

Date: 15th February, 2022

BSE Limited
Phiroze Jeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400001

National Stock Exchange of India Limited
Exchange Plaza , 5th Floor
Plot No. C/1, G Block,
Bandra - Kurla Complex
Bandra (East), Mumbai - 400051

Dear Sir/Madam,

Sub: Financial Results Presentation

Pursuant to Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Financial Results presentation for the third quarter and nine months ended 31st December, 2021.

This intimation is also being uploaded on the Company's website at www.medplusindia.com.

Kindly take the same on record.

For and on behalf of MedPlus Health Services Limited



Shilpi Keswani
Company Secretary & Compliance Officer

Encl: a/a



MedPlus+

THIRD QUARTER FY2022

INVESTOR PRESENTATION

Corporate information
Performance update
Financial results

FEBRUARY 2022

| Safe Harbour

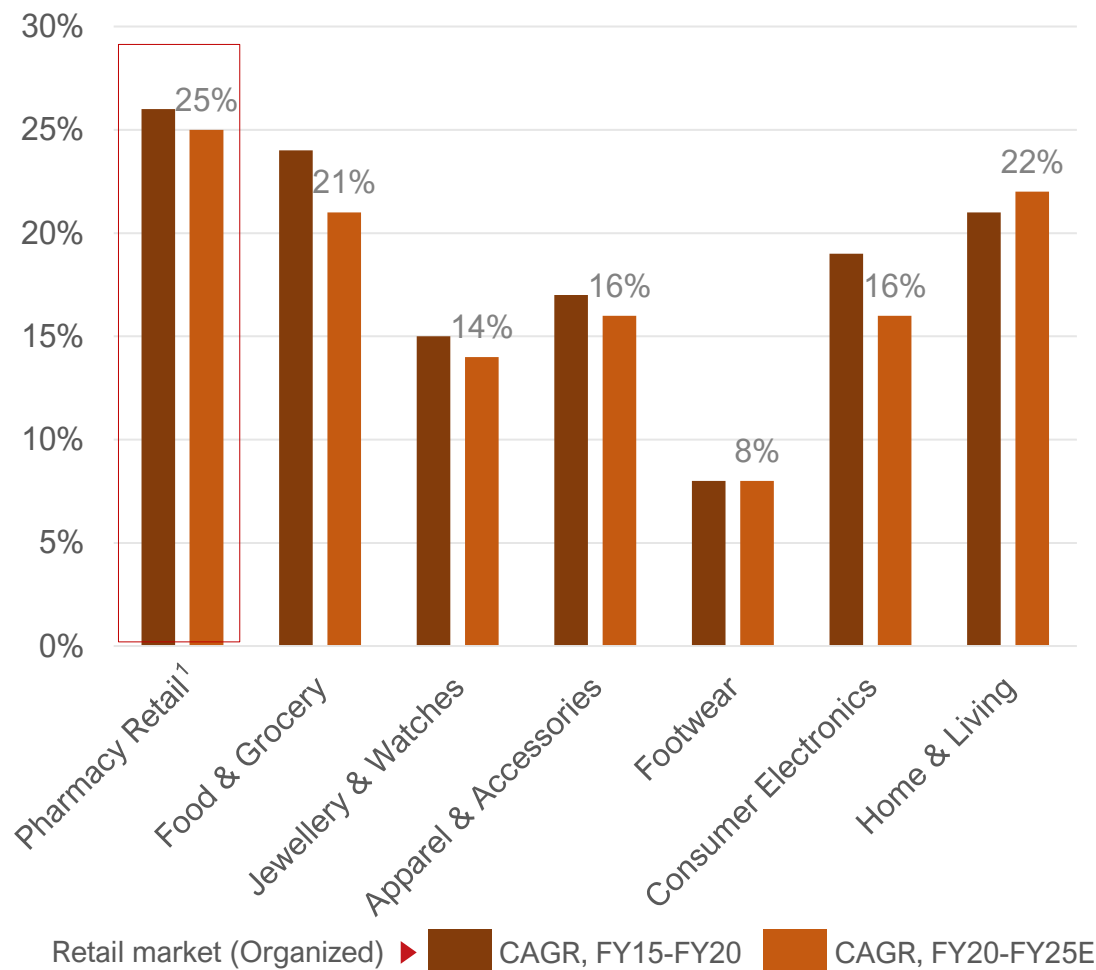
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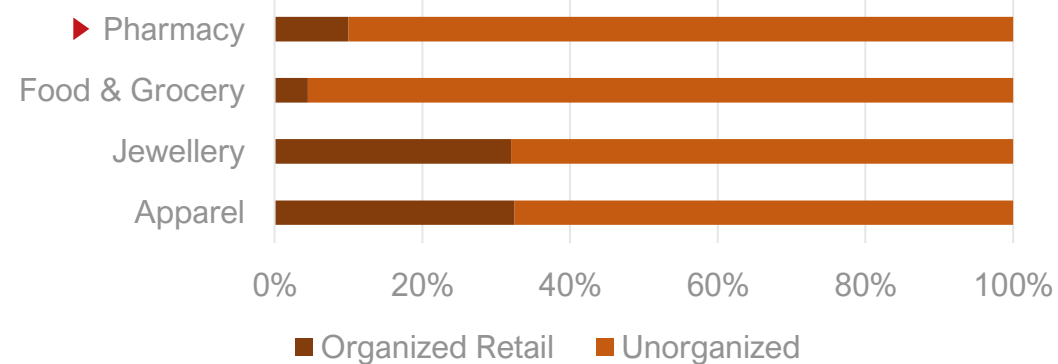
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MedPlus – Leader In The Attractive Pharmacy Space

Fastest Growing Retail Segment



Large Headroom to Grow



Better Unit Economics

	Pharmacy: High revenue per sqft of store area	Pharmacy: Highest steady-state store level ROCE
	Avg. Revenue per sq.ft. p.a.	ROCE
▶ Pharmacy	₹ 30-50k	45-50%
Food & Grocery	c. ₹ 24k	30-35%
Jewelry	c. ₹ 140k	20-25%
Apparel	c. ₹ 20k	25-40%
Food Services	c. ₹ 26k	25-35%

1. Retail segment of the “Pharmacy & Wellness” market

Source: Technopak Advisors (2021). Pharmacy Retail in India

| The MedPlus Story

MedPlus caters to the healthcare and household needs of the neighborhoods we operate in

We are omni-channel: Digital and neighborhood stores

MedPlus has the second largest pharmacy network nationally, with leadership position in the markets we operate

2006

Started in Hyderabad

16 years

A Trusted Brand

c.750m+

Bills Cut Since Inception

2,477 stores

Stores

7

States

280

Cities

16k+

Employees

43k+ SKUs

Across Pharma and Non-Pharma

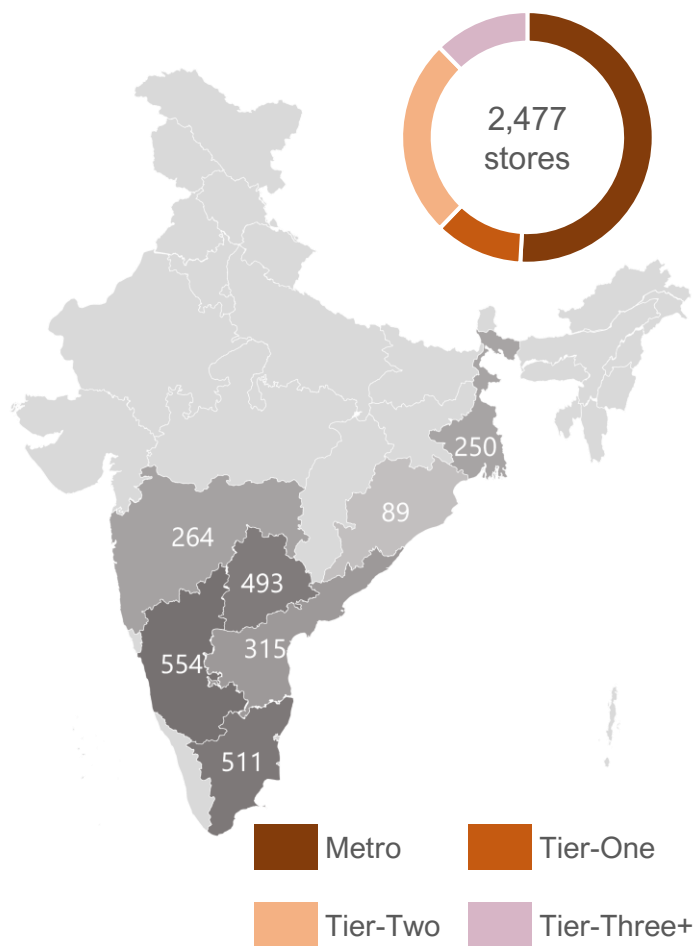
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Regional Warehouses

1. Information as on 31-Dec-2021

Cluster Based Network Enables Profitable Omni-Channel Service

Stores As On Dec-21



Strong Cluster Based Network

Strong network of 2,477 stores across Metros, Tier-One, Tier-Two and beyond.

