



09th February, 2023

**The General Manager,
Department of Corporate services
Bombay Stock Exchange Ltd (BSE)**
Phiroze Jheejheebhoy Towers,
Dalal Street,
Mumbai - 400 001.
**Scrip Code - 543308
ISIN: INE967H01017**

**The Manager,
Listing Department
National Stock Exchange of India Limited,**
Exchange Plaza, 5th Floor,
Plot No.C/1, 'G' Block,
Bandra - Kurla Complex,
Mumbai - 400 051.
**Symbol - KIMS
ISIN: INE967H01017**

Dear Sir,

Sub: Press Release on the Un-Audited Financial Results of the Company for the 3rd Quarter and nine months ended 31st December, 2022.

With reference to the above stated subject, please find enclosed herewith the Press Release on the Un-Audited Financial Results of the Company for the 3rd Quarter and nine months ended 31st December, 2022.

The same will also be available on the website of the Company at <https://www.kimshospitals.com/investors/Disclosures> under Regulation 46 of SEBI (LODR) Regulations, 2015/Financial Information/Press Release.

We request you to take this on record.

Thanking you,

Yours truly,

For Krishna Institute of Medical Sciences Limited

**Umashankar Mantha
Company Secretary & Compliance Officer**

Krishna Institute of Medical Sciences Limited

D.No.: 1-8-31/1, Minister Road, Secunderabad - 500 003, Telangana, India
Phone: +91 40 4488 5000/4488 5184 | Fax: +91-40-27840980 | kimshospitals.com
CIN: L55101TG1973PLC040558



Press Release

09th February 2023, Hyderabad, India

Consolidated Revenue from Operations and Adjusted EBITDA grew by 42.8% and 14% respectively for Q3 FY 23 on a YoY basis.

The Board of Directors of Krishna Institute of Medical Sciences Limited (KIMS Hospitals) today approved the financial results for the quarter ending 31st December 2022. A snapshot of Consolidated Financial and Operational highlights are as follows:

Financial Highlights: Q3 FY 23

- Current Quarter includes three months of performance of Nagpur Hospital, whereas, Previous quarter included only one month of performance, post-acquisition of M/s SPANV Medisearch Lifesciences Private Limited wef 1st September 2022.
- Consolidated Key Financials figures are as follows (Rs in Mn) :
Key financial figures ex Nagpur Hospitals, also provided for better QoQ comparison since Kingsway hospital, Nagpur has become a subsidiary with effect from 1st Sep'22, and integration of systems and processes along with the cost rationalization process is underway.

| Particulars | Consolidated | | | | | Nagpur | | Consolidated Ex. Nagpur | | | |
|---|----------------|----------------|----------------|--------------|--------------|--------------|--------------|-------------------------|----------------|--------------|--------------|
| | Q3 FY 23 | Q2 FY 23 | Q3 FY 22 | QoQ | YoY | Q3 FY23 | Q2 FY23 # | Q3 FY 23 | Q2 FY 23 | QoQ | YoY |
| Total Income | 5,686.1 | 5,732.8 | 3,959.6 | | | 372.5 | 143.2 | 5,313.7 | 5,589.6 | | |
| Less : Other Income | 64.5 | 92.0 | 23.9 | | | 1.2 | 0.6 | 63.3 | 91.5 | | |
| Revenue from Operations | 5,621.6 | 5,640.7 | 3,935.7 | -0.3% | 42.8% | 371.2 | 142.6 | 5,250.4 | 5,498.1 | -4.5% | 33.4% |
| PBT | 1,128.2 | 1,226.3 | 1,103.8 | -8.0% | 2.2% | -80.7 | -25.7 | 1,208.8 | 1,252.0 | -3.5% | 9.5% |
| Add : Interest | 115.2 | 78.8 | 29.7 | | | 60.0 | 23.5 | 55.3 | 55.3 | | |
| Add : Depreciation | 332.9 | 311.2 | 188.1 | | | 37.2 | 16.7 | 295.7 | 294.5 | | |
| Reported EBITDA (Including other income) as per Financials | 1,576.3 | 1,616.3 | 1,321.5 | -2.5% | 19.3% | 16.5 | 14.5 | 1,559.8 | 1,601.8 | -2.6% | 18.0% |
| Less : Other Income | 64.5 | 92.0 | 23.9 | | | 1.2 | 0.6 | 63.3 | 91.5 | | |
| Less : INDAS 116 | 67.9 | 77.3 | 8.2 | | | - | - | 67.9 | 77.3 | | |
| EBITDA Pre INDAS & Other Income | 1,444.0 | 1,447.0 | 1,289.4 | -0.2% | 12.0% | 15.3 | 14.0 | 1,428.7 | 1,433.0 | -0.3% | 10.8% |
| EBITDA % to Revenue from Operations | 25.7% | 25.7% | 32.8% | | | 4.1% | 9.8% | 27.2% | 26.1% | | |
| Add : One off Old Luxury Tax Settlement | | 54.9 | | | | | | - | 54.9 | | |
| Add : One off Expenses in Q3 (Nagpur) | 26.1 | | | | | 26.1 | | - | - | | |
| Adjusted EBITDA | 1,470.1 | 1,501.9 | 1,289.4 | -2.1% | 14.0% | 41.4 | 14.0 | 1,428.7 | 1,487.9 | -4.0% | 10.8% |
| Adjusted EBITDA % | 26.2% | 26.6% | 32.8% | | | 11.1% | 9.8% | 27.2% | 27.1% | | |

represent only one month's performance.

