

May 8, 2026

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

Sub: Transcript of Earnings Conference Call for the quarter and year ended March 31, 2026

Reg: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is in furtherance to our letter dated May 1, 2026, wherein the Company submitted the link to the video recording of the earnings conference call held with regard to the audited standalone and consolidated financial results for the quarter and year ended March 31, 2026, please find enclosed herewith the transcript of the said earnings conference call.

The same is also being uploaded on Company's website at

<https://www.asterdmhealthcare.in/investors/financial-information/earning-call-transcripts>

Kindly take the above-said information on record.

Thanking you,

For Aster DM Healthcare Limited

Hemish Purushottam
Company Secretary and Compliance Officer
M. No. A24331



Aster DM Healthcare Limited
Q4 and Full Year FY26 Earnings Conference Call

May 1, 2026

Management:	Ms. Alisha Moopen – Deputy Managing Director
	Mr. T J Wilson – Non-Executive Director
	Mr. Ramesh Kumar – Chief Operating Officer
	Mr. Sunil Kumar M R – Chief Financial Officer
	Mr. Hitesh Dhatta – Chief Investor Relations & M&A Officer
QCIL Management:	Mr. Varun Khanna – Group MD & CEO, QCIL
Moderator:	Mr. Puneet Maheshwari – Lead - Investor Relations

Puneet Maheshwari:

Good morning, everyone. I welcome you to Aster DM Healthcare Earnings Conference call for the Q4 and full year FY26. Today with us we have the senior management of Aster DM Healthcare, namely Ms. Alisha Moopen, Deputy Managing Director; Mr. T J Wilson, Non-Executive Director; Mr. Ramesh Kumar, Chief Operating Officer; Mr. Sunil Kumar, Chief Financial Officer; and Mr. Hitesh Dhaddha, Chief Investor Relations and M&A Officer. We are also delighted to have Mr. Varun Khanna, Group MD and CEO of Quality Care. Mr. Khanna is here solely in the capacity of a representative of Quality Care, to give insights into the business and future plans of Quality Care, the entity which is in the process to get merged with Aster DM Healthcare.

It is to be noted that the merger is subject to further regulatory approvals. All external attendees will be in listen only mode for the duration of the entire call. We will start the call with the opening remarks by the management, followed by an interactive Q&A session. Certain forward-looking statements in this meeting involve risk and uncertainties.

Aster DM Healthcare assumes no responsibility for actions based on these statements and undertakes no obligation to update them for future events. With this, I will now request Ms. Alisha Moopen to start with the opening remarks. Over to you, Ms. Alisha.

Alisha Moopen:

Thank you, Puneet. Good morning, everyone, and thank you for joining us despite being Labour day.

As we move closer to completing the proposed merger with Quality Care, I would like to thank our shareholders for their continued confidence and support in approving the scheme. With this milestone behind us, the transaction now awaits final approval from the NCLT. Even ahead of formal completion, the combined proforma performance provides a very useful view of the potential scale and operating profile of the two organizations together. It highlights how the complementary footprints, aligned clinical philosophies and disciplined execution can translate into operating leverage and capital efficiency over time, providing visibility into the longer-term earnings potential of the combined platform over the coming years.

With that context, I will begin with the combined proforma performance of Aster and Quality Care, before moving on to Aster's results.

Turning to the proforma performance, the combined view indicates a steady and broad-based trajectory, supported by very strong patient volumes, improving case mix, efficient cost management, and a continued focus on clinical excellence. What is particularly encouraging is how these factors, when viewed together, point to the potential for both scale and as well as improving the quality of earnings.

So, coming to the quarter's performance on a combined proforma basis, the revenues have grown 18% year-on-year to INR 2,361 crores for the quarter, supported by a 12% increase in total patient volumes and an 8% improvement in ARPP IP. More importantly, as the benefits of scale and mix begin to play out, Operating EBITDA has outpaced the revenue growth, increasing by 25% to INR 517 crores. This operating leverage translated into margins of 21.9% and a ROCE improvement of 293 basis points to 21.1%, reinforcing the underlying strength of the model.

Now, coming to the full year. This interplay between scale, mix, and profitability becomes even more evident when we look at the full-year performance. For FY26, the combined platform has delivered revenue of INR 9,273 crores, growing 14% year-on-year, with growth supported by a balanced increase both in patient volumes as well as ARPP IP. The improvement in ARPP IP was underpinned by a 200 basis points in our CONGO mix expansion, which now stands at 55%, along with a very healthy payor mix of cash and insurance at 83%. As a result of this, our earnings continued to outpace our revenue, with Operating EBITDA growing at 21% to INR 2,013 crores and margins expanded by 116 basis points now to 21.7%.

Importantly, this performance reflects sustained momentum rather than a one-year outcome. Over the past three years, the combined entity has delivered revenue CAGR of 14.5% and an Operating EBITDA CAGR of nearly 20%. This has been achieved even as we have continued to add capacity and manage inherent business seasonality, reflecting a very well-aligned and consistently executed operating philosophy.

Now, coming to capacity expansion. To support this momentum, our capacity expansion has remained very disciplined and closely aligned with long-term demand. Over the past year, we have added 373 beds, taking the combined capacity to 10,620+ beds across 28 cities. Our pipeline includes 4,445 additional beds, which will take our total capacity beyond 15,000 beds through a balanced mix of greenfield and brownfield expansions. This calibrated approach ensures that scale is built with precision, optimizing capital efficiency as well as supporting long-term shareholder returns, while strengthening our position as a leading pan-India healthcare platform.

Coming to the update on merger. Against this backdrop, the progress on the merger with Quality Care marks a very important strategic milestone. During the quarter, the merger received overwhelming approval from shareholders and creditors, with 96.7% of shareholder votes cast in favor, reflecting strong alignment and confidence in the strategic direction. From a regulatory standpoint, the transaction has progressed through all key stages, including receipt of CCI approval and no-objection letters from NSE and BSE with no adverse observations. The merger application was subsequently filed with the NCLT on December 11, 2025.

With the shareholder and creditor approvals also now in place, the matter is currently before the NCLT for the final approval. The next hearing is expected in May, and upon receipt of the order, the merger will become effective. Based on current timelines, we expect the process to be completed within this quarter. Overall, the combined proforma performance, along with the progress on the merger, reinforces a consistent message that we are not only scaling the platform, but we are doing so in a way that enhances the mix, drives operating leverage, and improves capital efficiency in a very sustainable manner.

Now, turning towards Aster's performance for the final quarter of the year. Despite macro headwinds, we delivered strong double-digit growth across our core hospitals, clinics, and labs businesses, driven by robust patient volumes and a continued shift towards higher-acuity care. The combination of volume growth and improving case mix remained the key driver of performance during the quarter.

Revenue from operations stood at INR 1,182 crores, reflecting an 18% year-on-year increase. This growth was supported by a 15% increase in total patient volumes, a 9% improvement in ARPP IP, and the contributions from the recently operationalized Kasargod hospital. Importantly, the growth was not just volume-led, but also mix-driven, with a higher share of specialized tertiary care, particularly in DBS and robotic procedures, which saw a very meaningful increase during the quarter.

This shift in case mix is also evident at a specialty level. If you look at cardiology revenues, those grew by 25% year-on-year, with contribution increasing to 15% in Q4 FY26 from 14% last year, while oncology revenues have grown 23%, contributing 11% to the overall mix. Together, these segments continue to anchor the transition towards higher-acuity, higher-value care.

Alongside this, the MVT segment maintained strong momentum, growing 41% year-on-year on the back of increased international patient footfall. Within Kerala, MVT revenues grew 51%, with stronger inflows from Maldives helping offset macro-related softness from the middle east, demonstrating the resilience and diversification of the platform. In our ancillary businesses, labs continued to scale steadily, with revenues increasing 18% year-on-year.

