MANIPAL HEALTH ENTERPRISES LIMITED

July 28, 2026

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	Healthcare
Offer for sale (Shares)	21,613,834
Fresh Issue (Shares)	135,593,220
Net Offer to the Public	157,207,054
Issue Size (Rs. Cr.)	8803-9275
Price Band (Rs.)	560-590
Offer Date	29-Jul-26
Close Date	31-Jul-26
Face Value	2
Lot Size	25

Issue Composition

	In shares
Total Issue for Sale	157,207,054
QIB	117,905,291
NIB	23,581,058
Retail	15,720,705

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	81.86%	72.09%
QIB	18.14%	24.93%
NIB	0.00%	1.79%
Retail	0.00%	1.20%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Repayment/ prepayment, in full or in part, of certain outstanding borrowings and accrued interest thereon availed by one of the Material Subsidiaries, Manipal Hospitals Private Limited
2. Acquisition of minority stake in the stepdown Subsidiary, Sahyadri Hospitals Private Limited
3. General corporate purposes

Book Running Lead Manager

- Kotak Mahindra Capital Company Limited
- Axis Capital Limited
- Goldman Sachs (India) Securities Private Limited
- Jefferies India Private Limited
- J.P. Morgan India Private Limited
- UBS Securities India Private Limited
- DBS Bank India Limited#

Name of the registrar

- KFin Technologies Limited

About the company

Incorporated in 2010, Manipal Health Enterprises Limited is one of India's leading healthcare service providers, operating a network of multi-specialty hospitals, clinics, and diagnostic centres across the country. A part of the Manipal Group founded by T. M. A. Pai, the company offers comprehensive healthcare services, including tertiary and quaternary care, organ transplants, oncology, cardiology, neurology, orthopaedics, and preventive healthcare. The company focuses on delivering high-quality, patient-centric care through advanced medical technology, skilled healthcare professionals, strategic acquisitions, partnerships, and investments in medical infrastructure and digital health. As of March 31, 2026, Manipal Health operated 49 hospitals with 13,037 licensed beds and 21 clinics across India. Its workforce comprised 24,240 full-time employees, including 11,048 nurses, 6,362 paramedics, and 6,830 administrative staff, supporting its extensive healthcare operations and patient services.

Strength

India's largest multispecialty hospital network with a strong pan-India presence: Manipal Health Enterprises Limited is India's largest multispecialty hospital network by bed capacity, with 13,037 licensed beds as of March 31, 2026, and the second-largest private hospital chain by the number of hospitals. The company reported the second-highest revenue from operations among private hospital chains in India in Fiscal 2026, amounting to Rs. 10335.75 Crore. It has the widest geographical footprint among private hospital chains, with hospitals across 14 states and union territories. The company's leadership is particularly strong in Karnataka, Maharashtra and Goa, and eastern India, where it operates 6,404, 2,188, and 2,887 licensed beds, respectively. This extensive network enhances healthcare accessibility, enables the company to serve a diverse patient base, and delivers quality medical care closer to patients' homes across India.

Leadership across metro and non-metro healthcare markets: Manipal Health Enterprises Limited is the only private hospital chain in India with leadership by bed capacity across the three major metro markets of Bengaluru, Kolkata, and Pune, with a combined capacity of 5,376 beds as of March 31, 2026. Following the acquisition of the Sahyadri Group and the operationalisation of Manipal Hospital, Yelahanka, the company expanded its presence to 26 hospitals across these metros, strengthening patient accessibility and referral networks. Beyond metropolitan markets, 53.22% of its licensed beds are located in 20 non-metro hospitals, reflecting a balanced geographical presence. By investing in advanced infrastructure and specialised medical technologies across both metro and non-metro locations, Manipal Health Enterprises Limited enhances access to tertiary

and quaternary healthcare, enabling patients to receive high-quality treatment closer to their homes while addressing the growing healthcare demand across India.

