



FORTIS HEALTHCARE LIMITED

EARNINGS PRESENTATION – Q1 FY25

August 06, 2024

DISCLAIMER

This presentation may not be copied, published, distributed or transmitted. The presentation has been prepared solely by the company.

Any reference in this presentation to “Fortis Healthcare Limited” shall mean, collectively, the Company and its subsidiaries. This presentation has been prepared for informational purposes only. This presentation does not constitute a prospectus, offering circular or offering memorandum and is not an offer or invitation to buy or sell any securities, nor shall part, or all, of this presentation form the basis of, or be relied on in connection with, any contract or investment decision in relation to any securities. Furthermore, this presentation is not and should not be construed as an offer or a solicitation of an offer to buy securities of the company for sale in the United States, India or any other jurisdiction.

Securities may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering in the United States may be made only by means of an offering document that may be obtained from the Company and that will contain detailed information about the Company and its management, as well as financial statements. Any offer or sale of securities in a given jurisdiction is subject to the applicable laws of that jurisdiction.

This presentation contains forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this presentation are cautioned not to place undue reliance on these forward-looking statements.

The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events, or otherwise. Unless otherwise stated in this presentation, the information contained herein is based on management information and estimates. The information contained herein is subject to change without notice and past performance is not indicative of future results. The Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes.

By attending or assessing this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.

Neither the delivery of this presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since that date.

About Fortis Healthcare

National Capital Region

- FMRI, Gurugram
- FEHI, New Delhi
- Shalimar Bagh
- Noida
- Vasant Kunj (O&M)
- Faridabad
- Manesar, Gurugram
- La Femme GK
- Def Col
- C-DOC
- Greater Noida (O&M)

1,768



28 Healthcare Facilities*



4,600+ Operational Beds^



6,400+ Doctors



~6,300 Nurses



~23,100 employees
(including Agilus)

Punjab

- Mohali
- Ludhiana
- Ludhiana 2
- Amritsar

771

Rajasthan

Jaipur

275

Maharashtra

- Mulund
- Vashi
- Kalyan
- SL Raheja (O&M)

770

Karnataka

Bengaluru

- BG Road
- CG Road
- NagarBhavi
- Rajaji Nagar
- Richmond Road

623

West Bengal

Kolkata

- Anandpur
- FHKI & FMC

336

Chhattisgarh

- Raigarh (O&M)

70



4 JCI Accredited



25 NABH Accredited/
Certified

Amongst the
most accredited
healthcare
network in India

Beds

Note: *Manesar facility is yet to be operationalized
^Including O&M beds



AGENDA

1. Clinical Excellence at Fortis
2. Performance Highlights
 - Earnings and Financial Summary – Q1 FY25
3. Performance Review - Hospital Business
4. Performance Review - Diagnostics Business
5. Appendix





CLINICAL EXCELLENCE

AT FORTIS

KEY HIGHLIGHTS

CLINICAL EXCELLENCE

- **Fortis Hospital, BG Road, Bengaluru** achieved a significant feat in treating a 58-year-old man diagnosed with Left Kidney Cancer with Solitary Metastasis to Left humerus, resulting in complete cure - a rare case with few reported instances worldwide
- The transplant team at **Fortis Mohali** performed the first ever Deceased Donor Liver Transplant without any blood transfusion. Patient was 64-year old, suffering from chronic liver disease.
- **Fortis Mohali** performed Robot-assisted Partial Nephrectomy on a transplanted kidney, of a 56-year old patient. This has been performed only in a select few cases globally & involves removing a part of diseased kidney using Da Vinci Surgical System.
- **Fortis La Femme, Delhi**, achieved a groundbreaking feat by performing the inaugural selective reduction using Radiofrequency Ablation for a complex Monochorionic twin pregnancies. A rarity, conducted only at a few select centers across the world.

**Above data pertains to Q1FY25*



AUGMENTING MEDICAL PROGRAMS

- FMRI Gurgaon, introduced South Asia's first Gamma Knife Espirit radiosurgery equipment for neurosurgical treatment. Gamma Knife employs non-surgical computer guided precision to target brain tumors, both malignant and benign tumors.
- Fortis Nagarbhavi, Bengaluru, expanded to 80-bed multi-specialty tertiary care facility (~50 beds pre-expansion) in a significant upgrade that includes introduction of 24/7 emergency & trauma care, ICU & Critical Care, Heart & Vascular Centre, Fortis Cancer Institute, Woman & Childcare and Institute of Gastrointestinal Sciences.
- FMRI Gurgaon and Fortis Vasant Kunj inaugurated new Emergency wards with 20 and 9 beds respectively that can deliver ICU-level care and feature a new isolation room.
- Fortis Mulund received the prestigious JCI re-accreditation for the 7th consecutive time. The hospital became first in Western parts of India, third in the country and the first unit in Fortis network to secure 7 consecutive accreditations.
- During Q1FY25, the number of Robotic Surgeries conducted increased by 59% and Neuro & Spine Surgeries by 23% compared to corresponding previous year period.





Q1FY25

PERFORMANCE HIGHLIGHTS

Q1FY25 SNAPSHOT

Consolidated Revenue

1,859 Crores

 12.2%

Consolidated Op EBITDA

343 Crores

(18.4% Margin)

 25.5%

Consolidated PBT¹

230 Crores

 35.8%

Consolidated PAT¹

174 Crores

 41.9%

Net Debt / (Cash)³

308 Crores

Net Debt to EBITDA^{2,3}

0.22x vs 0.35x

1. Excluding exceptional items

2. Basis Q1 FY25 annualized EBITDA; 3. Net Debt as on 30th June2024

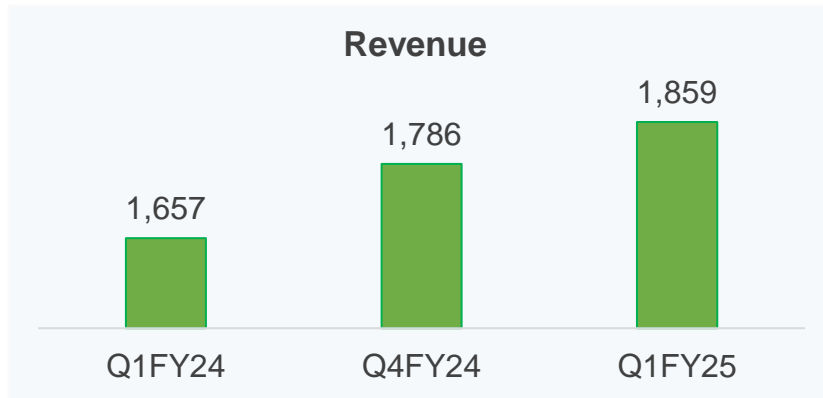
Q1FY25 SNAPSHOT

- Hospital business revenues grew 14.4% to INR 1,549 Cr versus INR 1,354 Cr in Q1FY24
- Hospital Business Operating EBITDA stood at INR 287 Cr, up 39.0%; while operating margin was at 18.5% versus 15.2% in Q1FY24
- Q1FY25 hospital business ARPOB was at INR 2.41 Cr per annum vs INR 2.19 Cr in Q1FY24, up 9.7%; Surgical : Non-Surgical mix stood at 61:39, similar to Q1FY24
- Occupancy for the quarter stood at 67% versus 64% in Q1FY24
- The company's diagnostics business reported revenues of INR 343.5 Cr versus INR 342.7 Cr in Q1FY24.
- Operating EBITDA Margin of the diagnostics business stood at 16.1% versus 19.4% in Q1FY24.

