

October 23, 2024

To,
The Secretary,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
C/1 G Block, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
(Scrip Code: THYROCARE)

The Secretary,
Listing Department,
BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai- 400 001
(Scrip Code: 539871)

Dear Sirs/Madam,

Sub: Presentation- Unaudited financial results for the quarter and half year ended September 30, 2024 of Thyrocare Technologies Limited (“the Company”).

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the presentation to be made at the earnings conference call for Analysts and Investors, to be held today i.e October 23, 2024, at 6.30 p.m. on the unaudited financial results (standalone and consolidated) of the Company for the quarter and half year ended September 30, 2024. The same is also being made available on the Company’s website www.thyrocare.com.

The audio recording and transcripts of the earnings conference call for Analysts and Investors to be held on October 23, 2024, will be submitted separately.

You are requested to take the above information on record.

Yours Faithfully,
For **Thyrocare Technologies Limited,**

Ramjee Dorai
Company Secretary and Compliance Officer



Encl: A/a

Thyrocare Earnings Presentation

Q2 FY25



Safe harbour statement

Statements in this presentation describing the Company's performance may be "forward looking statements" within the meaning of applicable security laws and regulations. Actual results may differ materially from those directly or indirectly expressed, inferred or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the market, changes in or due to the environment, Government regulations, laws, statutes, judicial pronouncements and/or incidental factors.

Agenda

01 **Latest updates**

02 **Performance highlights**

03 **Financial performance**

04 **Going forward strategy**

Delivered 20% YoY revenue growth in Q2 FY25 while maintaining highest quality standards

32 Labs
(28 NABL Accredited)



Acquisition of Clinical Diagnostic Business of “Vimta Labs”

Financial Parameters



- ▶ Consolidated Revenue for Q2 FY25 is Rs 177 Cr (20% YoY)
- ▶ Franchise revenue for Q2 FY25 grew by 14% YoY
- ▶ Partnership revenue for Q2 FY25 grew by 33% YoY

Operational Parameters



Active Franchisees 8,400+
(+13% YoY)



Samples 6.7 Mn
(+15% YoY)



Patients 4.4 Mn
(+9% YoY)

Quality Parameters



Samples processed in NABL labs 96%
(+16 pps YoY)

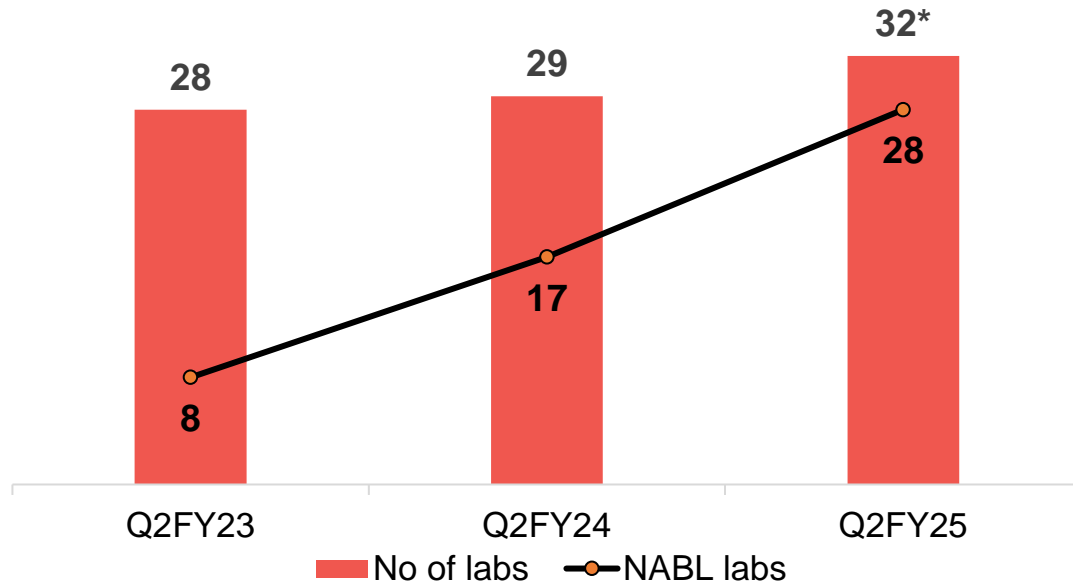


Tests conducted 44.0 Mn
(+15% YoY)



Complaints per million samples 58% lower
(21 vs 50)

96% of our sample load is processed in NABL labs



► 2 New Lab added in Q2FY25.

