

September 04, 2023

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

Sub: Transcript of the 15th Annual General Meeting
Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Please find enclosed herewith the transcript of the 15th Annual General Meeting of the Company held on Thursday, August 31, 2023.

The same is also made available on the website of the Company at <https://www.asterdmhealthcare.com/investor/shareholders-services>

Kindly take the above said information on record.

Thank you

For **Aster DM Healthcare Limited**

**HEMISH
PURUSHOTTAM**

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HEMISH PURUSHOTTAM
Date: 2023.09.04
18:47:32 +05'30'

Hemish Purushottam
Company Secretary and Compliance Officer



15th Annual General Meeting of Aster DM Healthcare Limited

Thursday, August 31, 2023

Directors:

- Dr. Azad Moopen – Founder, Chairman and Managing Director
- Ms. Alisha Moopen – Deputy Managing Director & Chairperson of the Risk Management Committee
- Mr. T J Wilson – Director
- Mr. Shamsudheen Bin Mohideen Mammu Haji – Director
- Dr. James Mathew – Independent Director & Chairperson of the Audit Committee and Stakeholder Relationship Committee.
- Mr. Emmanuel David Gootam – Independent Director & Chairperson of the Nomination and Remuneration Committee
- Ms. P H Vijaya Deepti – Independent Director

Key Managerial Person:

- Mr. Amitabh Johri – Joint Chief Financial Officer
- Mr. Sunil Kumar – Joint Chief Financial Officer
- Mr. Hemish Purushottam – Company Secretary and Compliance

Other Invitees:

- Dr. Nitish Shetty – Chief Executive Officer-Aster India
- Mr. Hitesh Dhaddha – Chief of Investor Relations and M & A

Moderator:

Dear Shareholders, Good morning, and a very warm welcome to the 15th Annual General Meeting of Aster DM Healthcare Ltd through video conferencing or other audio-visual facility. As a reminder, for the smooth conduct of the Meeting, the Members will be in mute mode, and audio and video will be opened when they will speak at the AGM as per the pre-registration. Please note that, the proceedings of the Annual General Meeting will be recorded and available on the website of the Company.

I now hand over the proceedings to Dr. Azad Moopen, Founder Chairman and Managing Director of Aster DM Healthcare Ltd. Over to you sir.

Azad Moopen:

Thank you. Dear shareholders, good morning to you all. It gives me immense pleasure to welcome you all to the 15th Annual General Meeting of your Company. Hope all of you are safe and in good health. This AGM is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. Please note that as per the requirements, the proceedings of the annual general meeting will be recorded and available on the website of the Company.

A live streaming of this meeting is also being webcast on the website of NSDL. We have the requisite quorum present through video conference to conduct the proceedings of this meeting. Participation of Members through video conference is being reckoned for the purpose of quorum as per the circulars issued by the Ministry of Corporate Affairs and Section 103 of the Companies Act, 2013. The quorum being present, I call this meeting to order.

I would now like to introduce your board members who have joined this meeting.

First, Ms. Alisha Moopen, Deputy Managing Director of the Company who is also the Chairperson of the Risk Management Committee is attending this AGM from Dubai.

Mr. T J Wilson, Director of the Company is attending this AGM from Dubai.

Mr. Shamsudheen, Director of the Company is attending this AGM from Dubai.

Dr. James Mathew, Independent Director of the Company and the Chairperson of the Audit Committee and Stakeholder Relationship Committee is attending this AGM from Dubai.

Mr. Emmanuel David, Independent Director of the Company and the Chairperson of the Nomination and Remuneration Committee is attending this AGM from Mumbai.

Ms. P H Vijaya Deepti, Independent Director of the Company is attending this AGM from Bengaluru.

We also have Dr. Nitish Shetty, CEO-Aster India

Mr. Amitabh Johri, Joint CFO

Mr. Sunil Kumar, Joint CFO

Mr. Hitesh Dhadha, Chief of Investor Relations and M&A

Mr. Hemish Purushottam, Company Secretary and Compliance Officer joining from their respective locations.

I would like to acknowledge the participation of the authorized representatives of our statutory auditors, Deloitte Haskins & Sells and the secretarial auditors, M/s. Damodaran & Associates LLP, Company Secretaries.

Due to pre-occupancy, Mr. C J George, Mr. Daniel Mintz and Mr. Wayne Keathley cannot attend this meeting and have conveyed their regards.

I now request the moderator to play a short corporate video on the journey of Aster DM Healthcare after which I shall continue my speech.

[Corporate Video played]

Moderator:

Over to you Chairman sir.

Azad Moopen:

Thank you. Please give me one second. Dear shareholders, it is my immense pleasure to address you today as we emerge from the shadows of the global pandemic that put our resilience in the healthcare sector to severe test. Before going into performance of your company during the financial year, let me share with you a perspective of the evolving landscape of healthcare in our regions. An urgent need to bridge the gap. In order to bridging the gap in healthcare for India, we must undertake several crucial measures.

Firstly, it is important to bolster our capacity for actively anticipating future challenges by investing in healthcare infrastructure. Secondly, augmenting healthcare spending will enable us to effectively address the growing demand of our population and bring us in line with global standards. With a current healthcare expenditure of less than 3% of India's GDP. It is imperative to increase this investment to at least 5% to 6% of the GDP. By doing so, we can enhance the infrastructure, expand capacity, and ensure access to quality healthcare, services to all public and for all. Public and private partnership can play a crucial role in bringing the gap in the infrastructure, in bridging the gap in infrastructure, technology and specialized care.

