

# Dr. Lal PathLabs Limited (DLPL)

**Q4 FY21**

**Results Presentation**

May 21, 2021



# Disclaimer

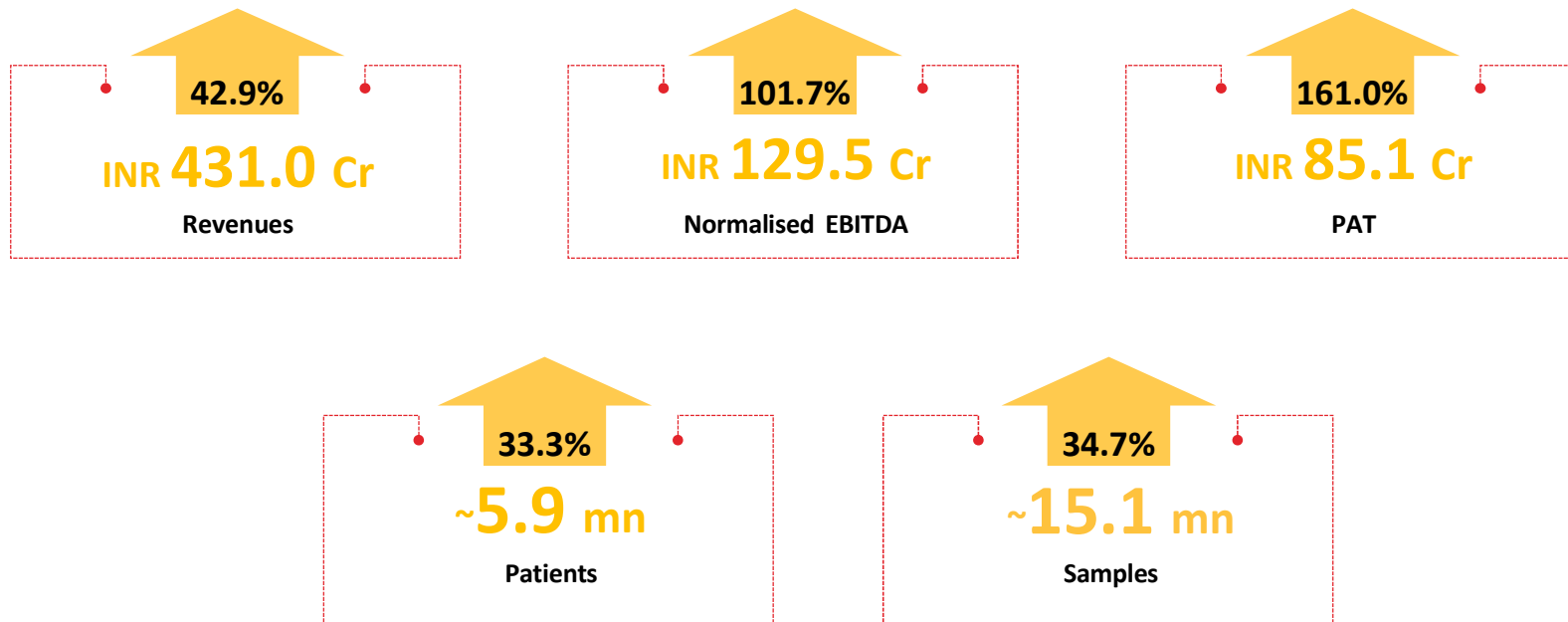
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# Q4 FY21 Snapshot



Q4 FY21 is not comparable to Q4 FY20 due to Nationwide lock-down in March 2020

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# 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 985.9 Cr.**

Cash & Investments as on  
31<sup>st</sup> Mar 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\*