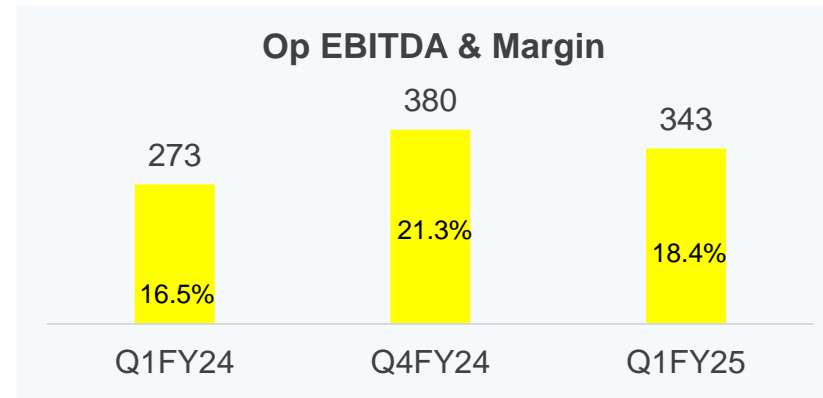


CONSOLIDATED EARNINGS SUMMARY – Q1 FY25

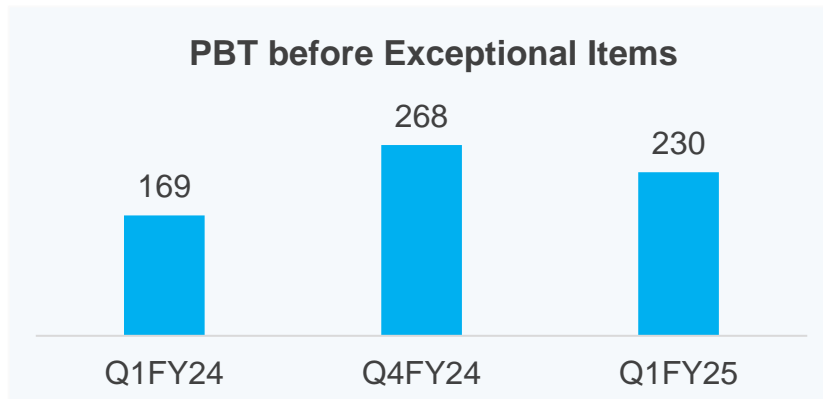
All figures in INR Cr



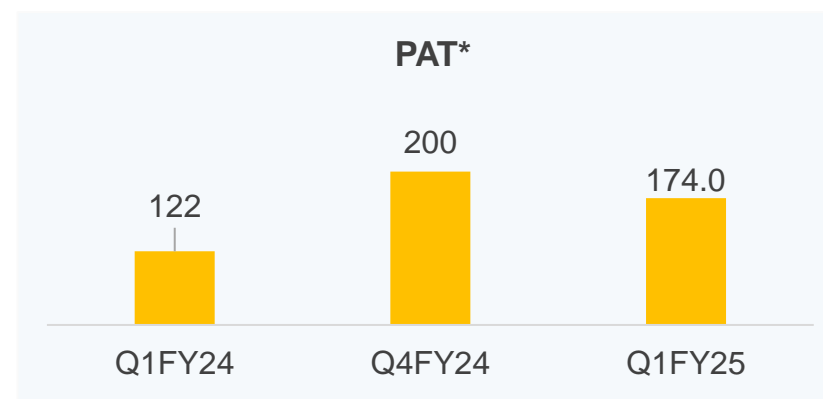
Up 12.2%



Up 25.5%



Up 35.8%

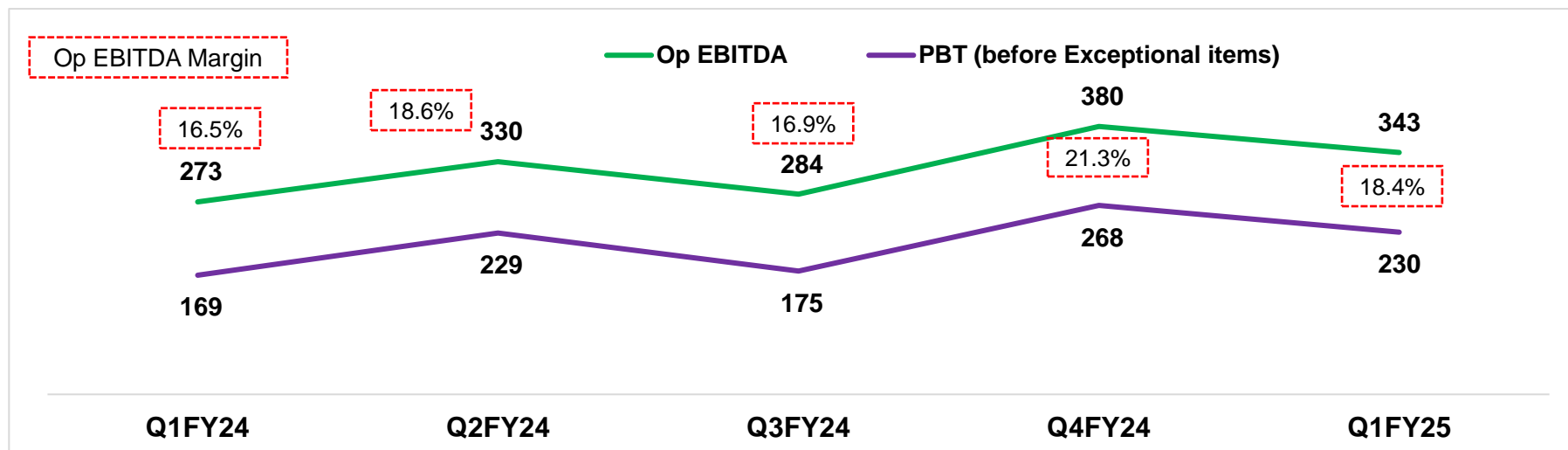
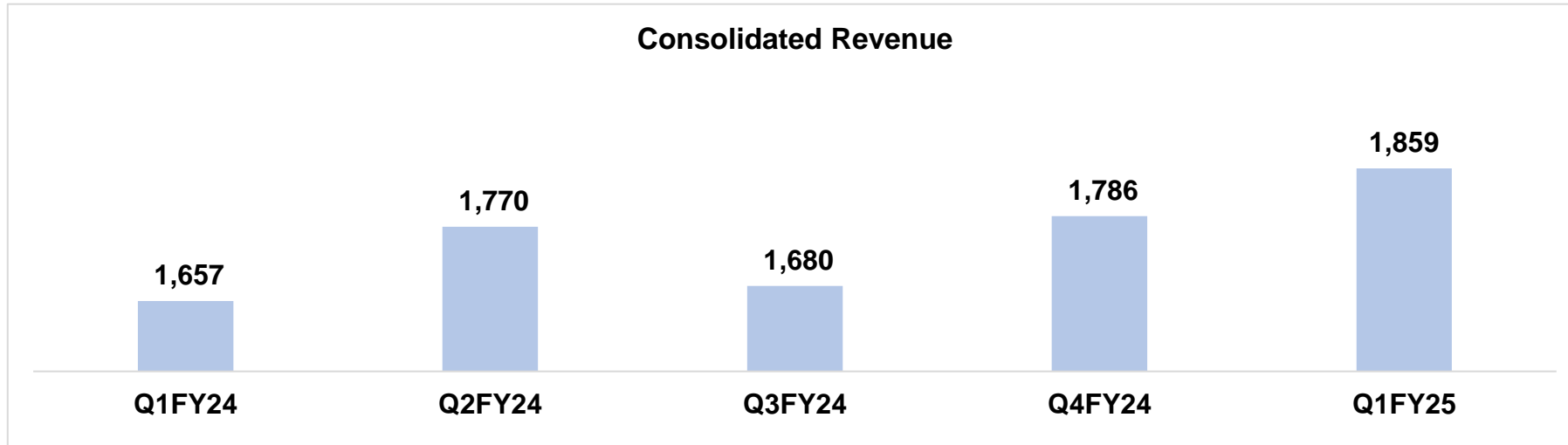