Lastly, fostering innovation and research in the healthcare sector will drive advancements in treatment and position India as a leader in healthcare excellence. A pressing challenge within India's healthcare sector revolves around the shortage of skilled healthcare nurses, professionals. The scarcity of trained doctors and nurses poses a significant hurdle further exacerbated by the high attrition rate among nurses, reaching as high as 35% to 40%. To tackle this challenge, we have adopted a strategic approach, taking a step back. We have enhanced training programs and created robust pipeline of healthcare professionals to meet the rising demand.

Efforts are being made to attract and retain talent by offering competitive remuneration packages and adequate opportunities for career growth. Additionally, we are actively collaborating with

educational institutions and engaging in international exchange programs to help bridge the skill gap and fostering knowledge sharing. Committed to delivering the healthcare excellence in response to the prevailing gaps in the Indian healthcare sector and as part of our expansion strategy, we have made significant strides in establishing our presence in various cities across South India in recent years.

We envision the development of a comprehensive healthcare ecosystem, encompassing hospitals, pharmacies, and laboratories within the next three years in South India. While our labs and pharmacies are already operational, the construction of many of the greenfield hospital is expected to be completed within a timeline of two to three years, and the brownfield dispatcher of some of the existing hospitals shall be done in a period of one year. Together, this is likely to add around 1,625 beds to our existing capacity of 4,317 beds.

It's important to highlight that our approach has evolved from primarily pursuing greenfield projects to brownfield project suspension of our existing hospitals and now embracing operations and management of hospitals in Tier 2 and Tier 3 cities in the country. The latter enables us to leverage their existing infrastructure and resources while expanding our expertise, brand, and create a holistic ecosystem of healthcare services.

Through the strategic initiatives, we are committed to broadening our footprint, enhancing accessibility to quality healthcare to more-and-more people. By enhancing both organic growth and strategic collaborations, we are poised to strengthen our position as leading healthcare provider and create a positive impact on the lives of individual sects across the region.

Performance review. In the financial year 2023, we achieved a consolidated revenue of INR11,933 crores, marking a significant 16% increase compared to the previous year. Our EBITDA stood at INR1,565 crores, reflecting a 6% growth. Despite the challenges faced due to losses incurred from operations of new hospitals, our overall EBITDA showed a satisfactory improvement. Adjusting for the losses, our EBITDA stood at INR1,655 crores, marking a noteworthy growth of 11% compared to the previous period. This demonstrates our ability to effectively manage and mitigate challenges while maintaining a positive trajectory in our financial performance.

Comparatively, our India business performed exceptionally well, with revenue growth of 25% to INR2,983 crores. The EBITDA increased by 28% to INR453 crores and the profit after tax post NCI reached INR147 crores, demonstrating a remarkable growth of 146%, compared to the previous year. In the GCC, we witnessed a 14% year-on-year growth, revenue growth, reaching INR8,950 crores. Although, the EBITDA remains flat at INR1,112 crores, it reflects our commitment to maintaining a stable performance, even in challenging phases.

Strategies for sustained growth. As India emerges as the most populous country, there is notable increase in healthcare expenditure, rising incomes, expanding insurance coverage, and government schemes. The government focus on healthcare sector reflects its growing importance in providing high quality services to the growing and underserved population.

In terms of our financial performance in 2023, we witnessed significant revenue and profit growth in India. However, overall EBITDA growth was subdued primarily due to the margins being impacted by expansions in the GCC region, leading to an early EBITDA loss. Throughout the year, we successfully added five hospitals, 150 pharmacies, and seven clinics, marking an unprecedented growth for our company. Our commitment to the Indian market remains strong as we continue to support our footprint with the addition of 126 pharmacies, 91 diagnostic centers, and patient experience centers.

We had done restructuring of the Kerala and Karnataka cluster two years back, which is reflected in the exponential growth of business growth at revenue and EBITDA level. There have been some operational challenges in Andhra and Telangana in the last couple of years, which are being addressed so that this geography also keeps pace with the others in coming years. These strategic investments reflect our dedication to meeting the evolving healthcare needs of the Indian population.

By establishing a comprehensive health ecosystem, encompassing hospitals, labs and pharmacies, we aim to provide a seamless continuum of care to our patients in South India, where we are already present. We are also rolling out myAster super app soon in India, which will help to connect the various services we offer from primary to quaternary care seamlessly and shall be the face of the organization for the patients. Our integrated approach ensures that individuals not only have access to high quality medical facilities in our hospitals, but also benefit from convenience and efficiency of diagnostic service and pharmacy support outside of that. This holistic approach strengthens our position as a leading healthcare provider and reinforces our mission to deliver exceptional and patient-centered care across the nation.

During the year, we have started expanding our reach to suburban area of India by adopting an O&M asset light model adding to total 390 beds. This approach allowed us to provide quality healthcare service while managing cost effectively. Notably, Aster Narayanadri Hospital achieved breakeven within its first quarter of operation, validating our belief in the model. We also started Aster G Made Gowda Hospital in Mandya, Karnataka in April 2023, further strengthening our presence in the street.

Looking ahead, we are actively evaluating merger and acquisition opportunities that align with our strategic goals. We remain open to both acquisitions that complement our existing operations and transformative opportunities that can shape our future growth. Our strategies in Indian market align with country's healthcare sector potential and our dedication to delivering quality healthcare services to a larger population. Through investments, expansion and commitment to excellence, we aim to meet evolving health care needs, set new benchmarks, and ensure access for all. We are also looking for opportunities for acquiring healthcare assets to consolidate growth through the inorganic tracks.

In the GCC region, our core business across hospitals, pharmacies and clinics experienced growth with positive revenue impact. Although EBITDA for the region was affected by losses from new hospitals built, we have made significant progress in expanding our bed capacity with the addition of Aster Sharjah Hospital, Aster Sonapur Hospital and Aster Royal Hospital in

Muscat. Even though this has resulted in initial loss of EBITDA, going forward we anticipate improved revenue and EBITDA performances as we optimize the increased bed capacities.

