

Ref: MHL/Sec&Legal/2020-21/162

Date: January 17, 2021

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

Scrip Code: 542650

**Head, Listing Compliance Department
National Stock Exchange of India Limited**
Exchange Plaza, Plot No. C/1. G Block,
Bandra -Kurla Complex, Bandra (East),
Mumbai- 400051.

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, we wish to inform you about the Press Release on the topic:

'Metropolis Healthcare to acquire Hitech Diagnostic Centre to strengthen its leadership position in South India'

A copy of the press release to be distributed to the media is enclosed herewith.

This is for your information and records.

Yours Faithfully

For **Metropolis Healthcare Limited**



Poonam Tanwani
Company Secretary & Compliance Officer
Membership No. A19182

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
Global Reference Laboratory: 4th Floor, Commercial Building-1A, Kohinoor Mall, Vidyavihar (W), Mumbai - 400 070.

Metropolis Healthcare to acquire Hitech Diagnostic Centre to strengthen its leadership position in South India

Combined Entity to enjoy ~30% market share in Chennai

Increase B2C business in focus city of Chennai

Strengthen position as 2nd largest Diagnostics company in India and largest brand in South and West India

Mumbai, January 17, 2021: Metropolis Healthcare Ltd (NSE: METROPOLIS | BSE: 542650) - a leading diagnostic service provider today announced that the Board of Directors has approved the acquisition of Dr. Ganesan's Hitech Diagnostic Centre Pvt. Ltd. (Hitech).

Key Highlights of the Acquisition:

- ✓ Metropolis will acquire 100% equity of Dr. Ganesan's Hitech Diagnostic Centre Pvt. Ltd. in a combination of cash and stock deal. The entity is a debt free company.
- ✓ Cash consideration will be Rs. 511 Crores and Metropolis will issue up to 4,95,000 equity shares of Face Value Rs.2/- each on preferential basis, subject to Shareholders approval, to the Promoter Group of Hitech. The Cash consideration will be funded through internal accruals and Debt of up to 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.
- ✓ Acquisition will allow Metropolis to increase its B2C business in focus cities of Chennai and Bengaluru and benefit through optimization of operational costs in the areas of procurement, supply chain, administration and support resource, laboratory network and back office infrastructure. It will further allow Metropolis brand to make deeper inroads in different customer segments across key markets in South India.
- ✓ Metropolis will get access to 31 laboratories including 3 NABL and ICMR accredited laboratories and 68 collection centres of Hitech.
- ✓ This acquisition is expected to be completed within 3 months.
- ✓ L&L Partners represented as Legal advisors and PWC carried out due diligence for the buyer. Vipin Palrecha represented as Financial advisor and VB Legal as Legal advisor to the sellers.

"In line with the strategy to grow, gain market share and increase B2C revenues in focus cities, we are acquiring Hitech Diagnostic Centre which will strengthen our leadership position in the South India market. Our objective with the acquisition is to increase our market share in focus cities of Chennai and Bengaluru and become leaders in some tier 2 towns in South India. We will capture the mid-segment of the market, increase our B2C revenue contribution and leverage scale benefits through cost synergies. Metropolis enjoys a good track record of turning its acquisitions to strong and sustainable business and we aim to replicate the same. Hitech is built by Dr. Ganesan on the ethos of good quality and service levels, similar to Metropolis, and enjoys a strong brand equity of over 3 decades. I warmly welcome Dr. Ganesan as an Executive Shareholder and part of leadership team of Metropolis enhancing value for shareholders and bettering service for customers."
Ameera Shah, Managing Director, Metropolis Healthcare Ltd.

"We are extremely pleased to be associated with a strong customer focused brand like Metropolis. Hitech Diagnostic Centre is a well-known diagnostics chain built over the last 35 years with widespread presence in South India. We share similar business ethos as Metropolis and focus on quality, accuracy, and highest level of customer service. We believe, Metropolis is the right brand to carry forward the legacy of Hitech. We shall ensure a smooth integration of Hitech's business with Metropolis in our bid to increase the value for the combined entity through cost synergies and create a much stronger consumer brand in South India."

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

About Hitech Diagnostic Centre:

- Established in 1986, Hitech Diagnostic Centre is a well-known Diagnostics laboratory chain in the South India market with a network of 31 laboratories including 3 NABL and ICMR accredited laboratories and 68 collection centres strategically spread across the states of Tamil Nadu, Karnataka, Kerala, Andhra Pradesh and the Union Territory of Pondicherry.
- Hitech is the 2nd largest player in Chennai behind Metropolis and is a leader in non-Chennai markets in the state of Tamil Nadu. It is a significant player in Bengaluru market.
- Hitech caters to the mid-segment of the market and has a large B2C footprint. The Brand has a strong recall in the Diagnostics Industry in all its end markets.
- It has a Test menu of 1,100+ tests ranging from routine to highly impenetrable molecular & genetic assays. In FY20, 59% of the test menu was towards Blood Biochemistry and Endocrinology.
- Revenue for FY20 stood at Rs. 83.3 Crores having an EBITDA margin profile similar to Metropolis.
- For 9MFY21, as per Management estimates, the revenue growth has been ~50% + with higher EBITDA margins partly aided by the current pandemic situation.

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 Ltd.**

CIN -L73100MH2000PLC192798

Ms. Nadhiya Mali – Lead, Corporate Communications

nadhiya.mali@metropolisindia.com

+91-8879009517

www.metropolisindia.com

SGA Strategic Growth Advisors

Investor Relations Advisors: Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Mr. Shogun Jain / Mr. Shrenik Shah

shogun.jain@sgapl.net / shrenik.shah@sgapl.net

+91-77383 77756 / +91-96647 64465