

February 2, 2024

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
Scrip Code: 543427

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Symbol: MEDPLUS

Dear Sir/Madam,

Sub: Presentation for Earnings Call with Analysts/Institutional Investors on un-audited Financial Results for the quarter ended December 31, 2023

Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in furtherance to our letter dated January 20, 2024, please find enclosed herewith the presentation for Earnings Call with Analysts/Institutional Investors on un-audited Financial Results for the quarter ended December 31, 2023 scheduled to be held on Monday, February 5, 2024 at 16:00 Hrs.

Kindly take the same on record. The same is being uploaded on the website of the Company.

Thanking You
Yours faithfully

For MedPlus Health Services Limited

MANOJ KUMAR
SRIVASTAVA

Digitally signed by MANOJ
KUMAR SRIVASTAVA
Date: 2024.02.02 17:37:06
+05'30'

Manoj Kumar Srivastava
Company Secretary & Compliance Officer
FCS 7460

Enclosed: a/a

MedPlus+



THIRD QTR FY2024

INVESTOR PRESENTATION

Corporate information
Performance update
Financial results

Feb 2, 2024

MedPlus+

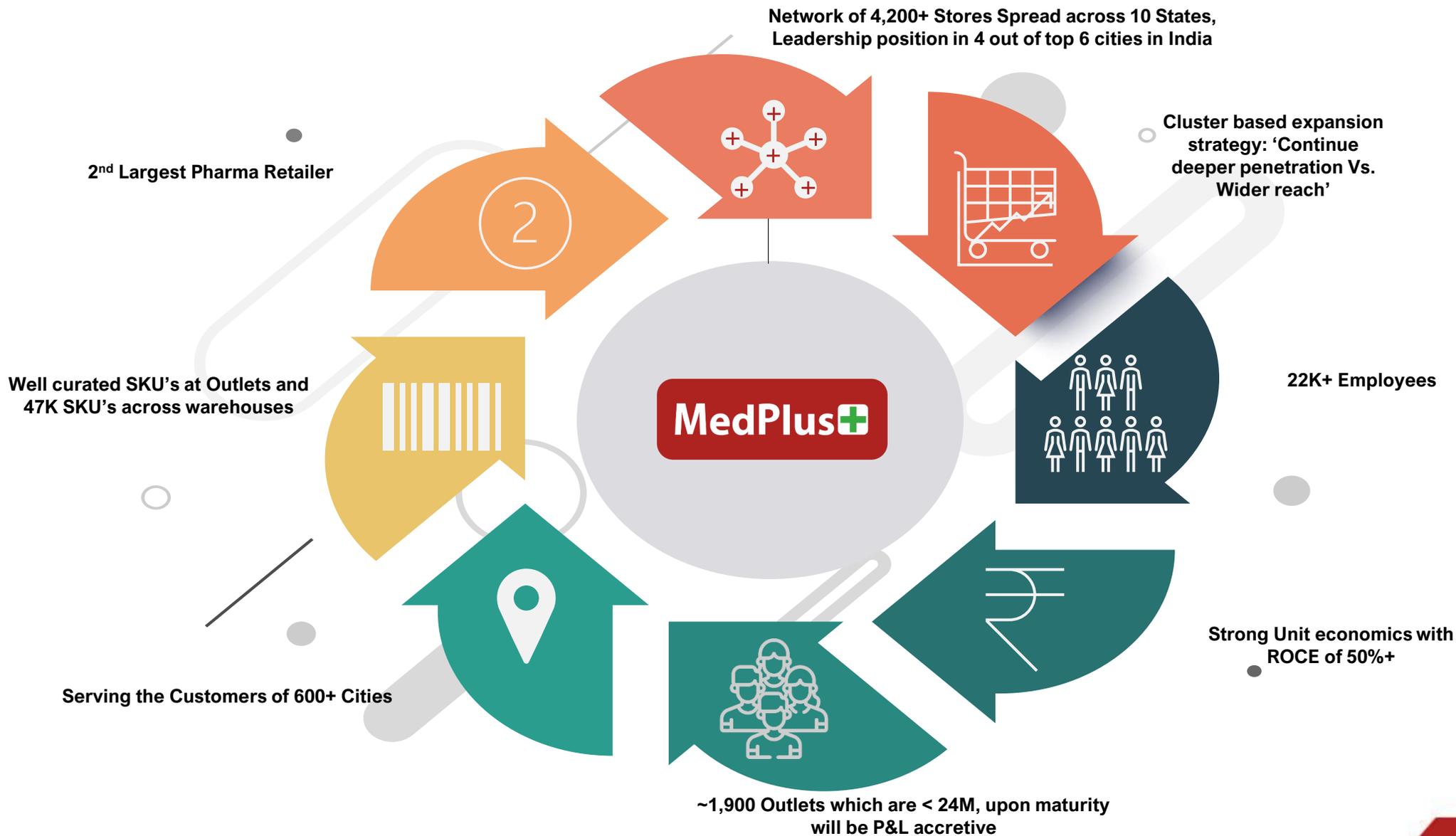
| Safe Harbour

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The MedPlus Story



| Q3 FY2024 Highlights (1/2)

₹ 14,415m Revenue

- ₹ 2,512m increase over Q3FY23
21.1% yoy
- ₹ 329m increase over Q2FY24. 2.3%
qoq
- 0.7% increase in private label over
Q3FY23

144 Store Net Additions

- 164 gross additions
- 89 net additions beyond Tier-One
- 4,233 stores as on 31-Dec-23

₹ 505m Pharmacy Operating EBITDA

- 3.6% Operating EBITDA margin in
Pharmacy (increased by 40 bps qoq)
- ₹ 466m Company Operating EBITDA

₹ 3,187m Gross Margin

- 22.1% gross margin (0.5% qoq)

Stores > 12 months

- 12.9% revenue growth over Q3FY23
- 9.6% Store Level EBITDA margin
- 52.5% Store Level Operating ROCE