I'm happy to inform you that Aster Sanad Hospital in Riyadh has turned profitable with EBITDA positive during the fiscal year. We are actively exploring further opportunities for expansion in Saudi Arabia, including the rollout of pharmacies as we see Saudi as our next major market for expansion in the GCC business.

Now, welcoming new members to the leadership team. In our pursuit to continued growth and excellence, I am delighted to announce key leadership appointments within our organization. Dr. Nitish Shetty, a seasoned healthcare management professional, has been appointed as the CEO of Aster DM Healthcare India. With his remarkable contributions in driving extraordinary growth in our Karnataka operations. We have full confidence that under Dr. Nitish's leadership, our India business will flourish, achieving new milestones and setting industry benchmarks.

We have also appointed Farhan Yasin as the Vice President for India, who is responsible for exponential growth in Kerala in the last three years. He is also in charge of Aster Retail, consisting of Aster Labs, Aster Branded Pharmacies and Aster Home Care.

Furthermore, I am pleased to announce that Sunil Kumar MR has been appointed as a Joint Chief Financial Officer who will be taking care of India along with Amitabh Johri who is already looking after the GCC finance, both of whom have demonstrated their exceptional capabilities during their tenure with us. Their expertise and proven track record will play a vital role in strengthening our financial governance and driving sustainable growth across these key markets.

Additionally, we have appointed Hitesh Dhadha, a seasoned professional with over 18 years of expertise in finance, M&A and strategies as our Chief of Investor Relations and M&A. With his strategic acumen and financial expertise, Hitesh will be instrumental in fostering strong investor relationships and identifying strategic opportunities to further enhance our business.

Beyond business, I am extremely proud to share with you that Aster DM Healthcare has achieved a remarkable milestone in our commitment to social responsibility. Aster volunteers with varied activities has become the face of Aster now in many places, serving large number of needy population. I don't want to go to further details. You have seen this in the videos which have been played just now. How we on the World Diabetes Day were able to screen nearly 12,714 individuals and going into the Guinness World Records. In addition, we successfully completed the first edition of the Aster Guardian's Global Nursing Award last year, which again was shown there in which nurse Anna Qabale Duba won the award worth \$250,000, which is equivalent to about INR2 crores. This she has utilized, which is not mentioned in that video, to uplift the rural community in her remote village in Africa by building a school.

This year's Aster Guardian's Nursing Award, as you have seen, has been in London, which again has garnered a lot of support. we are putting nurses on the spotlight and their hard work and commitment and we are inspiring the nursing profession, which is essential to address a growing global shortage.

We also remain dedicated to advancing our ESG commitments, ensuring the resilience and sustainability of business while making a positive impact on the world around us. With every milestone achieved, we reaffirm our pledge to serve as a responsible healthcare provider and a catalyst for positive change.

Now, another thing which I would like to very briefly mention is about the status of restructuring of the company. The company has been periodically updating the stakeholders on the ongoing restructuring process of its GCC business to help unlock value for the shareholders. We are happy to report that significant process on the restructuring of GCC business has been made and the company continues to be engaged in discussions with top-listed bidder focused on the GCC regions.

On the basis of the requests received during the bid process from the bidders for continued promoter participation in the GCC business, the company's promoters have expressed their interest in continuing to participate in the GCC business, and their intention to hold a stake in the buyer entity along with a short-listed bidder.

Given that the promoters have decades of experience and goodwill in the GCC region, their involvement is core to the intrinsic value of the GCC business. Being a complex transaction with the sale and separation of material overseas subsidiary, the process is taking longer than expected. The transaction remains subject to finalization and execution of definitive documents and appropriate corporate approvals, including approval from the board and the shareholders of the company.

We continue to believe that separating the two businesses will maximize value for the shareholders. Requisite disclosures shall be made in compliance with SEBI regulations at the appropriate stage.

Now I finally come to the conclusion. I'm delighted to share that our business is thriving on both fronts. The Indian market, in particular, is experiencing remarkable growth and under the leadership of Dr. Nitesh Shetty, we are poised to achieve outstanding results and stand shoulder-to-shoulder with our industry peers.

Similarly, in GCC region, we anticipate significant improvement in performance with the entry of Aster Pharmacy in Saudi Arabia and our ongoing digital transformation initiatives. These are led by Alisha and they're very, very committed and passionate team. The myAster Omni-channel digital app, which was introduced in UAE in January, was the first of its kind to be introduced in the region and has fast emerged as the country go-to-healthcare app, which will soon be rolled out in India too.

I'm confident that our dedicated team, robust strategies and your steadfast support, Aster DM Healthcare will continue to thrive and reach new heights of excellence. Let us embark on this journey together as we strive to make a meaningful difference in the lives of people and contribute to the betterment of healthcare on a global scale.

Thank you for your trust and I look forward to your continued involvement and collaboration as we shape the future of Aster DM Healthcare and the future of healthcare in India.

Thank you. Now, I request Deputy Managing Director, Alisha Moopen, to address the shareholders.

Alisha Moopen:

Thank you, Chairman. My dear shareholders, as Chairman mentioned, the fiscal year '22-'23, it really has been a growth of a year of investments for us here at Aster. This has been the first year that we have actually opened up five new hospitals in a single year, which really is a feat that showcases our strong efforts towards catering to a larger patient base and meeting their diverse needs. This was also necessitated because a number of our assets and hospitals under construction were put on hold during COVID. So we had dedicated to completing them during this period.

