

October 28, 2021

Shalby/SE/2021-22/72

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

Scrip Code : SHALBY
Through :
<https://www.connect2nse.com/LISTING/>

Corporate Service Department
BSE Limited
Mumbai 400 001.

Scrip Code: 540797
Through : <http://listing.bseindia.com>

Sub: Investor Presentation for the Quarter ended 30th September 2021, disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("the SEBI LODR")

Dear Sir / Madam,

We are submitting herewith Investor Presentation on financial & operational performance of the Company for the Quarter ended 30th September 2021.

We request to take the same on your records.

Thanking you,

Yours sincerely
For **Shalby Limited**



Tushar Shah
AVP & Company Secretary
Mem. No: FCS-7216



Encl.: as above

Shalby Limited

Regd. Off. : Opp. Karnavati Club, S G Road, Ahmedabad – 380015 (India)

Tel. No. : (079) 40203000 | Fax : (079) 40203109 | www.shalby.org | info@shalby.org

Regd. No. : 061000596 | CIN : L85110GJ2004PLC044667

Vapi - Indore - Jabalpur - Mohali - Naroda (Ahmedabad) Krishna Shalby (Ahmedabad) Surat - Jaipur **Upcoming Hospitals : Nashik - Mumbai**

FIT FOR THE FUTURE

27 years of serving

INVESTOR PRESENTATION

Q2 FY2022



SHALBY[®]
MULTI-SPECIALTY
HOSPITALS

INVESTMENT CASE

Core Business Q2 FY22 Revenues +26% compared to 3 years ago

1/3

H1 FY22 Performance

In Patient Count (Nos.)

20,542

83%

11,237 in H1 FY21

Surgeries Count

9,003

166%

3,379 in H1 FY21

Total Income

Rs. 3,793 mn

139%

H1 FY21 Rs. 1,587 mn

Operating EBITDA

Rs. 731 mn

149%

H1 FY21 Rs. 293 mn

PBT

Rs. 500 mn

444%

H1 FY21 Rs. 92 mn

Net Profit

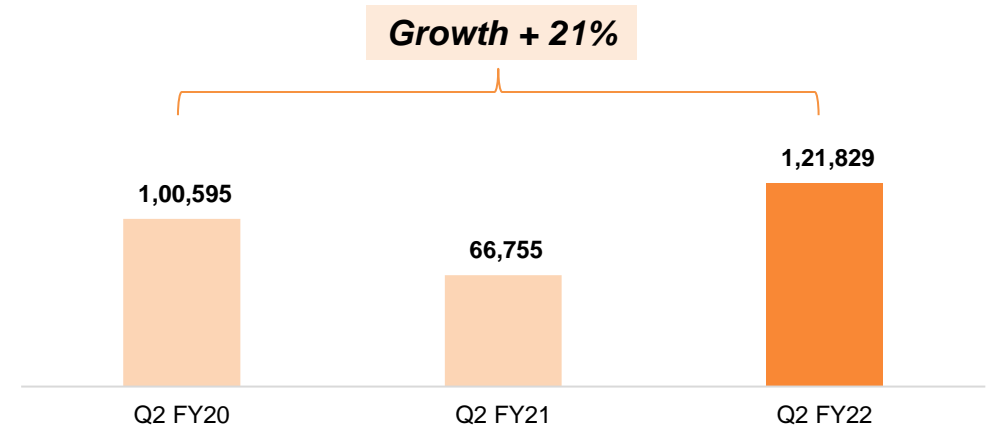
Rs. 309 mn

96%

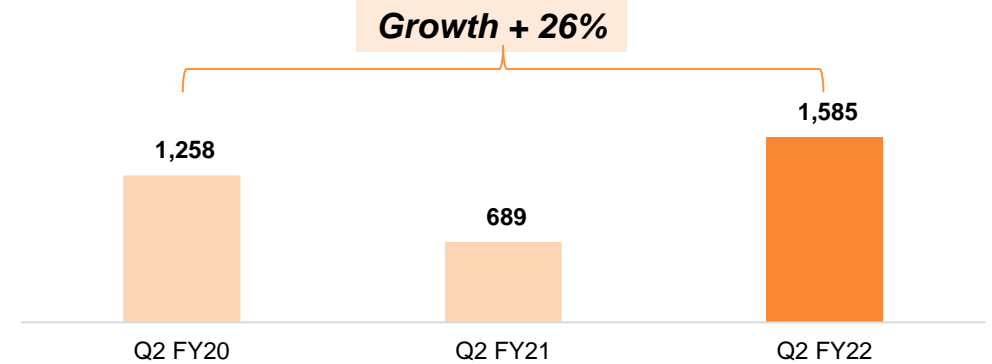
H1 FY21 Rs. 158 mn

Non Covid Quarterly Performance

Non-Covid Total Patients Count



Hospital Business Revenues (Rs mn)



Notes:

1. All numbers are on Consolidated Basis

*Hospital business revenues excludes Vaccination and Covid-19 revenues

1 Shalby Group

- Hospital, Implant and Franchise businesses all on high growth trajectories and delivering synergistic value
- Experienced team reinforced with appointment of Mr. Sushobhan Dasgupta as Vice Chairman and Global President
- Implant business cost synergies with core hospital platform and captive customer base through Shalby franchises
- Home care services is poised to grow in India with Shalby healthcare awareness program driving fundamental growth
- Strategy yielding enhanced financial results with Non-Covid Revenues, Cash Flows and ROCE at record high levels

2 Hospital Business

- Additional 40% of the total bed capacity is available to support organic growth trajectory with limited capex
- Nashik and Santacruz hospitals within development budget and provide access to important local markets
- Ongoing diversification of Arthroplasty and Orthopedics with Cardiac Science, Oncology and Neuro-science
- Investment in high impact training programs have established a dedicated professional medical base
- Innovative digital and market awareness continues to reinforce the Shalby brand nationwide

3 Implant Business

- Acquisition of Consensus high quality implants and customer relationships at an attractive valuation
- Daniel Hayes, original founder of Consensus, and leadership team delivered on first 100 day turnaround plan
- Re-establishing market presence and revenue base in core markets of US, Japan and Latin America
- Platform to enter high growth markets of Middle East and Asia, particularly India, Indonesia, Vietnam and Bangladesh
- Aim to deliver Rs. 100 crores in sales in FY23 with positive contribution to EBITDA

4 Franchise Model

- Unique and innovative inpatient franchise model, delivering immediate traction and results
- Asset light model leveraging Shalby expertise and branding across Arthroplasty and Orthopedics
- Allows for faster market penetration across India without significant additional cash flow investment
- First franchise hospital launched at Udaipur exceeding management expectations across key metrics
- Rapid business expansion with plans to open over 50 Shalby franchises across India within next 3 years

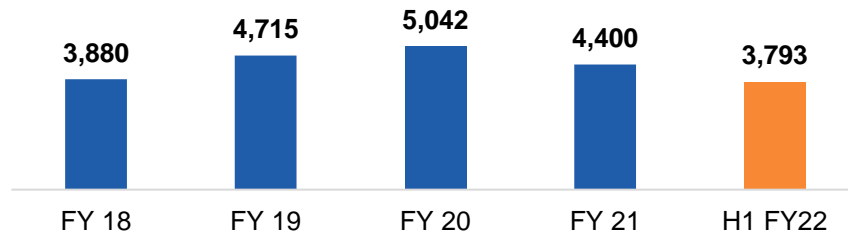
INVESTMENT CASE

Shalby brand and value add services reflected in ~20% EBITDA margins and double digit ROCE

3/3

Consistent Performance in Last 5 Years

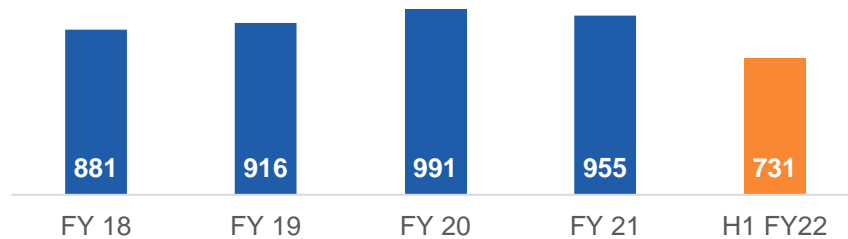
Total Revenue



Consistent EBITDA Margins over 5 Years

22.7% 19.4% 19.7% 21.7% 19.3%

EBITDA



PAT

(in Rs. Millions)	FY 18	FY 19	FY 20	FY 21	H1 FY22
PBT	537	504	567	551	500
Current Tax Expenses as Shalby under MAT Regime	114	110	108	97	119
Adjusted PAT	423	394	459	454	381
Additional tax expense as per the regulatory requirements	31	77	184	30	71
Reported PAT	392	317	276	424	309

