

August 01, 2022

The National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
(SYMBOL: THYROCARE)

The Bombay Stock Exchange Ltd
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai- 400 001
(SCRIP CODE 539871)

Dear Sirs/Madam,

Sub.: Presentation- Unaudited Financial Results for the quarter ended 30 June 2022

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We are forwarding a copy of presentation on Unaudited Financial results for the quarter ended 30 June 2022.

Please note that this is only uploaded in our website and not distributed or advertised in newspapers or otherwise publicised.

Yours Faithfully,

For **Thyrocare Technologies Limited**,



Ramjee Dorai
Company Secretary and Compliance Officer



Tests you can trust

Thyrocare Technologies Limited

Quarter Results – Q1 FY22-23

Agenda

- 1** What's keeping us busy
- 2** Performance Summary
- 3** Looking ahead – priorities for the year

A new brand identity and brand logo which reflects our dynamism as a bigger and widely trusted brand



From a journey that began in 1996 with only three tests – T3, T4, and TSH, we have come a long way to offering more than 700 tests with unrivalled quality, precision, and availability across India.



Element – Drop of Blood

Blood is a symbol of life and it signifies our heritage in pathology testing which is at the core of the company



Element – Microscope

Anchored in technology – the microscope signifies our focus on science and technology at all our labs when it comes to diagnostic testing

Continued efforts on focus areas which we highlighted to drive sustainable growth



Geography Expansion

- **Pin Expansion:** 1000 new pins activated in AMJ (1+ sample billed)
- **Lab Expansion:** 2 New RPLs started at Vishakhapatnam and Jaipur



Customer Connect

- **Franchisee connect:** Invested in franchisee support, a field team, launched many packages & schemes
- **Deepening our KAM approach:** Push across online, and offline Healthcare players for partnerships



Quality Perception

- **Accreditation:** NABL audit completed for 4 labs, CPL CAP accreditation renewed
- We intend to process 90% samples in NABL accredited labs by FY23



TAT Improvement

- **Logistics:** 90% samples reach lab within 18 hours, in RPL cities we are already at 6 hours
- **Lab capacity:** 97% samples are processed within 6 hours, average is already at 4 hours



Doctor Engagement

- **Education videos :** Partnership with KOL Doctors –e.g. Dr Palshetkar on PCOS had 1.2L views
- World Doctor's Day drive – testing conducted for 1000+ doctors



Leveraging API

- **Platform :** Continuing to drive cross-sell of Diagnostics to API customers – at 5000 patients a day
- **Retailio + Marg chemist activation:** 900+ retailers on-boarded
- **Hospitals :** 50 Hospitals activated for out-sourcing

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Quarter Health-check

YoY Non-Covid Revenue

+33% ↑

YoY Non-Covid samples

+57% ↑

(6 Mn samples
in this Q)

YoY Non-Covid EBITDA

+27% ↑

YoY Non-Covid Tests

+44% ↑

(35 Mn tests
in this Q)