Ability to service 100% market – acute + chronic
 As opposed to online only players that largely cater to only chronic segment (37%¹ of the market)

2- hour delivery

Online only players cannot match this proposition given lack of hyperlocal store presence

Lower customer acquisition cost

As existing stores act as branding sites

Lower delivery costs

Because of the hyperlocal presence of MedPlus' 2,477 stores

1. For 2020; Proportion of domestic pharmaceutical market. Technopak Advisors (2021). Pharmacy Retail in India
2. Stores in Puducherry are not represented in the map above. As on 31-Dec-21 we have one store in Puducherry

Scale Allows A Large Private Label Basket: 800+ SKUs

Pharma and Related

- ▶ Pharma
- Over **558** products covering Chronic, Acute, OTC & Other Pharmaceutical products



Non-Pharma



- ▶ Non-Pharma
- Over **252** products covering, packaged food, baked goods, dry goods, cleaning products, cosmetics and toiletries



Poised for Growth

Key Pillars Of Growth

A	<p>Growth in existing clusters and develop new clusters</p>	<ul style="list-style-type: none"> • Further grow in cities where we have market leadership. Metro and Tier - One followed by Tier - Two and beyond • Replicate our leadership in markets where we have entered but yet to attain market leadership
B	<p>Leverage our leadership in omni-channel</p>	<ul style="list-style-type: none"> • Expand our target addressable market via omni-channel offering • Increase retention via omni-channel • Operationally extend of <2 hour delivery to more locations
C	<p>Expand share of private label: Higher margins and higher share of wallet</p>	<ul style="list-style-type: none"> • Increase private label contribution in pharma products, especially in sub-chronic and chronic ailments • Increase private label contribution in FMCG products, including nutrition and wellness

Financial Capacity

1	<p>Operating Cash Flow</p> <p>₹ 275m in Q3FY22</p>
2	<p>Headroom for leverage</p> <p>3.3x Net Cash/ Operating EBITDA as on 31-Dec-21</p>
3	<p>Cash and equivalents</p> <p>₹ 6,958m as on 31-Dec-21</p>

| Q3 FY2022 Highlights (1/2)

₹ 9,335m Revenue

- ₹ 1,325m increase vs. Q3FY21. 16.5% yoy
- ₹ 87m increase vs. Q2FY22. 0.9% qoq
- 11.9% private label (+2.0% yoy)

151 Store Net Additions

- 183 gross additions
- 79 net additions beyond Tier-One
- 2,477 stores as on 31-Dec-21

₹ 366m Operating EBITDA

- 3.9% Operating EBITDA margin (-1.2% yoy, -0.1% qoq)

₹ 1,938m Gross Margin

- 20.8% gross margin (+0.6% yoy, +0.7% qoq)

4.2% yoy: Stores > 12 months

- 4.2% revenue growth vs. Q3FY21
- 9.7% Store Level EBITDA margin
- 68.8% Store Level Operating ROCE

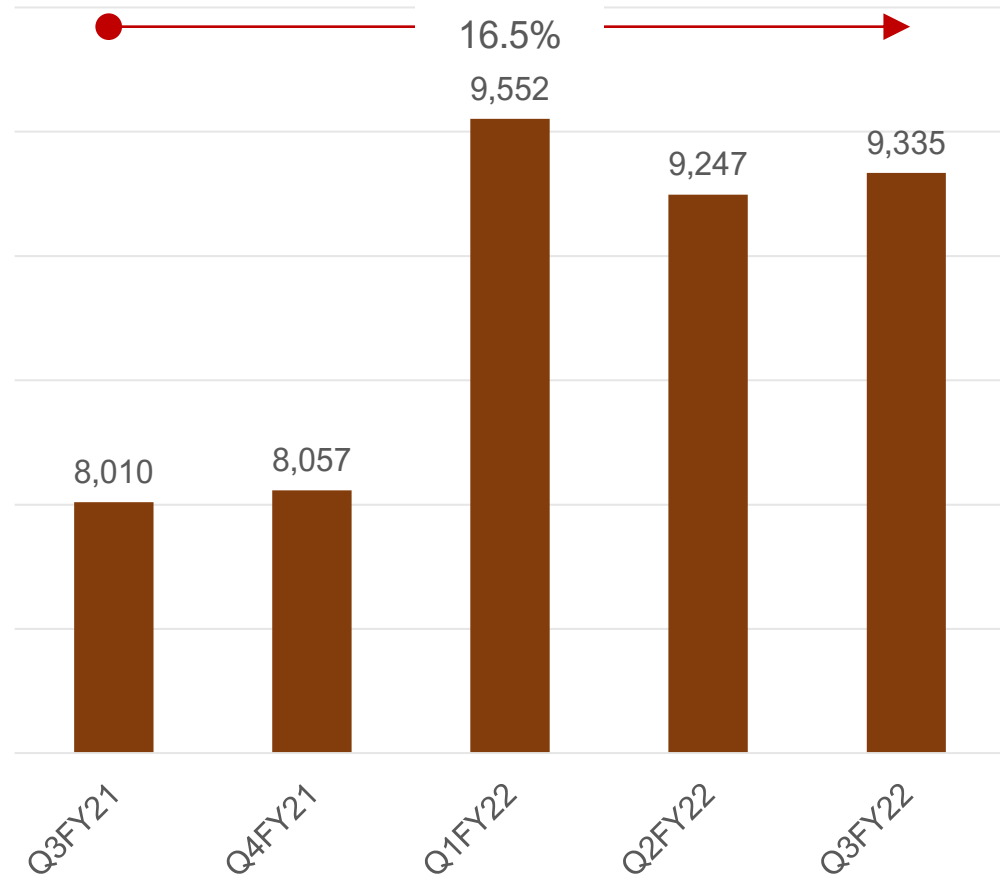
₹ 275m Operating Cash Flow

- 75.1% OCF/ Operating EBITDA
- ₹ 6,000m raised from IPO (Gross)
- ₹ 6,958m closing cash balance



| Q3 FY2022 Highlights (2/2)