Key Valuation Parameters

Key Valuation Metrics	26 Oct 2021
Share Price (in Rs)	161.8
Number. of Shares (in Cr)	10.8
Equity Value (Rs. Cr)	1,747.1
Gross Borrowings (Rs. Cr)	151.1
Cash and Cash Equivalents (Rs. Cr)	162.0
Net Debt (Rs. Cr)	(10.9)
Enterprise Value (Rs. Cr)	1,736.2
LTM Adjusted PAT (Rs. Cr)	75.9
LTM EBITDA in (Rs. Cr)	139.2
LTM Adjusted P / E	23.0x
LTM Adjusted EV / EBITDA	12.5x

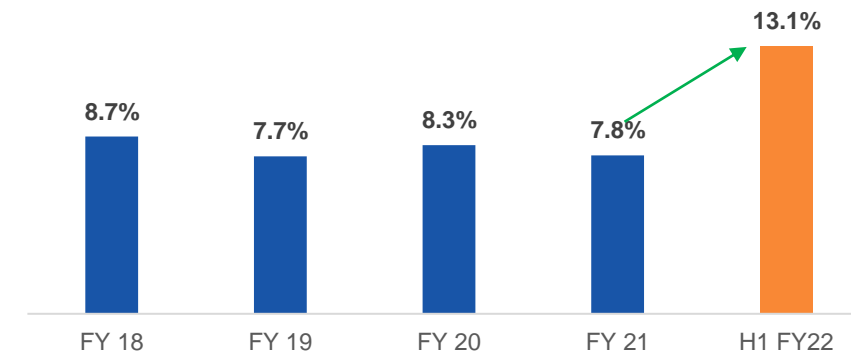
Adjusted PAT = PBT less MAT Tax Expense

LTM Adjusted PAT = FY21 Adj. PAT + H1 FY22 Adj. PAT – H1 FY21 Adj. PAT

Net cash positive balance sheet to support future strategic growth plans

Shalby Delivering Double Digit ROCE

Return on Capital Employed %



Note: All numbers are on Consolidated basis

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Q2 FY2022 PERFORMANCE HIGHLIGHTS

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SHALBY INDUSTRY & STRATEGY

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Q2 FY2022 PERFORMANCE TRENDS

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SUSTAINABILITY INITIATIVES

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HOSPITAL BUSINESS UPDATE

Q2 FY2022 PERFORMANCE HIGHLIGHTS

Total Income up by 53.5%, EBITDA up by 10.1% driven by increase in surgery count by 144.1% on y-o-y basis

In Patient Count (Nos.)

10,608

7,573 in Q2 FY21

Surgeries Count

6,190

2,536 in Q2 FY21

Beds Occupied (Nos.)

517

489 In Q2 FY21

Avg. Occupancy Rate

43%

41% in Q2 FY21

ARPOB (Rs.)

33,977

Rs. 24,837 in Q2 FY21

ALOS (Days)

4.02

5.94 in Q2 FY21

Total Income

Rs. 1,717 mn

Q2 FY21 Rs. 1,118 mn

Operating EBITDA

Rs. 345 mn

Q2 FY21 Rs. 314 mn

PBT

Rs. 250 mn

Q2 FY21 Rs. 215 mn

Net Profit

Rs. 167 mn

Q2 FY21 Rs. 242 mn

Notes:

1. Occupancy rate is on the basis of operational beds
2. ALOS is excluding Day Care
3. ARPOB is excluding vaccination revenue
4. All numbers are on Standalone basis

Surgery count registered strong recovery from 2,536 in Q2 FY21 to 6190 in Q2 FY22 Exceeding the pre-covid period average count of 5000 surgeries per quarter

- During the quarter, In patients count increased 40% y-o-y primarily driven by increase in non-covid patients. Covid-19 patients count declined to **14** as compared to **5,350** in Q1 FY22
- Surgery count registered strong recovery from **2,536** in Q2 FY21 to **6190** in Q2 FY22, exceeding the pre-covid period average count of 5000 surgeries per quarter
- Bed occupancy increased to **43.1%** as compared to 40.1% in Q2 FY21
- Total income of Rs. **1,717 million**, an increase of **53.5%** on y-o-y. Revenue increase is primarily driven rise in arthroplasty surgery count
- EBITDA of Rs. **345 million**, an increase of **10.1%** on y-o-y
- EBITDA margins of **20.1%** in Q2 FY22 as compared to 28.0% in Q2 FY21
- Profit before Tax of Rs. **250 million** with growth of **16.5%** on y-o-y
- Shalby continues to maintain **Net Cash position with Rs. 1,036 million** at the end of September 2021

43%

Bed Occupancy

6,190+

Surgeries count in Q2FY22

1,20,000+

Patients* served in Q2FY22

100,000+

Total COVID Inoculation in Q2FY22

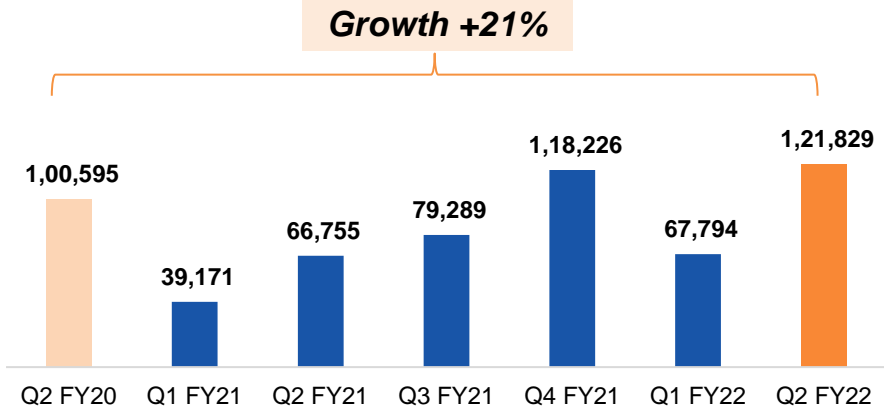
Notes:

1. Patients served includes In Patients, Day Care and Outpatients
2. Occupancy rate is on the basis of operational beds
3. All numbers are on Standalone basis

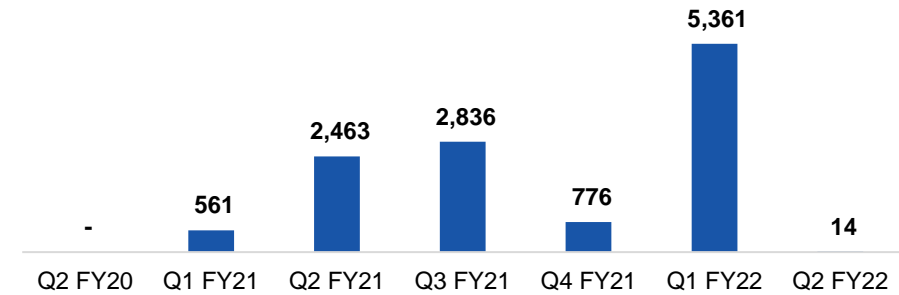
Q2 FY2022 PERFORMANCE HIGHLIGHTS

Shalby non-covid business remain strong and continues to grow with the normalization of Covid cases

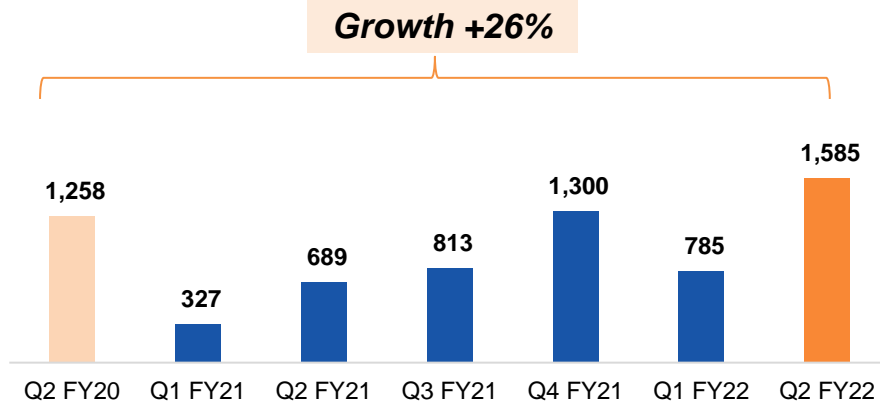
Non-Covid Total Patients Count



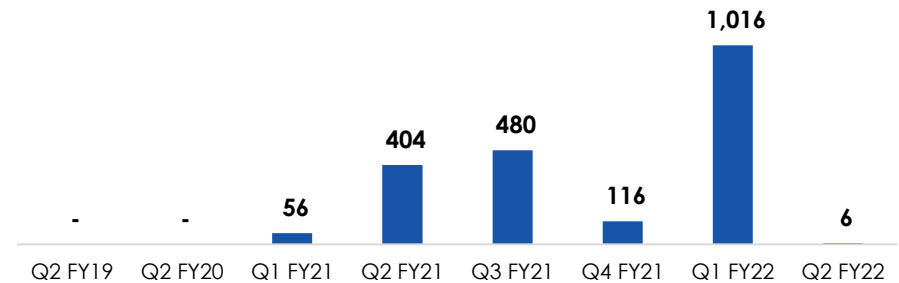
Covid Patients Count



Hospital Business Revenues (Rs mn)