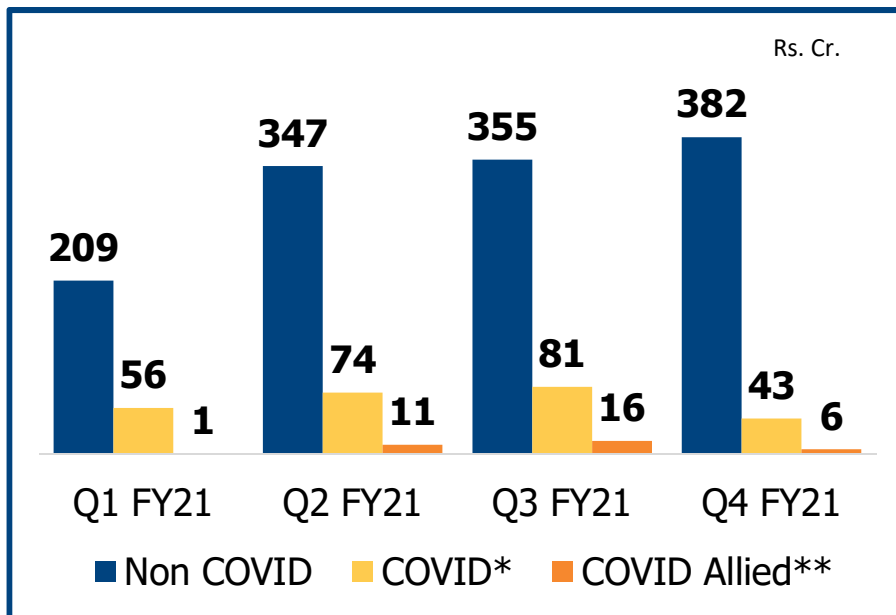


Unique and successful operating model

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

## COVID, COVID Allied & Non-COVID Revenue



\*COVID includes RTPCR and Antibody tests

\*\*COVID Allied includes IL-6 & D-Dimer

- Non-COVID business grew at a phenomenal growth rate of 26.8% in Q4 FY21
- COVID portfolio contribution to total revenue declined to 11.2% in Q4 FY21 from 21.6% in Q3 FY21 due to regulations on pricing of RT-PCR testing
- COVID Allied business in Q4 FY21 was at 12.5% of total COVID portfolio.
- 4.5 lac COVID RTPCR tests conducted in Q4 FY21 and 14.9 lac in FY21
- RT-PCR test being conducted in 14 labs across the country

# Key Performance Highlights

## During Q4 FY21:

- Revenues enhanced by 42.9% Y-o-Y to Rs. 431.0 crore
- Normalised EBITDA (after eliminating the impact of stock based compensation & CSR) came in at Rs. 129.5 crore
- Profit After Tax at Rs. 85.1 crore, higher by 161% over same period last year
- Final dividend of Rs. 8 per equity share of Rs. 10 each approved by the Board of Directors

**Cash, FDs and Mutual Funds at Rs. 985.9 crore as on March 31, 2021, an increase of Rs. 241.7 crore over March 31, 2020**

**Non-COVID business achieves a phenomenal increase with 26.8% growth Y-o-Y; COVID testing surged again in March as caseloads rise across the country**

- Non-COVID business revenues stood at Rs. 382.5 crore in Q4 FY21
- Patient volumes grew by 33.3% Y-o-Y to 5.9 million
- The bundled test portfolio 'Swasthfit' contributed 16.9% to revenue in Q4 FY21