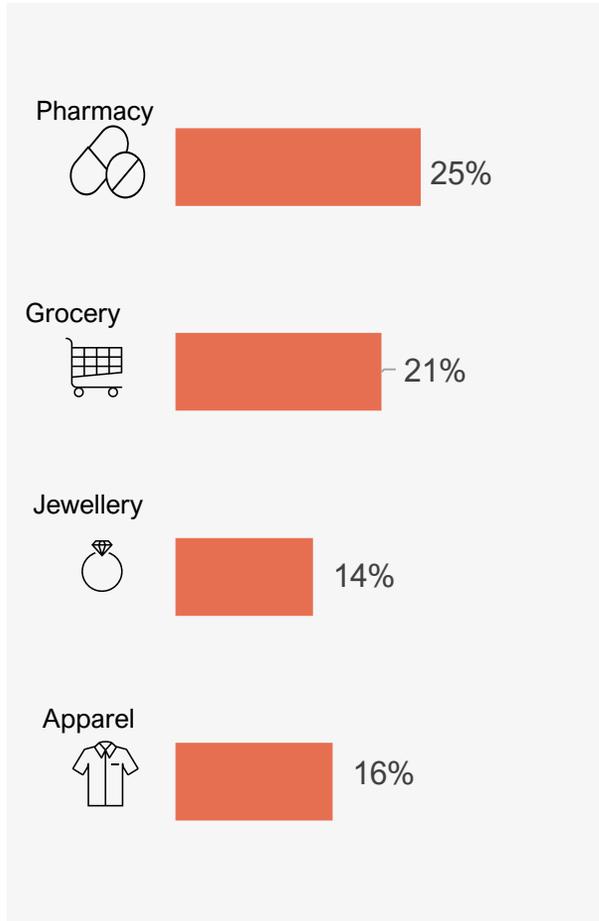
₹ 412m Operating Cash Flow

- 88.4% OCF/ Operating EBITDA
- ₹ 1,986m closing cash balance

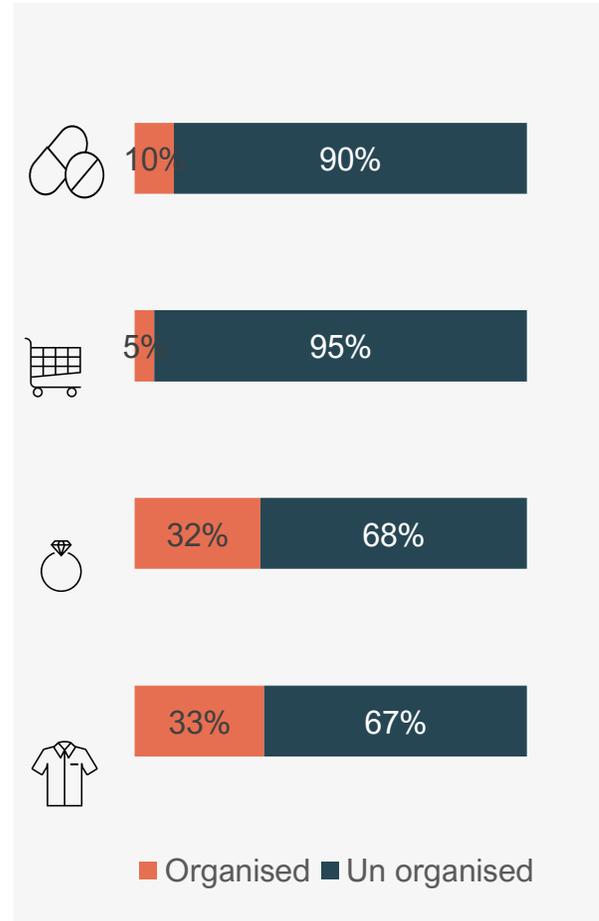


Pharmacy Retail is Most Attractive Segment of Indian Retail

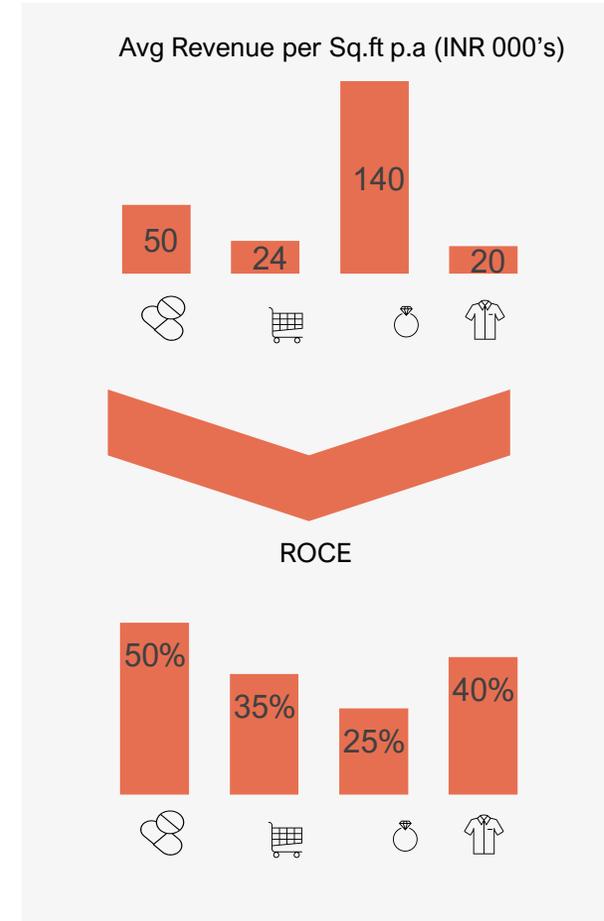
High Growth Profile Amongst Various Indian Retail Formats



Growth Rate To Continue in Foreseeable Future on Back of High Unorganized Salience

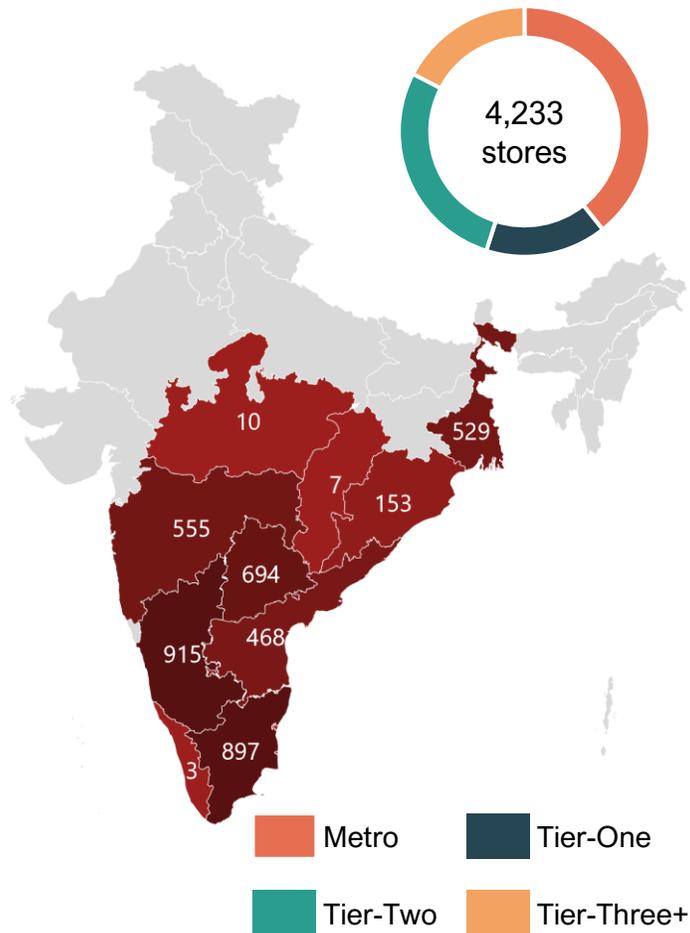


Highly Replicable Model Given Best in Class Return Metrics



Cluster Based Network Enables Profitable Omni-Channel Service

Stores As On Dec-23



Strong Cluster Based Network

Strong network of 4,233 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' 4,233 stores

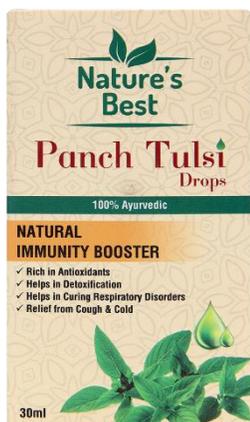
1. For 2020; Proportion of domestic pharmaceutical market. Technopak Advisors (2021). Pharmacy Retail in India
2. Stores in Puducherry are not represented in the map above. As on 31-Dec-23 we have 2 stores in Puducherry

Scale Allows A Large Private Label Basket: 1000+ SKUs

► Pharma
Over **783** products covering Chronic, Acute, OTC & Other Pharmaceutical products



► Non-Pharma
Over **313** products covering, packaged food, baked goods, dry goods, cleaning products, cosmetics and toiletries



| Poised for Growth

Key Pillars Of Growth

A	Growth in existing clusters and develop new clusters	<p>MedPlus has an established base of operations in 10 states. Therefore, we will:</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	Leverage our leadership in omni-channel	<p>MedPlus has built an extensive in-house technology platform. On the back of that, we will:</p> <ul style="list-style-type: none">• Expand our target addressable market via omni-channel offering• Increase retention via omni-channel• Operationally extend <2 hour delivery to more locations
C	Expand share of private label: Higher margins and higher share of wallet	<p>MedPlus has a curated private label range of 1000+ SKUs. From these, we will:</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