Covid Revenues (Rs mn)



*Hospital business revenues excludes Vaccination and Covid-19 revenues

Notes:

1. All numbers are on Standalone basis

All hospitals, at different maturity stages, continues to deliver strong performance

Hospital - 10+ Years

228
Total Beds

Rs. 481 mn

Revenue

29%

Revenue
Contribution

Rs. 179 mn

EBITDA

37%

EBITDA Margins

Hospital - 5-10 Years

842
Total Beds

Rs. 550 mn

Revenue

34%

Revenue
Contribution

Rs. 84 mn

EBITDA

15%

EBITDA Margins

Hospital - 0-5 Years

892
Total Beds

Rs. 601 mn

Revenue

37%

Revenue
Contribution

Rs. 75 mn

EBITDA

12%

EBITDA Margins

Dedicated management committed to turnaround implant business

- Implant business has been operationalized from 14th May, 2021
- Seamless onboarding of Mr. Sushobhan Dasgupta and Mr. Daniel Hayes along with other leadership team members
- During the quarter, recorded total revenues of USD 1.0 mn and YTD revenue is USD 1.6 mn
- EBITDA loss has reduced from Rs. 38 million in last quarter of operations which was 45 days to Rs. 15.4 million in first full quarter for the year on account of higher operational efficiencies
- Leadership team is in place with most critical vacancies filled up including people in the shop floor
- Engaging with existing customers through regular management field meetings
- Back orders are being serviced gradually as per arrival of raw materials
- Launch of our implants under new brand of Consensus Orthopedics
- Successful participation in largest Orthopedic Conference at AAOS in USA
- We are assimilating all the documents and getting ready for regulatory approval for India and South East Asia markets

Particulars	USD ('000)	INR ('000)
Revenue From Operations	1,000	73,887
Gross Profit	470	34,721
GP Margin (%)	49%	49%
EBITDA	(209)	(15,440)
EBIT	(562)	(41,521)
EBT	(679)	(50,134)



Commenting on strategy, Mr. Sushobhan Dasgupta, Vice Chairman and Global President:

“Shalby delivered strong performance during the quarter backed by growth in core specialties and recovery in surgery count. The Non-Covid patients count increased to 15,525 reaching the pre-covid levels. The underlying performance is driven by Shalby’s sustained efforts over the years to further strengthen its core healthcare services and build on brand awareness in the market.

I am pleased to report that in September 2021, we launched our first Orthopedic Franchise Hospital in the country at Udaipur. This is a unique and innovative inpatient franchise model which allows faster market penetration across India without significant additional cash flow investment. Shalby plans to open over 50 Shalby franchises in India within next 3 years.

With respect to our implant business in US, we have delivered on our first 100 day turnaround plan. During the quarter, we have with further strengthened leadership with the onboarding of senior business division team leaders. In addition, Shalby has reached out to all its existing customers with a conviction to deliver uninterrupted supplies of quality knee and hip implants.

Overall, Shalby’s Hospital, Implant and Franchise businesses are synergistic and on track to deliver high growth. The Company has already started yielding enhanced financial performance with Non-Covid Revenues, Cash Flows and ROCE at record high levels.”

Note: All numbers are on Standalone basis



Commenting on performance, Mr. Shanay Shah, President Said:

“In Q2FY22 the healthcare sector showed signs of normalization, a trend continued in the light of declining Covid-19 cases in India. As a result, we saw a strong rebound in the elective surgeries. Total surgery count increased to 6,190 as compared to 2,536 in Q2 FY21 and in line ARPOB increased to Rs. 33,977 as compared 24,837 in Q2 FY21. Our occupancy levels stood at 43% as compared to 41% in same quarter last year.

During the quarter, Shalby delivered a strong performance with total income of Rs. 1,717 million, a growth of 54% on y-o-y. EBITDA was Rs. 345 million, an increase of 10.1% on y-o-y, with margins of 20.1%. Profit before Tax was Rs. 250 million with a growth of 16.5% on y-o-y basis. Shalby maintains Net Cash position with Rs. 1,036 million at the end of September 2021.

Overall, the performance during the quarter was underpinned by growth in core specialties such as Arthroplasty, Orthopedic, Oncology and Cardiac science which contributed 37%, 11%, 8% and 8% to the revenues, respectively.

On a consolidated level, Shalby continues to remain net cash positive to support future growth plans. Furthermore, we are proud to deliver double digit ROCE of 13.1% on H1 FY22 annualized basis.”



“Shalby stands with the nation amidst the ongoing health pandemic and is committed to the cause of vaccination for the larger good of the society. We treat this as our social and moral responsibility and will ensure no additional cost has to be borne by people and there is NO profit generation from such services. Shalby Group of Hospitals has also partnered with Government and NGO's to ensure vaccination of people from urban to remotest part of the India to create herd immunity.”

Dr. Vikram Shah
Chairman and Managing Director

100,000+

Total Vaccine Administered

~ Rs. 100 Mn

Total Vaccination Revenue

Covishield, Covaxin, SPUTNIK

Available Vaccines



Digital Spine Operation Room at SG Shalby Hospitals, Ahmedabad



Shalby has launched a state-of-the-art “Digital Spine OR” at SG Shalby Hospital

Shalby Hospital is one of the very few hospitals in Gujarat with such a comprehensive and dedicated Digital Spine Operation Room, with cutting edge digital technology supported by an equally efficient in-house Surgical Team.

Shalby specializes in Cardiac Care and Specializes



Our Indore unit performed highest number of minimally invasive heart surgeries in Central India. We had introduced four new cardiac care technologies at Shalby Indore through Shalby Institute of Cardiac Sciences.

Cardiac campaign in Jabalpur, under this campaign 1200 patients participated. Our Jaipur Unit performed highest number of number of minimally invasive heart surgeries in Rajasthan.

Neuro Awareness Campaign

300 patients took benefit of Neuro campaign & consulted for headache & backache

Health Awareness Digital Campaign

Published a series of Articles on running topics like Advanced Liver care at Shalby Jabalpur, Revisional Surgeries for Knee replacement, Golden Hour importance in Head injuries, Mother & child care unit at shalby etc which made a reach of 5 lac population via different marketing tools

Launch of Kidney Transplant Centre at Mohali, Indore and Ahmedabad



- Started Kidney Transplant Centre at [Shalby Mohali](#) in collaboration with Aykai Hospital which is headed by Dr. Baldev Singh Aulakh, one of the most reputed urologists of the region.
- Started Kidney Transplant Centre at [Shalby Indore](#)
- Kidney Transplant Centre at [SG Ahmedabad](#) unit performed 10 kidney transplants in the quarter



Shalby launches first Orthopedic Franchise Owned Franchise Operated (FOFO) in the country at Udaipur

Unique and innovative inpatient franchise model, delivering immediate traction and results

- Shalby Orthopedic Centre of Excellence, it will offer OPD as well as IPD services to patients
- It will provide a wide range of orthopedic services including joint replacement surgeries and is equipped with state-of-the-art operation theatre, ICU and emergency department. SOCE will provide its quality services at affordable rates
- Plan to establish 50 such franchises including in tier 2 and tier 3 nationally in next 3 years



Shalby Institute of Rehabilitation Sciences at Shalby Krishna Hospitals, Ahmedabad

Rehabilitation center conceived & managed by medical specialists. Our motto is 'freedom from disability'

- SIRS is first of its kind comprehensive rehabilitation center conceived & managed by medical specialists. It is a unique & arguably the only rehab center providing 24 X 7 in-house medical & emergency services by specialist doctors
- SIRS provides rehabilitation services needed for people of all ages from children to elderly, from medical diseases to post surgery rehabilitation
- It provides tailor-made wellness programs like Healthy bone initiative, well women initiative, chronic pain management clinic, diet & nutrition, obesity & weight loss clinic, sleep clinic etc. We not only aim to treat but to HEAL.



