

Shalby Limited

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**Total Income increased by 174.0% quarter on quarter, and EBITDA returned to profitability
Record high EBITDA and PAT margins of 28.0% and 21.6% respectively**

Ahmedabad Gujarat, India, October 12, 2020: Shalby Limited, India's leading multi-specialty hospital, today announced its financial results for the quarter ended on September 30, 2020.

Standalone Performance Highlights: Q2 FY2021

- Total income of Rs. 1,118 million, growth of 174.0% on Q-o-Q basis
- Operating EBITDA of Rs. 314 million with EBITDA margins increasing to 28.0%
- Net profit stood at Rs. 242 million with margins of 21.6%
- Net cash up by Rs. 105 million over March 2020
- Number of surgeries performed were 1,622, growth of 92.4% on Q-o-Q basis
- Bed occupancy levels increased to 40.8%, growth of 138.4% on Q-o-Q basis

Commenting on performance, Mr. Shanay Shah, President said:

“All our hospitals, except SG Shalby, have continued to treat Covid-19 patients and provide the required infrastructure support and medical facilities needed to try to address this ongoing unprecedented health crisis. In addition to having treated over 3,250 Covid-19 patients in total across our hospital group, during the last quarter we have also registered an increase in both arthroplasty and orthopedics elective surgeries. As a result of this, we have seen a sharp rebound in both our business and financial key performance indicators during Q2 FY21.

During the quarter, Shalby delivered total income of Rs. 1,118 million, an increase of 174% on a q-o-q basis and a decline of 12.9% on y-o-y basis. This was due to bed occupancy levels moving up meaningfully to 41% in Q2 FY21 as compared to 39% in the same quarter last year. EBITDA returned to profitability at Rs. 314 million and margins improved significantly to 28.0% as compared to 23.9% in Q2 FY2020. The margin improvement was primarily driven by higher occupancy from Covid-19 patients coupled with lower consumption of materials and consumables. Overall, net profit was Rs. 242 million with margins of 21.6%. From a balance sheet perspective, Shalby remains well capitalized with net cash of Rs. 503 million at the end of September 2020 compared with Rs. 398 million last quarter.

With the removal of lockdown and travel restrictions, business activity started to show early signs of normalization, however Covid-19 cases continue to rise across the country. Our senior management team remains fully committed to ensure best in class healthcare facilities are being provided to patients across our hospital group. Furthermore, Shalby continues to provide patients with affordable home care medical services.”

About Shalby Limited:

Shalby Limited (Shalby Hospitals) is India's leading multi-specialty hospital established by Dr. Vikram Shah and has over 26 years' experience in delivering quality and affordable healthcare. It currently operates a chain of 11 multispecialty tertiary hospitals across India with an aggregate bed capacity of over 2,000 hospital beds. Shalby has a 4,000 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. It is one of the top hospitals in joint replacement surgery in India with 15% market share in private hospitals offering joint replacement and 5% overall market share. Shalby is also the number one player worldwide for knee replacement surgery. The Hospital is capitalising on this niche and working on an asset-light model around India.

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Safe Harbour:

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