QoQ Non-Covid Revenue

+12% ↑

YoY Radiology Revenue

+59% ↑

YoY Covid Revenue

-96% ↓

YoY Total Revenue*

-22% ↓

YoY Non-Covid EBITDA %

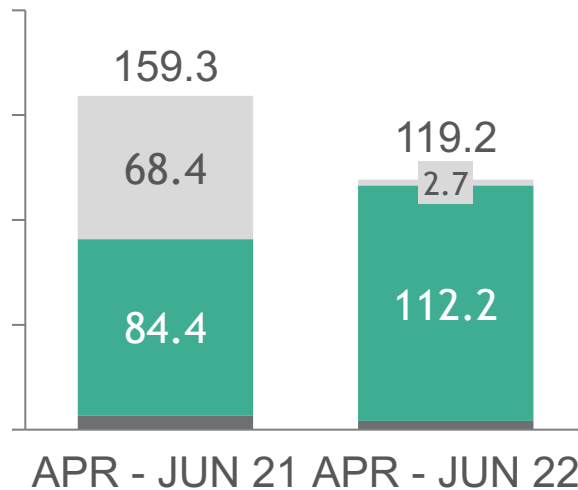
-100 bps ↓

We have consistently delivered 10%+ QoQ growth for 2 quarters

Significant growth in Non COVID over last year

Focus on recovery of Non COVID business

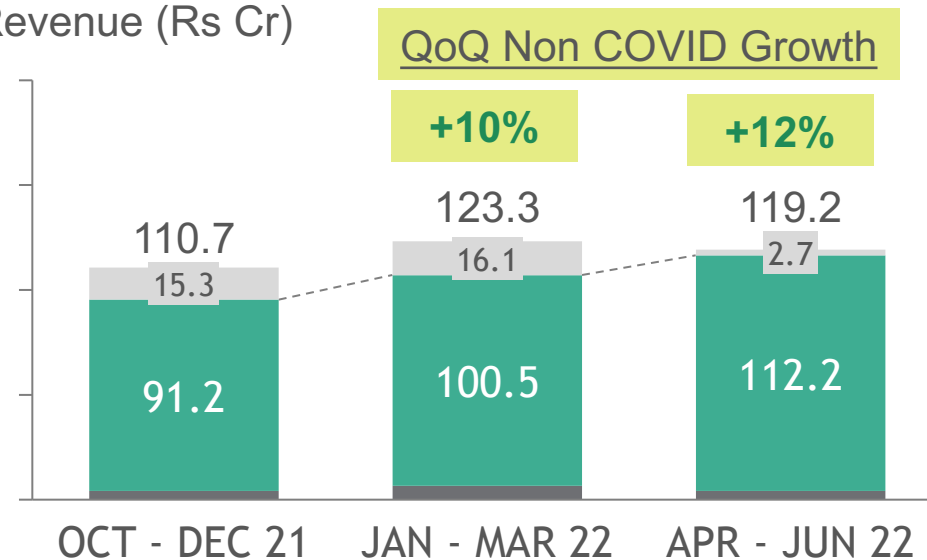
Pathology Revenue (Rs Cr)



YoY Growth

COVID	-96%
Non COVID	+33%

Pathology Revenue (Rs Cr)