“Best Hospital, Orthopedic, National Level”



Shalby Multi-Specialty Hospitals awarded as the Best Hospital-Orthopaedics for the National level at the Economic Times Healthcare Awards 2021



www.shalby.org

www.shalby.in

“Best Homecare Company, National Level”



Shalby Homecare awarded as the Best Homecare Company for the National level at the Economic Times Healthcare Awards 2021



www.shalby.org

www.shalby.in

“Jaipur Hospital Awards”

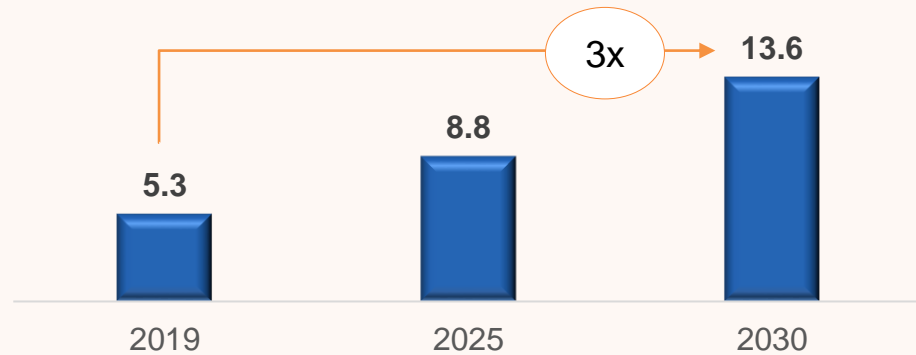


Shalby Hospitals Jaipur awarded with two awards; Rajasthan Health Icons Award for Fastest Growing Tertiary Care Hospital of Rajasthan - 2021 and Rajasthan Health Icons Award for Oncology & Allied Services, Centre of Excellence, Oncology - 2021 **by The Times of India.**

“Shalby Hospitals Mohali won WSO Angels Award (Platinum Category) from World Stroke Organization”

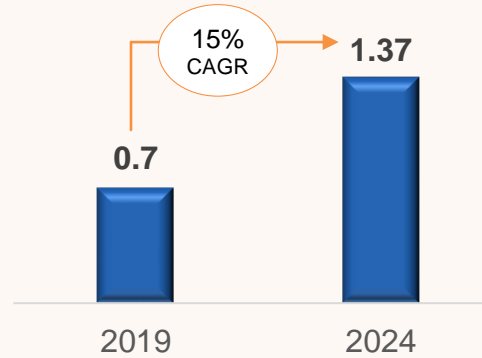
The Medical Device Market expected to grow 3x in next 10 years on back of sustained growth drivers

Indian Medical Device Market Size \$Bn

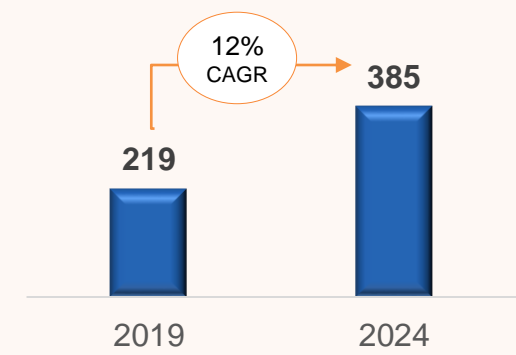


- ✓ India with population of more than 1.3 Bn and increasing disease burden. Increasing disposable income and affordability is driving demand for high quality healthcare services
- ✓ The Indian medical device market is among the top twenty in the world and fourth in Asia by market size
- ✓ The industry is largely dependent on imports with most local manufacturers producing products in the lower end of the technology value chain
- ✓ Imports constitute around 75% of the medical devices industry sales in India

Joint Replacement Surgeries In India \$Bn



Knee Replacement Surgeries In India (000's)



- ✓ Rise in the geriatric population drives the demand for Joint Replacement surgeries
- ✓ Joint replacement has the highest contribution in the Global Orthopedic product segments 2020
- ✓ Joint replacement was impacted in 2020-21 due to the pandemic however it is expected to grow at a CAGR of 15% with the rising cases of Osteoarthritis
- ✓ Shalby with its strong brand and expertise in Arthroplasty is well positioned to meet the high growth market in the longer run

Shalby with its strong brand and expertise in Arthroplasty is well positioned to meet the high growth market in the longer run

Shalby is a Leader in Joint Replacement with 15% Market Share



- Joint replacement market in India is expected to increase at a **CAGR of 15%** from USD 0.70 Bn in 2019 to USD 1.37 Bn by 2024
- India is slated to become the osteoarthritis capital of the world with a disease burden of **60 million active cases**
- With increasing awareness, sedentary lifestyle and better economy, India is expected to witness nearly **1.5 million joint replacement surgeries annually**



Shalby Orthopedics Centre of Excellence and Franchise Model



- **Standalone hospitals** to provide world-class orthopaedic care services to patients
- **Asset light** franchise model will leverage Shalby brand equity & expertise and enable company to penetrate faster across pan-India
- The orthopaedic centres to be equipped with the latest high-definition arthroscopic systems and **deliver state-of-the-art joint replacements** with computer navigation technology

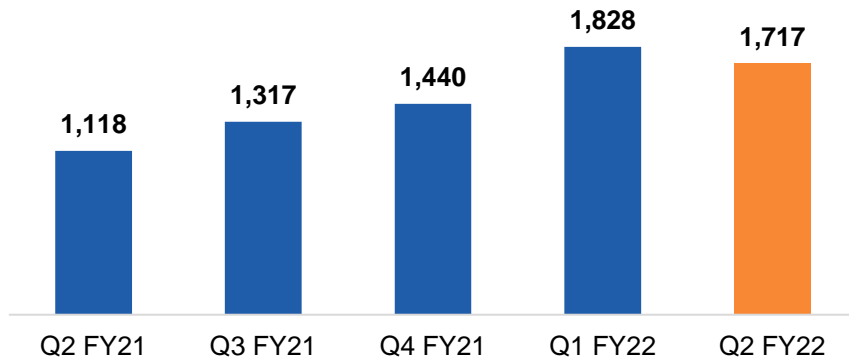
Shalby Implant Business



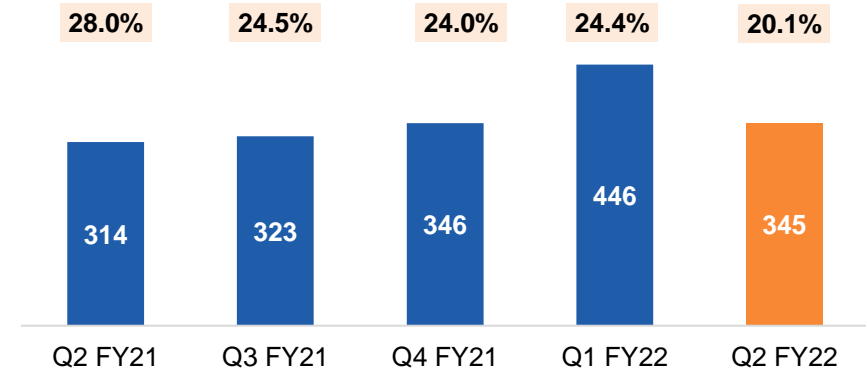
- Internationally **experienced management team** appointed to lead Shalby's implant business
- Enables Shalby to **procure quality implants** at a competitive price for its own consumption in India
- Build on the existing asset platform to enhance **implant sales across the US and international markets**
- Facilitates **diversification of Shalby's business and revenue mix**

Q2 FY2022 PERFORMANCE TRENDS

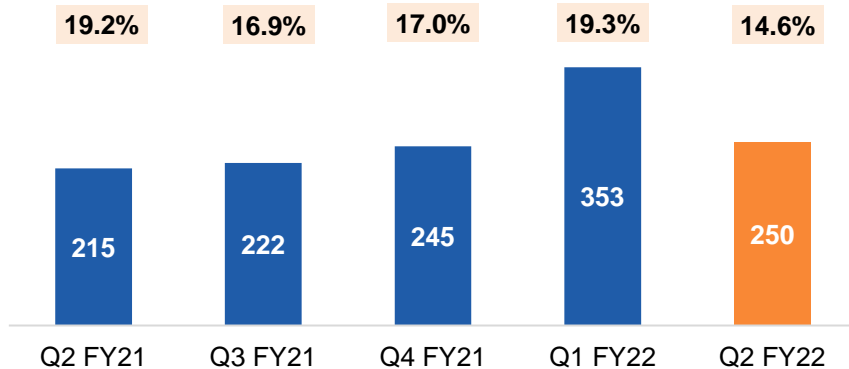
Total Income (Rs. Mn)



