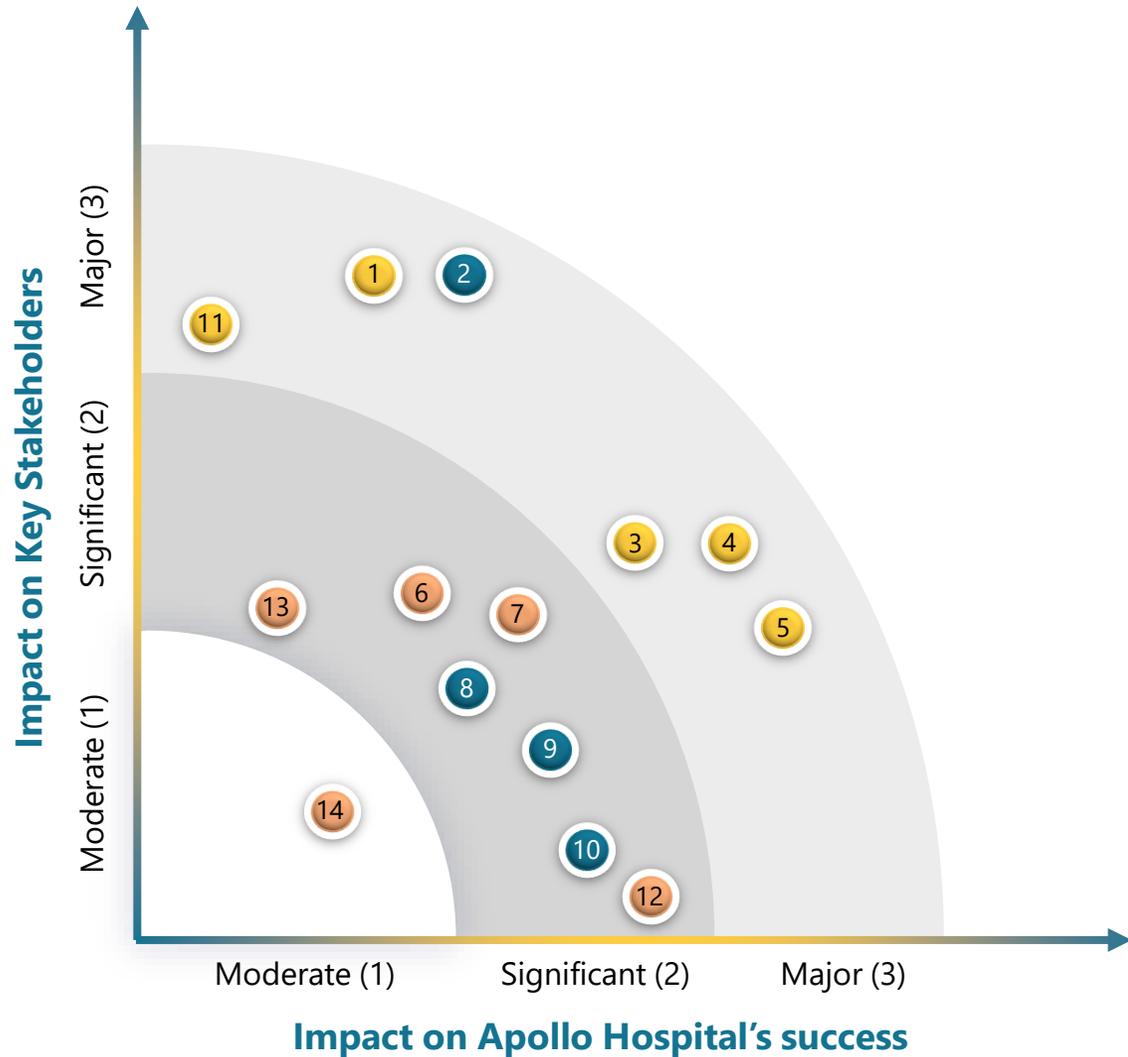


**Prioritizing
ESG**



Annexure

Focusing on Material Topics



Each stakeholder constituency is important and means something different for us and we remain committed to their interests while growing in a transparent and accountable manner.