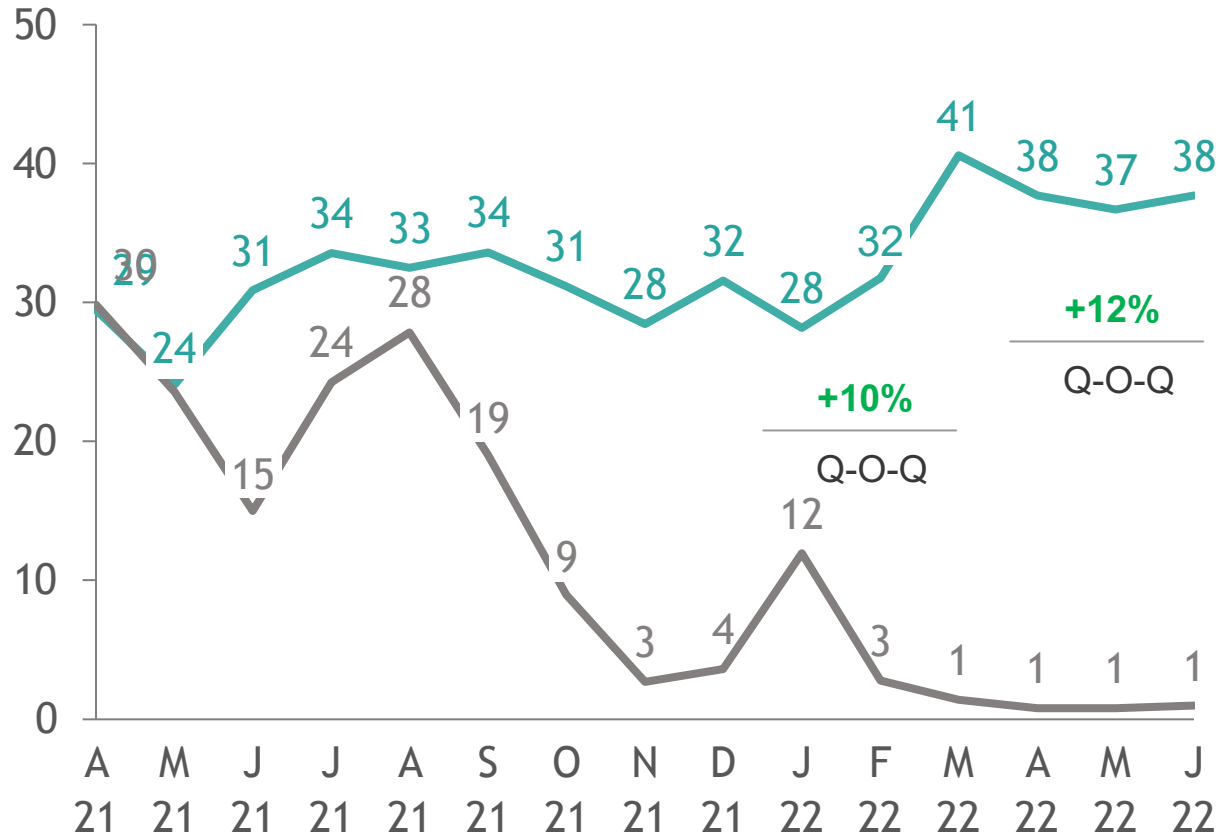


COVID Non COVID Material + Others

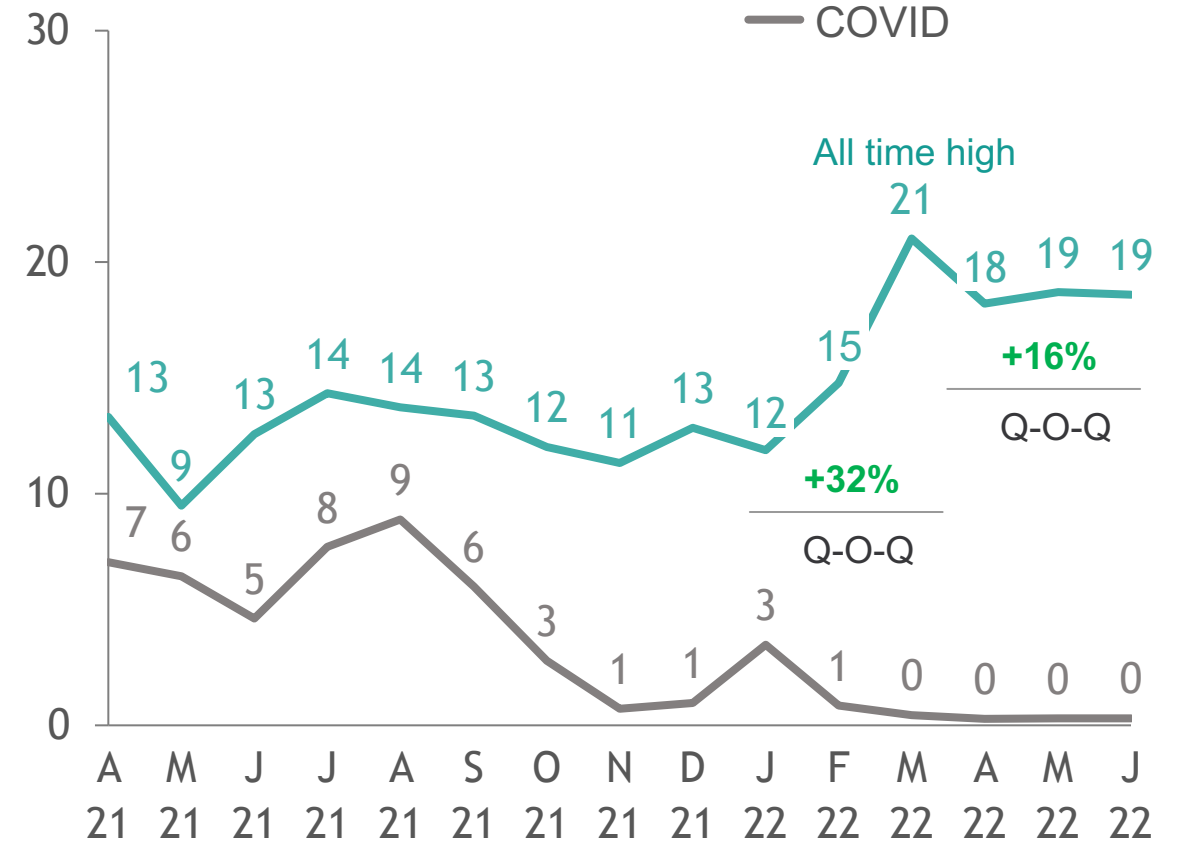
Note: All numbers refer to Pathology revenue

