

July 23, 2024

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

BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai- 400 001
(SCRIP CODE 539871)

Dear Sirs/Madam,

Sub: Presentation- Unaudited financial results for the quarter ended June 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. July 23, 2024, at 6.00 p.m. on the unaudited financial results (standalone and consolidated) of the Company for the quarter ended June 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 July 23, 2024, will be submitted separately.

The highlights of the Company’s performance during the quarter are as follows:

1. Consolidated revenue increased by 16% year-over-year (YoY), with Pathology and Radiology segments growing by 16% and 15% YoY, respectively.
2. Revenue from partnerships surged by 29% YoY, and franchise revenue saw an 11% YoY growth.
3. Consolidated gross margin (GM%) stood at 71%, and normalized EBITDA margin was 29%.
4. Standalone reported EBITDA rose by 25% YoY, while profit after tax (PAT) increased by 46% YoY.
5. Consolidated reported EBITDA grew by 21% YoY, and PAT climbed by 35% YoY.
6. Commenced operations in Tanzania.
7. 25 NABL accredited labs at present out of 30 labs including Tanzania.

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

Q1 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.

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01 **Latest updates**

02 **Performance highlights**

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04 **Going forward strategy**

Delivered 16% YoY revenue growth in Q1 FY25 while maintaining highest quality standards

30 Labs
(25 NABL Accredited)



Acquisition of Polo
Labs

Financial Parameters



- ▶ Consolidated Revenue for Q1 FY25 is Rs 157 Cr (16% YoY)
- ▶ Franchise revenue for Q1 FY25 grew by 11% YoY
- ▶ Partnership revenue for Q1 FY25 grew by 29% YoY

Operational Parameters



Active Franchisees 8,100+ (+7% YoY)



Samples 6.1 Mn (+13% YoY)



Patients 4.1 Mn (+9% YoY)

Quality Parameters



Samples processed in NABL labs 94% (+13 pps YoY)

