



# October 2022

# API Holdings Limited (“the Company”)

## Forward-looking statements

Certain statements in this meeting concerning our future prospects are forward-looking statements. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from expected projections.

The risks and uncertainties include, but are not limited to the Company and / or its subsidiaries' (hereinafter collectively referred to as “We”, “Us”, “Our”) ability to develop, maintain and improve relationships with various stakeholders in the healthcare industry such as pharmaceutical companies, wholesalers, pharmacies, hospitals, doctors, clinics and diagnostic labs, and attract new stakeholders to our platform, enhance and maintain the value of our brands, comply with an evolving regulatory environment, ensure diversified, quality and competitively priced products and services are offered by us to effectively address the needs of our stakeholders, grow our customer base and enhance their engagement in a cost-efficient manner, plan for and model future growth, and to expand our business in existing markets and enter new geographies and products and services, develop new or enhanced platform features and services, enhance the frequency of use and number of stakeholders on our platform, develop or implement additional strategic initiatives to grow our revenues, maintain a reliable, secure, high-performance and scalable technology infrastructure, maintain competitiveness against new market entrants, ability of our service providers, partners and licensees for various businesses to attract and service consumers and grow its operations, in compliance with the terms of the agreements executed with the Company, at acceptable costs and on a timely basis apart from their compliance with the regulatory requirements in India, and developing businesses of existing competitors, maintain our corporate culture and continue to attract, retain and motivate talented employees, and defend ourselves against litigation, regulatory changes and interference, security of and claims concerning intellectual property, privacy or other aspects of our business. Further we have undertaken various mergers and acquisitions in the past which have helped us expand into new or adjacent businesses in which we have limited or no prior operating history. However, there can be no assurance that we will be able to achieve anticipated benefits from these mergers and acquisitions. We face additional risks in connection with acquisitions, including that an acquisition may negatively affect our financial condition and results of operations because it may require us to incur charges or assume substantial debt or other liabilities, may cause adverse tax consequences or unfavorable accounting treatment, may result in our inability to carry forward accumulated tax losses, may expose us to claims and disputes by shareholders and third parties, including intellectual property claims and disputes, or may not generate sufficient financial return to offset additional costs and expenses related to the mergers and acquisition, we may encounter difficulties or unforeseen expenditures in integrating the business, technologies, products, personnel, or operations of any company that we acquire.

We may, from time to time, make additional written and oral forward-looking statements, including our reports to the shareholders and other stakeholders. These forward-looking statements represent only our current intentions, beliefs or expectations, and any forward-looking statement speaks only as of date on which it is made. None of either the Company and / or its subsidiaries, their Directors, employees, representatives or any other person makes any representation or warranty, express or implied for the forward-looking statements including its accuracy, fairness, completeness or verification or for any other statement made or purported to be made by any of them or on behalf of them and forward-looking statements shall not be relied upon as a promise or representation in this respect, whether as to the past or the future.

We assume no liability to revise or update any forward-looking statement.





## VISION

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

## MISSION

**Simplifying Healthcare,  
Impacting Lives**



API Holdings

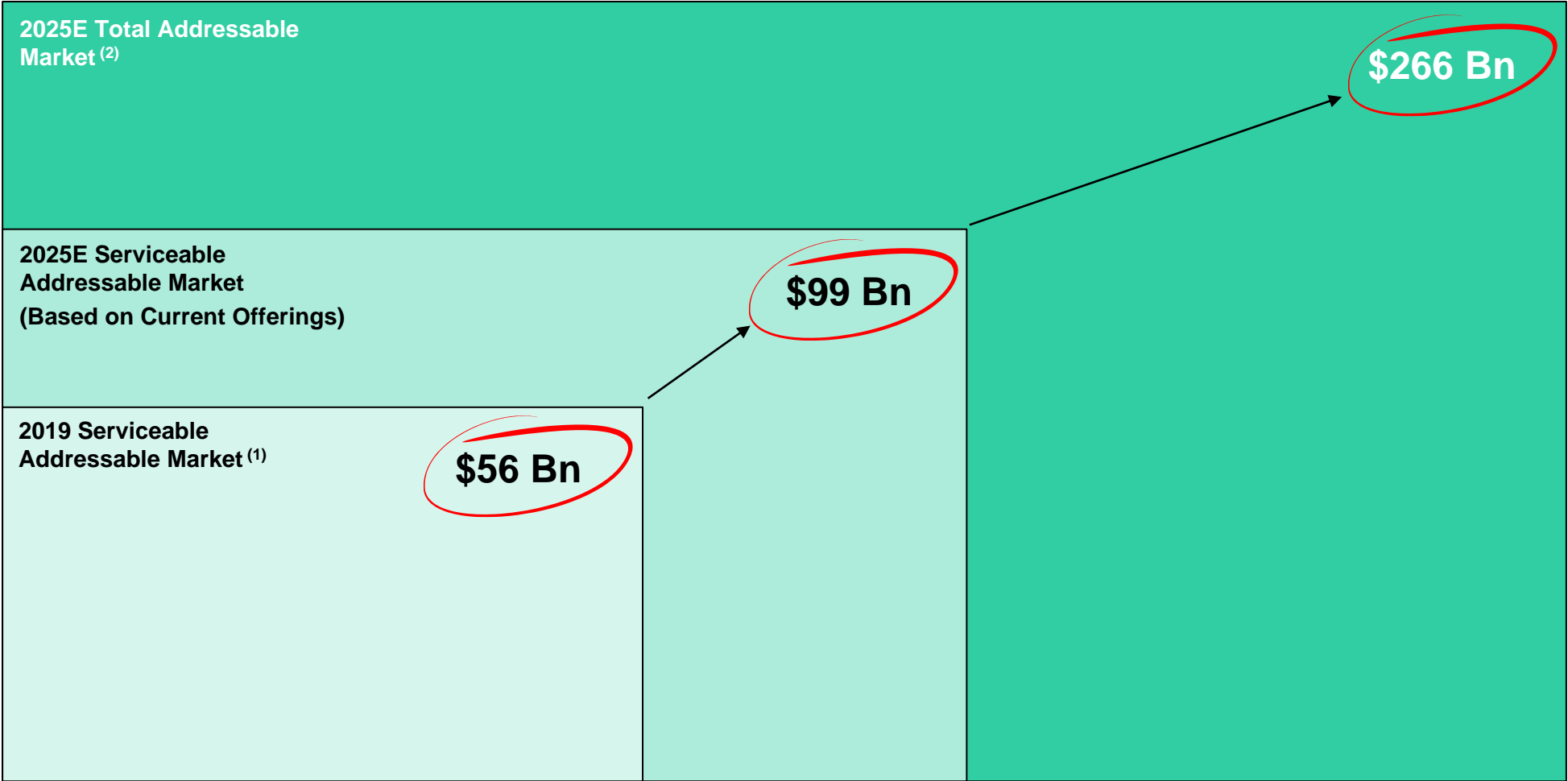


**Large Healthcare Opportunity  
exists for API Holdings**

# Massive Healthcare Market in India Laying a Multitude of Opportunities

## India Healthcare Market Size (2019 and 2025E)

US\$ Bn

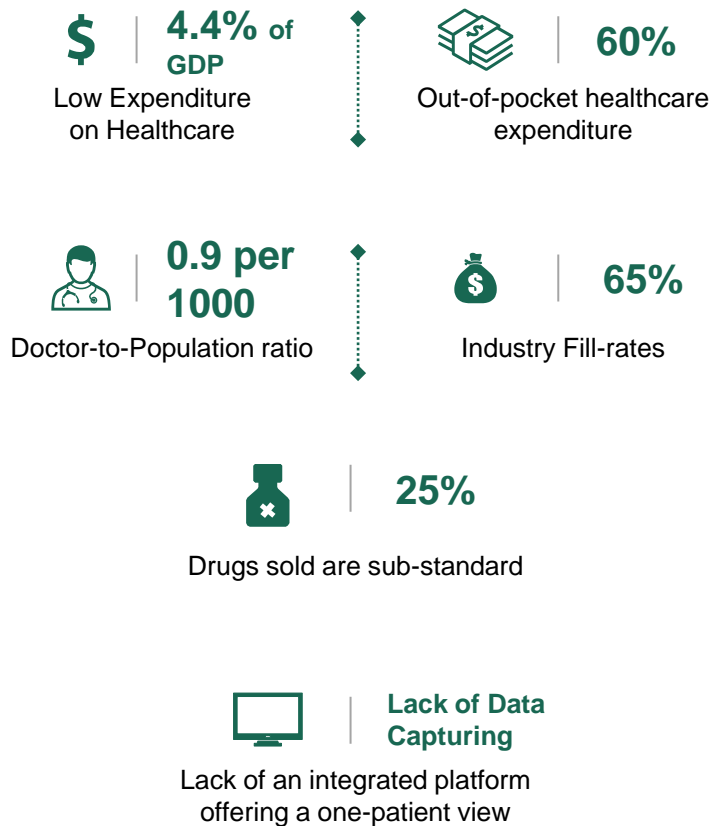


Source: Company Research

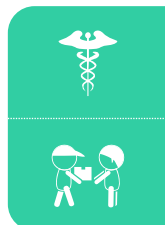
**Notes:**  
1. Serviceable Addressable Market Segments include Pharma, OTC, Diagnostics, Consultations and Hospital Supplies  
2. In addition to the Serviceable Addressable Market Segments, Total Market Segments includes Hospital Treatment, Medical Insurance and Alternate Medicine

# = Addressing Structural Challenges in the Indian Outpatient Healthcare System

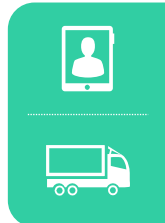
## Indian Healthcare System Plagued By Several Structural Challenges



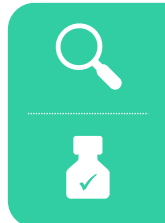
## API's Platform Targeted At Addressing Each Structural Challenge



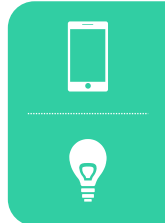
- Cost-effective pricing driving down total cost of treatment
- Improving medicine affordability



- End-to-end digitalized supply-chain ensuring industry-leading fill-rates
- Pan-India platform offering full spectrum of OPD services



- Pre-order prescription verification
- Authentic products procured directly from pharma companies



- Digitally preserved and easily accessible prescription records
- Valuable data insights improving efficiency across value-chain



**Affordability**



**Availability**



**Authenticity**



**Visibility**

# API Holdings has created an Integrated Solution for all Stakeholders in the OPD Healthcare Ecosystem

## Eco-system stakeholders



Patients



Doctors




Hospitals




Retailers


### API Offerings and Brands


**PharmEasy\***



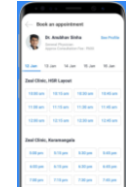
**PharmEasy Labs**



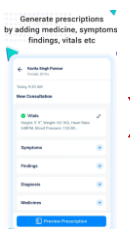
**Thyrocare\*\*\***  
Tests you can trust