NABL Labs (28)

- **West** : Navi Mumbai, Mumbai (Kurla), Pune, Raipur, Ahmedabad, Nagpur, Mumbai (Kandivali), Goa
- **East** : Kolkata, Bhubaneswar, Guwahati, Patna, Ranchi
- **North** : Bhopal, Jaipur, Delhi & covid lab, Gurgaon, Lucknow, Varanasi, Indore, Amritsar, Mohali
- **South** : Bangalore, Coimbatore, Kochi, Chennai, Hyderabad



 02 CPL	 19 RPL	 02 ZPL	 06 SPL	 02 HL
Central Processing Lab	Regional Processing Lab	Zonal Processing Lab	Satellite Processing Lab	Hybrid Lab

* We have 31 labs across PAN India and 1 lab in Tanzania as of September 30, 2024

Expansion in North India through acquisition of Polo Labs



- ▶ Thyrocare has completed the acquisition of Polo Labs on July 29, 2024.
- ▶ Polo Labs is a pathology diagnostic company based out of Punjab with a wide presence in Punjab, Haryana and Himachal Pradesh.
- ▶ It allows Thyrocare to expand its footprint in North India.



- ▶ In Sept 2024, we hosted a Meet & Greet event for our Polo Lab clients, welcoming them to the Thyrocare family.



Acquisition of Clinical Diagnostic Business of Vimta Labs



Key highlights of the transaction

- ▶ On October 11, 2024, Thyrocare completed the acquisition of the clinical diagnostic business of Vimta Labs.
- ▶ Vimta Clinical Diagnostics has presence in Hyderabad, Varanasi, Vijayawada, Bhubaneswar, Delhi, Visakhapatnam, Chennai, Tirupati, Patna and Kolkata.
- ▶ Vimta Labs through its clinical diagnostic business has recorded a revenue of INR 30 Crores during FY24 and INR 7 Crores in Q1 FY25.
- ▶ Thyrocare has also entered into a brand and trademark licensing agreement to use the brand name associated with the clinical diagnostic business of Vimta Labs.

Strategic Rationale of the business purchase

- ▶ Thyrocare aims to capitalize on Vimta Clinical Diagnostic's strong presence and customer loyalty in Telangana, Andhra Pradesh and other states, and leverage its recognized brand.

- ▶ This acquisition strengthens our footprint in southern India, enabling us to serve a broader customer base with high-quality, affordable diagnostics.
- ▶ By aligning our operational efficiency, quality focus, and cost structure, we create synergies that drive mutual success and deliver enhanced value.

Cutting-Edge facilities and technology



NABL and CAP certified lab signifying top quality standards

The recognition of CAP and NABL is a testament to the highest standards and stringent benchmarks for quality, accuracy and safety.

Recognition by CAP



- ▶ In Sep24, Recognized and rewarded by the College of American Pathologists (CAP) for maintaining excellence in high quality laboratory care for 15+ years.
- ▶ CAP is an international gold-standard accreditation that represents the top-tier quality in pathology and laboratory medicine.

3 additional labs covered under NABL scope



- ▶ 3 more labs - Kandivali, Goa and Mohali, are now National Accreditation Board For Testing and Calibration Laboratories (NABL) accredited.
- ▶ NABL provides accreditation to Conformity Assessment Bodies (Laboratories) in India. It is one of the highest marks of quality for any diagnostic lab in the country
- ▶ With these, 28 out of our 32 labs are now NABL accredited and approximately 96% of our sample load is processed in NABL labs.

Strengthening our relationships with doctors and channel partners

Advisory Board Meeting with doctors



- ▶ Hosted our 3rd Advisory Board Meeting in August 2024 with a panel of esteemed doctors to gain insights on enhancing our quality milestones.
- ▶ Doctors witnessed our cutting-edge technologies and stringent protocols, reinforcing our commitment to diagnostic excellence.

Strengthening our Channel partners



- ▶ Hosted channel partner meet in Pune to reward and strengthen our relationship with our leading partners.
- ▶ The event provided an opportunity to engage with our partners, exchange ideas, and explore ways to further strengthen our collaboration.

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04 Going forward strategy

Quarter health check - Financial Performance Q2 FY25



YoY TTL Consolidated Revenue

+20% ↑

YoY Pathology Revenue*

+20% ↑

YoY Radiology Revenue**

+21% ↑

YoY Normalized EBITDA[#]

+23% ↑

YoY Reported EBITDA

+28% ↑

Normalized EBITDA%[#]

29%

* Pathology business excluding materials & others

** Radiology includes pulse hitech

Normalized EBITDA is at consolidated level and is before non-cash charge of parent group API ESOPs

Half year health check - Financial Performance H1 FY25



YoY TTL Consolidated Revenue

+18% ↑

YoY Pathology Revenue*

+18% ↑

YoY Radiology Revenue**

+18% ↑

YoY Normalized EBITDA[#]

+17% ↑

YoY Reported EBITDA

+25% ↑

Normalized EBITDA%[#]