Up 41.9%

- Q4FY24 PAT excludes exceptional net gain of Rs 3.1 Cr related to the Fortis Malar divestment transaction.
- Q1FY24 and Q1FY25 PAT excludes exceptional gain of INR 1.5 Cr and INR 0.2 Cr respectively, which pertains primarily to reversal of impairment in an associate Company

CONSOLIDATED EARNINGS SUMMARY

All figures in INR Cr

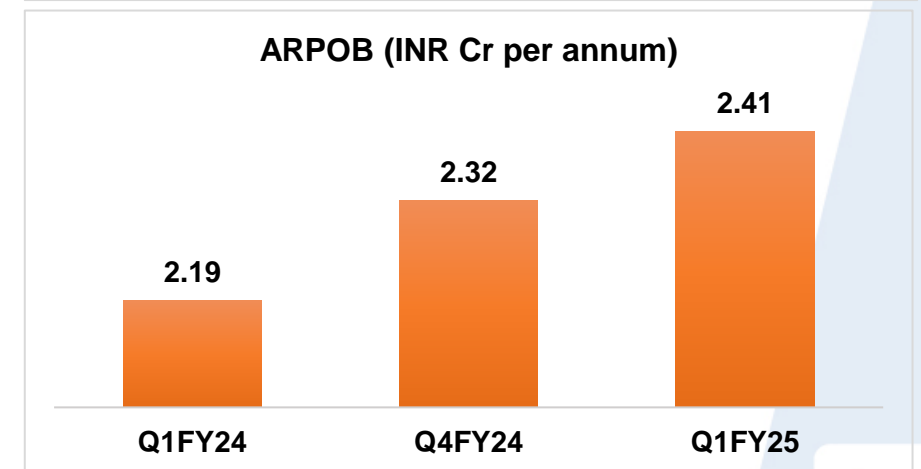
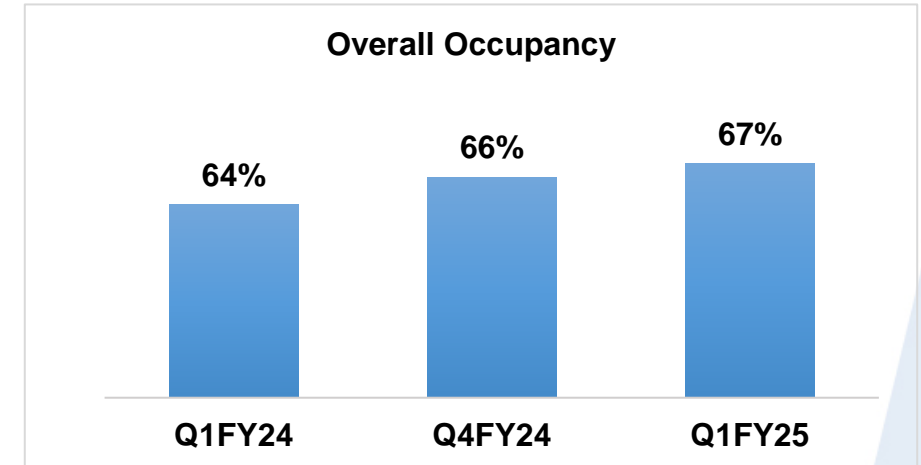


Q1FY25

HOSPITAL BUSINESS HIGHLIGHTS

- Occupancy was at 67%, compared to 64% in Q1FY24. Occupied beds increased to 2,715 compared to 2,595 in Q1FY24, a growth of 4.6%.
- Revenue from focus specialties comprising Oncology, Gastroenterology, Neurosciences, Renal Sciences, Orthopaedics and Cardiac Sciences grew 15.7% and contributed 63% to overall hospital business revenues, similar to Q1 FY24.
- International Patient revenues grew 11% to INR 127 Cr in Q1FY25 vs INR 115 Cr in Q1FY24. The business contributed 7.8% to overall hospital business revenues versus 8.0% in Q1FY24 and 7.9% in Q4FY24
- Company further strengthened its medical talent with the onboarding of specialists in the areas of Cardiac Sciences, Neurology, Orthopedics, Obstetrics & Gynecology and Ophthalmology.