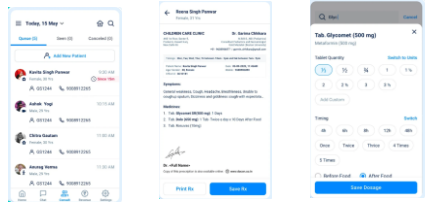
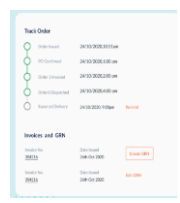
**PharmEasy SurgiCare**



**docon**  
e-consult, EMR, appointment scheduling




**docon**  
Digital Rx and patient record management tool


**aknamed**

- Products:** Medicines, consumables etc. for hospitals/clinics
- Services:** Custom solutions for hospitals e.g., centralized procurement, smart buying, downstream data to Pharma cos



**retailio**

- Products:** Medicines, consumables etc. for retailers
- Services:** ERP (including inventory management, demand forecasting services), pricing, and SaaS tools



**Marg\*\***  
The Business Backbone  
ERP Solution

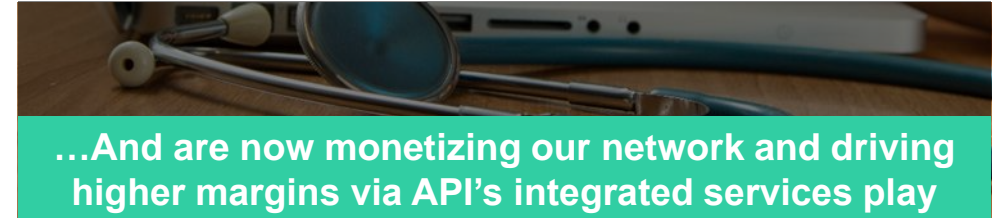
#### Notes:

\* 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

\*\*In October 2021, API Holdings acquired a 49.17% stake in Marg ERP Limited, an ERP software vendor to pharmacies and wholesalers

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

# Leveraging our presence across Products to Build and Scale a Large Services 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

## Brands



## Evolution of our Business Model

### Creating High Margin Revenue Streams of Services alongside Products

Revenue Share (%)	FY2020 <sup>(1)</sup>	FY2022
Products	~100%	~88%
Services	~0%	~12%

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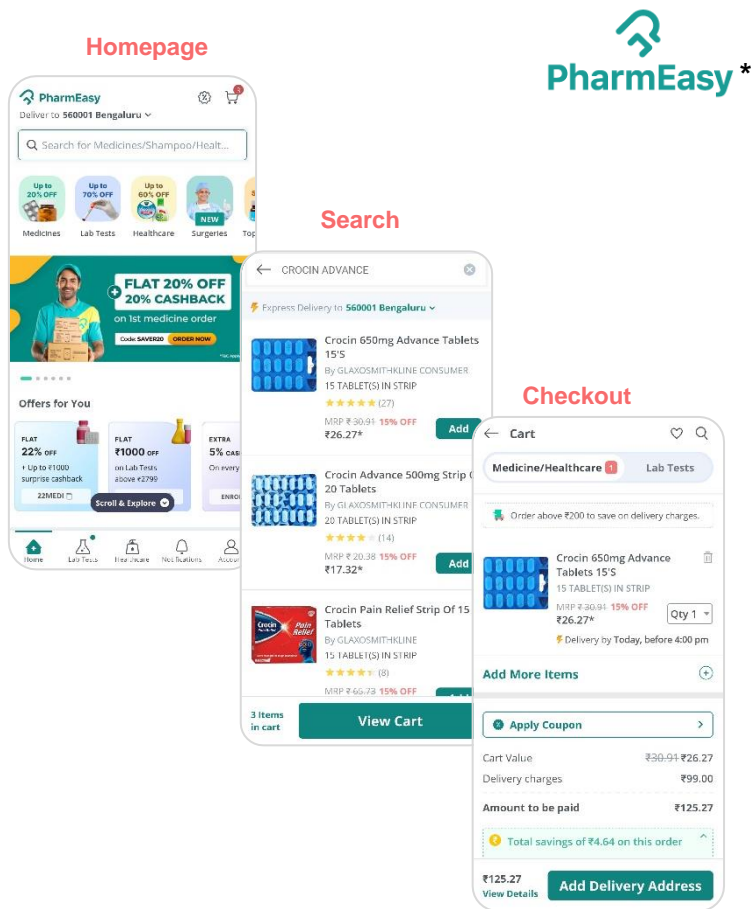
\*\*\*In September 2021, DocOn Technologies, a wholly owned subsidiary of API Holdings, acquired 71.22% equity interest in Thyrocare Technologies Limited ("Thyrocare")

1. FY2020 revenues exclude acquisitions of Thyrocare and Aknamed

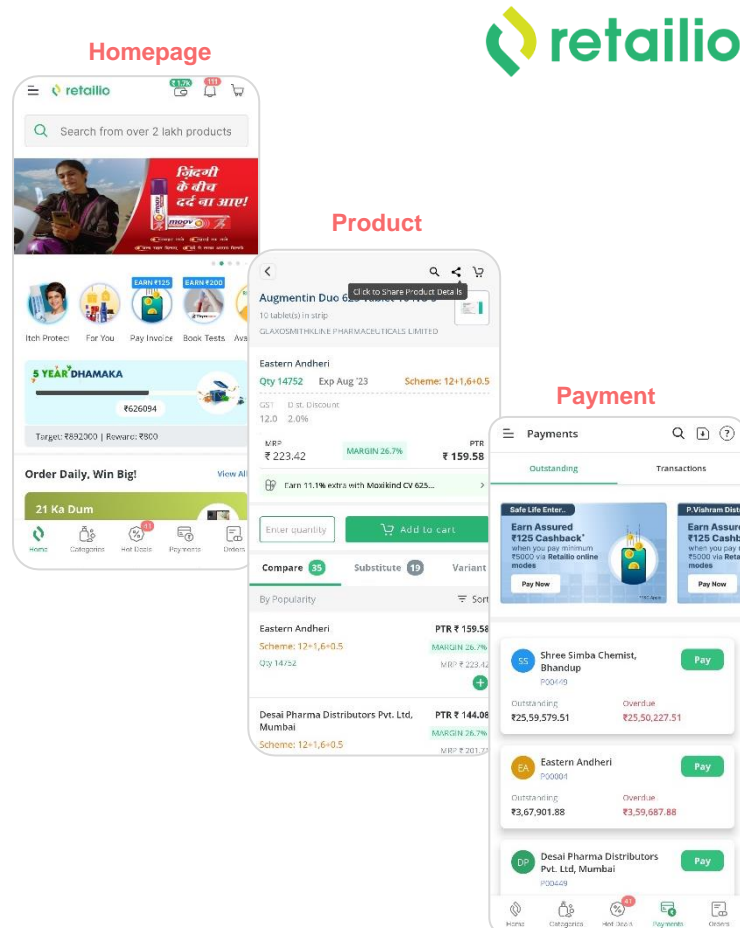


# Our Platforms and Brands across Products are Large, Market Leading and Rapidly Growing

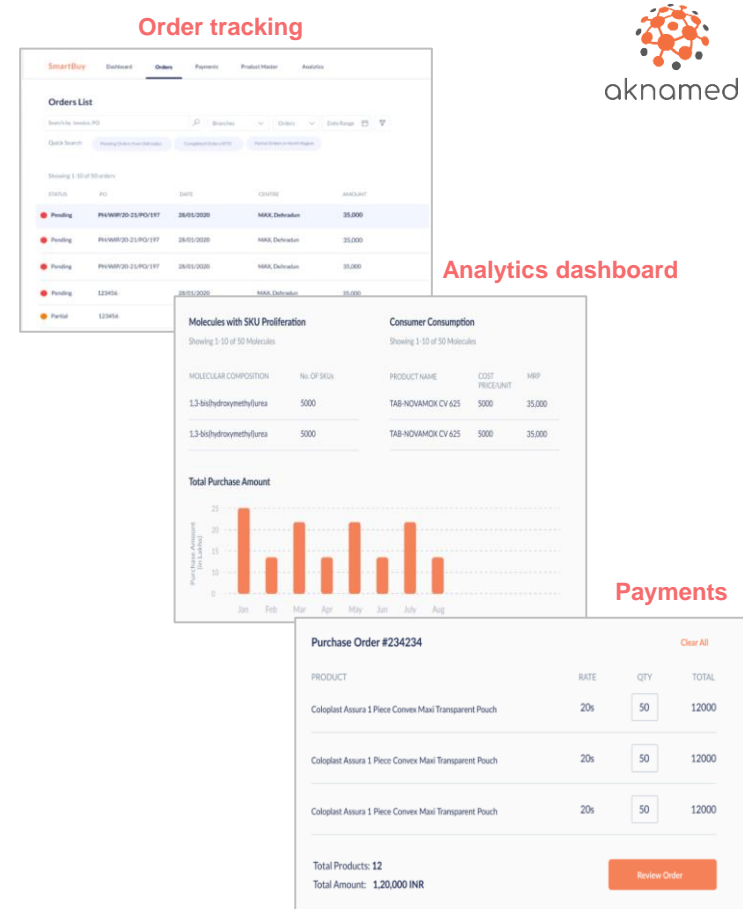
Leading Healthcare Platform with best-in-class service delivery