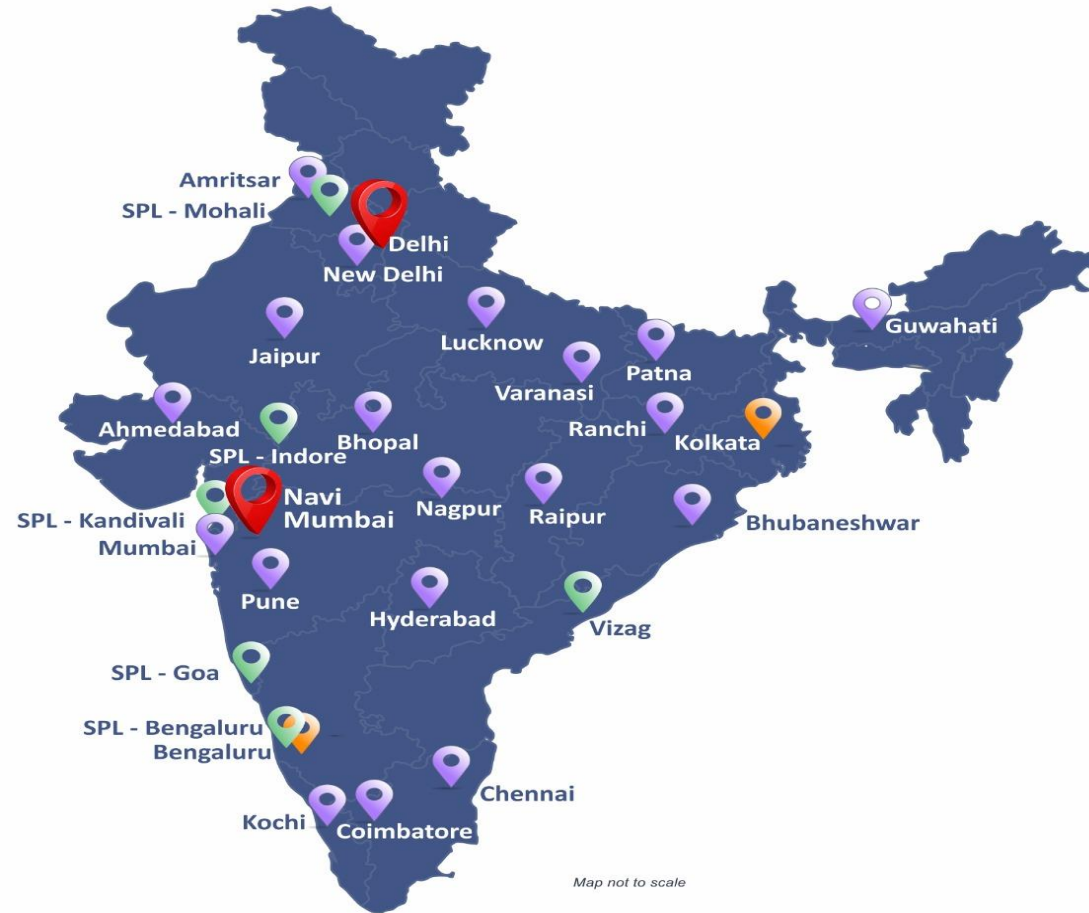
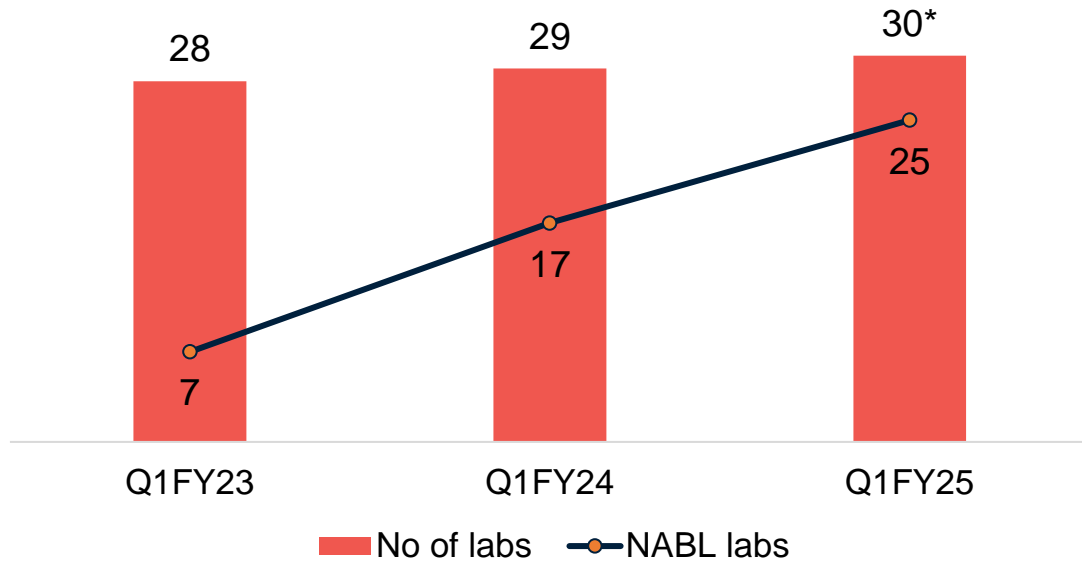


Tests conducted 40.7 Mn (+16% YoY)



Complaints per million samples 70% lower (20 vs 65)

80% of our labs are now NABL accredited



NABL Labs (25)

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

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

* We have 29 labs across PAN India and 1 lab in Tanzania as of June 30, 2024

New initiatives and expanding footprint

Acquisition of Polo Labs Private Limited



- ▶ Thyrocare entered into a Business Transfer Agreement on 2nd July to acquire Polo Labs Private Limited. The transaction is expected to close by end of July 2024.
- ▶ Polo Labs is a pathology diagnostic company based out of Punjab with a wide presence in Punjab, Haryana and Himachal Pradesh.
- ▶ It will allow Thyrocare to expand its footprint in North India.