Key Performance Indicators



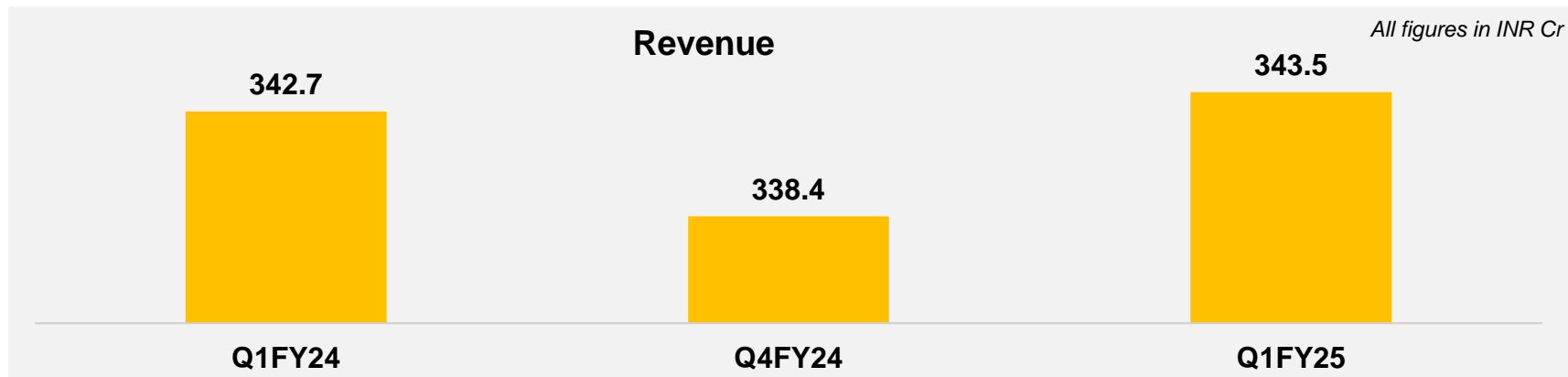
Up 9.7%



Q1FY25

DIAGNOSTIC BUSINESS HIGHLIGHTS

- Agilus reported revenue of INR 343.5 Cr in Q1FY25 as compared to INR 342.7 Cr in Q1FY24.
- Operating EBITDA stood at INR 55.4 Cr versus INR 66.4 Cr in Q1FY24 (16.1% versus 19.4% EBITDA margin) and versus INR 47.2 Cr in Q4FY24 (14.0% margin).
- Operating EBITDA before one-off expenses* was at INR 64.2 Cr versus INR 71.3 Cr in Q1FY24 (18.7% versus 20.8% EBITDA margin) and versus INR 53.6 Cr in Q4FY24 (15.9% margin).



*Note: One off expenses pertain primarily to rebranding cost in Q1FY24; and to both rebranding costs and provision related to certain government businesses in Q4FY24 and Q1FY25

OPERATING PERFORMANCE

HOSPITAL BUSINESS

Particulars (INR Cr)	Hospital Business		
	Q1FY24	Q4FY24	Q1FY25
Operating Revenue	1,354	1,490	1,549
Revenue Growth vs LY	13.6%	10.3%	14.4%
Reported EBITDA	208	339	295
EBITDA growth vs LY	0.2%	47.5%	41.9%
Margin	15.4%	22.8%	19.1%
Adj: Other Income [^]	2	6	8
Operating EBITDA	206	333	287
Margin	15.2%	22.4%	18.5%

- Above financials includes financials of International entities which are part of Fortis group; mainly RHTTM.
- The financials of the hospital business related primarily to Q4FY24 comprise adjustments of amounts related to write back of excess provisions / unclaimed balances / expected credit loss and other year end adjustments which have been accounted for in the quarters but pertain to the full year.

OPERATING PERFORMANCE

DIAGNOSTIC BUSINESS

Particulars (INR Cr)	Diagnostic Business		
	Q1FY24	Q4FY24	Q1FY25
Operating Revenue	343	338	343
Revenue Growth vs LY	3.0%	1.9%	0.2%
Reported EBITDA	72	52	60
EBITDA growth vs LY	13.2%	(5.7%)	(16.8%)
Margin	21.2%	15.2%	17.6%
Adj: Other Income incl FX	6	4	5
Operating EBITDA	66	47	55
Margin	19.4%	14.0%	16.1%
Adj: One off expenses*	4.9	6.4	8.8
Operating EBITDA before one off exp	71	54	64
Margin	20.8%	15.9%	18.7%

- **One off expenses pertain primarily to rebranding cost in Q1FY24, and to both rebranding costs and provision related to certain government businesses in Q4FY24 and Q1FY25*
- *Diagnostics business revenue is on Gross Basis; Diagnostic business Q1FY25 net revenue (net of inter company elimination) stood at INR 309.5 Cr versus INR 303.3 Cr in Q1FY24 and INR 296 Cr in Q4FY24*

BALANCE SHEET (CONSOLIDATED)

June 30, 2024

Balance Sheet (INR Cr)	June 30, 2023	March 31, 2024	June 30, 2024
Shareholder's Equity	8,402	8,556	8,615
Debt	759	859	866
Lease Liabilities (Ind AS 116)*	268	297	298
Total Capital Employed	9,429	9,711	9,779
Net Fixed Assets (including intangibles & CWIP)	5,599	6,221	6,283
Goodwill	4,177	4,194	4,194
Investments	213	230	230
Cash and Cash Equivalents	367	595	557
Net Other Assets^	(926)	(1,529)	(1,485)
Total Assets	9,429	9,711	9,779
Net Debt / (cash)	393	264	308
Net Debt to Equity	0.05x	0.03x	0.04x

- *Pertains to lease liability on account of adoption of new accounting standard on leases w.e.f. April 1, 2019.
- Net Debt excludes lease liabilities
- Net Debt to EBITDA was at 0.22x vs 0.35x for Q1FY25 and Q1FY24 (basis annualized EBITDA of Q1FY25 and Q1FY24, respectively)
- ^Includes PUT option liability pertaining to Agilus' 31% Stake held by private equity investors.



