



October 26, 2021

The National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai - 400051

The Bombay Stock Exchange Limited  
15<sup>th</sup> Floor, Phiroze Jeejeeboy Towers  
Dalal Street, Mumbai – 400001

**Subject: Earnings Presentation on Unaudited Financial Results (Standalone and Consolidated) for the Quarter and Half Year ended September 30, 2021**

Dear Sir/Madam,

Please find attached herewith a copy of Company's Q2, H1 FY22 Earnings Presentation, which the Company proposes to share with Analysts / Investors with respect to its Unaudited Financial Results (Standalone and Consolidated) for the Quarter and Half Year ended September 30, 2021, approved by the Board of Directors in their meeting held on October 26, 2021.

We request you to please take the same on record.

Thanking You,

Yours Faithfully,

For Dr. Lal PathLabs Limited

Rajat Kalra



Company Secretary and Legal Head

Encl: As above



# Dr. Lal PathLabs Limited (DLPL)

**ENABLING**  
**HEALTHIER**  
**LIVES**

## Q2 & H1 FY22 Results Presentation

Oct 26, 2021



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DISCLAIMER: This presentation may contain 'forward-looking' statements at places. The Company's business operations remain subject to undetermined contingencies and risks. Dr. Lal PathLabs Limited would not be liable for any action undertaken based on such 'forward-looking' statements and does not commit to revising/updating them publicly.

# Dr. Lal PathLabs – At a Glance

India's Leading & Trusted  
Diagnostics Company

70+ years of experience  
in the field of diagnostics

85.7 Mn patients  
serviced in last 5 years

30 NABL accredited Labs;  
National Reference Lab  
accredited by CAP

**Largest\*  
diagnostics  
chain in the  
country with  
PAN India  
presence and  
consistent track  
record of  
quality and  
growth**

**15%**

3 Year Revenue  
CAGR

**22%**

3-Year PAT  
CAGR

**200%**

Equity Dividend  
for FY 20-21

**~86%**

ROCE  
Excl. Cash &  
Investments

**Rs. 1,137 crore**

Cash & Investments as on  
30<sup>th</sup> Sept, 21

**231**

Labs;  
Geographically  
spread out  
network

**5,008**

Pathology &  
Radiology tests;  
Comprehensive  
Test menu

**CRISIL AA-  
/Stable**

Long Term Rating;  
Strength of Balance  
Sheet

As on March 31, 2021

\*Largest on the basis of revenue and presence

# Overview of Dr. Lal PathLabs

## Established brand

Established consumer healthcare brand in diagnostic services



## Pan-India integrated coverage

231 clinical labs (including National Reference Lab at Delhi and Regional Reference lab at Kolkata), 3,705 Patient Service Centers (PSCs) and 9,247 Pick-up Points (PUPs)\*



## Varied Offerings

Catalogue of 471 test panels, 2,590 pathology tests and 1,947 radiology and cardiology tests\*



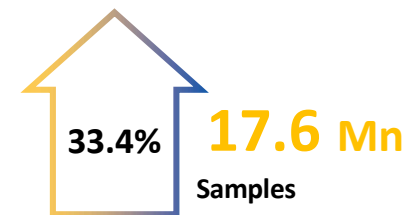
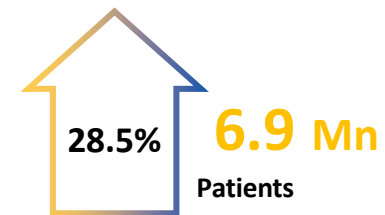
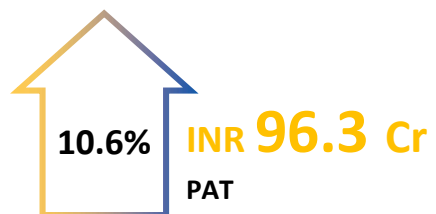
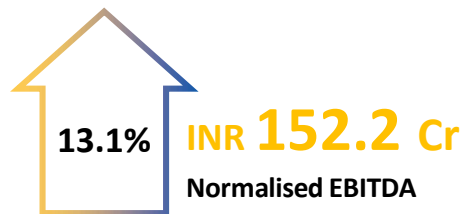
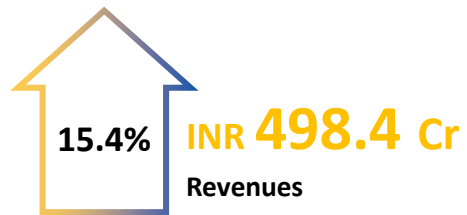
## Unique and successful operating model

Scalable model integrated through centralised IT platform allows for network expansion



**Well-positioned in one of the fastest-growing segments of the Indian healthcare industry**

## Q2 FY22 Snapshot



# Key Performance Highlights

## In Q2 FY22:

- Revenues were higher by 15.4% Y-o-Y to Rs. 498.4 crore
- Normalised EBITDA (after eliminating the impact of stock-based compensation & CSR) came in at Rs. 152.2 crore, up by 13.1%
- Profit After Tax increased by 10.6% to Rs. 96.3 crore over corresponding quarter of last year

**Cash, FDs and Mutual Funds at Rs. 1,137 crore as on September 30, 2021, an increase of Rs. 151 crore over March 31, 2021**

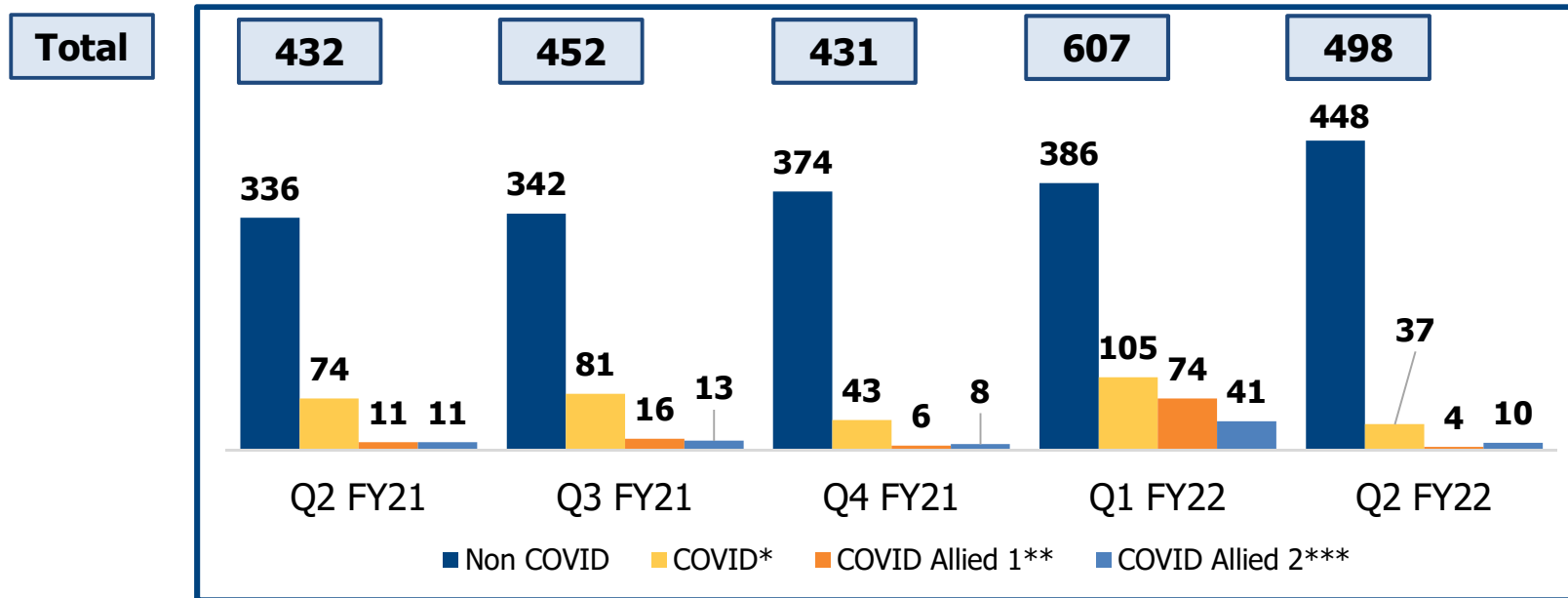
**Witnessed strong trajectory in non-COVID business following ease of mobility restrictions across the country; growth in non-COVID business at 33.6% Y-o-Y**