29%

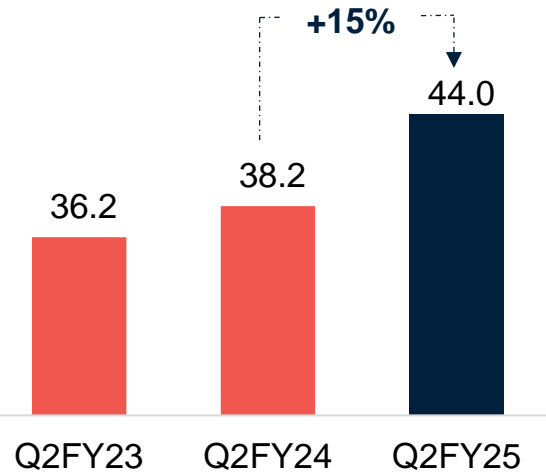
* Pathology business excluding materials & others

** Radiology includes pulse hitech

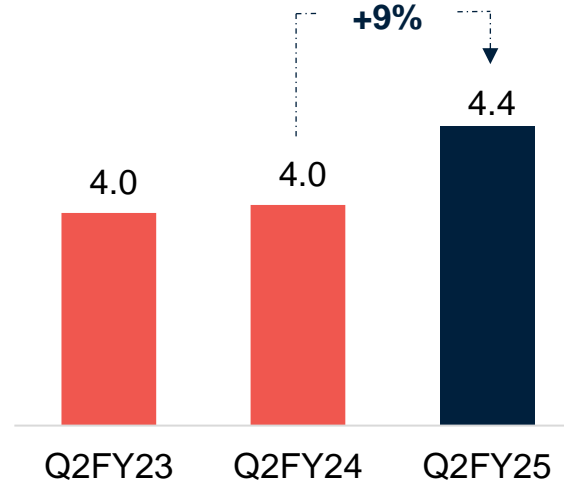
Normalized EBITDA is at consolidated level and is before non-cash charge of parent group API ESOPs

Strong and consistent growth outlined by key metrics

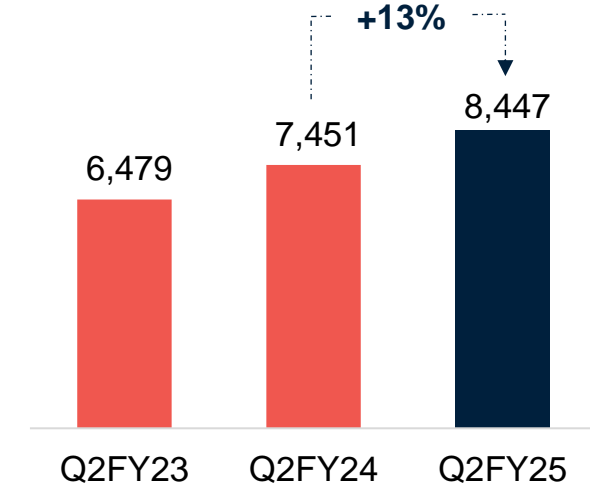
Tests performed (Mn)



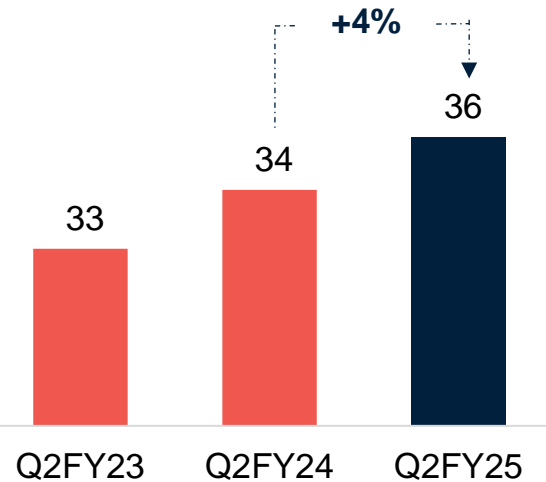
Patients (Mn)



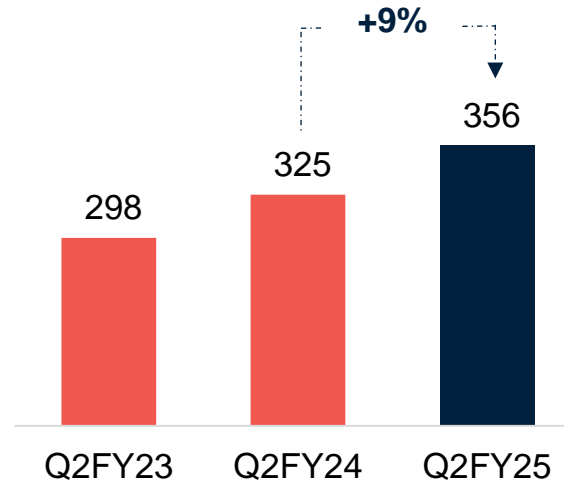
Active Franchisees (#)