This was also a year where we were able to reach key milestones in our digital initiatives, as Chairman mentioned. The launch of our app, myAster, on iOS, Android, as well as our web platforms was met with great enthusiasm, as evidenced by the targeted downloads that we achieved. We have managed to have close to 1 million downloads over the last one year. It is the region's first integrated healthcare platform to be launched in the UAE and it has successfully combined all of our services across businesses under one app. It has seen a 10x growth and has a current active user base of close to 150,000 per month and an installation of close to 920,000.

Moreover, we experienced a substantial ramp-up in Aster Pharmacy orders indicating a growing acceptance and reliance on our digital platforms. All this has enabled us to continue to position our organization for growth and success in the future. In India, as Chairman mentioned, we have reported excellent growth as some of our.... Just going back to what I wanted to cover, during FY '23, we noticed that the effective management of the COVID has allowed UAE to gain the status of being one of the preferred locations globally. This impact is visible seeing the influx of expat population in the UAE, and there's been migration of people from Ukraine as well as from Russia.

We've seen this reinstate some of the population loss, which has been seen during the COVID time. This is a big statement of that population in UAE, which is visible in the revenue numbers for us for FY 2023. While we have witnessed significant revenue and profit growth in India, the GCC region experienced muted EBITDA growth in percentage due to our major expansions, as well as investments in digital, resulting in early EBITDA loss and some lower margins.

During the pandemic, owing to restrictions, we were compelled to temporarily pause some of our investment projects in the year gone by. While we invested approximately INR100 crores in additional businesses, some of these investments were also the ones that were paused earlier. I'm pleased to share that, we have successfully substituted the revenue generated from COVID and PCR testing, which accounted for 8% of our total revenue in the previous financial year, with robust growth in core healthcare revenue, particularly in the GCC region.

This growth is evident in our hospital and the pharmacy segments. In the GCC business, we achieved a substantial growth of 14% year-on-year revenue growth, amounting to INR8,950

crores. However, it is important to note that our EBITDA remained flat year-on-year at INR1,112 crores compared to INR1,130 crores in the previous financial year. In line with our mission to enhance patient-centered care during the fiscal year, we entered into three partnerships to further strengthen our capabilities as well as expand our reach.

First, we entered into a partnership with Sukoon, which is a leading insurance provider in UAE, to launch two new health insurance plans with Aster products. Secondly, we signed a partnership with Dr. Reddy's Laboratories to look at producing quality medications and making it more accessible in UAE and GCC through Aster Pharmacy. I'm also excited to inform, as we saw in the video, that six of our hospitals has been recognized and noted in the prestigious US Newsweek Global List.

We're in the top five, top 20, as well as in the Global 150 list with our Aster and Medicare hospitals. This really is a very strong endorsement of our continued efforts towards delivering exceptional patient outcomes. If you talk about our future capacity creation plans, we have two important projects currently in our pipeline. We have planned a hospital network expansion through a high-end multispecialty facility with a capacity of 126 beds, which is expected to be completed in Q4 of '23- '24. This would be named as Medicare Royal Multi-Specialty Hospital, which would be a destination for MVT in UAE.

Additionally, we'll open up the new block of 60 beds as an extension to our Sanad facility in Saudi Arabia in the upcoming quarter of '23- '24. We've also started work on our pharmacies, as the Chairman mentioned, in Saudi Arabia, and we expect our first set of pharmacies to go live by the end of Q2 FY '24. Also, the company has diligently addressed intrinsic issues within its GCC business, particularly concerning onerous contracts with insurance companies.

By renegotiating these contracts, we have achieved improved pricing and increased margins, resulting in a more favorable financial outlook. Furthermore, the Saudi government's commitment to diversify its economy away from oil and implement Saudization policies has had a positive impact on our business. This has led to an increased focus on hiring, empowering the local Saudi talent, resulting in enhanced productivity and contribution from our Saudi employees.

In line with our efforts to strengthen the organization, we have taken a comprehensive restructuring of our teams. The strategic move has enabled us to assemble a strong and effective leadership, ensure streamlined operations, and driving the companies towards sustainable growth. Our commitment to sustainability and CSR remains resolute.

During the fiscal, we continue to make significant progress across all aspects of environmental, social, and governance. As part of our commitment to environmental responsibility, we have adopted a four-prong approach towards our energy efficiency. It includes an energy-efficient infrastructure, energy-efficient equipment, renewable energy integration, as well as adhering to green building regulations. Through these four pillars of energy efficiency, we have been making substantial progress in reducing our environmental impact.

Notably, we have reduced close to 1,993 megawatt energy across Aster Hospital GCC. With our focused water conservation efforts, we have also saved close to 3 lakh kiloliter of water during the year under review. As part of our social endeavors, we are happy to say, we've been able to provide close to 8,00,000 Aster volunteer mobile medical services to the underprivileged. This initiative has reflected our commitment to reaching out to the marginalized communities and ensuring that they receive the healthcare that they deserve.

Additionally, during the fiscal, we have completed and handed over more than 250 homes in Kerala. We strongly believe in investing in our healthcare professionals and empowering them to deliver the highest quality of care to our patients. Towards this, we have launched 11 career development programs during the fiscal, and we're delighted to have more than 1,500 nurses who have completed these career development courses.

To conclude, we take immense pride in the strategic objectives achieved during this fiscal. However, we understand that the true success cannot be measured solely by the achievements or obstacles of a single year. Instead, the enduring quality of our relationships stands as the most genuine indicator of our triumph, rooted in shared values, consistent performance, and reciprocal benefits.

Our unwavering dedication to delivering exceptional healthcare service to our patients remains steadfast. We'll continue to invest in our infrastructure, technology, and talent to further elevate the quality of care that we offer. By doing so, we aim to continually enhance our ability to serve and improve the wellbeing of our patients. Moreover, we actively seek opportunities to expand our services, forge strategic partnerships and explore new avenues for growth.