- Revenues from COVID and allied portfolio declined sharply as India reported lower caseloads on account of increased pace of inoculations
- Rs. 448 crore – Revenues from Non-COVID business with 'Swasthfit' contributing 17.7% to total Non-COVID revenues, as compared to 17.5% in the same period last year. As a percentage to total revenues, 'Swasthfit' contributed 15.9% in Q2
- Enhanced focus on driving volumes while maintaining prices; tactical penetration in West & South through modular cluster city approach playing out well. Sweating technology infrastructure to add incremental gains



# Non-COVID, COVID & Allied Revenue

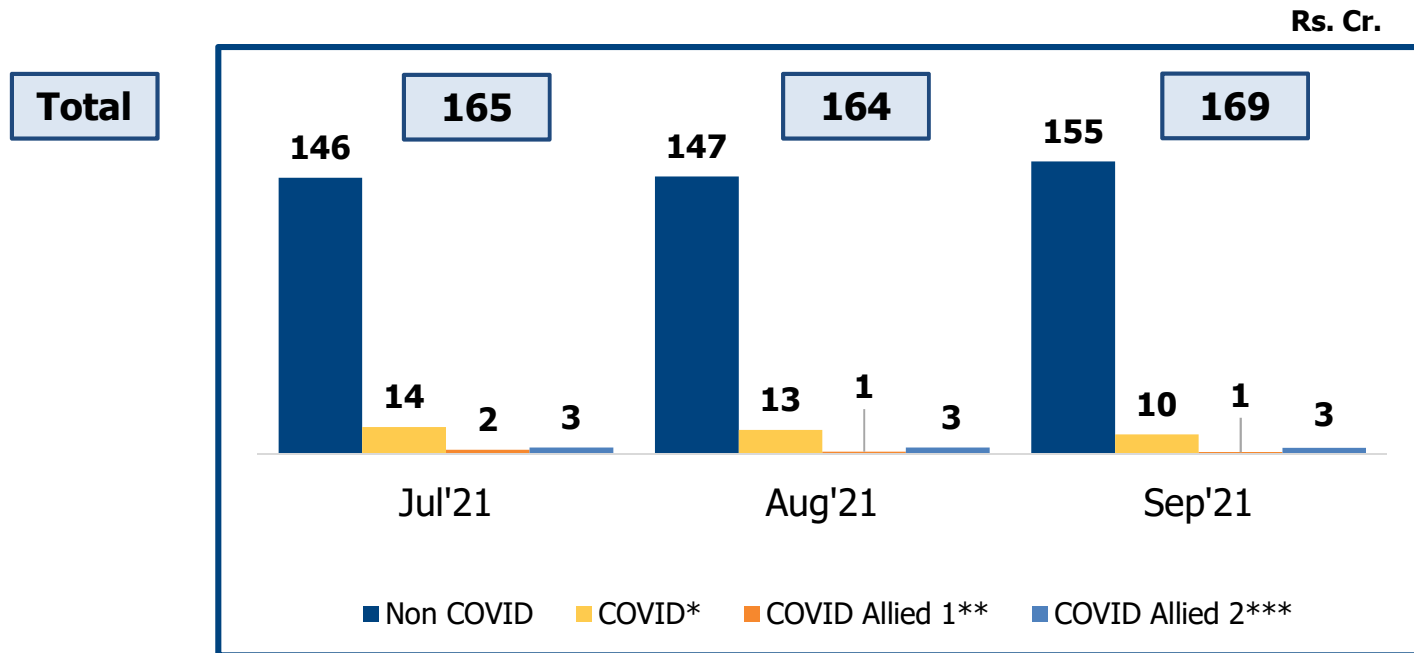
Rs. Cr.



Total Covid and Covid allied contribution at 10% in Q2 FY22, 22% in Q2 FY21

\*COVID includes RTPCR and Antibody tests; \*\*COVID Allied 1 includes IL-6 & D-Dimer; \*\*\*COVID Allied 2 includes CRP, Ferritin & LDH

# Q2 FY22 Non-COVID, COVID & Allied Revenue - Monthwise



\*COVID includes RTPCR and Antibody tests; \*\*COVID Allied 1 includes IL-6 & D-Dimer; \*\*\*COVID Allied 2 includes CRP, Ferritin & LDH