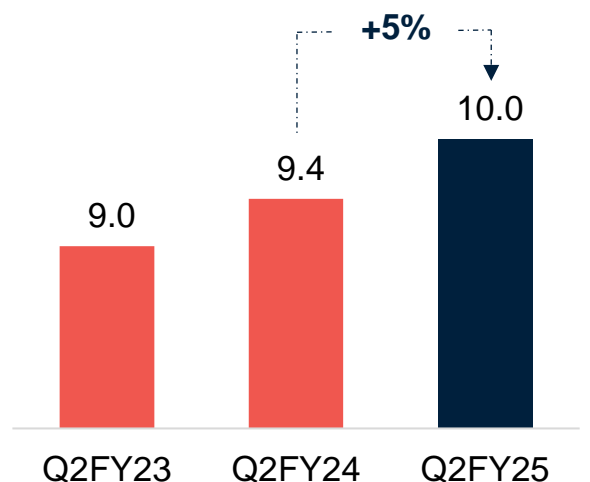
Revenue per Test (INR)



Revenue per Patient (INR)

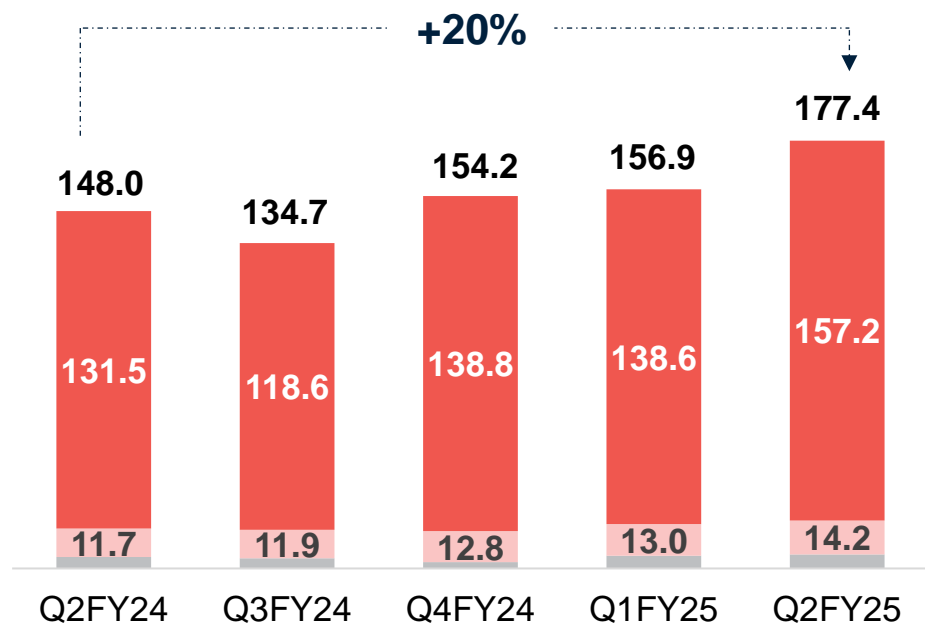


Tests per Patient (#)



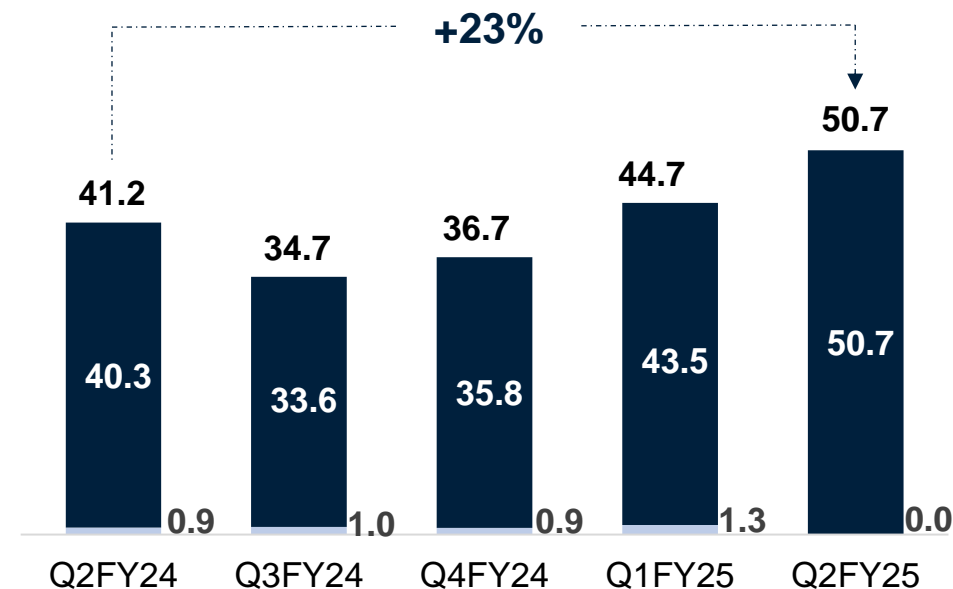
20% YoY revenue growth in overall business ; 23% YoY growth in Normalized EBITDA