As this growth and mix improvement flows through, operating leverage is becoming increasingly more visible in our financials. Operating EBITDA for the quarter stood at INR 244 crores, growing 26% year-on-year, with margins at 20.7% despite the addition of new capacity. Core hospitals and clinics delivered particularly strong performance, with operating EBITDA growing at 32% and margins at 23.1%, which reflects very steady execution across all our mature assets. Normalised PAT grew by 32% Year-on-year in Q4FY26 with margins up by 120 basis points.

While the Kasargod facility remains in its initial ramp-up phase, the underlying performance of the core network continues to demonstrate strong operating leverage. Excluding Kasargod, revenue and operating EBITDA grew 17% and 31% year-on-year respectively, with margins expanding by 239 basis points to 21.7%. Within core hospitals and clinics, excluding Kasargod, operating EBITDA grew 36%, with margins improving to 24.3%, reflecting a 345 basis point expansion.

Coming to some of the non-core business performance, this has also been encouraging with improvement also visible in all these ancillary businesses. The labs segment saw a sharp increase in profitability, with operating EBITDA growing 181% and margins expanding to 14.7% from 6.2% last year.

Coming to the cluster-wise performance highlights across clusters, the same operating philosophy continues to play out, with each region at a different stage of maturity.

Kerala continues to anchor stability and profitability despite a temporary and modest impact from the nurses' strike. Inpatient volumes grew 11% year-on-year, indicating sustained demand. Excluding Kasargod, revenues grew nearly 18% year-on-year, while operating EBITDA margins remained strong at 25.6%, supported by cost efficiencies and operating leverage. Kerala continues to serve as a core earnings and cash generation pillar, supporting investments across other regions.

In the Karnataka and Maharashtra cluster, operating performance continued to improve, with revenue growing 11% year-on-year. This was driven by a strong increase in ARPP IP, supported by a strategic shift towards higher-value procedures in cardiology and neurosciences and the de-empanelment of low-yielding schemes at Aster Aadhar. Operating EBITDA grew 25%, with margins expanding by ~270 basis points, reflecting the combined impact of revenue growth, operating leverage, and disciplined cost management.

The Andhra Pradesh and Telangana cluster delivered strong performance, with revenues growing 30% year-on-year, driven by both higher volumes and improved ARPP IP. Operating EBITDA more than doubled during the quarter, with margins expanding significantly by 700 basis points to 18.3% highlighting the sharp operating leverage in this cluster.

Moving to capex and expansion, our growth strategy continues to balance near-term operating performance with long-term capacity creation, anchored in disciplined expansion and return-driven capital deployment. Over the past year, we added 290 beds, taking Aster's total capacity to 5,449 beds as of March 31, 2026, and expanding our India network to 20 hospitals, including Kasargod. This expansion has been both measured and demand-led, ensuring that capacity addition translates into sustainable growth.

As part of this roadmap, we launched 159 beds at Block D in Aster Whitefield in April 2026—a dedicated women and childcare facility that strengthens our specialized capabilities in Bengaluru and addresses a growing demand segment. In the same month, we also operationalized 75 beds at Ramesh Ongole, further augmenting our presence in the region.

Looking ahead, we plan to add nearly 2,500 beds over the coming years through a balanced mix of greenfield and brownfield expansions, which will take our total capacity to over 8,150 beds. This includes planned brownfield expansion of 150 beds in MIMS Calicut as well as 130 beds in MIMS Kannur. Importantly, our expansion pipeline remains phased and closely aligned with demand visibility, ensuring that growth is delivered with capital efficiency as well as supporting long-term returns.

Beyond our operational performance, this quarter also brought strong validation of our clinical and leadership excellence through several prestigious global and national recognitions.

At an institutional level, our hospitals continue to be recognized across leading platforms. In the Newsweek World's Best Hospitals Rankings 2026, our facilities secured prominent positions in India, with Aster CMI Hospital ranked #12 and Aster Medcity ranked #28. This was further complemented by strong national recognition in the Times of India All India Rankings 2026, where Aster Medcity and Aster CMI were ranked 2nd and 5th respectively, while Aster MIMS secured the 9th position.

At the leadership level, during the year, Dr. Azad Moopen received recognition on global platforms, having been featured among the Top 5 Forbes Middle East Sustainability Leaders 2025 and in 'The 100 NRIs 2026' by Entrepreneur Middle East. This was further reinforced at the national level, where he was honored as a 'Legend in the Healthcare Industry' at FICCI Heal 2025.

To conclude, this quarter reflects the strength of a well-defined and consistently executed model, where scale is driving improvements in case mix, operating leverage, and ultimately capital efficiency.

The combined proforma performance reinforces the strategic merit of our merger with Quality Care, demonstrating that the benefits of scale and disciplined execution are already translating into stronger and more sustainable earnings.

As we move through the final stage of regulatory approval, our focus remains firmly on execution excellence, capital efficiency, and attracting high-quality medical talent, as we continue to build a clinically superior, scalable platform positioned to deliver sustainable long-term value for all stakeholders.

I now invite Mr. Varun Khanna to take you through the performance highlights of QCIL.

Varun Khanna:

Thank you Alisha. Good morning and Thank You for Joining us today.

I am pleased to report that this quarter is yet another testament to the power of disciplined strategic execution and operational focus across the Quality Care India Limited.

Our unwavering commitment to placing the Patient at the center of every initiative and our relentless focus on clinical outcomes, has once again translated into strong business performance. This quarter, we are proud to report a double-digit volume growth across the company, with several of our key markets delivering even stronger results. This reflects a consistent pattern of doing the things right, in the right way.

Beyond volumes, our strategic priorities continue to gain meaningful traction:

- We are making deliberate and measurable progress on enhancing clinical complexity, positioning QCIL as the destination of choice for advanced and high-acuity care.
- Our work on CONGO-T is progressing well, and we are seeing the early fruits of that focus reflected in our operational metrics.
 - KIMS Health strengthened its position in Transplants, performing its first Heart Transplant in Q4 FY26.
 - Care Banjara installed a Cardiac Laser, which is the first of its kind in the QCIL system.
- Our payor mix continues to be extremely key for us, and the team's disciplined execution here continues to yield results quarter on quarter.

This year we witnessed the coming together of a team, and the power of our people. People who are accountable, have the ability to motivate teams, and lead with purpose. The team at QCIL has come together in a cohesive and meaningful way and delivered industry-leading growth in FY26, while simultaneously working towards a merger that will create value for all of us. As a team we are excited for the journey ahead of us and are geared up towards a robust performance in coming year as well.

So, let's get to financial performance. Q4 FY26 witnessed a strong growth overall with a Revenue growth by 18% year-on-year to INR 1,178 crores. EBITDA grew 23% year-on-year to INR 272 crores. The EBITDA Margin expanded by 103 basis points Year-on-year to 23.1%.

Revenue growth was driven by an increase in IP and OP volumes. QCIL treated and discharged 10% more patients in Q4 FY26, over the same period last year, serving 62,598 In-Patients. OP footfalls grew by 9% to ~8.8 lakhs patients in that period. ARPP grew 7.4% to ~INR 135k.

Our efforts to strengthen clinical offerings and clinical teams has resulted in a 97 basis points increase in CONGO-T revenue, which now forms 58% of total revenue, CONGO-T revenue grew ~20% in Q4 FY26 over Q4 FY25. Payor mix moved favorably to 79% from 'cash + insurance' up 98 basis points Year-on-year.

EBITDA growth represents our concerted efforts in synergy realization across the network, including procurement centralization, continued focus on clinical talent recruitment and management, along with strong controls and turn-around in our focus units, where EBITDA contribution has improved to 19% from 14% in Q4 FY25.

