

Shalby/SE/2023-24/17

May 18, 2023

The Listing Department
National Stock Exchange of India Ltd

Scrip Code : SHALBY

Through: <https://neaps.nseindia.com/NEWLISTINGCORP/>

Corporate Service Department
BSE Limited

Scrip Code: 540797

Through : <http://listing.bseindia.com>

Sub.: Press Release

Dear Sir / Madam,

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of press release on the Audited Consolidated Financial Results for the quarter and year ended March 31, 2023.

We request to take the same on your records.

Thanking you,

Yours sincerely
For **Shalby Limited**

Tushar Shah
AVP & Company Secretary
Mem. No: FCS-7216

Encl.: as above

SHALBY LIMITED

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CIN: L85110GJ2004PLC044667

Shalby Limited

NSE: SHALBY; BSE: 540797

Shalby Group Reports Highest Ever Annual Revenues and EBITDA in FY23

Consolidated Revenues of Rs. 8,274 million up by 16%**Consolidated EBITDA of Rs. 1,593 million up by 20%**

Ahmedabad Gujarat, India, May 18, 2023: Shalby Limited, India's leading multi-specialty hospital, has announced its financial results for the quarter ending on March 31, 2023.

Consolidated Performance Highlights: Q4 FY2023 vs Q4 FY2022

- Consolidated Revenues of Rs. 2,082 million, growth of 25% y-o-y
- Consolidated EBITDA of Rs. 348 million, growth of 23% y-o-y
- Consolidated Profit After Tax was Rs. 139 million, growth of 37% y-o-y
- Occupied Bed during the quarter were 579, growth of 16% y-o-y
- In patient count (incl. Day Care) of 18,551, growth of 24% y-o-y
- Total Surgery count of 6,553, growth of 18% y-o-y

Consolidated Performance Highlights: FY2023 vs FY2022

- Consolidated Revenues of Rs. 8,274 million, growth of 16% y-o-y
- Consolidated EBITDA of Rs. 1,593 million, growth of 20% y-o-y
- Consolidated Profit After Tax was Rs. 677 million, growth of 25% y-o-y
- In patient count (incl. Day Care) of 71,893, growth of 18% y-o-y
- Total Surgery count of 27,352, growth of 35% y-o-y
- ARPOB for full year was 34,842, growth of 11% y-o-y
- Net cash (after deducting debt) at group level stood at Rs.712 mn in FY 23 v/s Rs.475 mn in FY22
- Board has declared dividend of Rs.1.20 per share (12% of face value)

Mr. Shanay Shah, President said:

“I am happy to report that our hospital business continued to deliver consistent performance in all key operational and financial parameters with surgery count and In-patient count (Incl day care) grew by 35% and 18% Y-o-Y respectively in full year FY23. Hospital revenue (Rs.7,274 mn) and EBITDA (Rs.1615 mn) grew by 11% and 13% Y-o-Y with robust EBITDA margin of 22% in full year FY23.

ARPOB and ALOS were recorded at Rs.34,842 and 3.92 respectively in FY23 vis-à-vis Rs 31,347 and 4.55 in the previous year. Our core specialties such as Arthroplasty, Oncology, Cardiac Science, Orthopedic, Critical care & General Medicine, Neurology and Nephrology contributed 88% to the revenues respectively in FY23.

International revenue of Rs. 104 million in FY23 grew by 144% y-o-y from FY22 whereby majority of the patients came from East African countries. Our homecare business also showed a strong performance with revenue grew by 38% y-o-y in FY23 at Rs.9.8 million, from FY22. The Shalby Academy vertical also showed an encouraging response with 2000+ students enrolled for various healthcare programs during FY23.

Our Realized Return on Capital Employed from hospital business recorded at 16% in FY23 on an annualized basis v/s 14% in FY22. We have closed the quarter with a net cash balance of Rs. 712 million at the group level and are well positioned to fund our strategic growth plans. Shalby continued to add many milestones backed by clinical excellence and patient satisfaction and we feel proud to make a positive difference in people's lives.

Mr. Sushobhan Dasgupta, Vice Chairman and Global President said:

Other than Hospital business, our growth platforms like SOCE Franchise business and Implant business have also delivered healthy performance in Q4 FY23. I am very happy to inform that our Gwalior SOCE unit (Franchise owned and Shalby Managed) has been fully operationalized from January 2023. Moreover, our focus remains on capitalizing our expertise and excellence in Orthopedics to expand our footprints under Shalby franchise hospitals network across India and taking over all operations in our brand name with whom we have signed MOUs so far.

Our implant business showed exemplary performance during FY23 with revenues of Rs. 939 million grew by ~3 times from FY22, wherein USA and India contributed almost 60% and 40% respectively. Our USA customer sales mix from retail and wholesale remained at 58% and 42% respectively in FY23. Our implant production has improved to an average of 4500 components per month in FY23 v/s 2000+ components per month last year, resulting capacity utilization >65% in full year FY23. The implant business became EBITDA positive in FY23 after significant cost reductions in raw material and freight cost. We have received the license approval to sell our implants in Indonesia during Q4 FY23. Our recently launched product called TUKS (Tahoe Unicompartmental Knee) has received an overwhelming response from the surgeons in USA and India both. Further, we remain focused on adding more talent and building a strong team with the right attitude, shifting our sales to retail customer mix from wholesale, continuously increasing operational capacity and thereby efficiencies, adding new products pipeline supported with extensive research & development activities and substantially bringing down our procurement costs.

With all the key strategies in place, Shalby is well poised to deliver double digit growth in the hospital business with sustainable profitability, deepen and increase our footprints by adding Orthopedic units under SOCE franchise vertical and growing implant business in the existing markets and entering new territories in this fiscal year. All this, in turn, will drive to create sustainable value for all stakeholders at Shalby.

About Shalby Limited:

Shalby Limited (Shalby Hospitals) is India's leading multi-specialty hospital established by Dr. Vikram Shah and has over 29 years' experience in delivering quality and affordable healthcare. It currently operates a chain of 10 multispecialty tertiary hospitals and 4 Orthopedic Centers under Shalby Orthopedics Center of Excellence (SOCE) across India with an aggregate bed capacity of over 2,000 hospital beds and also diversified into Knee and Hip Implants manufacturing in the US. Shalby has performed more than 1,48,000

Joint Replacement Procedure so far and became globally the no 1 player in joint replacements by volumes. It is the largest center of Joint Replacement Surgery in India with 15% market share in organized market. Shalby has more than 3,500 plus in-house team of skilled doctors, surgeons and support staff with relevant industry experience and in-depth domain expertise, who have been leading the Company's growth.

For more information please contact:

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Safe Harbour:

This release contains statements that contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Shalby Limited's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Shalby Limited undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.