

October 26, 2018

Shalby/SE/2018-19/70

The Listing Department

**National Stock Exchange of India Ltd**

Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai 400 051.

**Scrip Code : SHALBY**

Through : <https://www.connect2nse.com/LISTING/>

Corporate Service Department

**BSE Limited**

25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001.

**Scrip Code: 540797**

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

**Sub : Investor Presentation for quarter ended 30<sup>th</sup> September 2018**

**Dear Sir / Madam,**

We are submitting herewith Investor Presentation on financial & operational performance of the Company for quarter ended 30<sup>th</sup> September 2018, which is also being made available on our website.

We request to take the same on your records and disseminate the same to the members.

Thanking you,

Yours sincerely,  
For **Shalby Limited**

**Jayesh Patel**  
**Company Secretary & Compliance Officer**

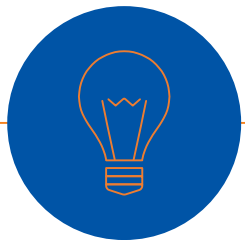
**Encl.:** as above

**SHALBY LIMITED**

Regd. Office: Opp. Karnavati Club, S. G. Road, Ahmedabad - 380 015, Gujarat, India.

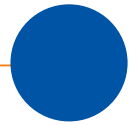
Tel: 079 40203000 | Fax: 079 40203109 | [info.sg@shalby.org](mailto:info.sg@shalby.org) | [www.shalby.org](http://www.shalby.org)

CIN: L85110GJ2004PLC044667



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# Investor Presentation



# Important Disclosure

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*...because **passion** drives perfection...*

*...and **perfection** drives  
**performance***



# Current Scale of Operations

**11** Hospitals

**2,012\*** Total Bed Capacity

**1,102\*\*** Operational beds

**887** Census Beds

**165** Non Census Beds

**405** Doctors & **3,000+** Support Staff

**55%** Operating bed to total bed capacity

**51%** Bed Occupancy (based on census beds)

**31%** 11 year CAGR Revenue

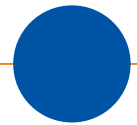
**40%** 11 year CAGR EBITDA

 Double-digit return ratios against industry trend of single-digit

 Consistently superior ROCE of mature hospitals

\* Maximum number of beds according to structure of the hospital

\*\*The operational bed count of 1,102 considers 50 operational beds at Zynova-Shalby Hospital, Mumbai, for which no other operational parameters are tracked



# Performance Q2FY19

## Key Achievements of the Quarter

Huge Ovarian  
Mass removed  
from an 11 year  
old girl at Shalby  
Jaipur

Avg. Occupied  
Beds rose by 42%  
Y-o-Y

Revenue growth  
of 34% Y-o-Y and  
EBITDA for the  
quarter stood at  
21%

# Performance Synopsis

(INR in million)

Particulars	Quarter Ended 30-09-18	% of Revenue	Quarter Ended 30-09-17	% of Revenue	Growth
Total Revenue	1,216.1		909.0		33.8%
EBITDA	250.5	20.6%	245.5	27.0%	2.1%
Bed Capacity (Nos.)	2012		2012		0%
Operational Beds (Nos.)	1,102		941		17.1%
Average Length of Stay(Days)	2.82		3.69		23.6%
Occupancy (Beds)	452		318		42.2%
In-Patient Count (Nos.)	14,761		7,923		86.3%
Out patient Count (Nos.)	76,794		55,554		38.2%
Surgeries Count	4,897		3,953		23.9%
ARPOB ( In Rs.)	29,244		31,071		-5.9%

Note: The operational bed count of 1,102 considers 50 operational beds at Zynova-Shalby Hospital, Mumbai, for which no other operational parameters are tracked



