



December 2023

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VISION

**Build India's Largest
Digital Healthcare
Platform**

MISSION

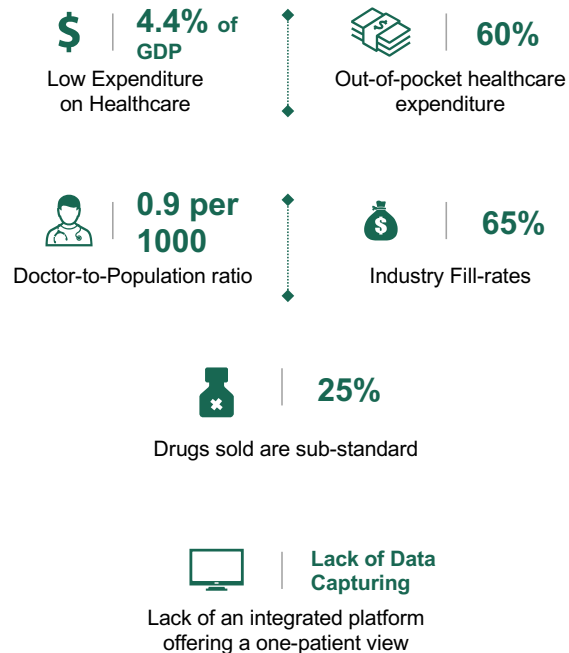
**Simplifying Healthcare,
Impacting Lives**



**Large Healthcare Opportunity
exists for API Holdings**

Addressing structural challenges in the indian outpatient healthcare system

Indian Healthcare System Plagued By Several Structural Challenges



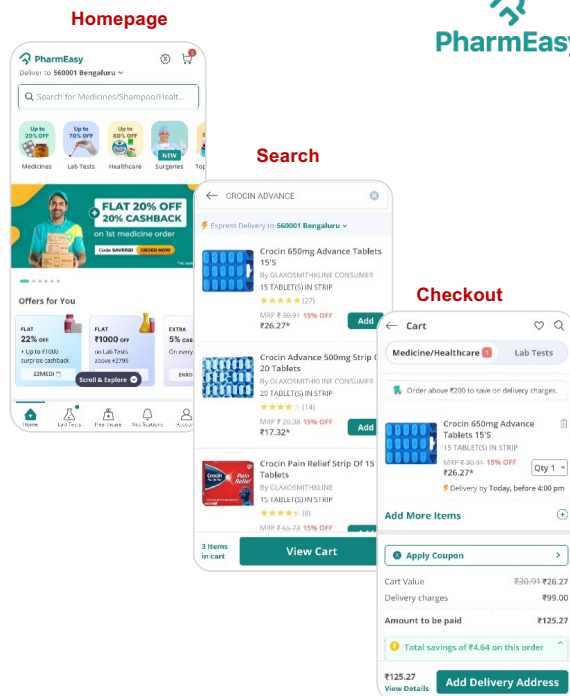
API's Platform Targeted At Addressing Each Structural Challenge



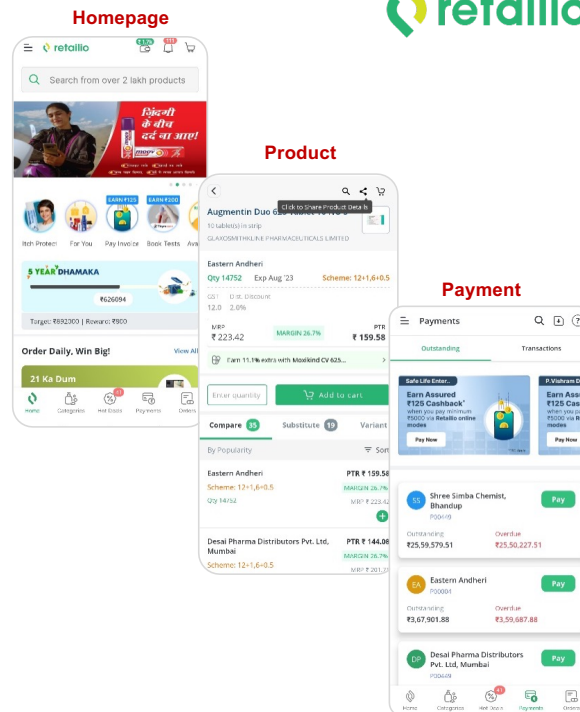
Source: Company Research

Strong focus on high wallet customers across product segment leading to profitability

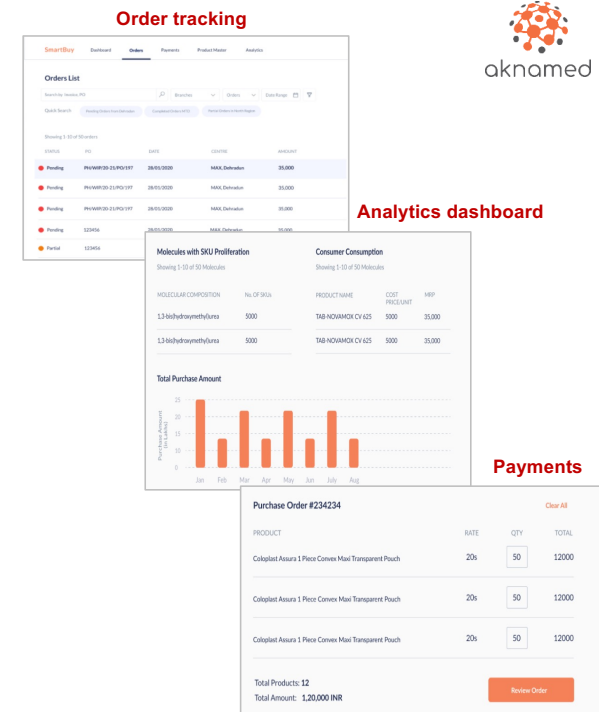
Leading Healthcare Platform with best-in-class service delivery