Market leading & tech-led distribution platform with robust operations



Large, tech enabled platform for hospital procurement & supply chain

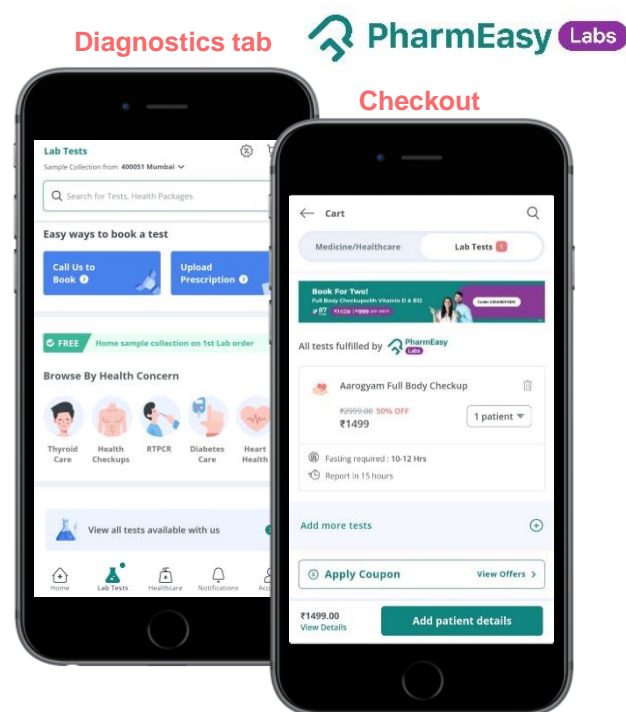


## Notes:

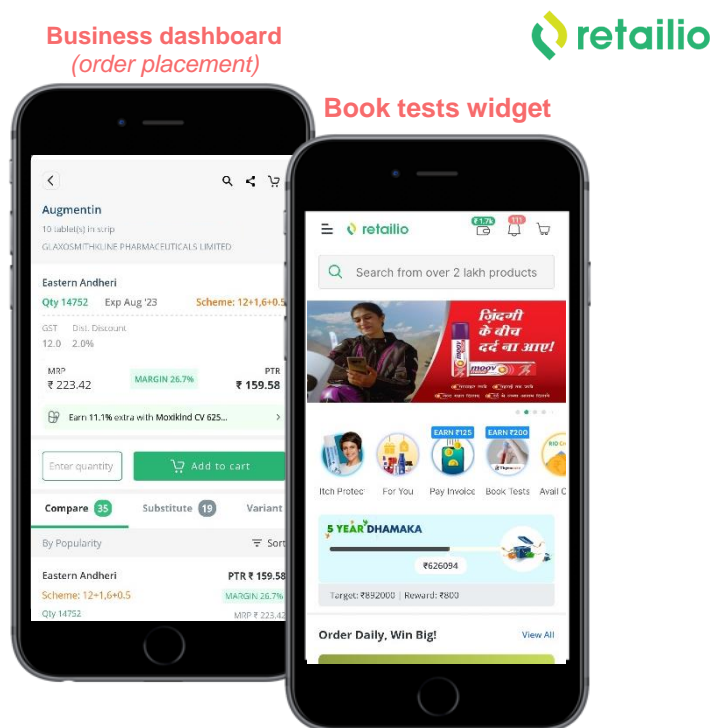
\* PharmEasy Brand and App have been licensed to Axelia Solutions Pvt. Ltd. ("Axelia"); Axelia operates the PharmEasy marketplace; API Holdings owns 19.99% of Aarman Solutions Pvt. Ltd. which is the holding company of Axelia

# Now building a Strong Portfolio of Services across Diagnostics, Surgery Care and Software Services

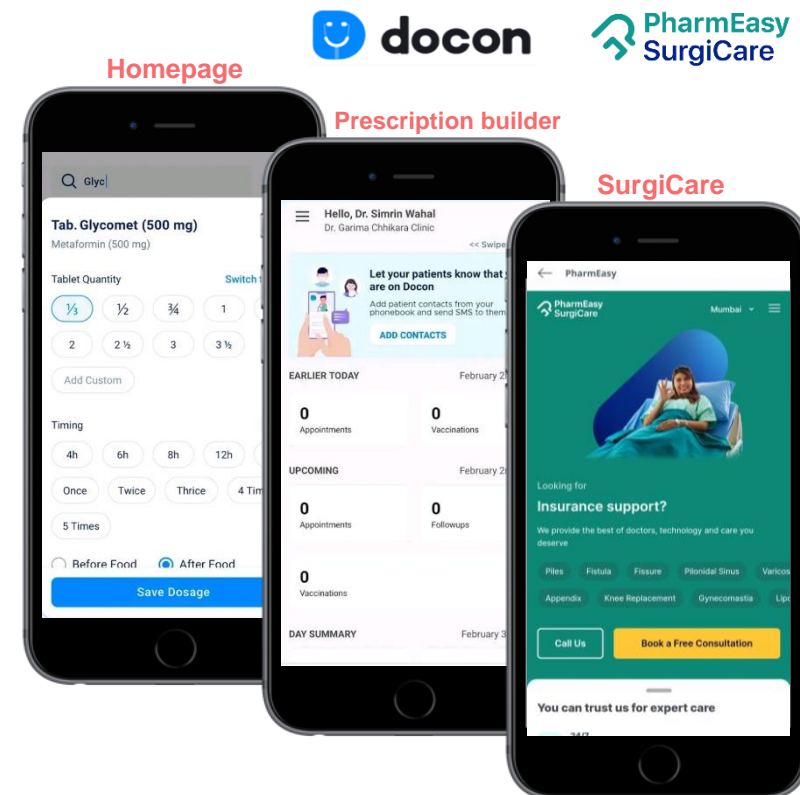
**API Diagnostics: Cross sell of diag. to PharmEasy customer base**



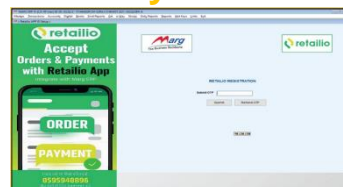
**Retailio 3P: Large retailer base enabling cross sell of 1P and diag.**



**Docon & SurgiCare: OPD & IPD discovery for consultation & surgeries**



**Powered by ERP solution**



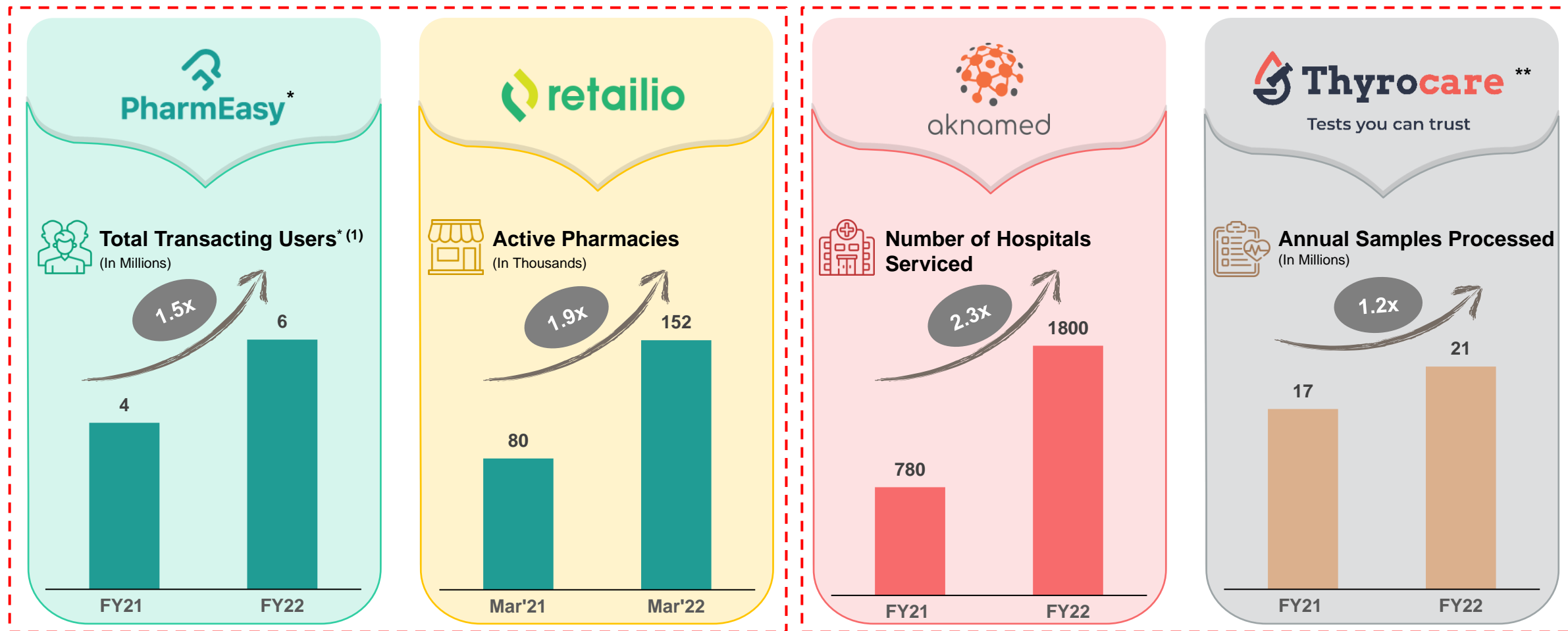
**Marg**  
The Business Backbone

## Notes:

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# Serving a Sizeable Network of Partners and Customers across India



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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")