Widely recognised brand with a strong clinical talent ecosystem: Manipal Health Enterprises Limited has established the "Manipal Hospitals" brand as one of India's most trusted healthcare networks, serving 6.30 million patients (pro forma) in Fiscal 2026. Its flagship Manipal Hospital Old Airport Road has been ranked Bengaluru's No. 1 hospital for 20 consecutive years (2005–2025), while 15 hospitals were featured among India's Best Multispecialty Hospitals in The Week–Hansa Survey 2025. The company has also received several prestigious industry awards, reflecting its commitment to clinical excellence and patient care. Supported by 11,064 doctors, 11,048 nurses, and 6,362 paramedics, Manipal Health Enterprises Limited invests significantly in medical education, research, postgraduate training, and professional development through collaborations with leading academic institutions, enabling it to attract, develop, and retain highly skilled healthcare professionals while delivering high-quality, patient-centric care.

Advanced infrastructure and clinical excellence driving complex healthcare delivery: Manipal Health Enterprises Limited delivers advanced tertiary and quaternary healthcare through state-of-the-art medical infrastructure, cutting-edge technologies, and a decentralised operating model focused on clinical excellence and operational efficiency. As of March 31, 2026, its network comprised 18 soft tissue robots, 23 orthopaedic and spine surgical robots, 19 LINACs, 44 MRI scanners, 58 catheterisation laboratories, two tomotherapy units, and six gamma cameras, enabling the treatment of complex medical conditions. During Fiscal 2026, the company performed 74,600 angiography and angioplasty procedures, 8,300 neurosurgeries, 5,800 cardiovascular surgeries, 620 organ transplants, and 5,980 robotic surgeries. Supported by NABH and NABL accreditations, Manipal Health Enterprises Limited continues to strengthen its leadership in high-acuity specialties through technological innovation, specialised clinical programmes, and consistently high standards of patient care.

Track record of industry-leading growth with strong profitability and operational efficiency: Manipal Health Enterprises Limited has demonstrated strong financial and operational performance, supported by industry-leading growth, expanding scale, and disciplined execution. Between Fiscal 2024 and Fiscal 2026, revenue from operations increased at a 29.41% CAGR to Rs. 10335.75 Crore, while profit after tax and EBITDA (excluding exceptional items) grew at 31.11% and 25.45% CAGR, respectively. The company also recorded the highest revenue growth among major listed hospital chains during the period. Growth was driven by higher inpatient volumes, an increasing share of complex procedures, and expansion from 33 to 49 hospitals through organic growth and acquisitions. Despite capacity additions, Manipal Health Enterprises Limited maintained stable occupancy, achieved one of the industry's lowest average lengths of stay, and sustained a negative working capital cycle, reflecting strong operational efficiency and profitability.

Repeatable acquisition strategy supporting scalable healthcare expansion: Manipal Health Enterprises Limited has established a proven acquisition and integration strategy that supports its expansion while strengthening access to quality healthcare across India. Between March 31, 2021 and March 31, 2026, the company

emerged as the leading consolidator among private hospital chains by adding 5,548 beds through acquisitions. Its portfolio includes successful integrations of Columbia Asia, Vikram Hospitals, AMRI, Medica Synergie, and the Sahyadri Group. The company follows a disciplined evaluation framework covering regulatory compliance, strategic fit, clinical capabilities, cultural alignment, and financial performance before executing acquisitions. Post-acquisition, it standardises clinical protocols, upgrades infrastructure, enhances high-acuity services, and leverages the Manipal Hospitals brand and digital platform to improve patient inflows, operational efficiency, profitability, and long-term value creation.

Strategies

Continue capitalising on growth through network expansion and capacity enhancement: Manipal Health Enterprises Limited aims to sustain long-term growth by expanding capacity across its existing network through a balanced mix of brownfield and greenfield projects while strengthening its leadership in Karnataka, Maharashtra, Goa, and eastern India. The company also plans to enhance its presence in high-growth markets such as Delhi NCR, central India, Mumbai, Ranchi, and Bhubaneswar. With occupancy at around 64.5% in Fiscal 2026, it has sufficient headroom to improve utilisation before undertaking additional capacity expansion. By 2030, the company plans to add approximately 483 beds through brownfield projects and 1,943 beds through greenfield developments. It also intends to increase the share of high-acuity procedures and capitalise on India's growing medical tourism industry by attracting international patients to its advanced healthcare facilities.