Revenue, ₹m



Gross Margin ▶ 20.1%

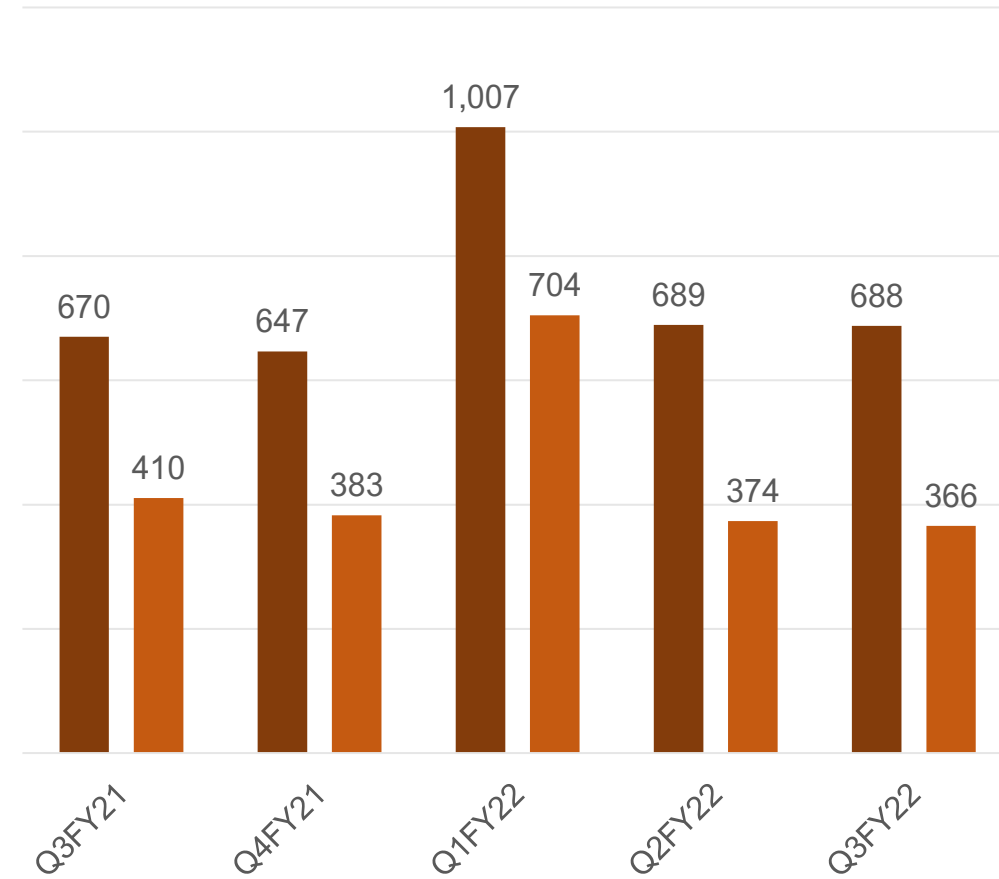
20.5%

22.1%

20.1%

20.8%

EBITDA and Operating EBITDA, ₹m



Operating EBITDA Margin ▶ 5.1%

4.8%

7.4%

4.0%

3.9%

EBITDA Operating EBITDA

537 Stores Added In Last 12 Months

As On Dec-20

As On Sep-21

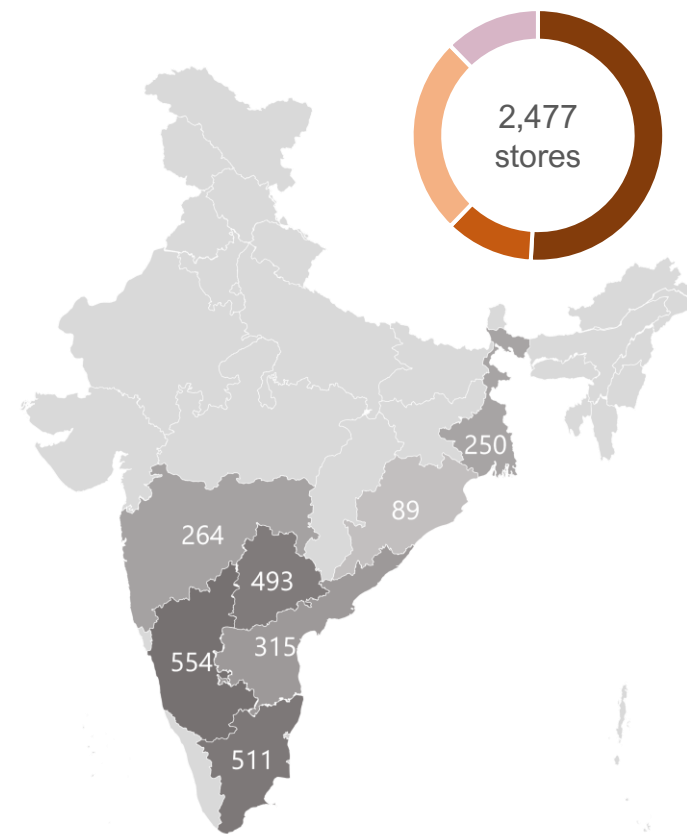
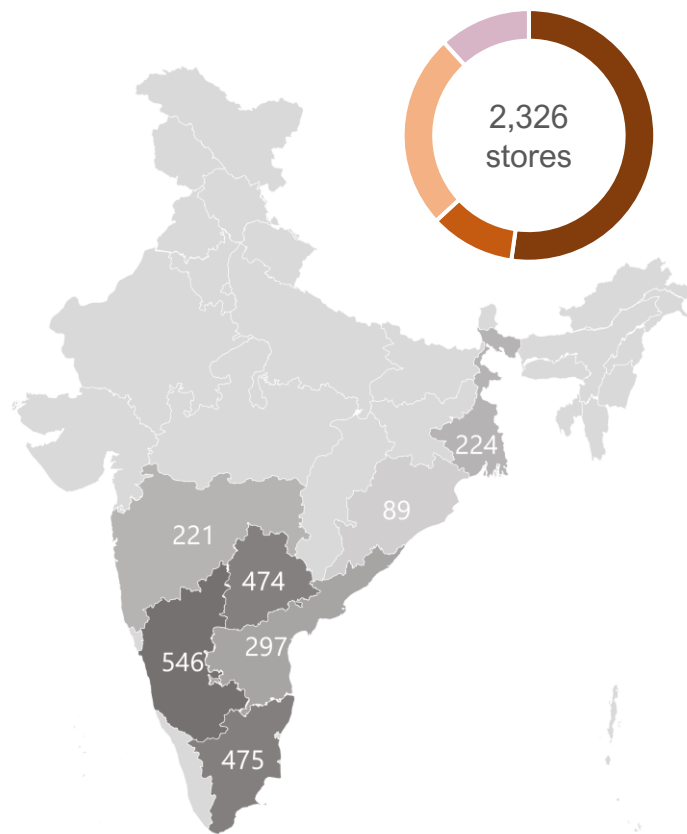
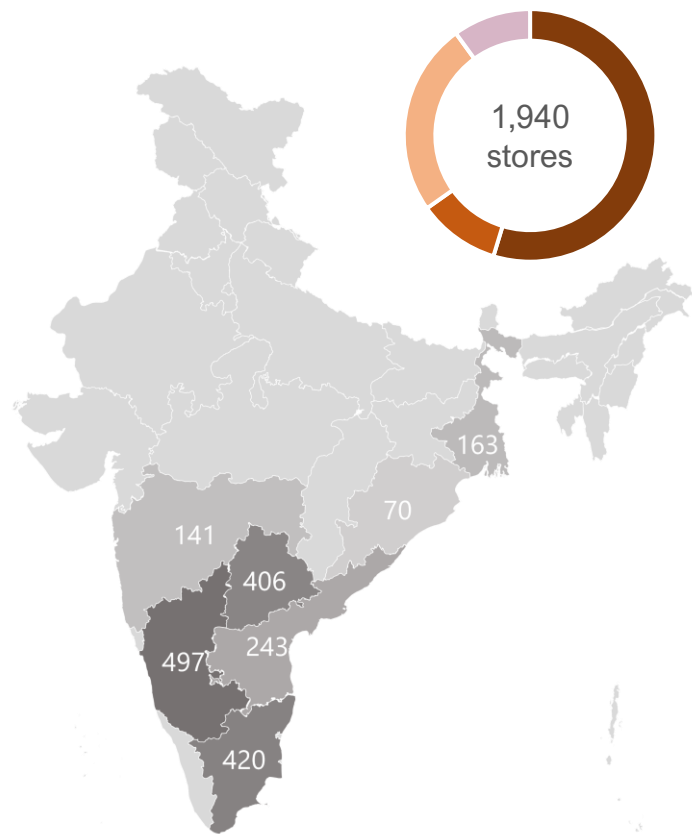
As On Dec-21

► Presence

We are present in key 7 states, accounting for c.38.4% of India's population².

The key urban centers are: Bangalore, Chennai, Hyderabad, Kolkata, Mumbai, Nagpur, Pune, Visakhapatnam

We are present in 280 cities



1. Stores in Puducherry are not represented in the maps above. As on 31-Dec-21 we have 1 store in Puducherry
 2. Census of India (2011)
 3. Color index for pie-chart as below:



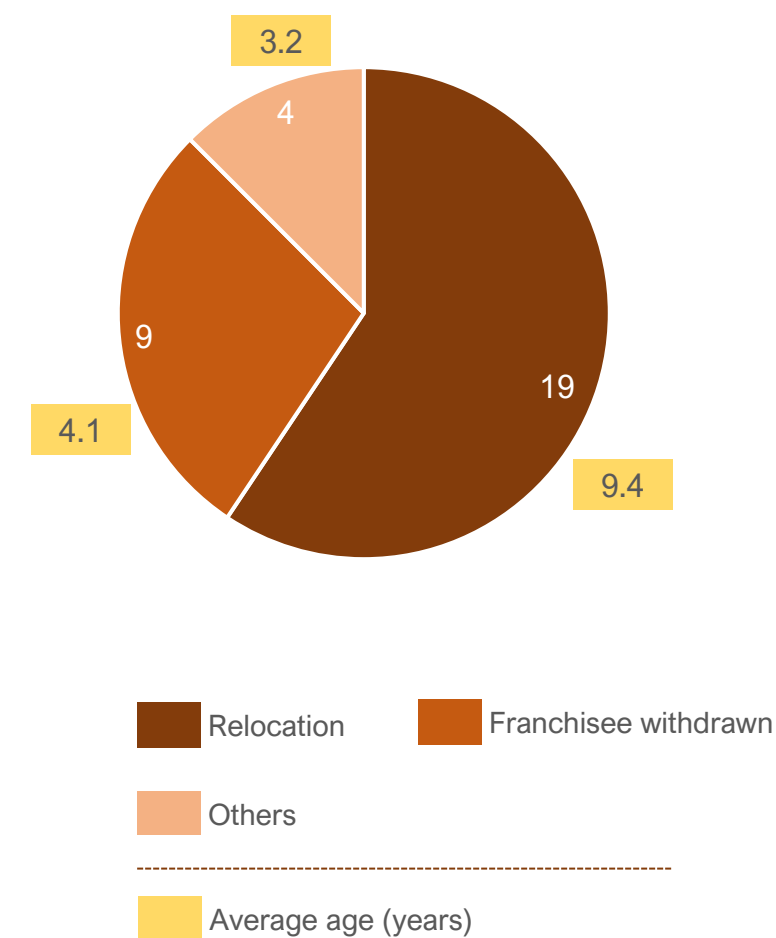
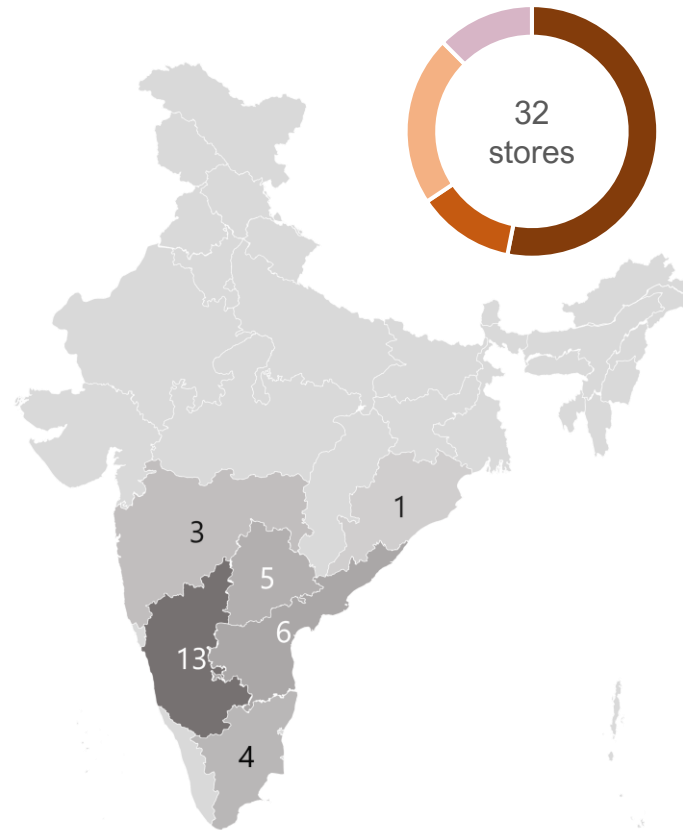
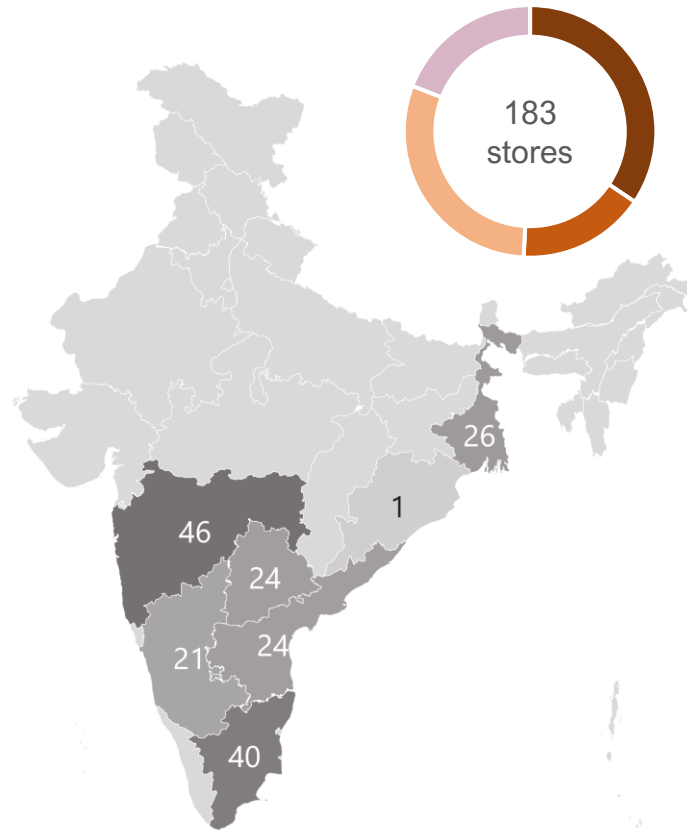
151 Stores Added In Last Quarter