Foray into Tanzania



Setup our lab in Tanzania in Mar24 and processed our first sample in Apr24 to provide quality and affordable diagnostic testing in Tanzania

Bringing ECG Services to your home



- ▶ Thyrocare entered into a Share Purchase Agreement to acquire 100% of Think Health Care on February 1, 2024, enabling us to provide ECG at Home Services to our customers.
- ▶ Think Health' operational presence is in 15 cities - Ahmedabad, Bangalore, Chennai, Coimbatore, Delhi, Hyderabad, Jaipur, Kanpur, Kolkata, Lucknow, Madurai, Mumbai, Nagpur, Pune and Surat.

Strengthening our relationships with doctors and channel partners

Advisory Board Meeting with doctors



- ▶ Hosted an Advisory Board Meeting in June 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 to reward and strengthen our relationship with our leading partners
- ▶ Start of many such initiatives to deepen our engagement with partners across India

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Quarter health check - Financial Performance Q1 FY25



YoY TTL Consolidated Revenue

+16% ↑

YoY Pathology Revenue*

+16% ↑

YoY Radiology Revenue**

+15% ↑

YoY Normalized EBITDA[#]

+11% ↑

YoY Reported EBITDA

+21% ↑

Normalized EBITDA%[#]

29%

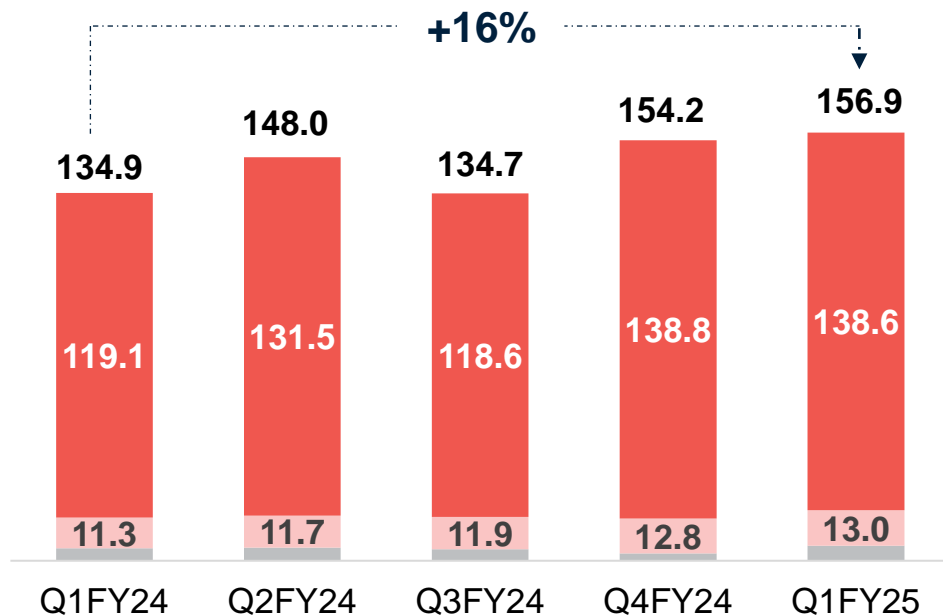
* Pathology business excluding materials & others