I would like to extend my deepest gratitude to our esteemed shareholders for their unwavering support and trust. It is your steadfast belief in our vision that drives us forward. As we move ahead, we remain resolute in our commitment to maximizing the shareholder value and delivering sustainable growth in the years to come. With the support of us shareholders, we are confident in our ability to achieve our shared goals and create a long-term value for all the stakeholders involved. Thank you very much.

Azad Moopen: Thank you. Thank you very much, Alisha. Thanks a lot.

Azad Moopen: Since this AGM is being held through video conferencing, I request Mr. Hemish Purushottam, Company Secretary and Compliance Officer, to take you through certain instructions for participating in the meeting. Hemish?

Hemish Purushottam: Thank you, Chairman. Good afternoon, everyone. Members may know that the meeting is being held through video conference in accordance with the Companies Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. The facility of participation in the AGM through a video conferencing facility is being made available to all the members and the procedure has been detailed in the AGM notice.

Members are requested to refer to the instruction in the notice of the AGM for their uninterrupted and seamless participation. In case any members are facing any difficulty, they may reach out

on the helpline numbers. The company has received requests from few members who have registered themselves to speak at the meeting.

Accordingly, the floor will be open for these members to ask their questions. The moderator will facilitate the session, once the Chairman opens the floor for question-and-answers. Members can also post their views or questions on chat box tab on their video conferencing screen anytime up to 1:00 PM

The register of members, the register of Directors and key managerial personnel, the register of contracts or arrangements in which Directors are interested, certificate from the Secretarial Auditors in terms of regulation 13 of the SEBI share-based employee benefits regulation 2014. The Statutory Auditors report and the Secretarial Auditor's report has been made available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send their request to the email ID cs@asterdmhealthcare.com.

As a meeting is being held through a video conference, the facility for appointment of proxy by the members is not available and hence proxy register is not available for inspection. The company has provided the facility to cast votes electronically on all resolutions set forth in the notice. Members who have not yet cast their votes and who are participating during this meeting will have the opportunity to cast their vote through the e-voting system provided by NSDL during the meeting.

Members can click on the voting tab on the video conferencing screen to avail this facility. Those shareholders who have cast their vote through remote voting prior to the AGM can also attend the AGM but shall not be entitled to cast their votes again. Thank you.

I now request the Chairman to conduct the proceedings of the meeting.

Azad Moopen:

Thank you, Hemish. The notice dated 25 May 2023, convening the meeting, the statement of Profit & Loss for the year ended 31, March 2023 and the balance sheet dated 31, March 2023, together with the report of Board of Directors and the Auditors have been circulated to you. With your permission, I would like to take this notice as read.

I further confirm that there are no qualifications, observations or comments mentioned in the Auditor's report on financial statements or secretarial matters, which have any adverse effect on the functioning of the company. Hence, it does not call for reading out of the Auditor's report.

The shareholders may also note that considering the e-voting on all the items of the agenda has been made available to shareholders, there shall be no voting by show of hands. We shall now proceed to take up the agenda matters in their order as set out in the notice of the board of the meeting. After this, we will open the floor for questions by the shareholders who have pre-registered.

I would now take up all items given in the notice of the 15th Annual General Meeting.

Item #1

The first item notice is to receive, consider and adopt the audited stand-alone financial statements of the company including the audited consolidated financial statements for the financial year ended 31, March 2023 together with the report of the Board of Directors and Auditors thereof. This item forms part of the ordinary business and it is proposed to be passed as an ordinary resolution.

Item #2

The second item of the notice is to appoint a Director in the place of Mr. Daniel Robert Mintz, who retires by rotation and being eligible, offers himself for reappointment. This item forms a part of the ordinary business and it is proposed to be passed as an ordinary resolution.

Item #3

The third item of the notice is to secure ratification for the remuneration payable to M/s. Jitender, Navneet & Company, Auditors for the financial year 2023-'24 as proposed in the notice. This item forms part of the special business and it is proposed to be passed as an ordinary resolution.

Item #4

The fourth item of the notice is to seek your approval for contribution to Bona fide Charitable Funds and Trusts. This item forms part of the special business and it is proposed to be passed as an ordinary resolution.

Now we will take questions from the shareholders. To avoid repetition, the answers to all questions shall be provided towards the end. Members may also note that the company reserves the right to limit the number of members asking questions depending upon the availability of time. Over to Hemish.

Hemish Purushottam:

Thank you, Chairman. Dear shareholders, before we begin the questions-and-answer session, we have a few points to be noted for your convenience. The name of the shareholders who have registered to speak at the AGM shall be announced in turns by the moderator. You are requested to state your name, folio number or DP ID and client ID and the place from where you are joining the meeting and then proceed to speak. Each shareholder will be given three minutes for their questions.

To avoid repetition, the Board of Directors shall respond to all the questions at the end. In case there is a connectivity problem with any shareholder, then the next shareholder will be asked to join. Once the connectivity improves, the shareholder will be called again.

I now request the moderator to please connect the shareholder speakers.

Moderator:

Thank you very much, Sir. Ladies and gentlemen, we will now begin the question-and-answer session. We now invite our first speaker member, Ms. Kanika Jain, to please unmute your audio and video and ask your question. We will wait for a moment for Ms. Jain to unmute her connection.

Kanika Jain: Hello, I am Kanika Jain and I am joining the meeting from Delhi. Good morning, respected Chairman sir, our Board of Directors and the fellow shareholders attending the meeting globally. First of all, I would like to congratulate the management and the staff for their hard work to provide good results during the year '22-'23 and accordingly my equity market share value has increased handsomely in the last year and it's still going up.

I have full faith in the management being I'm holding the shares since allotment. Most of my queries have already been covered in the excellent speech by our Chairman sir about the growth schemes of our future.