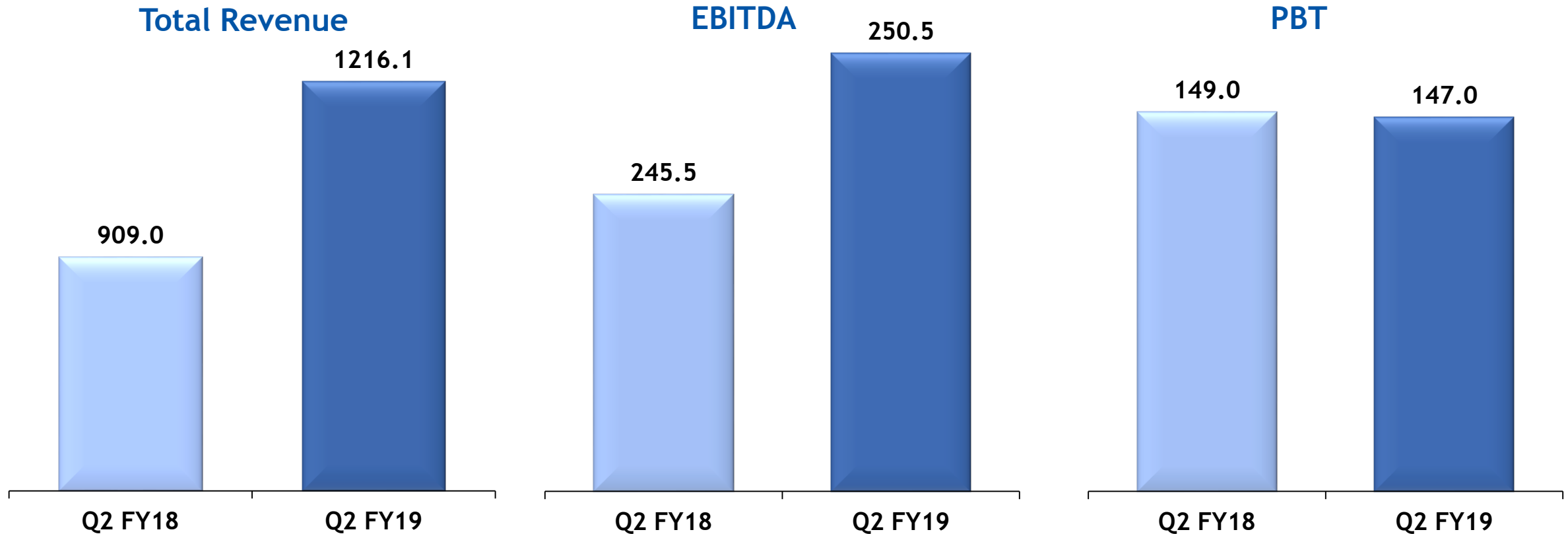
# Financial Highlights Q2FY19 Standalone

(INR in million)

Particulars	Quarter Ended 30/09/2018	% of Revenue	Quarter Ended 30/09/2017	% of Revenue	Growth
Revenue from Operations	1193.9		893.7		33.6%
Other Income	22.2		15.3		
<b>Total Income</b>	<b>1216.1</b>		<b>909.0</b>		<b>33.8%</b>
<b>Expenses</b>					
Materials & Consumables	304.5	25.0%	225.5	24.8%	
Fees to Doctors and Consultants	327.1	26.9%	197.6	21.7%	
Other Operative Expenses	41.9	3.4%	33.0	3.6%	
Employee Costs	212.2	17.4%	142.2	15.6%	
Administrative Expenses	65.8	5.4%	50.1	5.5%	
Advt & Promotion	14.1	1.2%	15.1	1.7%	
<b>Total Operational Expenses</b>	<b>965.6</b>	<b>79.4%</b>	<b>663.5</b>	<b>73.0%</b>	
<b>EBITDA</b>	<b>250.5</b>	<b>20.6%</b>	<b>245.5</b>	<b>27.0%</b>	<b>2.1%</b>
Finance Cost	20.1		46.1		
Depreciation & Amortization Expense	83.4		50.4		
<b>Profit before tax (PBT)</b>	<b>147.0</b>		<b>149.0</b>		<b>-1.3%</b>
Tax Expense	110.2		0		
<b>Profit after tax (PAT)</b>	<b>36.8</b>	<b>3.0%</b>	<b>149.0</b>	<b>16.4%</b>	<b>-75.3%</b>