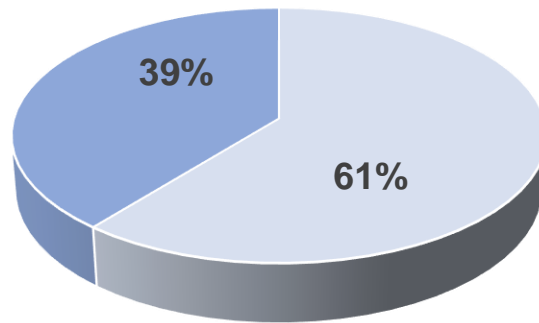
PERFORMANCE REVIEW

HOSPITALS BUSINESS

REVENUE MIX

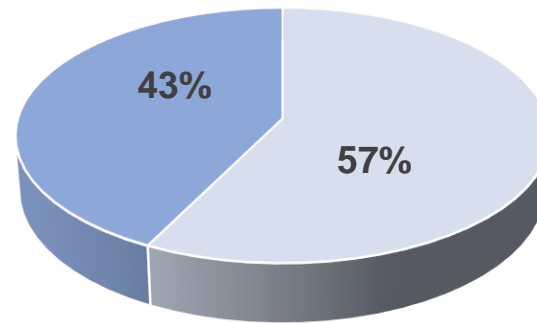
Q1 FY24

Gross Revenue : INR 1,423 CR



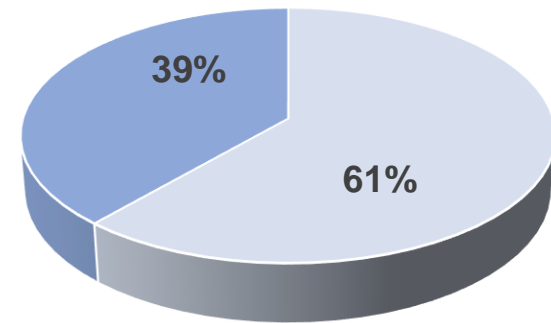
Q4 FY24

Gross Revenue : INR 1,567 CR



Q1 FY25

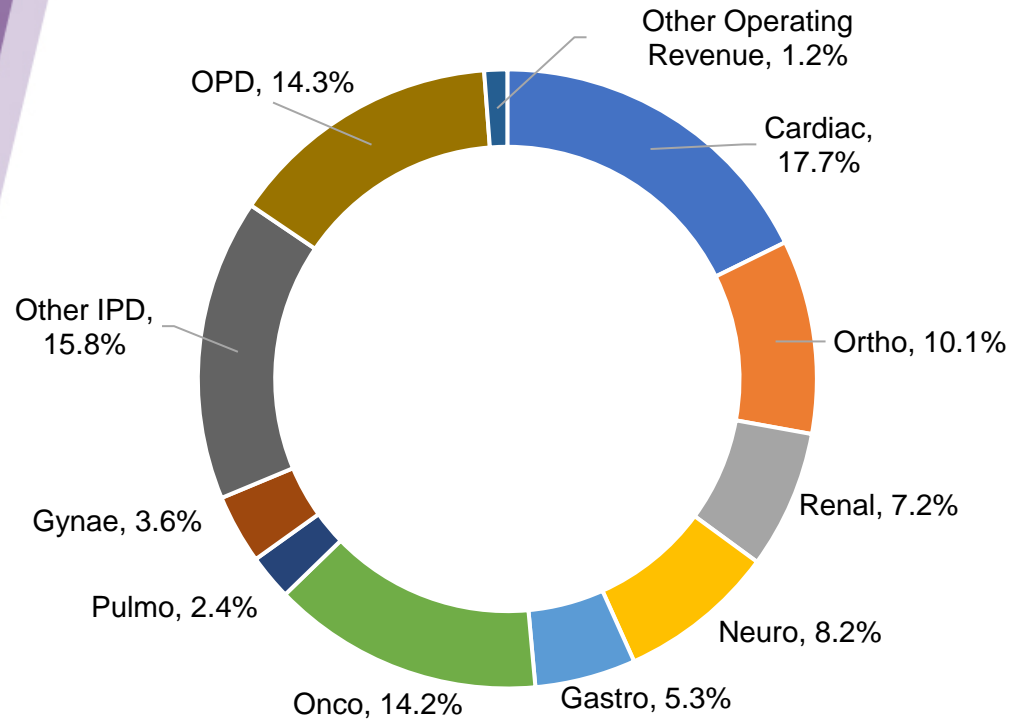
Gross Revenue : INR 1,633 CR



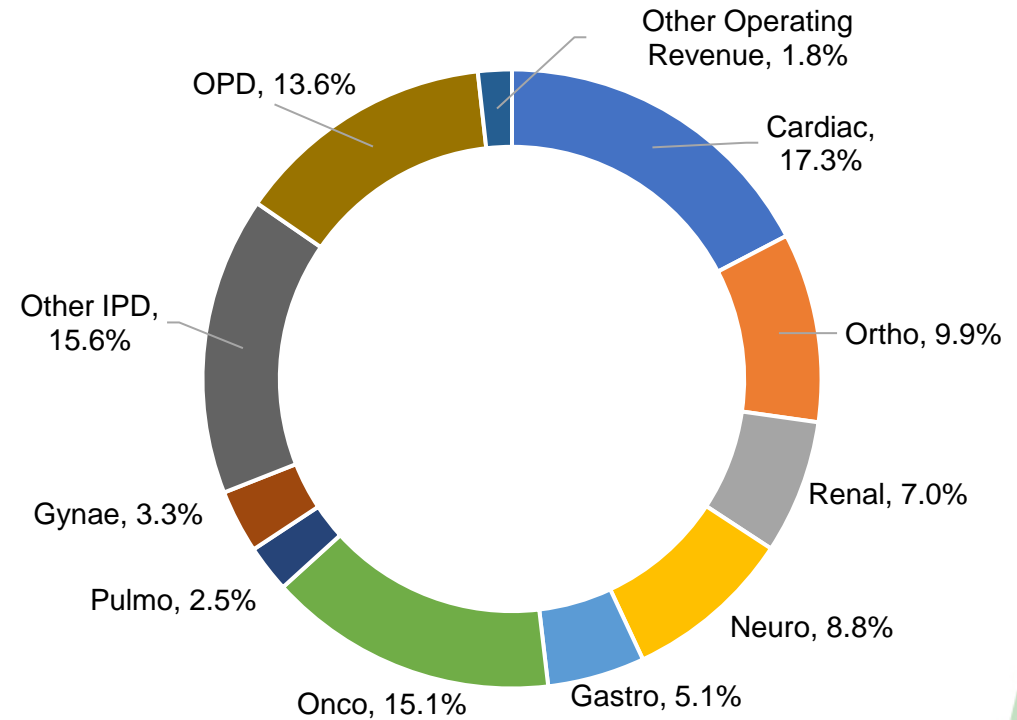
■ Non Surgical Revenue ■ Surgical Revenue