Consolidated Revenue (INR Cr)



	<u>YoY Growth%</u>
Pathology	+20%
Radiology*	+21%
	<u>QoQ Growth%</u>
Pathology	+13%
Radiology*	+9%

Normalized EBITDA (INR Cr)



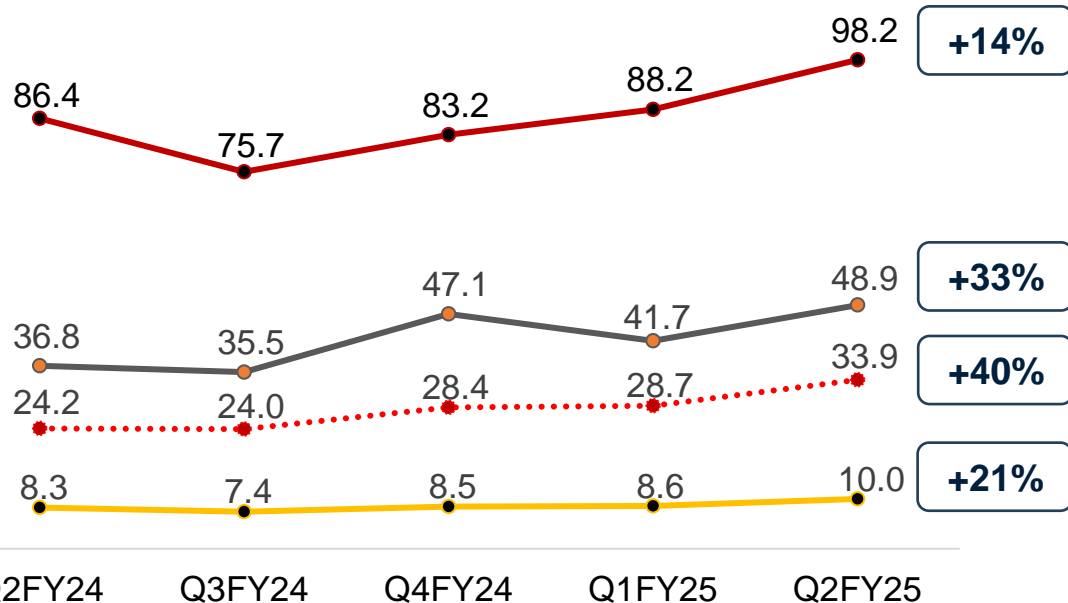
N. EBITDA%	28%	26%	24%	29%	29%
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* Radiology includes pulse hitech

Franchise revenue grew by 14% YoY ; Partnerships (excluding API) grew by 40% YoY

Pathology Revenue (Rs Cr)