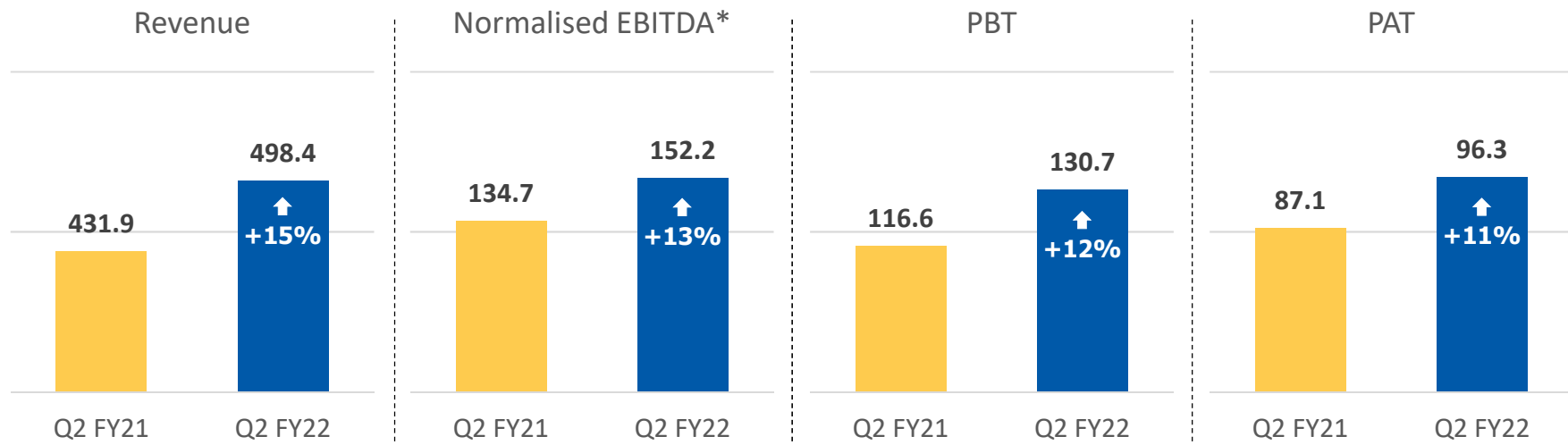
## Financials

Particulars (Rs. Cr.)	Q2 FY22	Q2 FY21	Gr %	FH FY22	FH FY21	Gr %
<b>Revenue</b>	<b>498.4</b>	<b>431.9</b>	<b>15.4%</b>	<b>1,105.0</b>	<b>697.9</b>	<b>58%</b>
Expenditure	357.0	304.7		774.6	522.4	
<b>EBITDA</b>	<b>141.5</b>	<b>127.3</b>	<b>11.2%</b>	<b>330.4</b>	<b>175.5</b>	<b>88%</b>
Stock based comp. & CSR cost	10.7	7.4		5.8	13.0	
<b>Normalised EBITDA</b>	<b>152.2</b>	<b>134.7</b>	<b>13.1%</b>	<b>336.3</b>	<b>188.5</b>	<b>78%</b>
<i>Normalised Margins</i>	<i>30.5%</i>	<i>31.2%</i>		<i>30.4%</i>	<i>27.0%</i>	
Other Income	<b>14.4</b>	12.9		28.4	<b>24.3</b>	
<b>PBT</b>	<b>130.7</b>	<b>116.6</b>	<b>12.1%</b>	<b>309.9</b>	<b>154.7</b>	<b>100%</b>
<i>Margins</i>	<i>26.2%</i>	<i>27.0%</i>		<i>28.0%</i>	<i>22.2%</i>	
<b>PAT</b>	<b>96.3</b>	<b>87.1</b>	<b>10.6%</b>	<b>230.0</b>	<b>115.5</b>	<b>99%</b>
<i>Margins</i>	<i>19.3%</i>	<i>20.2%</i>		<i>20.8%</i>	<i>16.5%</i>	
<b>EPS (Basic)</b>	<b>11.49</b>	<b>10.34</b>	<b>11.1%</b>	<b>27.38</b>	<b>13.79</b>	<b>98%</b>
EPS (Diluted)	<b>11.45</b>	10.31	<b>11.1%</b>	27.27	<b>13.75</b>	<b>98%</b>

Financial results of the Company are best monitored on a year to date basis, as there is a certain level of seasonality in business and specific quarter performance may be influenced by certain occurrences in that quarter

# Financial Highlights

All figures in Rs. Crore

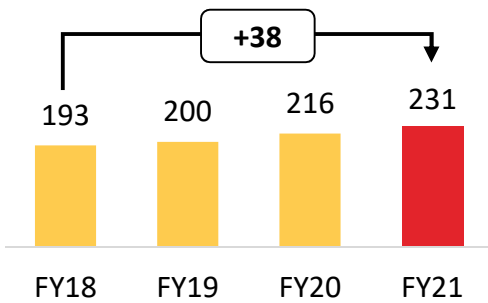


\*After eliminating the impact of stock based compensation, and CSR costs

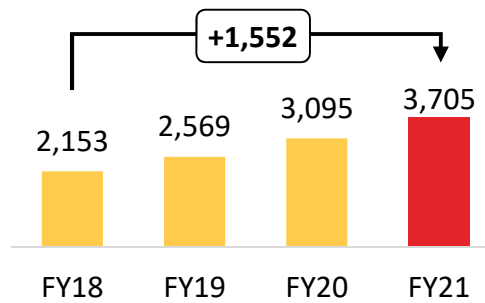
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# Operating Highlights

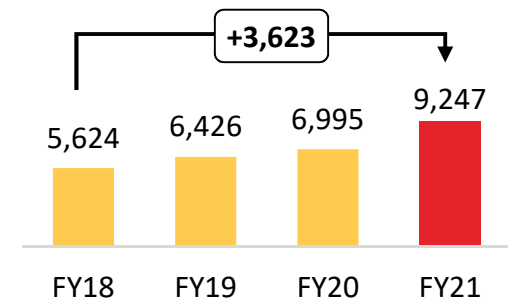
No. of Clinical Laboratories



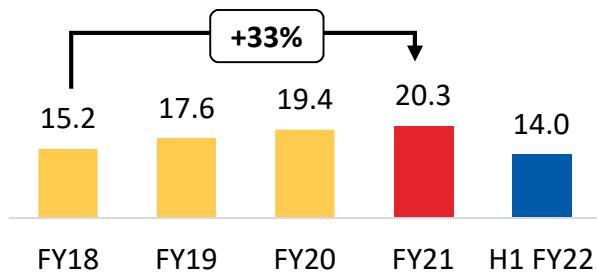
No. of PSCs



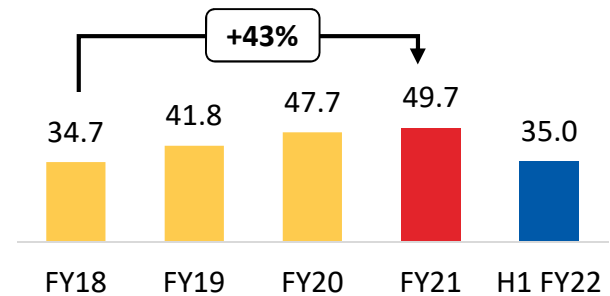
No. of PUPs



No. of Patients (Mn)



No. of Samples (Mn)



# Acquisition of Suburban Diagnostics (SDIPL)



# Strategic Rationale

01

West market – a strategic priority for LPL: Acquisition of Suburban Diagnostics will enable LPL to scale up Revenue

02

Suburban Diagnostics has gained strong leverage and brand recognition through the Covid pandemic; Provides LPL a strong regional brand & market presence

03

Suburban Diagnostics has headroom for growth & value creation through margin improvement

04

Established network & management team – provides LPL the opportunity to leverage this platform aggressively and build a strong West India business

05

Dr Sanjay Arora will join LPL as Group Medical Director – to further consolidate LPL's position of medical excellence & service delivery; enhance the brand within the medical community

# Suburban Diagnostics – At a glance



Suburban Diagnostics (SDIPL) is one of Maharashtra's premier & most trusted diagnostic company



Started in 1994 with 27+ years of experience in the field of diagnostics



~200 centres across 10+ cities in West of India



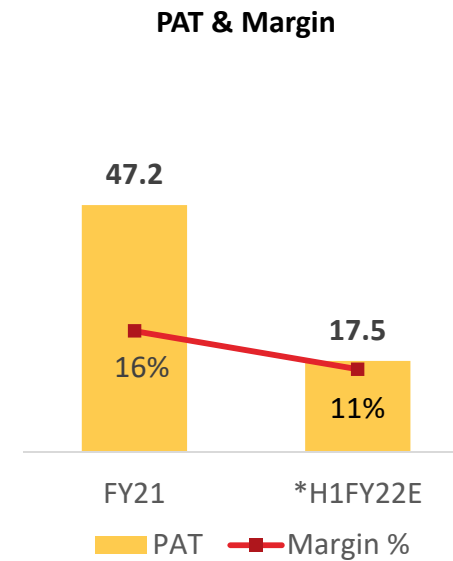
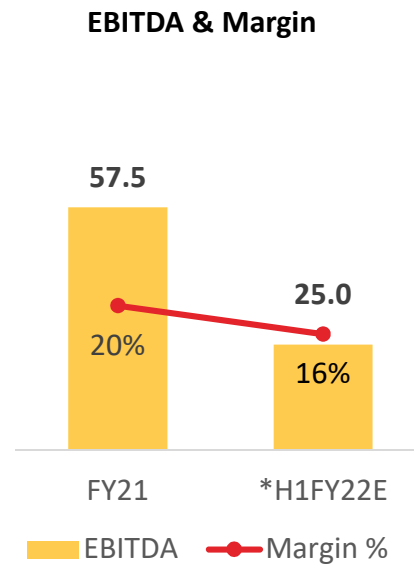
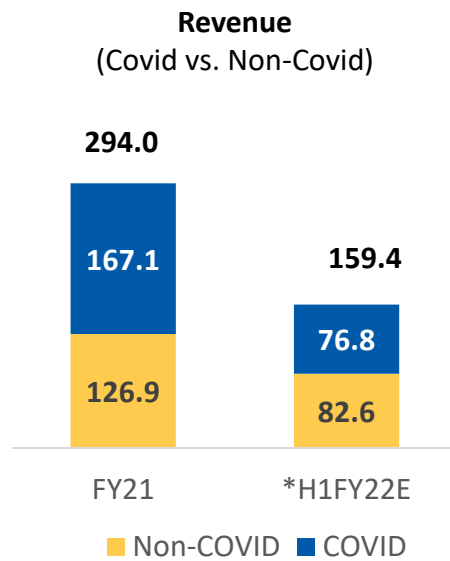
5 NABL accredited Labs; Central Reference Lab accredited by CAP