# Financials

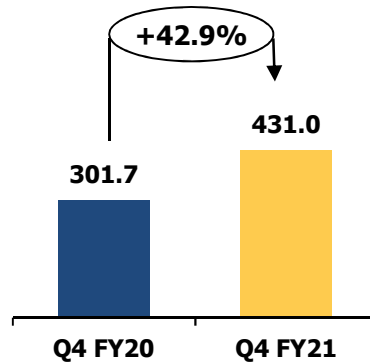
Particulars (Rs. Cr.)	Q4 FY21	Q4 FY20	Gr %	FY21	FY20	Gr %
<b>Revenue</b>	<b>431.0</b>	<b>301.7</b>	<b>42.9%</b>	<b>1,581.3</b>	<b>1,330.4</b>	<b>18.9%</b>
Expenditure	309.0	244.4		1,145.0	986.8	
<b>EBITDA</b>	<b>122.0</b>	<b>57.3</b>	<b>112.9%</b>	<b>436.3</b>	<b>343.6</b>	<b>27.0%</b>
Stock based comp. & CSR cost	7.5	6.9		26.3	22.0	
<b>Normalised EBITDA</b>	<b>129.5</b>	<b>64.2</b>	<b>101.7%</b>	<b>462.6</b>	<b>365.6</b>	<b>26.5%</b>
<i>Normalised Margins</i>	<i>30.0%</i>	<i>21.3%</i>		<i>29.3%</i>	<i>27.5%</i>	
Other Income	13.5	12.0		51.3	55.0	
<b>PBT</b>	<b>110.8</b>	<b>45.4</b>	<b>144.1%</b>	<b>394.4</b>	<b>310.5</b>	<b>27.0%</b>
<i>Margins</i>	<i>25.7%</i>	<i>15.0%</i>		<i>24.9%</i>	<i>23.3%</i>	
<b>PAT</b>	<b>85.1</b>	<b>32.6</b>	<b>161.0%</b>	<b>296.5</b>	<b>227.6</b>	<b>30.3%</b>
<i>Margins</i>	<i>19.7%</i>	<i>10.8%</i>		<i>18.8%</i>	<i>17.1%</i>	
<b>EPS (Basic)</b>	<b>10.10</b>	<b>3.94</b>	<b>156.3%</b>	<b>35.33</b>	<b>27.42</b>	<b>28.8%</b>
EPS (Diluted)	10.07	3.93	156.2%	35.25	27.37	28.8%

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

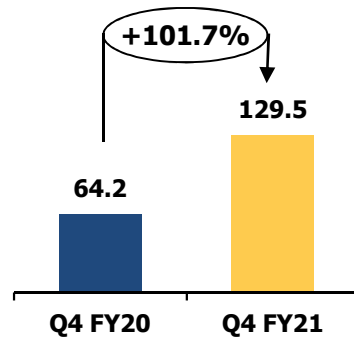
All figures in Rs. Crore

## Revenue



- In Q4 FY21, Revenue improved to Rs. 431.0 crore, higher by 42.9% Y-o-Y led by :
  - 33.3% increase in volumes
  - Growth in Non-COVID business and uptick in COVID testing volumes in March
- Realisation per patient in Q4 FY21 stood at Rs. 733, higher as against to Rs. 684 in Q4 FY20

## Normalised EBITDA (after eliminating the impact of stock based compensation, and CSR costs)



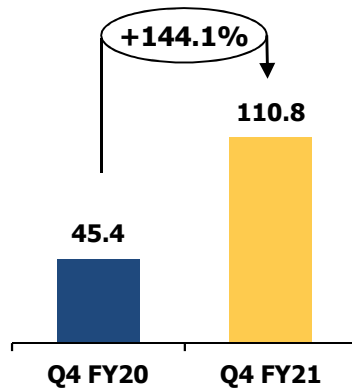
- Normalised operating EBITDA (after eliminating the impact of stock based compensation and CSR costs) came in at Rs. 129.5 crore in Q4 FY21, an increase by 101.7% Y-o-Y
- Q4 FY21 Normalised EBITDA margin (after eliminating the impact of stock based compensation and CSR costs) came in at 30.0%

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

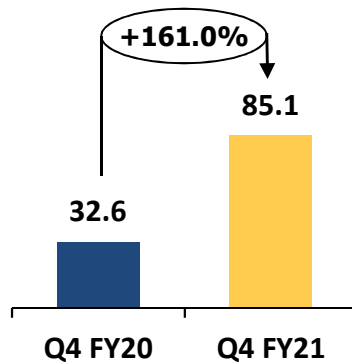
All figures in Rs. Crore

PBT



- PBT for Q4 FY21 stood at Rs. 110.8 crore as compared to Rs. 45.4 crore reported in the same quarter last year, representing a growth of 144.1%
- Q4 FY21 PBT margin came in at 25.7% vs. 15.0% in the corresponding quarter of last year

PAT

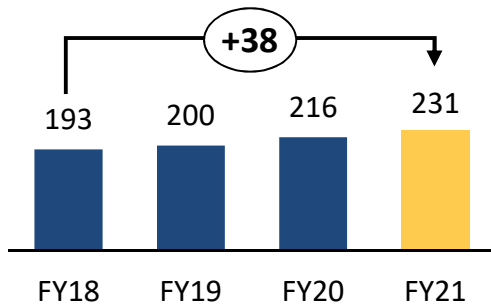


- In Q4 FY21, PAT was at Rs. 85.1 crore, higher by 161.0% as compared to Rs. 32.6 crore in Q4 FY20
- Q4 FY21 PAT margin was at 19.7% against 10.8% in Q4 FY20