# Our Scale & Platform Strength – At a Glance



**Rs. 134.58 billion**

Total Pro Forma Gross  
Merchandise Value <sup>(1),(2)</sup>



**Rs. 63.84 billion**

Pro Forma Revenue from  
Operations <sup>(1)</sup>



**150,000+**

Active Pharmacies <sup>(3)</sup>



**6,600+**

Active Wholesalers <sup>(3)</sup>



**5,100+**

Prescribing Doctors <sup>(3)</sup>



**1,800+**

Hospitals Serviced <sup>(1)</sup>



**20 million+**

Digital Prescriptions  
Generated <sup>(1)</sup>



**110 million+**

Clinical Investigations  
performed <sup>(1)</sup>



**6 million+**

eConsultations  
Conducted <sup>(1)</sup>

## Notes:

1. For the Fiscal year 2022 basis management views of pro forma financials

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 2022





API Holdings



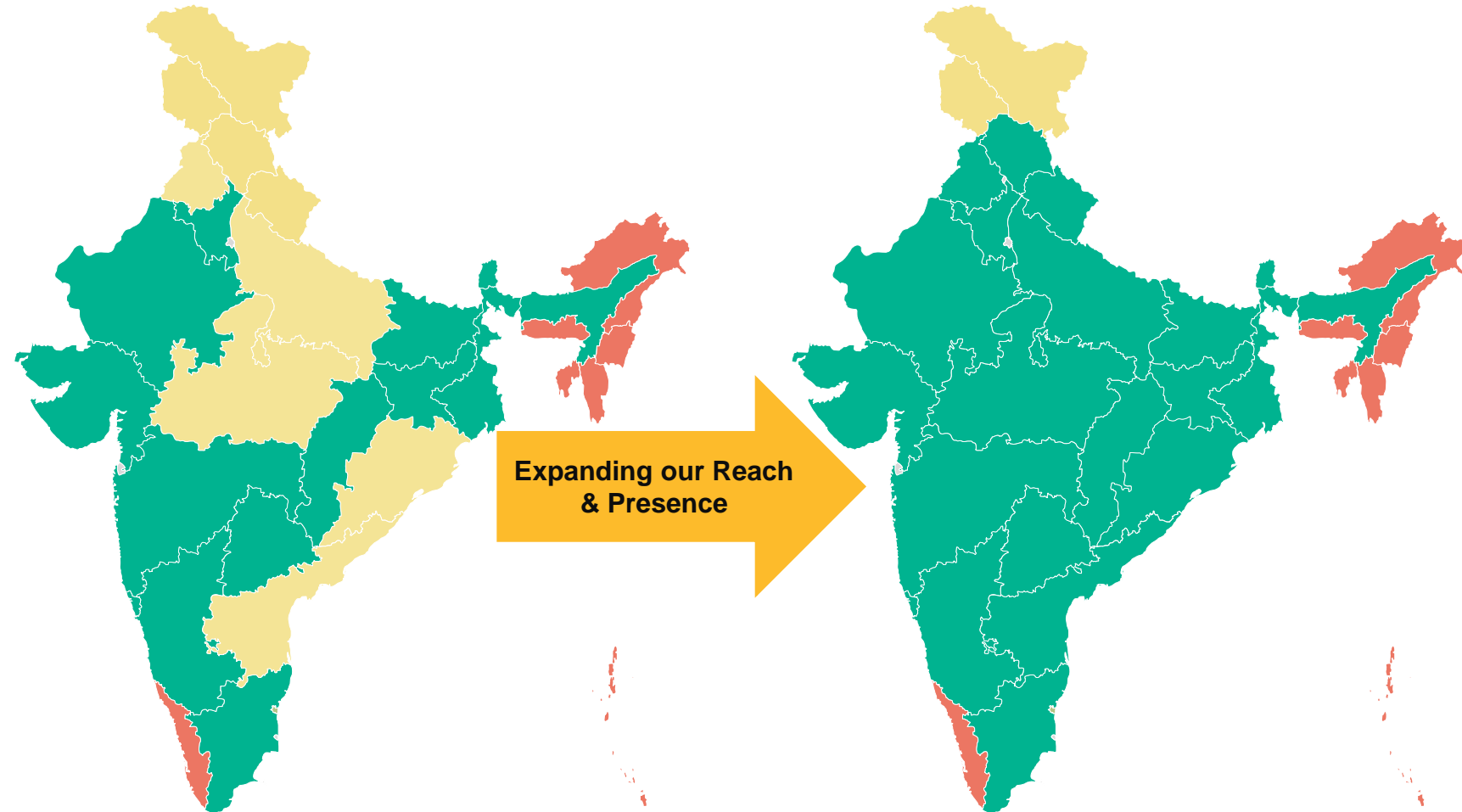
## API Holdings – Latest Business Updates

# We are Expanding our Products Business in Semi Urban + Rural Markets across India

## Key Highlights

- Key focus on **geographical expansion in semi-urban & rural areas**
- Deeper penetration into Tier-2 & Tier 3 cities
- **40%+ GMV on Distribution to Retailer Business** contributed by tier 2 cities and semi-urban and rural areas
- **20%+ of Retailio 1P's GMV** contributed by tier 2 cities and semi-urban and rural areas
- **20%+ of Aknamed's GMV** contributed by tier 2 cities and semi-urban and rural areas
- **Retailio 1P presence in 75 cities** with **Retailio 3P Network present in 400+ cities**
- Serve 2,300+ pin codes with our own logistics network and ~15,000+ pin codes through 3PL Partners

## Expanding our Geographic Presence

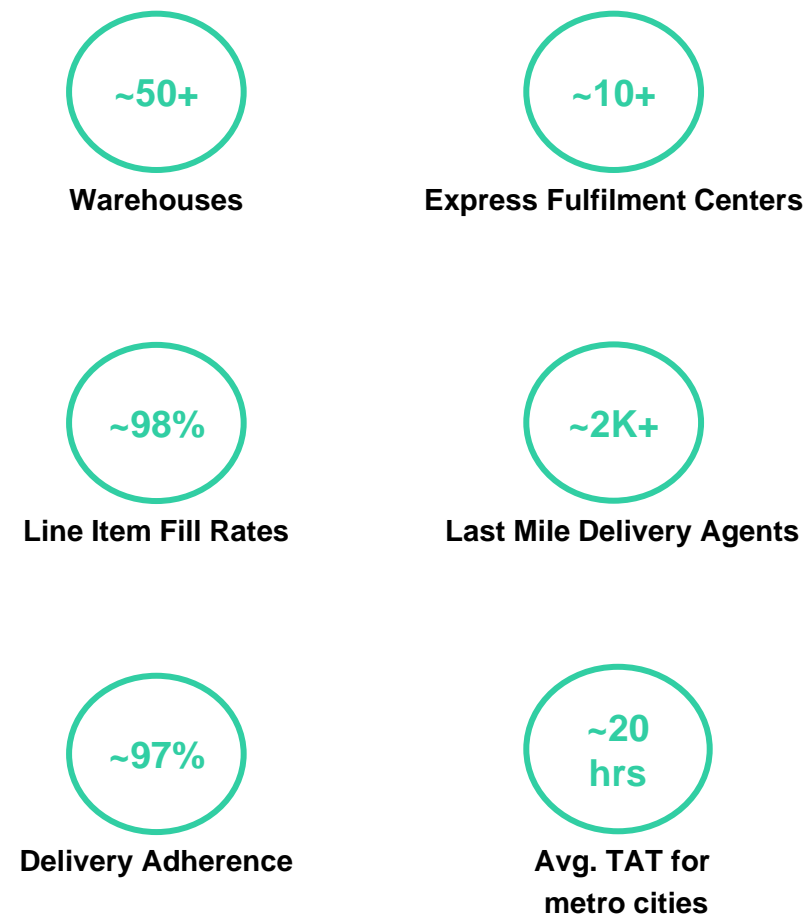


# We have Built Best-in-Class Logistics and Supply Chain Network across the Country for our Products Business

## Our Pan-India Logistics & Infrastructure Presence

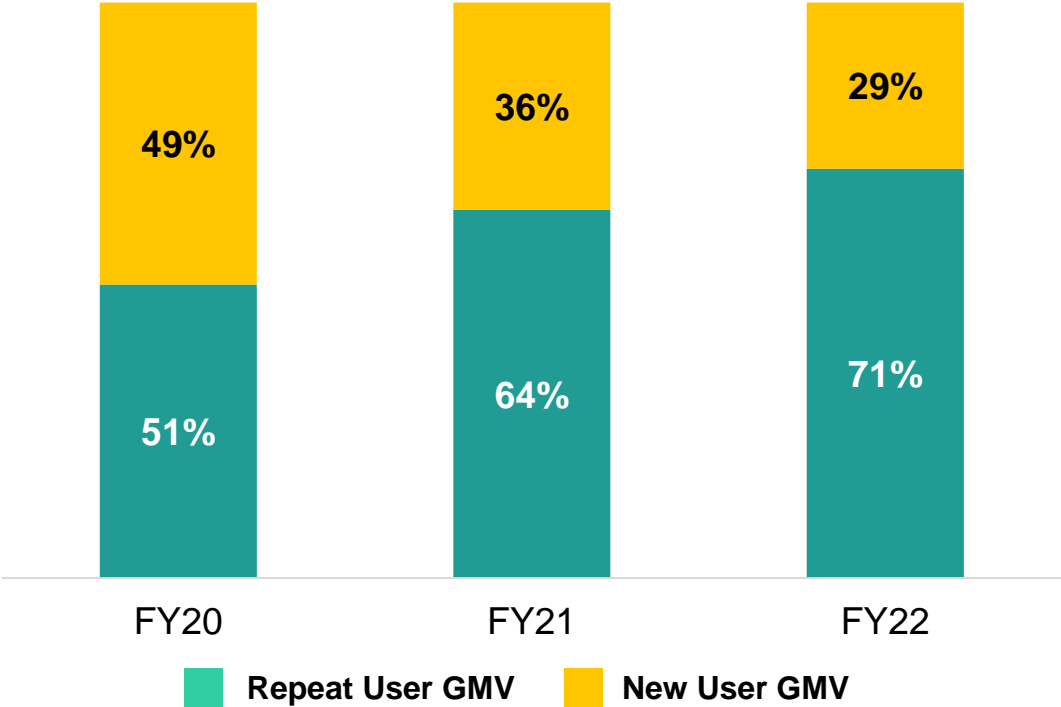


## Scale and Key Metrics of our Network Capabilities



# Strong Consumer Engagement Metrics on PharmEasy

PharmEasy: Share of Repeat User GMV <sup>(1),(2)</sup>



PharmEasy GMV Cohorts <sup>(1),(2)</sup>

Cohort Retention for GMV per Retained Customer, FY19 to FY22, rebased to 1

	Y1	Y2	Y3	Y4
FY 2019	1.0x	2.8x	2.9x	3.2x
FY 2020	1.0x	2.7x	3.2x	
FY 2021	1.0x	2.7x		
FY 2022	1.0x			

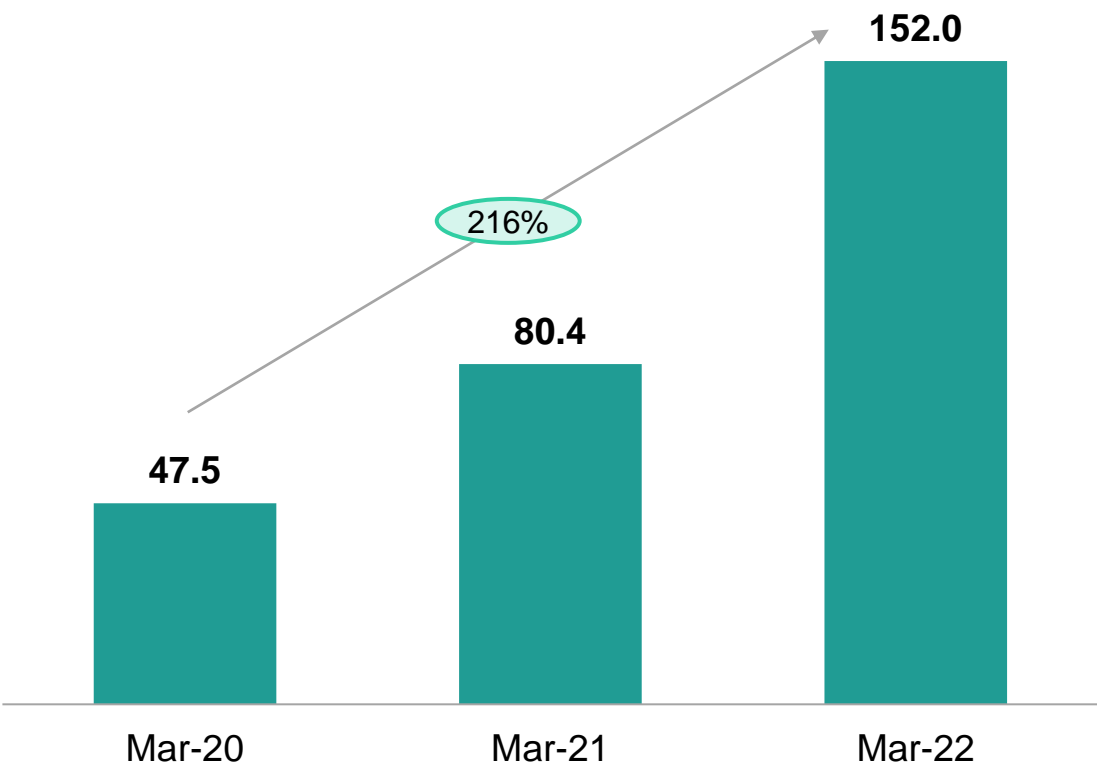
Notes:  
1. For consumers transacting on the PharmEasy Marketplace  
2. The PharmEasy Brand has been licensed to Axelia, which operates the PharmEasy marketplace. API Holdings holds a 19.99% stake in Aarman Solutions Pvt. Ltd, which is the holding company of Axelia