676 Stores Added In Last 12 Months

As On Dec-22

As On Mar-23

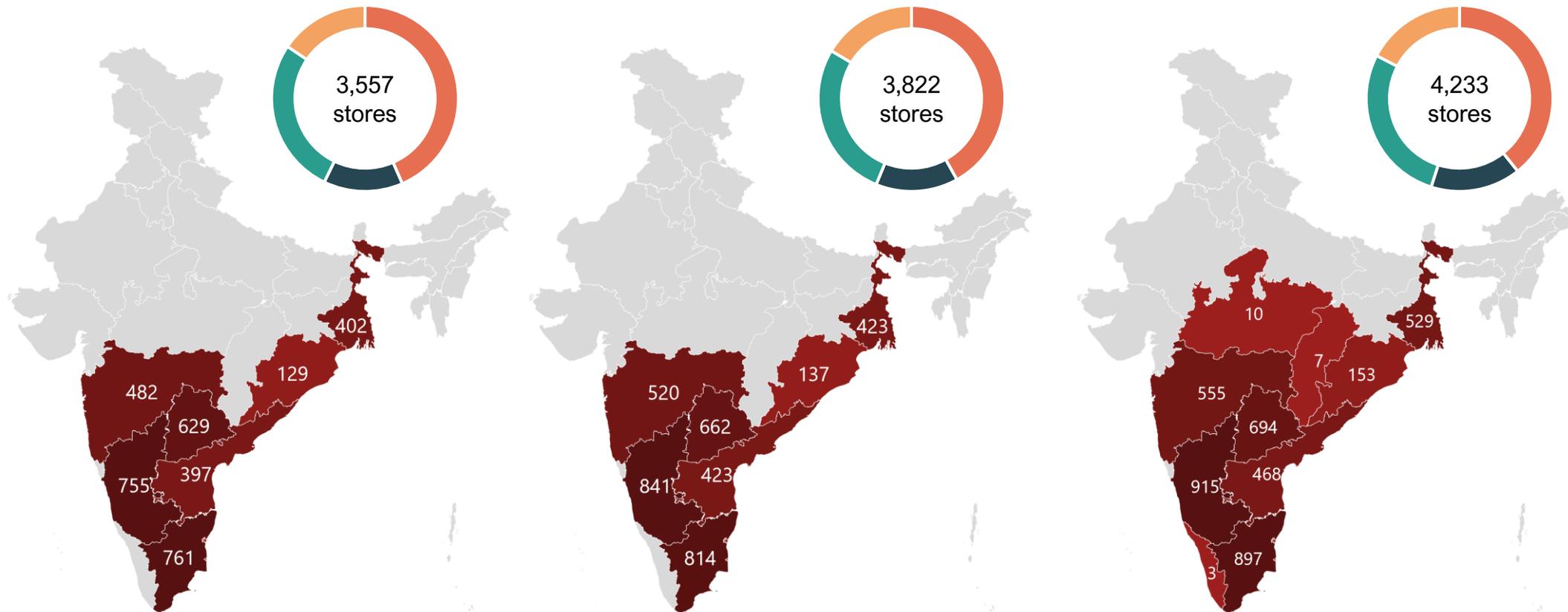
As On Dec-23

► Presence

We are present in 10 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 600+ cities

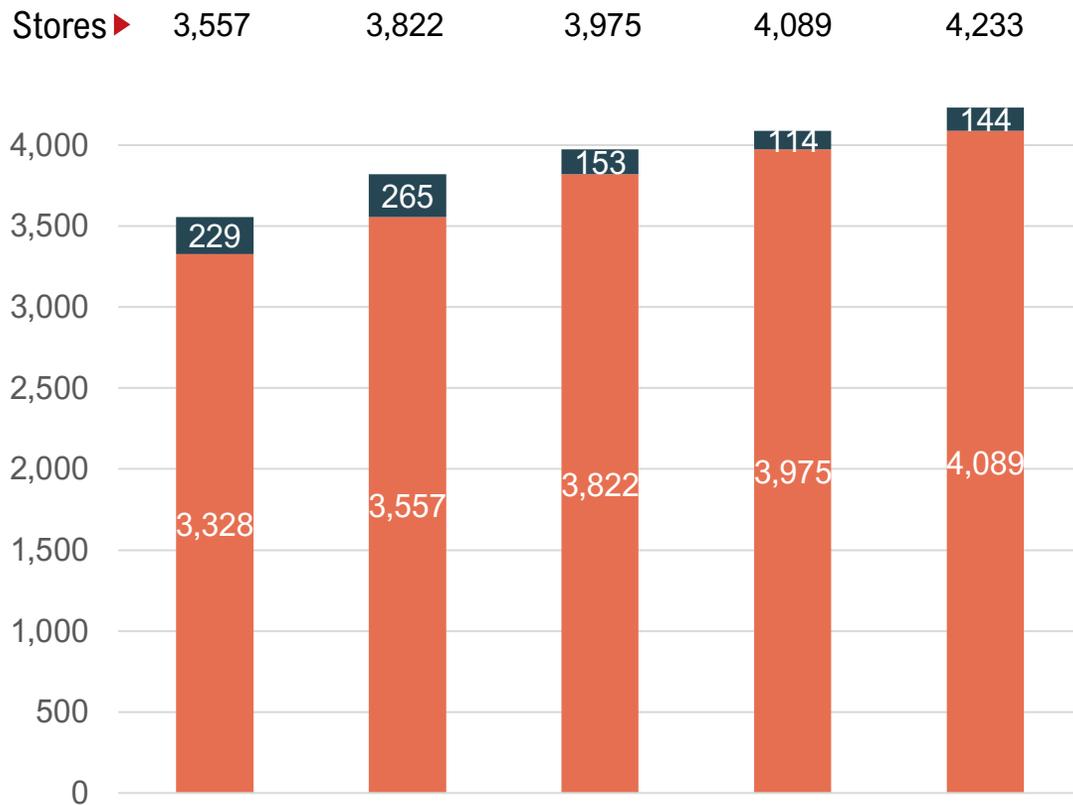


1. Stores in Puducherry are not represented in the maps above. As on 31-Dec-23 we have 2 stores in Puducherry
2. Census of India (2011)
3. Color index for pie-chart as below:

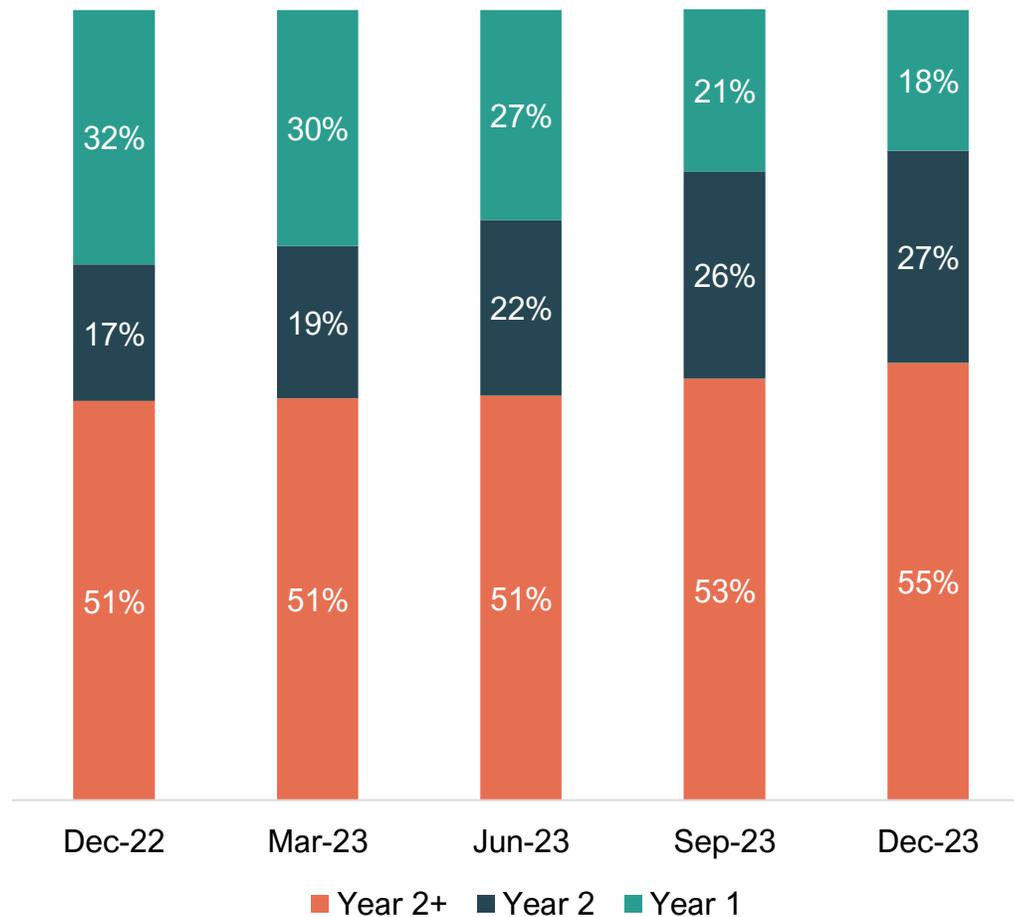


Young Store Network: 18% Less Than 12 Months Old

Pharmacy: Count



Pharmacy: Age Structure of Stores¹



► Openings

Maintaining an increasing pace of store openings

► Age Structure

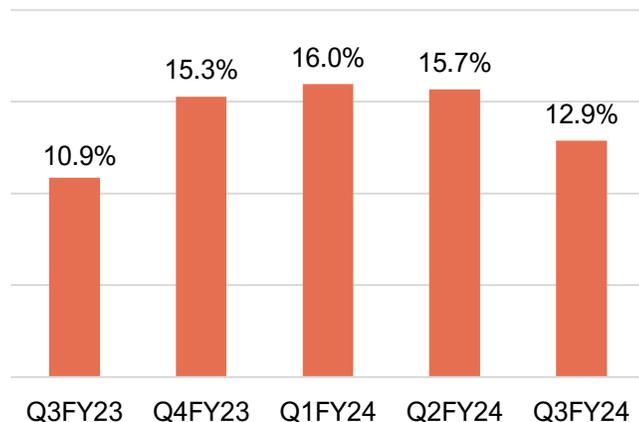
c.45% stores are less than 24 months age

Openings	246	284	168	139	164
Closures	17	19	15	25	20
Net Additions	229	265	153	114	144