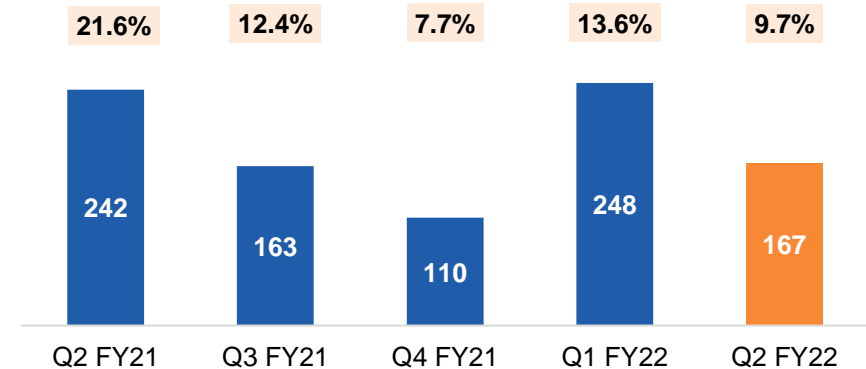
EBITDA (Rs. Mn) and Margin



PBT (Rs. Mn) and Margin



Reported PAT (Rs. Mn) and Margin

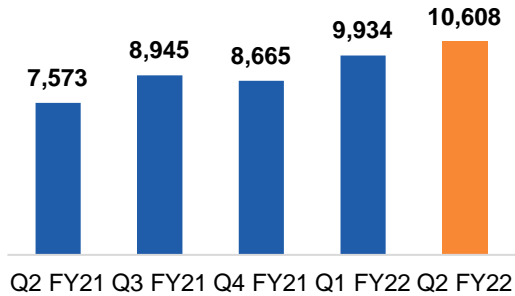


Note:

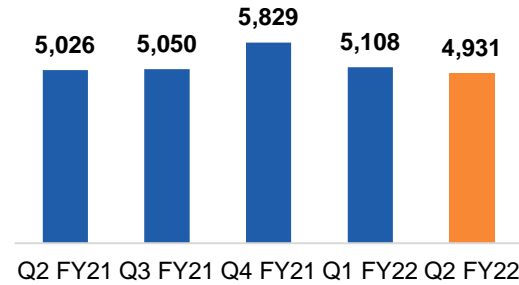
1. All numbers are on Standalone basis

In Patients count was primarily driven by increase in Non-Covid patients.
Surgery count registered a strong rebound with the normalization of Covid cases resulting in higher ARPOB

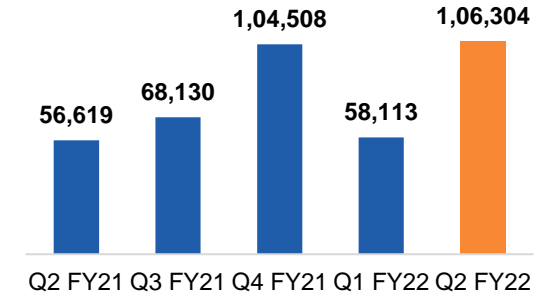
In Patients Count



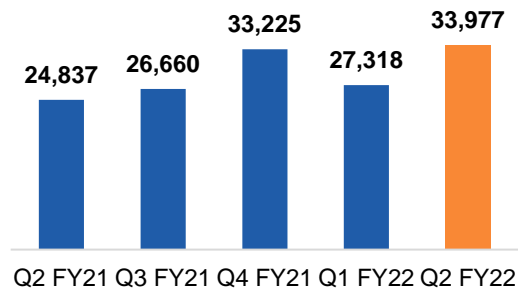
Day Care Patients Count



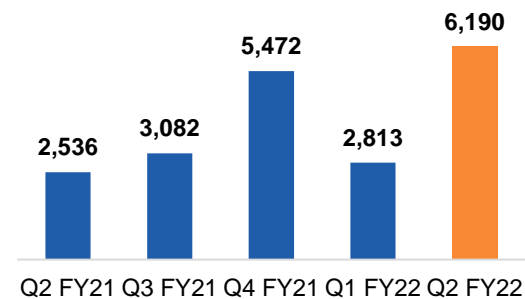
Out Patients Count



ARPOB (Rs.)



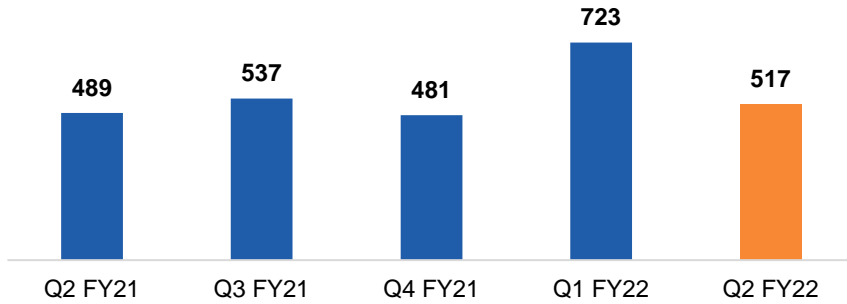
Surgery Count



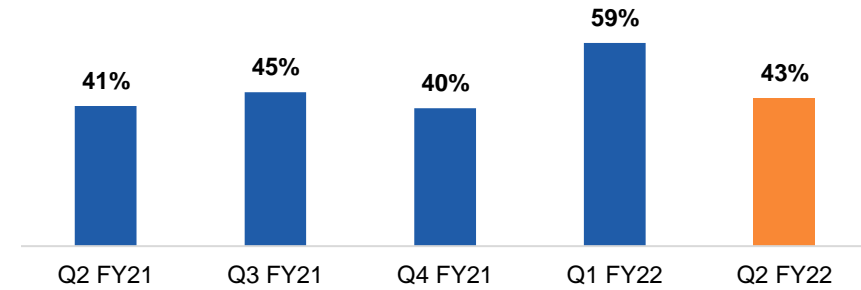
Notes:

1. ARPOB is excluding Vaccination revenues
2. All numbers are on Standalone basis

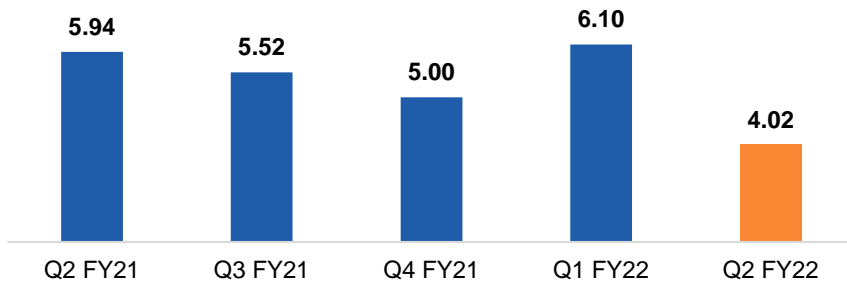
No of Bed Occupied



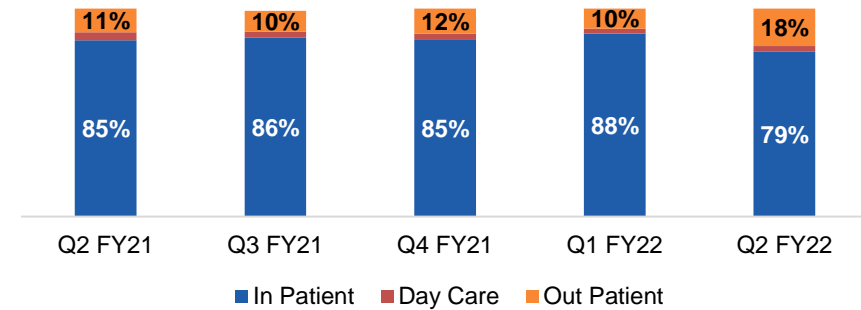
Occupancy Rate*



Average Length of Stay (ALOS)