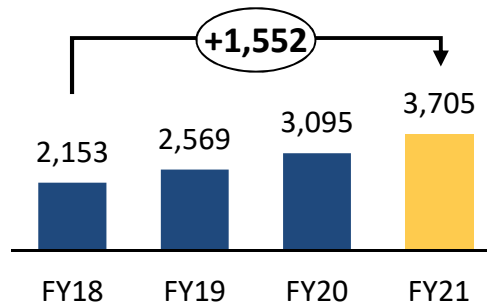
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# Operating Highlights

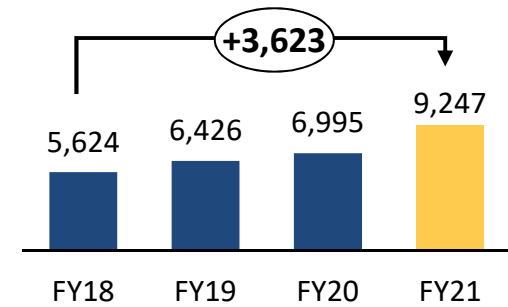
No. of Clinical Laboratories



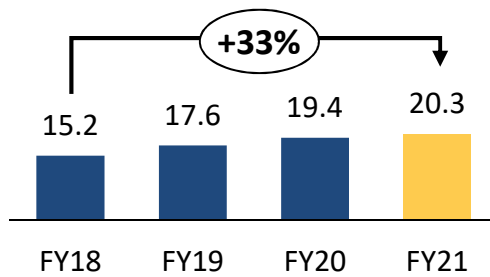
No. of PSCs



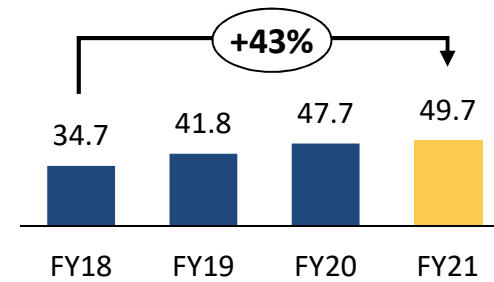
No. of PUPs



No. of Patients (Mn)



No. of Samples (Mn)



# Management Commentary

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

*“Even though the concluding quarter of FY21 was marked by the second wave of COVID-19 pandemic in India, we have ensured that our non-COVID business has shown growth. The COVID business started increasing by the end of the quarter due to the growing caseload of COVID cases. In our bid to sustain the market leadership position, we continue to expand test menu, penetrate into newer geographies and strengthen our hold in existing regions.”*