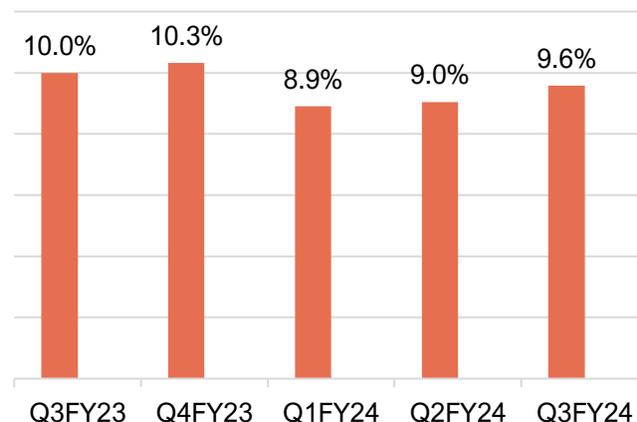
1. Store age, as on end of period

Profitable Older Stores: 12+ Months

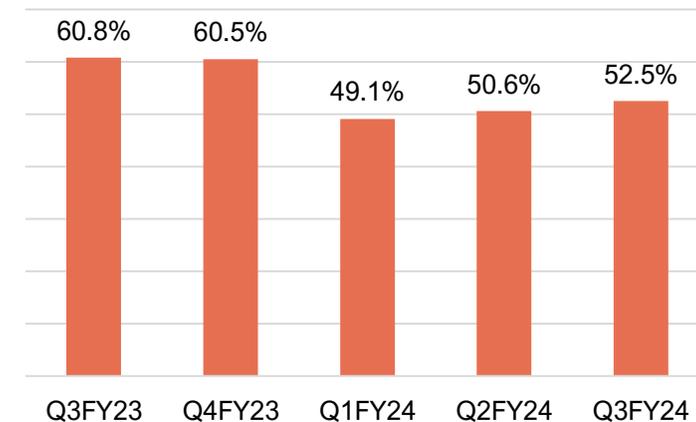
Store Level Revenue Growth¹



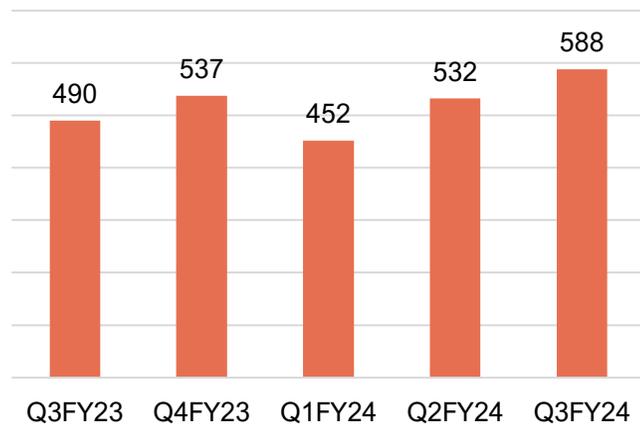
Store Level EBITDA Margin



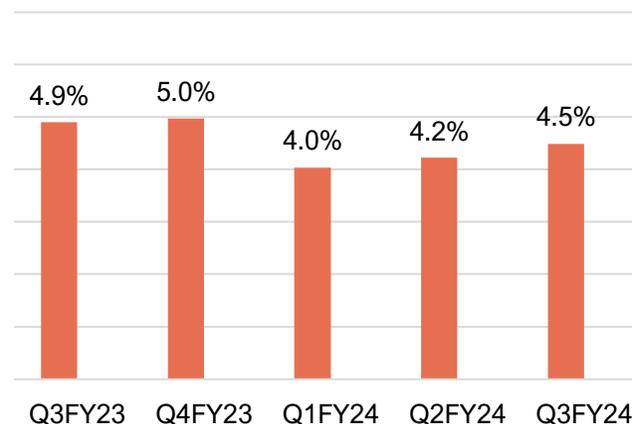
Store Level Operating ROCE^{2,3}



Operating EBITDA, ₹m



Operating EBITDA Margin



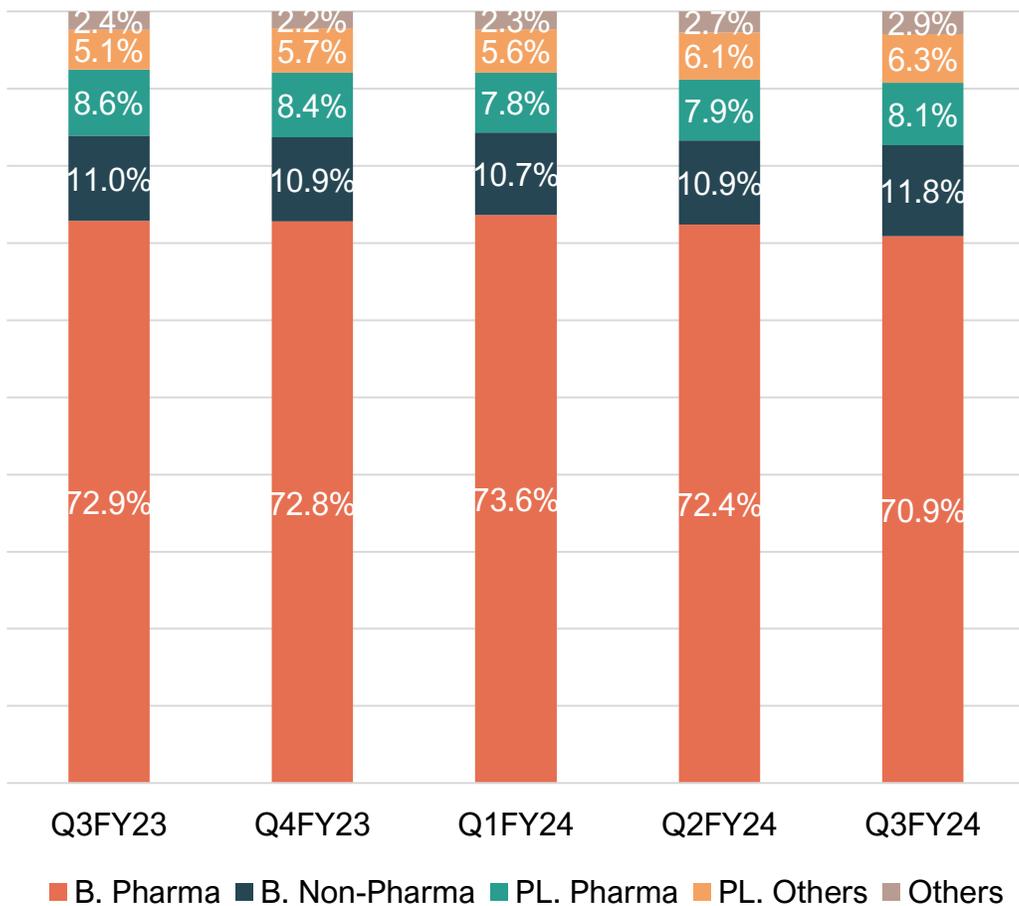
1. Growth is yoy

2. See Glossary for definition

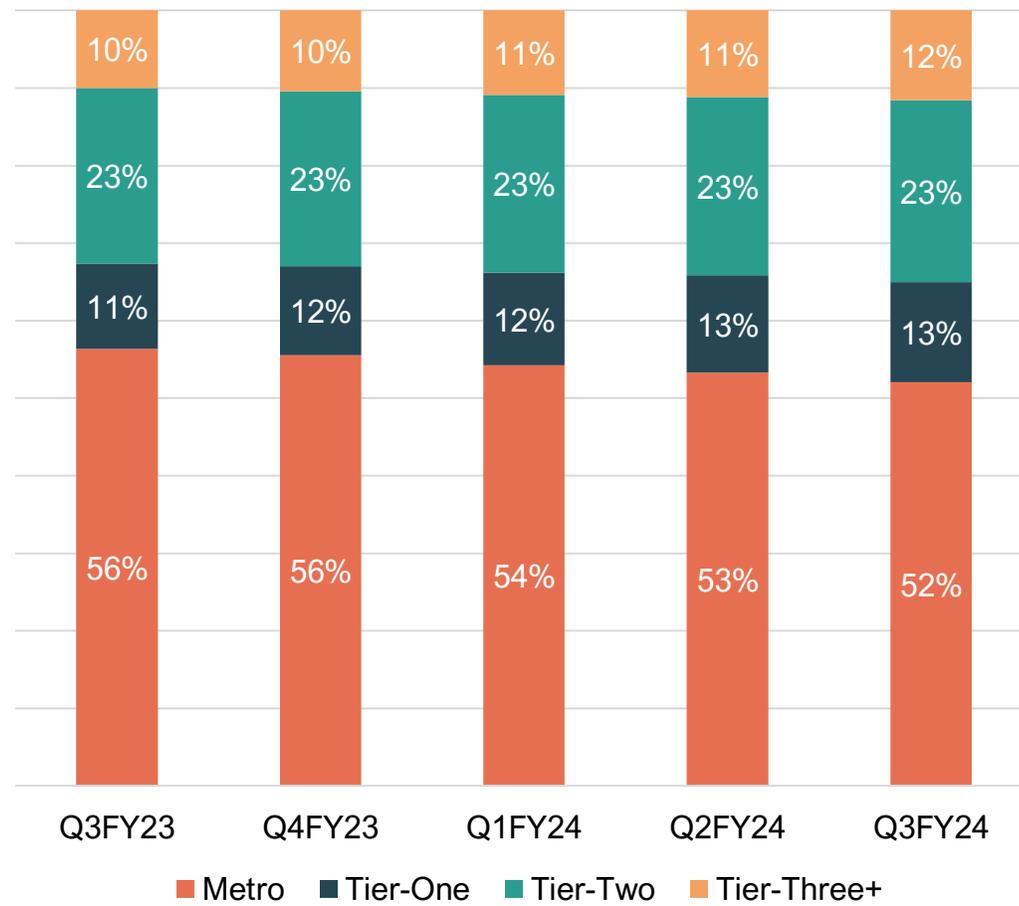
3. Annualized by multiplying the quarterly computation by 4

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

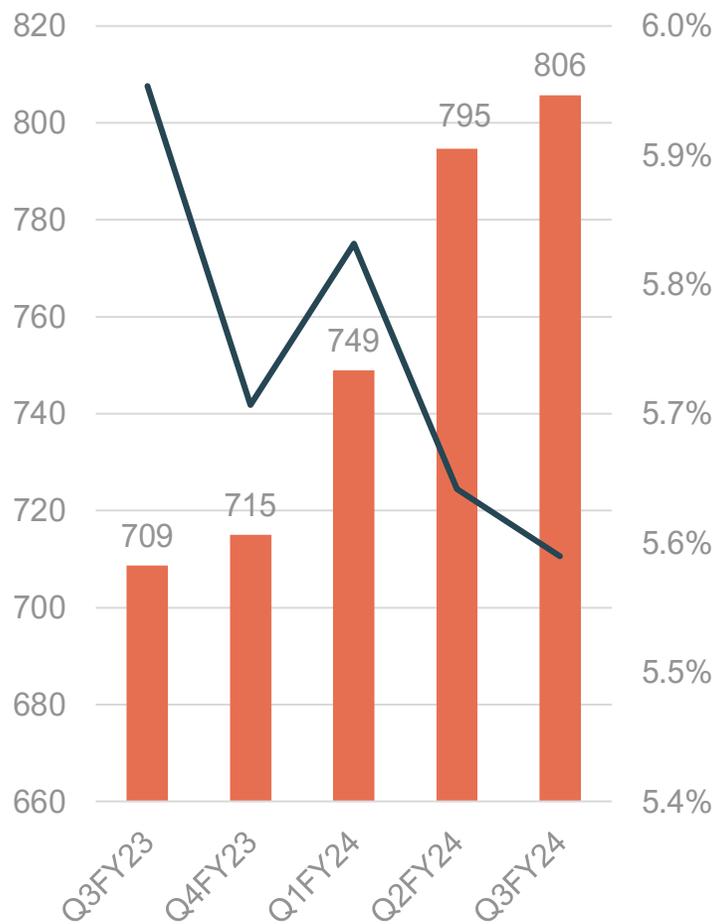
Maintaining trend of growth beyond Metro and Tier-One