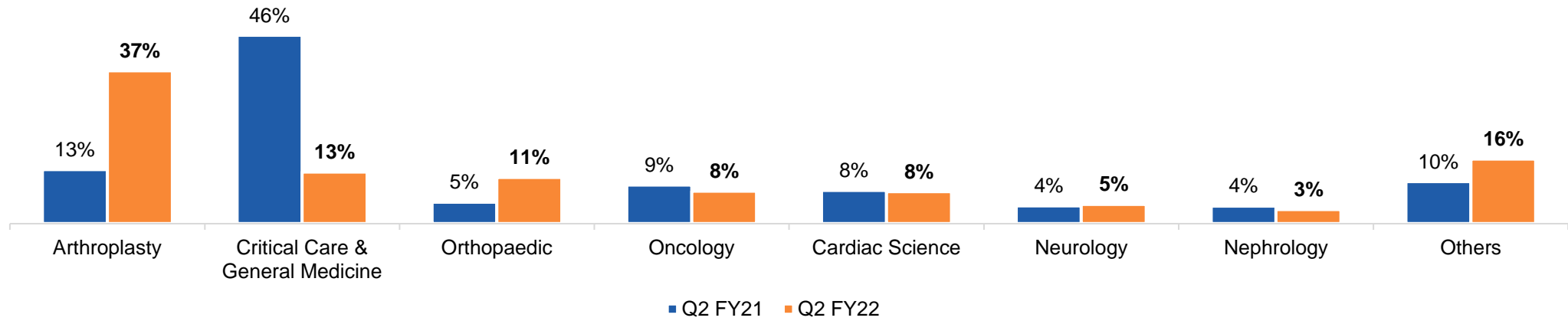
Revenue Mix by Care



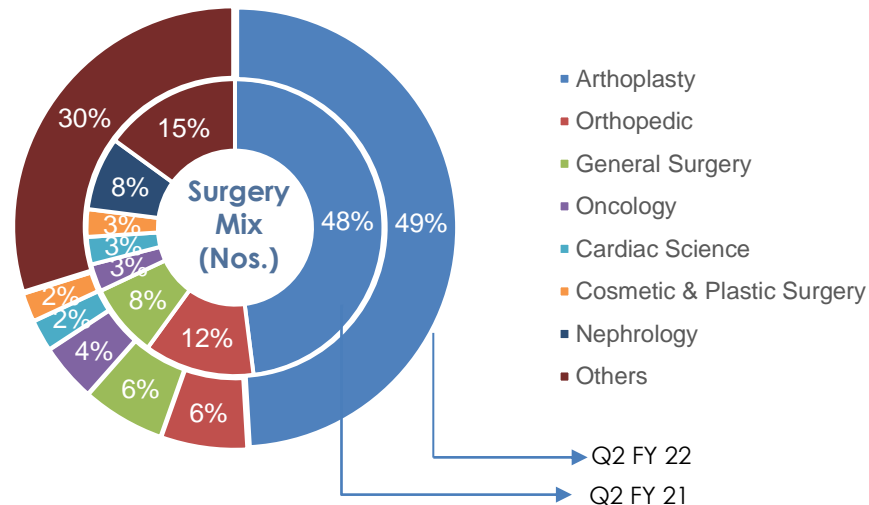
Notes:

1. Occupancy rate is on the basis of operational beds. Operational beds Q2 FY22 – 1,200, Q1 FY22 – 1,224, Q4FY21 and Previous Quarters – 1,200
2. ALOS is excluding Day Care
3. All numbers are on Standalone basis

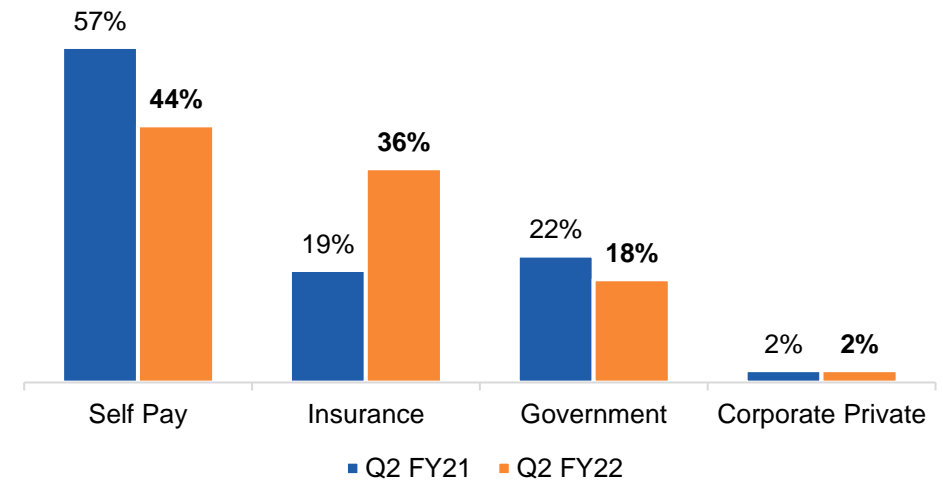
Revenue by Hospital Specialty



Number of Surgeries by Specialty



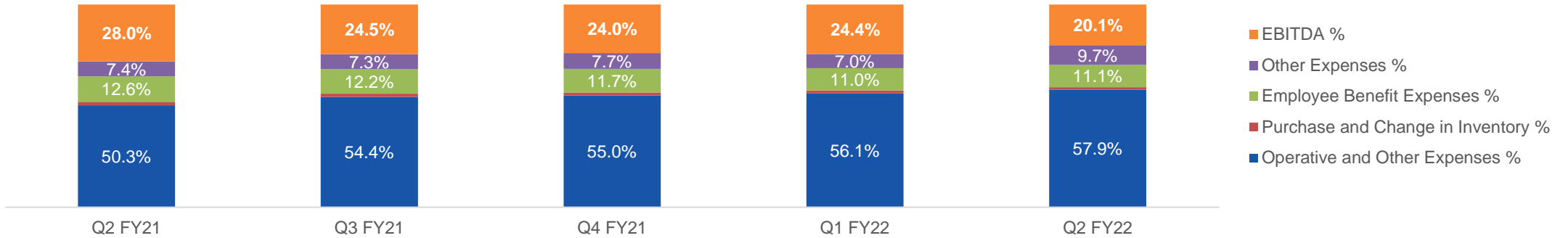
Revenues by Payer Mix



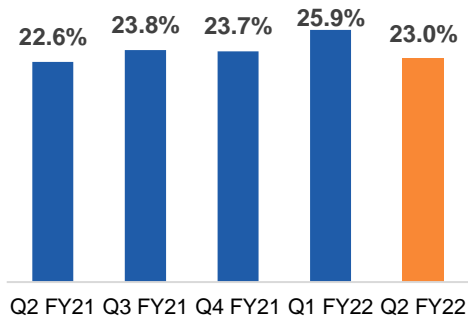
Note:

1. All numbers are on Standalone basis

Total Income to EBITDA Bridge

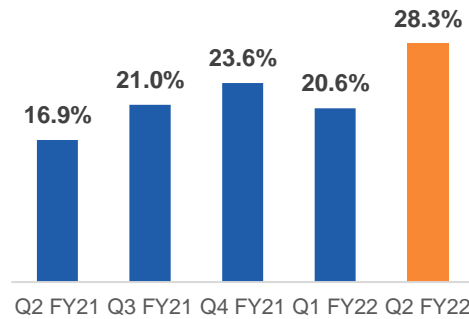


Doctor Costs as % of Revenue from Operations



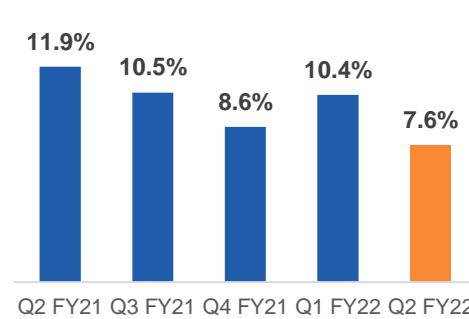
Q2 FY21 Rs. 248 mn | Q2 FY22 Rs. 388 mn

Consumables as % of Revenue from Operations



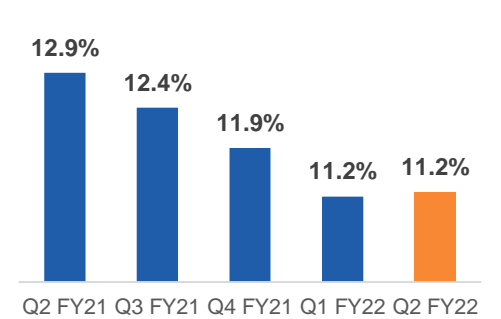
Q2 FY21 Rs. 184 mn | Q1 FY22 Rs. 478 mn

Other Operative Expense as % of Revenue from Operations



Q2 FY21 Rs. 130 mn | Q2 FY22 Rs. 128 mn

Employee Costs as % of Revenue from Operations



Q2 FY21 Rs. 141 mn | Q2 FY22 Rs. 190 mn

Notes:

- Total Operating Expenses comprises of Operative and other expenses, Purchase and Change in Inventory, Employee costs and Other Expenses
- All numbers are on Standalone basis

Q2 FY2022 PERFORMANCE HIGHLIGHTS

Operational Metrics	Q2 FY22	Q2 FY21	Y-o-Y Growth	Q1 FY22	Q-o-Q Growth
In Patient Count (Nos.)	10,608	7,573	40.1%	9,934	6.8%
Day Care Patient Count (Nos.)	4,931	5,026	(1.9)%	5,108	(3.5)%
Out Patient Count (Nos.)	1,06,304	56,619	87.8%	58,113	82.9%
Surgeries Count (Nos.)	6,190	2,536	144.1%	2,813	120.0%
ARPOB (In Rs.)	33,977	24,837	36.8%	27,318	24.4%
Operational Beds (Nos.)	1,200	1,200	0.0%	1,224	(2.0)%
Occupancy (Beds)	517	489	5.7%	723	(28.4)%
Occupancy (%)(based on operational beds)	43.1%	40.8%	5.7%	59.1%	(27.0)%
Average Length of Stay (without Daycare)	4.02	5.94	(32.3)%	6.10	(34.1)%

Notes:

- Operational beds and Occupancy is excluding Zynova beds

Q2 FY2022 PERFORMANCE HIGHLIGHTS

Particulars (in Rs. Million)	Q2 FY22	Q2 FY21	Y-o-Y Growth	Q1 FY22	Q-o-Q Growth
Revenue from Operations	1,691	1,093	54.7%	1,801	(6.1)%
Other Income	26	25	4.0%	27	(3.0)%
Total Income	1,717	1,118	53.5%	1,828	(6.1)%
Expenses					
COGS	1,016	581	74.9%	1,052	(3.4)%
<i>% of Revenue</i>	<i>59%</i>	<i>52%</i>		<i>58%</i>	
Employee Benefit Expenses	190	141	34.9%	201	(5.6)%
<i>% of Revenue</i>	<i>11%</i>	<i>13%</i>		<i>11%</i>	
Other expenses	166	83	100.3%	129	28.8%
<i>% of Revenue</i>	<i>10%</i>	<i>7%</i>		<i>7%</i>	
Total Operating Expenses	1,372	805	70.5%	1,382	(0.7)%
<i>% of Revenue</i>	<i>79.9%</i>	<i>72.0%</i>		<i>75.6%</i>	
EBITDA	345	314	10.1%	446	(22.5)%
EBITDA Margins %	20.1%	28.0%		24.4%	
Depreciation and Amortisation	88	92	(3.7)%	86	2.3%
Finance Cost	7	8	(4.0)%	7	2.3%
PBT	250	215	16.5%	353	(29.1)%
Current Tax Expenses as Shalby under MAT	49	16	217.8%	67	(26.1)%
Adjusted PAT	201	199	0.8%	286	(29.8)%
Adjusted PAT Margins	11.7%	17.8%		15.6%	
Additional Tax Expense as per the Regulatory Requirements	34	(43)	(179.8)%	37	(8.8)%
PAT	167	242	(31.1)%	248	(33.0)%

Notes:

- Margins are calculated on the basis of Total Income
- All numbers are on Standalone basis

Q2 FY2022 PERFORMANCE HIGHLIGHTS - CONSOLIDATED

Particulars (in Rs. Million)	Q2 FY22	Q2 FY21	Y-o-Y Growth	Q1 FY22	Q-o-Q Growth
Revenue from Operations	1,816	1,156	57.1%	1,924	(5.6)%
Other Income	28	24	19.4%	25	12.0%
Total Income	1,844	1,180	56.3%	1,949	(5.4)%
Expenses					
COGS	1,026	633	62.2%	1,126	(8.9)%
<i>% of Revenue</i>	<i>56%</i>	<i>54%</i>		<i>58%</i>	
Employee Benefit Expenses	295	143	106.7%	250	18.0%
<i>% of Revenue</i>	<i>16%</i>	<i>12%</i>		<i>13%</i>	
Other expenses	200	86	133.6%	165	21.6%
<i>% of Revenue</i>	<i>11%</i>	<i>7%</i>		<i>8%</i>	
Total Operating Expenses	1,522	861	76.7%	1,541	(1.3)%
<i>% of Revenue</i>	82.5%	73.0%		79.1%	
EBITDA	323	318	1.3%	408	(20.9)%
EBITDA Margins %	17.5%	27.0%		20.9%	
Depreciation and Amortisation	115	92	24.8%	90	27.7%
Finance Cost	16	8	105.9%	10	61.2%
PBT	192	219	(12.3)%	308	(37.8)%
Current Tax Expenses as Shalby under MAT	50	17	201.6%	69	(26.9)%
Adjusted PAT	141	202	(30.0)%	239	(40.9)%
Adjusted PAT Margins	7.7%	17.1%		12.3%	
Additional Tax Expense as per the Regulatory Requirements	34	(43)	(179.6)%	37	(8.9)%
PAT	107	245	(56.1)%	202	(46.8)%

Notes:

- Margins are calculated on the basis of Total Income
- All numbers are on Consolidated basis

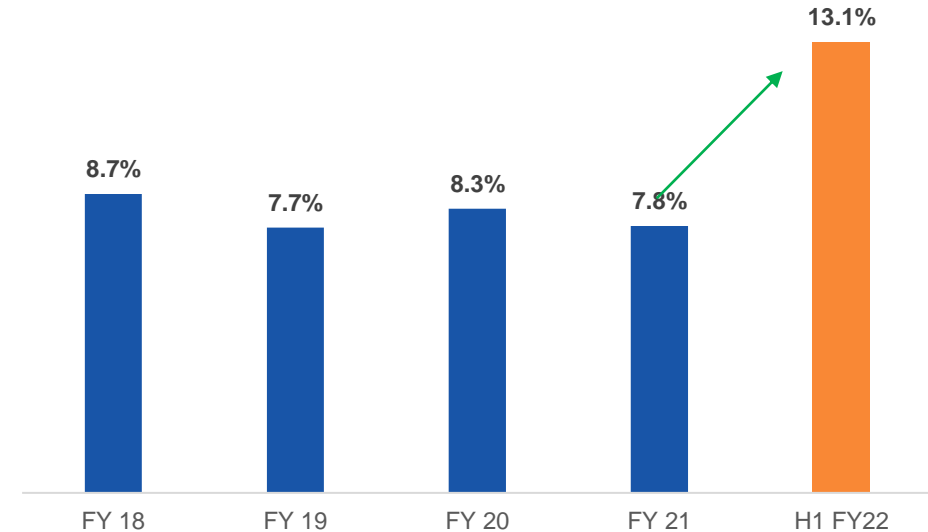
Q2 FY2022 CAPITAL STRUCTURE AND KEY RATIOS - CONSOLIDATED

Net cash positive balance sheet to support future growth plans. Double digit ROCE of 13.1% on H1 FY22 annualized basis

Well capitalized balance sheet for future strategic investments

Figures in Rs mn	FY 2019	FY 2020	FY2021	September 2021
Gross Borrowings	708	622	440	1,511
Cash and Investments	862	1,021	1,293	1,620
Net Debt/ (Net Cash)	(154)	(399)	(853)	(109)
Equity	7,798	7,992	8,347	8,542

Return on Capital Employed %



Notes:

1. ROCE is calculated as EBIT divided by Capital Employed
2. Capital Employed is calculated as Total Equity + Net Debt
3. All numbers are on Consolidated basis

ESG Mindset



“We at Shalby are embracing sustainability to drive new values to our business”

Community Connect



ESG Mindset

- We at Shalby are embracing sustainability to drive new values to our business. These values are rooted in responsible practices with new levels of resilience leading us towards a sustainable and profitable path forward.
- We are embracing new solutions and technologies in areas like infrastructure, operations, supply chain, electrification energy, issues of employee and internal as well as other external stakeholders.
- We have always worked on enhancing our operational efficiencies and intelligent asset management to improve our bottom line.
- We have published our first ESG report and can be viewed on our website or click here: [Shalby ESG Report](#)

Community Connect

- Under this on every Thursday we invited various samaj & clubs group like Lions club, Rotary club, Jain samaj, Brahman Samaj, Akhil bhartiya Digamber Jain samaj mahila parishad, Vaishya Mahasammelan shakha, Sangini seva sangathan, Power of women group etc.
- Under this programme members of samaj /club are engaged via health talk followed by specialist screening. We did Tieup with Digamber jain samaj on SOC basis as a by product.