<b>30%</b> 3 Year Revenue CAGR	<b>22%</b> 3 Year patient volume CAGR	<b>20%</b> EBITDA margin FY21	<b>16%</b> PAT margin FY21
<b>4.9m</b> Tests performed in FY21	<b>Rs 605</b> Revenue per test for FY21	<b>Rs 1,474</b> Revenue per patient for FY21	<b>44</b> Labs & Diagnostic centres <b>150+</b> CCs



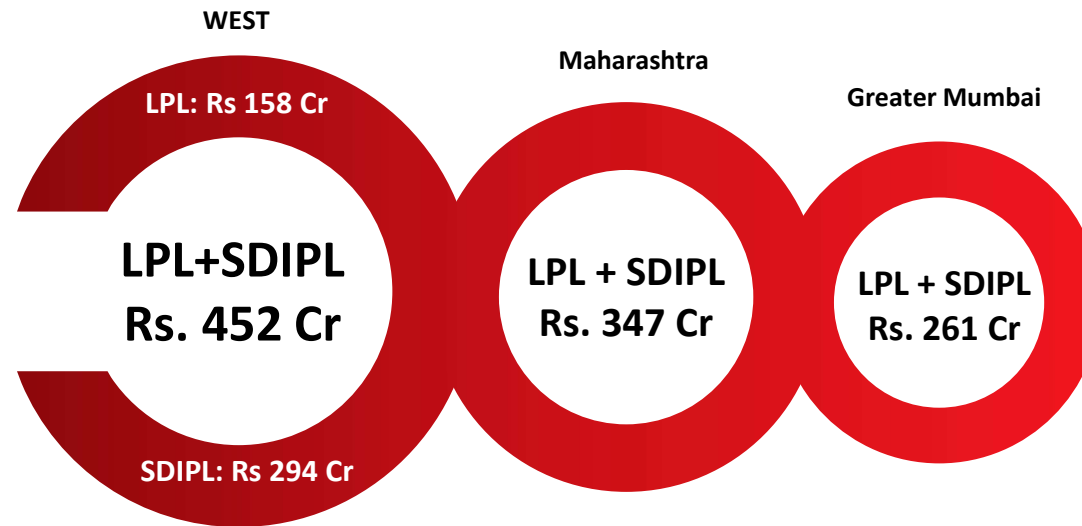
# Financial Highlights

All figures in Rs. Crore



\*Estimated based on management accounts for the period from April- Sept 2021

# LPL+SDIPL – Consolidation in West basis FY21

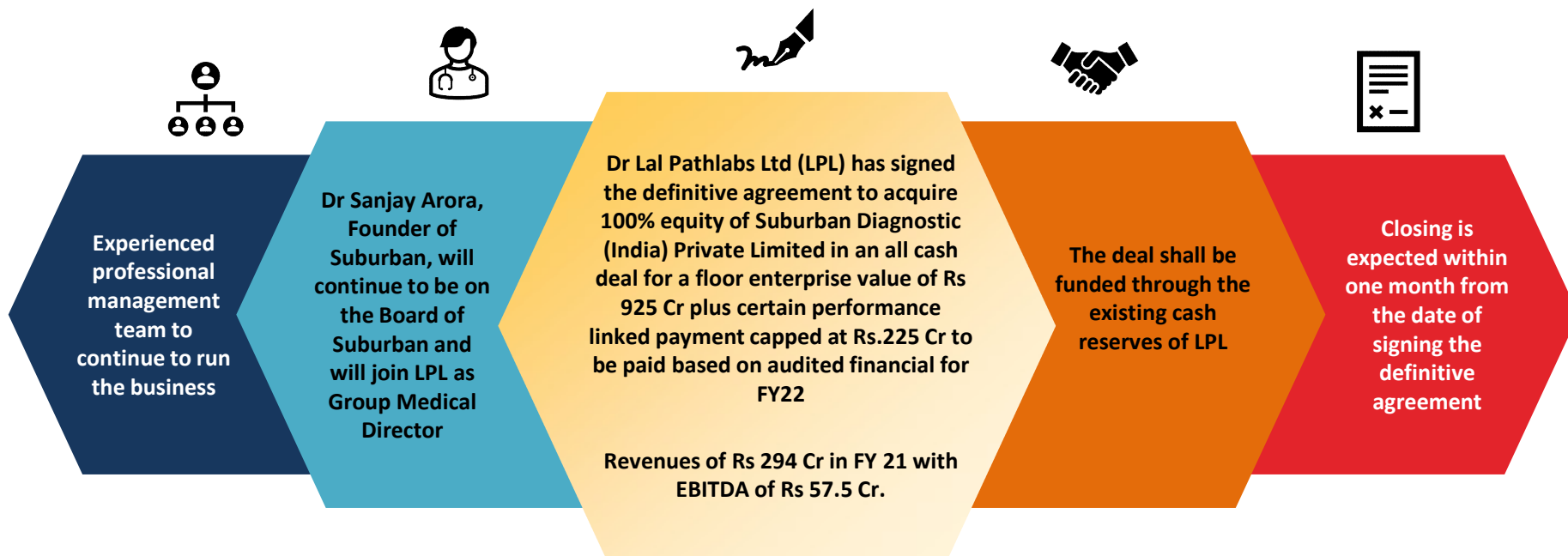


Revenue contribution from **West region to go up to 24%** from 10% post acquisition

Greater Mumbai revenue to contribute 14% post acquisition

Greater Mumbai will become second largest cluster after DNCR

## Key Highlights of the acquisition



## Management Commentary

### Commenting on the results announcement, (Hony) Brig. Dr. Arvind Lal, Executive Chairman

*"We are happy to announce the acquisition of Suburban Diagnostics, which is in-line with our strategy of rapidly expanding in the growing market of Western India. This will give us significant edge to scale up our credentials further in a key geography. Commenting on our results, Q2 was marked by healthy recovery within the economy, post the tragic second wave. Diagnostics witnessed certain changes in the needs and behavior of patients, and as DLPL we were at the forefront to cater their customized requirements. Going forward our scale of network combined with technological prowess will allow us to provide seamless services to our patients, thereby making us a preferred player and maintaining our leadership position in the diagnostics space."*

### Commenting on the results announcement, Dr. Om Manchanda, Managing Director

*"During the quarter under review, Dr. Lal PathLabs saw the non-COVID business returning to pre-COVID levels and subsequent drop in COVID tests led by accelerated pace of vaccinations. We remain favorably poised to make the most of the positive trends in the diagnostics space, with our extensive hub-and-spoke model, tech integration and strategy of tactically penetrating into non-core markets through cluster city approach. SDIPL gives us a strong foothold in a key geography and strategically positions us for accelerated expansion. This amalgamation of experience and capabilities will be fruitful in establishing DLPL as a premier national brand of choice within the patient and medical fraternities."*

