



7 August 2019

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| The Secretary Listing Department, BSE Limited, 1 st Floor, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400001 Scrip Code: 540975 | The Manager, Listing Department, The National Stock Exchange of India Ltd Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (East), Mumbai 400051 Scrip Symbol: ASTERDM |
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Dear Sir/Madam,

Sub: Press Release on results of quarter ended June 30, 2019

With reference to the captioned subject, please find enclosed press release in relation to the unaudited financial results of the Company for quarter ended June 30, 2019 and the appointment of Ms. Alisha Moopen as the Deputy Managing Director of the Company.

Kindly take the above said information on record as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

For Aster DM Healthcare Limited

Puja Aggarwal
Company Secretary and Compliance Officer

Aster DM Healthcare Limited
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Aster DM Healthcare Q1FY20 revenue up 14 % to Rs. 2029 crore

Q1FY20 EBITDA up 32% at Rs 164 crore

Q1FY20 PAT up 21% at Rs.25 crore

Alisha Moopen appointed as new Deputy Managing Director

New units ramping up quickly

Kochi, August 07, 2019: Aster DM Healthcare, one of the largest private healthcare service providers in multiple GCC states and an emerging healthcare player in India, today announced its financial results for the quarter ended June 30, 2019.

A strong focus on delivering quality healthcare through diversified healthcare offerings and enhanced efficiencies saw Aster DM Healthcare continue to grow strongly.

Effective 1 April 2019, the Group adopted Ind AS 116 'Leases', applied to lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. The effect of this adoption has resulted in decrease in other expenses, increase in interest expenses (included under finance cost) and an increase in depreciation and amortisation expenses for continuing operations.

The Company recorded a net profit of Rs. 24.7 crore for the quarter ending June 30, 2019 before the impact of Ind AS 116. This represents a year-on-year increase of 21% from a PAT of Rs. 20.4 crore registered in the same quarter last year.

Revenue from operations for Q1FY20 recorded an increase of 14.3% reaching Rs. 2,028.6 crore on sustained organic growth from its existing operations that includes 25 hospitals, 115 clinics and over 231 pharmacies in nine countries, including India.

Alisha Moopen's appointment as the Deputy Managing Director of Aster DM Healthcare was approved by the Board of Directors during their meeting on 7th August, 2019.

Financial Performance Highlights

Performance Review for Q1FY20 vs. Q1FY19

- Revenue from operations improves by 14.3% to Rs. 2,028.6 crore compared to Rs. 1,774.6 crore
- EBITDA (excluding other income and before Ind AS 116) increases by 32.5 % Y-o-Y to Rs. 164.2 crore compared to Rs. 123.9 crore. EBITDA post Ind AS 116 impact is at 223.7 crore.
- PAT (adjusted for exceptional income in previous year) increases to Rs. 24.7 crore compared to Rs. 20.4 crore. PAT post Ind AS impact is at Rs.10 crore.

Commenting on the performance for Q1FY20, Dr. Azad Moopen, Chairman, Aster DM Healthcare, said:

"We are happy with our performance this quarter. The first two quarters of the financial year are always slow because of the holiday season in the GCC. However when compared to the corresponding quarter last year our growth has been strong.

Our hospitals business continues to grow and is very robust. We expect double digit growth in our hospitals business in the coming year. Our clinics and pharmacies also continue to perform well.

We are well on track with our growth plans, having announced a new 230+ bedded Aster RV hospital in Bengaluru this quarter. All hospitals that have been completed in the previous year are ramping up well and can be expected to achieve breakeven soon."

Alisha Moopen, Non-Executive Director and CEO of Aster Hospitals and Medcare Hospitals & Clinics-GCC, has been promoted to the role of Deputy Managing Director of Aster DM Healthcare.

