



June 17, 2021

**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 : Investor Presentation**

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

We wish to inform you that the Board of Directors of the Company, at their meeting held on June 17, 2021, *inter alia*, has approved the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 31, 2021.

In this respect, we enclose herewith the Presentation on the Financial Results of the Company for the quarter and year ended March 31, 2021.

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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# HealthCare Global Enterprises Limited

## Investor Presentation Q4 & FY21



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# Leadership in specialty healthcare





**Overview**



**Financial Highlights**



**Appendix**

# Overview of HCG (1/2)

## Snapshot of the Business

- Specialty healthcare provider with a focus on cancer and fertility
- Largest<sup>1</sup> provider of cancer care in India under the “HCG” brand
- Leading provider of fertility treatment under the “Milann”<sup>2</sup> brand
- Leading precision medicine platform in India with leadership in bioinformatics and specialized clinical diagnostics
- NABH, ISO 9001, NABL and CAP accredited<sup>5</sup>



### Cancer Care

- Comprehensive cancer diagnosis and treatment services (through radiation therapy, medical oncology and surgery)
- 22<sup>6</sup> comprehensive cancer centers, 3 freestanding diagnostic centers as of Mar. 31<sup>th</sup>, 2021 (including Kenya center)



### Fertility Treatment

- Comprehensive reproductive medicine services including assisted reproduction, gynecological endoscopy and fertility preservation
- 5 fertility centers in Bengaluru, 1 in Delhi and 1 in Chandigarh as of Mar. 31<sup>th</sup>, 2021



## Future Outlook

- Consolidation of HCG centers and launch of 1 new comprehensive cancer centers under development across India
- Consolidation of Milann fertility centers across Bengaluru and North India
- Consolidation of cancer center in Kenya acquired in partnership with CDC, UK



### Precision Medicine

- Integrated platform for next generation precision medicine
- Leading provider of bioinformatics, research services and specialised clinical diagnostics offering comprehensive menu of tests with network of labs across India



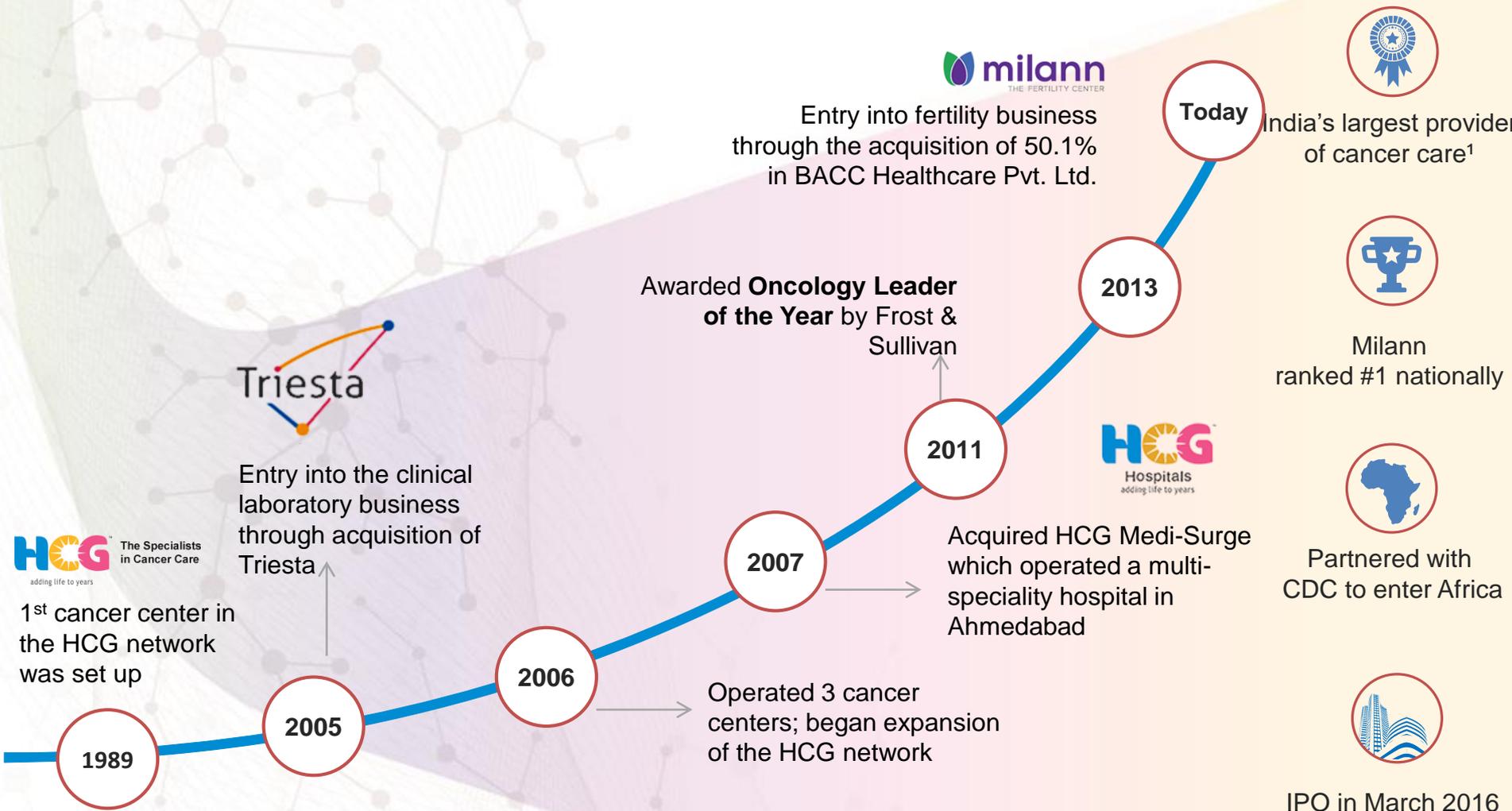
### Multi-specialty Hospital

- 4<sup>7</sup> multispecialty hospitals in Ahmedabad, Bhavnagar, Rajkot and Hubli as at of Mar. 31<sup>th</sup>, 2021