Our modes of engagement with our key stakeholders together with the materiality process gives us direction on which issues to focus upon.

ESG Materiality Matrix Key

- | | |
|---------------------------------------|------------------------------------|
| 1. Service Quality and Patient Safety | 8. Occupational Health and Safety |
| 2. Labour Management | 9. Corporate Governance |
| 3. Customer Satisfaction | 10. Business Ethics and Compliance |
| 4. Information to Customers | 11. Accessibility of Healthcare |
| 5. Privacy and Cybersecurity | 12. Waste Management |
| 6. Carbon Emissions | 13. Community Development |
| 7. Energy Efficiency and management | 14. Water Management |



Consumer Related Parameters



Company Related Parameters



Environment Related Parameters



E nvironmental

Reducing Environmental Impact while ensuring Efficiency

Efficient and Green Supply Chain Management

S ocial

Patient and Customer Satisfaction

4 Innovation to Drive Highest Quality to Ensure Patient Safety

5 Accessible Healthcare

Actively Engaged with Underserved Communities

7 Training and Retaining a Diverse Workforce

G overnance

Privacy and Protection of Data as we Digitalize

Accountable Governance Structure



Caring for the Environment



Focus Areas



Water

Fighting water scarcity by being efficient. Third party water audits are carried out to promote water conservation and minimize usage



Energy

20% reduction in energy in our 17 largest hospitals usage



Waste Management

Bio Waste, Biomedical Waste, Hazardous Waste, and Plastic Waste

Reducing Environmental Impact

Evaluate our impact on the environment and improve our operations by reducing thermal and energy consumption

We are focused on creating a resilient healthcare infrastructure (ISO 14001:2015 certifications) which can withstand the extreme climate events and ensure continuous services

Efficient (and Green) Supply Chain Management

Rate vendors based on our SERT (Search/Evaluate/Register/Trial) methodology

Training Vendors on Apollo Hospitals' Policies (part of the Supplier Code of Conduct)

Our **Green Procurement** Policy provides guidelines for procuring energy efficient equipment



Employer of Choice

“Our people are our most valuable resource, and we are committed to their welfare, health and wellness”

A shortage of skilled and trained clinical, nursing, and allied workforce remains a challenge. However, through our training and educational institutions like Nursing schools and Apollo MedSkills, we are looking to overcome this systemic issue facing the healthcare sector



Diversity

Promoting diversity and preventing discrimination of any type

Equal Opportunity Employer



Employee Health & Safety

>90% of our employees have had a complimentary annual health checks

Enhanced safety protocols during the COVID-19 pandemic



Talent Development & Retention

Continuous upskilling and internal training

Annual Operating plans allow assessment and performance-based incentives

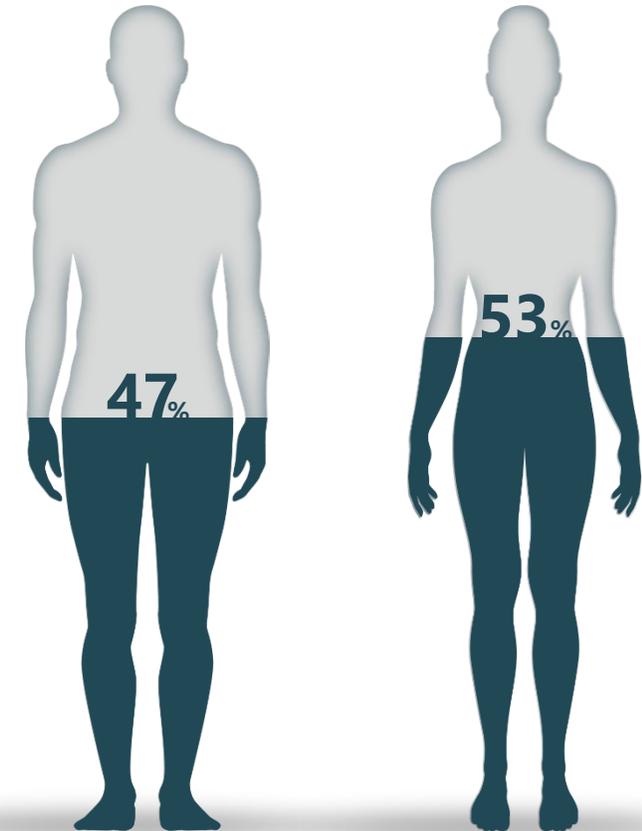
Employee satisfaction surveys



Labor Relations

Respect for fundamental human and labor rights (ILO)