Let's talk about the focus units first and then I'll get to mature and emerging. Focus units contribute to ~29% of our revenue, delivered a major turnaround this year. Focus units recorded a double-digit revenue growth of 21%, all while improving efficiency to post a robust EBITDA growth of 66.6% Year-on-year resulting in a 422 basis points EBITDA margin expansion to 15.4%, a function of our continuous emphasis on patient centricity, and operating excellence in every aspect of our business.

Let's get to mature units which is a large part of our business. In Q4 FY26, ~59% of revenue comes from the mature units and that delivered a 13.5% revenue growth Year-on-year, along with a 20.7% EBITDA growth Year-on-year. The resulting EBITDA Margin witnessed an expansion of 198 basis points Year-on-year to reach 33.2%. Driven primarily through synergies and cost optimization efforts.

Emerging units which are the newer units that we have, they contribute ~7% of our revenue. They ramped up strongly, 62.4% year-on-year revenue growth and 44% Quarter on trailing Quarter EBITDA growth. The margin moved to 17.9% for this category, on a like to like quarter the EBITDA stands at INR 15 crores, which was INR 70 lakhs in Q4 FY25.

For the full year financial performance, consolidating the strong quarter-on-quarter performance QCIL registered a 17% revenue growth year-on-year to INR 4,630 crores. The FY26 revenue growth has been supported by improvement in volumes and focus on strengthening clinical programs and teams. IP volumes grew by 7%, while OPD volumes grew 10% to ~35 lakhs footfalls in our hospitals for the year. CONGO-T revenue increased 23%, CONGO-T mix improved 270 basis points to 58.7% of total revenue.

QCIL recorded an EBITDA of INR 1,066 crores, first time ever breaching the INR 1,000 crores mark, which represents a growth of 24.1% year-on-year. EBITDA Margin for the year stood at 23.0%, which is a 136 basis points expansion over the previous year. EBITDA growth was bolstered by activities to realize synergies across all our units including procurement centralization which contributed to INR 85 crores to the bottom-line. The FY26 EBITDA has been supported by the best-in-class operating EBITDA

break-even at Nagercoil, which became EBITDA positive in 3 months of operations, Nagercoil contributed INR 30 crores to EBITDA, and currently stacks up at 28.5% EBITDA Margin for FY26.

Continuing our clinical augmentation, we have maintained focus on doctor engagement models, talent acquisition and have onboarded 100+ doctors/clinical teams in FY26, which has aided the performance in volumes and specialized procedures.

In Q4 FY26 we have reduced our ALOS by 2% to 3.9 days.

KIMS Health making significant strides in Transplants, KIMS performed its first Cardiac Transplant, on a 10-year-old girl. In this quarter, KIMS Health has conducted 2 dual-organ transplants, a simultaneous kidney and pancreas transplant on a chronic diabetic, as well as a combined liver and kidney transplant on a 4-year-old child.

The team at Care Hospitals performed a robotic procedure for a case of Abdominal Cocoon Syndrome, an extremely rare cause for intestinal obstruction.

Care Hospitals has strengthened its Cardiac and Vascular programs, with the installation of its First Cardiac Laser at the Banjara Hills facility. Care Banjara performed the group's first dual chamber leadless pacemaker implantation. Care Hospitals Bhubaneswar operated on a 4-year-old with Sub-Aortic VSD, the child was successfully discharged within 4 days of the procedure.

Among CONGO-T specialties – Orthopedics, Neurology and Gastroenterology had an accelerated ramp-up this year, with each growing minimum 25% for FY26.

The focus on high-acuity care is visible across our specialties. Robotic procedures more than doubled in FY26 and moved to 1,300+ procedures for the year, which is a 152% growth.

Initiatives to accelerate growth for the next year and beyond. Expansion continues to remain a key strategic focus for our leadership. We are committed to growing our footprint both within our home markets and in new markets through greenfield builds, brownfield additions, and M&A. We have upgraded our near-term to mid-term expansion plans and intend to invest close to INR 2,000 crores to add over 1,700 beds in the next 3-4 years Staying true to the mission that we have to improve accessibility to healthcare we plan to add ~1,300 of these ~1,700 beds in nonmetro markets.

Of the total, ~1,500 beds are planned to be added through brownfield expansions while the balance ~200 will come from greenfield projects.

We got a few awards which I'd like to mention:

- CARE Hospitals has crossed *10 lakhs Subscribers on YouTube – making us the second hospital in India to have done so.
- QCIL received the Green Health Award at the International Patient Safety Conference 2026.
- CARE and KIMS both received multiple awards and recognitions in clinical care, patient safety and nursing excellence.

We thank you for your participation this morning.

Puneet Maheshwari:

Thank you Varun. Now I would request Mr. Ramesh to take through the detailed cluster wise performance of Aster DM

Ramesh Kumar:

Thank you, Mr. Varun, and good morning, everyone.

I'll begin with cluster performance for the quarter and full year, followed by key operational updates.

Let me begin with Kerala cluster, which delivered a resilient performance this quarter, sustaining its contribution to growth. In Q4 FY26, the cluster reported revenues of INR 604 crores, reflecting a healthy 21% year-on-year growth, despite the nurse strike during the quarter, the impact of which was limited. Excluding Kasargod, revenues grew 18% year-on-year to INR 587 crores, demonstrating the consistent strength of the core hospitals.

The current quarter highlights a stable demand environment and a marked an improvement in the quality of revenue. Growth was significantly bolstered by a 51% year-on-year surge in MVT. While the macro headwinds led to a decline in MVT from the UAE, this loss was efficiently neutralized by business from Maldives and African markets, where renewed focus and stronger local partnerships have kept patient flows steady. Furthermore, performance was supported by consistent traction in oncology, a growing contribution from the Kasargod facility, and an 11% increase in inpatient volumes. A more complex case mix further drove a 5% increase in ARPP IP, rounding out a strong Q4 FY26.

On the profitability side, in Q4 FY26, Operating EBITDA grew by 27% year-on-year while excluding Kasargod, EBITDA increased 35% year-on-year, with margins expanding by 330 basis points to 25.6%. This is driven by a combination of operating leverage across mature assets, continued focus on reducing ALOS, and disciplined management of manpower and overhead costs.

With ~3,000 beds and an expansion pipeline of over 800 beds, including recent brownfield additions of 130 beds at MIMS Kannur and 150 beds at MIMS Calicut, Kerala is well poised to sustain the growth momentum.

Revenue for the K&M cluster reached INR 394 crores in Q4 FY26, representing an 11% year-on-year growth fueled by robust realization. This performance was underpinned by a 21% increase in ARPP IP, driven by a higher volume of complex procedures in Cardiology and Neurosciences and de-empanelment of a low-yielding government schemes at Aster Aadhar.

The cluster's operational efficiency and clinical expertise were further evidenced by the continued traction in the MVT segment, alongside a significant growth in advanced interventions, by focusing on targeted hiring for key doctor positions, the Karnataka sub-segment successfully improved its operating metrics and achieved a 3% year-on-year growth in Inpatient (IP) volumes for the quarter. This shift toward higher clinical complexity and talent acquisition resulted in a 25% year-on-year increase in operational EBITDA at the cluster level. Consequently, margins were also expanded by over 260 basis points to reach 24.5%, positioning the cluster for more consistent and sustainable growth moving forward.