### Commenting on the results announcement, Bharath Uppiliappan, Chief Executive Officer

*"With the improving on-ground scenario with respect to COVID, the volumes for both COVID and allied tests tapered down and the test mix tilted in favor of non-COVID and other specialty tests. This is an important indicator as demand curve has moved back to pre-COVID. The commissioning of our reference lab in Bengaluru was a significant milestone, marking our presence in the South markets. SDIPL complements our testing capabilities with a CAP accredited Central Reference Lab and an extensive collection network of ~200 centers covering over 10 key cities in the West of India. With an attractive run rate of volume and overall revenues we see further headroom for growth and value creation through enhanced margins post integration."*



 *Dr Lal PathLabs*

# Corporate Overview

# Vision, Mission & Values

## VISION



Be the most trusted healthcare partner, enabling healthier lives



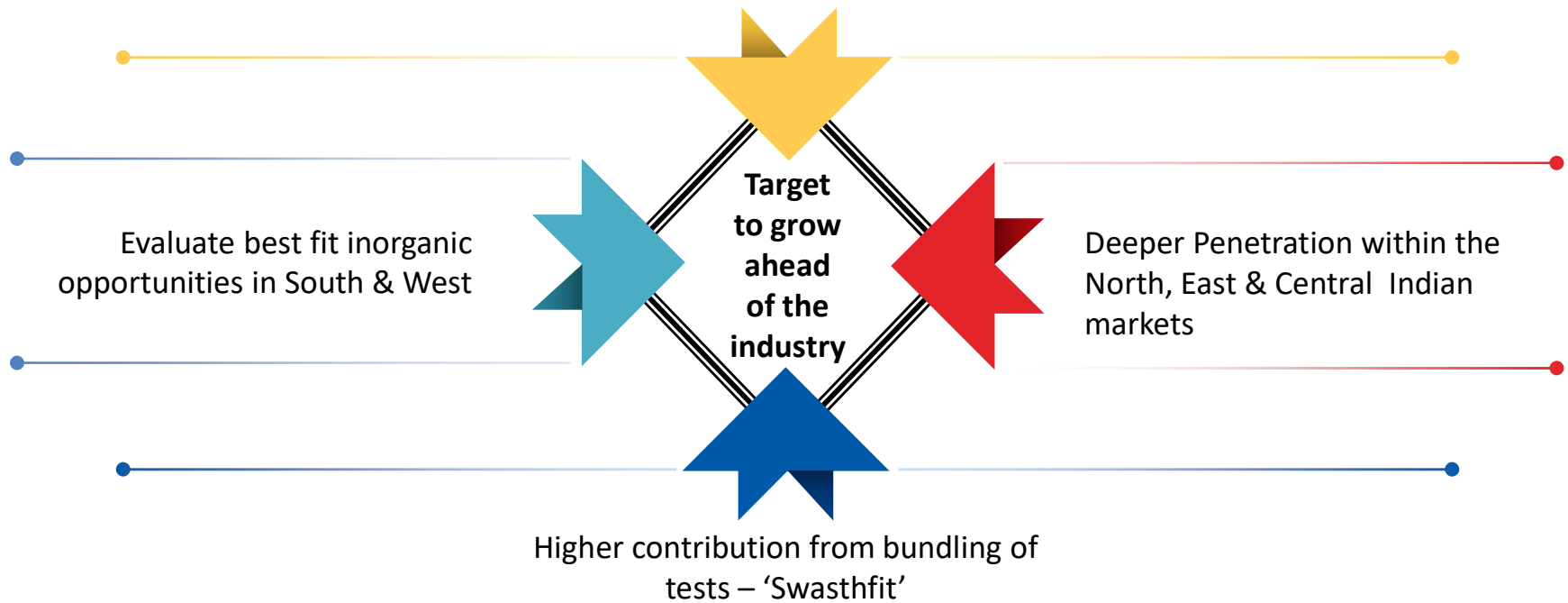
To be the undisputed market leader by providing accessible, affordable, timely and quality healthcare, diagnostics, applying insights and cutting edge technology to create value for all stakeholders

## MISSION

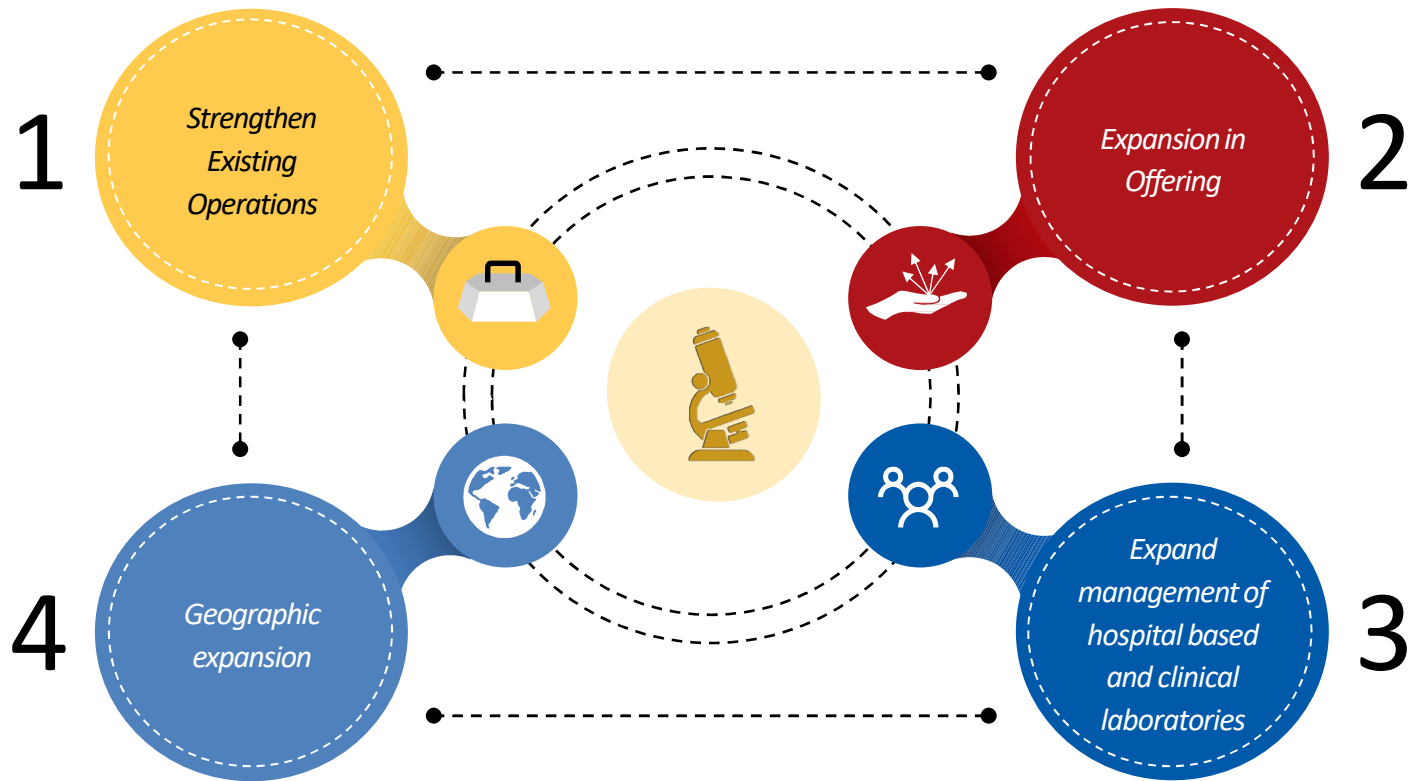


# Vibrant Outlook

Strongly develop Rest of India geographies, through Regional Reference Labs and cluster city approach for attractive markets