We continue to sustain our March performance, both in revenue and workload

Diagnostic Services Revenue (excludes Material Sales) (Rs Cr)

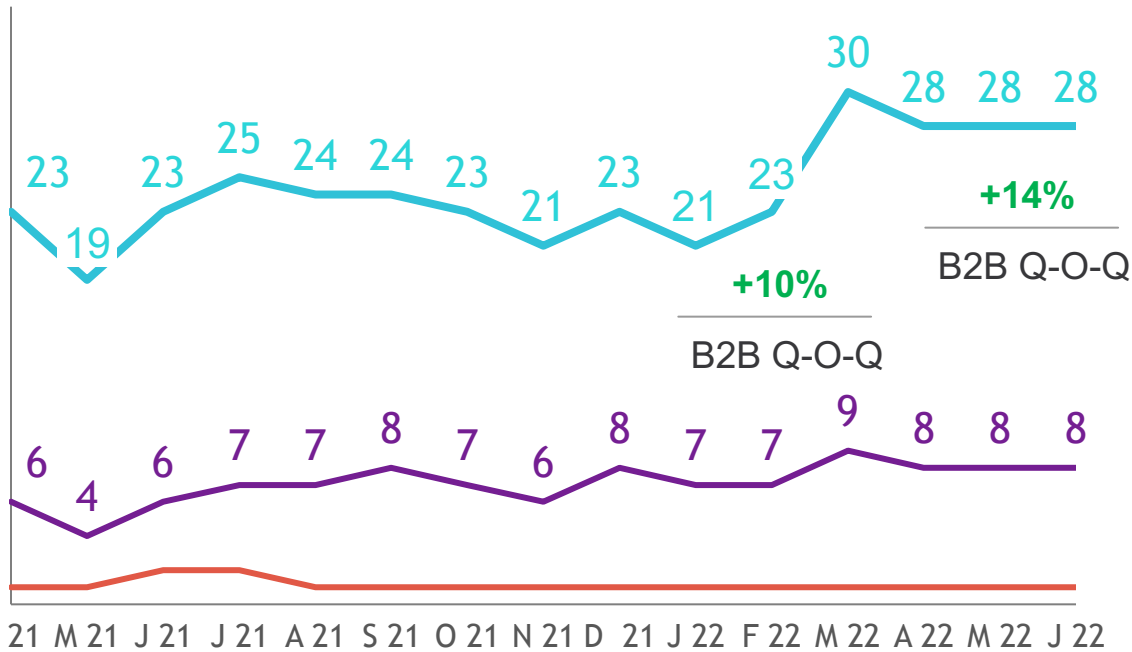


Diagnostic Services Workload (Lakhs)



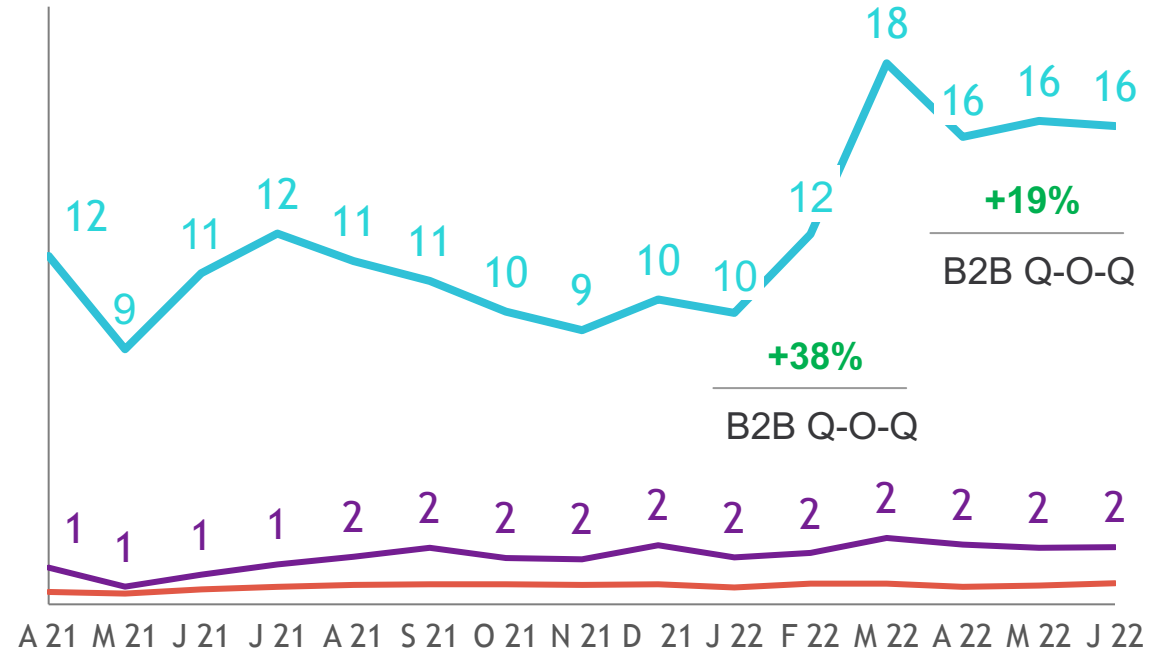
Our B2B and B2C verticals have stabilized ; B2B vertical continues to post a strong Q-O-Q volume growth of 19%