In A&T, the cluster reported a strong growth in Q4 FY26, with revenue increasing by 30% year-on-year, driven by higher inpatient volumes and a 13% increase in ARPP IP, supported by a 200 basis points improvement in

CONGO mix. Operating EBITDA registered a sharp 113% year-on-year growth in Q4 FY26, with margins improving to 18.3% in Q4 FY26 with over 700 basis points expansion. Within the cluster, Aster Ramesh Hospitals group had a strong revenue growth of 32% year-on-year in Q4 FY26 with robust 118% year-on-year EBITDA growth in A&T cluster. Further to this, we have operationalized 75 beds in Ramesh Ongole as per the planned expansion strategy.

Overall, the quarter reflects steady progress across Kerala and Karnataka clusters and a sharp turnaround in A&T. We are seeing the benefits of our focused efforts on case mix, capacity utilization and cost discipline translating into improved operating performance. With strengthened clinical teams and a clear expansion roadmap, we are well positioned to sustain this growth trajectory and deliver consistent performance going ahead.

Thank you. I'll now hand it over to Sunil for a detailed review of the financial performance.

Sunil Kumar:

Thank you Ramesh. Good morning, everyone. I am pleased to share Aster DM Healthcare's financial performance for Q4 FY26:

For the quarter ended 31st March 2026, excluding our newly launched Kasaragod hospital for the first 6 months, despite the global headwinds, Aster India's revenue increased to INR 1,166 crores, reflecting a strong growth of 17% from INR 1,000 crores in Q4 FY25. Operating EBITDA increased to INR 253 crores, with a margin of 21.7%, compared to INR 193 crores in Q4 FY25, registering a growth of 31%. Normalised PAT (Post NCI) for the quarter stood at INR 153 crores, compared to INR 106 crores in Q4 FY25, reflecting a growth of 45% year-on-year.

For the year ended 31st March 2026, excluding the newly launched Kasaragod hospital, India revenues increased to INR 4,617 crores, up by 12% from INR 4,138 crores in FY25. Operating EBITDA increased to INR 969 crores, with a margin of 21.0% in FY26 as compared to INR 806 crores in FY25, registering a growth of 20%. Normalised PAT (Post NCI) for FY26 stood at INR 451 crores, compared to INR 357 crores in FY25, reflecting a growth of 26% year-on-year.

Moving to segmental performance, our hospital segment continued to deliver consistent and strong performance during the quarter. Excluding Kasaragod, revenues grew by a healthy 17% year-on-year, while Operating EBITDA grew by 31%, leading to a 240-basis-point improvement in margins. Importantly, performance was consistent across hospitals at different stages of maturity.

Our mature hospitals, which are above seven years old, contributing ~80% of the hospitals and clinical revenue delivered 16% revenue growth and 14% Operating EBITDA growth, operating at a robust ROCE of 36.5%. Hospitals in the 3–7-year maturity bucket recorded 23% revenue growth and a strong 21% growth in Operating EBITDA, with ROCE improving by 470 basis points to 23.8%. Our newer assets, which are less than three years old, saw revenue growth of 15%.

Turning to our diagnostics business, I am pleased to share that Aster Labs has successfully delivered a turnaround since the start of FY25. Operating EBITDA margins have expanded from negative 7.6% in FY24 to positive 7.6% in FY25 and further to 12.8% in FY26, driven by a robust 32% year-on-year growth in external business, enhanced operating leverage, and

improved material cost efficiencies. This turnaround has translated into a healthy ROCE of 27%, a remarkable recovery from the negative levels a year ago.

For the year ended 31st March 2026, our capital expenditure stood at INR 549 crores, with approximately 45% allocated towards expansion projects. We continue to maintain a robust liquidity position, with cash and cash equivalents of INR 1,327 crores, while our gross debt remains moderate at INR 701 crores. Additionally, we have seen a significant improvement in ROCE increasing by over 180 basis points from 19.5% to 22.8% excluding Kasargod.

We have operationalized Whitefield Block D with 159 beds and Aster Ramesh Sanghamitra Ongole (Brownfield expansion) with 75 beds in April 2026. Over the next four years, we plan to add ~2,500 beds at the cost of INR 2700 crores. Of this INR 350 crores has been invested up to March 2026, with the remaining amount to be deployed over the next 3-4 years, supporting our next phase of growth while maintaining our focus on disciplined capital allocation and sustainable profitability.

With this, we have laid a solid foundation for future growth. As we move forward, we are confident of building on this momentum with the same discipline and focus.

On that note, I conclude my remarks and hand it over to Puneet to begin the Q&A session. Thank you.

Puneet Maheshwari:

Thank you, Sunil. Dear participants, during the Q&A session, you will get a chance to ask a question by raising your hands through the raise hand icon in the Zoom application at the bottom of your window. We will call out your name after which your line will be un-muted, and you will be able to ask your questions. I would also like to request to all the participants, if you can introduce yourself with your name and the company that you are associated with before asking the question.

If you are not associated with any company, and you are an individual investor, you can highlight that as well.

Moving on to the Q&A session now, the first question is from Mr. Tausif.

Tausif Shaikh:

Good morning. Hi, this is Tausif from BNP Paribas. First question is to Varun; can you tell us where the industry currently stands with the common insurance and empanelment with private insurers and which gives uniform pricing with private insurers? Any of the hospital Aster or QCIL has been onboarded in this policy, and do you see this is a threat for the private hospital chains in coming years?

Varun Khanna:

Good morning, Tausif. So, Tausif, first of all, I think the empanelment piece has been in play for a while. It's not new. From a data standpoint, I don't think, well, I'm sure that at least in QCIL, we haven't signed up on this, and I'm assuming Aster hasn't as well. I have also not seen large-tier hospitals get onto this platform.

I think fundamentally, while a lot of conversations have happened, there are two things that are bothering the industry around it. One is data privacy. Still, I don't think the insurance companies have really figured out a way to ensure data privacy across so many hospitals and the other is transparency as to how this is being done. Right, so till that gets sorted, I think this is still a framework that's been worked upon, is the way I see it.

Tausif Shaikh: But Varun, do you see this as a threat for private hospitals, if it's completely adopted by the industry?

Varun Khanna: Well, it cannot be done unilaterally, Tausif. It can only be done if private hospitals want to accept it. And that, you know, there are two ways to see this. It can actually save you a lot of costs on empanelment, etc., if it is done right. So, there are benefits and merits to doing it as well. But the current avatar, is somebody going to get onto the bandwagon? My sense is no, so I would say it's not coercive if that's the question.

Tausif Shaikh: Second question to Ramesh on the Kerala piece, I think despite the month of Ramadan the MVT business has grown significantly especially in Kerala. Ramesh, can you give some colour and also what is the current status of MVT patients? Have they started flowing in last couple of weeks?

Ramesh Kumar: Thank you for that question. Kerala story has done well again. Overall performance has been really good. Especially MVT, has done 41% year-on-year growth has been registered. We have seen attraction from across the Middle East as well as Maldives and African countries. There is a flow of patients coming in from all these areas. Now, in the last few days, in the Middle East we have found that especially, from Oman and UAE less number of patients are flowing in, but we have tried to keep that boat steady, by more number of Maldives patients, we have started focusing on African countries and there is a steady flow which has been happening. So, we are trying to mitigate the losses through the expanded coverage what we have now. So, we are trying to ensure that the impact is not much felt and still continue to perform well. Maldives have been contributing more now.

Tausif Shaikh: Thanks Ramesh, just last piece of question on Kerala, where do you stand currently on the nurses' issue? Has there been any negotiation between the private hospital and the nurses? Can you highlight the total number of nurses in Kerala for Aster DM Healthcare and how many of them are currently working with a minimum wage of INR 20,000?

Ramesh Kumar: When we talk about minimum wages and the strike that happened in Kerala, this started sometime in the mid of March. At that point in time, their demand was that they wanted the government to release the GO. Every five years, the Government of Kerala issues a gazette notification for the basic pay—to have it issued by the government. But here, at this point in time, we have around 4,300 nurses approximately in Kerala.