<sup>1</sup> In terms of the total number of cancer treatment centers licensed by AERB as of March 31, 2015 (Source: Government of India, Atomic Energy Regulatory Board); <sup>2</sup> Through 50.1% equity interest in BACC Healthcare acquired in 2013 and its wholly owned subsidiary DKR Healthcare; <sup>3</sup> Discontinued operations <sup>4</sup> Post minority Interest <sup>5</sup> NABH accreditation for HCC Bengaluru, HMS Ahmedabad; ISO 9001 certification for pathology laboratory at HMS; NABL and CAP accreditations for Strand; <sup>6</sup> Includes center in Kenya; Bhavnagar multispecialty also includes comprehensive cancer services hence included in CCC count; <sup>7</sup> Suchiaryu, Hubli hospital managed under Operations and Management contract, not branded as HCG Hospital

# Overview of HCG (2/2)

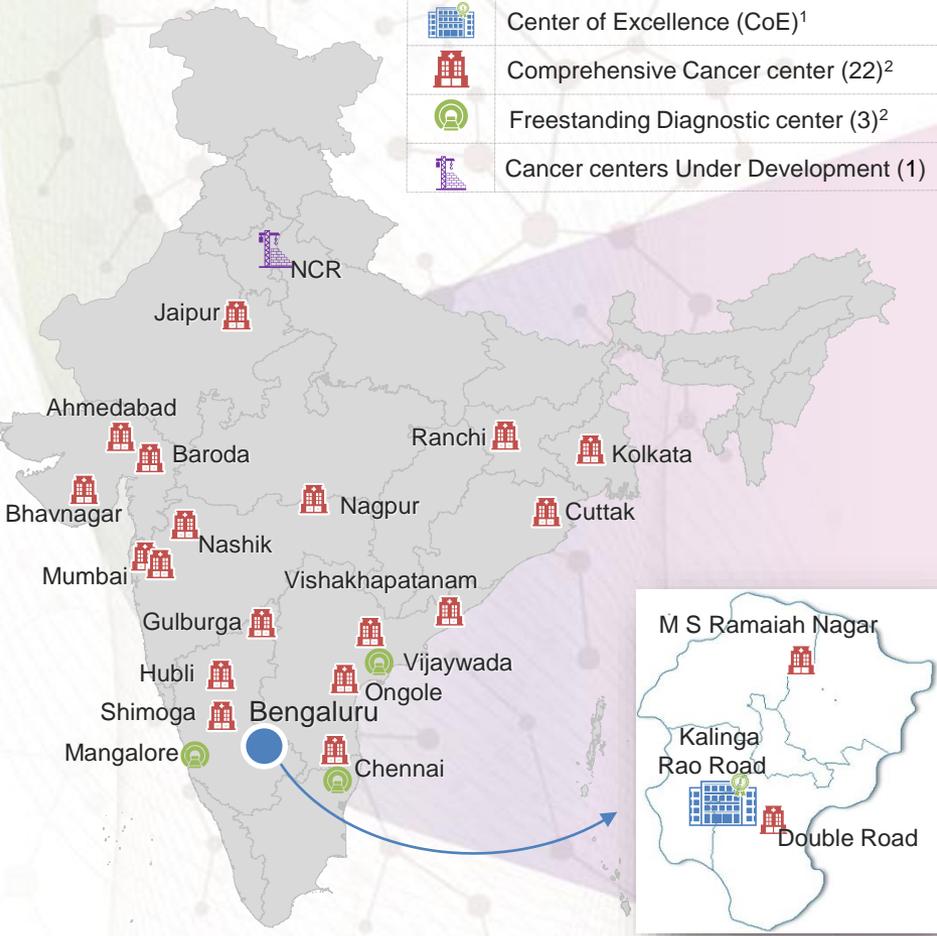


<sup>1</sup> In terms of the total number of cancer treatment centers licensed by AERB as of March 31, 2015 (Source: Government of India, Atomic Energy Regulatory Board)

# HCG's Cancer Care Network

## Network of Existing and Under Development Cancer Care centers

	Center of Excellence (CoE) <sup>1</sup>
	Comprehensive Cancer center (22) <sup>2</sup>
	Freestanding Diagnostic center (3) <sup>2</sup>
	Cancer centers Under Development (1)



## HCG Network



2,036<sup>1</sup>  
BEDS



28  
LINEAR  
ACCELERATORS



17  
PET-CT  
SCANNERS



300+  
ONCOLOGISTS



65  
OPERATION THEATRES

## Regional Penetration<sup>1</sup>

	No. of Centers <sup>2</sup>	Estimated Beds
Karnataka	7	~615
Gujarat	5	~508
Maharashtra	4	~400
East India	3	~288
North India	2	~150

<sup>1</sup> Includes Multi-specialty beds  
<sup>2</sup> Existing and planned

<sup>1</sup> Includes 2 centers, KR & DR; <sup>2</sup> As on 31<sup>st</sup> March' 2021 includes COE & center in Kenya, Bhavnagar multispecialty also includes comprehensive cancer services hence included in CCC count



