

Max India Sponsors to increase shareholding by 4% to 45.12%

Funds to help consolidate shareholding in Max Healthcare to ~50% along with the JV partner, Life Healthcare

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Max India Limited (Max India) today announced that it will raise funds from its Sponsor, Max Group's Founder and Chairman Emeritus Mr. Anajit Singh, by issuing warrants amounting to Rs. 300 crore at Rs. 154.76 per share of Max India, priced in accordance with SEBI guidelines. The total number of warrants issued will be 1,93,84,854 which translates to approx. 4% stake in the company for the Sponsors.

The Sponsors' shareholding in the Company will increase to 45.12% as a result of this transaction

A significant portion of the proceeds from this transaction will be utilized by Max India to acquire a 3.75% stake in its flagship business Max Healthcare (MHC) from International Finance Corporation (IFC), which owns a 7.5% stake in the latter company. IFC's balance 3.75% stake in MHC will be acquired by Max India's joint venture partner in MHC – the Life Healthcare Group, which is South Africa's second largest hospital chain. The total consideration for the stake acquisition will be Rs. 423 crore, translating to Rs. 105 per share of MHC.

IFC has been a long-standing investor in MHC, who acquired stakes in multiple tranches over a period of 10 years. Post acquisition, both JV partners' stake in MHC will increase to 49.7% each.

Mr. Rahul Khosla, President, Max Group, Chairman, Max India and Chairman Max Healthcare, said, "Max India's stake increase in Max Healthcare reflects our confidence in the company's potential. We remain committed to providing the capital the business needs to continue on its growth trajectory. Max Healthcare's key specialities, including Neurosciences, Oncology, Cardiac and Renal Sciences continue to report strong growth, and we are excited about the growth potential from our new growth initiatives, such as Oncology Day Care, Digicare and Max Labs. In addition, we have significant headroom for growth as we build out new capacity at Max Smart Super Speciality Hospital, Saket, Max Vaishali and several other existing locations."

Commenting on the Sponsors' stake increase, **Mr. Mohit Talwar, Managing Director, Max India** said, "The increase in the Sponsors' shareholding represents their unyielding commitment to the company, and more specifically, their confidence in the immense growth prospects of the underlying healthcare, health insurance and senior living businesses. IFC has been a critical supporter through MHC's journey over the past decade and we hope to partner with them again soon."

Mr. Andre Meyer, CEO, Life Healthcare said, "The increase in shareholding reflects Life Healthcare's continued commitment to the Indian healthcare market and a furthering of the partnership with Max India."

Max Healthcare, Max India's flagship operating company, reported 23% growth in Gross Revenues to Rs. 1,939 Cr. in first 9 months, while its EBITDA grew 34% to Rs. 203 Cr. over the corresponding period last year. During 9M FY2017, a significant proportion of revenue contributions came from MHC's major specialities.

About Max Group

The Max Group is a leading Indian multi-business conglomerate with a commanding presence in the Life Insurance, Health & Allied businesses and packaging sectors. In FY 2016, the Group recorded consolidated revenues of Rs 14,237 Cr. It has a total customer base of 9 million, nearly 240 offices spread across India and people strength of 22,500 as on 31st March 2016. The Group's investor base includes marquee global financial institutions such as Goldman Sachs, KKR, IFC, Fidelity, Wasatch, Ward Ferry, Nomura, New York Life and Invesco.

The Max Group comprises three listed companies, namely Max Financial Services, Max India and Max Ventures & Industries.

About Max India Limited

Max India, the holding company for Max Healthcare, Max Bupa Health Insurance and Antara Senior Living, is focused on health and allied businesses. Max Healthcare and Max Bupa Health Insurance are joint ventures with global leaders Life Healthcare (South Africa) and Bupa Finance Plc. (UK), respectively. These businesses have well-entrenched positions in their respective categories, and are recognized for their outstanding service standards. The Company owns and actively manages a 45.95% per cent (to be increased to 49.7%) stake in Max Healthcare, a 51% stake in Max Bupa Health Insurance and a 100% stake in Antara Senior Living.

Max India is listed on both the Bombay Stock Exchange as well as the National Stock Exchange.

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