Strategic acquisitions to strengthen market presence and enhance patient care: Manipal Health Enterprises Limited intends to continue pursuing strategic acquisitions to expand into new markets and strengthen its leadership in existing regions by leveraging its proven integration and operational turnaround capabilities. The company targets hospitals with established local brands, strong patient volumes, quality clinical programmes, regulatory compliance, and favourable financial profiles. Recent acquisitions, including Medica Synergie and the Sahyadri Group, are being integrated through infrastructure upgrades, expansion of high-growth specialties such as oncology, neurosciences, and cardiac sciences, and operational improvements. The company has also entered into a non-binding term sheet to acquire another hospital in Karnataka. Given India's fragmented hospital industry, Manipal Health Enterprises Limited continues to evaluate acquisition opportunities across Karnataka, Maharashtra, eastern India, Delhi-NCR, Telangana, Kerala, Andhra Pradesh, and Chhattisgarh to drive growth and improve healthcare access.

Leveraging digital, AI and technology to enhance patient access and operational efficiency: Manipal Health Enterprises Limited is strengthening its digital healthcare ecosystem by integrating advanced technologies, artificial intelligence, and a unified hospital information system to improve patient access, clinical outcomes, and operational efficiency. The company follows a "physical plus digital" model that combines hospital services with teleconsultations, e-pharmacies, mobile applications, AI assistants, chatbots, and telehealth kiosks to deliver seamless patient experiences. Its data-driven digital strategy includes hyperlocal search optimisation, personalised patient engagement, predictive health analytics, and content-led awareness initiatives to expand patient reach and support preventive

healthcare. As of March 31, 2026, the company had developed over 1,809 hyperlocal SEO pages and 1,214 health blogs, while digital channels contributed 21.58% of consolidated revenue from operations, highlighting the growing importance of technology in driving patient acquisition and healthcare delivery.

Leverage digital technologies to enhance patient experience and operational excellence: Manipal Health Enterprises Limited is strengthening its digital healthcare ecosystem by integrating artificial intelligence, virtual care, and advanced digital platforms to enhance patient access, improve clinical outcomes, and streamline hospital operations. The company has introduced ICU-grade wireless patient monitoring systems, AI-enabled nursing handovers, live clinical dashboards, and real-time outpatient monitoring to improve care quality and operational efficiency. Beyond hospitals, it continues to expand teleconsultations, e-pharmacy services, telehealth kiosks, and AI-powered digital health solutions, extending healthcare access beyond physical facilities. Supported by disciplined procurement, supply chain management, and technology-driven operations, Manipal Health Enterprises Limited aims to improve cost efficiencies while maintaining high-quality patient care and continuity of services across its expanding healthcare network.

Continue attracting, developing, and retaining medical talent: Manipal Health Enterprises Limited continues to strengthen its clinical workforce by I nvesting in talent development, academic programmes, and career advancement initiatives for doctors, nurses, and allied healthcare professionals. The company offers access to advanced medical technologies, complex clinical cases, multidisciplinary collaborations, and research opportunities, enabling clinicians to enhance their expertise while maintaining professional autonomy. It also expands postgraduate education through DNB, fellowship, and research programmes to build a strong pipeline of skilled medical professionals. For nurses, the company collaborates with leading nursing institutions, provides structured internship, preceptorship, and specialised training programmes, and supports career progression through leadership development, mentorship, and performance-based recognition. These initiatives reinforce employee engagement, improve retention, and ensure the availability of highly skilled clinical talent across its healthcare network.