- Consolidated Revenue from operations grew by 42.8% YoY basis to Rs. 5,622 mn.
- Consolidated Adjusted EBITDA (Excluding Other Income, INDAS adjustments, and one-off items) grew by 14% on a YoY basis to Rs. 1470 mn.
- Consolidated Adjusted EBITDA Margin stands at 26.2%; Ex Nagpur stands at 27.2% (an improvement of 0.1% QoQ).
- Recent acquisitions i.e. Sunshine & Nagpur hospital, have shown sequential improvement (ex one-off items) in the EBITDA margin. For Q3 FY 23, Sunshine EBITDA stands at 21.9%, Nagpur EBITDA stands at 11.1%.
- During the quarter, the company acquired an additional stake in three of its subsidiaries: 1.92% in Sunshine hospital, 4.07% in Kondapur hospital and 7.79% in Srikakulam Hospitals. Going forward, we aim to acquire further stake in these units.
- Company has disposed one of its step-down subsidiaries "Suryateja Healthcare Private Limited" (Sunshine hospital Karimnagar) w.e.f. 1st December'2022.

Operational Highlights – Consolidated

- ARPP and ARPOB have shown improvements at the group level, though IP volume has declined due to the festive season. Going forward, we hope to show healthy growth in all operational parameters.

| Particulars | Q3 FY 23 | Q2 FY 23 | Q3 FY 22 | QoQ | YoY |
|--------------------|-----------------|-----------------|-----------------|------------|------------|
| IP Volume | 45,836 | 46,616 | 36,229 | -1.7% | 26.5% |
| OP Volume | 3,81,604 | 3,75,188 | 2,79,978 | 1.7% | 36.3% |
| ARPOB (in Rs.) | 29,812 | 29,237 | 23,189 | 2.0% | 28.6% |
| ARPP (in Rs.) | 1,22,631 | 1,21,302 | 1,08,734 | 1.1% | 12.8% |

- The new Unit for Sunshine Secunderabad Hospital is in its final stages of completion, and we aim to shift to this new state-of-art facility by FY 24.
- Projects undertaken at Nashik (Greenfield project) and Bangalore (Semi Brownfield) are progressing well and are expected to be operational by FY 25.
- Vizag Gastro unit is ready and will be operational by FY 24.
- We rolled out applications that automate operational workflows, including Financial Counselling, Relationship Management, and Queue Management, among others, for greater operational efficiencies.

Clinical achievements during the Quarter:

- In a first of its kind in India, doctors at KIMS Secunderabad removed a liver weighing 12 kg.
- A rare case of Insulinoma was successfully treated at KIMS Secunderabad.
- An unusually big tumor of 23.7 kg was removed from the uterus by the surgical oncology team at KIMS Secunderabad.
- A 3-day-old boy with heart complications was operated on successfully at KIMS Cuddles.
- A 7-year-old gets a new lease of life after a series of lower limb surgeries at KIMS Vizag.
- First-ever simultaneous liver and kidney transplant was done on a 50-year-old patient at KIMS Vizag.
- KIMS Nagpur doctors removed an almond stuck for two days in a 11-year-old boy's lung.
- A rare cartilage transplant surgery was performed at KIMS Hospital, Kurnool.
- The first-ever kidney transplant was done at KIMS Ongole.
- The first-ever Balloon Venoplasty was performed at KIMS Saveera in Anantapur.
- In a first of its kind in Andhra Pradesh, a 92-year-old woman got a stent implanted in flat 10 minutes at KIMS Anantapur.
- A severely bent spine (95-degree) was successfully corrected at KIMS Sunshine, Hyderabad.

Commenting on the performance, Dr. B. Bhaskara Rao, Chairman & Managing Director, said:

“The focus for us in Q3 FY 23 has been on the continued integration of sunshine and Nagpur units. We are confident that the results of these will see fruition in the following 8 to 10 quarters. Onboarding of doctors across units was at a brisk pace. The influx of patients across units has been steady. Despite a small dip in IP numbers, we have recorded growth in our ARPOB and ARPP. Number changes due to seasonality are given in this sector, and we are focused on the bigger picture of providing quality affordable care, which will eventually help us shore up volumes and achieve the targets set. We remain optimistic that the Q4 FY23 will see steady growth and help us achieve the targets set for FY 23.”

About KIMS Hospitals:-

Founded by Dr. B. Bhaskara Rao and headquartered in Hyderabad, KIMS Hospitals is one of the largest corporate healthcare groups in Telangana and AP, providing multi-disciplinary integrated healthcare services, with a focus on tertiary and quaternary healthcare at affordable cost. It is one of the largest corporate healthcare groups with a network of 12 hospitals and around 4000 beds spread across Telangana (Secunderabad, Kondapur, Gachibowli and Paradise Circle), Andhra Pradesh (Nellore, Rajahmundry, Srikakulam, Ongole, Vizag, Anantapur, and Kurnool) and Maharashtra (Nagpur). The Group offers a comprehensive bouquet of healthcare services in specialties and super specialties across more than 25 fields. The Group's flagship at Secunderabad is one of the largest hospitals in India with a capacity of 1,000 beds in a single location.

For further details, please contact us at vikas@kimshospitals.com