Q3 FY22 Openings

Q3 FY22 Closures

Q3 FY22 Closure Reasons

We opened 183 stores in Q3FY22. There were 32 closures

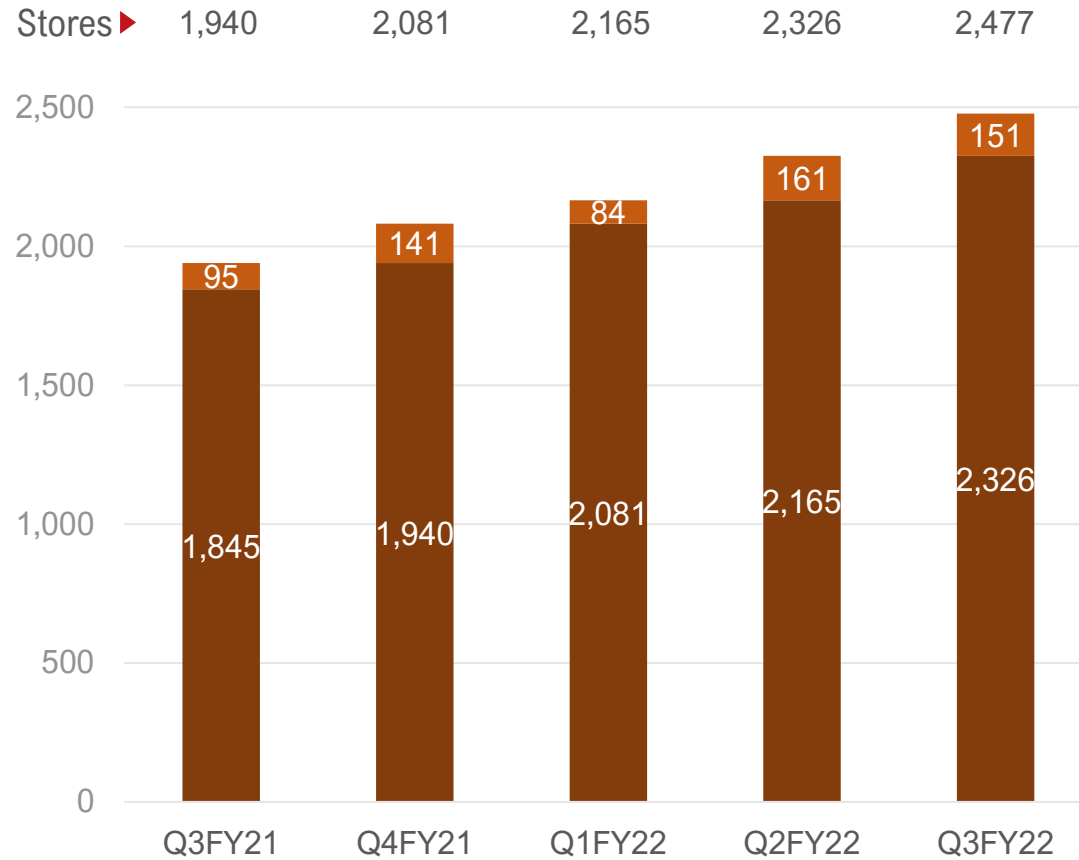


- Stores in Puducherry are not represented in the maps above.. 1 store was opened in Puducherry in Q3FY22. There were no closures
- Color index for pie-chart as below:

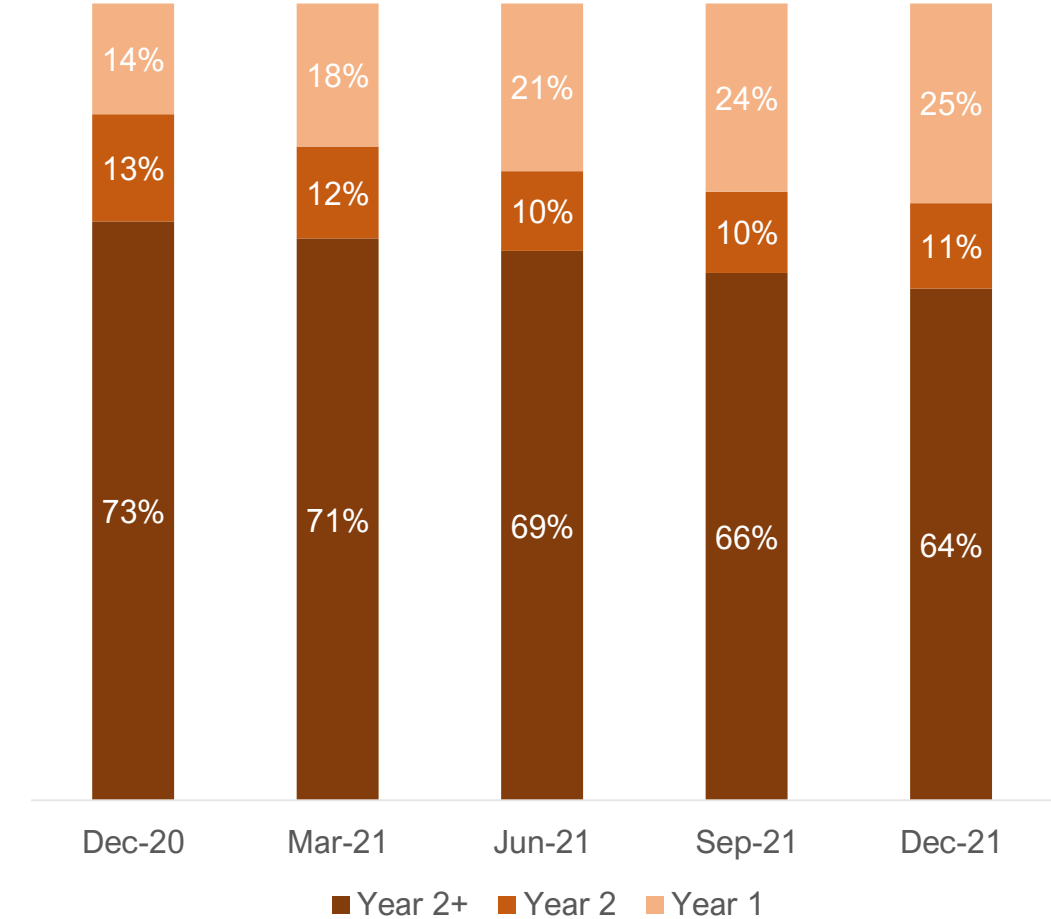


Young Store Network: 25% Less Than 12 Months Old

Pharmacy: Count



Pharmacy: Age Structure of Stores¹



► Openings
Maintaining an increasing pace of store openings

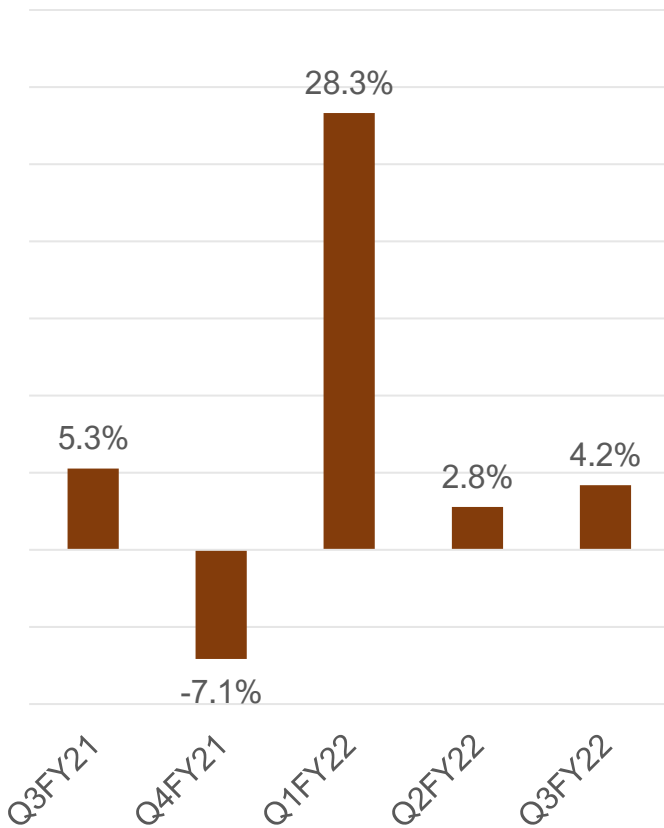
► Age Structure
Share of stores less than 24 months age is increasing

Openings	111	163	106	170	183
Closures	16	22	22	9	32
Net Additions	95	141	84	161	151