Invest in advanced medical infrastructure and clinical innovation: Manipal Health Enterprises Limited continues to invest in advanced medical infrastructure and next-generation technologies to strengthen its capabilities in complex and high-acuity healthcare. The company has expanded its minimally invasive treatment capabilities by adding 41 robotic systems and investing in advanced linear accelerators, tomotherapy systems, spine robotics, soft and hard tissue robotic platforms, and enhanced mammography infrastructure. It also plans to adopt AI-assisted diagnostic and therapeutic solutions, remote patient monitoring technologies, advanced robotic surgical systems, and innovative neurology platforms for treating conditions such as Parkinson's disease, epilepsy, and stroke. Alongside technology investments, Manipal Health Enterprises Limited remains committed to clinical research and innovation, having supported 209 research and clinical trials and published over 1,163 research papers in indexed journals during the last five years, reinforcing its focus on delivering superior patient outcomes.

Key Risk Factors

- Nearly 46% of FY26 revenue came from Karnataka hospitals. Any operational or regulatory disruption in the state could materially impact business performance.
- Revenue depends largely on inpatient admissions and occupancy. Lower patient volumes could adversely affect earnings.
- Over 64% of inpatient revenue comes from CONGO-R specialties. Weak demand in these segments could impact growth and profitability.
- Medical negligence claims, regulatory actions, equipment failures, or infection-related disruptions could harm the company's reputation, operations, and financial performance.

Peer Comparison

Company	Total Sales	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Apollo Hospitals	25228.50	1941.60	136.05	64.71	13.36	658.78	5	8804.30	126592.33
Max Healthcare	8373.45	1442.41	15.24	70.96	9.80	110.40	10	1081.50	105256.32
Fortis Health.	9127.84	1041.78	14.00	67.51	7.21	131.07	10	945.15	71354.87
Manipal Health Enterprises Ltd.	10335.75	916.52	6.97	84.67	4.62	127.71	2	590.00	77605.68

*Peer companies financials are TTM based

*** Manipal Health Enterprises Limited financials are based on FY26

Valuation:

Considering the P/E valuation, on the upper end of the price band of Rs.590, the stock is priced at pre issue P/E of 75.95x on annualized FY2026 EPS of Rs.7.77. Post issue, the stock is priced at a P/E of 84.67x on its EPS of Rs. 6.97. Looking at the P/B ratio at Rs.590 pre issue, book value of Rs.74.58 of P/Bvx 7.91x. Post issue, book value of Rs.127.71 of P/Bvx 4.62x.

Considering the P/E valuation, on the lower end of the price band of Rs.560, the stock is priced at pre issue P/E of 72.08 x on annualized FY 2026 EPS of Rs. 7.77. Post issue, the stock is priced at a P/E of 80.37x on its EPS of Rs. 6.97. Looking at the P/B ratio at Rs. 560 pre issue, book value of Rs. 74.58 of P/Bvx 7.51x. Post issue, book value of Rs.127.71 of P/Bvx 4.38x.

Industry Overview

India's healthcare sector is poised for strong long-term growth, driven by rising incomes, increasing prevalence of lifestyle diseases, expanding health insurance coverage, growing medical tourism, and higher healthcare spending. The healthcare delivery market is expected to grow at a 10–12% CAGR between FY2025 and FY2030, reaching Rs. 11.2–12.2 trillion. Low hospital bed density, shortage of healthcare professionals, and increasing digital healthcare adoption present significant opportunities for private hospital chains to expand capacity and improve healthcare access.

Outlook

Manipal Health Enterprises Limited is well positioned to capitalise on India's growing healthcare demand through network expansion, strategic acquisitions, digital transformation, and sustained investments in advanced medical technologies and