All these nurses are paid the basic pay according to the government notification. The new notification is yet to come. They first started the strike asking the government to release the GO. At that point in time, the Kerala government had released an interim GO, which would take 60 days for them to go back and rectify the same. The nurses, of course (the United Nurses Association (UNA)) didn't want to wait for that time and they continued with the strike, demanding the private hospitals to take it (basic salary) up to INR 40,000 per nurse. But as such, we have the private hospital association, and we were also a part of it, and we requested them. On April 13th, we had a negotiation with them as well, and the government or the court had redirected us, especially the private hospitals, to mediate and get the things done. So we have spoken to them and on April 13th, we have come to a settlement with them.

And yeah, the strike is called off.

Alisha Moopen: Thank you Ramesh. Can I just ask Mr. Wilson also to add to that?

T.J. Wilson: Thanks Tausif. That's a good question, actually. So even though the demand was that they were asking for a basic salary of INR 40,000, actually, we were able to conclude by giving only a small increase, and the overall impact may not be significant actually. We used to give an annual increment every April, so this time we had to give something more than that one actually. Our total impact in Kerala will be INR 5–6 crores. so, that's what we have given. Total increment what we have offered is; at Calicut we have given INR 3,500 per nurse, in Kochi that became INR 4,000, and in the remaining places it is INR 3,250. That's the increment we have given. They were asking for a significant amount, like they mentioned INR 40,000 as the basic salary. So, we were able to negotiate and conclude that one in a very nice manner. All the nurses are back.

Tausif Shaikh: Thanks, I'll get back in the queue.

Puneet Maheshwari: Thanks Tausif. The next question is from Damayanti. Damayanti, can you please unmute yourself and ask the question?

Damayanti Kerai: Hi, good morning all and thank you for the opportunity. My first question is on ARPOB and IP volume trends, very strong across the clusters. So just want to understand from the management first, what are the key initiatives which are currently underway and which should help Aster to continue similar momentum in coming quarters? And what kind of headroom you have in terms of growing the CONGO-T contribution for your business? So that's my first question.

Sunil Kumar: Thanks Damayanti. For Aster, for the Q4 as you called out, we had a very good IP growth, almost 7%. But also, this includes a negative 8% growth in the K&M cluster also. I just want to call out in advance that the 8% negative growth is because of the de-empanelment of the low-yield schemes which even Alisha called out. If you remove that, you're going to get into the positive 3% growth. So that way, all our clusters, whether it's a Kerala cluster, K&M cluster, or A&T cluster, everyone has done really well.

In terms of the growth capacity, there are multiple things which we're working on. One is that we're strengthening all our processes, whether it's doctor engagement programs, or whether it's the OP-to-OP process, or OP-to-IP conversion process or the call center management. So, we're looking into all those things and we're driving it. But the primary thing will be the doctor acquisition. The doctor acquisition is something at which we are very strong and we also called out saying that in the last six months, we have added, more new doctors, other than the replacements. We have added 36+ new doctors in the last 6 months alone. That is something which we are expecting the ramp up to happen. And with the continued growth, whatever we have done currently with the 7%, that's a fantastic growth to continue to happen over the next medium term.

Alisha Moopen: Yeah, just to add to what Sunil's saying, I think you're asking about the CONGO mix, right? So, this is where I think there's a huge room for us to improve. We are sitting at, I think, a blended level now, 55% CONGO contribution. We think we can definitely take it up to 60% and then 65% as well. You see a lot of the groups in that direction. So that's something

which will actually give us a good headroom to further improve the numbers especially on the acuity and ARPOB and stuff.

Damayanti Kerai:

Sure, that's helpful. Thank you for that. So, continuing the point on doctor engagement. So again, I think I want to have some more color on what is helping you to get doctors because what we understand in markets like Bangalore, the competition is really intense. So, what are the key strategies again, which is helping you to attract the best clinical talent and also the strategies for retaining the talent which you have in your network?

Alisha Moopen:

Ramesh, would you like to come in?

Ramesh Kumar:

Yeah, surely. So, overall, the last few months, we have added a good number of clinicians. Rightly said, some of the star clinicians were onboarded. And pretty much the reason, why they were convinced to join Aster is a simple one. One, we had a bigger vision for Aster and especially when it comes to, as you rightly mentioned, about Bangalore market, it is very competitive and we are having not only three units now and we are adding another two more units in Bangalore.

So, it's quite visible for them that what is the vision of Aster. So that is one attraction to all the clinicians who have joined. Secondly, we are also looking at high-end procedures and niche segments. High-end work has been happening, like the robotic transplants. So, there is a good amount of, kind of faith in Aster and Aster's work which has been happening.

That has also been attracting most of the clinicians and they find that especially when it comes to CONGO mix, in certain areas we are truly leaders, especially in neurosciences, and in oncology, we are getting there. So, in some of the CONGO mix also, I think we have good clinicians on board. That is also attracting other clinicians to join us and expand each department and also attract more patients. So that's where I think ring fencing these clinicians, of course, we have our vision for each and every specialty very clear and the clinical excellence pathway, what we have been engaging then, be it technology, be it investment in whatever, and also the branding and taking it to the next level. I think that is where the clinicians are quite happy about, and they are pretty much with Aster.

Damayanti Kerai:

Sure. And just, I think, I want to hear Mr. Khanna's thought also on the clinical talent engagement. Again, anything or similar strategy for QCIL as well which is working for you?

Varun Khanna:

Thank you Damayanti. So essentially, I'll go back to why a clinician would join more than what we are succeeding with because it is a lot to do with four or five elements that a clinician looks at. I think the first and foremost is relationships, and our relationships in the market, the transparency that we operate with is probably top tier. The second part is we are developing a model. In fact, in one of the previous quarterly results, I've spoken about developing CliniQ because our focus on clinical independence and outcome is so significant, that is also yielding a lot of gains from a volume standpoint. And that is what the clinician wants. The clinician really wants that you should allow them clinical independence. You should be focused on outcomes. You should be able to draw referral volume into the center because of the good work that you're doing. That coupled with the technology investments that we're making is another big reason why

clinicians really want to move. And I think the last part is largely commercial. And we are top tier in that too. So, I think that is the holistic mix. Now it depends on one to the other as to which one plays out more than the other, but I think our ability to connect, to forge alliances, relationships, partner, is better than anybody else today.

Damayanti Kerai:

Yeah, that's helpful. Thank you, team. I'll get back in the queue.

Puneet Maheshwari:

Thanks, Damayanti. The next question is coming from Mr. Kunal. Kunal, can you please unmute yourself and ask the question?

Kunal Randeria:

Yeah, hi, good morning. So, my first question is on, you know, QCIL. So, I see that the mature units have grown 14% as of the focused units. So, just wondering what the growth drivers can be going forward because some of the things seem to be very well optimized like payor mix or ALOS. So, would it be the case mix or will it be the expansion, you know, going forward? Just want to get your thoughts, sir.

Varun Khanna:

Thank you, Kunal. So, Kunal, the growth drivers for each one of those categories is slightly different. So, let me try and give you some color on that. So, the good part is our mature has continued to grow. Our mature hospitals are currently growing 13.5 -14% on the top and 20-plus percent on the bottom line. And they are in excess of 30% EBITDA profile as well. So, what's working for us there is still enhancing complexity. Alisha spoke about it and let me just reiterate the same thing. We are currently at about 59% CONGO-T mix. And my sense is we will continue to grow that, because I told you that we are under-leveraged on oncology and that is one piece that we've still not got our investments rolling. In fact, this year onwards, on to the next two years, you'll see a significant growth in oncology volume in our network. So that will play out from a mature hospital standpoint. If you look at our emerging and focused assets, we're still sub 20% EBITDA in there. We've done extremely well. But the runway is still a long way for us to grow.

