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Metropolis Healthcare acquires Core Diagnostics for Rs 246.8 Cr

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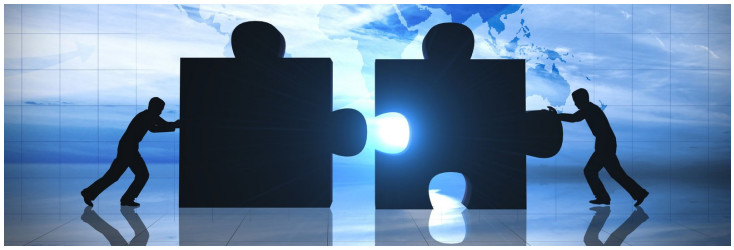
Metropolis will acquire a 100% stake in Core Diagnostics through a combination of cash and stock



Metropolis Healthcare has announced that its Board of Directors has approved the acquisition of Delhi NCR headquartered Core Diagnostics, a prominent player in India's specialised diagnostics sector.

This strategic acquisition will enhance Metropolis' capabilities in advanced cancer testing, while deepening its presence in Northern and Eastern India and driving market share expansion in the specialised segment across the country.

Metropolis will acquire a 100% stake in Core Diagnostics through a combination of cash and stock, financing 55% of the transaction in cash and 45% through an equity swap, totalling Rs 246.8 crore. Core Diagnostics registered revenue of Rs 110 crore in FY 2023-24. The equity issuance is subject to shareholder approval, and the acquisition is expected to be completed within 60 days.

Core Diagnostics offers over 1,300 high-end tests, with a primary focus on cancer, serving more than 6,000 specialty prescribers, including 1,600+ top cancer specialists. The company has achieved ~ 22% revenue CAGR over the past three years and is led by a professional team. Core Diagnostics was formerly owned by private equity companies.

Commenting on the acquisition, Ameera Shah, Promoter and Executive Chairperson, Metropolis Healthcare Limited, said, “We recognise the significant potential of the rapidly growing Indian Oncology (cancer) market, which is expected to expand at a CAGR of 17.5% from 2023 to 2028. This growth, driven by rising cancer incidences, technological advancements, improved healthcare access, and increased awareness, presents a substantial opportunity for Metropolis to truly support the Indian patients with access to world class diagnostics. With approximately 1.4 million new cancer cases and nearly a million deaths annually in India, there is a critical need for advanced cancer testing nationwide. By integrating Core’s expertise and infrastructure with Metropolis' established strengths, we aim to reinforce our leadership in advanced cancer testing and establish a Centre of Excellence in Cancer Diagnostics."