Now my query is that the company had strong performance in the last year in terms of revenue. So shall we expect a good interim dividend during this current year '23-'24? And also in this current scenario, after the year of COVID-19 pandemic, the demand for medical requirements have increased drastically. So is our board thinking about the expansion of medical facilities in northern region of our country?

And in the end, I would like to thank the Company Secretary, sir, and his whole secretarial team for providing a copy of annual report to me on my single request, as well as for allowing me to interact with the management. I also hope that the company will continue to hold the AGM through VC in future also, so that shareholders like me can join from faraway places. Thank you, sir, and all the best.

Azad Moopen: Thank you.

Moderator: Thank you. Our next speaker member is Abhijeet Panda. I request you to please unmute your microphone and ask your question.

Abhijit Panda: Hi, good afternoon, everyone. My name is Abhijeet. I'm joining from the city of Temples, Odisha. My client ID and DP ID is 1208180100321947. Now, thank you for giving me the opportunity and registering me as a speaker and a shareholder. Before I ask my question, I would like to congratulate the company and its management for its excellent performance last year.

Further, your annual report is very attractive, I must say, and in detail. And for a first-time reader like me, it's very easy to understand about the company business and the operations as well. I won't take much time. I just have two questions and probably a lot of shareholders would be having the same question.

My first question is, since the company is making profits, when will the company be able to declare the dividends? That's my first question.

And my second question is, can you please give me some updates on the restructuring and when it is expected to complete? I think these are the only two questions I have and thank you and best wishes to everyone here. Thank you.

Moderator: Thank you. We now invite Mr. Babu George MV to please accept the prompt on your screen, unmute your audio and video and ask your question. We will wait for a moment for Mr. George

to unmute his connection, George, could you please unmute your microphone and webcam ask your question, sir?

Mr. Babu George, we can see your connection. Could you please unmute your mic and ask your question? There seems to be no response from Mr. Babu George's connection. We will therefore move to our next speaker member. That is Swarna Lata, who's connected over audio. Request you to please unmute your mic and ask your question.

Swarna Lata, request you to please unmute your mic and ask your question. There seems to be no response from this connection. We will move to our speaker number five. That's from Prabhakar S H. Please unmute your mic and ask your question.

Prabhakar S H:

Good afternoon, everyone. My name is Prabhakar S H, and I am from Bengaluru, Karnataka. My client ID and DP ID is 1208160041008941. I thank the company and secretarial team for sending me the annual report on request and making me join the AGM. My first question is, what is the company's expansion plan for India?

And as per the annual report, the company has been investing in digital initiatives and launched myAster app in GCC. Whether this app will be launched in India, just wanted to know what is the turnaround time and what is the plan of action. Thank you, everyone.

Moderator:

Thank you. We will check with Mr. Babu George if he can unmute his connection. Mr. Babu George we request you to please unmute your audio and video and ask your question. Mr. Babu George, could you please unmute your microphone and camera? Yes, go ahead sir.

Babu George:

First of all a very good afternoon to everybody. My congratulations to the Chairman and Managing Director, beloved Dr. Azad Moopen for his splendid performance as well as my congratulations to our new Deputy Managing Director Srimati Alisha for her active participation in the growth of the company.

In the last year, there was profit but dividends are not declared, in India as you all know the price hike and other difficulties are day by day increasing. I request the Honorable Managing Director to declare an interim dividend at the time of Deepavali festival. The request for assistance to patients, especially shareholders, relatives and dependents, they may be given special discounts for their treatment in our hospitals.

And also I request, there is a general complaint among the public that the rooms are not sufficient in Ernakulam Hospital. Hence, please consider starting more than hundred rooms in the near future so that this problem can be solved. I hope the management will give a decision shortly. The CSR activities of the company is also very good.

A lot of help is given to the poor and needy people of our state as well as in the country. The new branch of the hospital started in different parts of the country is also giving good help to the people. In this connection, I request Honourable Managing Director, in the last General Body, I have pointed out a number of suggestions as well as in the field of treatment also, lot of youth

are day by day diminishing from the country, because of lot of problems while walking they fell down and immediately breathed last.

In the last one year itself more than 50 youth are disappeared from this state. Hence, please take steps for treatment for all these things. Medical checkup may be enhanced in such a way that calcium deposit is creating this problem. Hence, this must be included in the medical check-up system of the hospital in India and abroad.

And I hope our beloved Chairman and Manning Director will look into it and do the needful. I belong to Ernakulam, a southern middle of Kerala. In our place, in 2018, flood affected.

Moderator: Sorry to interrupt Mr. Babu George, request you to please summarize your question a little quicker so that we can allow other participants to speak.

Babu George: Only one minute. I request our beloved Managing Director to look into my email sent to him and give help to needy people of my place. They are homeless and struggling for existence. I wish all good wishes to the Chairman and Managing Director and other direct members. Thank you with best wishes, Babu George from Ernakulam.

Azad Moopen: Thank you.

Moderator: Thank you. We now invite Ms. Swarna Latha to please accept the prompt on your screen. You may then unmute your audio and video and ask your question. Ms. Swarna Latha, could you please unmute and ask your question?

Vimal Jain: Thank you, ma'am. Good afternoon, Chairman Sir, Board of Directors, and my fellow shareholders attending the meeting presently. I Vimal Jain speaking on behalf of my mother. I am also the shareholder of the company while my DP ID is 30011810131690. Sir, I have a couple of queries. First of all, that as no dividend is proposed in this financial year, we are in concern. So in this regard, what steps have you taken by the management to safeguard the interest of the small shareholders like me?