Market leading & tech-led distribution platform with robust operations



Large, tech enabled platform for hospital procurement & supply chain

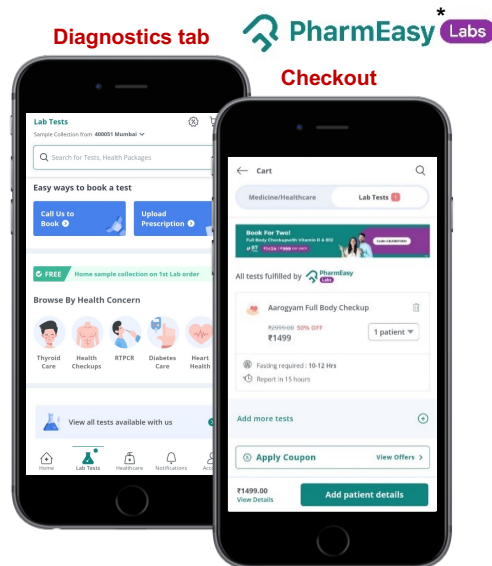


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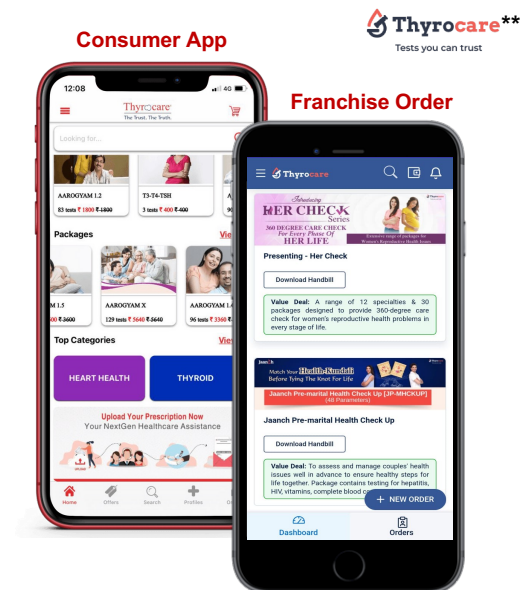
* PharmEasy Brand and App have been licensed to Axelia Solutions Pvt. Ltd. ("Axelia"); Axelia operates the PharmEasy marketplace; API Holdings owns 19.99% of Arman Solutions Pvt. Ltd. which is the holding company of Axelia

API Diagnostics and Thyrocare shows sustainable & Integrated Growth Trajectory

API Diagnostics: Cross sell of diag. to PharmEasy customer base



Thyrocare: Trusted for high Quality



Notes:

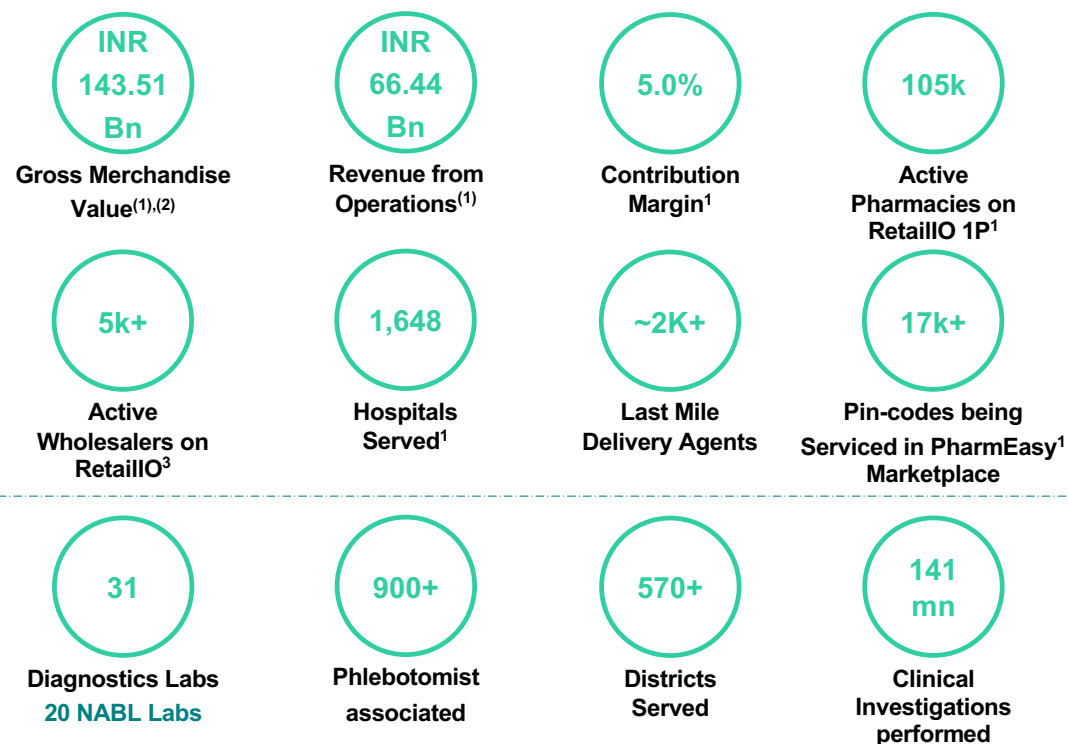
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**In September 2021, DocOn Technologies, a wholly owned subsidiary of API Holdings, acquired 71.22% equity interest in Thyrocare Technologies Limited ("Thyrocare")