SPECIALTY MIX

Q1 FY24

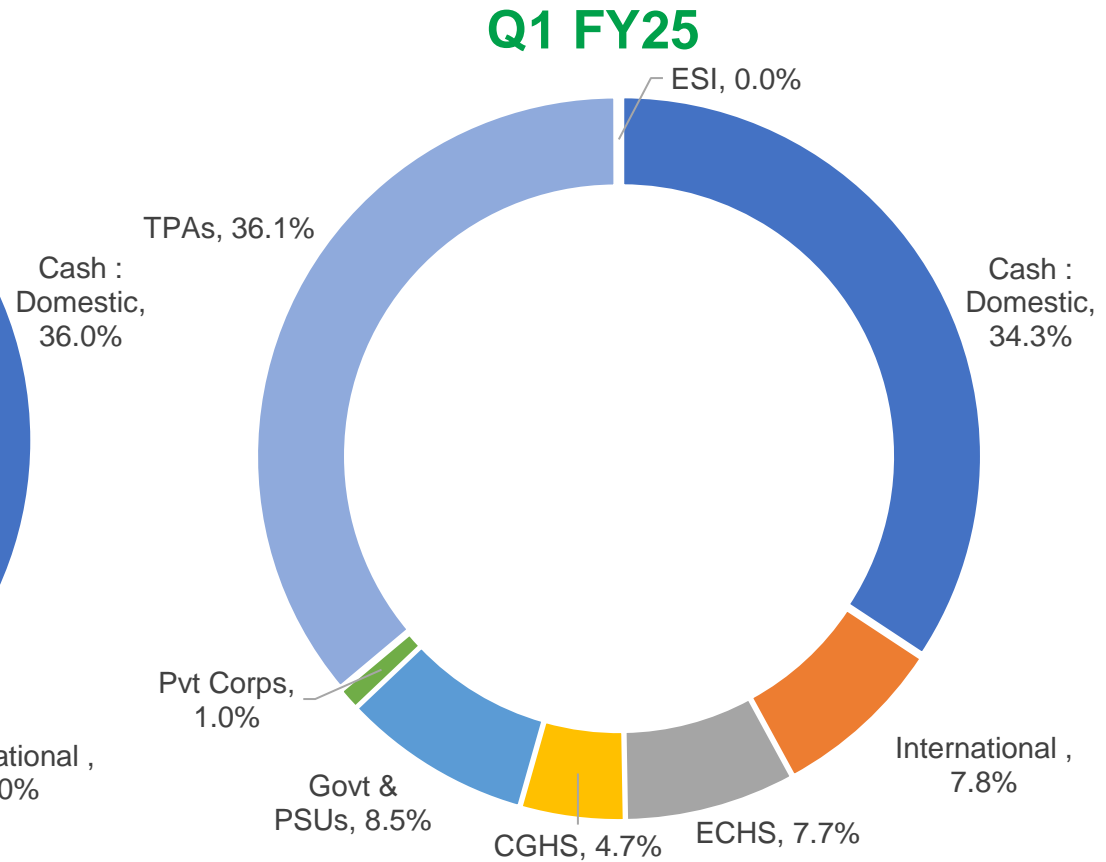
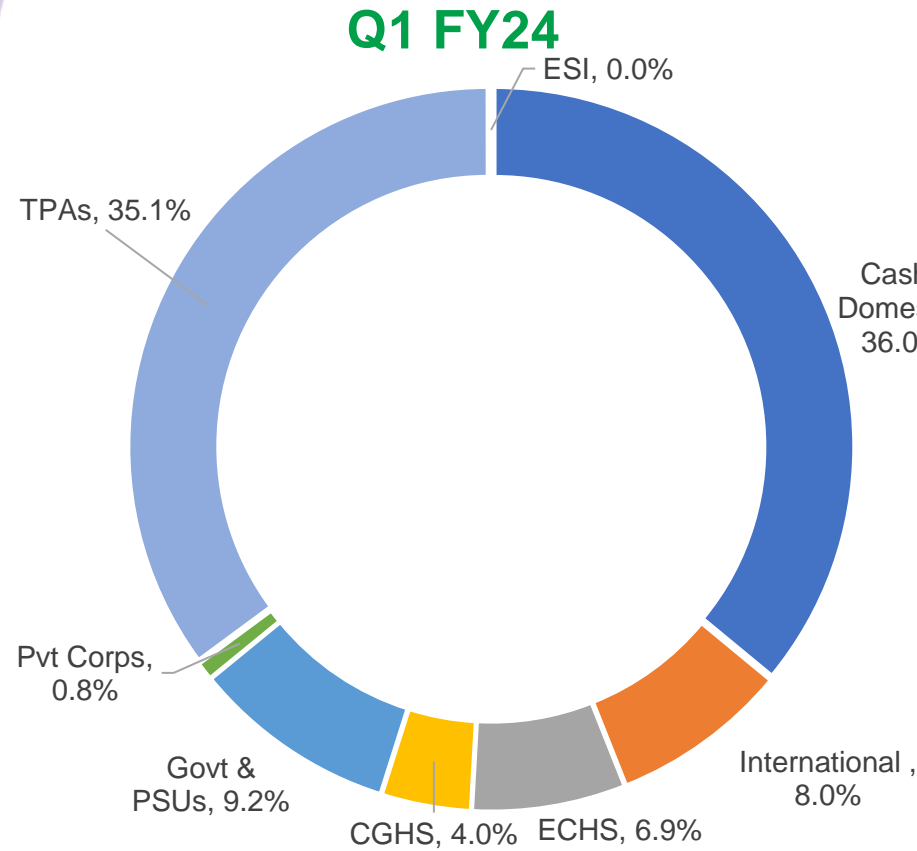


Q1 FY25



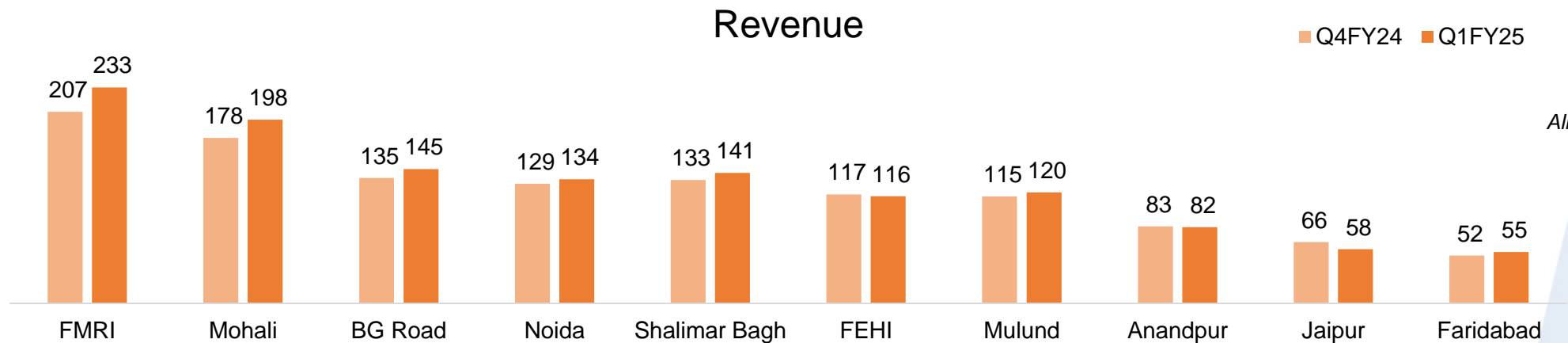
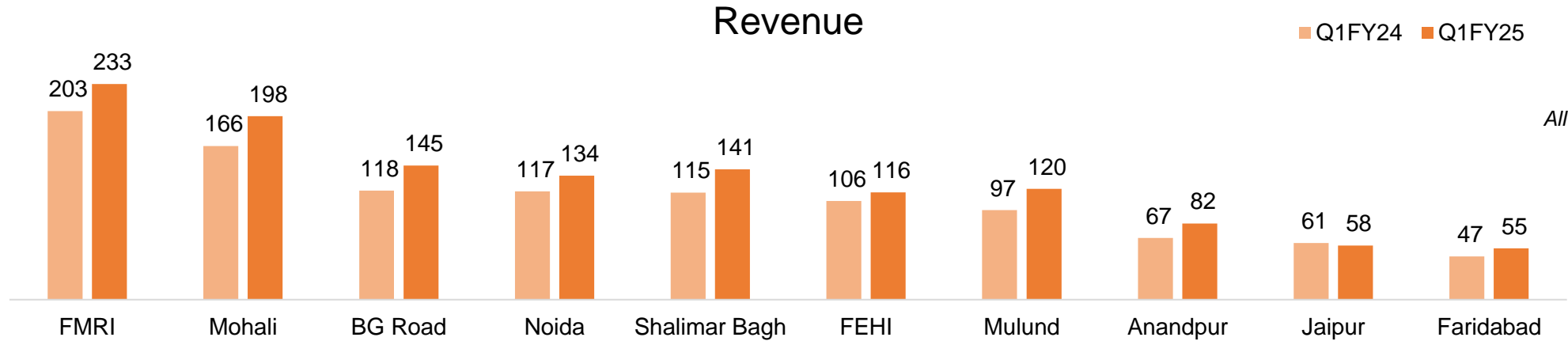
Specialties such as Neurology, Oncology, Pulmonology, Cardiac Sciences and Orthopedics witnessed revenue growth of 23%, 22%, 20%, 12% and 12%, respectively