Collective bargaining agreements made in the area of wage and salary revisions





Patient and Customer Satisfaction

Responsible Billing practices:

High level of transparency from Admissions to Discharge including Assured Pricing Packages

Service Excellence:

Our Service Standards include 1000+ 'critical to Customer Standards'

Voice of Customer and 'Apollo Instant Feedback System' (AIFS)

The Apollo Standards of Clinical Care (TASCC) scores showed a steady increase (since 2012)



Accessible Healthcare and Engaged with Underserved Communities

Subsidized Patient Funding – Partnering with financial institutions where Apollo Hospitals provides subvention on interest rates

Apollo HomeCare: Treatment delivered at patients home

Apollo TeleHealth: Teleconsultations for communities in urban and rural geographies

Apollo 24/7: India's largest omnichannel digital healthcare platform allows access to underserved population



Privacy and Cybersecurity

Information Security Management Systems (ISMS) and certification (ISO 27001:2013)

Vulnerability Assessment and Penetration Test, completed by Ernst & Young

Employees undergo regular training

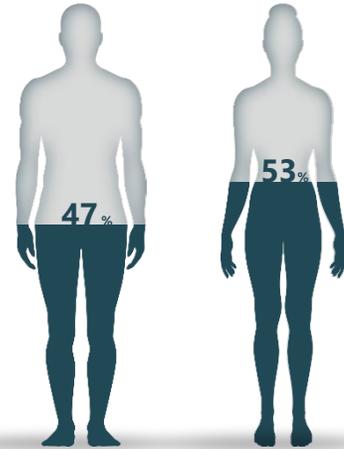
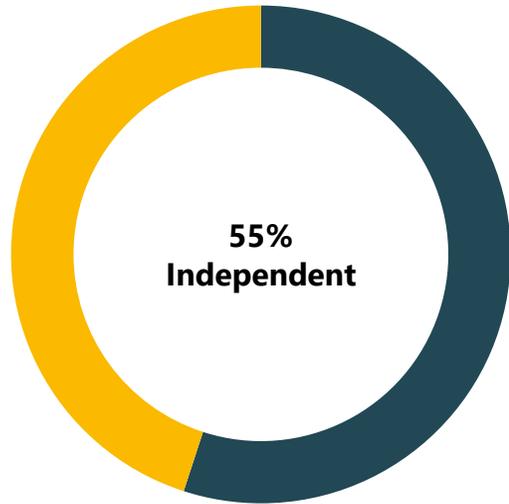
No violation of patient privacy rights over the last 5 years



Our Approach to Governance



Board



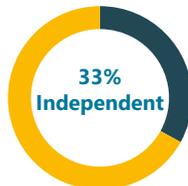
Audit Committee



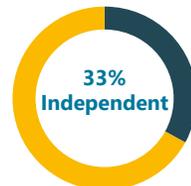
Nomination and Remuneration Committee



Stakeholders Relationship Committee



CSR and Sustainability Committee



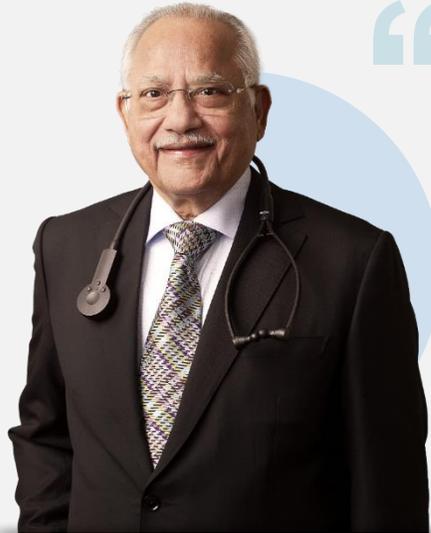
- We maintain the highest standards of governance to ensure protection of the interests of all stakeholders and of the Company in tandem with our growth.
- Our governance reflects our value system encompassing our culture, policies, and relationships with stakeholders.

