



June 28, 2024

**National Stock Exchange of India Limited,**  
Compliance Department,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051,  
Maharashtra, India

**BSE Limited,**  
Compliance Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001,  
Maharashtra, India

Dear Sir/Madam,

**Subject** : *Press release*

**Stock Code** : *BSE – 539787, NSE – HCG*

Please find enclosed herewith the communication being released to the Press on the acquisition of Vizag Hospital and Cancer Research Centre Private Limited (“Vizag Hospital” or “Mahatma Gandhi Cancer Hospital and Research Institute”).

Request you to take this on record.

Thanking you,

For **HealthCare Global Enterprises Limited**

**Sunu Manuel**  
**Company Secretary & Compliance Officer**

**Encl: a/a.**

**HealthCare Global Enterprises Limited**

HCG Tower, # 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bangalore - 560027.

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## HCG entered into a strategic partnership with Mahatma Gandhi Cancer Hospital and Research Institute with a controlling stake acquisition

**Vizag, 28<sup>th</sup> June 2024:** – HealthCare Global Enterprises Limited (HCG), one of the largest cancer care networks in India, has announced the acquisition of Mahatma Gandhi Cancer Hospital & Research Institute (MGCHRI) in Vizag, Andhra Pradesh, for an Enterprise Value of INR 4,140 Mn. HCG will have initial 51% stake in MGCHRI, with plans to complete the acquisition of the additional 34% stake over the next 18 months. This strategic move entails leadership in a highly attractive micro-market with high quality primary catchment supported by large draining secondary catchment from neighbouring states.

Established in 1986, Mahatma Gandhi Cancer Hospital & Research Institute has emerged as the leading provider of comprehensive cancer care in Vizag with the highest market share. This acquisition is poised to significantly bolster HCG's annual EBITDA by INR 3 per share and gain a leadership position with a dominant share in Vizag Region.

The hospital boasts 196 operational beds and features advanced medical infrastructure, including 2 LINAC machines, 1 PET CT scanner, 1 Robotics Surgery System, and a dedicated Bone Marrow Transplant (BMT) unit. Its clinical team comprises 31 doctors, including 12 Surgical, 6 Radiation, and 4 Medical oncologists.

### Financial Highlights

Particulars	FY21	FY22	FY23	FY24E*
Revenue (Rs. Mn)	876	1058	1100	1,202
EBIDTA	339	394	400	422

\*Provisional and subject to audit

Commenting on the acquisition, **Dr. B.S. Ajaikumar, Executive Chairman, HealthCare Global Enterprises Ltd.** said, *Dr. B.S. Ajaikumar, Executive Chairman of HealthCare Global Enterprises Ltd., announced the acquisition of Mahatma Gandhi Cancer Hospital & Research Institute in Vizag, promoted by Dr. Murali K V, a prominent Oncology Surgeon in Andhra Pradesh. He highlighted that this acquisition is a significant milestone for HCG, emphasizing Vizag's strategic importance in their growth journey. This expansion strengthens HCG's presence in the region, enhancing their capabilities and reinforcing their commitment to providing high-quality treatment and support for cancer patients. Dr. Ajaikumar noted that the combined market leadership of HCG and MGCHRI would enable better utilization of doctor bandwidth and medical technology consolidation. Additionally, HCG aims to augment tech capabilities to further improve the quality of cancer care in the region. He expressed enthusiasm for continuing their mission to expand cancer care services and integrate innovative solutions to ensure exceptional, patient-tailored care” .*

**Mr. Raj Gore, CEO HealthCare Global Enterprises Ltd.**, added, *“We are proud to join hands with the leading institute like Mahatma Gandhi Cancer Hospital & Research Institute and its team of experts, boosting our dominance in that region with top-tier medical talent. This partnership enhances our ability to provide cutting-edge care in Vizag's competitive healthcare landscape. With its state-of-the-art facility, advanced technology and comprehensive medical program, MGCHRI aligns perfectly with our commitment to delivering high-quality healthcare services. Leveraging our existing presence and deep understanding of the local market, we are poised to maximize synergies across our facilities. This strategic integration will not only strengthen operational efficiencies but also enable us to offer comprehensive, patient-centered care solutions. Our collective expertise and shared resources will*

*drive innovation and foster new standards of excellence in healthcare delivery. We are excited about the opportunities ahead and remain focused on advancing healthcare outcomes for our patients while creating sustained value for our stakeholders".*

**Dr. Murali Krishna Vonna, Managing Director & Chief Surgical Oncologist, Mahatma Gandhi Cancer Hospital & Research Institute** said ' *Today marks a significant milestone for Mahatma Gandhi Cancer Hospital & Research Institute as we join forces with HCG, a leader in oncology care. This union represents our shared vision to provide the highest quality cancer treatment and care to our patients in Vizag, a city that ranks among the top 10 cities by GDP. By combining our strengths, we are poised to enhance our medical expertise, expand our services, and continue our commitment to patient-centric care. I am excited about the opportunities this partnership brings and jointly remain dedicated to our mission of offering hope and healing to those affected by cancer.'*

The partnership aims to address the significant demand-supply gap in radiation therapy equipment, which has a penetration rate of less than 0.6 per million in Andhra Pradesh and Orissa. Mahatma Gandhi Cancer Hospital & Research Institute, located in a robust primary catchment area, also benefits from substantial secondary demand from neighbouring states. Its clinical standards closely align with HCG's rigorous cancer care protocols, ensuring seamless integration post-acquisition.

HCG aims to expand its multi-modality programs and enhance customer engagement strategies through this acquisition, leveraging operational synergies and scale advantages. The integration will utilize established technology platforms for digital marketing initiatives, strengthening EBITDA margin and enhancing EPS growth.

#### **About HCG Enterprises Ltd.**

HealthCare Global Enterprises Ltd. (HCG), headquartered in Bengaluru, is the largest provider of cancer care in India. Through its network of 21 comprehensive cancer centers across India and Africa, HCG has brought advanced cancer care to the doorstep of millions of people. HCG's comprehensive cancer centers provide expertise and advanced technologies for the effective diagnosis and treatment of cancer under one roof. Under the "Milann" brand, HCG operates 7 fertility centers.

#### **For Further details Contact Healthcare Global Enterprises Limited PR Team**

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