

November 11, 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/ Half year ended 30 September 2022.

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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 Investor Presentation for the quarter/half year ended September 30, 2022, is available on the Company's website www.thyrocare.com

You are requested to take the above information on record.

Yours Faithfully,

For **Thyrocare Technologies Limited**,

**Dorai
Ramjee** Digitally signed
by Dorai Ramjee
Date: 2022.11.11
17:28:32 +05'30'

**Ramjee Dorai****Company Secretary and Compliance Officer**



Tests you can trust

Thyrocare Technologies Limited

Quarter Results – Q2 FY22-23

Agenda

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

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



Geography Expansion

- **Pin Expansion:** Added 400+ active pincodes; 3900+ active pincodes in Q2 FY23 (1+ sample billed)
- **Lab Expansion:** Our lab network continues to remain at 26 labs (19 RPLS, 3 ZPLs, 1 CPL, 3 PCR labs)



Customer Connect

- Extending our lifestyle range by 25+ packages – Smoking Impact, Alcohol, Hairfall, Skin Care, etc.,
- Regional celebrity promotions for festive push – Ganesh Chaturthi, Durga Pooja & Navratri



Quality Perception

- **Accreditation:** NABL certificates received for 4 labs – Hyderabad, Gurgaon, Kolkata & Pune
- 10 labs NABL accredited, on track to process 90% sample in NABL accredited labs by FY23



TAT Improvement

- Moving to same day reports; 90% samples are reported within 24 hours
- Our average report release time is already at 15 hours across India



Doctor Engagement

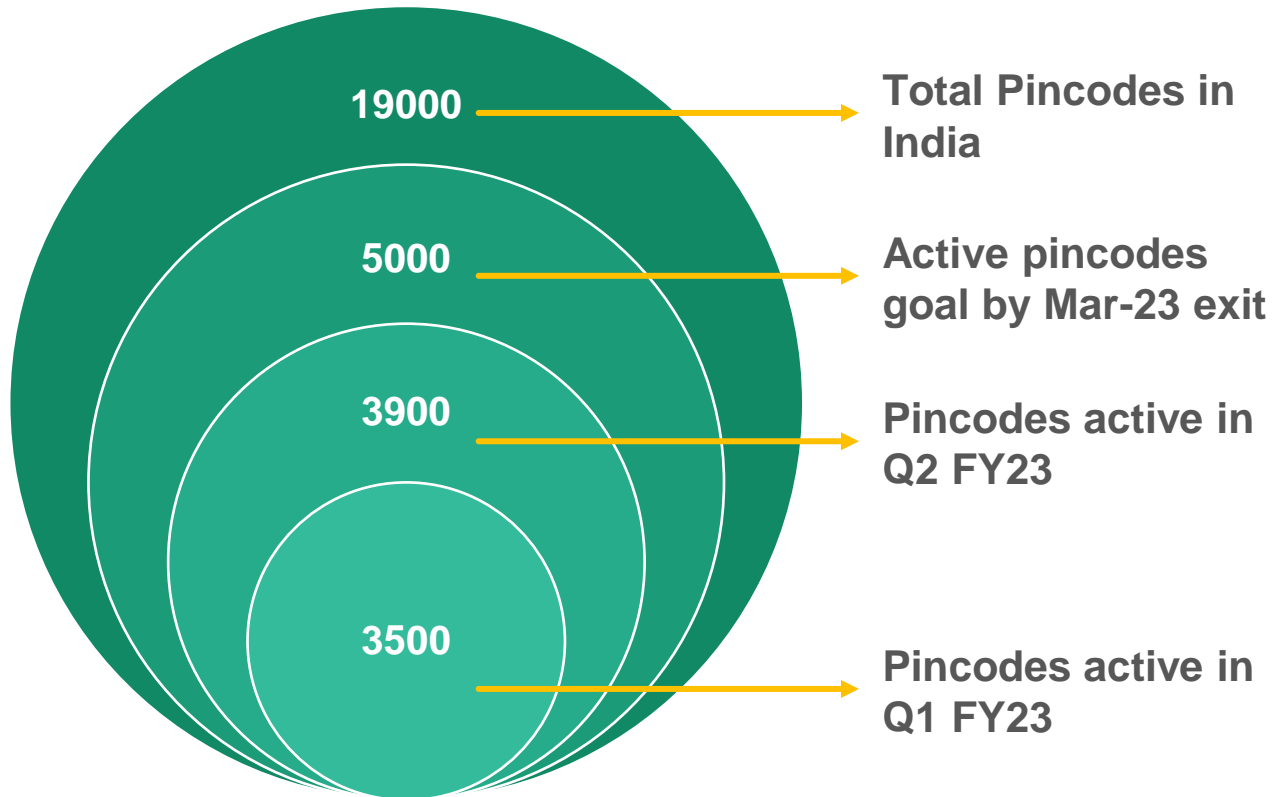
- **Field reach out :** 38 member field team to actively engage with doctors
- **Education videos :** Dr. Mangesh Tiwaskar's video on Importance of Preventive Care had 2.7L views