Speaking on the occasion, Dr. Azad Moopen said, "The appointment is a part of our long-term strategy to create a sustainable business that is well-equipped to meet the needs of the market and the people. Having seen Aster DM Healthcare being built brick by brick over the last three decades, Alisha has been in-grained with the values and purpose of the organisation. A qualified Chartered Accountant with over 7 years of experience working with leading financial organizations in UK and USA, before joining Aster DM Healthcare, she brings in the talent and capabilities required to take our organization to the next level. Having worked within the company for the last 7 years and leading the success story in many of our markets, Alisha has been elevated to this position based on her performance and capabilities. We are confident that she would continue to build the legacy of Aster with the brand promise of 'We'll Treat You Well' and lead the organisation to be in the forefront of healthcare providers through digital transformation and make it future ready."

"I am so humbled and honoured with this opportunity to continue the legacy of Aster and serve our mission in healthcare. Many companies aspire to change the world but very few have all the elements required: talent, resources and compassion. Aster has proven that it has all three in abundance and as the Deputy Managing Director, I can't ask for a better foundation. My dream for the future and our collective goal as an organisation is to build the healthcare model of care that is centred around wellness and superior clinical outcome to ensure people's wellbeing to live a happy and fulfilled life thereby building a success story on impact and sustainability in this ever-evolving world," said Alisha Moopen.

Working closely with Dr. Azad Moopen, Alisha would be leading the growth strategy for the company and steering the organisation to newer heights of success.

Seasonality

Seasonality is unique to GCC businesses and skews the picture significantly for the first and second half-financial year results.

There is a decline in volumes across hospitals, pharmacies and segments during the summer months in the GCC countries. Expats form a major proportion of the population in GCC countries barring Saudi Arabia and during the extreme summer season and school holidays, a large amount of population leave the GCC region. Some doctors also travel back to their home country during this period as well. The impact is visible across industries and reflected particularly more in primary care facilities like clinics and pharmacies.

Revenues in GCC are usually around 40%-45% in H1 and 55%-60% in H2 but the EBITDA split can vary as much as 30% and 70% for H1 and H2 respectively. Seasonality variation has consistently been visible over several years and can be expected to continue.

Segmental Performance

Hospitals

Aster DM Healthcare's Hospital network consists of 12 hospitals in GCC states and 13 multi-specialty hospitals in India. Our hospitals in India are located in Kochi, Calicut, Kottakkal, Wayanad, Kannur, Bengaluru, Kolhapur, Vijayawada, Guntur, Hyderabad & Ongole and are operated under the "Aster", "MIMS", "Ramesh" or "Prime" brands. In the GCC the company's hospitals are located in UAE, Oman, Saudi Arabia and Qatar.

Revenues increased by 19% to Rs. 689 crore in Q1FY20 from Rs. 580 crore in Q1FY19. EBITDA (excluding other income and before impact of Ind AS 116) increased by 13% from Rs. 73 crore in Q1FY19 to Rs. 83 crore in Q1FY20. The EBITDA margin was at 12.1% in Q1FY20 compared to 12.7% in Q1FY19. This reduction was on account of initial year losses of new hospitals operational from second quarter of FY 19 .

Clinics

We are one of the largest and most widespread network of clinics across the Middle East. The Aster DM network has 115 clinics in total with 107 clinics in GCC states and 8 clinics in India.

Clinics have been critical in developing Aster's brand salience, principally in new locations and geographies. Clinics act as a referral for Aster hospitals. Clinics are also crucial for pharmacies and most pharmacies are integrated with clinics, which ensure higher footfalls and faster breakeven. The asset light nature of clinics along with higher return ratios has helped Aster expand its network of clinics rapidly without impacting its balance sheet.

Revenues for GCC clinics increased by 7% to Rs. 483 crore in Q1FY20 from Rs. 453 crore in Q1FY19. EBITDA for GCC clinics increased 5% from Rs. 54 crore in Q1FY19 to Rs. 56 crore in Q1FY20. EBITDA margins stood at 11.7% in Q1FY20 compared to 11.8% in Q1FY19.

Pharmacies

We have a large pharmacy chain in GCC with 231 retail stores including 198 in UAE, 7, 11, 6, 7 and 2 in Kuwait, Jordan, Qatar, Oman and Bahrain respectively. An improving product mix combined with exclusive tie ups and strong associations with various pharma companies have all resulted in a healthy profitability profile. Revenues increased by 14% to Rs. 540 crore in Q1FY20 from Rs. 472 crore in Q1FY19. EBITDA increased 13% from Rs. 29 crore in Q1FY19 to Rs. 32 crore in Q1FY20.