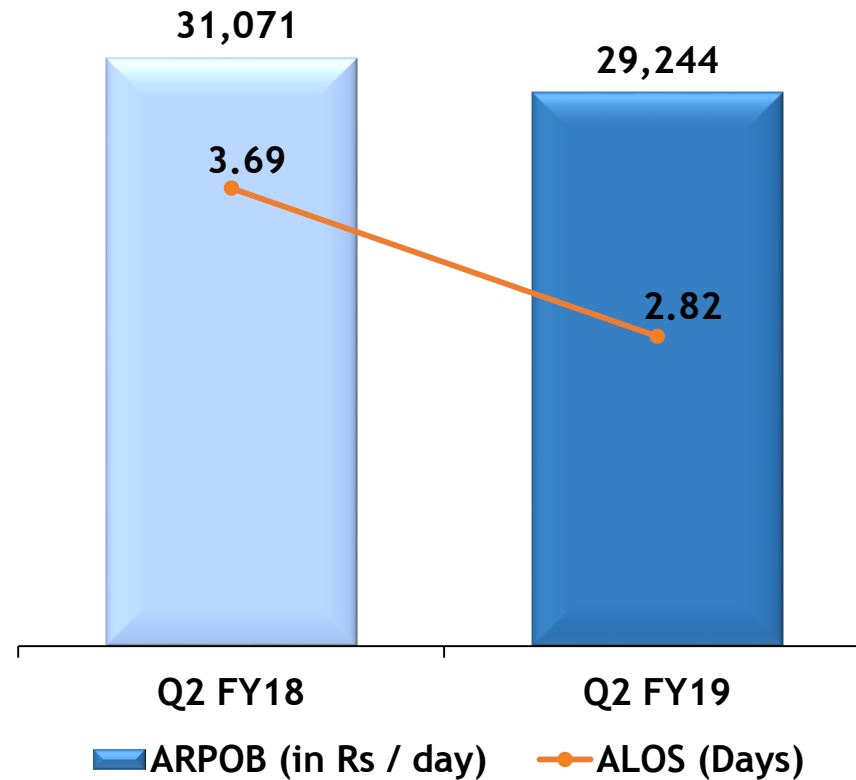
# Financials Parameters

(INR in million)



- Total Revenue has increased by 33.8% on Year on Year basis
- PBT for Q2 FY 19 has decreased by 1.3% compared to Q2 FY 18 as Depreciation has increased by 65.6%
- Finance cost has decreased by 56.4% as substantial portion of the debt has been paid by the IPO proceeds and has enabled the company to turn as net cash company

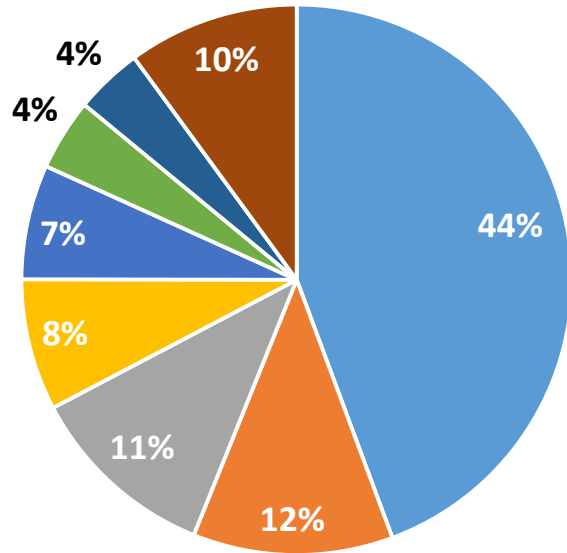
# ARPOB and ALOS



- Marginal shrink in ARPOB is due to change in specialty mix due to increased multi-specialty focus as well as current quarter witnessing epidemic resulting into high number of non-surgical procedures
- Change in ALOS is a result of increase in operational excellence as a continuous process as well as increased multi-specialty focus including specialties like Oncology, Nephrology, Cardiac Sciences etc. which has large number of day care procedures