Overview



**Financial Highlights**



Appendix

# Financial Highlights: Q4-FY21

INR million except earnings per share

Period Ended Mar 31	Q4-FY21	Q4-FY20	Growth (y-o-y)
<b>Income from Operations</b>	<b>2,981</b>	<b>2,704</b>	<b>10.2%</b>
Other Income	44	17	
<b>EBITDA<sup>(1)</sup></b>	<b>438</b>	<b>377</b>	<b>16.0%</b>
EBITDA Margin (%)	14.5%	13.9%	
<b>Operating EBITDA<sup>(2)</sup></b>	<b>394</b>	<b>360</b>	<b>9.2%</b>
EBITDA Margin (%)	13.2%	13.3%	
<b>PBT<sup>(3)</sup></b>	<b>(1,044)</b>	<b>(417)</b>	<b>NM</b>
PBT Margin (%)	-35.0%	-15.4%	
<b>PAT<sup>(4)</sup></b>	<b>(1,034)</b>	<b>(436)</b>	<b>NM</b>
PAT Margin (%)	-34.7%	-16.1%	
<b>Earnings Per Share</b>	<b>(8.49)</b>	<b>(4.92)</b>	<b>NM</b>

- 1) Profit before depreciation/amortization, finance costs, exceptional items and taxes
- 2) EBITDA excluding other Income
- 3) Profit / (Loss) before tax and after share of profit / (loss) of equity accounted investee
- 4) Profit / (Loss) for the period after share of profit / (loss) of equity accounted investee, taxes and minority interests

- **Q4'21 Revenue grew by 10.2% y-o-y**
  - HCG<sup>(1)</sup> centers: **+11.7%**
  - Milann centers: **-12.4%**
- **Q4'21 Operating EBITDA**
  - Existing centers<sup>(2)(3)</sup>: INR 440 Mn (**18.3%** margin vs 20.0% margin in Q4-FY20)
  - New centers<sup>(3)(4)</sup>: Loss of INR (46) Mn (vs. loss of INR (99) Mn in Q4-FY20)

- (1) 22 comprehensive cancer centers, 3 multispecialty hospitals, 3 diagnostic centres and 1 multispecialty hospital managed by HCG. Trichy is no longer included as HCG centre
- (2) Existing centers now include HCG centers in Gulbarga, Vizag, Bhavnagar and Baroda as well as Milann center in MSR Bangalore
- (3) Corporate cost allocated between existing and new centers in proportion to gross block
- (4) 8 HCG centers and 3 Milann centers that commenced operation after April 1, 2017

Note: Effective 1 April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on 1 April 2019 and all financials are as per IND AS 116. Operating EBITDA adjustment on account of IND AS 116 was INR 159.5 mn for Q4-FY21 as against INR 144.4 mn for Q4-FY20

# Financial Highlights: FY21

INR million except earnings per share

Period Ended Mar 31	FY21	FY20	Growth (y-o-y)
<b>Income from Operations</b>	<b>10,134</b>	<b>10,956</b>	<b>-7.5%</b>
Other Income	170	70	
<b>EBITDA<sup>(1)</sup></b>	<b>1,435</b>	<b>1,792</b>	<b>-19.9%</b>
EBITDA Margin (%)	13.9%	16.2%	
<b>Operating EBITDA<sup>(2)</sup></b>	<b>1,266</b>	<b>1,722</b>	<b>-26.5%</b>
EBITDA Margin (%)	12.5%	15.7%	
<b>PBT<sup>(3)</sup></b>	<b>(2,287)</b>	<b>(1,193)</b>	<b>NM</b>
PBT Margin (%)	-22.6%	-10.9%	
<b>PAT<sup>(4)</sup></b>	<b>(1,947)</b>	<b>(1,067)</b>	<b>NM</b>
PAT Margin (%)	-19.2%	-9.7%	
<b>Earnings Per Share</b>	<b>(15.99)</b>	<b>(12.05)</b>	<b>NM</b>

- 1) Profit before depreciation/amortization, finance costs, exceptional items and taxes
- 2) EBITDA excluding other Income
- 3) Profit / (Loss) before tax and after share of profit / (loss) of equity accounted investee
- 4) Profit / (Loss) for the period after share of profit / (loss) of equity accounted investee, taxes and minority interests

- **FY'21 Revenue declined 7.5% y-o-y**
  - HCG<sup>(1)</sup> centers: **-5.5%**
  - Milann centers: **-36.7%**
- **FY'21 Operating EBITDA**
  - Existing centers<sup>(2)(3)</sup>: INR 1,423 Mn (**17.4%** margin vs 21.2% margin in FY20)
  - New centers<sup>(3)(4)</sup>: Loss of INR (157) Mn (vs. loss of INR (247) Mn in FY20)

- (1) 22 comprehensive cancer centers, 3 multispecialty hospitals, 3 diagnostic centres and 1 multispecialty hospital managed by HCG. Trichy is no longer included as HCG centre
- (2) Existing centers now include HCG centers in Gulbarga, Vizag, Bhavnagar and Baroda as well as Milann center in MSR Bangalore
- (3) Corporate cost allocated between existing and new centers in proportion to gross block
- (4) 8 HCG centers and 3 Milann centers that commenced operation after April 1, 2017

Note: Effective 1 April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on 1 April 2019 and all financials are as per IND AS 116. Operating EBITDA adjustment on account of AS116 was INR 633.9 mn for FY21 as against INR 576.2 mn for FY20