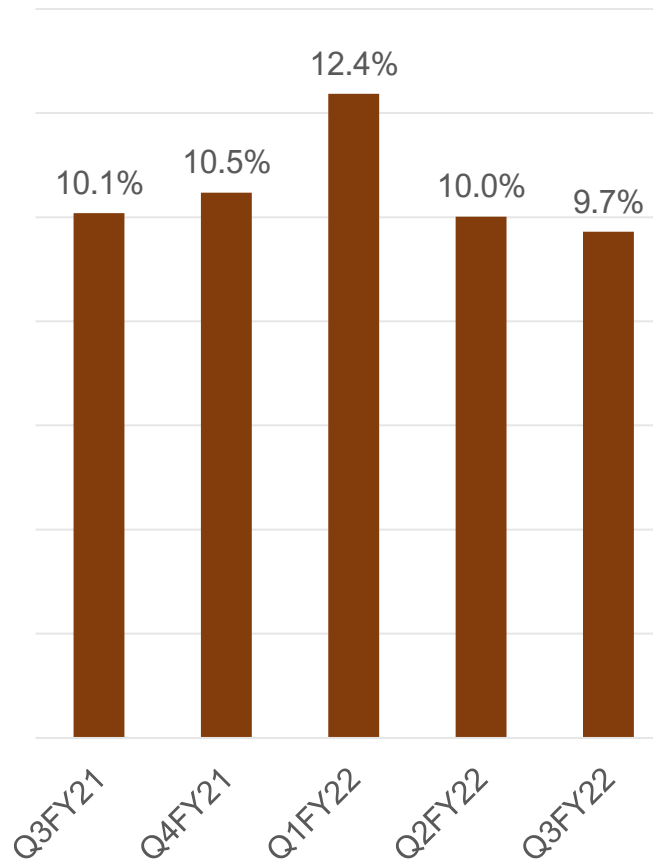
1. Store age, as on end of period

Profitable Older Stores: 12+ Months

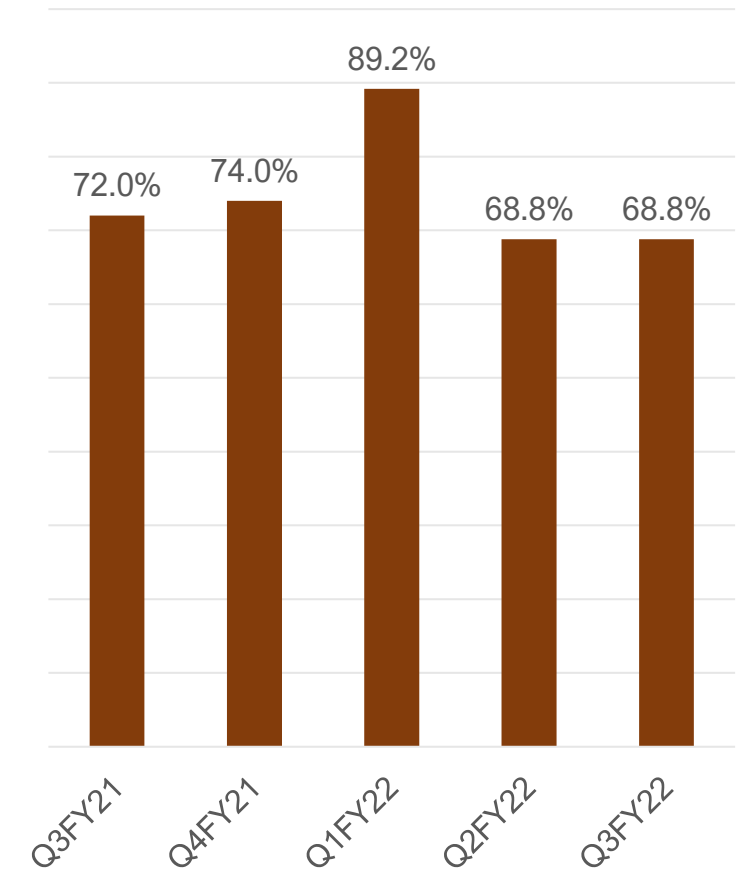
Store Level Revenue Growth¹



Store Level EBITDA Margin



Store Level Operating ROCE^{2,3}



1. Growth is yoy
2. See Glossary for definition
3. Annualized by multiplying the quarterly computation by 4

Revenue Mix: Increasing Share Of Private Label

Revenue Mix: By Product Category

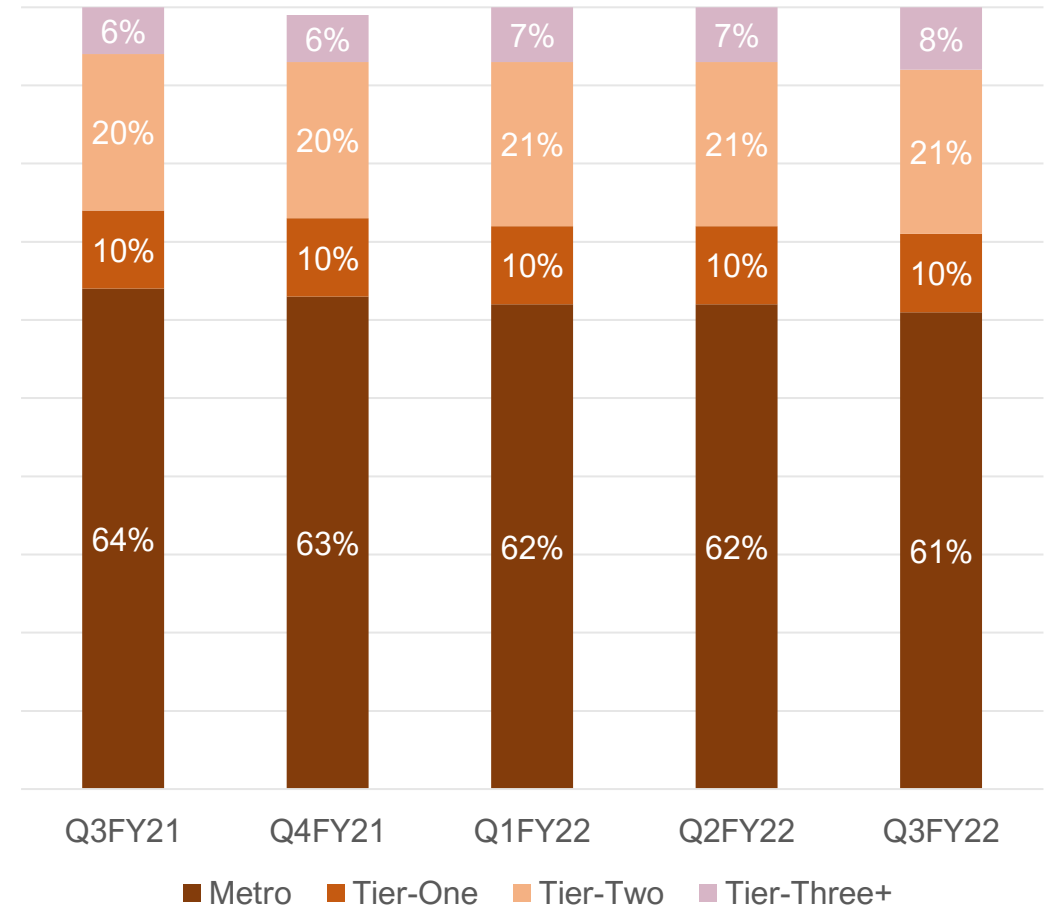
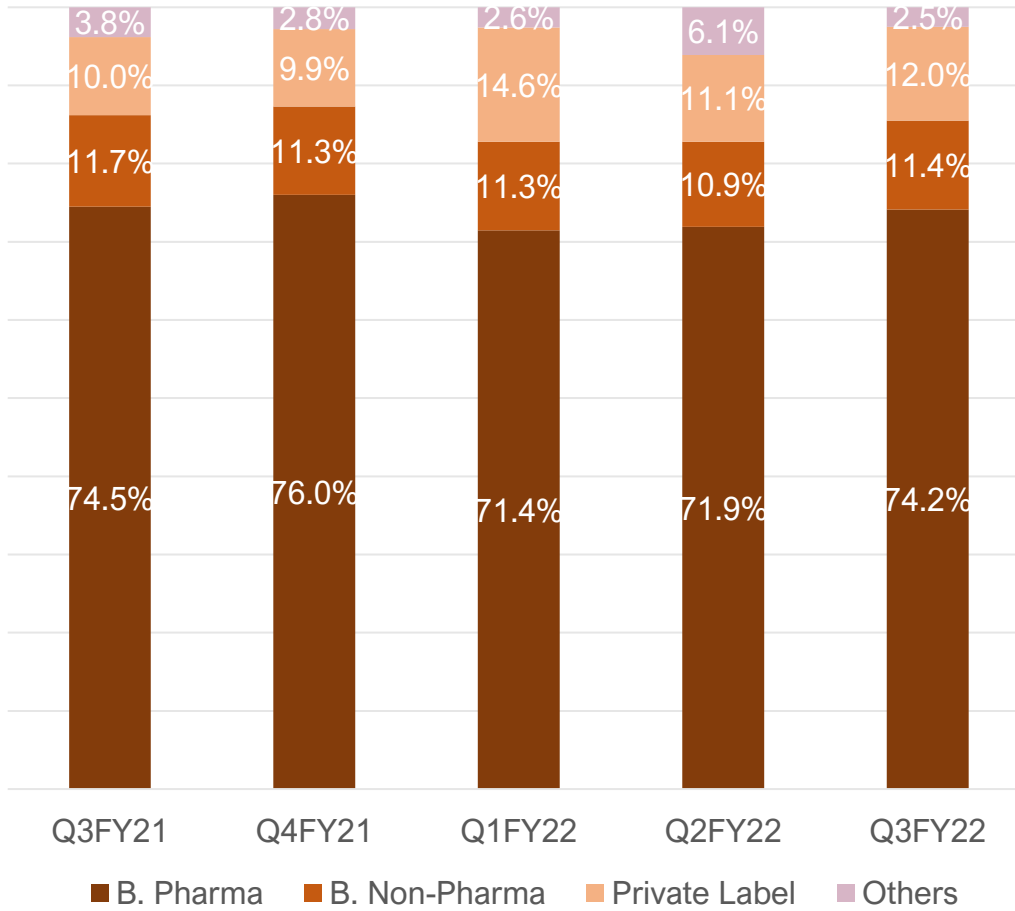
Revenue Mix³: By Location of Stores

▶ Product mix

Trend of increasing share from Private Label continues

▶ Location mix

Maintaining trend of growth beyond Metro and Tier-One

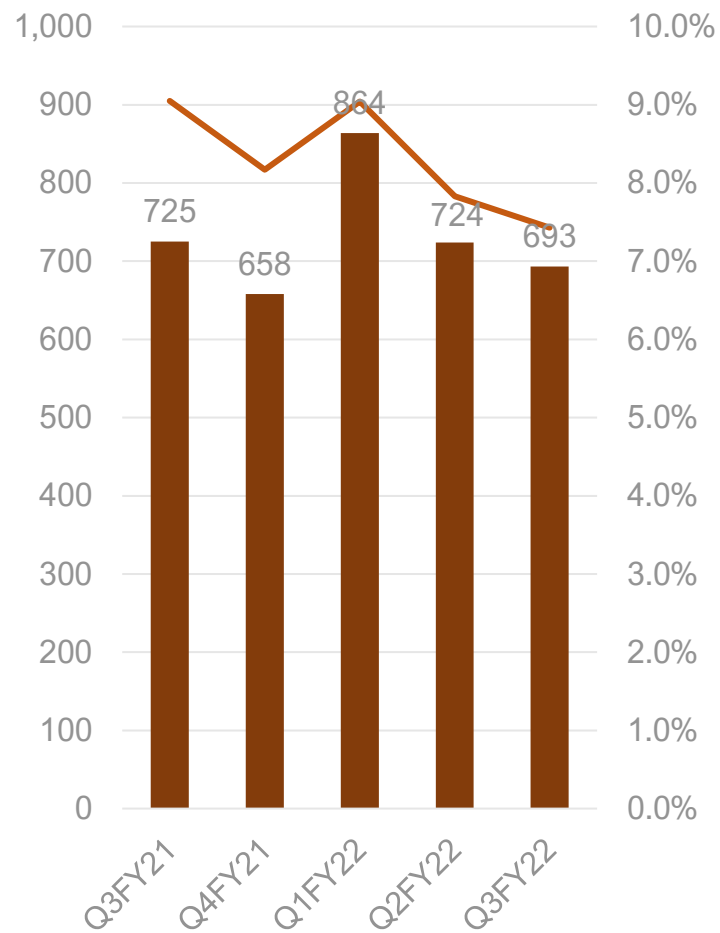


1. Prefix of "B" implies Branded
 2. "Others" includes revenue from franchisee, optical, clinics and labs
 3. Only revenue from pharmacy stores

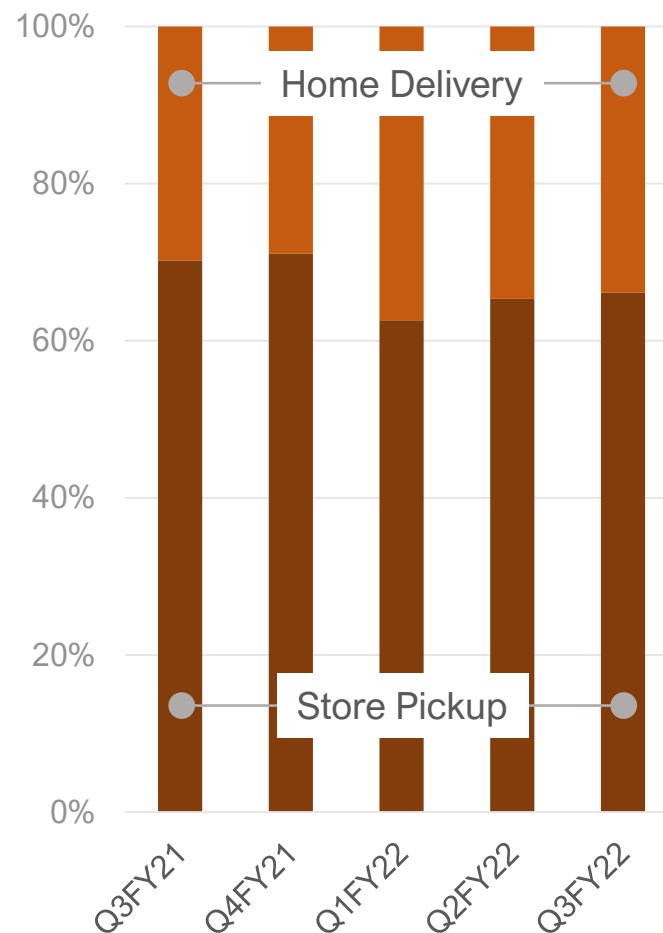
Omni-channel: Profitable With Negligible Acquisition Costs

► Omni-Channel
Our online presence grows on the back of our rapid store additions

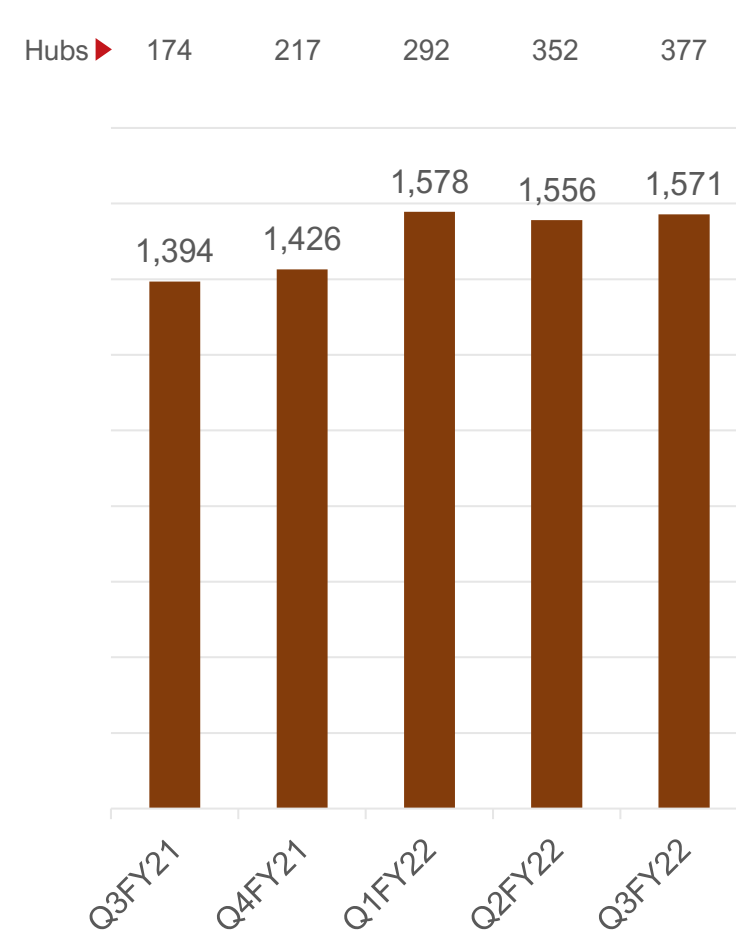
Channel Revenue



Channel Delivery



Pincodes¹ and Delivery Hubs



Revenue, ₹m Share of Tot. Rev. (RHS)