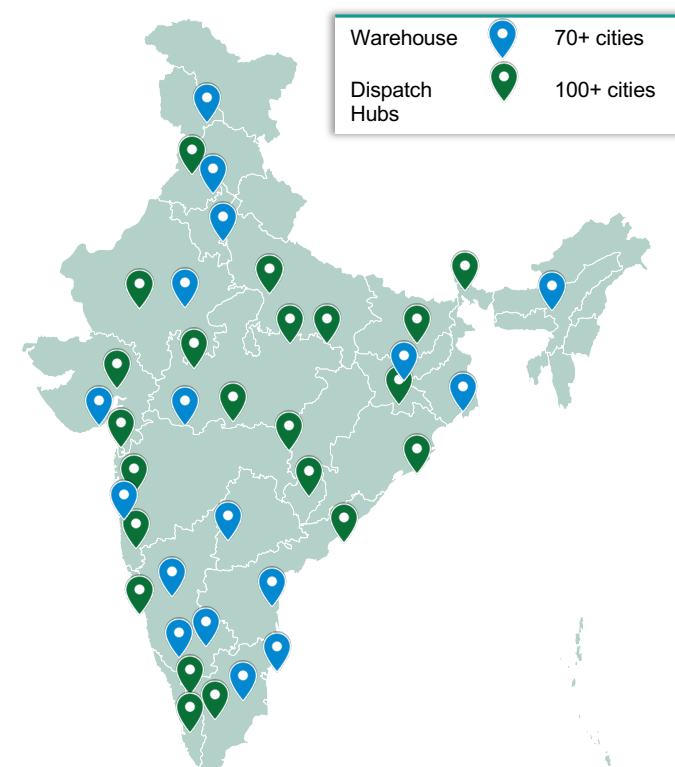
We have built best-in-class network across the country for our products & service business



Our scale & platform strength – At a Glance



Our Pan-India Logistics & Infrastructure Presence



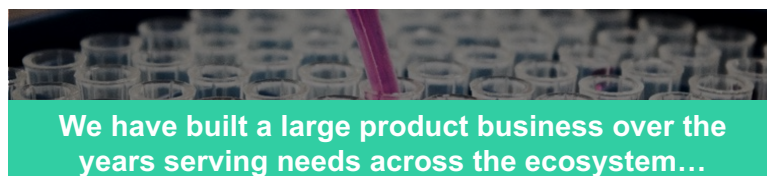
Notes:

¹ For the Fiscal year 2023

² We define GMV as follows: (i) For our products and services (other than Retailio 3P), GMV refers to our revenue for such products and services as per our books of accounts, grossed up for applicable taxes, (ii) for Retailio 3P, GMV refers to the gross merchandise value of products and services transacted using Retailio (excluding Retailio 1P GMV)

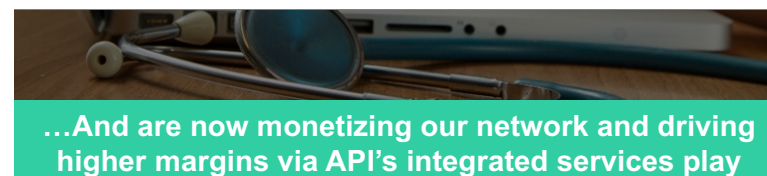
³ For the month of March 2023

Leveraging our presence across products and services to build a leading outpatient healthcare business



Offerings

- Pharmaceuticals (Rx, OTC) and other healthcare categories
- Pharmaceuticals and consumables to retailers and hospitals



- B2C and B2B2C Diagnostics, Surgeries
- Platform & SaaS tools for retailers, distributors and doctors



Creating High Margin Revenue Streams of Services alongside Products

	Revenue ¹		Gross Margin ¹	
	FY2022	FY2023	FY2022	FY2023
Products	91%	90%	5%	5%
Services	9%	10%	71%	76%

Notes:

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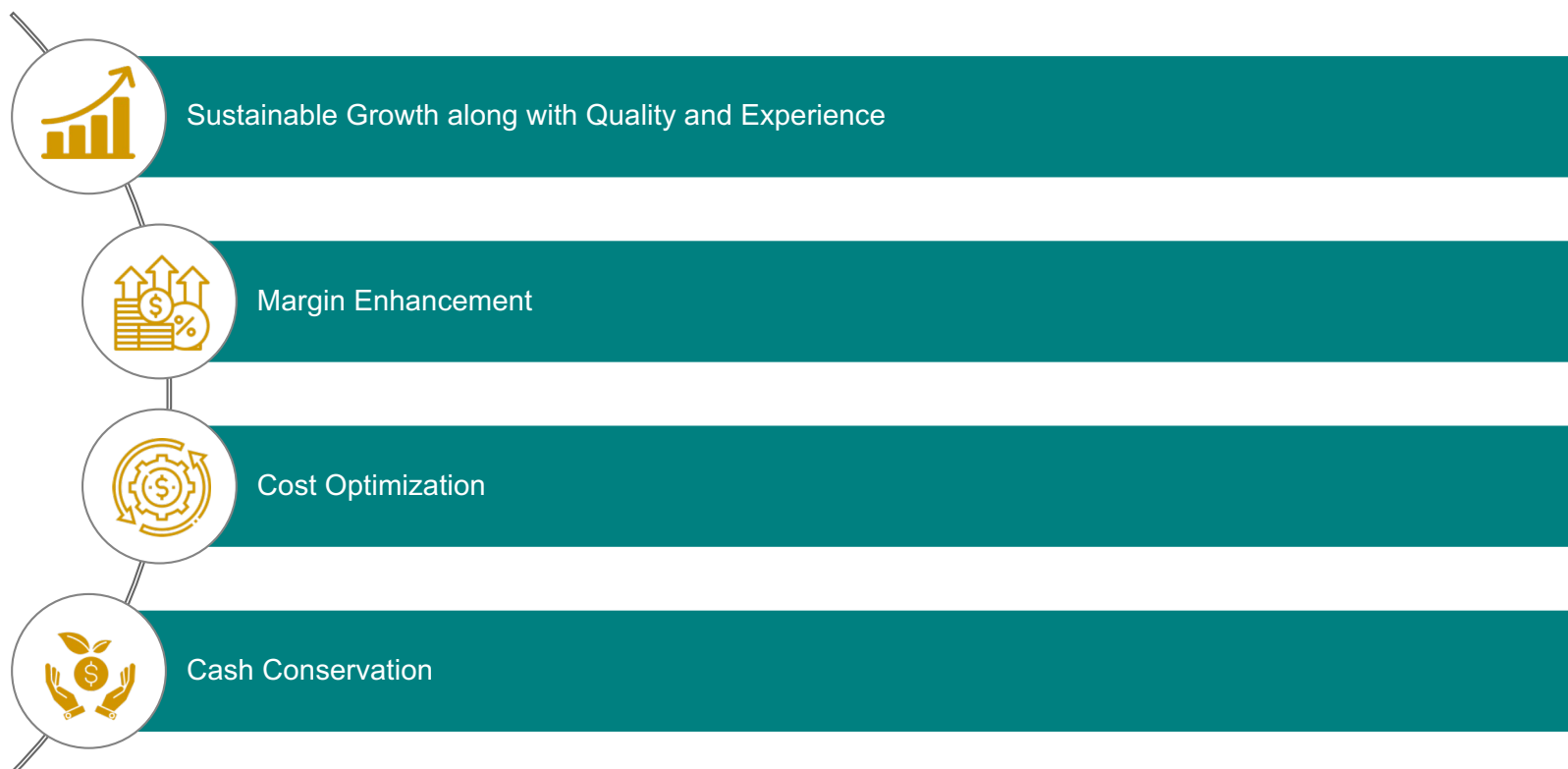
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¹ Excluding COVID Revenue



FY'23 Strategy & Latest Business Updates

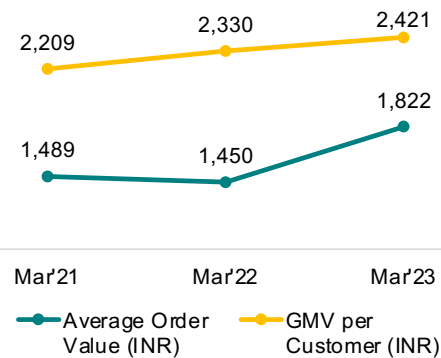
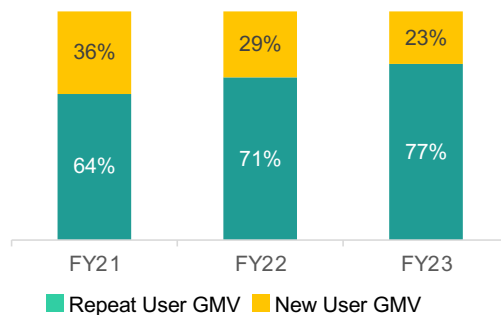
Our Strategy has focused on a 4 Point agenda to improve overall profitability, drive operating leverage and strengthen our core businesses



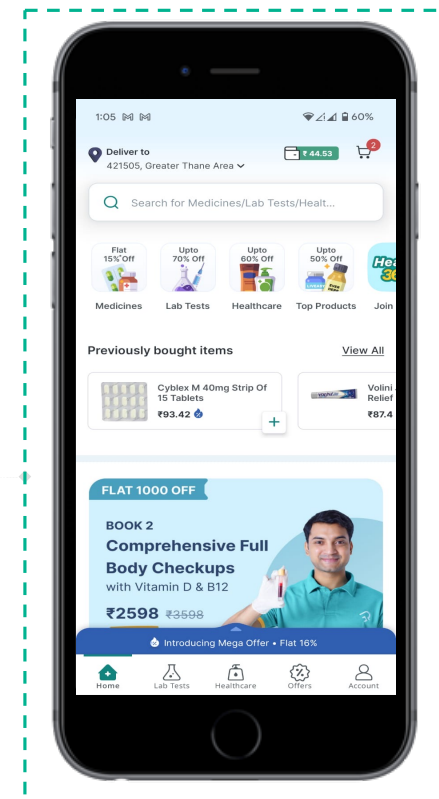
Strong Consumer Engagement Metrics on PharmEasy leading to profitability

Strong retention of consumers on PharmEasy^{1,2} platform..

..along with focus on chronic consumer with higher wallet share^{1,2}..



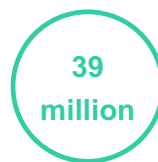
PharmEasy Consumer App²



...Keeping Customer Experience intact for customers resulting in profitability



NPS Today²



Total Registrations
as of March 2023²



Pin-codes
serviced²



Avg. Delivery Time
For Metro cities²

¹ For customers who transacted on PharmEasy Marketplace

² Metrics for PharmEasy Marketplace ; PharmEasy Brand and App have been licensed to Axelia Solutions Pvt. Ltd. ("Axelia"); Axelia operates the PharmEasy marketplace; API Holdings owns 19.99% of Aarman Solutions Pvt. Ltd. which is the holding company of Axelia