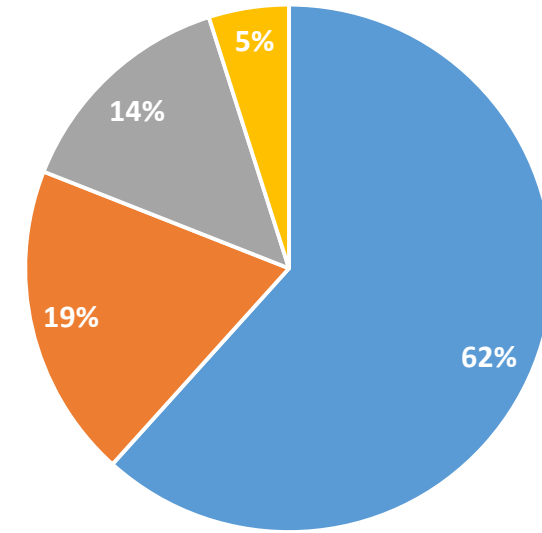
# Revenue Mix Q2FY19

Specialty Mix



- Arthroplasty
- Cardiac Science
- Other Ortho
- Nephrology
- Critical Care & General Medicine
- Oncology
- Neurology
- Others

Payer Profile

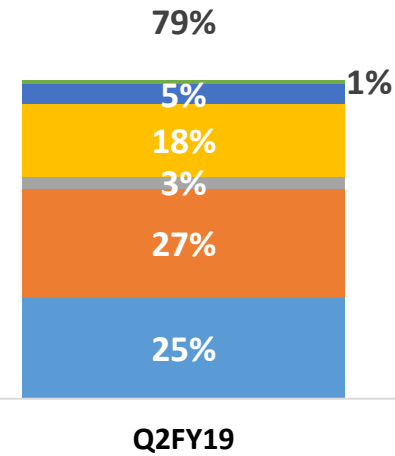
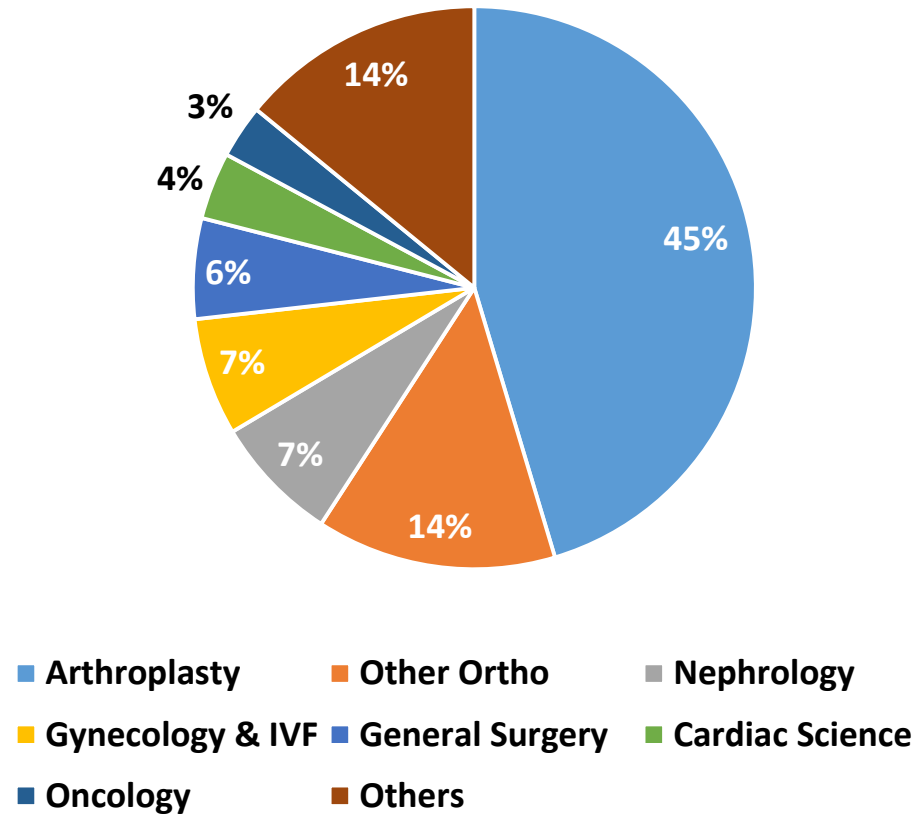