Various things are playing out. So, one, wherever we have under occupancy, I think we're bringing in the clinical talent that is required to fill up the gaps that we have. It's called the golden few in our parlance. If we missed out something in one of those hospitals, we try and bring that talent. What is interesting is that, you know, brands have a long legacy. And some of the work that we're doing in Hyderabad, essentially in the Care, is bringing doctors who left us back because we've always stood for ethics. We've always stood for integrity. The consumer value perception is phenomenal around the brand. And with the investments that we are making, some of these assets are doing extremely well. In fact, you know, the Hyderabad is a sticky market, we've always known that. In fact, two years back, when I came here, one of you would ask me about what will happen to Hyderabad. So, Hyderabad has started to grow so significantly, we are now seeing huge growth on the top in terms of volume and EBITDA has grown 66 odd percent. So, I think different levers for each one of those categories and currently all seem to be firing.

Kunal Randeria:

So, I assume you meant it's across the units, right? The emerging, the new ones and even the focused units, right?

Varun Khanna:

If you see the growth percentages, it's across all units. So, our focus units have grown top 25 odd percent, our mature have grown 14 odd percent, our emerging have grown 60 odd percent. So yeah, the play out is across the network.

Kumal Randeria:

The second point is on the synergies between the two companies. I was given to understand that a lot of these synergies will start flowing in once the merger consummates between the company. But I think in your presentation you mentioned almost 200 basis points, I think INR 85 crores of synergies that you're seeing in Care. Are we seeing something similar in Aster also? And if that is the case, then going forward, once the merger completes, would there be even more synergies, more than what you have booked so far?

Varun Khanna:

First of all, the synergies that I've alluded to are pre-Aster QCIL merger. So, these are, you've got to understand that within QCIL also, we are in a way merging three companies. We acquired Care, Evercare in Bangladesh, and KIMS in Trivandrum and Tamil Nadu. So that's the synergy that I'm referring to. So, bringing the three entities together has also given us synergies on account of procurement, on account of insourcing of food, a lot in terms of AMC, etc. And that is the INR 85 crores that I alluded to. We've still not started the work on Aster QCIL synergies really, and they will start to flow in post-merger.

Kumal Randeria:

Great, sir. Just one more question if I can on Aster. Sir, on the Greenfield expansion, you have around 200 capacity beds in the next couple of years. So, just wondering how will the cost profile move going forward and the margin impact, if any, that we should expect only in Aster's business in the next couple of years?

Sunil Kumar:

Kunal, if you look at the last year, you saw only Kasargod commencing the operations sometime in October. And if you look at the margin profile, the impact is hardly 60 basis points. Because we closed at 20.4 in FY26, including Kasargod. If you remove the Kasargod, in which approximately we have, a bit of losses somewhere in the negative of around INR 19 to 20 crores. So, it's probably 21%. It's only 60 basis points, which is impact. And again, it's our own cluster. So, we expect to bounce back very quickly and break even in a quarter or two. Next in the FY27 you look at we have got already two Brownfield expansion which have started. One is our Aster Whitefield Block D which already commenced operations in April and also the other unit is in Ongole which is another 75 beds on the existing hospital. We commenced that also in April. That means we got almost 200 plus beds of Brownfield expansion which is usually you can see that it is a bit accretive.

Just to give an example, a year back in Kannur, we were running at 300 beds. We added 100 beds, the margin expanded by 400 basis points. It went from 18.5 to 22.5, good thing is that, in this year, already, you're starting with the Brownfield expansion, which is EBITDA accretive. Secondly, this year we are expecting only Trivandrum to commence sometime in October, that's only the H2 beginning and you know already in Trivandrum, it's part of the Kerala cluster. Second, QCIL entity KIMS already is present there. It's very under-penetrated. So, we expect to do really well. So even whatever the losses come in, it's hardly any dilution. Even with those losses, I expect from the current year EBITDA margin should only grow. The third point is also very important to note is that with the merger, very much hindsight, sometime in quarter one, you should see that majority of the period will be under the merged entity. Varun also called out that Synergy is going to start after the merged entity, that's something which we're already working on, and I think we will hit the

ground from the day one and that should also bring and help us in ensuring stability on the margins and also grow in the margins. So that way, with all these levers being there, from the cluster presence to the brownfield expansion already there, and also towards the synergy coming in, we don't expect any margin dilution and year-on-year we'll grow in the margins.

Kunal Randeria:

Good to hear that, sir and all the best.

Puneet Maheshwari:

Thanks, Kunal. We would request you to limit your question to two, but not more than three per participant at a time. The next question is coming from Mr. Siddharth. Siddharth, can you please unmute yourself and ask the question?

Siddharth Negandhi:

Thank you for the opportunity. Congrats on a good set of numbers. Fairly strong set of numbers. I have a few questions. I'll take my top three. What were the primary challenges in the slow growth even in Karnataka IP volumes which were at 3% versus 8-9% in the overall group? And within that, if you could give us some understanding, you mentioned that there was a degrowth because of Aster Aadhaar. Was that a negative margin scheme that you took away and how should one think of recouping that set of patients? So that was question number one. Question number two is, if you could give us a sense of what's the share of Chemo and dialysis within Onco and Nephro which I would assume is more daycare and therefore brings down the ALOS and question three was if you could share any specific AI or robotics implementation that you're doing within Aster or QCIL.

Sunil Kumar:

Let me jump in Siddharth with the first two questions. One is on the Karnataka. You are saying that if IP volume for other thing is at least in the high single digit to a double digit, why K&M cluster is at 3%? As I have called out very clearly, what we exited is a low-yield schemes. I think we have very clearly called out, it is a government scheme, it is a low-yield scheme. The ARPOB compared to a cash market, it is less than 50%. That's how it's been and good thing is that we exited that. Also, one of the reasons we exited also is that there's a capacity bottleneck in Aster Aadhar. It's already running at 75% occupancy. We will be looking at how to expand in Kolhapur also. At the same time, we want to see that whatever the capacity we have, we optimize for the cash and TPA patients. Second, in the K&M, we have a positive 3% growth. There are two parts, one is that competition intensity is very high, and maybe before that, let me take a step back. If you look at a FY24 and FY25, in K&M cluster, we've been growing more than 20%. That's mainly because of our Aster Whitefield Hospital, which started two years back. And the ramp-up was really good. We achieved INR 44 crores per month in less than two years and that is a ramp-up, if you want to compare, CMI hospital took more than six years to achieve that. That's a very fast ramp-up. And we can't expect the same revenue ramp-up at 20 plus percentage when a unit has already reached a mature phase now. So, keeping that in mind, that's also one of the reasons why the revenue growth has tapered down to around 10-11% and volume has been around 3% growth. But at the same time, we also had competition intensity, especially in the north of Bangalore. We had attrition of one or two teams also. And good thing, I also called out saying that we got them back already. Second most important thing I think we didn't call out, one of the general surgery or other team which left in Q3 due to the competition, joined back in Q4. That basically shows the strength of our clinical ecosystem and the management what we do

there. ~~That's a very, very strong.~~ So, we don't expect this to be the norm. So, we expect to go to mid to high single digit. Good thing is that all the doctors what we have gotten now, already they're in the stability. So, we expect the volumes to trickle down in next one to two quarters. Second also is that you see that April already we launched the Brownfield Hospital also, which is the Block D Whitefield, which is a women & children hospital. Also, we have doubled the number of doctors there. We had around 10 or 11 doctors and we have added another 11 doctors there. So that is something due to which ramp up is expected to be really good. So, whatever you see is that the 3% is just a one-off thing, it's not a structural issue. We should bounce back very easily. Second on the Onco, usually the broad contribution is that medical oncology is approximately 50-60%. 30-35% come from surgical oncology of the whole oncology and 10-15% from radiation. Out of the medical oncology, you can see 60% will be chemo and 40% usually is in the immunotherapy and targeted therapies, what we do. I hope that answers the question. Alisha or someone who wants to take up the AI?