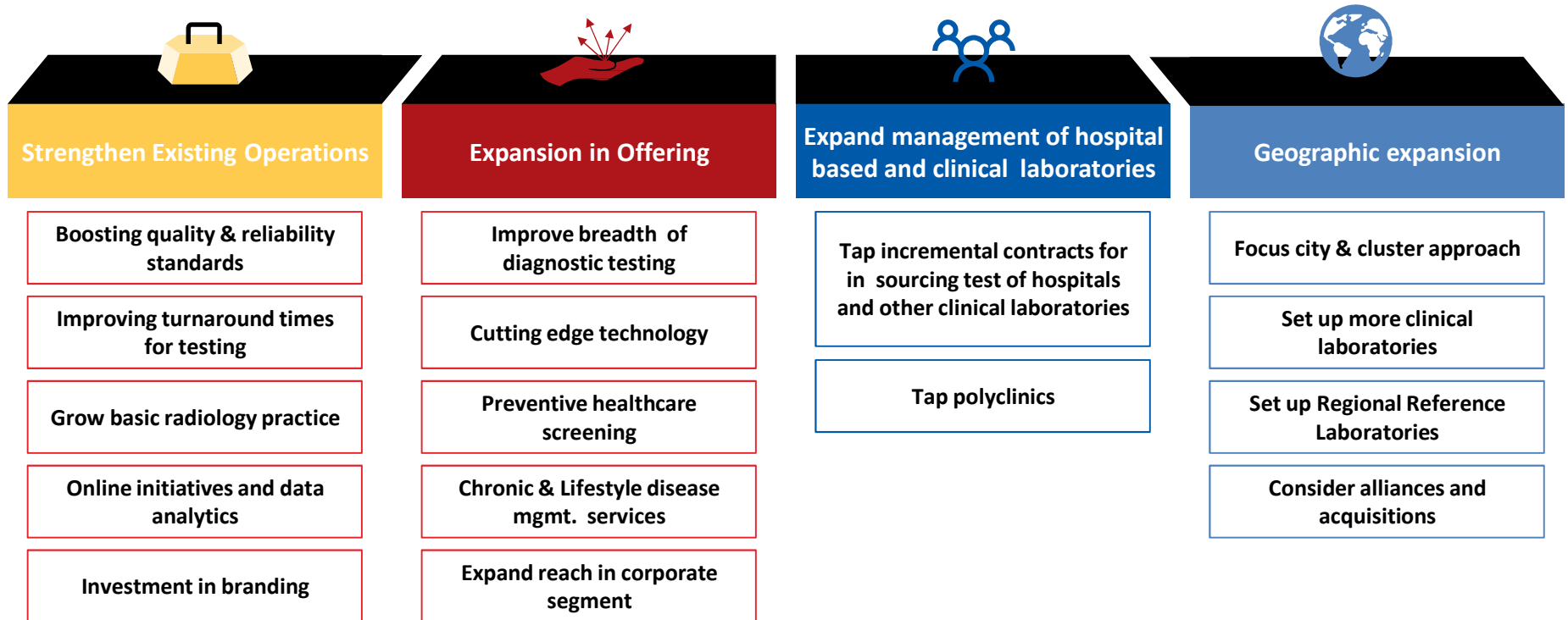


# DLPL Strategy for future growth





# DLPL Strategy for future growth

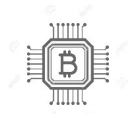


# Leveraging digital to make life easier for patient



## Digital Lab

- Self Registration Kiosk for patients
- Integrated payment gateway for online payment
- Self Report printing Kiosks for 24 by 7 Report printing similar to a bank ATM



## e-Commerce

- Online test / health package booking
- Online payment, order related notifications at various touch points
- Integrated Cross Channel communication with strong automated backend using cloud, predictive analytics & AI
- Phlebo Mobile App for home collection booking along with route plan.



## Mobile app

- Test booking, view and download current and historical test reports
- Trend chart along with Cumulative Reporting
- Find a Lab near you
- Self Monitoring – My Wellness



## Logistics Automation

- Field Executive Mobile App for Route Traceability & Field Executive Tracking
- Real Time visibility of patient samples



## Lab Operations Automation

- Totally integrated Track with centralized LIMS for higher Output and faster processing, built in analytics and Business Intelligence capabilities



## Business Continuity Plan

- 'Multi Site' model
- Quick recovery in case of disaster
  - Real time Data Replication between sites
  - Centrally Hosted and real time monitored

# Consistent investments in R&D

DSIR recognized In House R&D unit with an experienced team of research scientists and doctors

R&D Collaboration with marquee institutions

Successful commercialization of tests



Jawaharlal Nehru University for development of diagnostics kit for detection of mycobacterium tuberculosis and mycobacterial species



CSIR-Institute of Genomics and Integrative Biology for acquisition of know-how for 27 diagnostic assays

- Spino-Bulbar-Muscular Atrophy
- Sickle Cell Trio Prenatal Mutation Detection
- Sanger Sequencing, Single Variant
- Leigh Syndrome Mitochondrial Mutation Detection
- Episodic Ataxia Type 2

# Genevolve: The Genomics initiative



**GENEVOLVE brings the dawn of a new era of Genomic testing!**

**Genevolve: Genomics division focuses on Genetic testing**

**Offers wide range of key tests related to Oncogenomics, Neurogenomics, Rare disease & Pre-natal/ Post-natal**



### **New Tests**

- Sperm DNA
- Y Chromosome



### **New Tie-ups**

- Caris MI (USA)
- Caris Tumor Seek



### **ONCOPATH**

- Niche Segmentation

Tests are carried out using cutting edge technologies such as Next Generation Sequencing (NGS), MLPA, ddPCR, FISH & Sanger Sequencing among others

PAN India network of clinical laboratories, collection centers and pick- up points makes Dr. Lal PathLabs the most reliable genetic testing service provider in India

# In-house adoption of Digital Histopathology

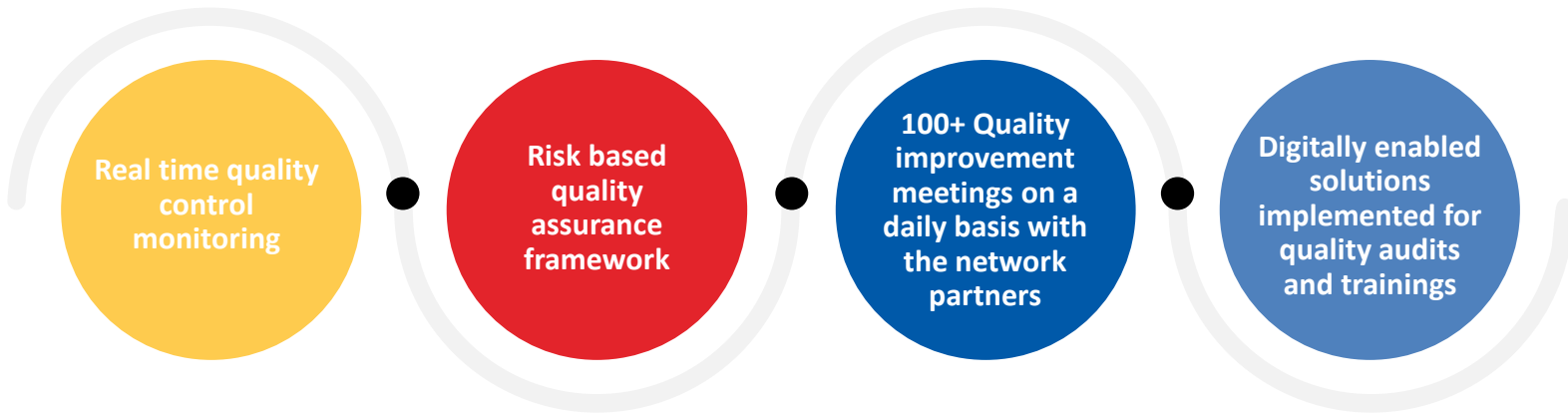
- ✓ Reporting of Digital Breast cancer Panels using AI based algorithms
- ✓ Digital Histopathology for remote routine reporting