YoY%



+14%

+33%

+40%

+21%

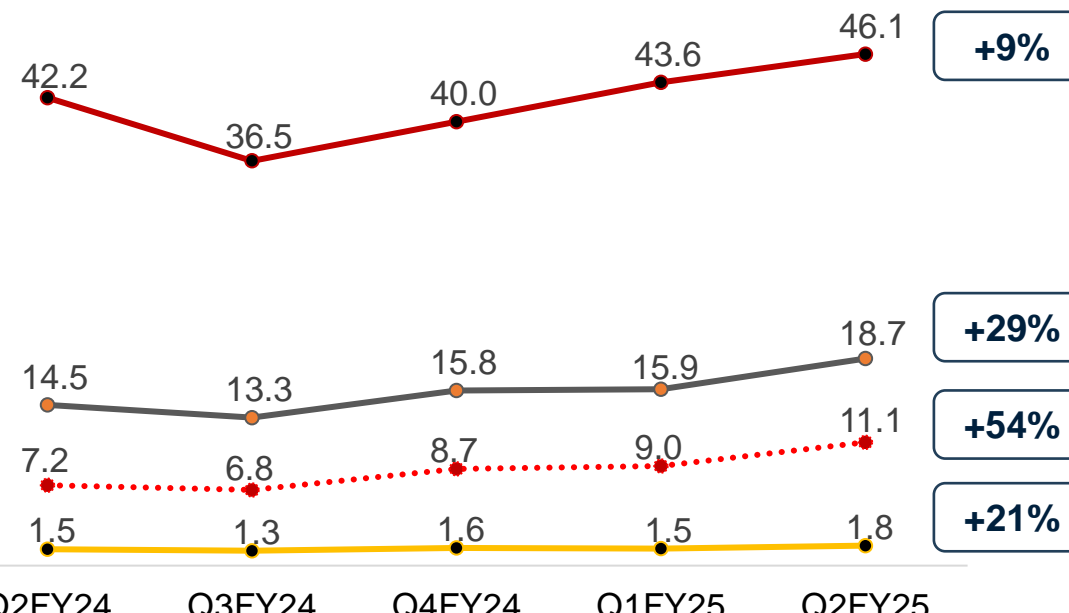
Q2FY24 Q3FY24 Q4FY24 Q1FY25 Q2FY25

131.5 Cr 118.6 Cr 138.8 Cr 138.6 Cr 157.2 Cr

+20%

Pathology Workload (Lakhs)

YoY%



+9%

+29%

+54%

+21%

Q2FY24 Q3FY24 Q4FY24 Q1FY25 Q2FY25

58.1 L 51.2 L 57.4 L 61.0 L 66.6 L

+15%

● Franchise ● Partnership ● D2C ● Partnership (Excluding API)

Strong organic growth with a potential to expand further with M&A

Consolidated Revenue

Particulars (INR Cr)	Q2FY25
Organic revenue (A)	176.1
Inorganic revenue (B)	1.3
Consolidated revenue (A+B)	177.4

Comparison of organic and consolidated revenue of Q2FY25 with Q2FY24

Particulars (INR Cr)	Q2FY25	Q2FY24	YoY%
Organic revenue (A)	176.1	148.0	19%
Inorganic revenue (B)	1.3	-	NA
Consolidated revenue (A+B)	177.4	148.0	20%

The strong organic growth reflects both high customer loyalty and the outstanding performance of our team, dedicated to delivering exceptional customer success.

Additionally, inorganic growth opportunities promise accelerated expansion and further growth potential

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Income statement - TTL Standalone : Jump in PAT by 45% YoY

INR crore	Quarter			Half Year		
	Q2FY25	Q2FY24	YoY	H1FY25	H1FY24	YoY
Revenue from operations	163.1	136.3	20%	306.7	259.9	18%
Cost of materials consumed/sold	(47.8)	(41.3)		(90.7)	(77.2)	
Gross margin	115.2	95.0	21%	216.0	182.7	18%
Employee benefit expenses	(25.3)	(22.3)		(49.7)	(43.3)	
Other expenses	(38.7)	(31.3)		(70.0)	(57.7)	
Provision for receivables	(0.0)	(1.2)		(0.5)	(2.5)	
Normalized EBITDA	51.2	40.3	27%	95.7	79.1	21%
ESOP cost	(2.5)	(3.5)		(5.2)	(9.2)	
Reported EBITDA	48.7	36.7	33%	90.5	69.9	30%
Depreciation and amortisation	(9.9)	(9.3)		(19.4)	(17.8)	
Finance cost	(0.6)	(1.0)		(1.6)	(1.8)	
Other income	2.1	1.8		5.3	2.3	
PBT and exceptional items	40.3	28.2	43%	74.8	52.5	43%
Tax expense	(10.7)	(7.9)		(20.6)	(15.5)	
Profit after tax	29.5	20.4	45%	54.3	37.1	46%

Gross margin %	71%	70%		70%	70%
Normalized EBITDA%	31%	30%		31%	30%
Reported EBITDA%	30%	27%		30%	27%
PAT%	18%	15%		17%	14%

Pathology revenue grew by 20% YoY, Franchise grew by 14%; Partnerships and Partnerships (excluding API) grew by 33% and 40% respectively.

Gross margin% improved by 95 Basis Points YoY.

Employee expenses increased YoY on account of annual increments and increase in headcount due to new acquisitions.

Other expenses increased YoY largely driven by volume increase.

Normalized EBITDA% increased by 186 Basis Points primarily due to improved margin and operating leverage.

Normalized EBITDA – EBITDA before non-cash charge of parent group API ESOPs

Note: ESOP cost is ESOPs granted from parent group API Holdings to Thyrocare employees and recognized as share based payment in the P&L and appropriately recognized in the balance sheet as Equity contribution from the parent. Total value of the ESOPs granted are 45.53 Cr over a 6 year period ((Year 1 – 39.7%, Year 2 – 31.4%, Year 3 – 16.2%, Year 4 – 9.0%, Year 5 – 3.5%, Year 6 - 0.2%)