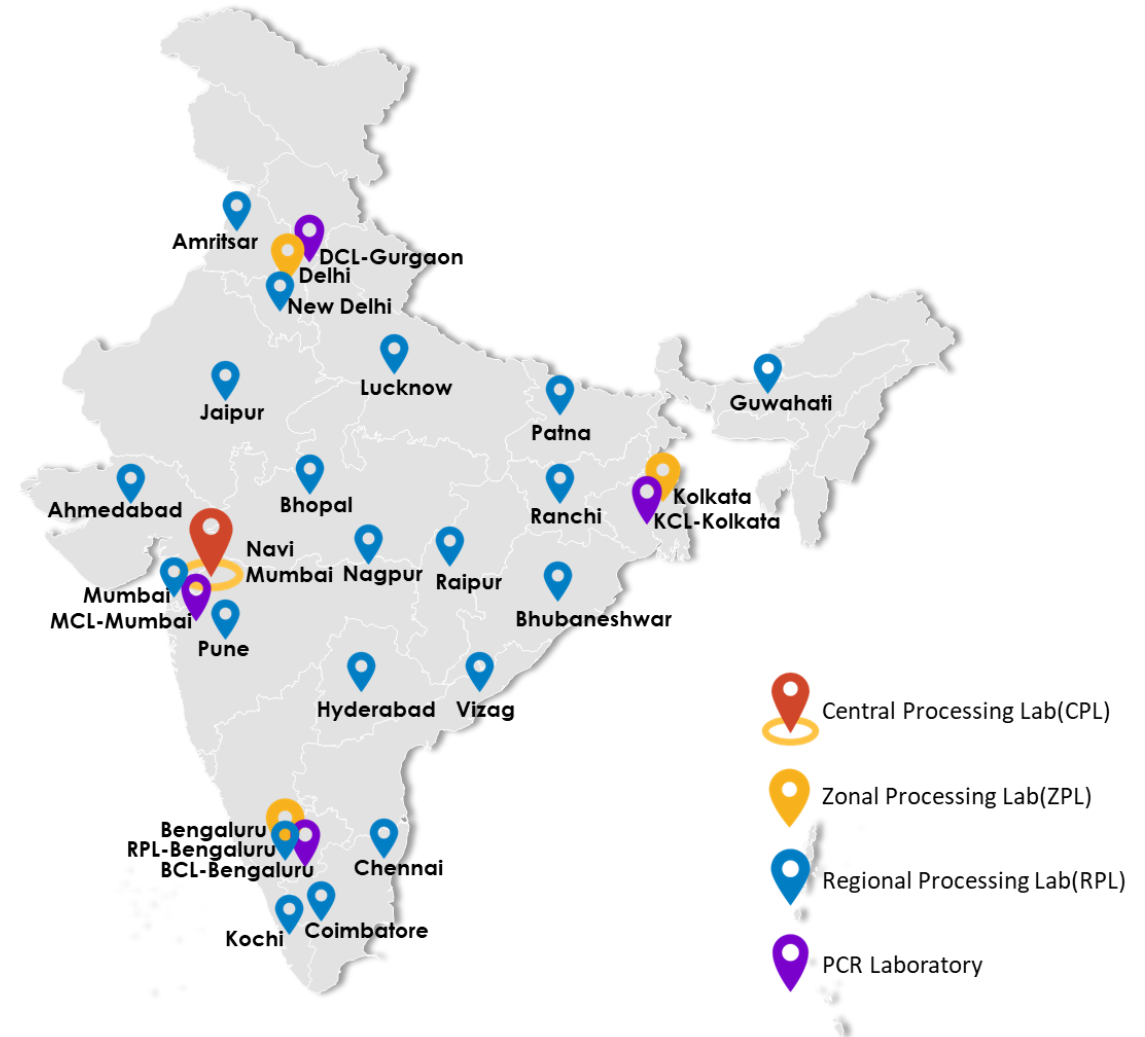
Leveraging API

- **Platform :** Continuing to drive cross-sell of diagnostics, currently at 4.3% of monthly transacting users
- **Retailio + Marg chemist activation:** 2500+ retailers on-boarded
- **Hospitals :** 110+ Active Hospitals for out-sourcing tests

Geography Expansion – Pin Expansion & Lab Network



Active pincode – Samples billed in the quarter



Customer Connect – Lifestyle Packages & Celebrity Promotions

**Alcohol
Impact**



**Smoking
Impact**

**Hairfall
Screening**



**Skin Care
Checkup**

**Fitness
Essential**



**Weight
Management**

**Sedentary
Lifestyle**



**Stress
Impact**

**Diet
Impact**



**Food
Impact**



Tejashri Pradhan

Ganesh Chaturthi - Maharashtra



Manali Manisha Dey

Durga Pooja – West Bengal & Orissa



Falguni Pathak

Navratri – Gujarat & Maharashtra

Agenda

1 What's keeping us busy

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3 Looking ahead – priorities for the year

Quarter Health-check

YoY Non-Covid Revenue

+18% ↑

YoY Non-Covid samples

+39% ↑

(6 Mn samples
in this Q)

QoQ Non-Covid Revenue

+5% ↑

QoQ Normalized EBITDA %

+100 bps ↑

(30% in Q2 FY23)

QoQ Pathology
Normalized EBITDA

+10% ↑

YoY Radiology Revenue

+30% ↑

YoY Covid Revenue

-97% ↓

YoY Total Revenue*

-23% ↓

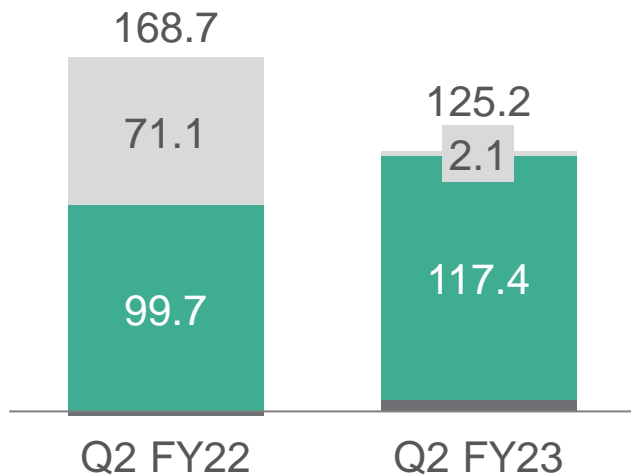
YoY Non-Covid
Normalized EBITDA %

-400 bps ↓

We have consistently delivered QoQ non-covid revenue growth for 3 quarters

Significant growth in Non COVID over last year

Pathology Revenue (INR Cr)