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

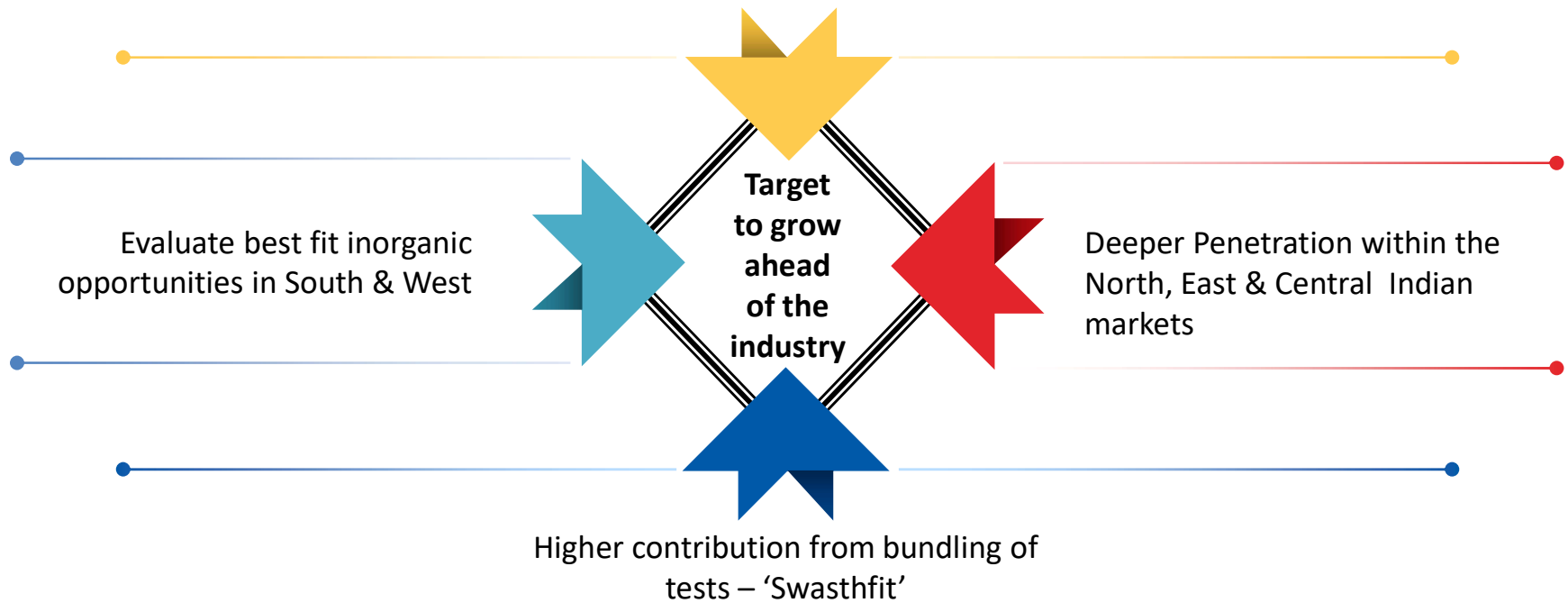
*“Just when everything was returning back to normalcy, India was unfortunately hit by the second wave of pandemic, although this time we were better prepared to manage the crisis given our inherent strengths and sheer experience. Our teams have worked relentlessly to serve all the patients during these unprecedented times and providing them with best quality diagnostic services at affordable prices.”*

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

*“Despite the emerging challenges faced in Q4, being a pan-India, organized diagnostics player, Dr. Lal PathLabs is well placed to grow both in COVID and non-COVID businesses. Our strategic efforts of expanding in the West and South continues, while our test menu is constantly getting enhanced. We are confident of realizing our growth aspirations going forward driven by increased demand for quality diagnostics.”*