PAYOR MIX



HOSPITAL BUSINESS PERFORMANCE – Q1FY25

All the key healthcare facilities continue to witness a YoY upward momentum in revenues*



*Note: Excluding Jaipur

HOSPITAL MARGIN MATRIX

Q1FY25*

EBITDA	No of Facilities	Revenue Contribution	Operational beds	ARPOB (INR Cr)	Occupancy
20%-25%^	8	69.2%	2302	2.77	71%
15% - 20%	5	11.6%	699	1.46	74%
10% - 15%	1	0.6%	46	1.55	59%
<10%	7	17.5%	983	2.16	55%

FY24*

EBITDA	No of Facilities	Revenue Contribution	Operational beds	ARPOB (INR Cr)	Occupancy
20% - 25%	8	62.2%	1,998	2.56	72%
15% - 20%	5	13.4%	745	1.76	62%
10% - 15%	3	13.8%	640	1.89	70%
<10%	5	8.1%	551	1.81	50%

^Mohali has reported Operating EBITDA Margin in excess of 25% in Q1 FY25

**FY24 numbers exclude Vadapalani, Malar facilities and include Ludhiana 2 facility; Q1 FY25 numbers include Ludhiana 2 facility*



BEDS EXPANSION UPDATE

Key Ongoing Expansion Projects

Manesar Facility (~300 Beds) –

Expected operationalization: Phase 1 Q2FY25

Phase 2 H2FY25



Faridabad New Tower (50 Beds) – Expected operationalization H2FY25



Noida New Tower (~145 Beds) –

Expected operationalization: Phase 1 H2 FY25 | Phase 2 H1 FY26



FMRI New Tower (220 Beds) – Expected operationalization H1FY26



Note: In addition to the bed expansion in Manesar, Faridabad and Noida, capacity of approx. 270 beds will be added across following facilities in FY25: BG Road, Shalimar Bagh, Anandpur, FMRI, NBV

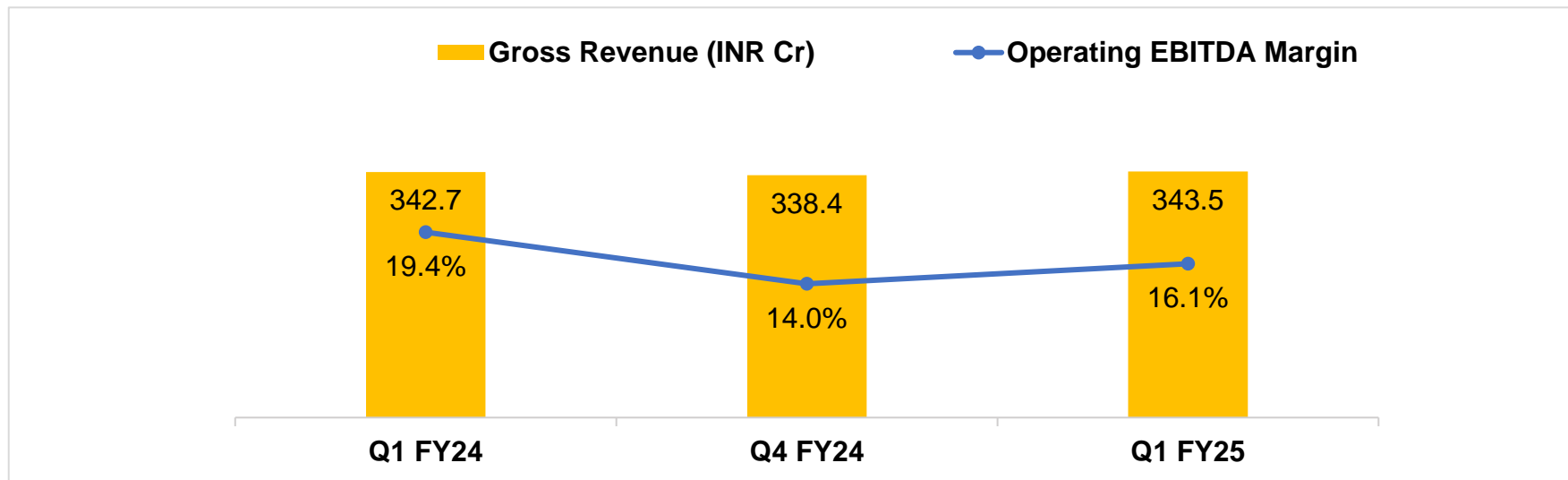


PERFORMANCE REVIEW

DIAGNOSTICS BUSINESS

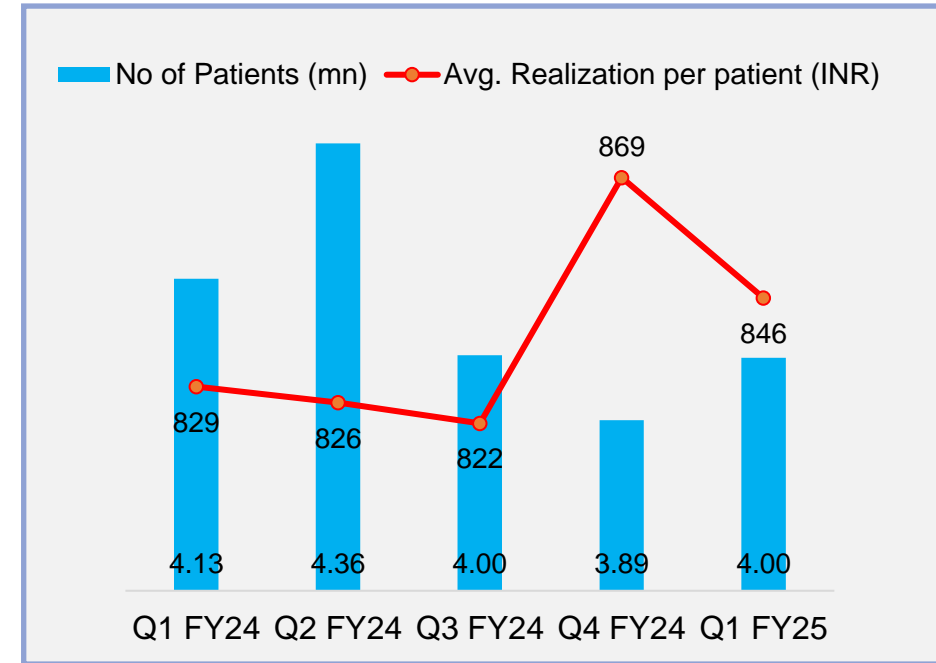
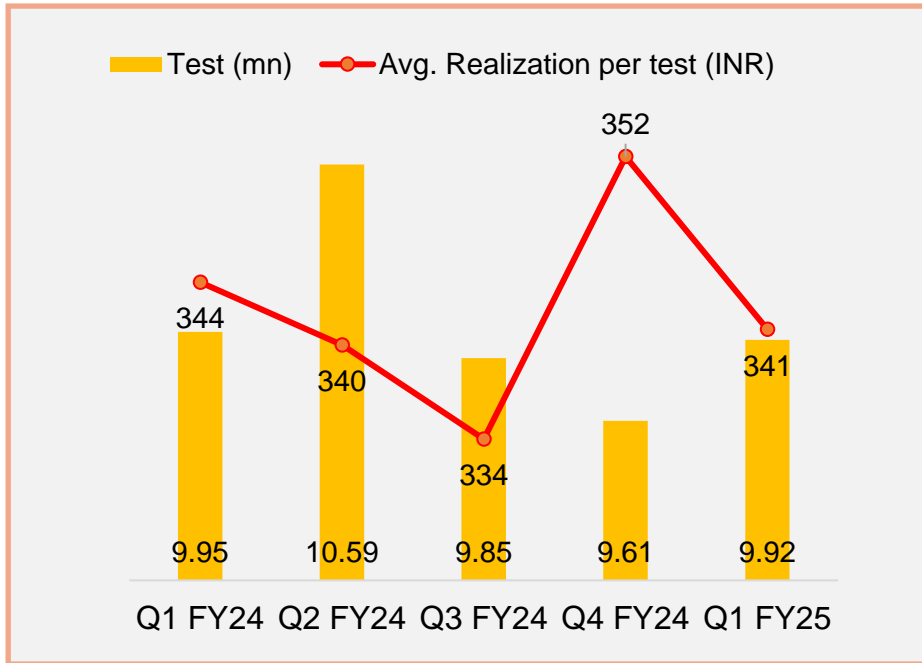
DIAGNOSTICS BUSINESS