# Strong Pharmacy Engagement on Retailio is driving penetration across Geographies

## Retailio Active Pharmacies

# 000s



## Retailio GMV Cohorts<sup>(1)</sup>

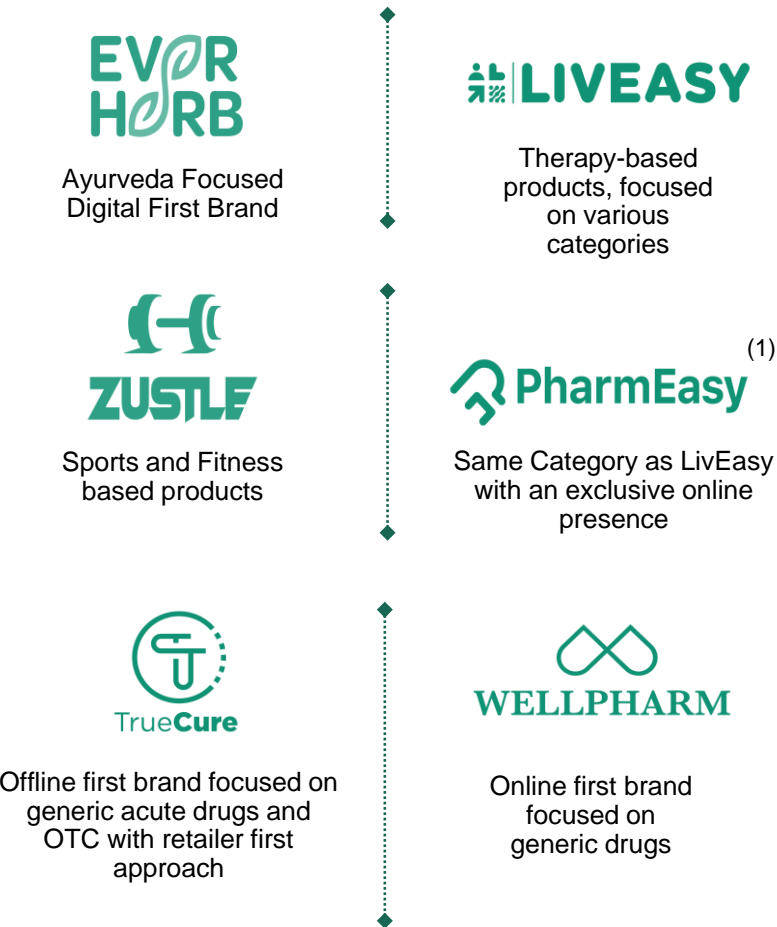
Cohort Retention for GMV per Retained Pharmacy, FY19 to FY22, rebased to 1

	Y1	Y2	Y3	Y4
FY 2019	1.0x	3.0x	3.0x	3.2x
FY 2020	1.0x	3.5x	4.4x	
FY 2021	1.0x	3.2x		
FY 2022	1.0x			

Notes:  
1. Based on GMV at Price-to-Retailer

# Expanding Share of High Margin Private Label Products with Brand Building and Channel Expansion Initiatives

## Focused on Creating Brands



## Penetrating Both Online & Offline Channels



## Private Label in Franchise & Pharmacies



Notes:  
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# API Diagnostics and Thyrocare continue efforts on an 8-Point Agenda for a Sustainable & Integrated Growth Trajectory



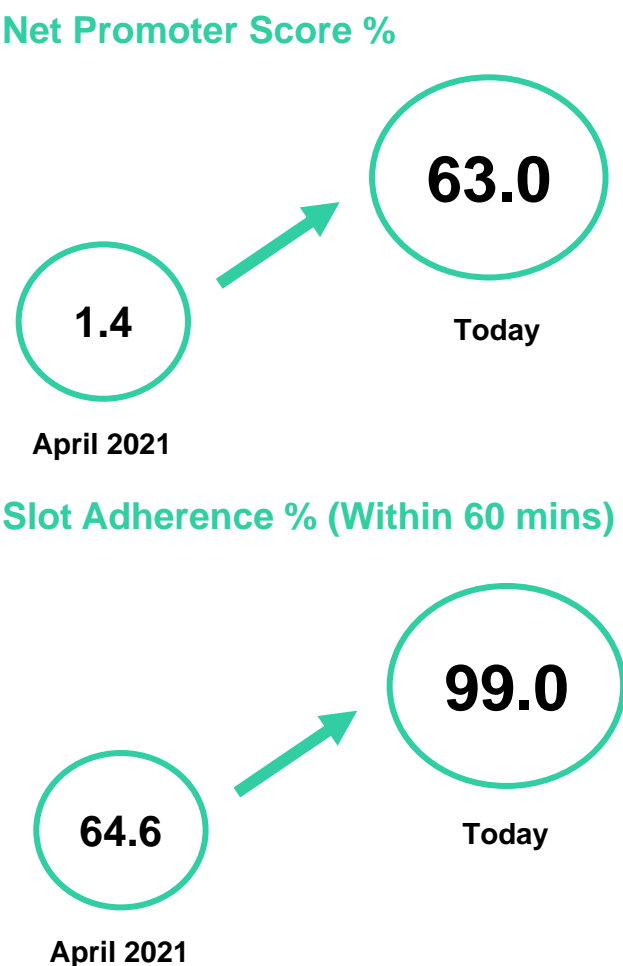
- 1 Serve PharmEasy's<sup>1</sup> Online customer base of 2.2 million quarterly transacting users
- 2 Partner with Retailio & MARG retailer network of 2L+ counters to expand order points
- 3 Leverage Aknamed to build a diagnostic presence in the hospital space
- 4 Ensure the expansion of PharmEasy offline collection centres through Franchise
- 5 Continue to improve value proposition to franchisee network & expand aggressively across pin codes
- 6 Focus on Health packages i.e. Aarogyam as well as promote corporate partnerships
- 7 Expand Lab network selectively to improve TAT and invest in NABL accreditation across labs
- 8 Leverage PharmEasy technology expertise to improve customer experience and phlebotomist productivity

## Notes:

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# API Diagnostics Experience on PharmEasy has improved many folds since our Successful Integration with Thyrocare driving cross-sell expansion

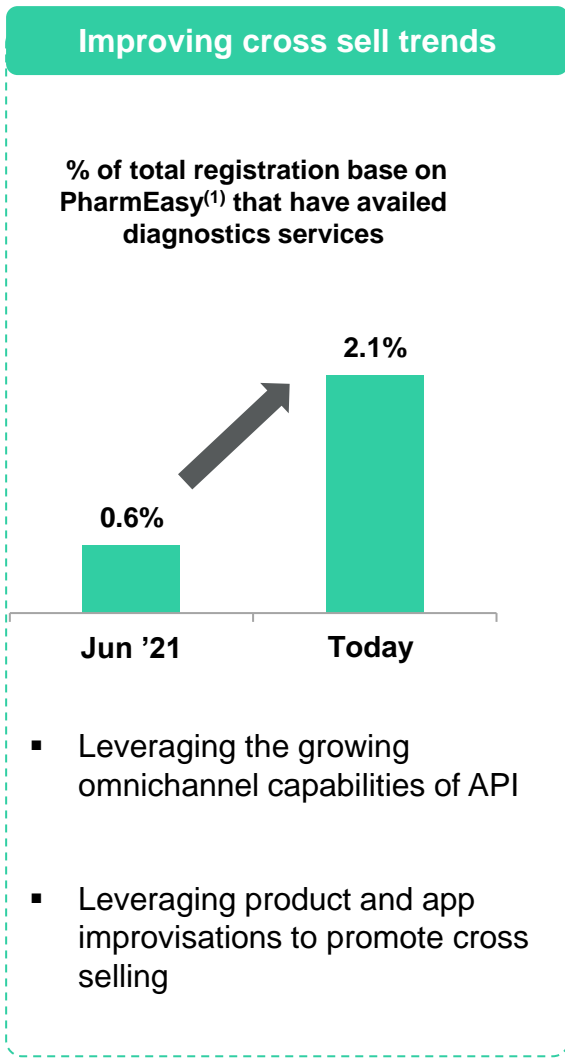
## Improved Service Quality Metrics...



## ..Backed by New One-of-a-Kind Initiatives

The screenshot displays the PharmEasy Labs interface. At the top, there's a banner for 'ON-TIME SAMPLE COLLECTION OR FREE!'. Below this, users can 'Select Sample Collection Slot' by choosing a date (13 Oct Today, 14 Oct Tomorrow, 15 Oct Saturday) and a time slot (e.g., 6:00 AM - 7:00 AM). A section titled 'Popular Health Packages' powered by Thyrocare lists various tests with discounts: Vitamin D & B12 Combo (60% OFF, ₹2000 to ₹799), Advanced Full Body Checkup (63% OFF, ₹2684 to ₹999), Healthy 2022 Full Body Checkup (67% OFF, ₹2990 to ₹999), and Aarogyam Full Body Checkup (50% OFF, ₹2999 to ₹1499). At the bottom, it shows the sample collection location as 'Work (400086) Ashok Silk Mills Compound, LBS Marg, Mum...' with a 'Continue' button.