Store Pickup Home Delivery

1. For Online Orders

Income Statement

Snapshot of Income Statement, ₹m

	Q3FY21	Q2FY22	Q3FY22	Q3FY22 vs. Q3FY21 (yoy)	9m FY21	9m FY22	9mFY22 vs. 9mFY21 (yoy)
Revenue	8,009.9	9,247.4	9,334.5	16.5%	22,635.4	28,133.7	24.3%
Gross Margin	1,611.6	1,856.9	1,938.1	20.3%	4,792.3	5,910.1	23.3%
Gross Margin	20.1%	20.1%	20.8%		21.2%	21.0%	
Expenses	(1,201.2)	(1,483.3)	(1,572.1)	30.9%	(3,424.4)	(4,465.9)	30.4%
Operating EBITDA	410.4	373.6	366.1	-10.8%	1,367.9	1,444.2	5.6%
Operating EBITDA	5.1%	4.0%	3.9%		6.0%	5.1%	
Rental Expenses	247.7	305.0	330.7	33.5%	705.7	914.9	29.6%
ESOP Expenses	(6.6)	(4.5)	(30.0)	353.7%	(393.0)	(42.5)	-89.2%
Interest Income	18.5	14.9	20.9	13.1%	55.0	67.4	22.7%
EBITDA	670.1	689.1	687.7	2.6%	1,735.7	2,384.2	37.4%
EBITDA	8.4%	7.5%	7.4%		7.7%	8.5%	
Depreciation & Amortization	(218.7)	(276.8)	(304.8)	39.4%	(640.7)	(852.5)	33.0%
Finance Costs	(131.3)	(160.8)	(165.3)	25.9%	(402.1)	(478.5)	19.0%
PBT	320.1	251.5	217.6	-32.0%	692.8	1,053.2	52.0%
PAT	227.7	200.2	169.2	-25.7%	450.4	832.9	84.9%
PAT	2.8%	2.2%	1.8%		2.0%	3.0%	

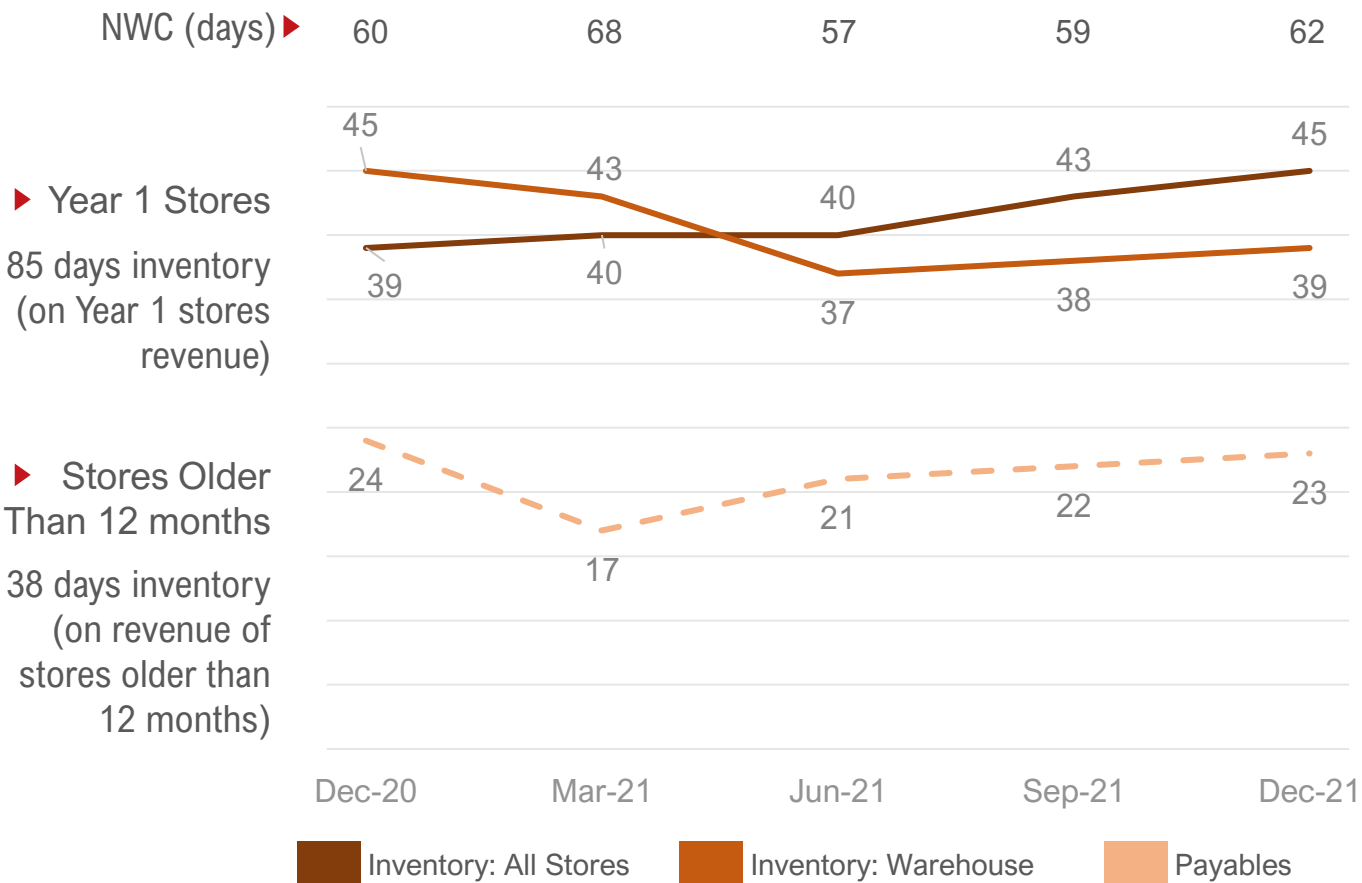
Balance Sheet

Snapshot of Balance Sheet, ₹m

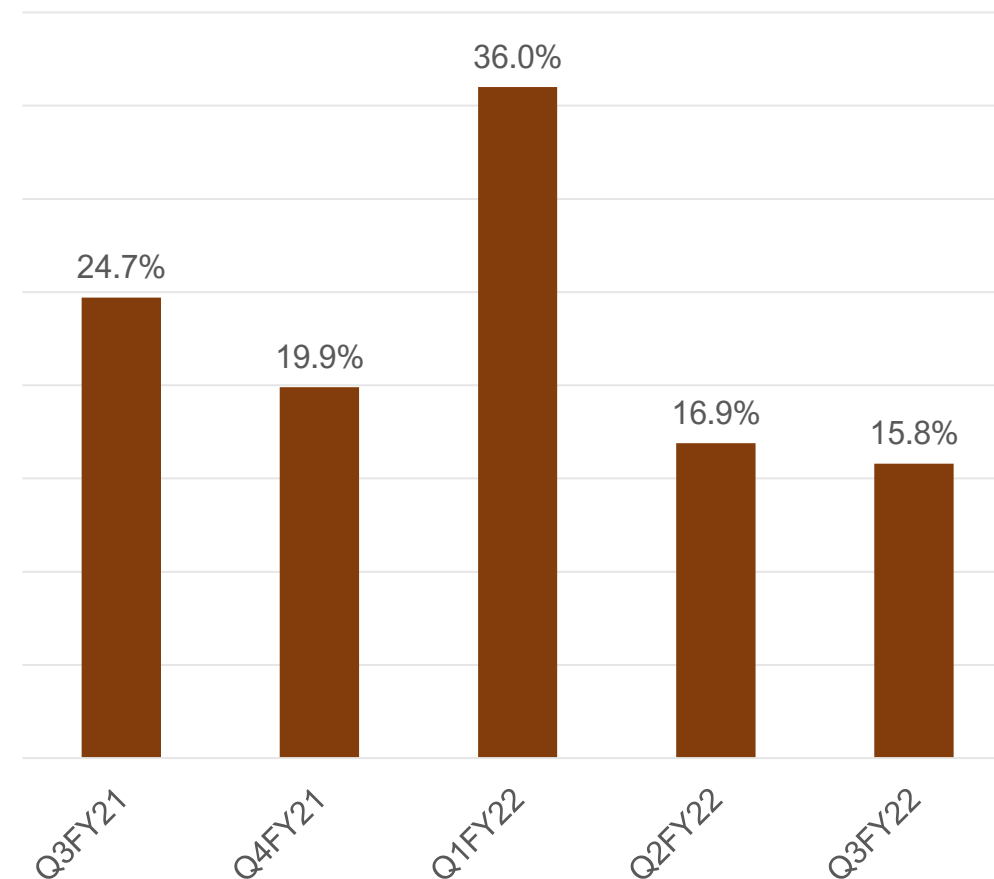
	Dec-20	Mar-21	Sep-21	Dec-21
Assets				
Non Current Assets				
PPE and CWIP	713.5	926.9	1,152.0	1,326.5
Intangible assets	455.8	452.7	466.4	477.2
Right-of-use asset	3,605.6	3,848.7	4,643.1	4,907.6
Others	1,264.8	1,197.4	1,326.2	1,399.5
Total Non Current Assets (A)	6,039.7	6,425.7	7,587.7	8,110.8
Current Assets				
Inventories	7,244.6	7,499.6	8,100.1	8,478.4
Cash	839.9	1,491.0	1,287.3	6,958.1
Others	392.3	240.2	489.8	542.2
Total Current Assets (B)	8,476.9	9,230.8	9,877.3	15,978.6
Total Assets (A + B)	14,516.6	15,656.5	17,465.0	24,089.5
Equity and Liabilities				
Total Equity	6,131.7	7,305.5	8,009.8	13,950.5
Other non current liabilities	4,001.4	4,202.4	4,812.5	5,134.2
Borrowings	946.0	1,352.3	567.5	859.8
Lease liabilities	492.5	548.7	800.2	796.4
Trade payables	2,098.1	1,481.0	2,235.0	2,298.2
Other current liabilities	846.9	766.5	1,039.9	1,050.3
Total Equity and Liabilities	14,516.6	15,656.5	17,465.0	24,089.5