- Self Pay
- Corporate Government
- TPA
- Corporate Private

# Surgery Count and Cost Structure Q2FY19

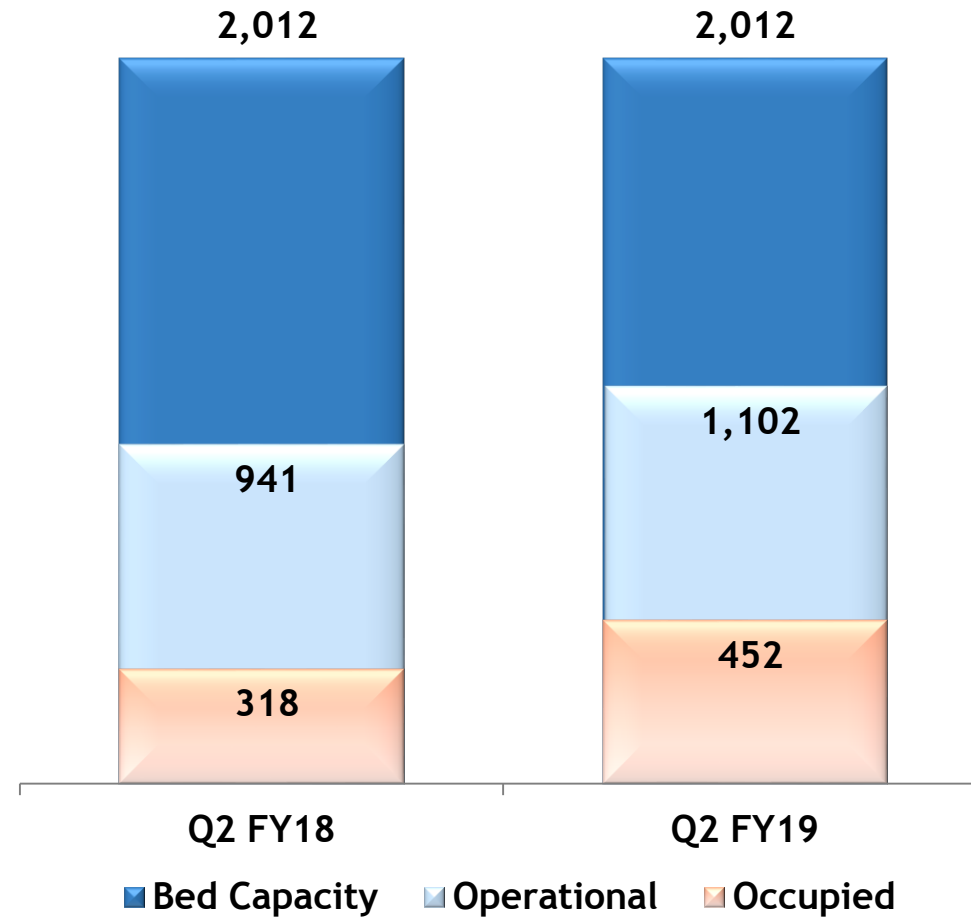
## Cost Structure

Surgery Count



- Total Cost
- Advertising and Promotion
- Administrative Expenses
- Employee Cost
- Other Operative Expenses
- Fees to Doctors and Consultants
- Materials & Consumables