- During Q1 FY25, Agilus conducted 9.92 Mn tests, versus 9.95 Mn in Q1 FY24 a de-growth of 0.4% primarily due to lower COVID volumes. In Q4 FY24 Agilus conducted 9.61 Mn tests.
- Agilus added 185 Customer touchpoints* to its network in Q1 FY25.
- Agilus' B2C: B2B revenue mix stood at 54:46 in the quarter vs 53:47 in Q1 FY24.



*Note: Gross additions

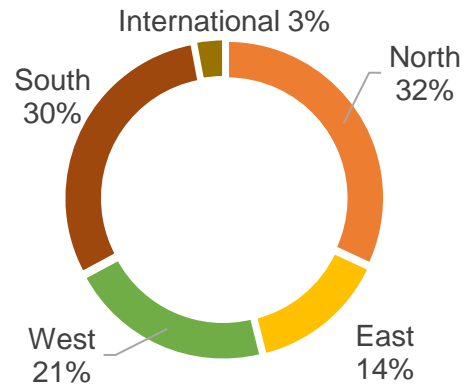
QUARTERLY KEY PERFORMANCE METRICS



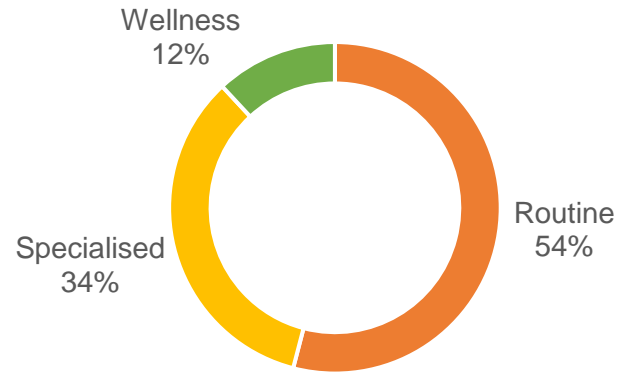
QUARTERLY REVENUE MIX

Q1 FY25

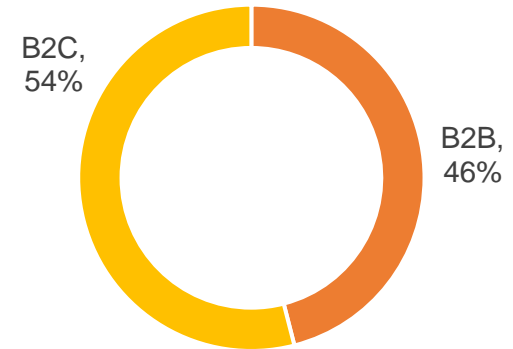
Geographic mix



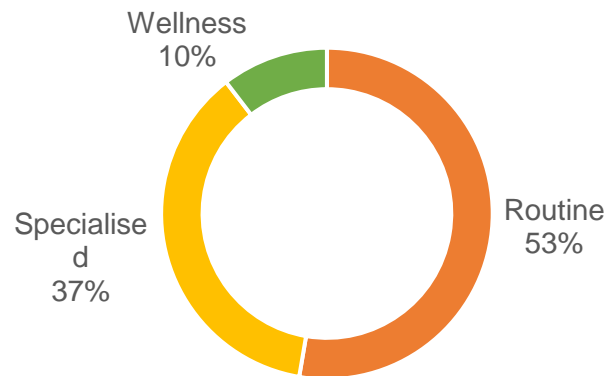
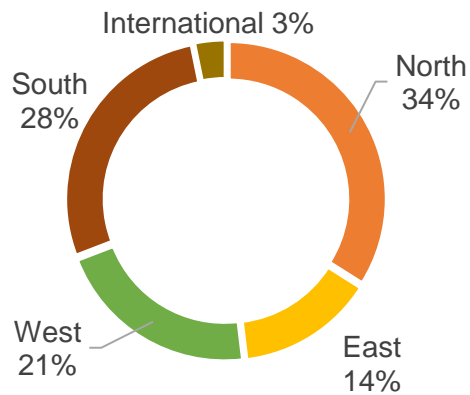
Product Mix



Segment Mix



Q1 FY24



Specialised Include COVID and COVID Allied tests



APPENDIX

GROUP CONSOLIDATED P&L – Q1FY25

Particulars (INR Cr)	Q1FY24	Q4FY24	Q1FY25
Revenue from operations	1,657.4	1,785.9	1,858.9
Other income	8.1	9.8	13.0
Total income	1,665.5	1,795.7	1,871.9
Expenses	1,384.9	1,404.9	1,516.4
EBITDA*	280.6	390.8	355.5
Margin	16.9%	21.9%	19.1%
Finance costs	31.5	34.7	35.3
Depreciation and amortisation expense	79.2	92.2	91.0
PBT	169.9	263.9	229.3
Share of profit / (loss) of associates and joint ventures (net)	-0.6	4.3	0.6
Net profit / (loss) before exceptional items and tax	169.2	268.2	229.9
Exceptional gain**	1.5	3.1	0.2
Profit / (loss) before tax from continuing operations	170.7	271.4	230.1
Tax expense / (credit)	46.8	68.2	56.1
Net profit / (loss) for the period from continuing operations	124.0	203.1	174.0
Profit / (loss) from continuing operations attributable to Owners of the company	111.8	178.7	166.0

*EBITDA includes other income, forex and exceptional/non-recurring expenses

**Q4FY24 PAT excludes exceptional net gain of Rs 3.1 Cr related to the Fortis Malar divestment transaction.

**Q1FY24 and Q1FY25 PAT excludes exceptional gain of INR 1.5 Cr and INR 0.2 Cr respectively, which pertains primarily to reversal of impairment in an associate Company



THANK YOU