Medical Excellence Highlights

Since inception, Aster DM Healthcare has been in continuous pursuit to push boundaries of excellence in health care and cater to the needs of patients, thereby setting global benchmarks in the field of medicine and patient care. Mentioned below are some of the significant achievements, in the quarter under review, that are a testament to clinical excellence:

- Aster Aadhar, Kolhapur successfully performed tracheal stenting procedure on patient suffering from Carcinoma Oesophagus complicated with T-O fistula, a first of its kind in the region
- Aster Aadhar Hospital was affiliated as Centre for Disaster Management by District Disaster Management Authority of Kolhapur, Maharashtra
- Aster CMI, Bengaluru successfully completed a sex Reassignment Surgery (Female to male) for a patient diagnosed with gender dysphoria
- The Aster Medcity, Kochi cardiac team successfully conducted the second Indian-made TAVI implant procedure
- At Medcare, surgeon relieved a patient of chronic respiratory problems using the latest laser technology to open up the patient's airways and to avoid damaging his voice cords.
- A rare surgery at Medcare Multispecialty Hospital helped end a patient's 10-year-old chronic pain through a minimally invasive surgery via an arthroscope to reposition the lower jaw joint.
- A malignant breast tumor weighing 3kgs was removed at Aster Hospital, Mankhool
- At Ramesh Hospital, a patient's heart valve was replaced through TAVR method, a critical procedure through minimal invasive surgery
 - A large tumor in the Small Intestine (21×19×13 cms) was removed Laparoscopically at Ramesh Hospitals.
 - The Gastroenterology department at Ramesh Hospitals performed a rare intervention procedure to cure Achalasia cardia which is found in one out of one lakh population.

Corporate Social Responsibility (CSR) Highlights

Over a million lives have been touched till date through the initiatives undertaken by Aster Volunteers Global Programme and the Aster DM Foundation,. Aster Volunteers Global Programme aims to bridge the gap between people, who would like to help with those in need. Around 8,300 volunteers have enrolled till date.

Some of the key achievements of the Aster Volunteers Programme include:

- Recruitment and support of differently-abled staff: Through this initiative Aster provided employment opportunities to 108 differently-abled people
- Free surgeries and investigations: Aster offered free investigations, treatments and surgeries to 28,715 patients in need.
- Basic Life Support (BLS) Awareness: To impart first responder training Aster collaborated with the local government, organizations and institutions across all the countries we are present in to educate 152,006 individuals
- Disaster Management and Refugee Support Programme: The humanitarian aid support programme benefitted 233,488 people in Somaliland, Jordan, Rohingya and Kerala
- Free Medical and Wellness Camp: Free medical and wellness camps for the under-privileged has benefitted 434,214 people
- Mobile medical services: 210,044 individuals treated through Aster volunteers' mobile medical camps

Highlights of the Aster DM Foundation

- Over 42,000 people benefitted from the free dialysis programme in India
- Over Rs 6.1 million has been spent on free and subsidized surgical treatments provided in India
- Over 24,000 people benefitted through the Community Good Health Outreach Programme in GCC and India
- Over 1800+ people benefitted through the disease detection and cancer screening programmes
45 students benefitted from the education and social empowerment programme (MILES)

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About Aster DM Healthcare

Aster DM Healthcare Limited is one of the largest private healthcare service providers operating in multiple GCC states and is an emerging healthcare player in India. With an inherent emphasis on clinical excellence the Company is one of the few entities in the world with a strong presence across primary, secondary, tertiary and quaternary healthcare through its 25 hospitals, 115 clinics and 231 pharmacies. These are manned by our 20,329+ workforce (including approx.. 1230 doctors on fee for service basis) from across the geographies that we are present in, delivering on a simple yet strong promise to its people: "We'll treat you well." We reach out to all economic segments in the GCC states through our differentiated healthcare services across the "Aster", "Medcare" and "Access" brands,

For more information about us, please visit www.asterdmhealthcare.com or contact:

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