** Radiology includes pulse hitech

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

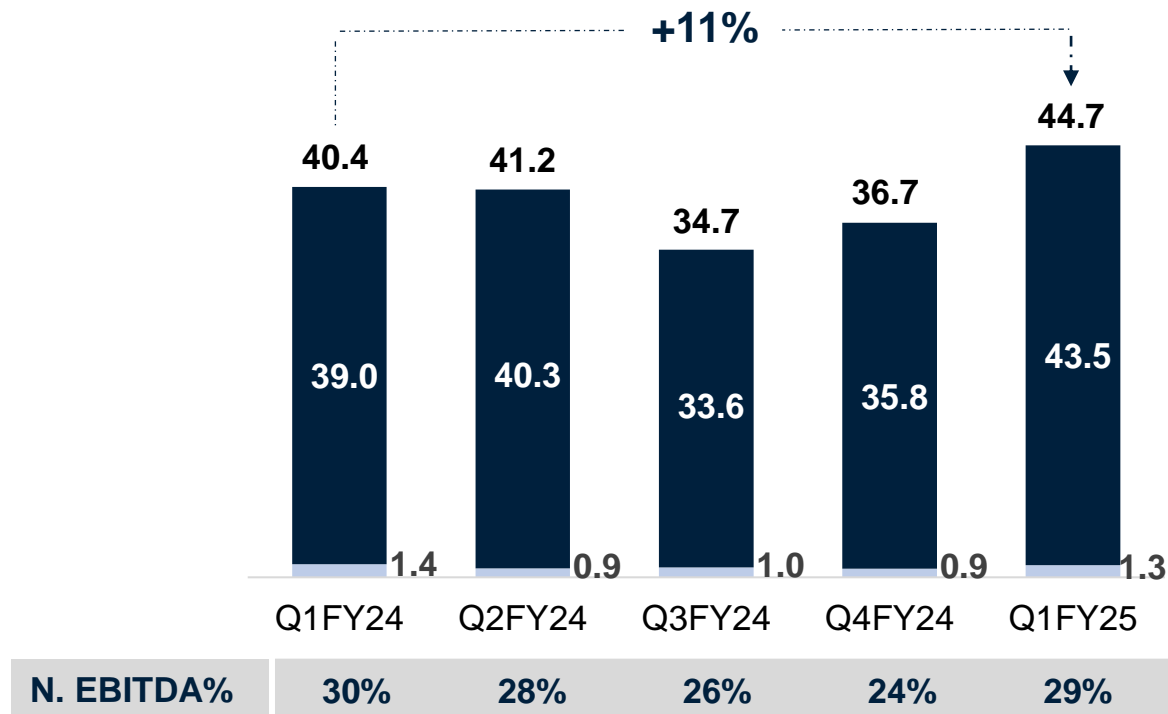
16% YoY revenue growth in overall business ; 11% YoY growth in Normalized EBITDA

Consolidated Revenue (Rs Cr)



	<u>YoY Growth%</u>
Pathology	+16%
Radiology*	+15%
	<u>QoQ Growth%</u>
Pathology	-0%
Radiology*	+2%

Normalized EBITDA (Rs Cr)



	<u>YoY Growth%</u>
Pathology	+11%
Radiology*	-7%
	<u>QoQ Growth%</u>
Pathology	+21%
Radiology*	+41%

* Radiology includes pulse hitech

Franchise revenue grew by 11% YoY ; Partnerships (excluding API & B2G) grew by 41% YoY

Pathology Revenue (Rs Cr)

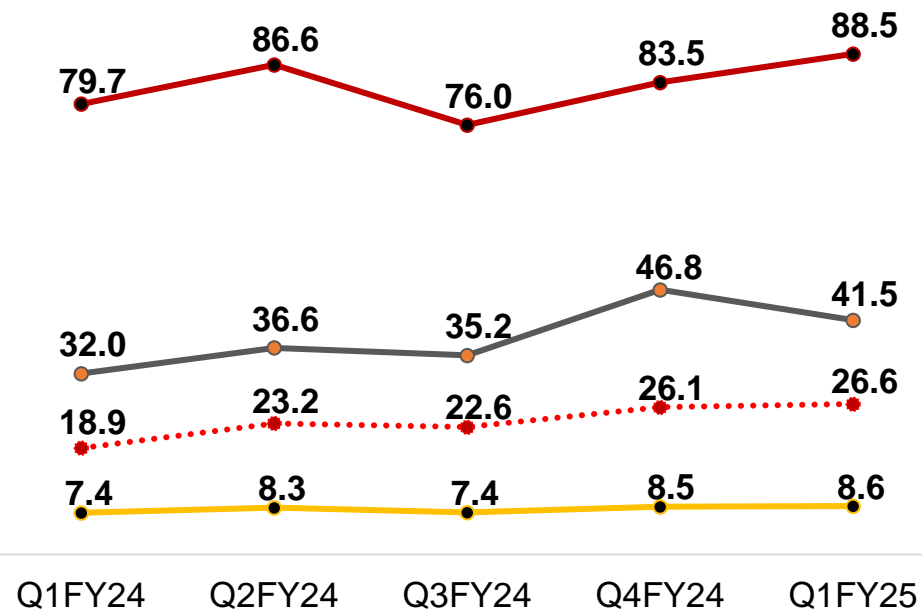
YoY%

+11%

+29%

+41%

+16%



119.1 Cr 131.5 Cr 118.6 Cr 138.8 Cr 138.6 Cr

+16%

Pathology Workload (Lakhs)