Key Features

- Newly appointed **Lead Independent Director**
- **Board Skills Matrix** in our Annual report (Pg no : 100)
- The Board has established a **CSR and Sustainability Committee** which steers the materiality process and focus areas.
- **Management incentives include ESG-related criteria** such as customer satisfaction scores, recruitment and retention of Doctors and key medical professionals, etc.
- **Business Ethics and Compliance**
 - All employees trained on our **Code of Conduct**
 - Group **Anti-Corruption** and **Anti-Bribery Policy**
 - **Vigilance Mechanism** and **Grievance Redressal**
 - Group **Whistleblowing Policy**



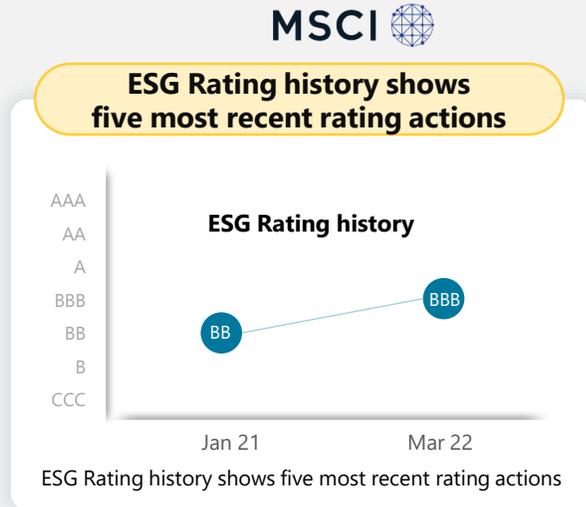
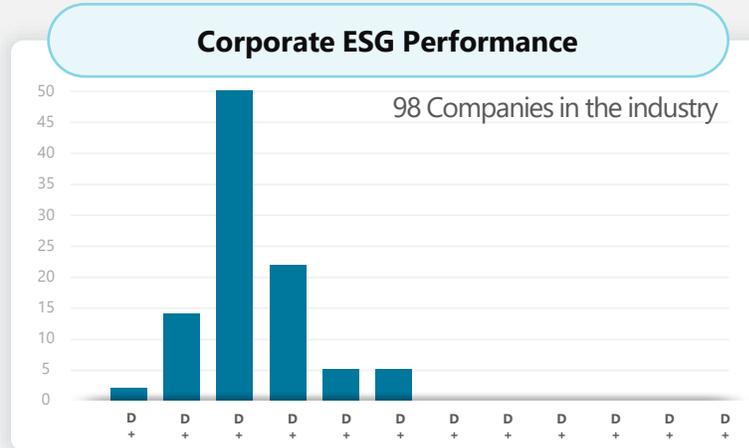
Looking Forward.....



“ We believe our journey to become a sustainable healthcare provider is through continuous improvement. Sustainability is a strategic imperative for us - not a checklist exercise. We believe that this will not just satisfy the expectations of our investors, but will set us apart as a thoughtful, committed business enterprise, delivering value to all our stakeholders. ”

DR. PRATHAP C. REDDY

RATED BY **ISS ESG** Prime



Our continued efforts to improve our practices and disclosures is being recognized by leading independent ESG Ratings providers. We will focus on



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 (including 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