Second point is that, as we all know, healthcare sector has become one of the largest sector of the Indian economy in terms of both revenue and employment. So in this regard, whether the management has any plan of raising the equity capital by the issue of right issue in its near future for the expansion beyond the Tier 1 cities to the Tier 3 cities. We are ready to invest more money in our esteemed company and that also means the gap exists between the number of beds available and the number of beds required currently in India, which offer as an effective investment opportunity in India.

Thank you very much to Shri Hemish sir, company secretary, for the organizing a wonderful meeting for the shareholders. And thank you very much to the management and hope for an interim dividend during this financial year. I already have cast my e-vote. However, I hereby support all the resolution proposed by the management. Thank you, sir.

Moderator: Thank you very much. That was the last speaker shareholder. I now hand over the proceedings to Dr. Azad Moopen. Over to you, sir.

Azad Moopen: Thank you, shareholders, for your questions. While we provide the answers to your questions shortly, I request the moderator to play a video to share the work done by our CSR team, Aster volunteers and Aster. So, we will just go through the questions and then come out with the answer by the time this video is. Thank you.

[Video presentation]

Moderator: Welcome back ladies and gentlemen. I now hand over to Mr. Hemish Purushottam. Over to you, sir.

Hemish Purushottam: Thank you. Dear shareholders, we'll try to respond to all the questions raised in the meeting. However, the shareholders may also write to the company on the designated email addresses given in the website of the company for any further questions and queries you may have. Now, the management team will respond to the queries raised by the shareholders. The first question was with regard to whether interim dividend can be declared or any dividend can be expected by the shareholders. So, I would request the Chairman to kindly address this question.

Azad Moopen: Yes. Thank you, Hemish. So this was not the first question. This was there in all the questions actually. So this was uniform. All, everybody, almost everybody asked about this. So I must tell you that, we are really sorry that we couldn't so far declare dividend. It has been five years since we became a listed company. And the reason is that there was the requirement for wiping off of the accumulated losses as part of the statutory regulations. So that's a requirement for accumulated losses to be wiped off. Even though we had cash flow, it was not possible.

Now, that was in the beginning of the 2023, when we started, there was INR215 crores as accumulated losses. But in 2023, there was INR173 crores came in as profit. So a large part of this was wiped out. The balance was just INR41 crores. I'm happy that in the quarter one of this financial year, even that has been wiped out. So we are now in a stage to declare dividend. And please be assured that this year, we'll be happy to declare a dividend as has been requested by all the shareholders. Thank you.

Hemish Purushottam: Thank you, Chairman. Moving on to the next question. It's on whether the Board is thinking of expanding to the North Indian region. Also, what are the expansion plans in India going forward? I request Dr. Nitish, CEO of Aster India to kindly answer the query.

Nitish Shetty: Thank you, Hemish. Mr. First of all, I'd like to thank Kanika for asking this question. She hails from North India and it's very heartening to hear that somebody from North India is expecting us to come to the northern part of India. India provides a tremendous opportunity for growth. We have seen with our performance in the last one or two years what we have been doing in South India. But Aster being a patient centric hospital, we take our responsibility very seriously.

When we plan expansion, we ensure that we do justice to the patient and the area, we are serving there. We are dominantly present in South India in six states now. Our priority would be to

continue serving the geography where we are, and then further expand that neighboring geography. That is Tamil Nadu is another area we are looking at, Maharashtra, further expansion we are looking at. But if the opportunity comes our way, we are open to explore opportunities even in the northeast, northern part of India, which is under-served.

And a model like ours, will definitely help in accruing the benefit what patients are deriving in the southern part of India because of Aster's presence. In a nutshell, what I can say is, we are open to all the ideas, but our priority is to do a job right and serve our patient, continue improving our service in the area, where we serve, but we are still open for further expansion. Thank you.

Hemish Purushottam: Thank you. Dr. Nitish. Moving on to the next item, next question. It is on to give an update on the status of restructuring and when it is expected to be completed? I request Mr. Amitabh Johri to kindly address the query.

Amitabh Johri: Thank you, Hemish. So just as an update on the restructuring exercise, the company has been regularly informing stakeholders about the ongoing restructuring process of a GCC business, aiming to enhance the value for shareholders. We are pleased to announce substantial advancement in the restructuring of the GCC business.

The company is actively engaged in discussions with a selected bidder focusing on the GCC business. In response to the request from the bidders during the bidding process for the continued involvement of the promoters in the GCC business, the company's promoters have indicated their desire to remain engaged in the GCC business. They also intend to retain a stake in the purchasing entity alongside the chosen bidder. The promoter's participation is crucial to the intrinsic value of the GCC business due to their extensive experience and positive reputation in the GCC region.

As a transaction involves a sale and separation of a significant overseas subsidiary, the process is taking more time than initially anticipated. The finalization and execution of the definitive documents, as well as necessary corporate approvals, including those from Board and shareholders, are still pending. We maintain our belief that the separation of the two businesses will optimize value for shareholders. We've also made all required disclosures in accordance with the SEBI regulations at the appropriate stage. Thank you.

Hemish Purushottam: Thank you, Amitabh. Moving on to the next question. It is on whether assistance and discount to be given for healthcare services for shareholders and their relatives? I request the Chairman to address this query.

Azad Moopen: Yes, Babu George, you have been constantly reminding us of the requirement for this. So, what we suggest is that, whenever there is a requirement for any help, please be in touch with the hospital authorities. There is a limitation because there are 70,000 odd shareholders and it may not be possible to provide it to everybody. But when there are special situations, we can definitely do that.

So that is something, which we will be, looking at on a case to case basis. Regarding the rooms, which you have requested, the requirement for more rooms in Aster Medcity, where you have

said that there's a lack of rooms, definitely this is being addressed. And I'm happy to tell you that, the Board or the management has started constructing one more block with 100 beds, which will to some extent alleviate the requirements for. So that is something which I wanted to tell you. Thank you.