## Opportunities created by Digital Histopathology

- Enhanced access to second opinion, synchronous review of slides
- Enhanced quality of reporting
- Potential for insourcing services
- Leveraging Artificial Intelligence for Histopathology
- Potential for de-centralization of histopathology reporting

# Highest Quality Standards in the Industry

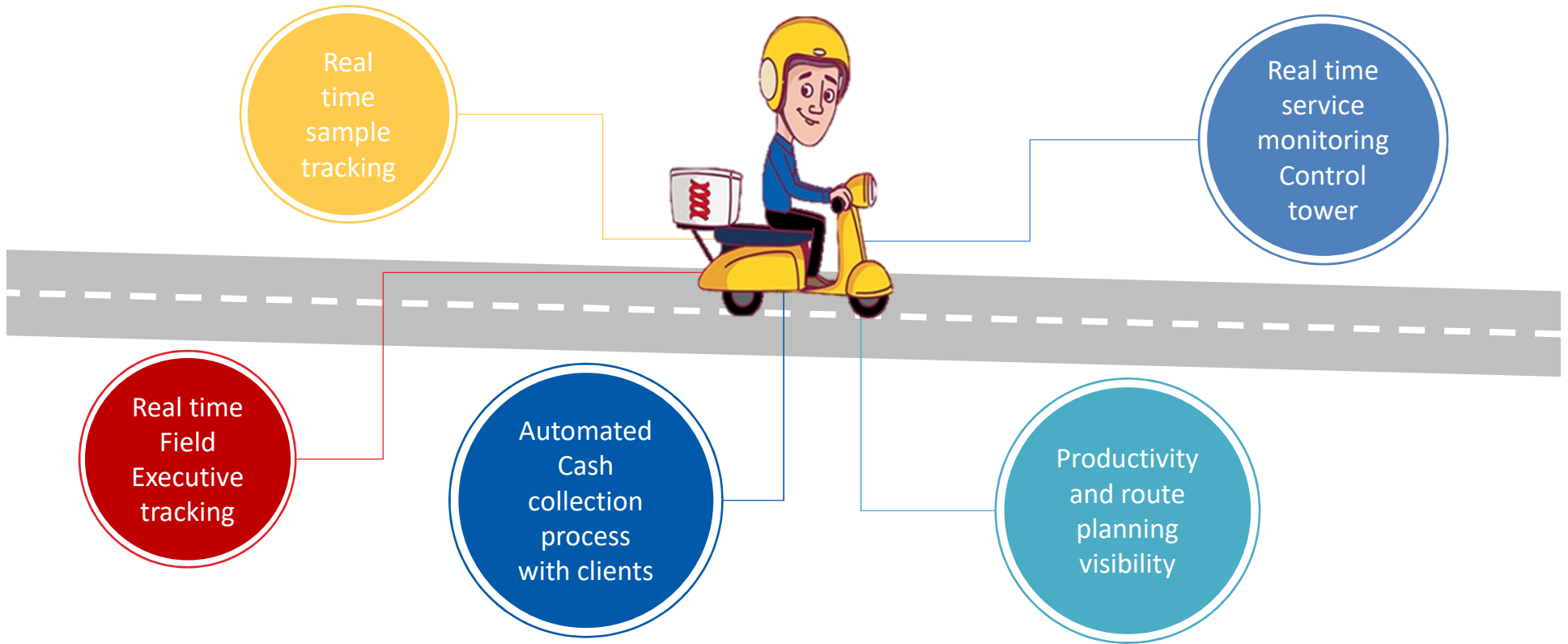


**Best in the Industry CAP Proficiency Testing Score at 98.3% for National Reference Lab**

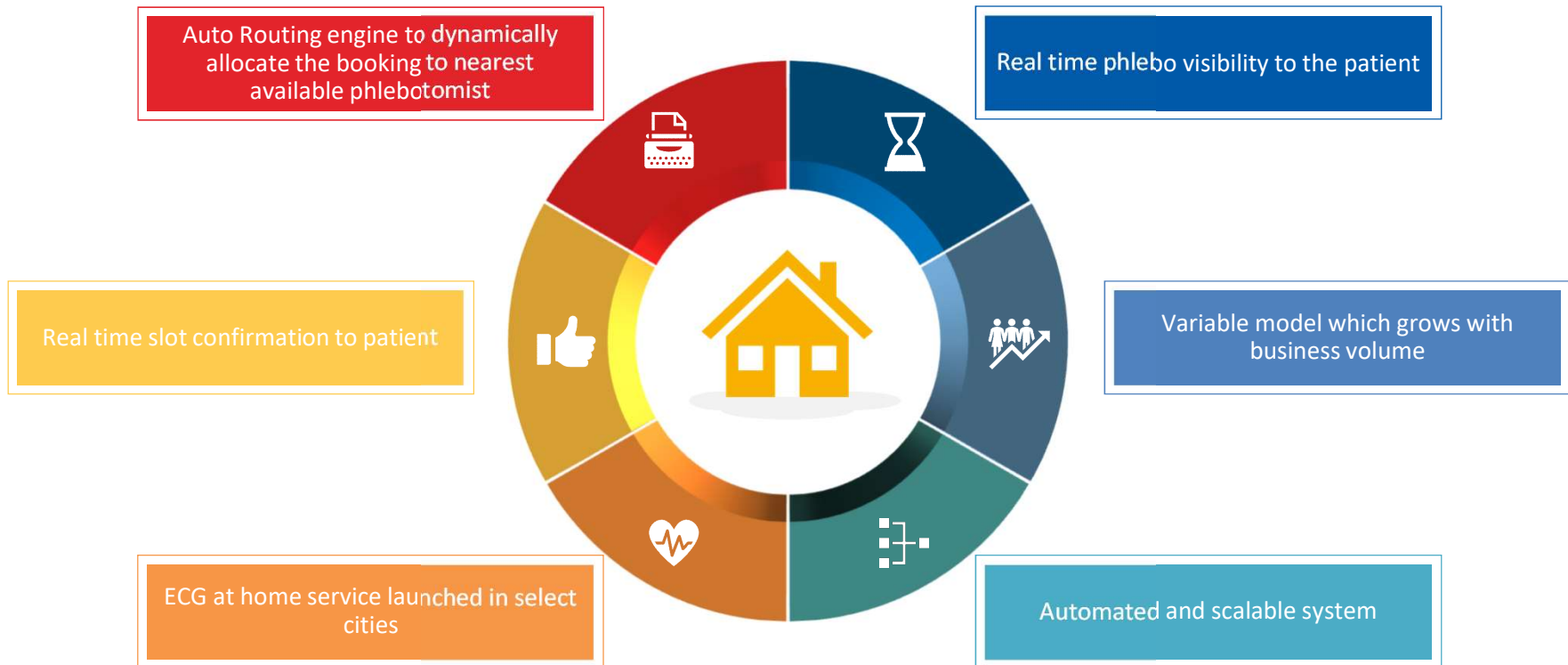
**Consistently high EQAS Performance Testing Score at 98.7% for Satellite Labs**