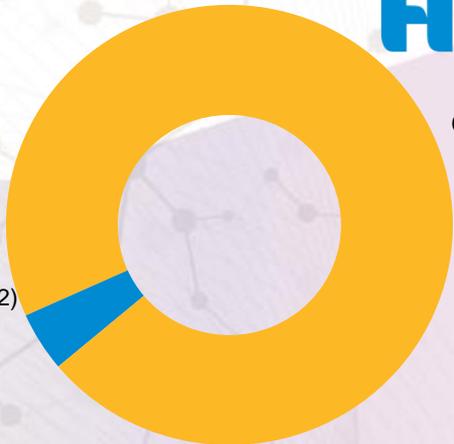
# Revenue Mix: FY-21

**Revenue:**  
INR 10,134 Mn

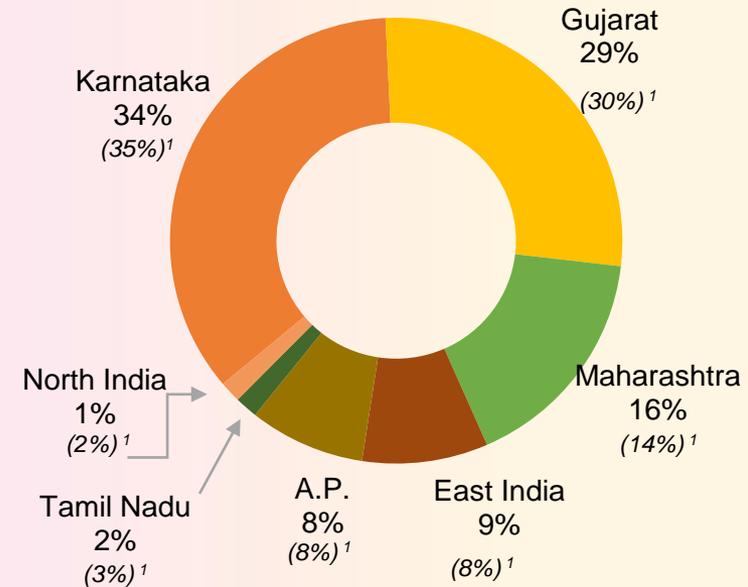
**HCG Centers:**  
INR 9,690 Mn



Fertility (2)  
centers  
**5%**  
(6%)<sup>1</sup>



HCG (1)  
centers  
**95%**  
(94%)<sup>1</sup>



(1) 22 comprehensive cancer centers, 3 multispecialty hospitals, 3 diagnostic centers and 1 multispecialty hospital managed by HCG

(2) 7 fertility centers operated under "Milann" brand

<sup>1</sup>FY20

# HCG Centers: Q4 & FY21 Revenues

INRmillion

Period Ended Mar 31	Q4-FY21	Q4-FY20	Growth (y-o-y)	FY21	FY20	Growth (y-o-y)
Karnataka	1,038	934	11.1%	3,426	3,645	-6.0%
Gujarat	757	723	4.6%	2,673	3,037	-12.0%
Maharashtra	475	346	37.3%	1,607	1,390	15.6%
East India	248	222	11.3%	872	826	5.6%
Andhra Pradesh	234	198	18.1%	804	782	2.8%
Tamil Nadu	47	79	-40.9%	160	364	-56.1%
North India	40	39	2.9%	148	211	-30.0%
	<b>2,839</b>	<b>2,542</b>	<b>11.7%</b>	<b>9,690</b>	<b>10,255</b>	<b>-5.5%</b>

- Strong growth in revenue continues across centers in Q4-FY21
  - Ongole +50.3% y-o-y
  - Suchirayu +50.1% y-o-y
  - Hubli: +34.6% y-o-y
  - Vizag: +28.0% y-o-y
- Revenue from New Centers
  - INR 535 Mn in Q4-FY21 vs 367 Mn in Q4-FY20
  - INR 1,831 Mn in FY21 vs 1,490 Mn in FY20
- Existing Centers Revenue Growth
  - +5.9% in Q4-FY21 (y-o-y)
  - -10.3% in FY21 (y-o-y)

# HCG Centers: FY21 Operating Metrics

## No. of Centers

FY21:  
**25**

FY20:  
25

## Beds

FY21:  
**2,036**

FY20:  
2,071

## Avg. Occupancy Rate

FY21:  
**40.8%**

FY20:  
42.9%

↓ -2.1%

## ALOS (Days)

FY21:  
**2.29**

FY20:  
2.27

↑ 2 bps

## ARPOB (INR / Day)

FY21:  
**32,632**

FY20:  
32,767

↓ -0.4%

## Revenue (INR mn)

FY21:  
**9,690**

FY20:  
10,255

↓ -5.5%

## Operating EBITDA Margin

FY21:  
**17.5%**

FY20:  
19.8%

↓ 231 bps

- Increase in Avg. Occupancy Rate in Q4-FY21 (y-o-y)
  - 45.2% vs 41.1% (Consolidated)
  - 50.7% vs 45.6% (Existing centers)
- Increase in ARPOB in Q4-FY21 (y-o-y)
  - INR 34,788 vs INR 32,805
- ALOS at 2.28 days in Q4-FY21 showed marginal improvement
- Existing centers operating EBITDA margin declined by 60 bps to 23.8% in Q4-FY21 from 24.5% in Q4-FY20

### Notes:

- (1) No. of Centers includes Cancer and Multispecialty hospitals operated under HCG brand and managed by HCG
- (2) Number of beds available as at the last day of the period
- (3) Occupied Bed Days calculated based on mid-day census
- (4) Average Occupancy Rate ("AOR") calculated as Occupied Bed Days divided by available bed days in the period
- (5) Average Revenue per Occupied Bed ("ARPOB") calculated as Revenue (gross for the hospital) divided by Occupied Bed Days
- (6) Average Length of Stay ("ALOS") calculated as Occupied Bed Days divided by number of admissions (including day care admissions)
- (7) Operating EBITDA margin before corporate expenses

Note: Effective 1 April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on 1 April 2019 and all financials are as per IND AS 116.