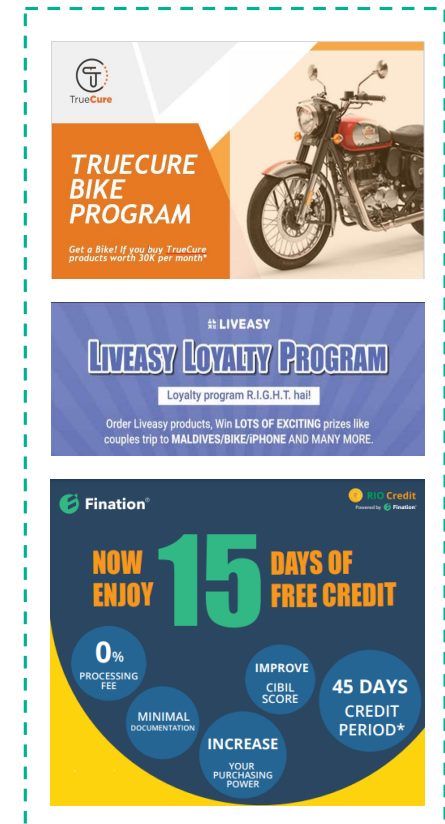
Retailio growing scale, expanding geographic presence and increasingly leveraging current retailer base



Retailio is building upon on its sustained scale, service and customer experience ...

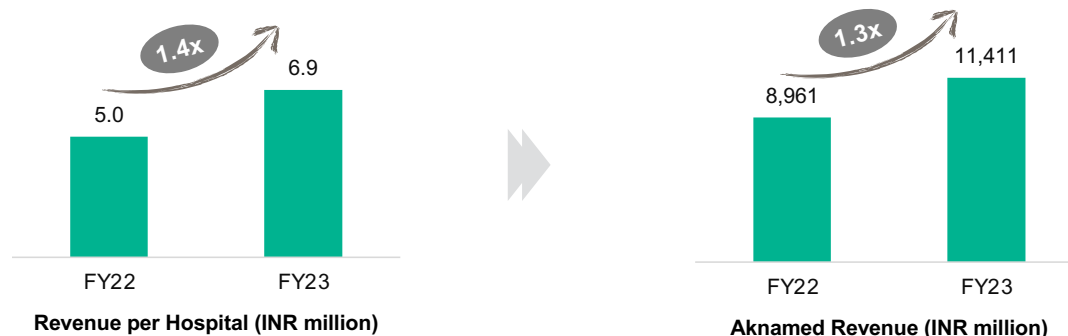


...Along with the expansion into new geographical markets



Aknamed expanding scale and acquiring higher wallet share across hospital clients

Current Scale and Reach



Key Strategic Focus



Expanding Services Portfolio

- **Expansion of products portfolio** for both existing and new customers with lab reagent and implants business
- **High margin business** - Drive gross margin expansion



Growing Customer Wallet Share

- **Doubling of existing customer wallet share** driving growth for the business
- **Focus on signing Full Procurement Outsourcing** driving a control on client wallet



Positioning as a Full Stack Service Provider

- **Business pivot** from being a distributor to a full stack service provider
- **Rate negotiation & formulary compliance with OEMs** to provide best prices to hospitals

Key Initiatives in FY23

SmartBuy™

Implementation of end-to-end integration of SmartBuy in key hospital accounts

SmartChain

a proprietary product of akamed

SmartChain partnerships with key clients in pipeline



Warehouse Integrations

Integration of warehouses into the API ecosystem



OEM Partnerships

Key partnerships with top Pharma companies have helped margin expansion

Current private label business has scaled to ~INR 900 million ARR with 40%+ gross margin




Focused on Creating Brands


TrueCure
Offline first brand focused on generic acute drugs and OTC with retailer first approach


ZUSTLE
Sports and Fitness based products


EVER
HERB
Ayurveda Focused Digital First Brand

 **LIVEASY**
Therapy-based products, focused on various categories

 **PharmEasy**⁽¹⁾
Same Category as LivEasy with an exclusive online presence

Penetrating Both Online & Offline Channels

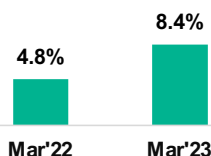
INR
841
million

FY23 Net Revenue

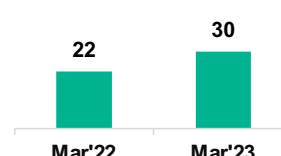
1.4%

Contribution to Overall Product Sales %

Increasing customers across the platform



Cross Sell % on PharmEasy⁽¹⁾



Unique Pharmacies Billed on RetailIO (in '000)

OTC Strategy



Distribution channel expansion



Category expansion into devices and personal care



Hyper-scale (5x) selective categories such as OSG, VMS

Rx Strategy



Improve store availability (50k)