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

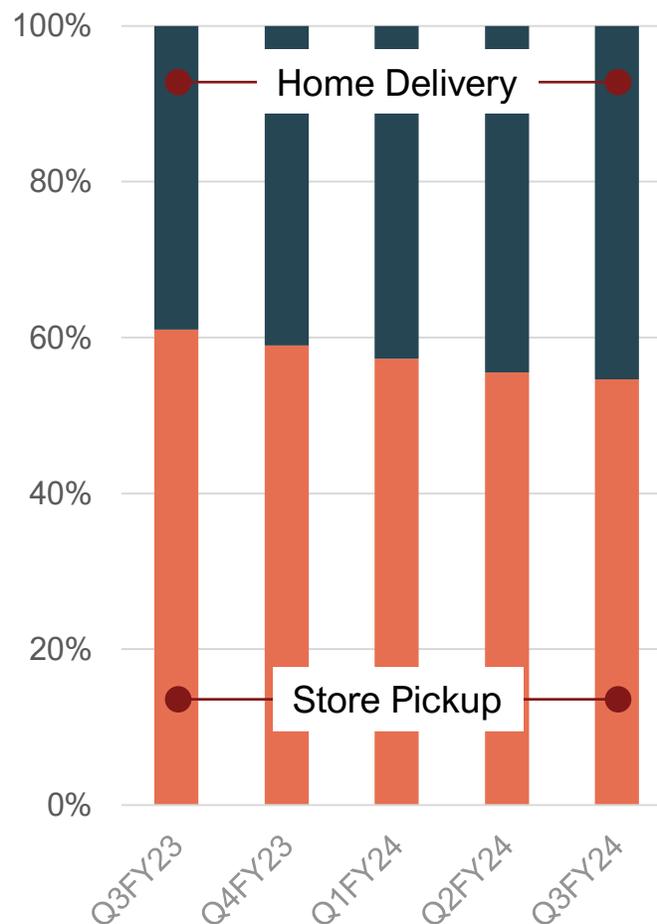
Omni-channel: Profitable With Negligible Acquisition Costs

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

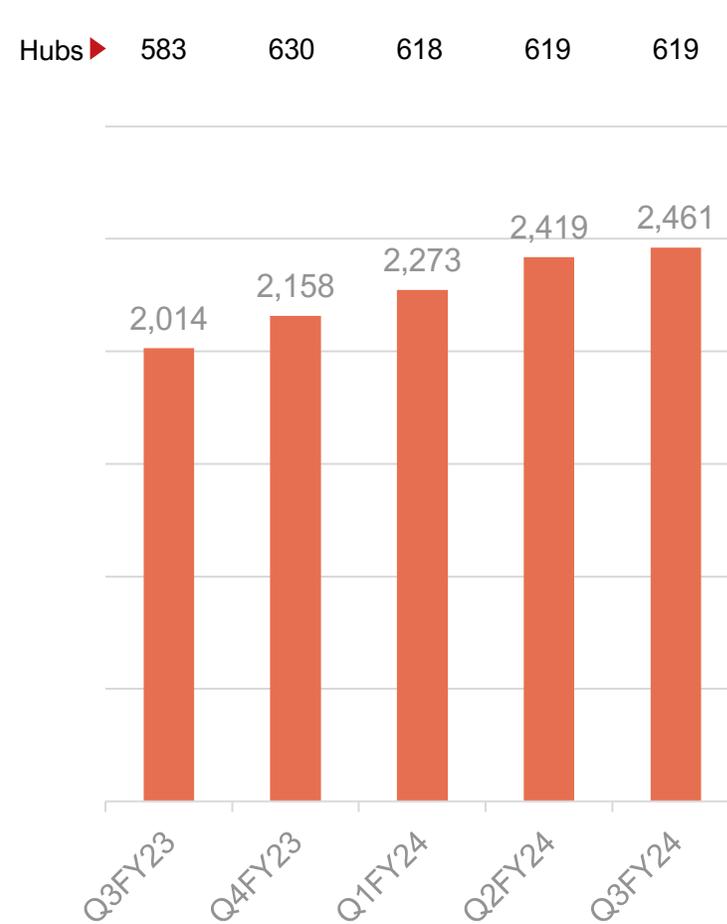
Channel Revenue



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

	Q3FY23	Q2FY24	Q3FY24	Q3FY24 vs. Q3FY23 (yoy)	Q3FY24 vs. Q2FY24(qoq)	9m FY23	9m FY24	9m FY24 vs. 9m FY23 (yoy)
Revenue	11,903.1	14,085.9	14,414.7	21.1%	2.3%	33,045.9	41,343.6	25.1%
Gross Margin	2,638.1	3,044.9	3,187.3	20.8%	4.7%	7,168.8	8,966.3	25.1%
Gross Margin	22.2%	21.6%	22.1%			21.7%	21.7%	
Expenses	2,267.6	2,635.0	2,721.3	20.0%	3.3%	6,294.1	7,799.5	23.9%
Operating EBITDA	370.5	409.9	466.0	25.8%	13.7%	874.7	1,166.7	33.4%
Operating EBITDA	3.1%	2.9%	3.2%			2.6%	2.8%	
Rental Expenses	461.1	532.6	535.6	16.1%	0.6%	1,286.6	1,568.3	21.9%
ESOP Expenses	(54.2)	(42.0)	(33.7)	-37.9%	-19.8%	(178.4)	(117.7)	-34.0%
Interest Income	53.5	54.0	47.8	-10.7%	-11.6%	181.3	160.3	-11.5%
EBITDA	830.8	954.6	1,015.7	22.2%	6.4%	2,164.2	2,777.6	28.3%
EBITDA	7.0%	6.8%	7.0%			6.5%	6.7%	
Depreciation & Amortization	(457.9)	(554.7)	(571.1)	24.7%	3.0%	(1,257.6)	(1,650.0)	31.2%
Finance Costs	(210.8)	(235.4)	(245.0)	16.2%	4.1%	(607.6)	(713.1)	17.4%
PBT	162.1	164.4	199.6	23.1%	21.4%	299.0	414.5	38.6%
PAT	133.8	145.4	137.0	2.4%	-5.8%	235.4	320.1	36.0%
PAT	1.1%	1.0%	1.0%			0.7%	0.8%	