# HCG Centers: FY21 Regional Highlights

Centers	Beds <sup>(4)</sup>	AOR	ARPOB (INR/Day)	Revenue (INR MN)	Operating EBITDA %
<b>Karnataka</b>					
7	615	44.9%	35.8K	3,426	19.5%
		↓ -0.9% <sup>(1)</sup>	↓ -3.8%	↓ -6.0%	
<b>Gujarat</b>					
5	508	37.9%	38.0K	2,673	18.4%
		↓ -9.5% <sup>(1)</sup>	↑ +7.5%	↓ -12.0%	
<b>Maharashtra</b>					
4	368	40.4%	30.7K	1,607	15.4%
		↑ +1.7% <sup>(1)</sup>	↓ -3.5%	↑ +15.6%	
<b>Andhra Pradesh</b>					
3	177	54.2%	22.9K	804	24.4%
		↑ +17.5% <sup>(1)</sup>	↓ -30.0%	↑ +2.8%	
<b>East India</b>					
3	288	38.2%	21.7K	872	7.7%
		↓ -8.7% <sup>(1)</sup>	↑ +23.8%	↑ +5.7%	

- COE performance in Q4-FY21
- Revenue growth 21.5% q-o-q & 6.6% y-o-y
- ARPOB of INR 54k vs 57K (Q4-FY20)
- 23.8% operating EBITDA margin
- Revenue from international patients impacted on account of COVID restrictions

- HCC revenue grew by 24.1% in Q4-FY21 on y-o-y basis
- Oncology revenue for the region grew by 17.5% in Q4-FY21 on y-o-y basis
- Revenues from COVID treatment contributed 13.1% for the region in FY-21

- Strong revenue growth across the region
- 37.3% in Q4-FY21 (y-o-y)
- 15.6% in FY-21 (y-o-y)
- Existing center in Nashik revenue grew by 13.8% in Q4-FY21 (y-o-y)
- Mumbai revenue impacted by COVID onset

- Revenue growth of 18.1% in Q4-FY21 across the region y-o-y basis
- Regulatory delays for scheme patients led to higher occupancies and dilution of ARPOB
- Focus on improving revenue mix through reduction of scheme business

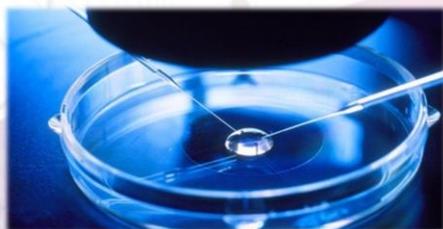
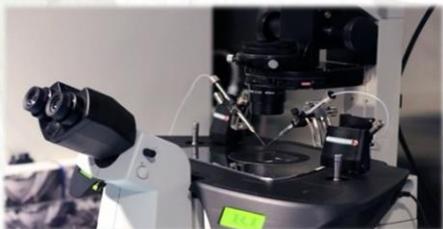
- Strong operating EBITDA margin for Existing centers
- 25.7% in Q4-FY21 & 24.8% in FY-21
- Improvement in quality of business in FY21:
- Reduction in schemes & occupancies
- Increase in high-end procedures & ARPOB

- New centers
- Existing centers

Note: Effective 1 April 2019, the Company has adopted IND AS 116 'Leases' standards, applied to lease contracts existing on 1 April 2019 and all financials are as per IND AS 116.

- (1) Increase / (Decrease) in Occupied Bed Days
- (2) Growth numbers are year-on-year basis
- (3) EBITDA before corporate expenses
- (4) Beds are Operational Beds.

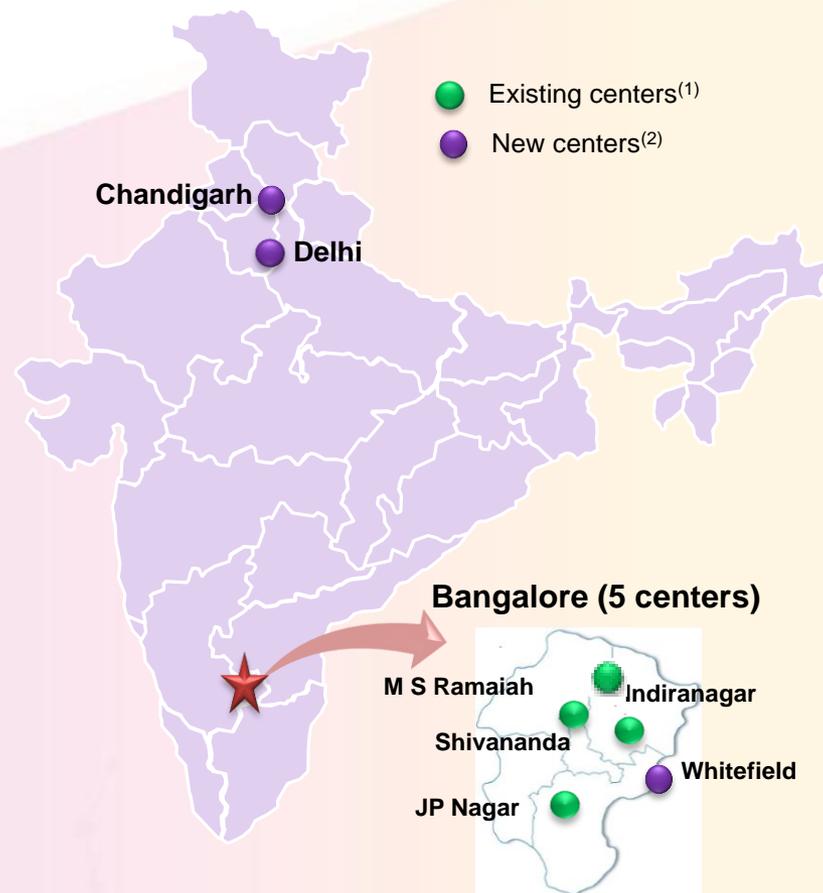
# Milann: Implementing Strategic Initiatives



**Milann**

	FY21	FY20	Growth
New Registrations	3,578	5,481	-34.7%
IVF Cycles	1,450	2,195	-33.9%
Revenue (INR Mn)	444	701	-36.7%