Capital Productivity

Working Capital Cycle, days



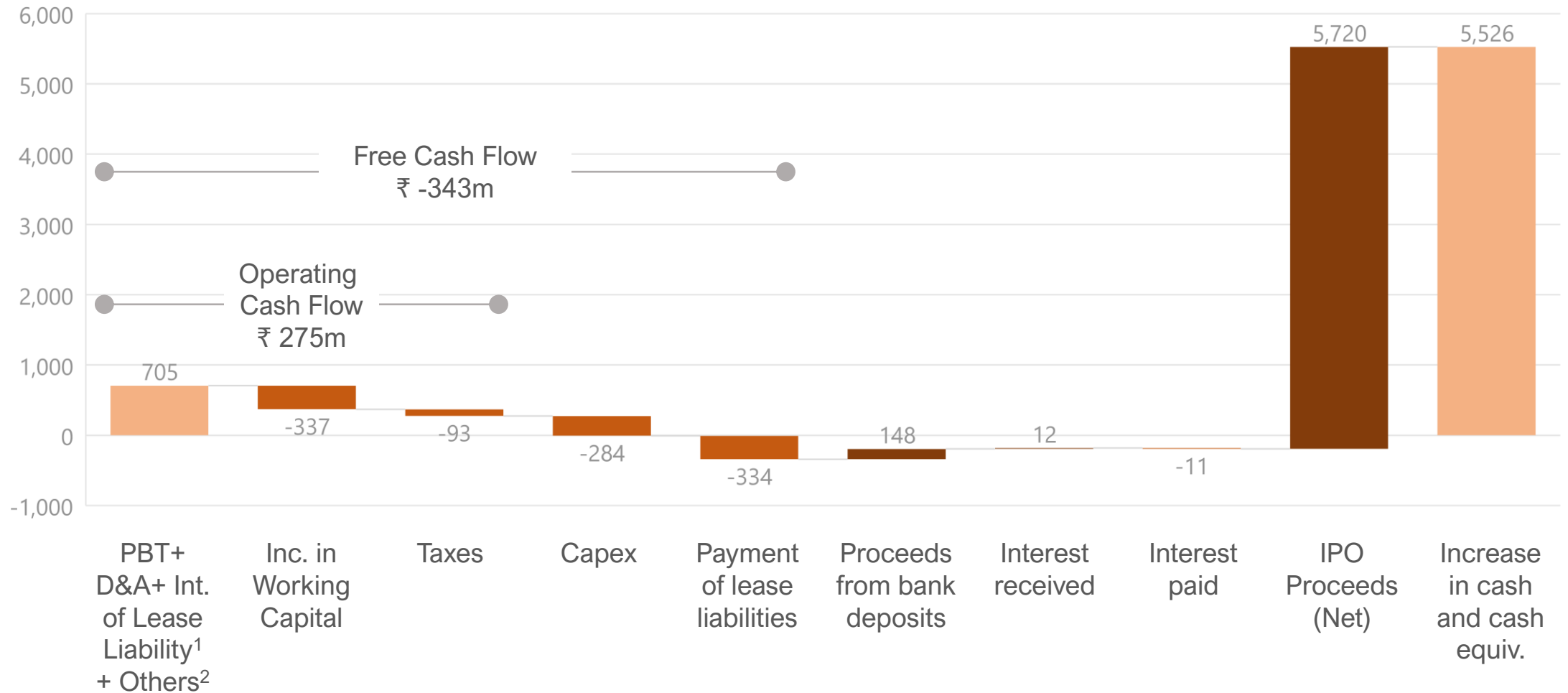
ROCE²: Operating EBIT/ Avg. Capital Employed



1. Inventory and Payables (as on end of period) computed on period Revenue
 2. Annualized by multiplying the quarterly computation by 4

Cash Management

Cash Management, Q3FY22, ₹m



1. Computed as per IND AS-116

2. Other non-cash expenses, e.g. ESOP compensation expense

Appendix

- A. Board and key management
- B. Glossary

A. Board and Key Management

Committed Board



Gangadi Madhukar Reddy ●
 Founded MedPlus and has led it since inception



Anish Kumar Saraf ●
 MD at Warburg Pincus India



Atul Gupta ●
 Investment partner at Premji Invest



Hiroo Mirchandani ●
 Senior business leader in healthcare and consumer sectors



Madhavan Ganesan ●
 Senior business leader. Over 3 decades covering retail and technology



Murali Sivaraman ●
 Senior business leader. Over 3 decades in India and international markets

- Managing Director & CEO
- Independent Non-Executive Director
- Non-Executive Director

Experienced Management Team



Dr. Bhaskar Reddy
 COO–Outlet Operations



Dr. Surendranath Mantena
 COO–MedPlus Mart



Hemanth Kundavaram
 Chief Financial Officer



Venugopal Sirripuram
 Chief Technology Officer,
 Optival



Kandasamy Vairaperumal
 Head Supply Chain,
 Optival



Lakshman Kandarpa
 Chief Retail Officer,
 Optival



Chetan Dikshit
 Chief Strategy Officer

B. Glossary

Term	Description
City Categorization (internal)	Metro: Bengaluru, Chennai (and Avadi), Hyderabad, Kolkata (and Howrah), Mumbai (and Thane) Tier One: Ahmednagar, Baramati, Kharagpur, Nagpur, Nashik, Panruti, Pune, Ranaghat, Vijayawada, Visakhapatnam Tier Two: Ninety-five cities, including Adilabad, Aurangabad, Coimbatore, Hooghly, Mysuru, Puri
EBITDA	EBITDA is a non-GAAP financial measure. EBITDA refers to our profit/(loss) for the period, as adjusted to exclude (i) Depreciation and Amortization Expenses, (ii) Finance Costs and (iii) Tax Expense.
Free Cash Flow (FCF)	Operating Cash Flow minus Capex minus Payment of lease liabilities
NWC	Net Working Capital. Inventory <u>plus</u> Receivables <u>minus</u> Trade Payables
Operating Cash Flow (OCF)	PBT <u>plus</u> non-cash expenditures <u>minus</u> increase in working capital <u>minus</u> taxes paid
Operating EBITDA	Operating EBITDA is non-GAAP financial measure adjusted for one – off expenses like ESOP
Store(s)	Our pharmacy stores. Unless specifically mentioned, this does not include our other outlets (e.g optical, clinic, lab, diagnostics, collection center)
Store age: Year 1, Year 2, Year 2+	For the purpose of age categorization, we determine the age as per the last day of the reporting period. For example a store that has completed 24 months at on the last day of the reporting period, is categorized as Year 2+
Store Level Operating ROCE	Store Level Operating ROCE is computed by dividing (Store Level Operating EBITDA <u>minus</u> depreciation, assumed as ₹10k p,m./ store for stores aged < 5 years) with Capital Employed. Capital Employed is computed as store level inventory at the end of the period + capex of ₹ 0.6m per store + refundable security deposit.



MEDPLUS HEALTH SERVICES LIMITED

www.medplusindia.com

COMPANY SECRETARY

Shilpi Keswani

cs@medplusindia.com

INVESTOR RELATIONS

Prasad Reddy/ Tanushree Chaurasia

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MEDIA AND PRESS ENQUIRIES

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