India's Largest
Integrated
Healthcare System



Clinical
Pioneers



Attractive Industry
Opportunity



Engines
of Growth



Strong Financial &
Operational
Track Record



Prioritizing
ESG



Annexure

Basis of Consolidation



AHEL Standalone Hospitals (100% Ownership)	Location	Subsidiaries	Location	Description	AHEL Ownership
Chennai Main	Chennai	Material Subs			
ACI - Chennai	Chennai	Apollo Health Co limited	India	Digital Omni-Channel Healthcare services	100.00%
Tondiarpet - Chennai	Chennai	Apollo Health and Lifestyle Ltd.	India	Clinics, Diagnostics and Daycare	68.84%
FirstMed - Chennai	Chennai	Apollo Multispeciality Hospitals Ltd.	Kolkata	Hospital	100.00%
Apollo Children's Hospital	Chennai	Apollo Medics	Lucknow	Hospital	51.00%
Apollo Specialty, Vanagaram	Chennai	Imperial Hospital and Research Centre Ltd.	Bangalore	Hospital	90.00%
ASH Perungudi	Chennai	Apollo Hospitals International Ltd.	Ahmedabad	Hospital	50.00%
Women & Child, Shafee Mohammed Road	Chennai	Assam Hospitals Ltd	Assam	Hospital	69.88%
Apollo Proton & Cancer care	Chennai	Apollo Rajshree Hospital	Indore	Hospital	54.63%
Madurai	Madurai	Samudra Healthcare Enterprises Ltd.	Kakinada	Hospital	100.00%
Karur	Karur	Other Subs			
Karaikudi	Karaikudi	Apollo Hospitals (UK) Ltd	UK	UK Hold Co	100.00%
Trichy	Trichy	AB Medical Centres Limited	Chennai	Infrastructure	100.00%
Nellore	Nellore	Total Health	India	CSR	100.00%
Hyderabad	Hyderabad	Apollo Hospitals Singapore.PTE Limited	Singapore	Singapore Hold Co	100.00%
Bilaspur	Bilaspur	Future Parking Pvt Ltd	Chennai	Infrastructure	100.00%
Mysore	Mysore	Apollo Home Health care Ltd	India	Paramedical Services	89.69%
Vizag (old & new)	Vizag	Pinakini Hospitals Ltd.	Nellore	Hospital	80.87%
Karim Nagar	Karim Nagar	Sapien Biosciences Pvt Ltd	Hyderabad	Biobanking tissues	70.00%
Bhubaneswar	Bhubaneswar	Apollo Lavasa Health Corporation Ltd	Maharashtra	Hospital	51.00%
Jayanagar	Bangalore	Apollo Hospitals North Limited	Gurgaon	Hospital	100.00%
Nashik	Nashik	Kerala First Health Services Private Limited	Kerala	Hospital	60.00%
Malleswaram	Bangalore	Associates			
Navi Mumbai	Mumbai	Indraprastha Medical Corporation Ltd.	Delhi, Noida	Hospital	22.03%
		Family Health Plan Ltd.	India	TPA, Health Insurance	49.00%
		ApoKos Rehab Pvt Ltd	Hyderabad	Rehab Centre	50.00%
		Stemcyte India Therapeutics Pvt Ltd	India	Stemcell Banking	37.75%
		Apollo Gleneagles PET-CT Pvt Ltd	Hyderabad	Diagnostics	50.00%

IND AS - 116 : Impact on P&L and Balance Sheet – FY23



AHEL Standalone (post IND AS 116)



Balance Sheet

▲ **5,283**

Right of use Asset as of 31st March, 2023

▼ **7,599**

Lease liabilities as of 31st March, 2023

▲ **2,109**

Equity (Transaction impact as on Apr 01, 2019 - Net of Tax)



Profit & Loss

▼ **849**

Revenue
Other expenses (Lease rent)

▲ **849**

EBITDA

▲ **456**

Amortisation

▲ **393**

EBIT

▲ **651**

Finance charge

▼ **258**

PBT

AHEL Consolidated (post IND AS 116)



Balance Sheet

▲ **12,317**

Right of use Asset as of 31st March, 2023

▲ **16,220**

Lease liabilities as of 31st March, 2023

▼ **3,052**

Equity (Transaction impact as on Apr 01, 2019 - Net of Tax)



Profit & Loss

▼ **1,973**

Revenue
Other expenses (Lease rent)

▲ **1,973**

EBITDA

▲ **1,149**

Amortisation

▲ **824**

EBIT

▲ **1,280**

Finance charge

▼ **456**

PBT

Note: Accounting increase in Assets & Liabilities in the Balance sheet (due to Right of Use Asset) optically suppresses the ROCE and increases the leverage ratios. No real impact in actual business ROCE. Ind AS 116 applicable from Apr 01, 2019.



Apollo Hospitals Enterprise Limited

THANK YOU