- Good recovery demonstrated in Q4-FY21 across all metrics
  - New Registrations grew by 20.1% q-o-q
  - Revenue grew by 8.1% q-o-q
  - IVF cycles grew by 2.8% q-o-q
- Looking to consolidate and focus on Bangalore and North India regions in near term



(1) Centers in operation prior to April 1, 2016, i.e. Shivananda, JP Nagar and Indiranagar  
 (2) Ahmedabad Center exited in Q2-FY21

# Capital Expenditure and Net Debt

## Capital Expenditure

INR Million

	Q4-FY21	FY21	FY20
<b>HCG Centres</b>			
Existing Centres	38	97	169
Expansions	14	114	366
New Centres	48	140	717
	99	350	1,252
<b>Milann Centres</b>			
Existing Centres	0	4	12
New Centres	-	-	-
	0	4	12
<b>Total Capex</b>	<b>100</b>	<b>354</b>	<b>1,264</b>

## Net Debt

INRMillion

	31-Mar-21	31-Dec-20	31-Mar-20
<b>Net Debt</b>			
Bank Debt <sup>(1)</sup>	3,954	3,955	5,682
Vendor Finance <sup>(2)</sup>	453	501	1,118
Other Debt	57	56	54
Less: Cash and Equivalents <sup>(3)</sup>	(1,582)	(1,558)	(334)
<b>Total</b>	<b>2,882</b>	<b>2,954</b>	<b>6,520</b>
Capital Leases - IND AS 116 <sup>(4)</sup>	5,058	6,228	6,278
<b>Debt in New Centres (Excl. Leases)</b>			
Bank Debt	2,054	2,018	4,318
Vendor Finance	164	164	589
<b>Total</b>	<b>2,218</b>	<b>2,182</b>	<b>4,907</b>
<b>Net Debt (Excl. New Centres and Leases)</b>	<b>664</b>	<b>772</b>	<b>1,613</b>

1. Net of Bank balance held as margin money of INR 245 Mn and investment in fixed deposits of INR 33 Mn as of 31st Mar-21, margin money of INR 180 Mn and investment in fixed deposits of INR 33 Mn as at 31st Dec-20. The unamortized portion of processing fees amounting to INR 38 Mn as on 31st Mar-21 & INR 39 Mn as on 31st Dec-20 netted off against Bank Debt.
2. Vendor Finance; Includes Forex reinstatement of INR 12 Mn as of 31st Mar-21 and INR 6 Mn as at 31st Dec-20 on account of exchange rate fluctuation
3. Cash and cash equivalents : Includes investment in Term Deposits of INR 1,274 Mn, mutual funds of INR 15 Mn as at 31st Mar-21 and Term Deposits of INR 1,263 Mn, mutual fund of INR 15 Mn as at 31st Dec-20.
4. Includes pre IndAS 116 Capital Leases of INR 555 Mn as at 31st Mar-21 and INR 555 Mn as at 31st Dec-20. Finance lease impact on account of tenure remeasurement is 1,230mn in Q4'21

## Additional 1 new HCG centers in FY2022 / 23

Location	Bed Capacity	Project Cost (INR mn)	Start Date
Jaipur, Rajasthan	50	410	Q2-FY19
Bhavnagar, Gujarat	NA	150	Q2-FY19
Nashik Phase II, Maharashtra	92	623	Q2-FY19
Rajkot, Gujarat	120	310	Q1-FY19
Kolkata, West Bengal	80	450	Q1-FY20
South Mumbai, Maharashtra	32	610	Q3-FY20

## No new Milann center in FY2021

Location	Start Date
Delhi	Q1-FY17
Chandigarh	Q3-FY17
Ahmedabad	Q4-FY18
Whitefield (Bangalore)	Q1-FY19

- **Existing centers** – HCG KR Road, HCG DR, HCG MSR, HCG Hubli, HCG Gulbarga, HCG MHIO Shimoga, HCC Ahmedabad, HMS Ahmedabad, HCG Bhavnagar, HCG Baroda, HCG Nashik, HCG Chennai, HCG Vijayawada, HCG Ongole, HCG Vizag, HCG Cuttack, HCG Ranchi
- **New centers** – HCG Suchirayu, HCG Rajkot, HCG Borivali, HCG Nagpur, HCG Jaipur, HCG Kolkata, HCG South Mumbai, HCG Africa



Overview



Financial Highlights



Appendix

# Investment Thesis



Strong Industry trends  
and growing oncology  
cases backdrop



Largest provider of  
cancer care in India with  
a proven track record



High quality care provided  
at a competitive price

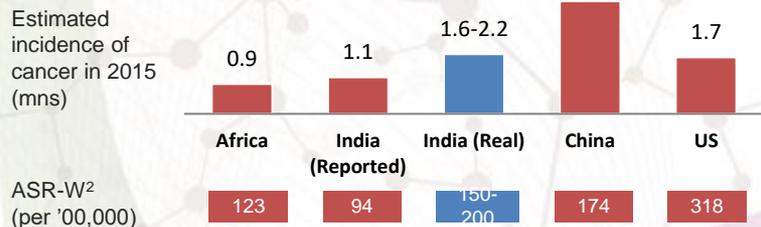


Strong management  
team with successful  
track-record

# Industry Trends and Backdrop

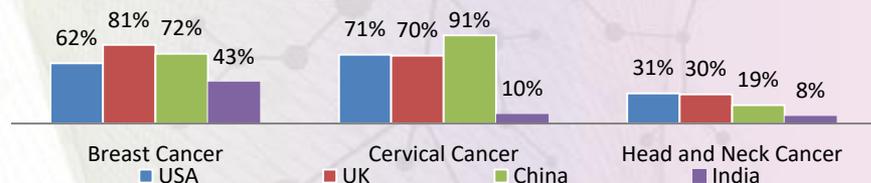
## Cancer Incidences in India to Increase