Varun Khanna:

Let me take the AI question. So, Sid, thanks for the question. You know, this is more of an academic question than currently in terms of what's happening on the ground. So essentially, AI will, in the near term to mid-term, impact patient safety, the operating world, financials, and clinical. As a company, we've already started working on all four tiers. So, if you ask us what the early successes are, we've been able to bring in CDSS, which is AI-enabled, we've been able to bring in call center support, which is AI enabled. We're looking at solutions that can actually save time for the doctors when the patient comes into the OPD by pre-populating some of the EMR work through AI.

We're looking at significant clinical augmentation happening through AI. So, there are two parts to that. One is looking at radiology, getting more efficient. As I told you last time, we are setting up Asia's first radiotherapy platform, which will be AI-enabled. This is the first EOP platform that Electa has sold in India as well as in Asia, which is AI enabled. So, a lot happening on all four of these sites. We're also mindful that some of the newer technologies on AI are currently a huge cost and they're used cases from a revenue generation standpoint, and they haven't seen the light of the day. So, I think we are being very particular in terms of technology, because technology is galore, but in terms of what we can really use to enhance our metrics is something that we're mindful of. On the sales front, we've seen significant improvement with our CRMs now getting AI enabled, our call centers getting AI enabled, and our conversion ratios have gone significantly better. So, all of that is playing out, and that's how the volumes have gone to a 10% kind of a growth as you see on the IP and double-digit growth on the OP as well. I don't know if there's a specific question that you wanted to ask, but it's a broad-based question that you touched upon, so I'm probably giving a little bit of a broad.

Siddharth Negandhi:

No, I think this does give, Varun, I think this is fairly helpful in terms of, what you're planning, and I concur with you, that AI is probably, fairly early stage and theoretical today. But given that there is a merger, you're going to be leading the entity. It does help to get a color from you. So, thank you so much for that. And just a follow up on what Sunil mentioned on some of the challenges in Karnataka. You'd mentioned, so I get the capacity bottleneck in Kolhapur but for the rest of the hospitals, you also called out some other sort of capacity utilization. Is there a bottleneck elsewhere?

Because that seems to be more like mid 50s occupancy. So there does seem to be capacity, right?

Sunil Kumar:

Yes, Siddharth. In K&M, we have capacity. For example, Aster CMI is at 60% plus occupancy, Aster RV is at 69%, in Aster Whitefield we have added 150 beds so, if you include that, it (Aster Whitefield) has got still only 55% plus occupancy. So, I think we have got a great runway in Karnataka cluster to add beds. We are also coming with Sarjapur in next one more year and we have Yeswanthpur in three more years So, I think we got a very good runway towards it.

Puneet Maheshwari:

Thanks, Siddharth. The next question is coming from Mr. Amey. Amey, can you please unmute yourself and ask the question?

Amey Chalke:

Yeah. Thank you for giving an opportunity to ask a question and congrats to the management on a good set of numbers. So, first question I have for Varun ji. So, we were intended to spend close to 500 crores in Hyderabad cluster to get that cluster to its potential. Has that investment over and where it has been spent? And, along with this, if you can give us the CAPEX guidance for the QCIL for next two years.

Varun Khanna:

Thank you. I don't know where the INR 500 crores number is essentially, but the work that we are doing in Hyderabad is turning every asset around. So, we've completed Banjara. Let me stick to Banjara for a minute. We are also now working this year to enhance oncology services in Banjara. So, we'll be able to bring in radiation in Banjara, which is going to be a significant bump up. We operate an OPD building there and it will also be an IPD building going forward. So those are the plans that we've laid out for Banjara and therefore a significant transformation is going to happen there. Hitech, as I mentioned to you earlier, is doing extremely well as an asset. We've grown 65-70% of the top over quarterly averages last year to this year. So that's been a significant upside as well. Now we are working on the Nampally asset, we are sprucing it up because I think it needs a little bit of work, which will allow us to enhance our ARPOB and also be able to take significant higher footfall. This also comes along with adding clinical capability across the board. So, every asset will see clinical enhancement. And as I told you, Hyderabad is one market where we're being seen very favorably. It's not a market that has grown volumes very significantly, but the fact that we've been able to grow the market well ahead of our competitors should give you a sense that I think we're being preferred both by the consumers and doctors alike.

So that's happening. In terms of the overall bed capacity expansion, I think I give you a sense about 1,700 odd beds will get added. 2,000 odd crores of expense will happen for those 1,700 beds, which is what we call the project capex. This will be revenue accretive because 1,500 of these 1,700 beds are actually brownfield. Only 200 is Greenfield and therefore I'm desperately looking forward to these beds coming in because they're coming in assets where we need more capacity. And as I mentioned to you earlier, wherever we are in the mature setup, our strategy has been adding more beds, adding more capacity, and bring more complexity. So, we are kind of firing all cylinders onto that and so far, so good. We are hopeful that Bhubaneswar as well as Raipur, both the assets will get incremental capacity and clinical complexity from oncology standpoint as well. Outside of that, our guidance on CAPEX has always been clear. We've stuck to the same number. 5% is the CAPEX spend when it comes to the

annual CAPEX spend to spruce up the existing facility or to add clinical programs. So generally, the breakup is 3-2, which is 3% is spent in terms of refreshing what we've already spent and 2% becomes incremental every year. That's the cost for running the business. So, we stick to that. We're again very prudent in terms of managing those spends. As I mentioned, as a part of the synergy between KIMS, so that I'm very clear between KIMS and Care, we've already started to find synergy in the procurement of equipment as well. And this is pretty significant. So, the 5% spend earlier and the 5% spend now is giving us significantly more than what it used to give earlier. So, I think that's how all of this is working out so far.

Amey Chalke:

Sure. And this year, we have ended at around 16-17% top-line growth and around 1-1.5% margin basis points expansion. Looking at the improvement we are doing across the clusters ahead, as well as the around, I think, 900-bed addition we are doing for next two years at least. So, you expect this growth momentum and the margin expansion to continue for next two years?

Varun Khanna:

Yes, I do. I mean, we've gone to a solid start, and I do see that the margin expansion as well as the top line growth will continue. I think the strategy is firing. And again, strategies are not made for a year. I think the last year has just been a testimony of the fact that what we've started is the right thing to do, and which is where we started to see the numbers roll in. As I mentioned, our team's rock solid, very committed, and we're reasonably sure that we'll continue to add to what we've done last year.

Amey Chalke:

Sure, thank you so much. I just have last question on Aster. On the Whitefield unit particularly, I think Karnataka cluster has looking like it is coming out of woods quickly after these leadership changes. But if you can give some clarity, how is the occupancy now in Whitefield for FY26, how it has moved year-on-year and what profitability this unit is working on so that we can get some sense what potential it has in terms of the EBITDA addition for next two years? Thank you so much.

Sunil Kumar:

On the occupancy, currently it's at 60%, and that's only for the block A, B, and C, which is the existing one. Now that the block C is going to the block D and that's another 159 beds getting added, that's a separate road path what we have. In addition to that, the empty 50 beds which is there, that will be integrated to the existing multispecialty hospital and also, for the Aster CMI, where we are coming to another year or so, we'll have the 100 beds expansion on top of the existing hospital and their existing occupancy is 56% so, there is a good room. but only thing in Aster's RV because it's just a 250-bed hospital without having oncology there. There the runway is a little lesser because currently already occupancy is at 66%, but still, you can go up to 75-80% occupancy, so that room is already there. And from the EBITDA margin point of view, I think only in the Whitefield you ask for, it's already in the high teens, right? High teens are the margin. With the Whitefield coming up, I think then you can look at more than mid 20s is the margin what we are expecting to reach.