# Bed Count Split



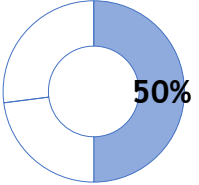



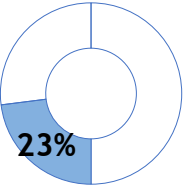
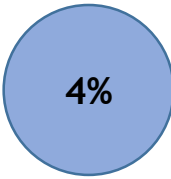
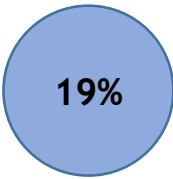

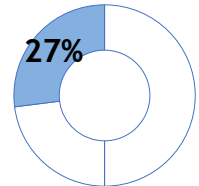
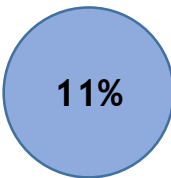
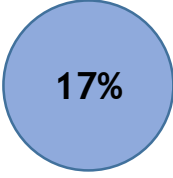

- Increase in occupancy by 42% on Year on Year basis reflects better utilization of increased operational capacity and ramp up of newly established units.

# Maturity Profile - Q2FY19

Maturity Profile	Avg. Occupied Beds	Census Beds	Non-Census Beds	Operational Beds	Non-Operational Beds	Total Bed Capacity
4 years + (SG; Vijay; Krishna; Vapi)	178	325	57	382	212	594
2-4 years (Jabalpur, Indore)	157	309	52	361	115	476
< 2 years (Jaipur; Naroda; Surat; Mohali)	117	253	56	309	583	892
<b>Total</b>	<b>452</b>	<b>887</b>	<b>165</b>	<b>1,102*</b>	<b>910</b>	<b>2,012</b>

Note: The operational bed count of 1,102 considers 50 operational beds at Zynova-Shalby Hospital, Mumbai, for which no other operational parameters are tracked

# Maturity Profile - Q2FY19 - with Revenue mix

Maturity Profile	% of Total Revenue	Arthroplasty	Non Arthroplasty	ALOS
4 years + (SG; Vijay; Krishna; Vapi)	 50%	 29%	 20%	 3.37
2-4 years (Jabalpur, Indore)	 23%	 4%	 19%	 3.75
< 2 years (Jaipur; Naroda; Surat; Mohali)	 27%	 11%	 17%	 1.79
<b>Total</b>	<b>100%</b>	<b>44%</b>	<b>56%</b>	<b>2.82</b>