Workplace Wellness

Total Training Hours In Q2 FY22 – 1,001 Hours

695 hrs	306 hrs
Clinical Training	Non-Clinical Training

Workforce Training



“We recognize the values inculcated in environmental responsibility and resource efficiency, accordingly our operations are infused with sustainable practices, ensuring a preservative footprint in the environment.”

6 CLEAN WATER AND SANITATION



“Save 5-15% of water per tap per year

More than 20% of the treated wastewater is recycled”

- Shalby pays special attention to the leakages in taps, wastage of water in washing and drinking areas is avoided
- Infrared controllers in water taps as they provide water only when required, they get switch off automatically and can save between 5 to 15% of water per tap per year
- Rain water harvesting system is installed at our Greenfield recently, projects to conserve natural resources

7 AFFORDABLE AND CLEAN ENERGY



“Saving ~3% of electricity consumption”

- Phasing out of CFL lamps to LED lights
- Introduction of timer based operation of air handling units to reduce power consumption
- Introduction of motion sensor for lights to reduce power consumption
- All lifts and OT AHUs are operated with VFD panels
- Energy optimization practices implemented in transformer operation

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



“Reducing waste by more than 10% at group level through recycling

Every year we produce around 4,800 Kg of organic fertilizers from our composting process”

13 CLIMATE ACTION



- Recyclable waste was collected and disposed of through authorized recycler; E-waste generated at the facility was disposed of through authorized agent
- Bio medical waste in accordance with the guideline of the government and to ensure minimum generation of radiation within the hospital.

“Our aim is to groom the best industry talent and build a competent workforce for supporting the healthcare industry”



- As one of the biggest chain of hospitals in western India, we recognize the importance of maintaining a diverse work environment through the creation of a strong and healthy work environment that fosters innovation and shared learning experiences
- We provide equal employment opportunities that allow all individuals to maximise their capabilities and thereby enrich our work environment

48% : 52%

Male vs Female
Clinical Workforce

74% : 26%

Male vs Female
Non-Clinical Workforce



- Shalby, continue to focus on training and developing employees to improve soft skills, professional grooming and customer experience. This led to the launch of an E-learning initiative through a line of Video modules named Shalby's Life Lesson
- The wellness programs and sessions at Shalby are as follows: Session on healthy eating habit, Stress, Management sessions, Yoga & Zumba sessions, Counseling sessions, Free Career Guidance, Free International, Fellowship Program, Knowledge sharing, sessions and sessions on Orthotrends

65,448

Clinical Training
Hours

69,402

Non-Clinical Training
Hours



Santa Cruz Development Update

Business Model: **Revenue Sharing**

Bed Capacity: **175**

Operating and Management Term: **30 + 30 years**

Operationalization Year: **FY 2024**

Estimated Cost: **Rs. 1,600 million**

Approval awaited from Brihanmumbai Municipal Corporation (BMC).
Formed a wholly owned subsidiary in the name of Shalby Hospitals
Mumbai Private Limited to manage Mumbai hospital



Nashik Development Update

Business Model: **Revenue Sharing Asset Light Model**

Bed Capacity: **146**





Operating and Management Term: **30 years**

Operationalization Year: **FY 2023**

Estimated Cost: **Rs. 310 million**

Brownfield development with Shalby to invest in medical
equipments. Shell structure is ready. MEP & interior work is
underway



SG		Commencement	2007 13 Years
		No. of beds / Occupancy	201 34%
		Type of Arrangement	Leased – Fixed Rent
		Revenue Contribution %	24%
Vijay		Commencement	1994 26 Years
		No. of beds / Occupancy	27 45%
		Type of Arrangement	Freehold
		Revenue Contribution%	1%
Krishna		Commencement	2012 8 Years
		No. of beds / Occupancy	220 35%
		Type of Arrangement	Freehold
		Revenue Contribution%	11%
Naroda		Commencement	2017 3 Years
		No. of beds / Occupancy	267 55%
		Type of Arrangement	Leased – Revenue Share
		Revenue Contribution%	11%

Notes:

1. Revenue contribution % is a contribution to total hospital revenue
2. All numbers are on Standalone FY2021 basis

Catchment: Ahmedabad and surrounding areas of Gujarat, Rajasthan and Mumbai

- Medical technology up gradation - S8 Navigation system which is 3rd installation in Gujarat state. This will enhance more accuracy and safe spine and neuro-surgery
- The Transplant work has picked up and performed 10 kidney and liver transplant in Q2 FY2022
- Treated 350 + seasonal disease patients like dengue, fever

Catchment: Ahmedabad and surrounding areas of Gujarat

- Corporate and insurance/TPA tie-up initiated
- Cashless facilities started for the first time
- Vaccination drive ongoing





Catchment: Ahmedabad and surrounding areas of Gujarat and Rajasthan. Also attracts international patients.

- Started Rehabilitation Centre under SIRS
- Vaccination of over 15000 citizen both walk-in & corporates
- International patient inflow started with good revenue contribution




Catchment: Ahmedabad and surrounding areas of Gujarat

- Organized Cardiac camp on world heart day
- CME with Nikol Physician association
- CME with kapadwanj medical association

SG Group

Surat		Commencement	2017 3 Years	<p>Catchment: South Gujarat, North Maharashtra (including Mumbai)</p> <ul style="list-style-type: none"> Performed highest number of Neuroscience procedures Launched Onco and Cardiac vertical by recruiting Onco physician and Onco Surgeon as well as Interventional Cardiologist Observed good growth in home health care 	Surat Group
		No. of beds / Occupancy	243 49%		
		Type of Arrangement	Freehold		
		Revenue Contribution%	11%		
Vapi		Commencement	2012 8 Years	<p>Catchment: South Gujarat</p> <ul style="list-style-type: none"> Unit has seen a highest growth in internal medicine in terms of revenue Unit has a EBIDTA positive in Q2 	Surat Group
		No. of beds / Occupancy	146 24%		
		Type of Arrangement	Freehold		
		Revenue Contribution%	1%		
Indore		Commencement	2012 8 Years	<p>Catchment: Madhya Pradesh</p> <ul style="list-style-type: none"> Achieved historical high on occupancy level as well as on EBITDA level conversion by optimal cost mix Highest ever number of surgeries touching 350. For the first time in a month. A rocket increase in Cardiac, Spine and Orthoscopy surgeries 	Surat Group
		No. of beds / Occupancy	243 44%		
		Type of Arrangement	Freehold		
		Revenue Contribution%	15%		
Jabalpur		Commencement	2015 5 Years	<p>Catchment: Madhya Pradesh</p> <ul style="list-style-type: none"> Achieved Highest revenue 2nd Quarter in last 3 years for the unit NABL & NABH accreditation certification done for unit Empaneled with 10 corporates and Insurance companies Engage over 8,000 population through vaccination activities 	Surat Group
		No. of beds / Occupancy	233 19%		
		Type of Arrangement	Leased – Revenue Share		
		Revenue Contribution%	6%		

Notes:
 1. Revenue contribution % is a contribution to total hospital revenue
 2. All numbers are on Standalone FY2021 basis

Mohali		Commencement	2017 2+ Years	Catchment: Punjab, Uttrakhand, Haryana <ul style="list-style-type: none"> • Touched 130 Arthroplasty in Sept'21 • Major specialties like arthroplasty, urology and medicine showing recovery in Q2 FY2021 • New doctors added in specialties like – Internal Medicine, Pulmonology, Medical Oncology
		No. of beds / Occupancy	145 31%	
		Type of Arrangement	Freehold	
		Revenue Contribution%	5%	
Jaipur		Commencement	2017 3 Years	Catchment: Rajasthan, Western UP, Punjab, Delhi <ul style="list-style-type: none"> • Launched SICS (Shalby Institute of Cardiac Sciences), focusing on Cardiac treatment to patients • Excelled in surgical management by achieving highest number of surgeries 1,169
		No. of beds / Occupancy	237 45%	
		Type of Arrangement	Freehold	
		Revenue Contribution%	14%	
Zynova		Commencement	2017 3 Years	Catchment: Mumbai <ul style="list-style-type: none"> • Inaugurated CT, MRI • Occupancy Level improved by 1.15 times from previous quarter • More then 150 visiting doctors on board • Initiated the vaccine drive successfully and administered 5000 people
		No. of beds / Occupancy	150 / na	
		Type of Arrangement	O&M Model	
		Revenue Contribution%	na	

Quarterly Business Update

Notes:

1. Revenue contribution % is a contribution to total hospital revenue
2. All numbers are on Standalone FY2021 basis

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