Non COVID Diagnostics Services Revenue (Rs Cr)



Quarter	Revenue (Rs Cr)
AMJ 21	84 Cr
JAS 21	100 Cr
OND 21	91 Cr
JFM 22	101 Cr
AMJ 22	112 Cr

Non COVID Diagnostics Services Workload (Lakhs)



Quarter	Workload (Lakhs)
AMJ 21	35 L
JAS 21	41 L
OND 21	36 L
JFM 22	48 L
AMJ 22	56 L

Note: B2B includes API

Non COVID P&L has improved QoQ, but COVID P&L continues to decline

	Non COVID			COVID			
	Q1'22	Q4'22	Q1'23	Q1'22	Q4'22	Q1'23	
Revenue	90.83	107.20	116.52	68.43	16.13	2.69	Drop in revenues on account of drop in COVID cases, people opting for at-home testing through kits and relaxation in travel regulations requiring COVID reports.
GM	48.61	70.53	79.16	57.43	12.17	1.79	While the testing cost remained same, revenue per test took a hit because of price caps by the states.
%	54%	66%	68%	84%	75%	67%	
EBITDA	26.63	30.03	33.85	44.61	6.81	0.21	While there was significant reduction in volumes trimming the overhead costs took time bringing down the EBITDA.
%	30%	28%	29%	65%	42%	8%	

COVID operations have stopped at Kolkata lab; Bengaluru and Delhi labs will follow suit in August. These labs will be re-purposed for other PCR use cases.

Income Statement – Pathology: Marginal dip in revenue QoQ, EBITDA levels maintained while investing for growth

INR crore	Quarter			Q Variance (%)	
	Q1 FY22	Q4 FY22	Q1 FY23	Seq.	YOY
Revenue from operations	159.26	123.33	119.24	-3%	-25%
Cost of materials consumed/ sold	(53.22)	(40.63)	(38.26)	-6%	-28%
Gross margin	106.04	82.70	80.98	-2%	-24%
Employee benefit expenses	(13.61)	(16.48)	(20.57)		
Other expenses	(21.96)	(29.15)	(26.33)		
EBITDA	70.47	37.07	34.08	-8%	-52%
Depreciation and amortisation	(5.80)	(8.57)	(7.58)		
Finance cost	(0.63)	(0.58)	(0.55)		
Other income	2.67	1.70	0.83		
PBT and exceptional items	66.71	29.62	26.84	-9%	-60%
Tax expense	(18.49)	(9.11)	(6.51)		
Profit after tax	48.22	20.51	20.33	0%	-58%

Gross margin %	67%	67%	68%
EBITDA%	44%	30%	29%
PAT%	30%	17%	17%

Diagnostic revenue decrease in sequential quarter is about 3%, primarily on account of decrease in COVID business, however non-COVID business increase was 33% vs. last year and 12% QoQ

Gross margin steady during the quarter – some increases in prices netted off by investments to drive newer packages

Employee benefit expenses at 21 crores increased with additions of Senior Leadership, additions in growth team to sustain growth and investments in quality personnel to fulfill NABL requirements