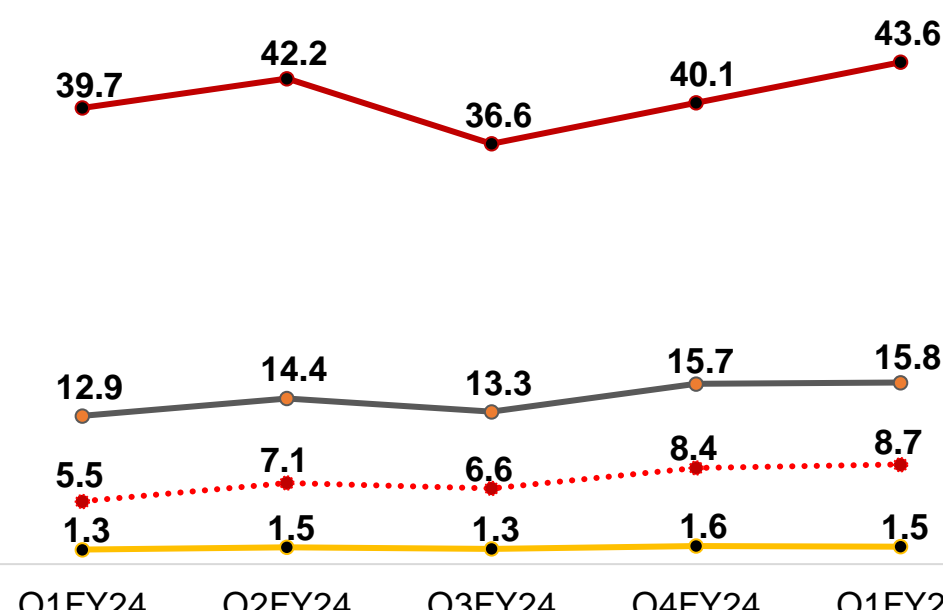
YoY%

+10%

+22%

+59%

+21%



53.8 L 58.1 L 51.2 L 57.4 L 61.0 L

+13%

● Franchise ● Partnership ● D2C ● Partnership (Excluding API & B2G)

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Income statement - TTL Standalone : Jump in PAT by 46% YoY

INR crore	Quarter			Growth %	
	Q1 FY25	Q4 FY24	Q1 FY24	Seq.	YOY
Revenue from operations	143.6	141.2	123.6	2%	16%
Cost of materials consumed/sold	(42.9)	(44.1)	(35.9)		
Gross margin	100.7	97.1	87.7	4%	15%
Employee benefit expenses	(24.4)	(22.2)	(21.0)		
Other expenses	(31.3)	(33.1)	(26.4)		
Provision for receivables	(0.5)	(5.4)	(1.3)		
Normalized EBITDA	44.5	36.5	39.0	22%	14%
ESOP cost	(2.7)	(2.9)	(5.7)		
Reported EBITDA	41.8	33.5	33.3	25%	25%
Depreciation and amortization	(9.5)	(10.4)	(8.5)		
Finance cost	(0.9)	(0.9)	(0.8)		
Other income	3.2	2.8	0.5		
PBT and exceptional items	34.6	25.0	24.5	38%	41%
Tax expense	(9.8)	(5.8)	(7.6)		
Profit after tax	24.7	19.2	16.9	29%	46%

Gross margin %	70%	69%	71%
Normalized EBITDA%	31%	26%	32%
PAT%	17%	13%	14%
Reported EBITDA%	29%	24%	27%

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%)

Pathology revenue grew by 16% YoY, while the Franchise grew by 11%; Partnerships (excluding API & B2G) grew by 41%.