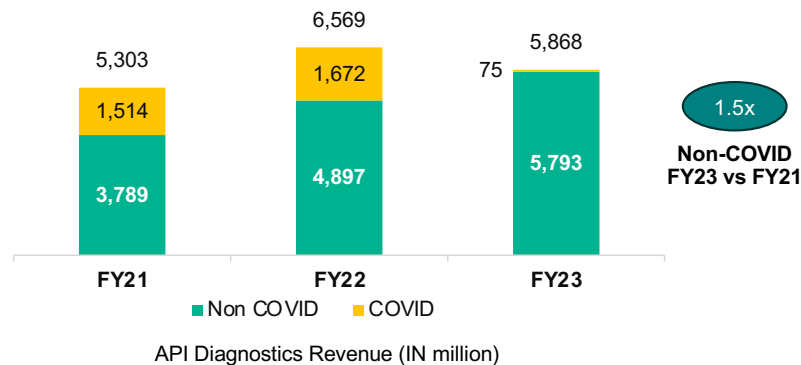


Leveraging Aknamed network to push hospital IPD Rx business

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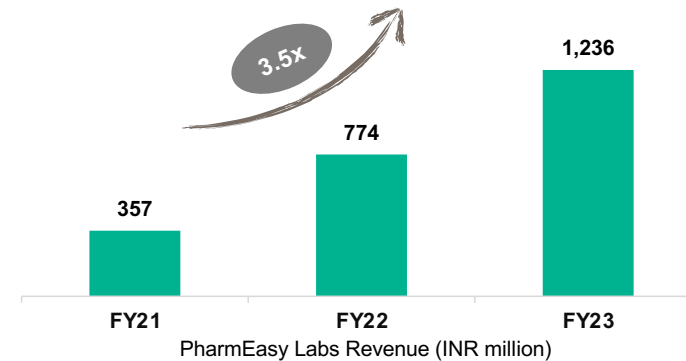
Diagnostics experience on PharmEasy Labs has improved many folds since our successful integration with Thyrocare driving cross-sell expansion

Strong growth in Non COVID API Diagnostics* (incl. Thyrocare)

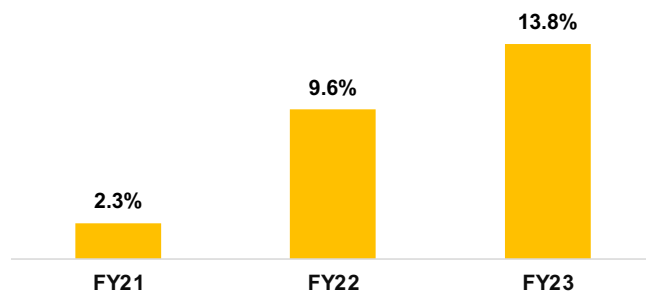


...Increase in PharmEasy¹ customer cross sell²...

PharmEasy¹ Labs revenue grew by 3.5x on back of...



...supported with various Initiatives



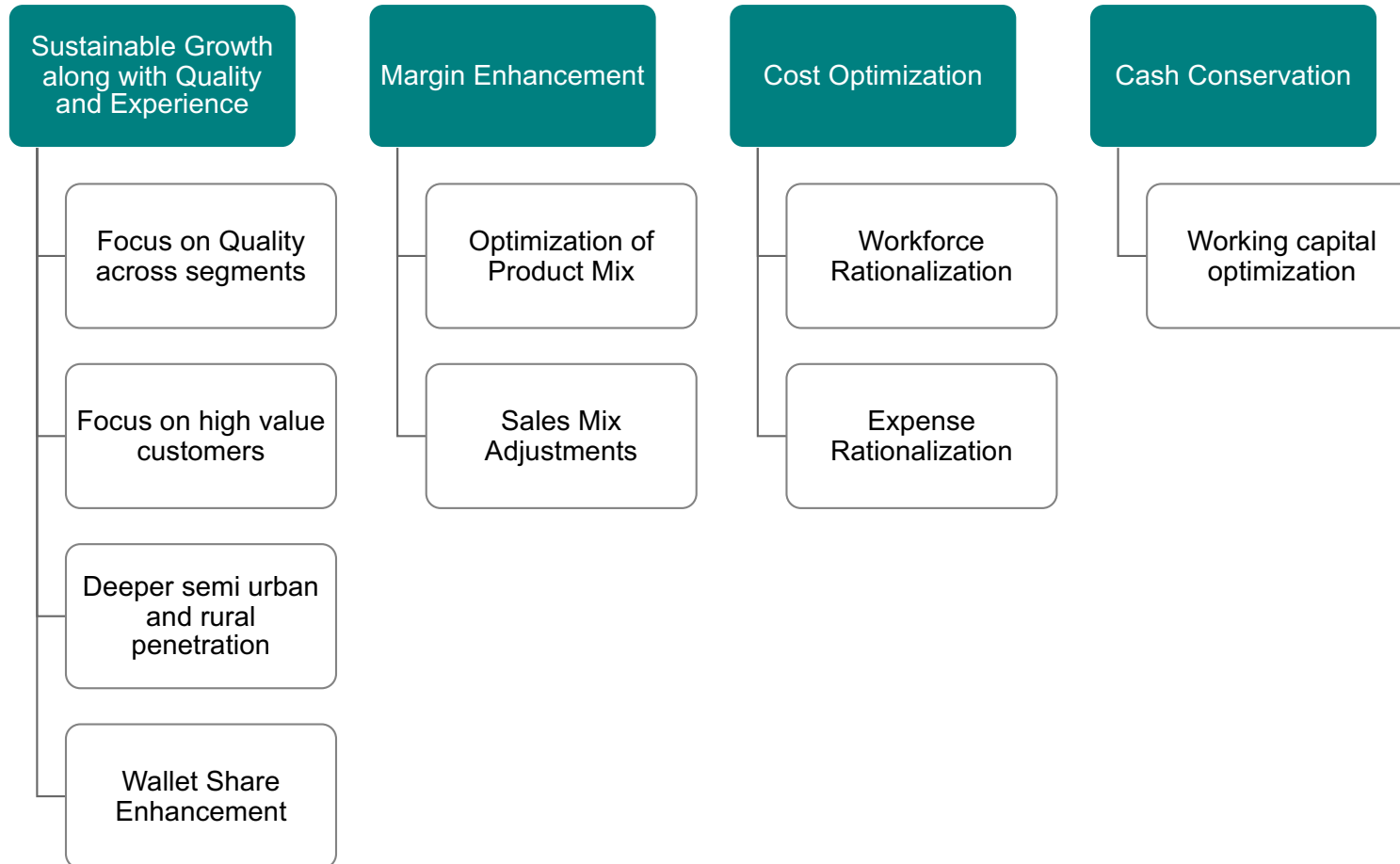
Notes:

* API Diagnostic Revenue including Thyrocare (net of Intercompany)

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² Customers who availed Diagnostics services on PharmEasy platform vs customers who transacted on PharmEasy marketplace to purchase healthcare products

Our 4-point agenda has helped us delivered profitability at Consolidated level



Achieved 2% Adjusted EBITDA margins in H1FY24 surpassing the targets set out in 3rd AGM held in October 2022



Common-sized to Net Revenue

Targets laid out in 3rd AGM held in October 2022

Indicative Margin View (P&L)	FY22	Currently	In 2-3 Quarters	In 4-5 Quarters	Today
Gross Margins	~13%	~14%	~15%	~16%	17-18%
<i>Direct Costs</i>	~8%	~8%	~8%	~8%	8-9%
Contribution Margin	~5%	~6%	~7%	~8%	8-9%
<i>Corporate and Marketing Costs</i>	~18%	~13%	~11%	~8%	6-7%
Adj. EBITDA Margins⁽²⁾	~(13)%	~(7)%	~(4)%	+0.5%	1.5-2.5%

Notes:

¹ Adjusted EBITDA excludes share-based payment expenses, non-recurring expenses and exceptional items

² Indicative view basis management assumptions and excludes one-time expenses and business reorganization cost

³ Target for Q3/ Q4 of FY24 as AGM was held in Oct 2022

Achieved positive Adjusted EBITDA in H1 FY2024 on back of various initiatives along with sustainable growth



API Holdings Consolidated P&L	Proforma FY22	FY23	As of Today ¹
Gross Margins	13.1%	13.9%	17-18%
<i>Direct Costs</i>	8.1%	8.9%	8-9%
Contribution Margin	5.0%	5.0%	8-9%
<i>Corporate and Marketing Costs</i>	17.9%	14.2%	6-7%
Adjusted EBITDA Margins⁽²⁾	-12.9%	-9.2%	1.5-2.5%

Notes:

¹ Indicative view for H1FY24 basis management assumptions and not to be treated as forward-looking statements by the Company

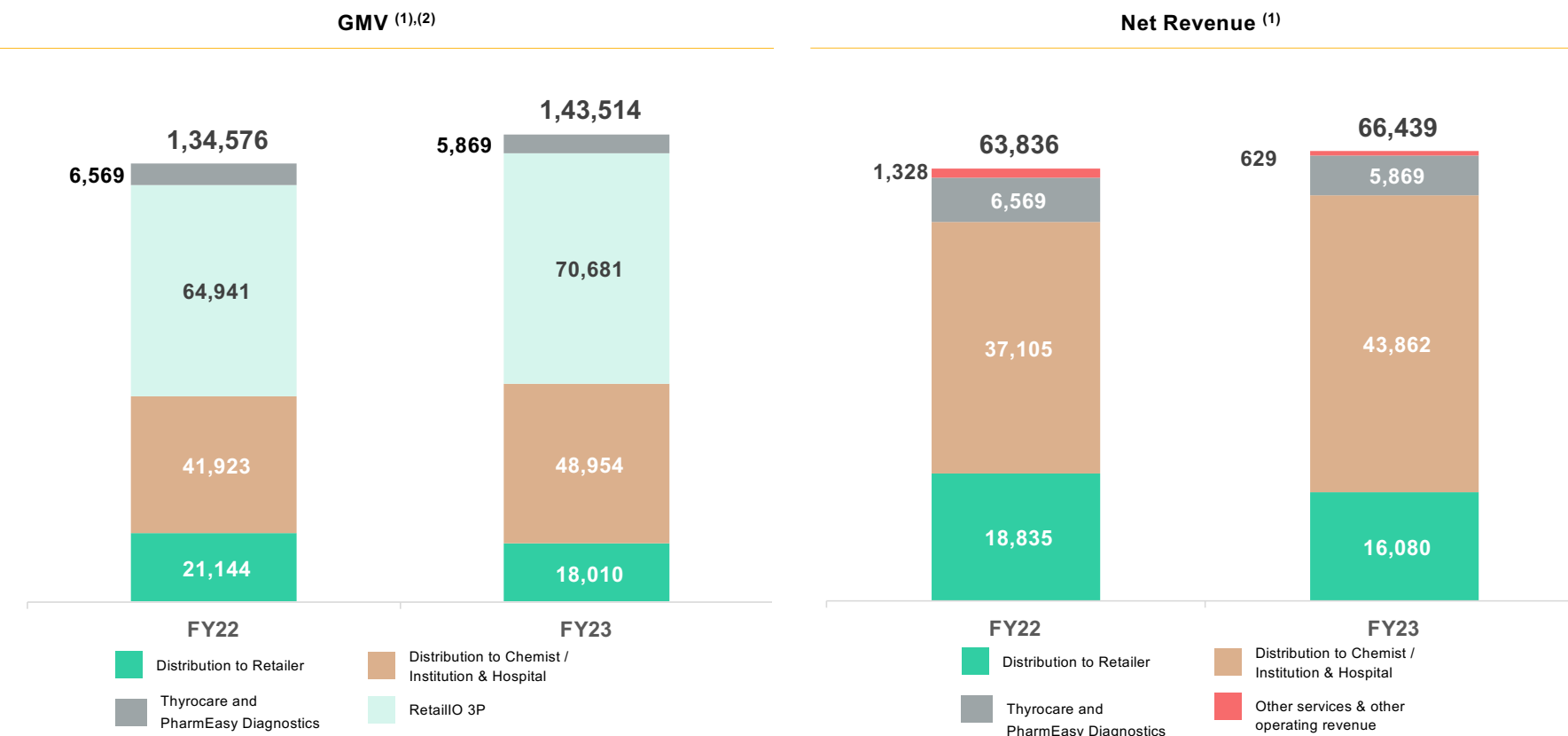
² Adjusted EBITDA excludes share-based payment expenses, non-recurring expenses and exceptional items