Puneet Maheshwari:

Thanks Amey, we would like to highlight that we'll be giving preference to attendees who haven't asked their questions before, so in that line The next question is from Mr. Vivek. Vivek, can you please unmute yourself and ask the question?

Vivek Sethia:

Thank you for the opportunity. I just have a couple of questions. One was with regards to the performance in the Andhra and Telangana unit. The growth has been outstanding in that particular cluster. So just wanted to understand what steps or have you taken any particular steps to do the course correction and going forward, what can we expect in terms of a sustainable level in terms of both revenue and margins for the cluster?

Sunil Kumar:

Vivek, thanks for the question. See, there are three main hospitals. One is the Ramesh Hospitals Group. Then we have two hospitals which is the Hyderabad Aster Prime which is a smaller 150 beds and Narayanadri Hospital in Tirupati which is the 150-odd beds again. So, in this, the two hospitals specifically driving the growth is the Narayanadri Hospitals and also Aster Ramesh Hospitals. Narayanadri Hospital was opened up almost three years back. It's doing really well. Even in the current year, we've seen a 46% growth in the revenue and almost 75% plus growth in EBITDA. Because one of the good things why the Narayanadri Hospital is growing really well is that we are able to add good clinicians there and also the market is underserved currently. So, we are able to execute things at the right time and also in major of the specialties like cardiac and ortho and other general specialties, we are able to handle at the second in line also. That is helping us in taking more volumes. And also, we will be looking at now to convert some of the general wards into single rooms. so that we can expect more ARPOB growth also. The second big change what we have seen is the Ramesh hospitals. Ramesh hospitals were little stagnant for last couple of years, and they also lost few doctors in the quarter 1 & 2. And, in addition to that, when the attrition happened, they added clinicians in 3-4 specialties including the Nephrology, Pediatric Department, Ortho and Cardiology, that was their stronghold. After the end of December, we have seen a good growth momentum and it's not a one-off growth what we have seen.

Last four months and even the April trends are looking very similar. With that, they have achieved more than 32% revenue growth. And why EBITDA has been growing? It's very simple: because you are sitting on a low base. We ensured that there is a good operating leverage which is working currently. We are holding on to the cost, not jumping into hiring more manpower. We can leverage on the existing fixed costs which are already there. And because it's one or two months, I would have said it's just a one-off and we've seen a good runway for the last four to five months. And I think we will expect to continue to grow maybe not in the similar manner, but the runway that we have created, I think we expect Ramesh hospitals to continue to do well.

Vivek Sethia:

Thank you for the detailed answer. Secondly, just wanted to understand from Varun about the QCIL expansion. So, two things here. One is, if you could provide the expansion plan by cluster for QCIL. And secondly, what you had mentioned about the QCIL expansion budget, which is around INR 2000 crores for 1700 beds of which 1500 is approximately brownfield. So just wanted to understand the per bed capex that you plan on doing approximately for the brownfield and the greenfield units that QCIL has in its pipeline.

Varun Khanna:

The blended value of a per bed will vary by which hospital, what kind of expansion are we doing. But per bed generally comes about INR 1-1.1 crores. That's what the number would be for you to take back. In terms of expansion, a quick run through. if we look at Bhubaneswar and Raipur,

which comes this year. There's capability enhancement happening in Raipur, and there's capability as well as bed expansion happening in Bhubaneswar, and that's largely for this year. For FY28, we expect to add beds and capability in Banjara. I probably brought that response to the previous question as well. We will add capacity; we will add capability in a very significant way in Banjara and in Hyderabad. We were waiting to see if we are able to turn the asset around and we start to get favorability both from the patients as well as the clinical fraternity and that seems to have happened. People now are seeking more from us. So that is another investment that we're making. We've been very excited with the Nagercoil launch. We've done extremely well. The assets at ~28-29% of the EBITDA and growing month on trading month. We are now looking at expanding that pool by another 100 beds. So that's another expansion that's going to happen.

We are adding 28 beds in Nampally as well and we're turning that asset around, sprucing it up. And with that, we will need more beds to come in. Some of the other projects that we are currently looking at, beyond that is going on, are Malakpet, Chattogram, Vizag. So, it's across the board. When you're looking at brownfield and greenfield as there's one greenfield that we're doing, which is in Indore. 14 assets are brownfield, which accumulate to the 1500 beds that I spoke about.

Vivek Sethia: Just on the per bed capex, you said INR 1-1.1 crores, So, can you break it down for me in terms of brownfield per bed capex and greenfield per bed capex?

Varun Khanna: Greenfield will come to about INR 1.5 crores and brownfield will go down to about in the range of INR 0.8-1.0 crores, depending again on complexity but there's no one number. We'll have to give a number by specialty or by each unit, which is not something that I intend to share at this point in time. But the fact is that if you are adding a linear accelerator setup or an Onco setup in a particular hospital, then the numbers will go up. So, it is not just the bed, it is also the complexity and capability that we are sprucing up in the asset. So, Vivek, there's no one answer, there will always be a broad range. And the broad range for brownfield will be between INR 0.8 to 1.1 crores and for greenfield could be about INR 1.5-1.6 crores.

Vivek Sethia: Got it. Thank you for the explanation. Just a couple of bookkeeping questions. Just wanted to understand what comprises as a minority share as a percentage of our total profits and what should we take that as a percentage going forward?

Sunil Kumar: Vivek, in case of Aster, it's around 8% and that is with only two units currently, which is Aster MIMS for which we have a minority of 20% and Ramesh Hospital which is on 30%. So overall at a console ASTER level it should be at 8-9%. I think maybe QCIL should be between 15 -20%. So blended should be between 10 -15%.

Vivek Sethia: Overall, it's 10 -15%. Secondly, just wanted to understand your ROCE number, so as per what I could understand in terms of ROCE calculation, my ROCE number is coming out to be a bit different to what has been reported in presentation, so if you could help me out with this.

Sunil Kumar: In case of Aster, what we exclude is only two things. One is the revaluation reserve that is related to the land revaluation reserve which we taken up

when we converged from the old IGAP to IndAS. So, it is just a book entry, there is no actual capital employed. Second is the CWIP(Capital Work-in-Progress), because that asset is still not deployed to earn your profits or revenue. So, these are only two things we exclude. In case of QCIL, we exclude the intangibles. Because QCIL has acquired the entities in Bangladesh and specifically in KIMS, they have certain intangibles like a brand and goodwill. That is something they're excluding and that's the only three differences we will have between your calculation and our calculation. But we'll be very happy to share it offline also.

Vivek Sethia:

Just one more thing I wanted to ask about QCIL. The QCIL EBITDA margin we report at around 20-21%. But as per the annual report that I could see of QCIL, the EBITDA margin is coming out to be around 17-18%. If you could make me understand what I'm missing out in terms of understanding the EBITDA margin with what's reported in the Aster PPT versus what I can see in the QCIL financials.

Sunil Kumar:

Vivek, there is this one time that impacts us broadly around, the one time that we're doing on merger and also some of the work that we're doing with consultants to enhance the productivity. So, all of that is one time. We can probably provide you a breakup of that if that's desired later.

Puneet Maheshwari:

Thanks, Vivek. If anyone or other attendees would like to ask a question, please raise your hand. So, there is no more question to the management. Thank you all. This concludes the earnings call for this quarter for Aster DM Healthcare. I thank the management and all the attendees for joining us today. If you have any further queries and questions, please get in touch with us. Thank you.

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