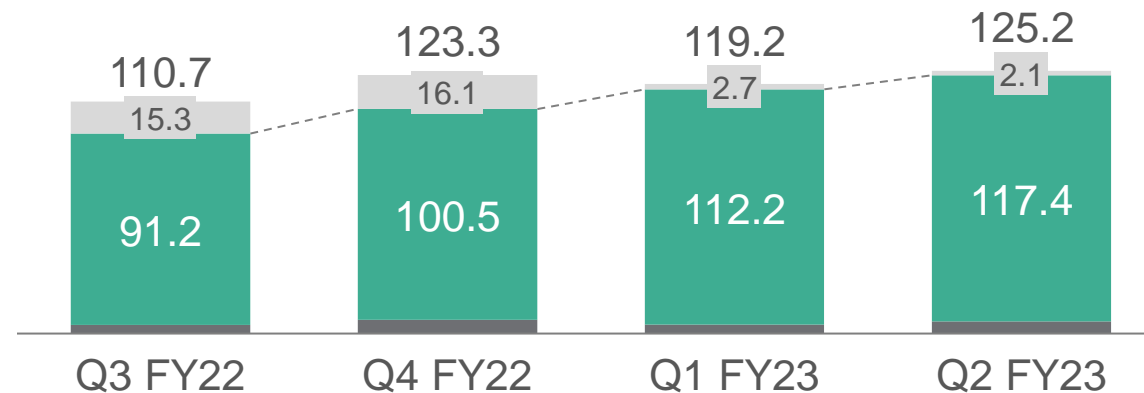
YoY Growth

COVID	-97%
Non COVID	+18%

Strong recovery of Non COVID business

QoQ Non COVID Growth

+5%



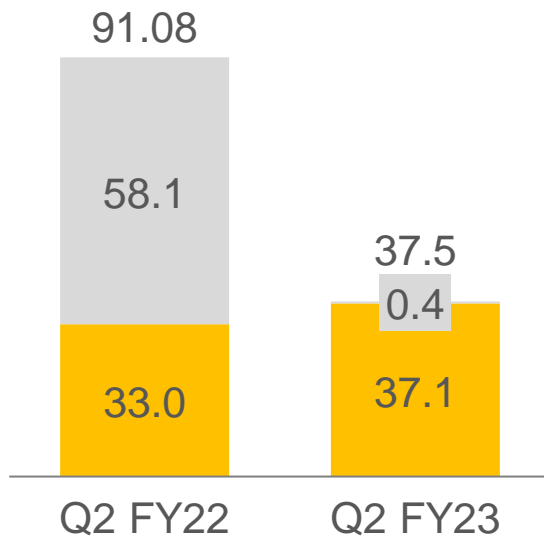
COVID	Non COVID	Material + Others
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Note: All numbers refer to Pathology revenue

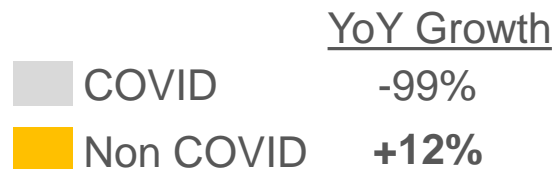
Normalized EBITDA continues to grow QoQ in line with the revenue growth

YoY revenue growth resulting in Normalized EBITDA growth

Pathology Normalized EBITDA (INR Cr)