API Holdings FY23 Financial Overview



Steady growth in GMV & Revenue along with focus on profitability



Revenue is net of intercompany sales

¹ Based on management views of pro forma financial information and assumes the acquisitions of Ascent Health and Wellness Solutions Private Limited, Medlife International Private Limited, Akna Medical Private Limited and Thyrocare Technologies Limited as if these were acquired on April 1, 2021, by our Company

² We define GMV as follows: (i) For our products and services (other than RetailIO 3P), GMV refers to our revenue for such products and services as per our books of accounts, grossed up for applicable taxes, (ii) for RetailIO 3P, GMV refers to the gross merchandise value of products and services transacted using RetailIO (excluding RetailIO 1P GMV)

Maintaining positive contribution margin alongside industry steady revenue growth

P&L (INR Millions)	Fiscal 2022*	Fiscal 2023
Revenue From Operations⁽¹⁾	63,836	66,439
Gross Margins	8,388	9,240
Gross Margin %	13.1%	13.9%
<i>Direct & Warehousing Costs</i>	5,207	5,908
Contribution Margin	3,181	3,332
Contribution Margin %	5.0%	5.0%
<i>Corporate Expenses (HO & Marketing Costs)</i>	11,389	9,466
Adjusted EBITDA⁽²⁾	-8,208	-6,134
Adjusted EBITDA %	-12.9%	-9.2%

* Based on management views of pro forma financial information and assumes the acquisitions of Ascent Health and Wellness Solutions Private Limited, Medlife International Private Limited, Akna Medical Private Limited and Thyrocare Technologies Limited as if these were acquired on April 1, 2021, by our Company

¹ Revenue is net of intercompany sales

² Adjusted EBITDA excludes share-based payment expenses, non-recurring expenses and exceptional items

FY'23 PAT Impacted by Non-Cash, One Time Expenses & Charges

P&L (INR Millions)	Fiscal 2022*	Fiscal 2023
Adjusted EBITDA	-8,208	-6,134
<i>Shared Based Compensation (Non Cash Expense)</i>	6,332	6,238
<i>Non Recurring Expenses</i>	7,452	1,190
Corporate EBITDA	-21,992	-13,562
<i>Exceptional Items (Non Cash Expense)⁽¹⁾</i>	12,671	29,223
<i>D&A</i>	2,067	2,434
<i>Finance Costs</i>	3,237	6,655
<i>Taxes</i>	464	152
PAT	-40,431	-52,026

Notes:

* Based on management views of pro forma financial information and assumes the acquisitions of Ascent Health and Wellness Solutions Private Limited, Medlife International Private Limited, Akna Medical Private Limited and Thyrocare Technologies Limited as if these were acquired on April 1, 2021, by our Company

¹ Includes losses from goodwill impairment owing to acquisitions and corporate restructuring

Balance Sheet (1/2)

Balance Sheet (INR Millions)	Fiscal 2022	Fiscal 2023
Assets	1,13,983	82,564
Current Assets	25,022	25,349
Cash and Bank Balances	3,292	2,975
Accounts Receivable	8,609	9,050
Inventory	7,612	6,882
Other Current Assets	5,509	6,442
Non current assets	88,961	57,216
Fixed Assets	5,678	4,950
Goodwill	70,955	42,699
Other intangible assets	6,645	5,753
Long term Investment	3,118	2,190
Deferred Tax Assets	168	219
Other Non current assets	2,397	1,405

Notes:

¹ Includes losses from goodwill impairment owing to acquisitions and corporate restructuring

Balance Sheet (2/2)

Balance Sheet (INR Millions)	Fiscal 2022	Fiscal 2023
Liabilities	1,13,983	82,564
Current Liabilities	37,616	23,232
Accounts Payable	4,589	4,134
Short term Borrowings	24,854	9,191
Other Current Liabilities	8,173	9,907
Long Term Liabilities	6,142	34,963
Long term Debts	1,001	32,009
Other Long term Liabilities	5,141	2,954
Shareholder Equities	70,224	24,369
Share Capital	6,142	6,142
Reserve and Surplus	60,751	14,704
Minority Interest	3,331	3,523

Notes:

¹ Includes losses from goodwill impairment owing to acquisitions and corporate restructuring

Cashflow Statement (1/2)

Cash flow Statement (INR millions)	Fiscal 2022	Fiscal 2023
Cash flow from operations	-14,738	-6,369
Changes in operating working capital	-4,395	-849
Other changes in working capital	-6,760	-224
Total Cash flow from operations	-25,894	-7,442
Fixed Assets	-1,380	-872
Investments and new acquisitions	-56,197	627
Loans to others	-551	-616
Interest received	236	138
Total Cash flow from investing activity	-57,892	-723

Notes:

¹ Includes losses from goodwill impairment owing to acquisitions and corporate restructuring

Cashflow Statement (2/2)

Cash flow Statement (INR millions)	Fiscal 2022	Fiscal 2023
Equity capital	66,647	-
ESOP payment	-859	-
Lease Payment	-246	-447
Debt Taken/(Repaid)	20,161	12,006
Dividend Paid	-	-229
Finance cost	-2,650	-2,795
Total Cash flow from financing activity	83,054	8,535
Total cashflow during the period	-732	370
Add: Opening Balance	2,301	1,569
Closing Balance	1,569	1,939

Notes:

¹ Includes losses from goodwill impairment owing to acquisitions and corporate restructuring

Thank You

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