# Vibrant Outlook

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

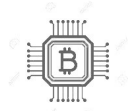


# Leveraging digital to make life easier for patient



## 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

# Corporate Overview





# Vision, Mission & Values

## VISION



Be the most trusted healthcare partner, enabling healthier lives

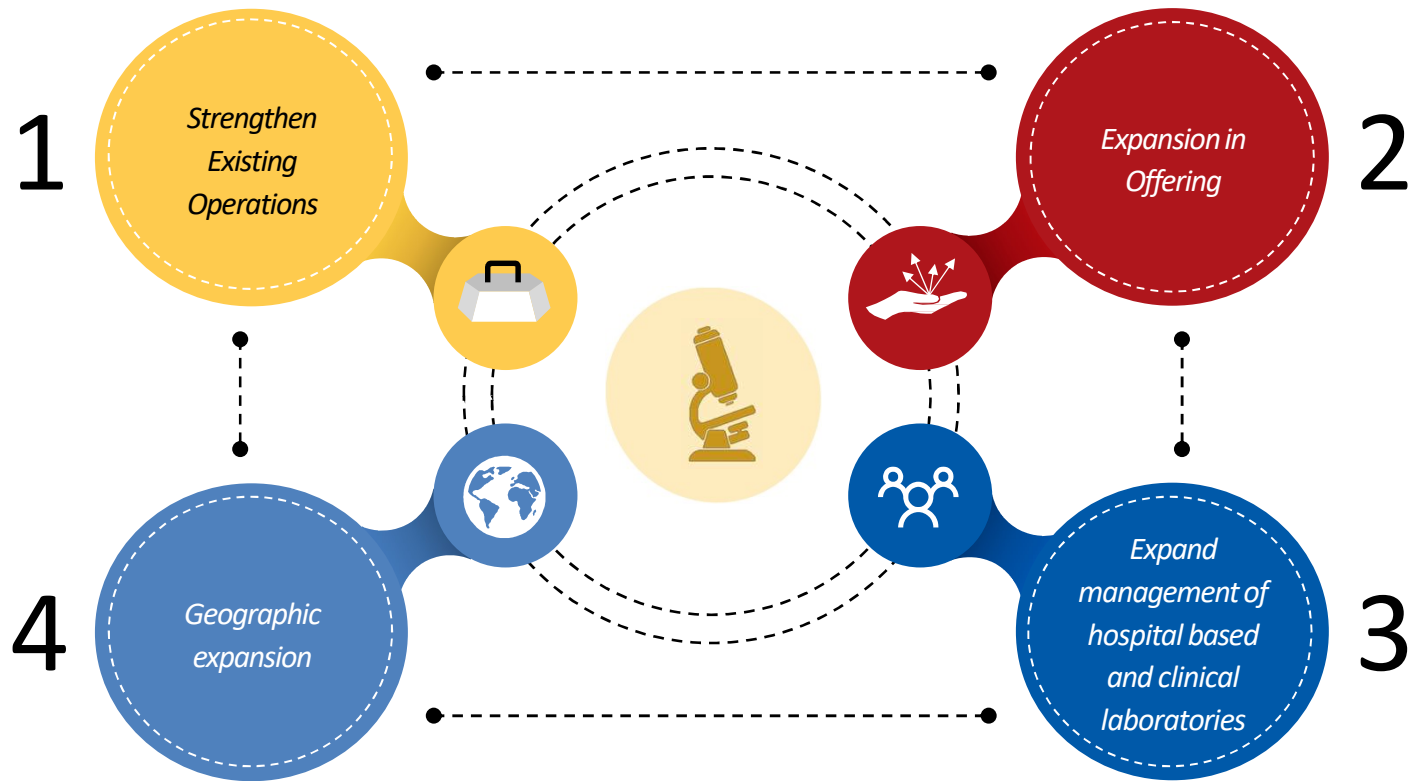


To be the undisputed market leader by providing accessible, affordable, timely and quality healthcare, diagnostics, applying insights and cutting edge technology to create value for all stakeholders

