

SHALBY LIMITED

•Passion•Compassion•Innovation•

Shalby/SE/2023-24/75

October 28, 2023

The Listing Department
National Stock Exchange of India Ltd
Mumbai 400 051.

Corporate Service Department
BSE Limited
Mumbai 400 001.

Scrip Code : SHALBY

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

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 Unaudited Standalone and Consolidated Financial Results for the quarter ended September 30, 2023.

You are requested to take the same on your record.

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 has reported robust growth in revenue and profitability in Q2 FY24

Total Revenue at Rs. 2,434 mn grew by 17.5% YoY

EBITDA at Rs. 581 mn grew by 37.1% YoY

EBITDA Margin at 23.9% in Q2 FY24

Ahmedabad Gujarat, India, Oct 28, 2023: Shalby Limited, India's leading multi-specialty hospital, has announced its financial results for the quarter ending on September 30, 2023.

Consolidated Performance Highlights:

- Consolidated Revenues of Rs. 2,434 million, growth of 17.5% y-o-y and 1.4% q-o-q
- Consolidated EBITDA of Rs. 581 million, growth of 37.1% y-o-y and 21.9% q-o-q
- Consolidated EBITDA margin at 23.9% v/s 20.5% in Q2 FY23 and 19.9% in Q1 FY24
- Consolidated PBT of Rs. 426 million, growth of 48.6% y-o-y and 29.3% q-o-q
- Consolidated Basic EPS of Rs. 2.57 during the quarter, growth of 32% q-o-q

Standalone Performance Highlights:

- Standalone Revenues of Rs 2,230 million, growth of 22.0% y-o-y and 3.1% q-o-q
- Standalone EBITDA of Rs. 575 million, growth of 31.6% y-o-y and 15.6% q-o-q
- Standalone EBITDA margin of 25.8% in Q2 FY24 v/s 24% in Q2 FY23 and 23% in Q1 FY24
- Standalone PBT of Rs. 473 million, growth of 41.1% y-o-y and 18.3% q-o-q
- Standalone ROCE (annualized) at 23% v/s 16% in FY23

Hospital Operational Highlights:

- In patient count (incl. Day Care) of 22,652, growth of 21.6% y-o-y
- Total Surgery count of 7,771, growth of 14.2% y-o-y
- Occupancy rate at 54% in Q2 FY24 v/s 49% in Q2 FY23
- ARPOB during the quarter was 36,136, growth of 8.1% y-o-y

Mr. Shanay Shah, President said:

It has been a strong quarterly performance in Q2 FY24, where in our hospital business has delivered ever highest operating margin at 26% on account of operating leverage supported with increasing self-pay and insurance patients year on year and quarter on quarter which resulted into higher double-digit ROCE at 23% on an annualized basis.

Hospital business revenue and EBITDA grew by 22% and 31.6% YoY respectively in Q2 FY23. The number of occupied beds at 678 increased by 13.14% YoY in Q2 FY24 on account of increased volumes. The payor mix is better with the higher self-pay and insurance patients in the second quarter of FY24 as compared to

the previous quarter. Our core specialties like Arthroplasty, Oncology, Cardiac Science, Orthopedic, Critical care & General Medicine, and Neurology contributed 83% to the revenues in Q2 FY24. Our Homecare business continued to grow by 62% y-o-y in Q2 FY24. We have performed more than 275 transplants so far at SG and Indore units in addition to conducting critical surgeries across our units.

I am happy to mention that Shalby has grown its international presence in other new geographies like UAE, Oman, Bangladesh, and Nepal through partnerships to conduct regular OPDs and healthcare camps in Q2 FY24 and have plans to conduct surgeries as well at these locations. I am very confident that these strategic locations will help us to increase our international hospital revenue significantly. Shalby also takes pride in nurturing young talent through our Shalby Academy vertical with 610+ students registered in the various healthcare programs during Q2 FY24.

We have closed the quarter with a net cash balance of Rs.705 million at the group level and are well positioned to fund our strategic growth plans. Shalby continued to add many more milestones backed by clinical excellence and patient care. We stay committed to making a positive difference in people's lives.

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

I am pleased to inform you that we have successfully operationalized Shalby Managed SOCE franchise unit at Ranchi with 60 bed capacity in the month of August 2023. Our SOCE Franchise business delivered an adequate performance in Q2 FY24. Total surgeries performed at SOCE units (operated and managed) have increased by 116% and 31% qoq. Total Revenue from operated and managed units has increased by 104% yoy and 27% qoq.

I am pleased to report that our implant business has delivered positive EBITDA in Q2 FY24 because of the continuous improvement in operational efficiencies and better procurement costs. The revenue is at the moderate level of Rs. 14.7 crore in Q2 FY24, was impacted mainly due to delay in full commercial launch of our Uni knee across in India on account of delay in low-cost instruments manufacturing and an unanticipated delay in our full commercial launch of our new Knee brand in India and in the US. The contribution in sales mix from USA and India accounted for 66% and 34% respectively in Q2 FY24. We have started supplying our implants to Indonesia market in Q2 FY24 against the bulk order received in last quarter. We continued to strengthen our sales team by hiring new salespeople in the US and India. Further we remain confident to deliver the results with launching new products, bringing new accounts, adding new territories, gradually improving the operational efficiencies, and furthermore substantially bringing down our procurement and day to day operational costs to add more towards operating profits.

Having established all the essential strategies, Shalby is in an excellent position to achieve double-digit growth in the hospital sector while maintaining consistent profitability. We plan to enhance and expand our presence by introducing Orthopedic units within the SOCE franchise segment, growing our implant business in our current markets, and venturing into new territories in the coming fiscal year. These initiatives collectively aim to generate lasting 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 28 years' experience in delivering quality and affordable healthcare. It currently operates a chain of 11 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 diversified into Knee and Hip Implants manufacturing in the US. Shalby has performed more than 150,000 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 4,000 plus inhouse 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 have "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, several 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.