And I also wanted to, yes, so even though, Hemish, you haven't mentioned about it in his question, while I was looking at my notes, there was also this question about this youth dying and the calcium deposits in the blood vessels. These two were some two of the important points in his good sense when he was speaking. So this is unfortunately the situation that has come up after COVID especially.

A lot of deaths happening, unexplained death in the younger population and this is under investigation and many of the reports point to the fact that, there is an increased tendency of coagulation of blood and that is causing the blood to coagulate either in the heart or in the brain and this is causing or in the lung and causing this sudden death. So this is something beyond us to find out a way how to prevent that. Regarding the calcium deposit, which you mentioned that again is extremely important.

This is being recognized as one of the risk factors, which can be easily recognized even before the symptoms happen in people who undergo cardiac CT or MRI. So people who have suspicion without doing angiogram, we could now look at CT or MRI and calcium spores can be done so that before going into a serious problem like a myocardial infarction, they can be identified. We have facilities for that in most of our hospitals and we encourage people to do that. Thank you, Hemish.

Hemish Purushottam:

Thank you, sir. Moving on to the next question, which was by Mr. Babu George. It was regarding CSR activities for poor people in Kerala district. So for this question, I request Mr. T J Wilson to address the query.

T J Wilson:

Thanks Hemish. Thanks Mr. Babu George. Very happy to hear that, you have noticed what we have been doing in the CSR fund and asked volunteers what we have been doing. Really appreciate that one. So definitely, I understand your region is having some issues and like so. While we can't say specifically but generally but if you have any specific request actually we'll be able to manage it, we understand actually.

So maybe you can get in touch with our CSR desk in our CSR arm DM foundation in Aster Medcity. So maybe another thing, what we can do is like, we'll ask our team to contact you and see whether we can have some sort of medical camp in your place actually. These two things we can definitely consider, while we have limitations. We'll try to help you and support the people from your region. Thank you.

Hemish Purushottam:

Thanks, sir. Moving on to the next question. It was regarding, whether the company has plans to expand to Tier 2, Tier 3 cities, and is there a need for funding through raising of equity capital by rights issue? So, I request Mr. Sunil, Joint CFO, to kindly answer the question.

Sunil Kumar: Good afternoon, everyone. Thank you, Hemish. Thank you, Swarna Lata, for asking the very specific question on the right issue. So let me give some background. If you look at the last year performance of Aster India, we have done a INR3,000 crores revenue, the INR453 crores EBITDA, with a 29% revenue growth and 27% of EBITDA growth and even in the quarter one, we have clocked in a 29% revenue growth and 47% growth in EBITDA.

So basically, this shows that how strong the bottom line performance is, and we can expect it to continue that. And also, with good EBITDA margins being there, there is a good flow of internal accruals in the system. Now, if you link that to my gross debt, we are at around INR600 crores as on 31, March, 2023, and a net debt of around INR510 crores and if you link to the debt to EBITDA ratio, net debt to EBITDA ratio in a pre-index level, we are at a ratio of 1.3 to 1.4. And for any company, which has got a growth prospect, it's a very healthy ratio to be in and even from the bank point of view, anywhere below 3 is a very good ratio.

And as you already know that, we have a growth plans of almost 1,600 beds in the next three years. We're expecting a capital investment of around INR300 crores plus every year and keeping that in mind and the future growth prospects, we don't expect to do really try to do a right issue for the requirement of growth. We can see that usually we take the debt as a combination of debt and the internal accruals to drive the growth. At least in the near term, two to three years, we don't expect, but if the plan changes and we expect to grow more inorganically and if there is such situation, we would really look into that particular approach. Thank you very much.

Hemish Purushottam: Thank you, Sunil. So the final question is on the company's digital initiatives and launch of myAster app in GCC and also whether this myAster app is going to launch in India? For this question, I request Ms. Alisha to kindly answer the question.

Alisha Moopen: Thank you. Thank you, Mr. Prabhakar for the question. So, as I mentioned, we're quite happy with the way, it's launched in UAE, meeting our expectations. We also, of course, have the first move advantage here, as mentioned. We are now preparing for launching the same in India. We do want it to be the main customer facing interaction for our patients with the Aster ecosystem. We're hoping that by January 2024, we'll for Q4, FY '23 '24, we'll be planning to launch it.

Of course, a large part of the features that have been developed so far has been around the e-pharmacy, home care, instant virtual consult. When it comes to India, we want to focus more around our hospitals and the experience for the patients on IP. So those feature sets are being developed and we hope that we will be able to launch it by Q4. We really believe that, this strategy will help solidify our kind of relationship with our patients and enhance experience for our patients in India. So looking forward to building that out. Thank you.

Hemish Purushottam: Thank you, Ms. Alisha. So that's it in terms of the questions that were raised. In case we have not answered any query, you can write to us and now, over to Chairman.

Azad Moopen: Thank you. Hemish. We have answered all questions. If there are any further queries, please email to us and we will consider them separately. We will answer them separately. Members may note that voting for NSDL will be made available for the next 30 minutes. Members who

have not yet cast their votes can cast their vote through the e-voting system provided by NSDL. Members can click on the voting tab on the video conference screen to avail this facility.

Mr. M. Damodaran, Practicing Company Secretary, has been appointed as the scrutinizer for supervising the e-voting process. The scrutinizer's report on the voting result will be available on the website of the company and the same shall be disseminated to the stock exchange at the earliest. The resolutions are set forth and the notices shall be deemed to be passed today, subject to the receipt of the requisite number of votes.

On behalf of the Board and the management, I thank the shareholders for their active participation in the meeting. I also thank all Board members, employees, suppliers, and bankers for committed and efficient services rendered by them towards the successful operations of the company. I now declare the meeting as conclude.