# Maturity Profile - Q2FY19 vs Q2 FY18 - Operational Parameters

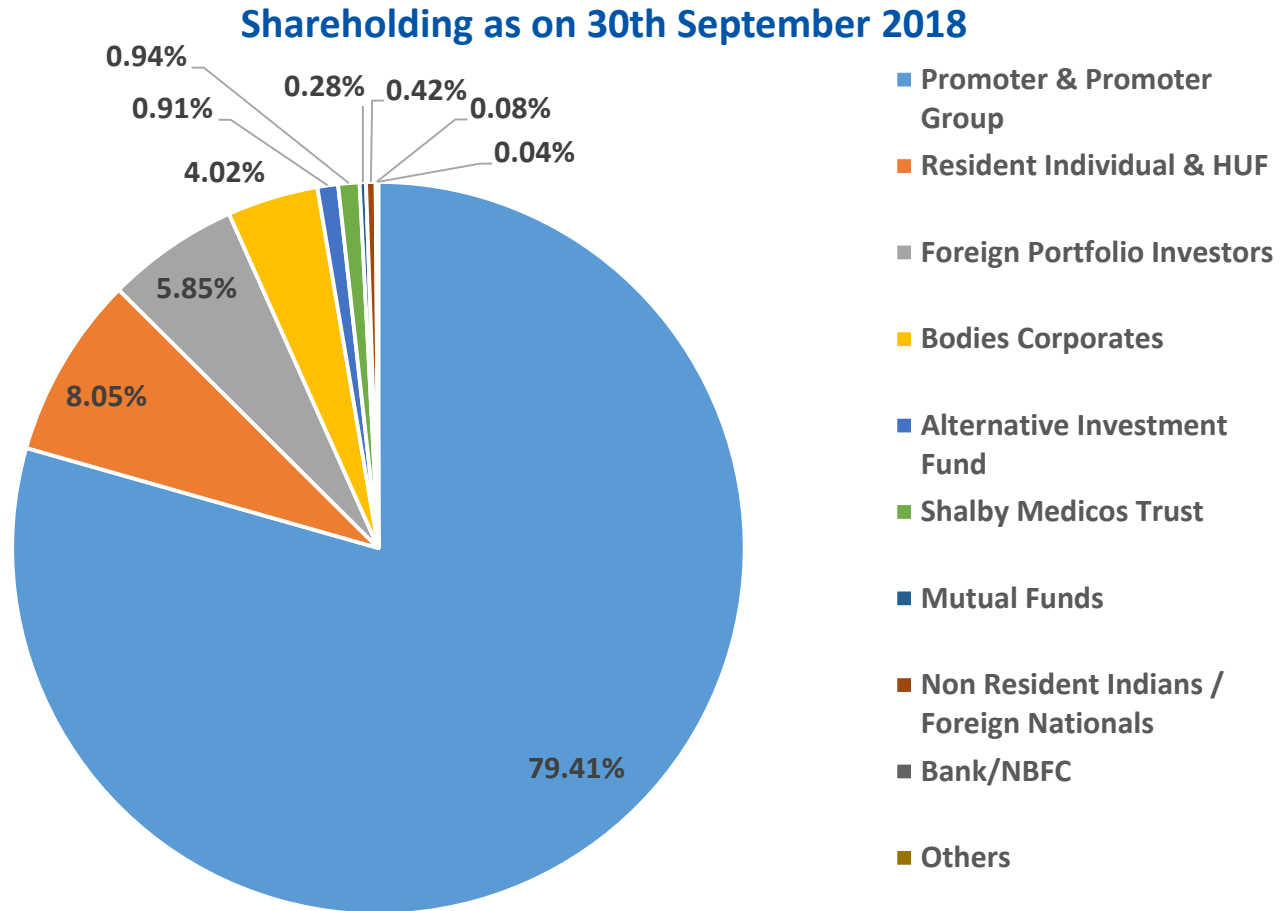
Q2 FY 19

Maturity Profile	IP Count	OP Count	Surgery Count
4 years + (SG; Vijay; Krishna; Vapi)	4,851	29,474	2,506
2-4 years (Jabalpur, Indore)	3,843	24,573	1,098
< 2 years (Jaipur; Naroda; Surat; Mohali)	6,067	22,747	1,293
<b>Total</b>	<b>14,761</b>	<b>76,794</b>	<b>4,897</b>

Q2 FY 18

Maturity Profile	IP Count	OP Count	Surgery Count
4 years + (SG; Vijay; Krishna; Vapi)	4,085	28,009	2,763
2-4 years (Jabalpur, Indore)	2,986	19,578	776
< 2 years (Jaipur; Naroda; Surat; Mohali)	852	7,967	414
<b>Total</b>	<b>7,923</b>	<b>55,554</b>	<b>3,953</b>

# Shareholding Pattern



• Total Number of Shares: 108,009,770

# Our Strengths and Differentiators

Experienced promoters with hands-on involvement

Strong brand, global leadership in Joint Replacement

Optimized Business Model now being replicated

Increasing focus on Quaternary treatments such as Oncology and Organ transplants

Even after the IPO promoter holding is ~80%

Unleveraged Balance Sheet

Strong emphasis on governance and compliance

Leadership and succession plan in place

# Detailed Information

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For more detailed information please click on the link below:

- [Q2FY19 result](#)
- [Q1FY19 result](#)
- [Monitoring Agency Report for IPO proceeds](#)
- [FY18 result](#)

# Thank you



**SHALBY LIMITED**

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Fax: +91 79 4020 3120 | Website: [www.shalby.org](http://www.shalby.org) | CIN: L85110GJ2004PLC044667

**Script code: BSE: 540797 | NSE: SHALBY**