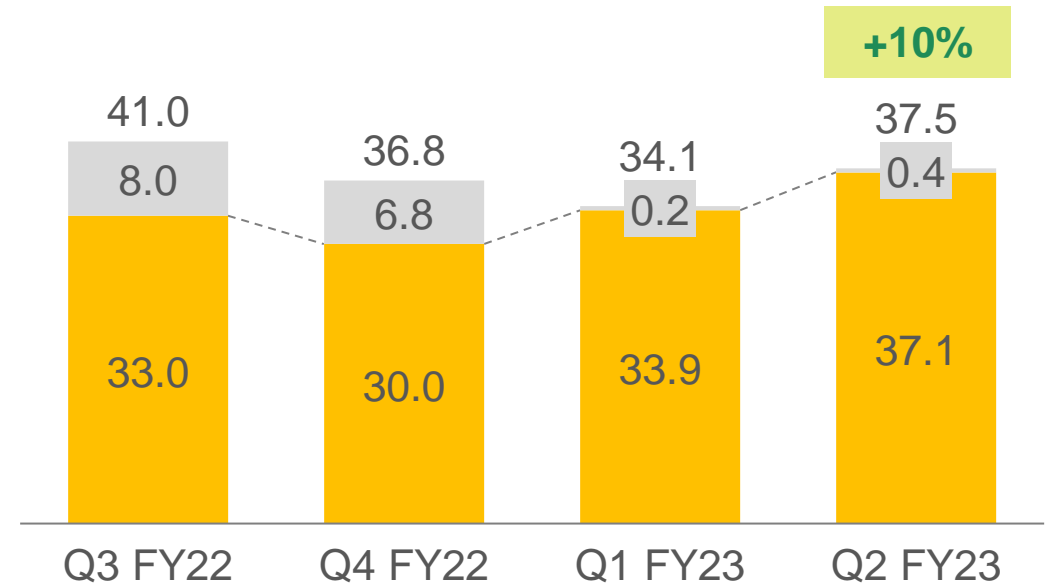


N. EBITDA % 54% 30%



Strong growth in QoQ Normalized EBITDA led by revenue growth and tight control over costs

QoQ Non COVID Growth



N. EBITDA % 37% 30% 29% 30%



Note: All numbers refer to Pathology Normalized EBITDA

We have re-oriented our Non-COVID business verticals to explain our strategy



Franchise

- Network of 950+ branded and 5000+ third party partners – collections centres, local labs, nursing homes and small hospitals



Partnerships

- API, e-pharmacies, online consults, surgeries, at home healthcare & wellness providers
- Direct Selling Agents (DSA) promoting Thyrocare services via online & offline channels
- Corporate tie-ups for providing diagnostics services to their clients and employees



D2C

- Direct to Consumer base acquired through Thyrocare website, app and social media; loyalty base of 1 Mn users

