

To,
**Head, Listing Compliance Department
BSE Limited**
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001.

**Head, Listing Compliance Department
National Stock Exchange of India Limited**
Exchange Plaza, Plot No. C/1. G Block,
Bandra -Kurla Complex, Bandra (East),
Mumbai- 400 051.

Scrip Code: 542650

Scrip Symbol: METROPOLIS

Sub: Intimation of Press Release

Dear Sir/Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a Press Release as mentioned below:

Metropolis Healthcare completes acquisition of chain of labs in South India called 'Hitech Diagnostic Centre'

This is for your information and records.

For **Metropolis Healthcare Limited**

Simmi Singh Bisht
Head Legal & Secretarial
Membership No.: ACS 23360

Encl. a/a

BLOOD TESTS • DIAGNOSTICS • WELLNESS

METROPOLIS
The Pathology Specialist

Metropolis Healthcare Limited

Registered & Corporate Office: 250 D, Udyog Bhavan, Hind Cycle Marg, Worli, Mumbai - 400 030.
CIN: L73100MH2000PLC192798 Tel No.: 8422 801 801 Email: support@metropolisindia.com
Website: www.metropolisindia.com
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Metropolis Healthcare completes acquisition of chain of labs in South India called 'Hitech Diagnostic Centre'

Acquisition to strengthen leadership position of Metropolis in South India

Continue to evaluate M&A of high-quality and profitable B2C focused businesses

Mumbai, October 22, 2021: Metropolis Healthcare Ltd (NSE: METROPOLIS | BSE: 542650) - a leading diagnostic service provider today announced that the Company has completed the acquisition of Dr. Ganesan's Hitech Diagnostic Centre Pvt. Ltd. (Hitech) along with its subsidiary Centralab Healthcare Services Private Limited.

Key Highlights of the Acquisition:

- ✓ Metropolis has acquired 100% equity of Dr. Ganesan's Hitech Diagnostic Centre Pvt. Ltd. & its subsidiary Centralab Healthcare Services Private Limited in all cash deal for Rs. 636 Crores
- ✓ Acquisition has been funded through internal accruals and Debt of Rs. 300 Crores.
- ✓ Dr. Ganesan, Promoter and Founder, will be part of the Leadership team for next few years to enable a smooth transition and integration with Metropolis.
- ✓ Metropolis will get access to 31 laboratories including 3 NABL and ICMR accredited laboratories and 68 collection centres of Hitech.

Key Financial Highlights of Hitech Diagnostic Centre

- ✓ FY21 Revenue stood at ~Rs. 124 Crores, up by ~49% YoY. Business momentum continues in FY22 with strong growth across all parameters
- ✓ The EBITDA margins were upwards of 40% in FY21 owing to scale benefits. In pre-covid, EBITDA margins were around 28%-30% on sustainable basis
- ✓ Non-Covid revenue contribution in FY21 stood at healthy ~60%. Non-Covid Revenues have crossed pre-covid levels thus far in FY22
- ✓ The Company enjoys superior ROCE profile of upwards of 30% in last few years; better than most regional players on back of its high quality B2C business and leadership position across its cities of presence

"I am pleased to share that we have successfully completed the acquisition of Hitech Diagnostic centre. In line with our growth strategy, this acquisition will enable Metropolis to gain market share, strengthen our leadership position in South India market and increase the B2C share of the business. This acquisition will also enable Metropolis to cater to mid segment of the market and leverage scale benefits.

Our M&A strategy revolves around acquiring high-quality, profitable B2C businesses with a scientific approach to diagnostics. We will continue to evaluate such high-quality profitable and scalable opportunities and take a pragmatic view on M&A."

Ameera Shah, Managing Director, Metropolis Healthcare Ltd.

"I am very pleased to be joining the MHL family and believe there is a big opportunity to serve the people and grow Hitech under MHL umbrella. We share similar business ethos as Metropolis with focus on quality, accuracy, and highest level of customer service. I look forward to work closely with the MHL team for the smooth transition."

Dr. SP. Ganesan, Promoter, Dr. Ganesan's Hitech Diagnostic Centre Pvt. Ltd.

Strategic Rationale of the Acquisition:

- ✓ **Strengthening the Leadership Position** - With the acquisition of Hitech Diagnostics, Metropolis will strengthen its position as 2nd largest Diagnostics company in India and largest brand in South and West India.
- ✓ **Increased B2C Contribution in Focus Cities** – Hitech, being a focused B2C player with 65% revenue contribution from B2C business will allow Metropolis to increase its B2C business in focus cities of Chennai and Bengaluru enhancing our direct to customer business.
- ✓ **Deeper Penetration in mid-segment of the market** – Metropolis being focused on the premium end of the market will get access to mid-segment of the market which Hitech primarily caters to expanding the addressable market size for Metropolis.
- ✓ **Enhance Profitability through revenue and cost synergies** – Enhance revenue through product offering of the combined business, improved customer experience and achieve cost synergies through optimization of operational costs in the areas of procurement, better efficiencies in supply chain, administration and support resource, laboratory network and back-office infrastructure.

About Metropolis: Metropolis Healthcare Ltd is a leading diagnostics company in India with a widespread presence across 19 states in India. Metropolis touches millions of lives each year by providing actionable health insights to patients and doctors. Metropolis offers a comprehensive range of 4,000 plus tests and profiles that include advanced tests in diagnosis of cancer, neurological disorders, infectious diseases, and an array of genetic abnormalities. Metropolis' commitment to quality and accuracy in each test is reinforced by its consistent CAP proficiency score of more than 98% over the past decade, which places it amongst the top 1% laboratories worldwide for quality assurance. Metropolis philosophy rests on the pillars of technological superiority, a warm patient centric approach and reliable diagnostic reports.

Safe harbor statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further details please contact:



Company: Metropolis Healthcare Limited

CIN: L73100MH2000PLC192798

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SGA Strategic Growth Advisors

Investor Relations Advisors: Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

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