**NABL Accreditation granted to 14 Labs for processing Covid-19 samples**

# Best in class Logistics and Supply Chain management

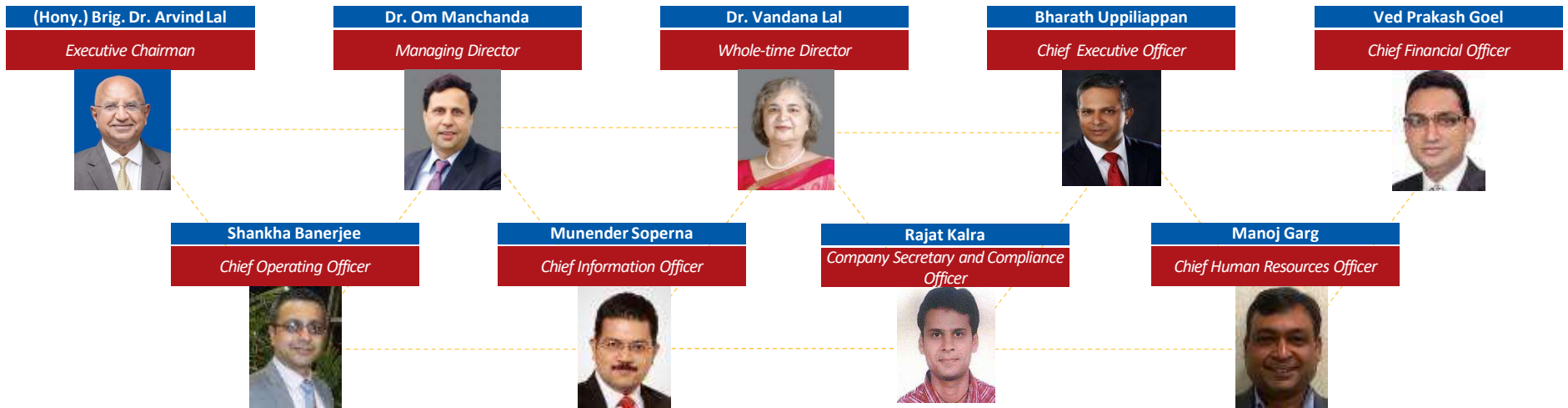


# Enhanced Customer Experience in Home Collection





# Experienced Management team



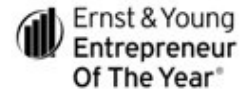
# Key Awards & Recognition



Dr. Om Manchanda honoured and awarded as 'Healthcare Personality of the Year, 2020' by FICCI



ICICI Lombard & CNBC TV18 India Risk Management Awards 2020 – Emerging Corporates



EY Entrepreneur of The Year 2019 – Life Sciences & Healthcare

**DATAQUEST**

Data Quest Technology Award 2015 – Excellence in Implementation of Technology

**VCCIRCLE**

VC Circle Healthcare Summit 2013 – Best Diagnostic Company

**COMPUTERWORLD**

Computerworld Honors Laureate Program, 2012



Frost and Sullivan 4th Annual India Healthcare Excellence Award, 'Diagnostic Service Provider Company of the Year 2012'

**FRANCHISE INDIA**  
*Ideas For Tomorrow*

Franchise India Excellence Award in Hall of Fame Category (2011, 2012)

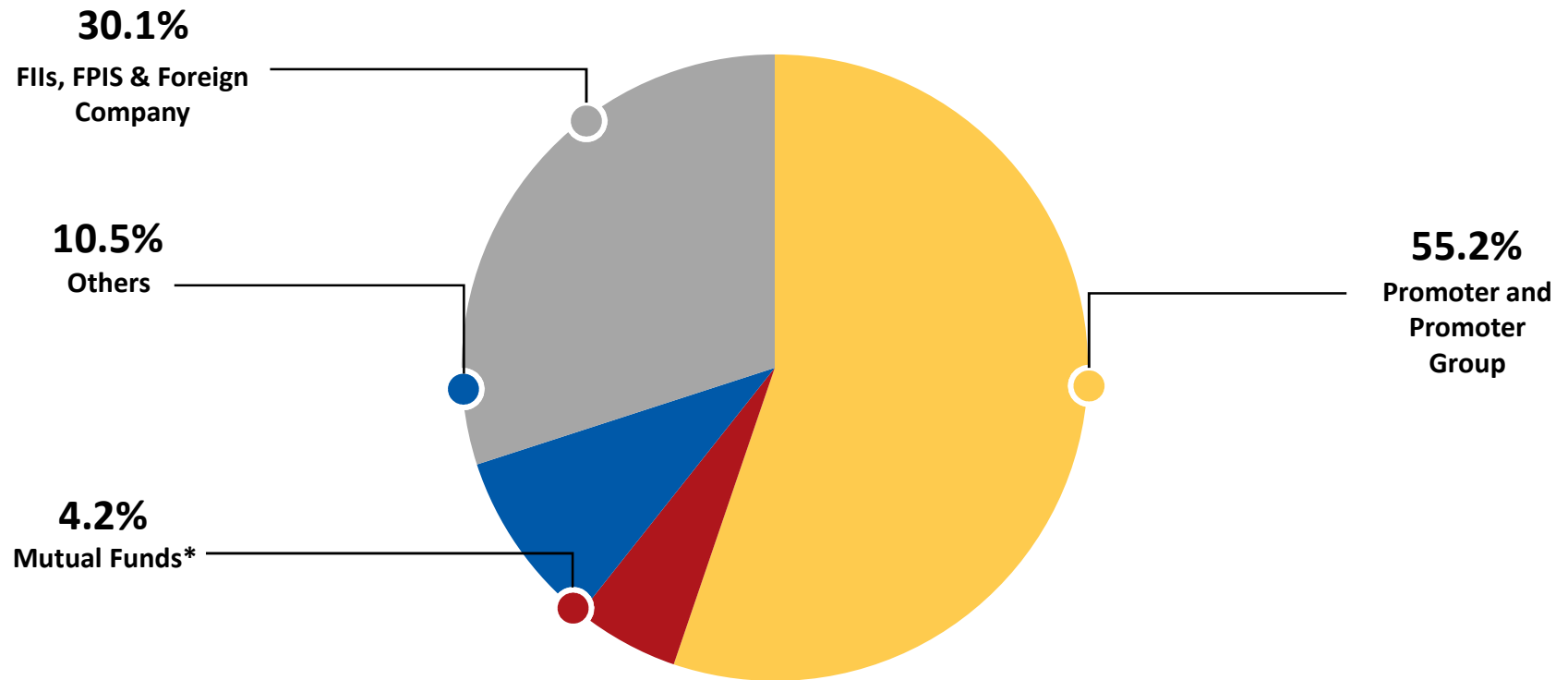


Franchisor of the Year (Healthcare) - Franchise Plus Awards 2010



Padma Shri – (Hony) Brig. Dr. Arvind Lal (2009)

# Shareholding as of 30th September, 2021



\*Mutual Funds includes Alternate Investment Funds as well

# Contact Us

## About Dr. Lal PathLabs Limited (DLPL)

Dr. Lal PathLabs Limited is one of India's leading consumer healthcare brand in diagnostic services.

It has an integrated nationwide network, where patients and healthcare providers are offered a broad range of diagnostic and related healthcare tests and services for use in: core testing, patient diagnosis and the prevention, monitoring and treatment of disease and other health conditions. The services of DLPL are aimed at individual patients, hospitals and other healthcare providers and corporates. The catalogue of services includes 471 test panels, 2,590 pathology tests and 1,947 radiology and cardiology tests as on March 31, 2021.

As on March 31, 2021, DLPL's has 231 clinical labs (including National Reference Lab at Delhi & Regional Reference Lab at Kolkata), 3,705 Patient Service Centers (PSCs) and 9,247 Pick-up Points (PUPs). In FY20 & FY21, DLPL collected and processed approximately 47.7 million samples and 49.7 million samples from approximately 19.4 million and 20.3 million patients, respectively.

**Additional information on Dr. Lal PathLabs Limited: Corporate Identification No: L74899DL1995PLC065388**

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