## ..Resulting in Expanding Adoption



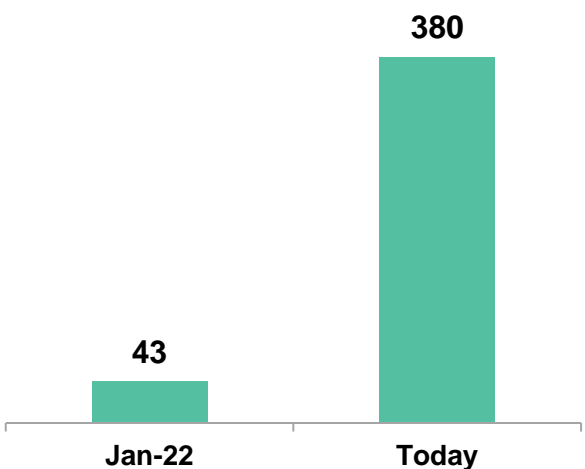
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# Launched Margin Accretive SurgiCare Business which Significantly Expands the Cross-Sell Potential of our Services

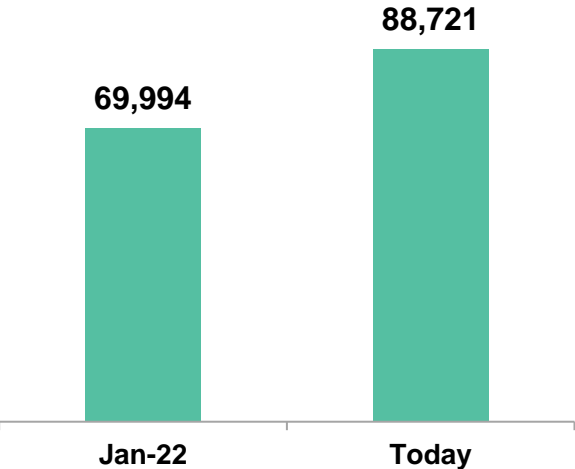
## Expanding Scale

Number of Surgeries (#)



..with Higher Value Surgeries

Average Order Value (INR)

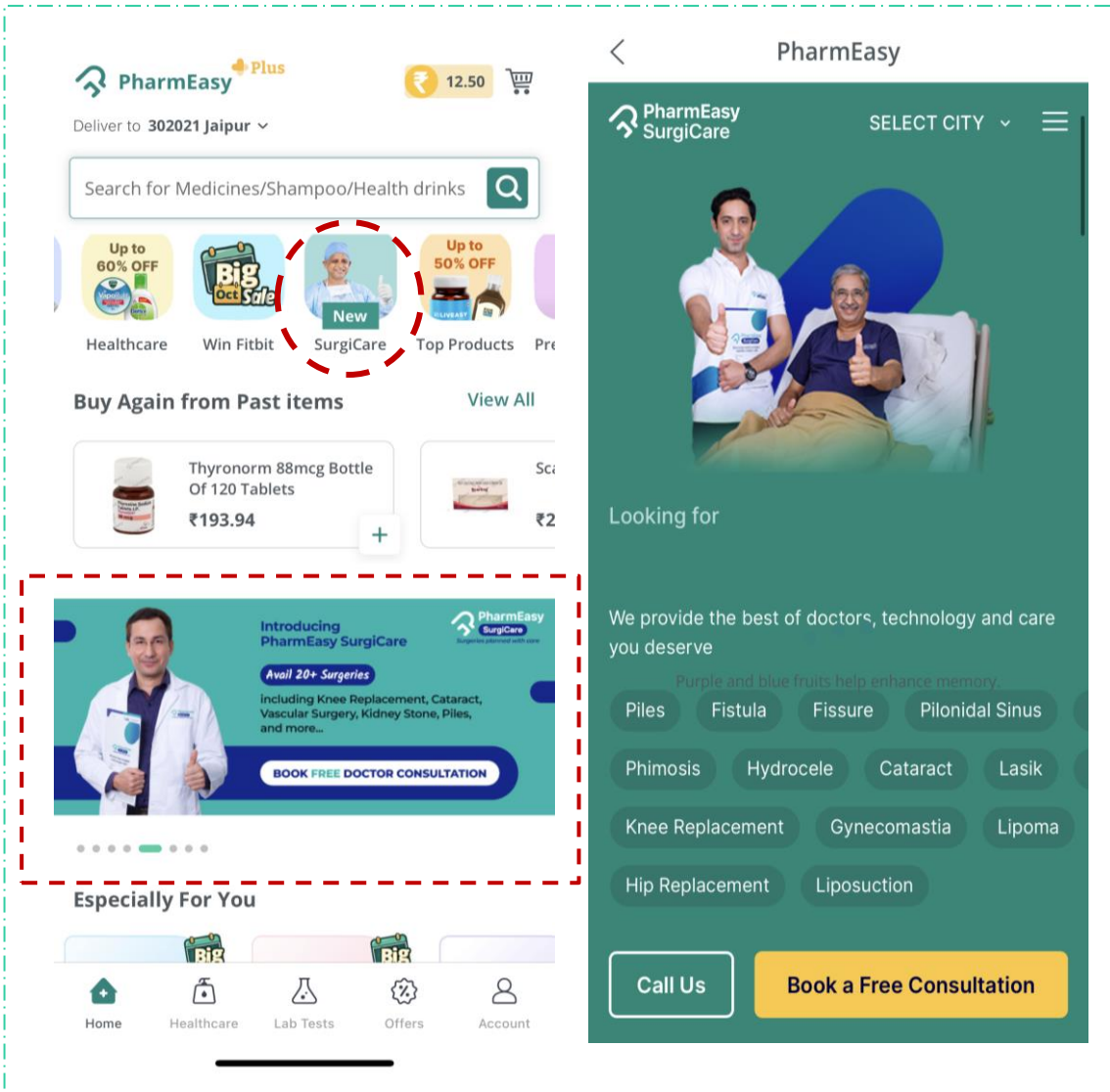


## Our Presence Today

 **180+**  
Hospital Collaborations

 **200+**  
Surgeons Collaborations

 **7+**  
City Presence



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API Holdings

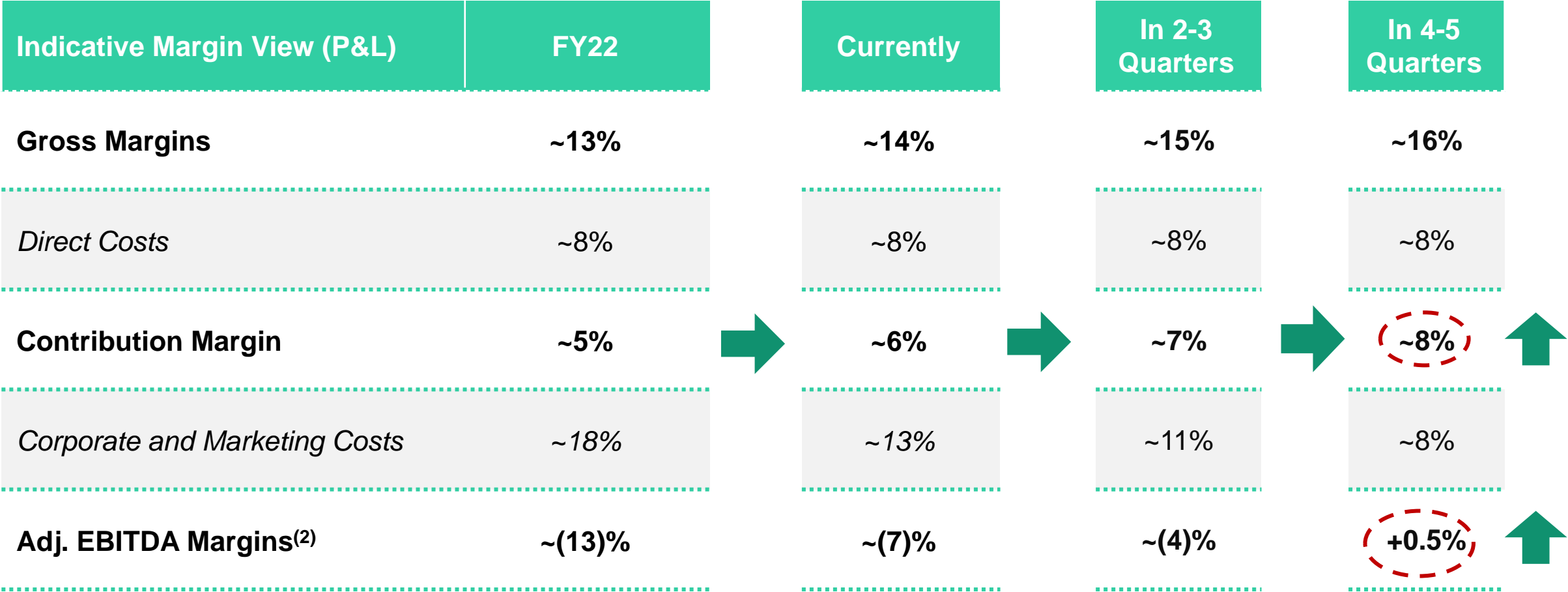


## API Holdings – Future Roadmap

# Clearly laid out Roadmap for EBITDA break-even in 4-5 Quarters

## Margin Profile evolution over the next 4 quarters

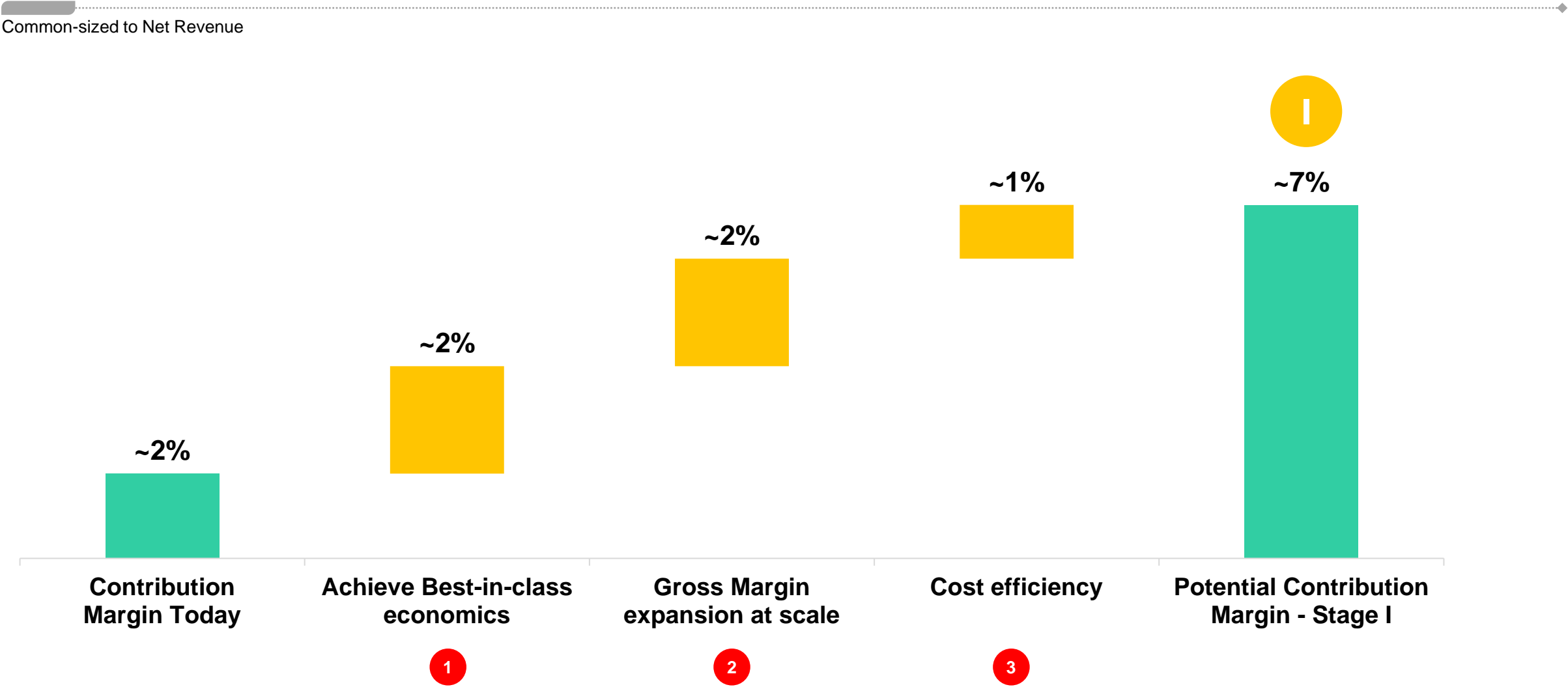
Common-sized to Net Revenue



Notes:

- 1. Provisional Proforma view of API holdings as per the Proforma Financials, including Thyrocare and Aknamed
- 2. Adj. EBITDA is before deducting one-time expenses  
Indicative view basis management assumptions and not to be treated as forward-looking statements by the Company

# We see 3 Key Levers to Achieve Industry Leading Economics across our Products Business...

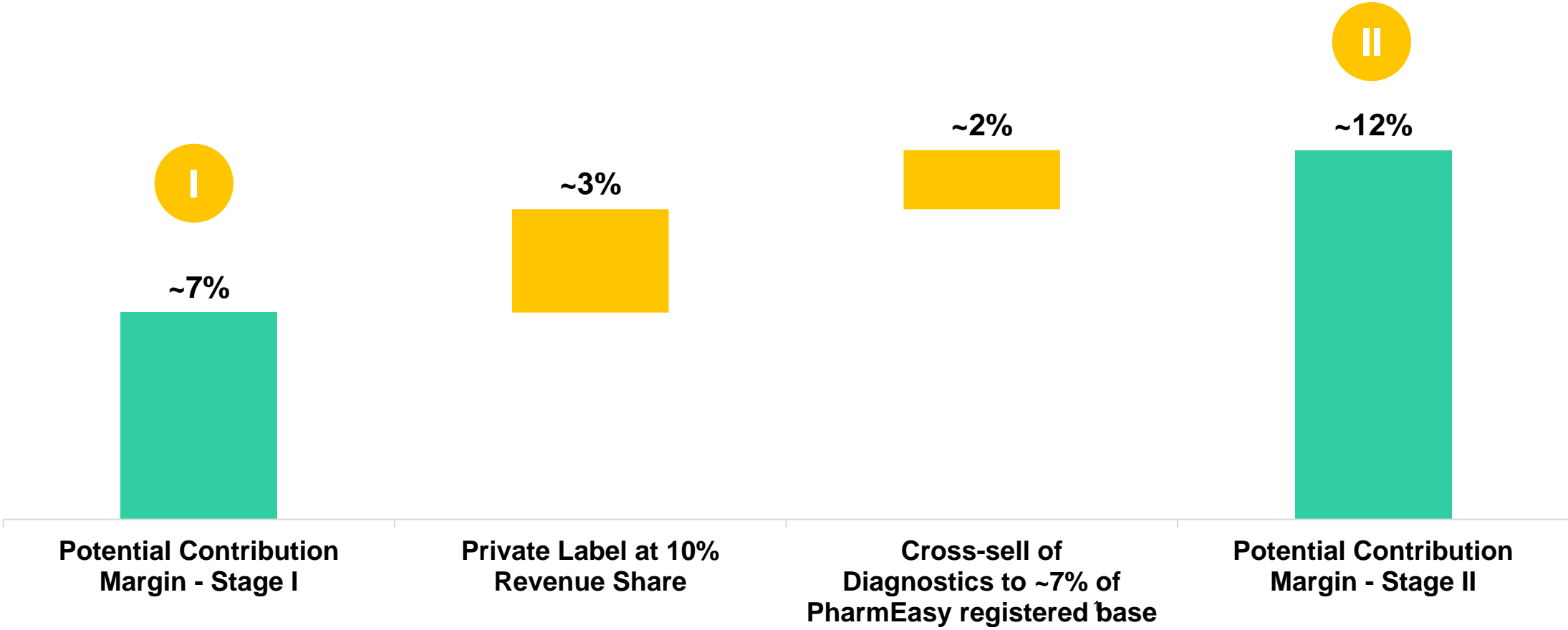


**Notes:**  
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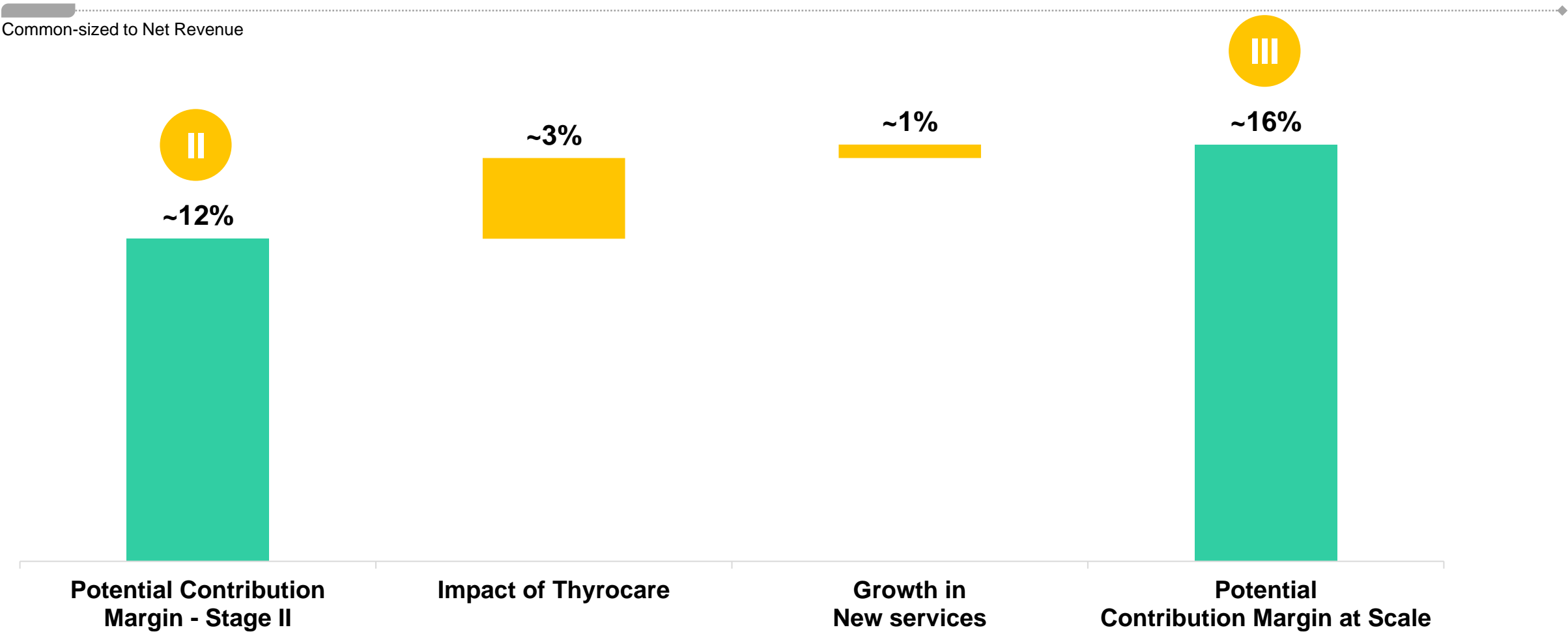
# ...while Unlocking Additional Margin through unique Cross-sell proposition of Private Label & Diagnostics...

Common-sized to Net Revenue



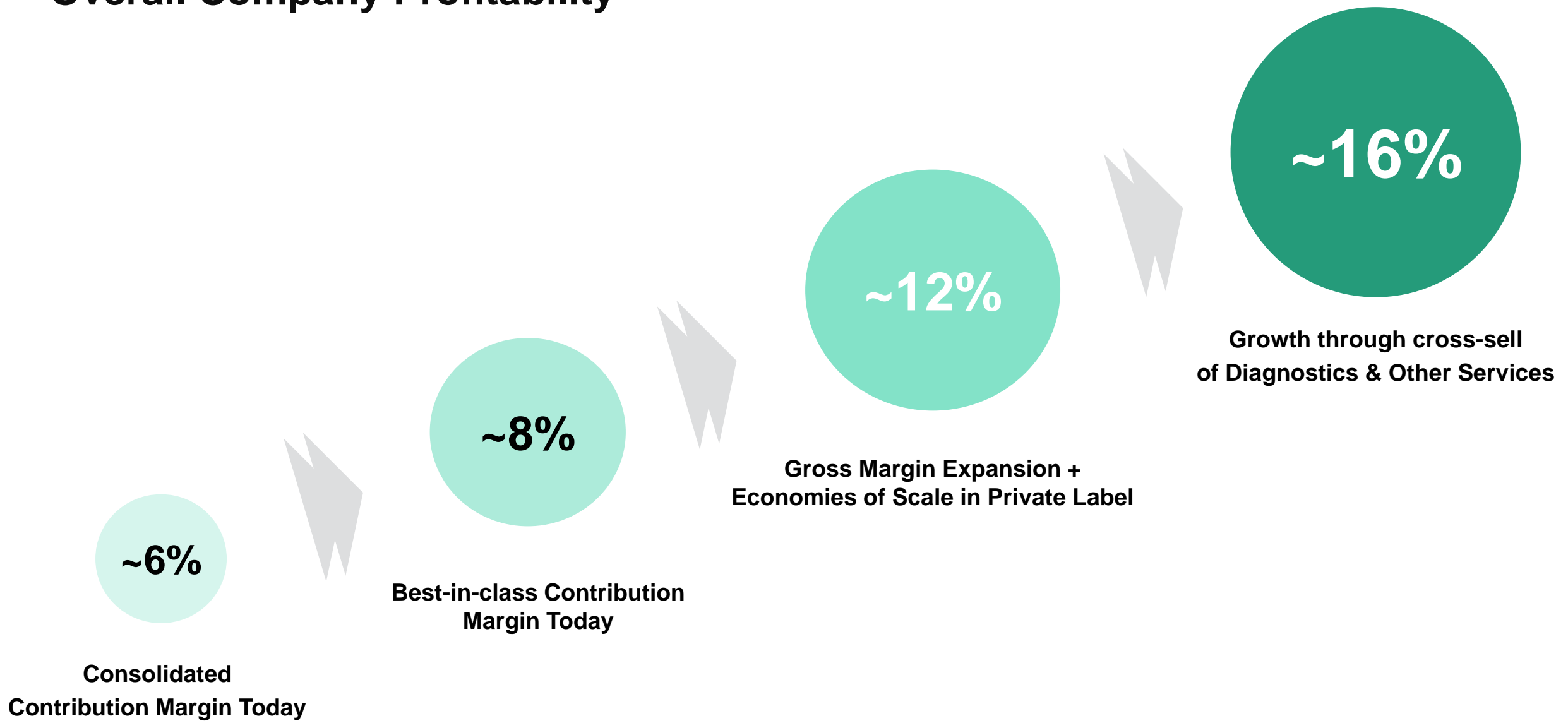
**Notes:**  
Metrics for Axelia; PharmEasy Brand and App have been licensed to Axelia Solutions Pvt. Ltd. ("Axelia"); Axelia operates the PharmEasy marketplace; API Holdings owns 19.99% of Aarman Solutions Pvt. Ltd. which is the holding company of Axelia  
Indicative view basis management assumptions and not to be treated as forward-looking statements by the Company