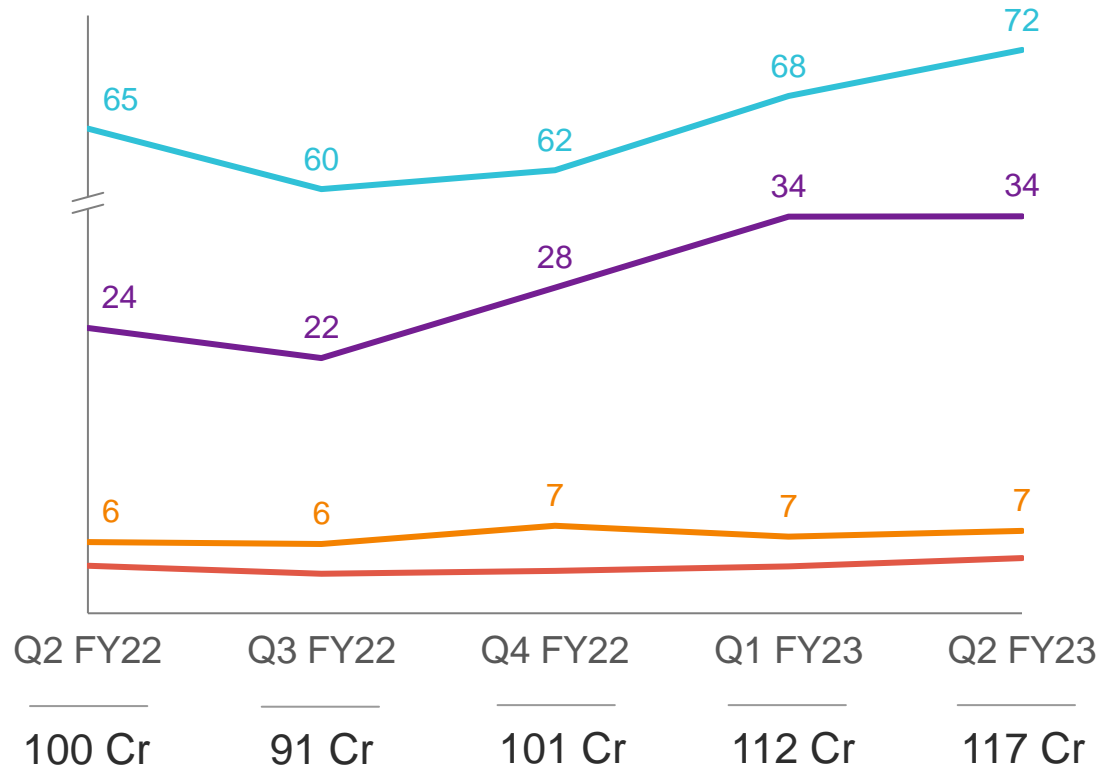


B2G

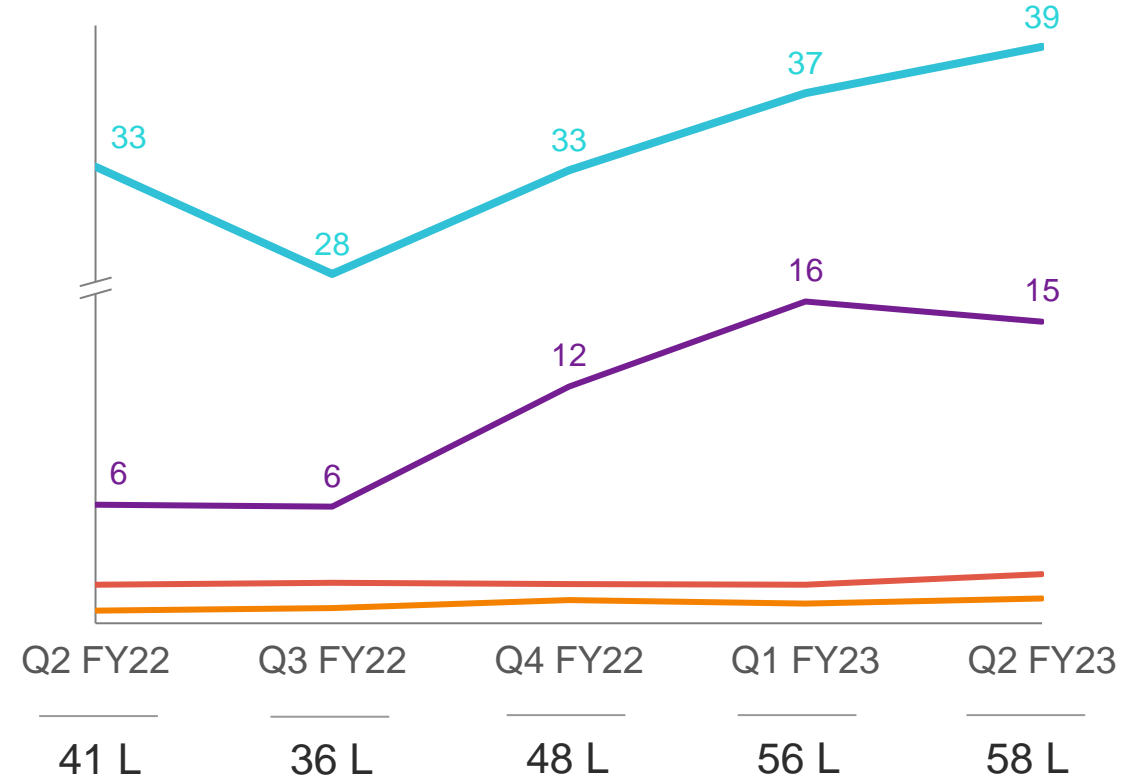
- Revenue generated through tenders from government

Our core business verticals continue to grow – Franchise business and Partnerships main drivers of growth

Non COVID Diagnostics Services Revenue (Rs Cr)



Non COVID Diagnostics Services Workload (Lakhs)



— Franchise — Partnerships — D2C — B2G

Income Statement – Pathology

	Quarter			Q Variance (%)	
	Q2 FY22	Q1 FY23	Q2 FY23	Seq.	YOY
INR crore					
Revenue from operations	168.74	119.24	125.23	5%	-26%
Cost of materials consumed/ sold	(42.41)	(38.26)	(39.46)	3%	-7%
Gross margin	126.33	80.98	85.77	6%	-32%
Employee benefit expenses	(14.68)	(20.57)	(21.50)		
Other expenses	(20.57)	(26.33)	(26.74)		
Normalized EBITDA	91.08	34.08	37.53	10%	-59%
ESOP Cost	-	-	(6.65)		
Provision for Receivables	(3.91)	-	(1.20)		
Reported EBITDA	87.17	34.08	29.68		
Depreciation and amortisation	(6.71)	(7.58)	(8.07)		
Finance cost	(0.61)	(0.55)	(0.51)		
Other income	1.95	0.89	1.16		
PBT and exceptional items	81.80	26.84	22.26	-17%	-73%
Tax expense	(21.29)	(6.51)	(7.85)		
Profit after tax	60.51	20.33	14.41	-29%	-76%
<i>Gross margin %</i>	75%	68%	68%		
<i>Normalized EBITDA%</i>	54%	29%	30%		
<i>PAT%</i>	36%	17%	12%		