### Incidence of Cancer Across Countries<sup>1</sup>



### Under Diagnosis of Cancer in India<sup>1</sup>

Cancer Diagnosis at Early Stages (Stage I or Stage II)



- Cancer prevalence in India estimated to be 3.9mn in 2015
  - Estimated 1.1mn new cancer cases reported in 2015
- Real incidence could be 1.5x to 2.0x times higher than reported incidence
  - Difference between reported and real cancer incidence due to under-diagnosis
  - Reported incidence of cancer in India based on data from the cancer registries, which cover < 10% of the population
  - Late stage disease presentation due to lack of awareness and participation in screening programs
- For example, women<sup>3</sup> participation in breast screening mammograms<sup>4</sup>: USA (65%), China (30%) and India (<1%)

### Key Drivers of Cancer Incidence

#### Demographic Changes

- Cancer incidence increases with age - India's population >50+ years to increase from 228m (2015) to 262m (2020)
- Demographic factors alone are expected to result in an increase in cancer incidences of 100,000 to 350,000 cases a year

#### Exposure to Risk Factor

- Tobacco use, alcohol consumption, use of processed food and air pollution
- These factors are expected to result in an increase in cancer incidences of 350,000 to 450,000 cases a year

#### Narrowing Diagnosis Gap

- Growing awareness and greater public emphasis on screening and improvements
- Expected to result in increased reported cancer rates

<sup>1</sup> Call for Action: Expanding cancer care in India dated July 2015, published by Ernst & Young; <sup>2</sup> ASR-W is a weighted mean of the age-specific incidence rates. The weights are taken from the population distribution of the 'World Standard Population' defined by WHO, and the estimated incidence rate is expressed per 100,000 population for comparisons between different geographies, as age is a key determinant of cancer incidence; <sup>3</sup> Age Group 40-69 years; <sup>4</sup> Breast screening mammograms once in 24 months

# Industry Trends and Backdrop

## Demand Supply Gap and Treatment Landscape

### Existing Demand Supply Gap in Diagnostics...

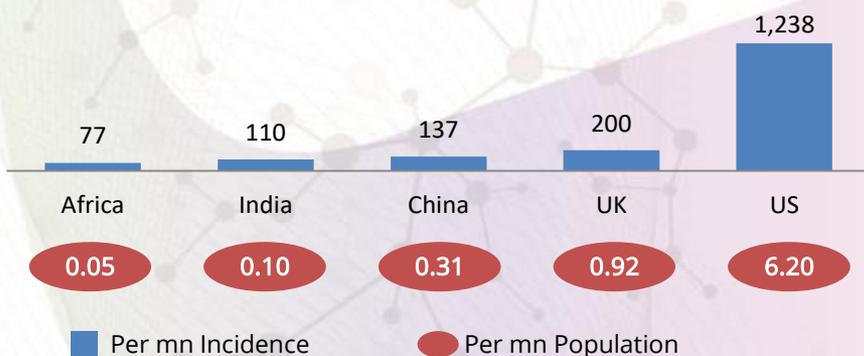
- Lack of adequate infrastructure and absence of mass screening programs are key barriers to timely diagnosis
- For example, as of 2014, only 30% of cancer centers in India had advanced imaging technologies like PET-CT

### ...and Treatment

- A key requirement for successful radiation therapy is availability of Linear Accelerators (LINACs)

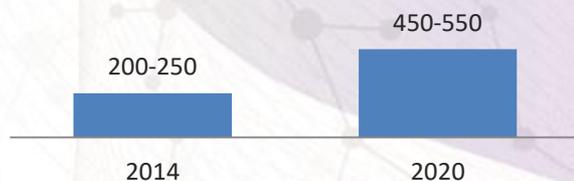
### Availability of LINACs<sup>1</sup>

Region / Country	Number of LINACs (2015)	LINACs per Million Population	Cancer Prevalence per LINAC	Cancer Incidence per LINAC
US	3,818	11.9	1,572	419
UK	323	5.0	3,096	929
China	986	0.7	6,288	3,144
<b>India</b>	<b>342</b>	<b>0.3</b>	<b>7,310</b>	<b>3,216</b>

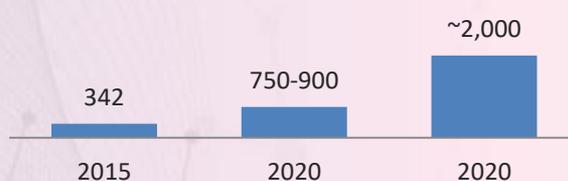


### Outlook for Treatment Landscape<sup>1</sup>

#### Demand for CCCs



#### Demand for LINACs



#### Chemotherapy Cycles (millions)



<sup>1</sup> Call for Action: Expanding cancer care in India dated July 2015, published by Ernst & Young

# Largest Provider of Cancer Care in India

## A Proven Track Record<sup>1</sup>

HCG's market leading position, successful track record and strong reputation in India provides a significant advantage over its competitors