Income statement - NHL Standalone

INR crore	Quarter			Half Year		
	Q2FY25	Q2FY24	YoY	H1FY25	H1FY24	YoY
Revenue from operations	12.6	10.7	17%	24.0	21.8	10%
Cost of materials consumed/sold	(3.1)	(2.3)		(5.5)	(4.5)	
Gross margin	9.5	8.4	13%	18.5	17.3	7%
Employee benefit expenses	(1.4)	(1.0)		(2.8)	(2.0)	
Other expenses	(8.1)	(6.7)		(14.8)	(13.3)	
Provision for receivables	(0.3)	(0.1)		(0.3)	(0.1)	
Normalized EBITDA	(0.2)	0.5		0.7	1.9	
ESOP cost	-	-		-	-	
Reported EBITDA	(0.2)	0.5		0.7	1.9	
Depreciation and amortisation	(2.8)	(1.4)		(4.2)	(2.6)	
Finance cost	(0.1)	(0.1)		(0.3)	(0.2)	
Other income	0.8	0.6		1.6	1.3	
PBT and exceptional items	(2.4)	(0.3)		(2.3)	0.3	
Tax expense	0.4	(0.1)		0.7	(0.2)	
Profit after tax	(2.1)	(0.4)		(1.6)	0.1	

Gross margin %	76%	79%		77%	79%
Normalized EBITDA%	-2%	5%		3%	9%
Reported EBITDA%	-2%	5%		3%	9%
PAT%	-15%	-4%		-6%	0%

Normalized EBITDA – EBITDA before non-cash charge of parent group API ESOPs

Note: ESOP cost is ESOPs granted from parent group API Holdings to Thyrocare employees and recognized as share based payment in the P&L and appropriately recognized in the balance sheet as Equity contribution from the parent. Total value of the ESOPs granted are 45.53 Cr over a 6 year period ((Year 1 – 39.7%, Year 2 – 31.4%, Year 3 – 16.2%, Year 4 – 9.0%, Year 5 – 3.5%, Year 6 - 0.2%))

NHL Revenue grew 17% YoY on account of increase in FDG sales and better realization per scan.

GM% decreased YoY on account of change in revenue mix.

Employee Benefit Expenses increased YoY on account of annual increments and new hiring.

Other expenses increased YoY due to increase in professional fees (one-time legal fee) and transportation costs.

Accelerated depreciation considered for Q2FY25 on 2 machines leading to an impact of INR 1.4 Cr.

Income statement - TTL Consolidated : Jump in PAT by 29% YoY

INR crore	Quarter			Half Year		
	Q2FY25	Q2FY24	YoY	H1FY25	H1FY24	YoY
Revenue from operations	177.4	148.0	20%	334.3	282.9	18%
Cost of materials consumed/sold	(51.0)	(43.6)		(96.4)	(81.7)	
Gross margin	126.4	104.4	21%	237.8	201.2	18%
Employee benefit expenses	(27.1)	(23.4)		(53.7)	(45.4)	
Other expenses	(48.3)	(38.4)		(87.9)	(71.6)	
Provision for receivables	(0.3)	(1.4)		(0.8)	(2.7)	
Normalized EBITDA	50.7	41.2	23%	95.4	81.6	17%
ESOP cost	(2.5)	(3.5)		(5.2)	(9.2)	
Reported EBITDA	48.2	37.6	28%	90.2	72.3	25%
Depreciation and amortisation	(13.1)	(10.7)		(24.4)	(20.5)	
Finance cost	(0.8)	(1.1)		(1.7)	(2.0)	
Other income	2.6	2.2		6.2	3.2	
PBT and exceptional items	37.0	28.0	32%	70.3	53.0	33%
Share in profit in Associate & JV entity	(0.3)	0.4		(0.7)	0.5	
Tax expense	(10.3)	(8.0)		(19.8)	(15.7)	
Profit after tax	26.4	20.4	29%	49.8	37.8	32%

Gross margin %	71%	71%		71%	71%
Normalized EBITDA%	29%	28%		29%	29%
Reported EBITDA%	27%	25%		27%	26%
PAT%	15%	14%		15%	13%

Normalized EBITDA – EBITDA before non-cash charge of parent group API ESOPs

Note: ESOP cost is ESOPs granted from parent group API Holdings to Thyrocare employees and recognized as share based payment in the P&L and appropriately recognized in the balance sheet as Equity contribution from the parent. Total value of the ESOPs granted are 45.53 Cr over a 6 year period ((Year 1 – 39.7%, Year 2 – 31.4%, Year 3 – 16.2%, Year 4 – 9.0%, Year 5 – 3.5%, Year 6 - 0.2%))

Revenue from operations include Pulse Hitech, Think Health and Polo Labs.

ESOPs program to retain talent at group level, it is a cashless charge and not a cash outflow.

Key highlights :

Gross Margin improved by 21% YoY due to increase in volume.

Normalized EBITDA improved by 23% YoY and **Reported EBITDA** by 28% YoY.

Profit Before Tax improved by 32% YoY and **Profit After Tax** improved by 29% YoY.

