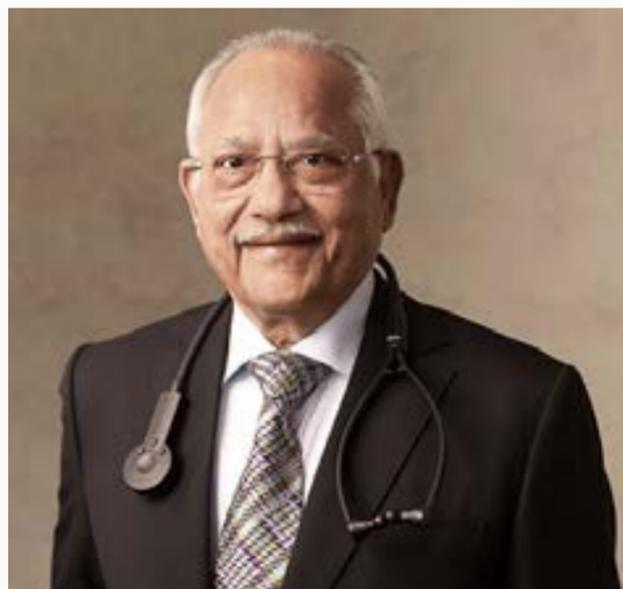


MESSAGE FROM THE CHAIRMAN



Dear Members,

The second decade of the twenty-first century will be the decade of Non-Communicable diseases (NCDs). The World Economic Forum and the United Nations have both warned that the world will face a huge NCD crisis in the next ten years in the form of diabetes, heart disease, strokes, cancer, respiratory disorders, infectious diseases and obesity. It is estimated that by the end of this decade, 80% of deaths worldwide will be from NCDs, which will amount to a staggering global cost of USD 30 Trillion, with India's share of that cost being USD 4.8 Trillion. It is a huge threat that no family, corporate or nation can sustain. It has been always our endeavour to work with Governments, corporates and communities in general, to reduce this burden, especially for younger people in the age group of 30-60, who are precious to their employers, their families, and above all to the nation.

In pursuit of the well-being of people at large, we have devised specific programs for diabetes management, detection of risk factors and corrective treatment for heart disease, strokes and cancer. It is important to remember that cancer, if detected early,

can be easily controlled through surgery, including robotic surgery. For more advanced cases, we also have state-of-the-art Photon therapy, through Novalis, Tomo and Halcyon machines, and Proton therapy. Our Proton Centre in Chennai, is the first-of-its kind in South East Asia and people from all over the world come here for treatment. Today, we are not only the No. 1 provider of cardiac services, we are marching towards making India the best cancer care center in the world.

As a definitive step towards combating NCDs, and to encourage early-detection and prevention, we have completed over 22 million Preventive Health Checks so far. We have now created a new program Apollo ProHealth, powered by Artificial Intelligence, which will help Predict, Prevent and Overcome NCDs. The program includes personalised healthcare under the supervision of health mentors.

The second decade of the twenty-first century will also see the advent of Artificial Intelligence, Automation, Robotics and 3-D printing in Healthcare. We have already adopted all of these to make a significant impact in the way we manage our patients and their medical conditions, with precision. I am happy to share that the Apollo Hospitals network is performing the highest number of robot-assisted surgeries in the country; we have also started using robots for cardiac procedures now.

Suddenly and unexpectedly, in the month of March 2020, another major health crisis erupted for the world with the COVID-19 pandemic. We launched Project Kavach, an integrated and holistic plan for the fight against COVID-19. Kavach includes modalities for screening, testing, assessment, isolation, treatment, monitoring and follow-up. We have designated close to 2,000 beds across our hospitals for COVID-19. We have been working with the Governments of 16 states where our hospitals are located. We have set up fever clinics in 30 locations. So far, we have made a positive difference to the lives of over 30,000 patients and we will continue to extend care.

During this time, we also launched our digital healthcare app **Apollo 24/7** - agile and digitally connected to the consumer, and we have been humbled by the response - 3.7 million registered users, ~3,200 doctors live on the platform, over 125,000 digital consults till date and over 12.7 million COVID-19 risk scans completed.

While managing COVID-19 as well as other ailments, we have created an iron curtain, in all our hospitals, between COVID-19 patients and non-COVID-19 patients so that the safety of the hospitals for the non-COVID-19 patients is not compromised. We have also fully separated the staff - doctors, nurses, housekeeping staff and others - and are housing them separately. This has helped us to make our facilities completely safe for the treatment of normal medical and surgical procedures as they arise.

Against the backdrop of COVID-19, it has now become abundantly clear that controlling NCDs, especially conditions like hypertension and diabetes is critical for building immunity to protect oneself from infections that can become life threatening.

The prevailing social stigma around COVID-19, coupled with the fear of contracting infections may have made patients rather lax about their health, lifestyle, regular medications and follow-up for their ailments. There is an urgent need to bring in a behavioural shift and ensure that people do not ignore conditions and illnesses, which may become life-threatening if left unattended.

With 71 hospitals with a total of 10261 beds; 3766 pharmacies, and 956 retail touchpoints, and emerging formats of care such as digital healthcare and home healthcare, across the length and breadth of India, I can confidently say no other hospital in the world has the gamut of health services we offer. Our Centres of Excellence continue to differentiate themselves through clinical excellence, high standards of quality, and skilled, experienced doctors. Our COE focus enables us to maintain a leadership position in treatment protocols and outcomes. Our focus on Telemedicine has deepened, facilitating our reach into non-urban geographies to provide access to primary, secondary and tertiary care.

Returns are measured not merely in financial terms alone; we've done so much work beyond just the numbers. But numbers are important for

shareholders and I am very pleased to share with you our consolidated FY20 results. Our YOY growth in Revenue is 17% at ₹ 112,468 mio in Healthcare Services which contributes 53% to our Topline, and Standalone Pharmacies contribute 41%. Overall, the EBITDA (Pre Ind AS 116) stood at ₹ 12,880 mio, a YOY growth of 21%. I am delighted to announce a final dividend of ₹ 2.75 per share.

The ultimate goal of innovation in healthcare has always been to find a model which fosters complete convergence and benefits for all stakeholders - investors, consumers, clinicians, employees, governments and society. Ours is a purpose-led model that achieves this balance, and proves that a profitable business can have significant socio-economic impact.

The entire Apollo Family has risen to the challenge of caring for COVID and non-COVID patients. I would at this time, like to acknowledge the efforts of our doctors, nurses and support staff who have shown fierce determination and dedication in performing their duties. This gives me the confidence that we can overcome any challenge that may come our way and enable us to serve the interests of all our stakeholders.

I would also like to thank the Board members for their trust and unfailing support in our journey. I sincerely look forward to that in the coming year as well.

Work of the magnitude that we have done this year was possible only because of the faith and trust, you, the shareholders have reposed in us; helping us move beyond conventional boundaries. I thank you for your support.

We stand on the frontline to assist our country during these difficult times and will continue to partner with Governments - both central and state, as we pursue the dream of building a self-reliant India in the healthcare space.

Let me remind you once again that your body is Priceless and should be preserved with care.

My warm personal regards to all of you,

Stay safe. Stay Healthy.

Dr. Prathap C. Reddy
Executive Chairman, Apollo Hospitals Group