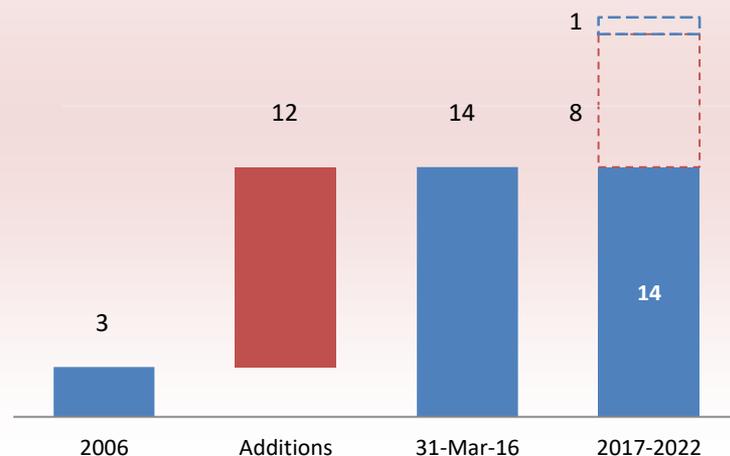


### Largest Cancer Care Provider...

- Largest provider of cancer care in India in terms of number of cancer treatment centers listed by AERB as of 31-Mar-2015<sup>1</sup>
- HCG network spans 18 cities and towns across eight states in India
- Through the extensive network, HCG is able to provide cancer care beyond just the metropolitan cities
- HCG believes, it has a strong reputation within the medical community, driven by
  - Use of advanced technologies
  - Successful clinical outcomes
  - Extensive clinical experience of specialist physicians

### ...With a Strong Track Record

**Growth in No. of Comprehensive Cancer Care Centers...**  
Under Development<sup>2</sup>



<sup>1</sup> As per AERB as of March 31, 2015. (Source: Government of India, Atomic Energy Regulatory Board)

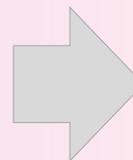
<sup>2</sup> Expected to commence operation during FY2018 and FY2019

# High Quality Care Provided at Competitive Price

Ability to provide high quality care driven by a multidisciplinary and technology focused approach

## Approach to Providing High Quality Care...

- Multidisciplinary approach to cancer care - specialist physicians from various disciplines collaborate to provide the best course of treatment
- Focus on identifying and adopting appropriate technology
  - Among first cancer care providers in India to standardise molecular diagnostics technologies
  - First healthcare provider in India to perform computer assisted tumor navigation surgery
- Standardized clinical protocols for diagnosis and treatment

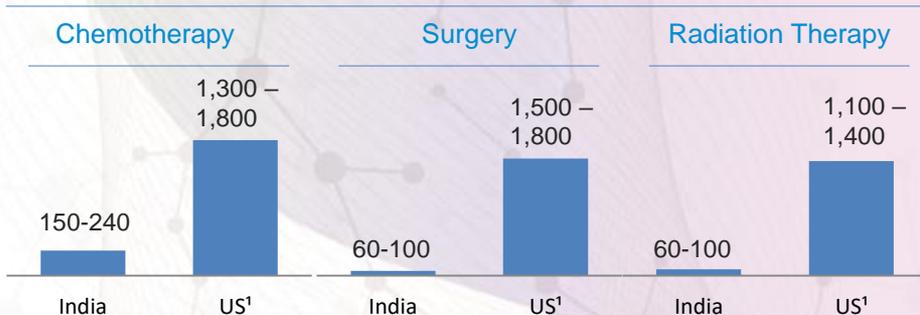


## ...Results in Successful Clinical Outcomes...

- Ability to manage the large volume of patients across the network while maintaining quality of clinical outcomes
- For example, the five year survival rate for breast cancer patients at HCG's network is comparable to U.S. benchmarks<sup>4</sup>

## ...At a Competitive Price

Cost of Cancer Treatment in India is lower (INR `000)



Source: Call for Action: Expanding cancer care in India dated July 2015, published by Ernst & Young

1 PPP adjusted 510-720; 2 PPP adjusted 600-720; 3 PPP adjusted 420-540; 4 Vijay Govindarajan and Ravi Ramamurti, Harvard Business Review, "Delivering world-class health Care, Affordably", November 2013

Drivers of HCG's Cost Competitiveness

- Economies of scale arising out of expansive network
  - Optimal utilization of equipment
  - Centralized drug and consumables formulary
  - Large network gives competitive advantage in terms of favourable economic terms of purchase and financing of medical equipment

## Unique and Successful Business Model

## Comparable outcomes at fraction of cost



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N9-313-030  
JULY 27, 2012

REGINA HERZLINGER  
AMIT GHORAWAT  
MEERA KRISHNAN  
NAIYYA SAGGI

### Hub and Spoke, Health Care Global, and Additional Focused Factory Models for Cancer Care

#### Introduction

Dr. Ajaikumar, chairman and CEO of Health Care Global (HCG), a network of cancer care centers in India, was awakened by the flight crew serving breakfast on his long journey from Africa to India. As he sipped his tepid lemon tea, he reviewed the short notes on Africa his team had prepared. (See Exhibit 1 for the notes and Exhibit 2 for Dr. Kumar's biography.)

Survival Rate	Cost
<p><b>Indian Hospitals' High Quality</b></p> <p>SURVIVAL RATES Breast Cancer <b>86.9%</b> HCG ONCOLOGY</p>	<p><b>Indian Hospitals' Ultralow Costs</b></p> <p>Cancer Treatment <b>\$2,900</b> HCG ONCOLOGY</p>
<p><b>89.2%</b> U.S. AVERAGE</p> <p><small>SOURCE: HCG AND SEER DATA BASE 5-YEAR SURVIVAL RATE FOR BREAST CANCER, STAGES 1-3 COMBINED</small></p>	<p><b>\$22,000</b> U.S. AVERAGE</p> <p><small>SOURCE: HCG; COSTS ARE FOR A FULL SET OF INTENSITY-MODULATED RADIATION TREATMENTS</small></p>

Govindarajan et. al. *Harvard Business Review*, November 2012, "Delivering World Class Health Care Affordably, Innovative hospitals in India are pointing the way" G

# THANK YOU

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For updates and specific queries, please visit [www.hcgel.com](http://www.hcgel.com)  
or feel free to contact [investors@hcgoncology.com](mailto:investors@hcgoncology.com)

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