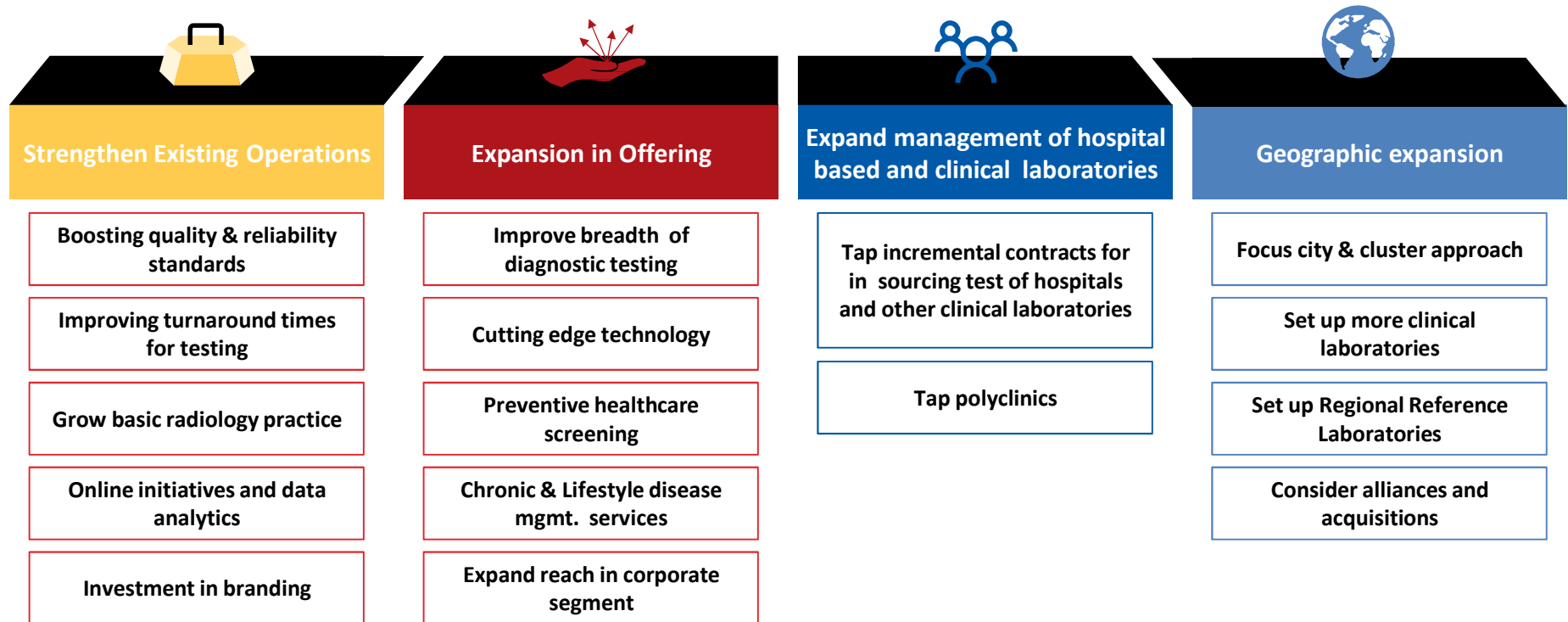
## MISSION



# DLPL Strategy for future growth



# DLPL Strategy for future growth



# 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

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



## New Tests

- Sperm DNA
- Y Chromosome



## New Tie-ups

- Caris MI (USA)
- Caris Tumor Seek



## ONCOPATH

- Niche Segmentation

# In-house adoption of Digital Histopathology

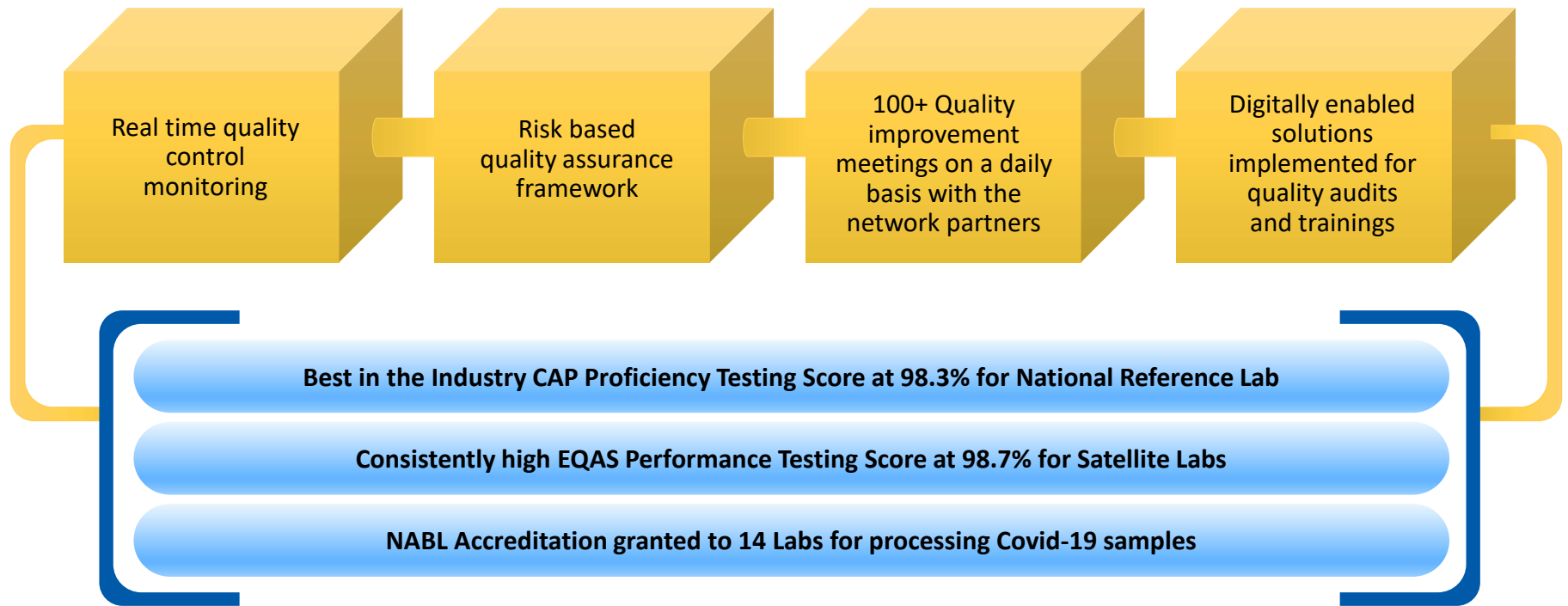
- ✓ Reporting of Digital Breast cancer Panels using AI based algorithms
- ✓ Digital Histopathology for remote routine reporting