Gross margin% decreased by 1% points YoY due to by increase in material cost and foreign exchange fluctuation.

Employee expenses increased YoY on account of performance incentives, annual increments.

Other expenses increased YoY due to increase in marketing cost and the impact of increased workload.

Normalized EBITDA% decreased by 1% point primarily due to change in GM% and increase in other expenses.

Income statement - NHL Standalone

	Quarter			Growth %	
	Q1 FY25	Q4 FY24	Q1 FY24	Seq.	YOY
INR crore					
Revenue from operations	11.4	11.2	11.0	2%	4%
Cost of materials consumed/sold	(2.4)	(2.5)	(2.2)		
Gross margin	9.0	8.7	8.8	3%	2%
Employee benefit expenses	(1.4)	(0.9)	(1.0)		
Other expenses	(6.7)	(6.7)	(6.5)		
Provision for receivables	-	-	-		
Normalized EBITDA	0.9	1.1	1.3	-21%	-31%
ESOP cost	-	(0.0)	-		
Reported EBITDA	0.9	1.1	1.3	-20%	-31%
Depreciation and amortization	(1.4)	(1.6)	(1.3)		
Finance cost	(0.2)	(0.1)	(0.1)		
Other income	0.8	0.8	0.7		
PBT and exceptional items	0.1	0.1	0.6	-13%	-82%
Tax expense	0.4	(0.1)	(0.1)		
Profit after tax	0.5	0.0	0.5		

Gross margin %	79%	78%	80%
Normalized EBITDA%	8%	10%	12%
PAT%	4%	0%	5%
Reported EBITDA%	8%	10%	12%

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 4% YoY on account of increase in FDG sales.

GM% decreased YoY on account of lower realizations per scan and change in revenue mix.

Employee Benefit Expenses increased YoY on account of annual increments and performance incentives.

Other expenses remained flat QoQ, while increased YoY due to aged machines coming out of the CMC period and increased transportation costs due to increase in FDG/PSMA sales.

Income statement - TTL Consolidated : Jump in PAT by 35% YoY

INR crore	Quarter			Growth %	
	Q1 FY25	Q4 FY24	Q1 FY24	Seq.	YOY
Revenue from operations	156.9	154.2	134.9	2%	16%
Cost of materials consumed/sold	(45.5)	(46.6)	(38.1)		
Gross margin	111.5	107.6	96.8	4%	15%
Employee benefit expenses	(26.6)	(23.6)	(22.0)		
Other expenses	(39.6)	(41.9)	(33.1)		
Provision for receivables	(0.5)	(5.4)	(1.3)		
Normalized EBITDA	44.7	36.7	40.4	22%	11%
ESOP cost	(2.7)	(2.9)	(5.7)		
Reported EBITDA	42.0	33.8	34.7	24%	21%
Depreciation and amortization	(11.4)	(13.1)	(9.8)		
Finance cost	(1.0)	(1.1)	(0.9)		
Other income	3.6	3.5	1.0		
PBT and exceptional items	33.3	23.1	25.0	44%	33%
Share in profit in Associate & JV entity	(0.4)	(0.2)	0.1		
Tax expense	(9.5)	(5.7)	(7.7)		
Profit after tax	23.5	17.2	17.4	36%	35%

Gross margin %	71%	70%	72%
Normalized EBITDA%	29%	24%	30%
PAT%	15%	11%	13%
Reported EBITDA%	27%	22%	26%

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 and Think Health.

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

Key highlights :

Gross Margin improved by 15% YoY due to increase in volume.

Normalized EBITDA improved by 11% YoY and **Reported EBITDA** by 21% YoY.

Profit Before Tax improved by 33% YoY and **Profit After Tax** improved by 35% YoY.

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Global in our reach, excellence in our presence



To ensure everyone has access to quality & affordable diagnostics

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%**



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



Tests you can trust

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

Thank You

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