*Normalized EBITDA – EBITDA before ESOP cost and Provisions for Receivables

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%)

Pathology revenue increased 5% Q-o-Q. While it decreased 26% Y-o-Y, primarily on account of decrease in COVID business

Gross margin % remained steady during the quarter

Employee benefit expenses increased QoQ marginally on account of introduction of variable pay across organisation

Other expenses continue to remain at the same level QoQ on account of close control over costs

Normalized EBITDA increased 10% Q-o-Q

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

	Non COVID			COVID			
	Q2'22	Q1'23	Q2'23	Q2'22	Q1'23	Q2'23	
Revenue#	97.60	116.52	123.17	71.14	2.69	2.06	Drop in COVID revenue as the pandemic subsided.
GM	63.49	79.16	84.23	62.84	1.79	1.54	COVID revenue through Franchise channel with lower margins decreased while the revenue through B2G channel at higher margins continued thus reflecting in higher GM% Q-o-Q.
%	65%	68%	68%	88%	67%	75%	
Normalized EBITDA*	33.02	33.85	37.09	58.06	0.21	0.44	Strong control over COVID overhead costs
%	34%	29%	30%	82%	8%	21%	

*Normalized EBITDA – EBITDA before ESOP cost and Provisions for Receivables

- Includes Materials + Others

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 – Radiology

	Quarter			Q Variance (%)	
	Q2 FY22	Q1 FY23	Q2 FY23	Seq.	YOY
INR crore					
Revenue from operations	7.47	8.55	9.74	14%	30%
Cost of materials consumed/ sold	(1.20)	(1.24)	(1.67)	35%	39%
Gross margin	6.27	7.31	8.07	10%	29%
Employee benefit expenses	(0.43)	(0.81)	(0.88)		
Other expenses	(4.15)	(4.53)	(5.55)		
Normalized EBITDA	1.69	1.97	1.64	-17%	-3%
ESOP Cost	-	-	-		
Provision for Receivables	-	-	-		
Reported EBITDA	1.69	1.97	1.64		
Depreciation and amortisation	(1.57)	(1.14)	(1.18)		
Finance cost	(0.05)	(0.02)	(0.03)		
Other income	13.47	0.36	0.97		
PBT and exceptional items	13.54	1.17	1.40	19%	-90%
Tax expense	3.62	0.16	(0.35)		
Profit after tax	17.16	1.33	1.04	-22%	-94%
<i>Gross margin %</i>	84%	86%	83%		
<i>Normalized EBITDA%</i>	23%	23%	17%		
<i>PAT%</i>	230%	16%	11%		

*Normalized EBITDA – EBITDA before ESOP cost and Provisions for Receivables

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 imaging services accounted for 7% consolidated revenue

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

Decrease in GM% due to lower realization per scan from newly added centers at Surat & Baroda

Increase in other expenses is due to increase in CMC of 2 new centers added at Surat & Baroda