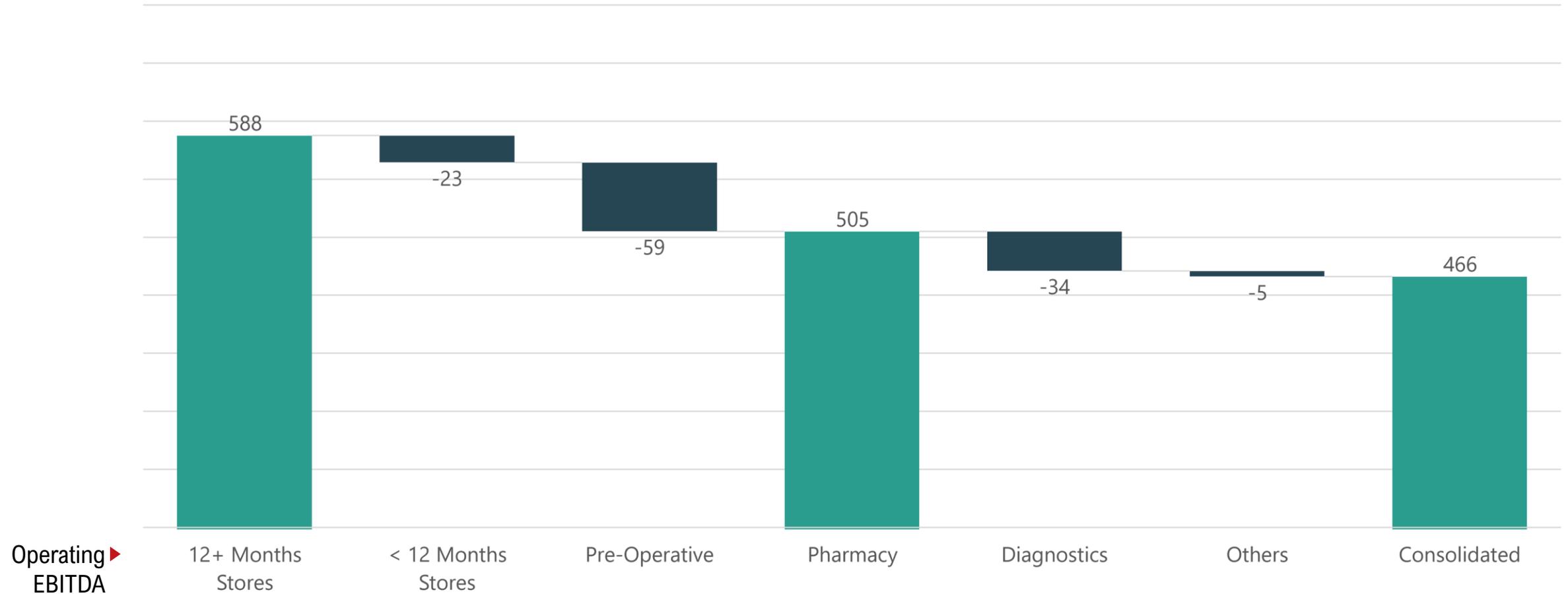
Income Statement: Business Segments

Snapshot of Income Statement, ₹m

	Q2FY24				Q3FY24			
	Pharmacy Retail	Diagnostic	Others	Total	Pharmacy Retail	Diagnostic	Others	Total
Revenue	13,884.8	181.5	19.5	14,085.9	14,203.5	196.0	15.2	14,414.7
COGs and Expenses	13,444.6	210.6	20.5	13,675.7	13,698.6	230.2	19.7	13,948.5
Operating EBITDA	440.2	(29.0)	(1.2)	409.9	504.9	(34.1)	(4.8)	466.0
Operating EBITDA	3.2%	-16.0%	-6.3%	2.9%	3.6%	-17.4%	-31.4%	3.2%
Rental Expenses				532.6				535.6
ESOP Expenses				(42.0)				(33.7)
Interest Income				54.0				47.8
EBITDA				954.5				1,015.7
EBITDA				6.8%				7.0%