Increase in employee benefits compensated by close review of Other expenses – savings generated in fixed fulfillment costs and other overheads incurred by the company

Income Statement – Radiology: Continued strong performance in revenue leading to improved margins

INR crore	Quarter			Q Variance (%)	
	Q1 FY22	Q4 FY22	Q1 FY23	Seq.	YOY
Revenue from operations	5.39	7.22	8.55	18%	59%
Cost of materials consumed/ sold	(1.00)	(1.26)	(1.24)	-2%	24%
Gross margin	4.39	5.96	7.31	23%	67%
Employee benefit expenses	(0.51)	(0.76)	(0.81)		
Other expenses	(3.26)	(4.78)	(4.53)		
EBITDA	0.62	0.42	1.97	369%	218%
Depreciation and amortisation	(1.60)	(1.19)	(1.14)		
Finance cost	(0.18)	0.02	(0.02)		
Other income	8.24	0.78	0.36		
PBT and exceptional items	7.08	0.03	1.17	3800%	-83%
Tax expense	0.60	0.29	0.16		
Profit after tax	7.68	0.32	1.33	316%	-83%
Other comprehensive income	-	-	-		
Total comprehensive income	7.68	0.32	1.33	316%	-83%

Gross margin %	81%	83%	86%
EBITDA%	12%	6%	23%
PAT%	142%	4%	16%

Revenue from imaging services accounted for 7% of reported consolidated revenue of Thyrocare Group in current year

Radiology business improved significantly during the current year, with patient footfall growing after the COVID impact.

The operations at Baroda centre were commenced in this quarter after a gap of about two years due to legal dispute.

The **operations cost have remained stable** throughout the quarter though there is an increase in the manpower cost.

Other income of 8.24 Cr in Q1-22 was from sale of Noida property.

Income Statement – Consolidated: Slight decline in revenues QoQ due to COVID mix change, EBITDA margins stable

INR crore	Quarter			Q Variance (%)	
	Q1 FY22	Q4 FY22	Q1 FY23	Seq.	YOY
Revenue from operations	164.65	130.56	127.79	-2%	-22%
Cost of materials consumed/ sold	(54.22)	(41.89)	(39.50)	-6%	-27%
Gross margin	110.43	88.67	88.29	0%	-20%
Employee benefit expenses	(14.13)	(17.13)	(21.37)		
Other expenses	(25.29)	(33.65)	(30.72)		
EBITDA	71.01	37.89	36.20	-4%	-49%
Depreciation and amortisation	(7.29)	(9.67)	(8.61)		
Finance cost	(0.62)	(0.57)	(0.56)		
Other income	10.49	2.15	1.00		
PBT and exceptional items	73.59	29.80	28.03	-5%	-62%
Share of profit in associate entity	(0.29)	0.52	0.26		
Tax expense	(17.89)	(8.86)	(6.21)		
Profit after tax	55.41	21.46	22.08	3%	-61%

Gross margin %	67%	68%	69%
EBITDA%	43%	29%	28%
PAT%	34%	16%	17%

Overall revenue mix continues to move away from COVID between the quarters – strong growth in Radiology and non-Covid offset by decline in Covid revenues

Gross margin improvement across the board as mix and prices stabilize

Cost increased in manpower largely in field team and quality offset by efficiencies in other expenses to arrive at a stable EBITDA margin

PAT margin stable vs. previous quarter in spite of investments to grow the non-Covid business significantly from Covid levels

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We continue to execute against our strategy shared in May – will remain focused on the execution against this agenda



- 1 Serve Pharmeasy Online customer base of 2.1 M quarterly transacting users
- 2 Partner with Retailio & MARG retailer network of 2.8L+ counters to expand order points
- 3 Leverage Aknamed to build a diagnostic presence in the hospital space
- 4 Ensure the expansion of Pharmeasy & DocOn offline collection points



- 5 Continue to improve our value proposition to our franchisee network, expand aggressively
- 6 Focus on our Health packages i.e. Aarogyam and promote to corporates, online & offline
- 7 Expand Lab network selectively to address TAT challenges, invest in accreditation and PR
- 8 Leverage Pharmeasy technology expertise to improve our customer experience and phlebotomist productivity

Thank You

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