Other income of 13.47 Cr in Q2-FY22 is from sale of property

Income Statement – Consolidated

	Quarter			Q Variance (%)	
	Q2 FY22	Q1 FY23	Q2 FY23	Seq.	YOY
INR crore					
Revenue from operations	176.21	127.79	134.97	6%	-23%
Cost of materials consumed/ sold	(43.61)	(39.50)	(41.12)	4%	-6%
Gross margin	132.60	88.29	93.85	6%	-29%
Employee benefit expenses	(15.11)	(21.37)	(22.39)		
Other expenses	(24.38)	(30.72)	(31.90)		
Normalized EBITDA	93.11	36.20	39.56	9%	-58%
ESOP Cost	-	-	(6.65)		
Provision for Receivables	(3.91)	-	(1.20)		
Reported EBITDA	89.20	36.20	31.71		
Depreciation and amortisation	(8.16)	(8.61)	(9.15)		
Finance cost	(0.69)	(0.56)	(0.54)		
Other income	15.19	1.00	1.62		
PBT and exceptional items	95.54	28.03	23.64	-16%	-75%
Share of profit in associate entity	(0.19)	0.26	0.10		
Tax expense	(17.68)	(6.35)	(8.21)		
Profit after tax	77.67	21.94	15.53	-29%	-80%
<i>Gross margin %</i>	75%	86%	70%		
<i>Normalized EBITDA%</i>	53%	28%	29%		
<i>PAT%</i>	44%	17%	13%		

*Normalized EBITDA – EBITDA before ESOP cost and Provisions for Receivables

Total revenue increased 6% QoQ. While it decreased 23% YoY, primarily on account of decrease in COVID business

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

Receivables from government bodies for COVID business have been provisioned, co-ordinating with government for payments

Profit after Tax declined 29% QoQ due to non cash expenses of ESOP Cost and Provision for Receivables

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%))

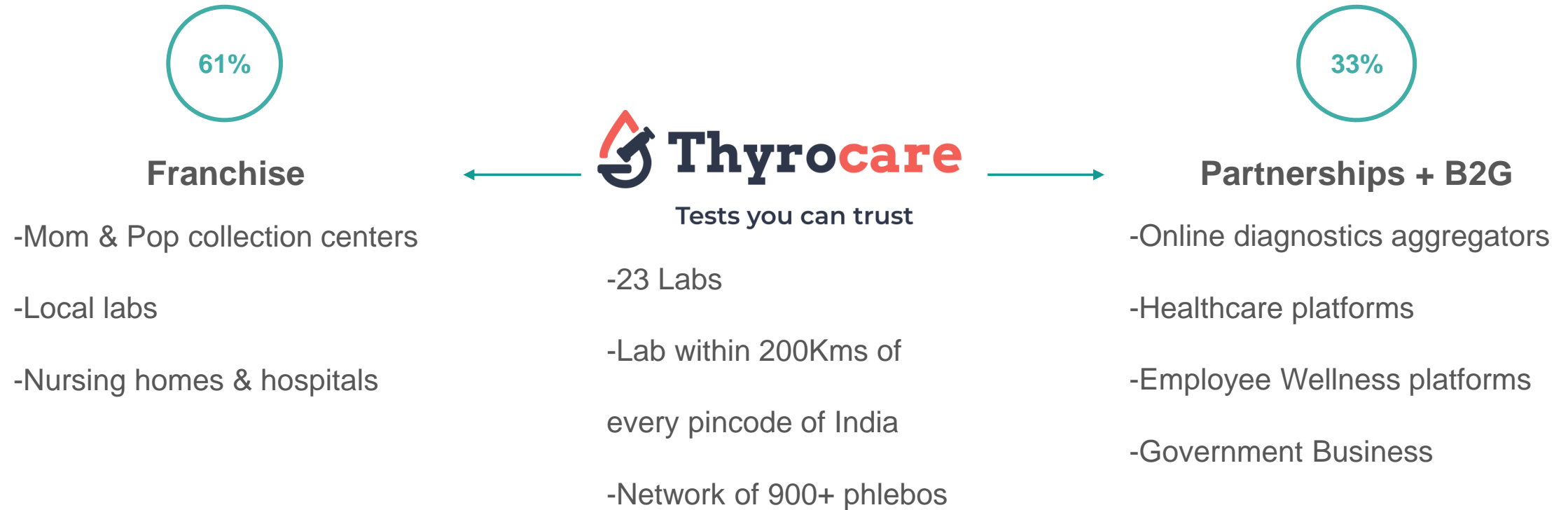
Agenda

1 What's keeping us busy

2 Performance Summary

3 Looking ahead – priorities for the year

We aim to be the partner of choice for diagnostics to all healthcare providers



Thyrocare is well placed to leverage best of both worlds

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* *Aggressively expanding partnerships to all Healthtech Platforms*
- 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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