Operating EBITDA Deep Dive

Operating EBITDA Bridge: From 12+ Months Stores to Consolidated, ₹m



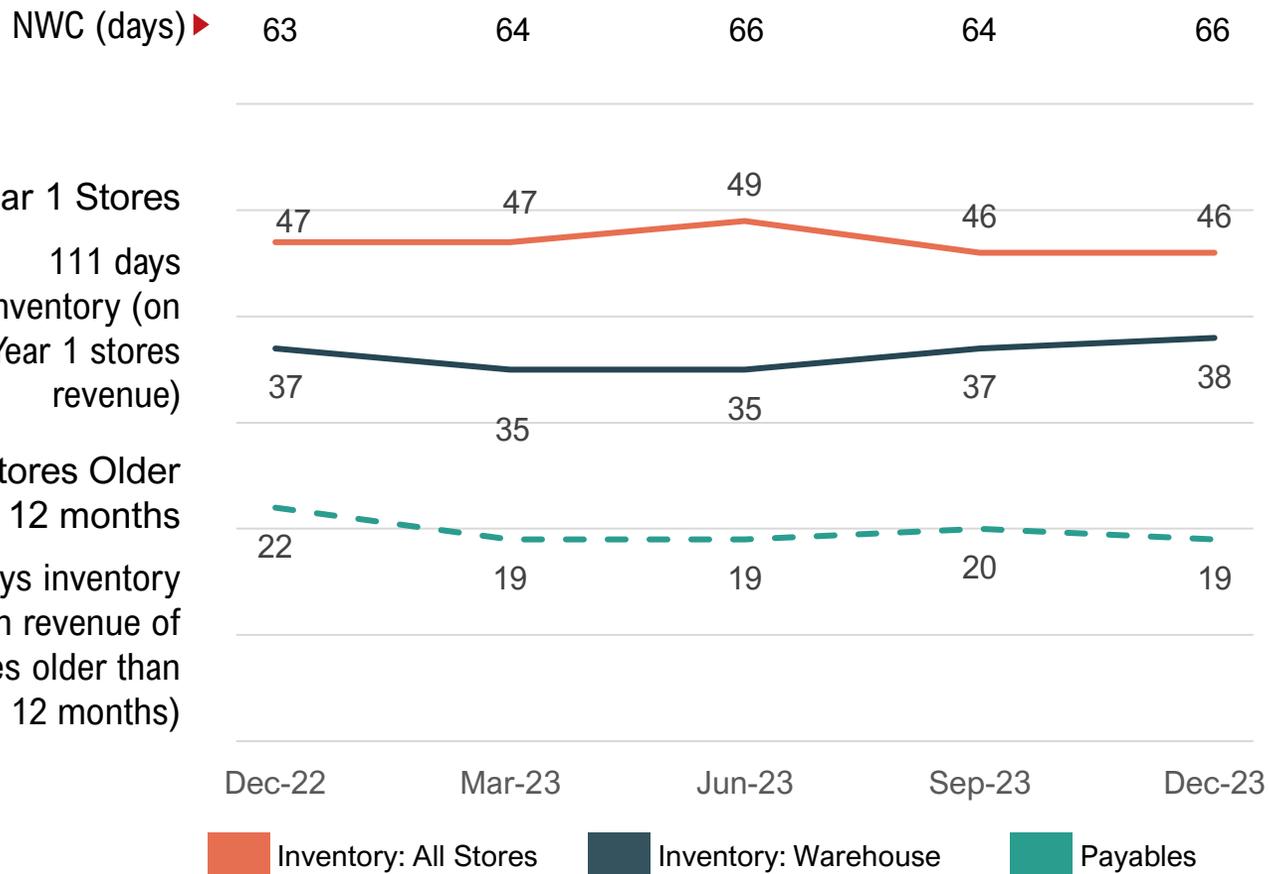
Balance Sheet

Snapshot of Balance Sheet, ₹m

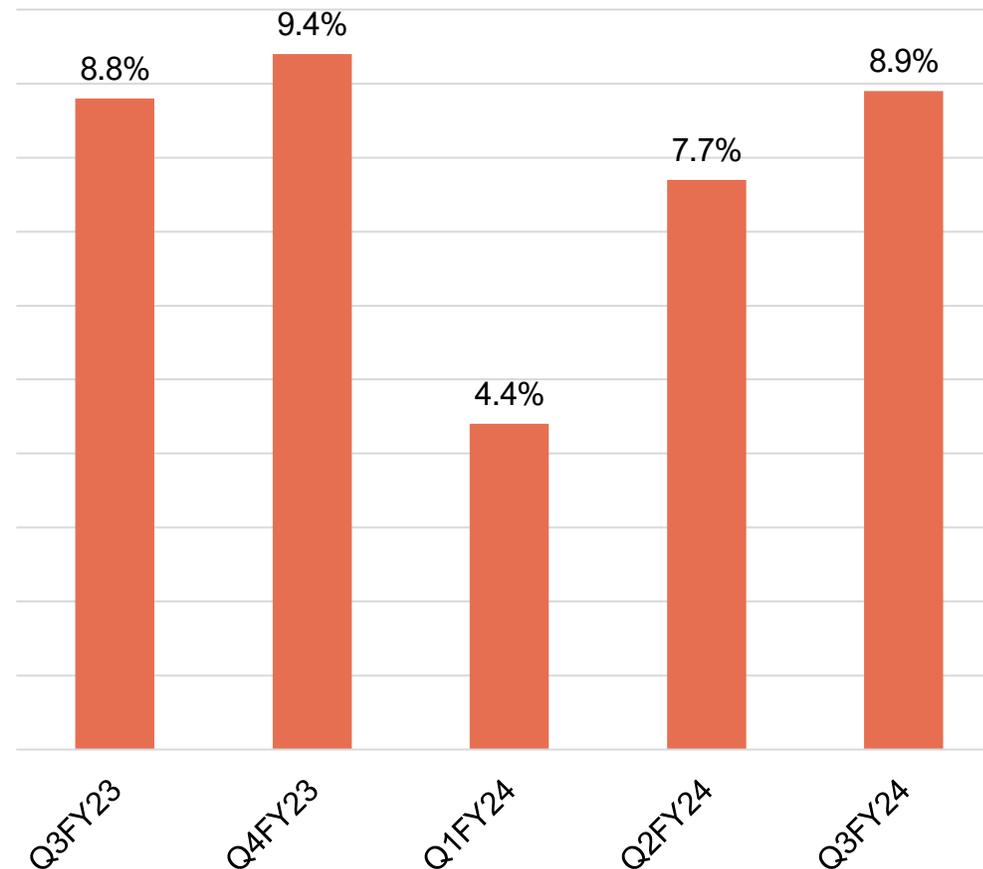
	Dec-22	Mar-23	Sep-23	Dec-23
Assets				
Non Current Assets				
PPE and CWIP	2,759.8	3,122.4	3,153.1	3,172.0
Intangible assets	476.7	489.9	505.2	509.1
Right-of-use asset	7,511.8	8,022.0	8,427.6	8,542.6
Others	1,648.5	1,525.7	1,674.6	1,691.7
Total Non Current Assets (A)	12,396.8	13,160.0	13,760.5	13,915.4
Current Assets				
Inventories	10,869.1	11,440.9	12,749.2	13,171.9
Cash	3,187.2	2,874.8	2,189.0	1,985.9
Others	799.7	491.5	675.4	711.3
Total Current Assets (B)	14,856.0	14,807.2	15,613.6	15,869.1
Total Assets (A + B)	27,252.8	27,967.2	29,374.1	29,784.5
Equity and Liabilities				
Total Equity	14,592.9	14,911.8	15,227.1	15,458.1
Share application pending allotment	10.0	-	-	-
Other non current liabilities	7,885.3	8,289.6	8,699.7	8,904.6
Borrowings	2.3	-	-	-
Trade payables	2,851.2	2,601.5	2,997.3	3,005.5
Other current liabilities	1,911.1	2,164.4	2,450.1	2,416.3
Total Equity and Liabilities	27,252.8	27,967.2	29,374.1	29,784.5

Capital Productivity

Working Capital Cycle, days



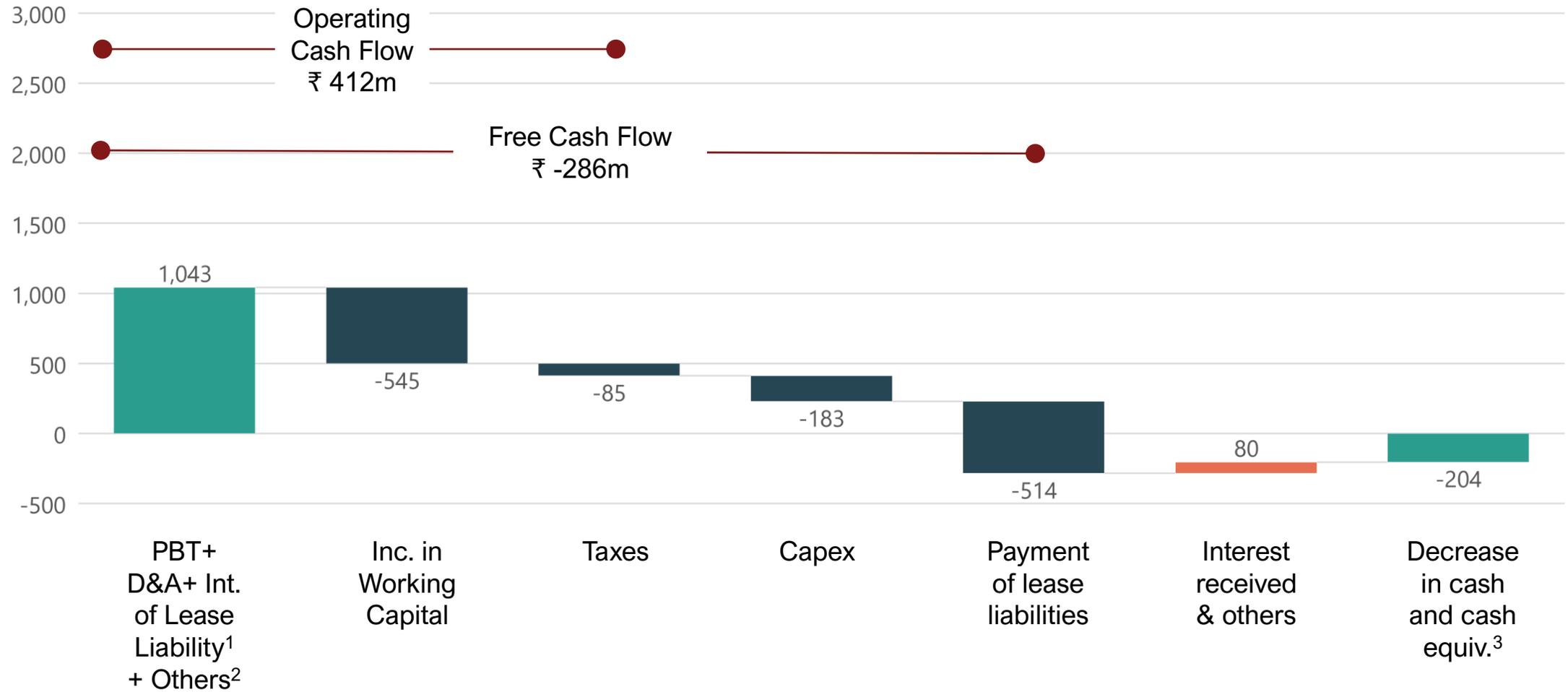
ROCE²: Operating EBIT/ Avg. Capital Employed



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, Q3FY24, ₹m



1. Computed as per IND AS-116

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

3. Additionally, during the quarter we have withdrawn ₹ 287m from fixed deposit

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



Dr. Bhaskar Reddy ●
Chief Operating Officer and Whole-Time Director



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
- Whole-Time Director

Experienced Management Team



Sujit Mahato
Chief Financial Officer



Lakshman Kandarpa
Chief Retail Officer, Optival



Chetan Dikshit
Chief Strategy Officer



Venugopal Siripuram
Chief Technology Officer, Optival



Kandasamy Vairaperumal
Head Supply Chain, Optival

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: Hundred and Nine 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
GMV	Gross Merchandising Value (GMV = MRP- GST)
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.
Full – Service Center	Full-service center refers to Integrated Diagnostic center with Pathology and Radiology (including MRI and CT)
Level 2 center	Level 2 center refers to diagnostic center with pathology and Radiology (without CT and MRI)



MEDPLUS HEALTH SERVICES LIMITED

www.medplusindia.com

COMPANY SECRETARY

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INVESTOR RELATIONS

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ir@medplusindia.com

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marketing@medplusindia.com