high-acuity healthcare services. Its strong brand, extensive pan-India presence, and operational efficiencies are expected to support long-term growth. However, the company remains exposed to risks arising from its significant revenue concentration in Karnataka, dependence on inpatient admissions and CONGO-R specialties, and potential regulatory, medical negligence, equipment failure, or infection-related disruptions. While the company has delivered strong revenue growth during the reported periods, profitability came under pressure in FY2026 due to higher employee costs, finance costs, depreciation, and amortisation. Considering its recent financial performance and valuation, the IPO appears aggressively priced.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Wed, Jul 29, 2026
IPO Close Date	Fri, Jul 31, 2026
Tentative Allotment	Mon, Aug 3, 2026
Initiation of Refunds	Tue, Aug 4, 2026
Credit of Shares to Demat	Tue, Aug 4, 2026
Tentative Listing Date	Wed, Aug 5, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	10335.75	8242.25	6171.63
Total expenditure	7724.58	6115.72	4488.57
Operating Profit	**2611.17**	**2126.53**	**1683.06**
OPM%	25.26	25.80	27.27
Other Income	184.77	120.54	93.54
Total Net Income	**2795.94**	**2247.07**	**1776.60**
Interest	864.29	511.87	454.93
PBDT	**1931.65**	**1735.20**	**1321.68**
Depreciation	679.55	506.84	397.02
Profit before tax and Exceptional items	**1252.10**	**1228.36**	**924.66**
Exceptional items	-74.07	13.95	-179.63
PBT	**1178.03**	**1242.31**	**745.04**
Tax	261.51	160.64	211.83
Profit & Loss	**916.52**	**1081.67**	**533.20**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property Plant & Equipment	5840.79	4224.73	3750.24
Capital Work In Progress	795.30	614.03	41.59
Right-of-use assets	2385.12	1699.75	1224.16
Goodwill	8120.57	3399.02	2759.54
Other intangible assets	2406.39	502.67	424.49
Financial assets			
Investments	282.84	144.91	116.17
Loans	0.00	0.00	0.05
Other financial assets	157.66	133.75	87.43
Deferred tax assets (net)	129.84	181.61	61.35
Income tax assets (net)	544.69	256.18	255.79
Other non-current assets	92.32	60.80	40.07
Total non-current assets	**20755.51**	**11217.46**	**8760.88**
Current asset			
Inventories	169.85	131.93	103.18
Financial Assets			
Investments	2392.35	1630.76	1004.92
Trade receivables	929.76	637.30	458.88
Cash and cash equivalents	299.35	291.28	360.88
Bank balances other than (ii) above	23.86	39.01	18.91
Loans	4.06	3.38	1.94
Other financial assets	173.99	58.79	29.29
Other current assets	109.28	55.67	73.44
Total current assets	4102.50	2848.12	2051.45
Assets held-for-sale	6.50	6.50	6.50
Total Assets	**24864.50**	**14072.08**	**10818.83**
Non-current liabilities			
Financial liabilities			
Borrowings	9948.81	4469.98	3700.14
Lease liabilities	2230.41	1548.87	1133.67
Other financial liabilities	178.76	34.96	0.00
Provisions	63.17	39.55	29.83
Deferred tax liabilities (net)	282.22	183.74	210.94
Total Non- Current liabilities	**12703.37**	**6277.10**	**5074.58**
Current liabilities			
Financial Liabilities			
Borrowings	604.62	296.85	243.85
Lease liabilities	79.22	69.47	52.59
Trade Payables			
- Total outstanding dues of MSME	61.21	36.14	29.87
- Total outstanding dues of creditors other than MSME	1403.34	1090.45	1100.65
Other financial liabilities	858.53	117.73	62.75
Other current liabilities	283.98	112.02	91.13
Provisions	70.88	68.71	50.69
Current tax liabilities (net)	0.59	3.44	25.21
Total - Current Liabilities	**3362.37**	**1794.80**	**1656.74**
Total Liabilities	**16065.74**	**8071.90**	**6731.32**
Net worth represented by:			
Equity share capital	235.95	77.06	75.63
Other equity	8190.14	5770.28	3939.91
Non-controlling interest	372.67	152.83	71.98
Total Equity	**8798.76**	**6000.18**	**4087.51**

RANKING METHODOLOGY

WEAK	★
NEUTRAL	★ ★
FAIR	★ ★ ★
GOOD	★ ★ ★ ★
EXCELLENT	★ ★ ★ ★ ★

E-mail: smc.care@smcindiaonline.com

Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park, A Wing 401 / 402 , 4th Floor , Graham Firth Steel Compound, Off Western Express Highway, Jay Coach Signal, Goreagon (East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:
18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004

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