# ...further expansion in Contribution Margin is possible with growth of Thyrocare and other Services to potentially target a 16% Margin profile



**Notes:**  
Indicative view basis management assumptions and not to be treated as forward-looking statements by the Company

# Reiterating the Potential Contribution Margin Expansion that can drive Overall Company Profitability



**Notes:**  
Indicative view basis management assumptions and not to be treated as forward-looking statements by the Company



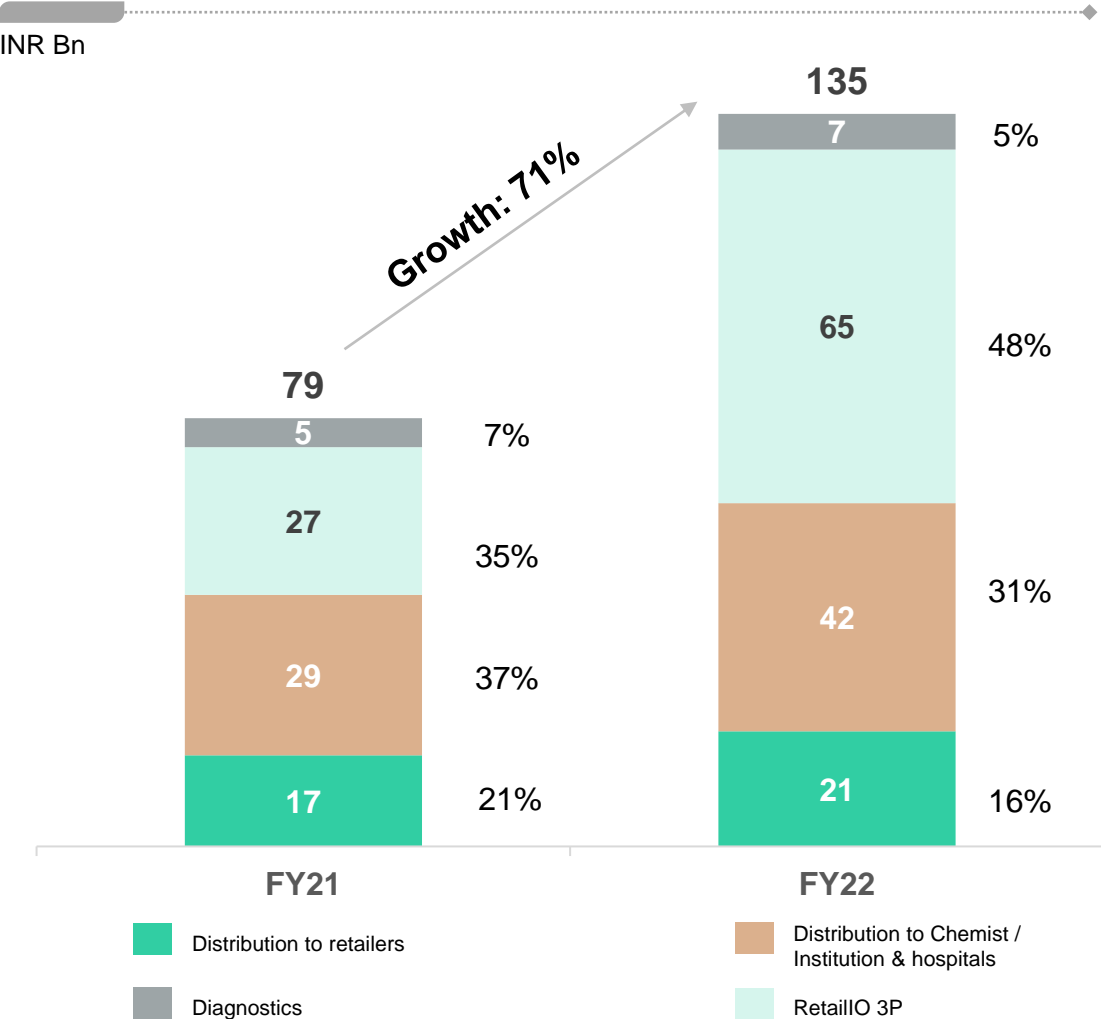
API Holdings



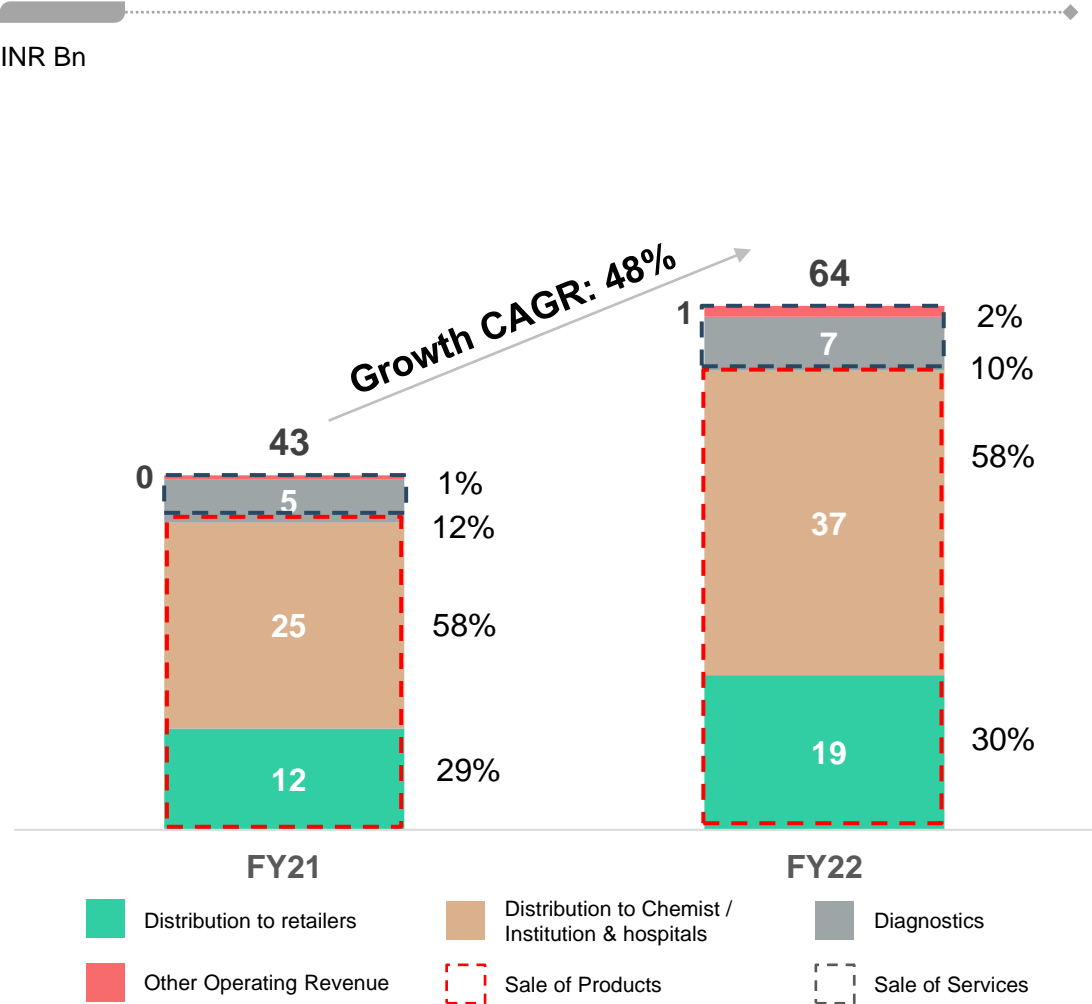
## API Holdings – FY22 Financial Overview

# Delivered 71% GMV and 48% Net Revenue YoY growth in FY'22

Proforma GMV (1),(3)



Proforma Net Revenue (1),(2)



**Notes:**

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, 2020 by our Company

2. Revenue is net of intercompany sales

3. 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 Leading Revenue Growth

Proforma P&L (INR MM) <sup>(1),(2)</sup>	FY2022
<b>Revenue From Operations</b>	<b>63,836</b>
Gross Margins	8,388
<b>Gross Margin %</b>	<b>13.1%</b>
<i>Direct &amp; Warehousing Costs</i>	5,207
<b>Contribution Margin</b>	<b>3,181</b>
<b>Contribution Margin %</b>	<b>5%</b>
<i>Corporate Expenses (HO &amp; Marketing Costs)</i>	11,389
<b>Adjusted EBITDA<sup>(3)</sup></b>	<b>-8,208</b>
<b>Adjusted EBITDA %</b>	<b>-12.9%</b>

**Notes:**

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, 2020, by our Company
2. Revenue is net of intercompany sales
3. Adjusted EBITDA excludes share-based payment expenses, one time performance bonus and other non-recurring costs such as legal and professional fees primarily incurred in connection with acquisitions made, raising equity and debt and filing of public offer



# FY'22 PAT Impacted by Non-Cash and One-Time Expenses & Charges

Proforma P&L (INR MM) <sup>(1)</sup>	FY2022
<b>Adjusted EBITDA</b>	<b>-8,208</b>
<i>Shared Based Compensation (Non Cash Expense)</i>	6,332
<i>Non Recurring Expenses (Inclusive of Team Bonus and Write off of Tax Credits)<sup>(2)</sup></i>	7,452
<b>Corporate EBITDA</b>	<b>-21,992</b>
<i>Exceptional Items (Non Cash Expense)<sup>(3)</sup></i>	12,671
<i>D&amp;A</i>	2,067
<i>Finance Costs</i>	3,237
<i>Taxes</i>	464
<b>PAT</b>	<b>-40,431</b>

**Notes:**

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, 2020, by our Company
2. Includes one time performance bonus and other non-recurring costs such as legal and professional fees primarily incurred in connection with acquisitions made, raising equity and debt and filing of public offer
3. Includes losses from goodwill impairment owing to acquisitions and corporate restructuring

**Thank You**