Balance Sheet - TTL Consolidated

INR crore	Sep24	Mar24
<u>Non-current assets</u>		
Property, plant & equipment	156.1	168.4
Capital work-in-progress	0.6	2.6
Goodwill	105.2	104.0
Other intangible assets	2.8	0.7
Right of use assets	30.5	32.7
Investment in associate and joint venture	25.0	25.6
Financial assets		
(i) Other financial assets	6.4	5.2
Deferred tax assets (net)	17.3	14.8
Non-current tax assets (net)	6.7	7.6
Other non-current assets	1.5	3.7
Total non-current assets (i)	352.2	365.4
<u>Current assets</u>		
Inventories	44.1	47.5
Financial assets		
(i) Investments	83.5	136.7
(ii) Trade receivables	47.9	43.5
(iii) Cash and cash equivalents	45.7	9.3
(iv) Bank balances other than above	8.3	30.6
(iv) Other financial assets	2.5	3.3
Other current assets	12.8	7.6
Total current assets (ii)	244.8	278.5
Total assets (i+ii)	597.1	643.9

INR crore	Sep24	Mar24
<u>Equity</u>		
Equity share capital	53.0	53.0
Other equity	435.2	473.8
Non-controlling interests	0.5	0.9
Total equity (i)	488.7	527.6
<u>Non-current liabilities</u>		
Financial liabilities		
(i) Borrowings	-	10.9
(ii) Lease liabilities	10.0	11.8
Provisions	3.6	3.1
Total non-current liabilities (ii)	13.6	25.8
<u>Current liabilities</u>		
Financial liabilities		
(i) Borrowings	0.1	10.7
(ii) Lease liabilities	8.5	8.9
(iii) Trade payables	45.7	40.1
(iv) Other financial liabilities	21.0	17.5
Contract liabilities	7.3	6.2
Current tax liabilities (net)	5.2	1.3
Provisions	4.0	2.8
Other current liabilities	3.0	3.0
Total current liabilities (iii)	94.8	90.5
Total liabilities (iv=ii+iii)	108.4	116.3
Total equity and liabilities (i+iv)	597.1	643.9

Cash Flow Statement - TTL Consolidated : Operating Cash flow increased by 28%

INR crore	Half Year	
	H1FY25	H1FY24
<u>A. Cash flow from operating activities</u>		
Profit before tax	71.0	52.7
Non-cash items and other adjustments	27.8	32.4
Changes in working capital	2.9	(3.0)
Income tax paid (net of refunds)	(12.6)	(12.7)
Net cash flow generated/(used) from operating activities (i)	89.1	69.4
<u>B. Cash flow from investing activities</u>		
Net (purchase)/sale of PPE, CWIP and capital advances	(7.8)	(46.8)
Net (purchase)/sale of current investments and term deposits	80.5	51.2
Consideration paid on acquisition of Polo Business	(3.5)	-
Interest received	0.6	0.2
Net cash flow generated/(used) from investing activities (ii)	69.8	4.7
<u>C. Cash flow from financing activities</u>		
Net proceeds/(repayment) of borrowings	(21.5)	23.9
Dividend paid to the shareholders	(95.3)	(95.2)
Others	(5.7)	(5.9)
Net cash flow generated/(used) from financing activities (iii)	(122.5)	(77.2)
Net increase/(decrease) in cash & cash equivalents (iv=i+ii+iii)	36.4	(3.1)
Cash & cash equivalents at the beginning of the year (v)	9.3	17.8
Cash & cash equivalents at the end of the year (iv+v)	45.7	14.7

Operating activities : Incremental cash generated from the operating activities by INR 19.6 Cr, i.e, 28% over H1FY24.

During H1FY25, INR 89.1 Cr cash generated from operating activities.

Investing activities : Capex invested in H1FY25 was INR 7.8 Cr on account of infrastructure expansion and replacement of machines.

Financing activities : Term loan repaid in H1FY25.

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01 Latest updates

02 Performance highlights

03 Financial performance

04 **Going forward strategy**



Global in our reach, excellence in our experience



To ensure everyone has access to quality & affordable diagnostics



Franchise

- ▶ Going deeper into India with focused test menu
- ▶ Strengthening our existing franchise network with focus on large service providers



Public & private partnerships

- ▶ Focus on TB and infectious disease along with large screening programs run by Health bodies and Funding agencies
- ▶ Continue to expand our partner relationships



International expansion

Exploring to take our B2B model to emerging markets to deliver quality and affordable diagnostic testing

Our strategy remains to be a B2B service provider with **an affordable value driven model based on scale efficiencies**



Thyrocare is well placed to leverage best of both worlds



Revenue contribution in Pathology business

+ Direct to Consumer Business at **6%**



Tests you can trust

For Any queries, please reach out to
investor_relations@thyrocare.com

Thank You

Disclaimer

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