

## OVERVIEW

Fri, 26<sup>th</sup> Oct' 21

- Apollo Hospitals Enterprise Ltd operates a network of private hospitals in India through primary, secondary, and tertiary care facilities.
- The firm's tertiary care hospitals provide advanced care in a variety of specialties that include cardiology, oncology, neuroscience, orthopaedics, radiology, and gastroenterology.
- The firm receives the largest proportion of revenue from its core healthcare business.

## STRENGTHS

- One of the finest qualities of this hospital is that it is located in all of India's main cities.
- A hospital's quality is determined by its physicians and amenities. This is something that Apollo Hospitals have easily available.
- Another advantage is that Apollo Hospitals provides prompt care. It features a separate emergency unit that deals with the most serious and pressing patients.

## BUSINESS STRATEGY

- It has penetrated several strata of the market with such a large presence in tier 1, tier 2 cities through primary care, specialty hospital care, and in rural regions with "Apollo REACH" hospitals aimed at secondary care facilities with 100-200 beds.
- It ensured that patients received complete packages of wellness and medical services such as consulting, Dialysis, sample collection, liver and bone marrow transplants etc.

## OPPORTUNITIES

- Even with the increasing rates in Apollo Hospitals, it is still a bargain compared to what you would spend in western nations. This is precisely one of the causes for this hospital's increasing advantages over its competitors.
- India is a developing third-world country in terms of hospitals and healthcare. This is undoubtedly one of the primary reasons for the Apollo Hospitals' favourable prospects. One of the biggest prospects for this hospital is the lack of developed healthcare service providers around the country.

## FUTURE PROSPECTS

- Apollo Hospitals Enterprises (AHEL) plans to raise Rs 1,500 crore in the next two months to fund inorganic development and enhance its financial sheet and digital platform.
- The company is also ready for any bolt-on acquisitions that would strengthen its position in important markets that they have identified.
- To increase its position, the hospital chain is considering a few small-ticket purchases — 300 beds in major cities and 200 beds in smaller ones

## SUMMARY OF FINANCIALS

- Revenue / turnover of APOLLO HOSPITALS ENTERPRISE LIMITED is Over INR 500 crs
- Net worth of the company has increased by 30.42 %
- EBITDA of the company has decreased by -33.06 %
- Total assets of the company has decreased by -4.09 %
- Liabilities of the company has decreased by -21.70 %
- Debt/Equity Ratio of Apollo Hospitals Enterprise Limited is 0.38%.
- Return on Equity of Apollo Hospitals Enterprise Limited is 2.02%.

*Disclaimer: The analysis is only for information purposes only. Please consult your financial advisor, agent, broker before acting on any information. We may or may not have positions in the stock. We would not be responsible for the profit/loss resulting from this analysis.*

Growth Rates (Compound Annual)	1 Yr	3 Yr	5 Yr	10yr
Revenue %	-6.1	8.4	11.0	14.9
Operating Income %	-43.1	9.1	5.3	4.4
Earnings/Share %	-67.2	8.4	-8.8	-2.9
Dividends %	-70.3	-22.9	-25.2	-2.4
Book Value/Share %	33.4	11.1	6.0	7.7
Stock Total Return	148.6	67.0	37.6	26.9
Market +/-	117.3	50.9	26.4	17.5

Valuation Analysis	Current	5Yr Avg	Ind	Mkt.
Price/Earnings	78.9	87.2	68.1	16.0
Forward P/E	100.0	-	-	-
Price/Cash Flow	54.7	31.8	-	10.4
Price/Free Cash Flow	68.2	91.7	-	-
Dividend Yield %	0.1	0.4	0.0	2.6
Price/Book	15.5	5.6	7.3	2.2
Price/Sales	6.3	2.5	4.4	-

Profitability Analysis	Current	5Yr Avg	Ind.	Mkt.
Return on Equity %	24.5	7.0	8.7	15.4
Return on Asset %	8.9	2.5	3.8	5.6
Gross Margin %	47.0	49.8	57.7	-
Operating Margin %	10.9	6.7	11.3	-
Net Margin %	8.0	2.5	5.5	21.6
Inventory Turns	20.2	8.8*	9.1	-
FixedAsset Turns	2.0	1.7	1.4	-

Financial Position (INR)	03-20(Mil.)	03-21 (Mil.)
Cash	4,252	5,874
Inventories	2,495	4,321
Receivables	—	—
Current Assets	36,413	43,399
Fixed Assets	65,458	68,282
Intangibles	4,611	10,342
Total Assets	114,167	129,101
Payables	13,450	15,750
Short-Term Debt	3,858	4,498
Current Liabilities	20,378	26,484
Long-Term Debt	24,735	24,706
Total Liabilities	66,143	73,871
Total Equity	46,025	53,047

Source: Company filings & Analyst research