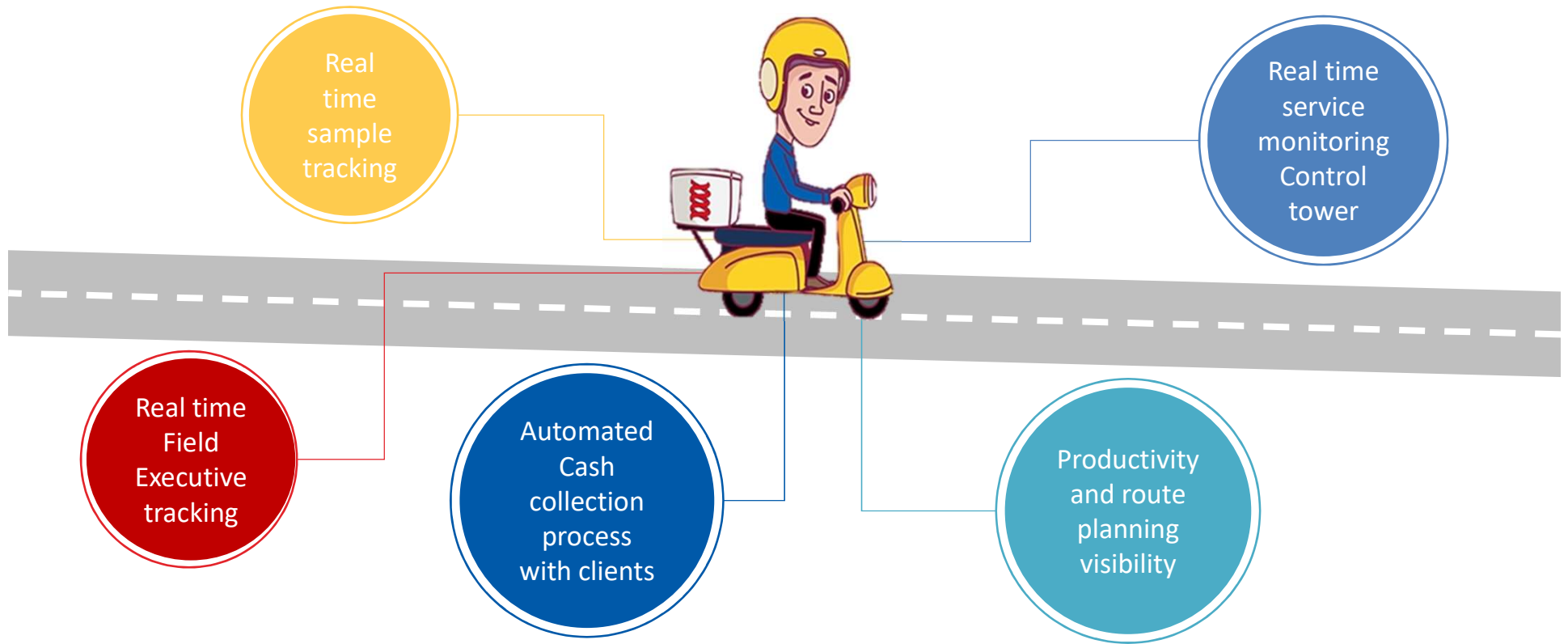
## Opportunities created by Digital Histopathology

- 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

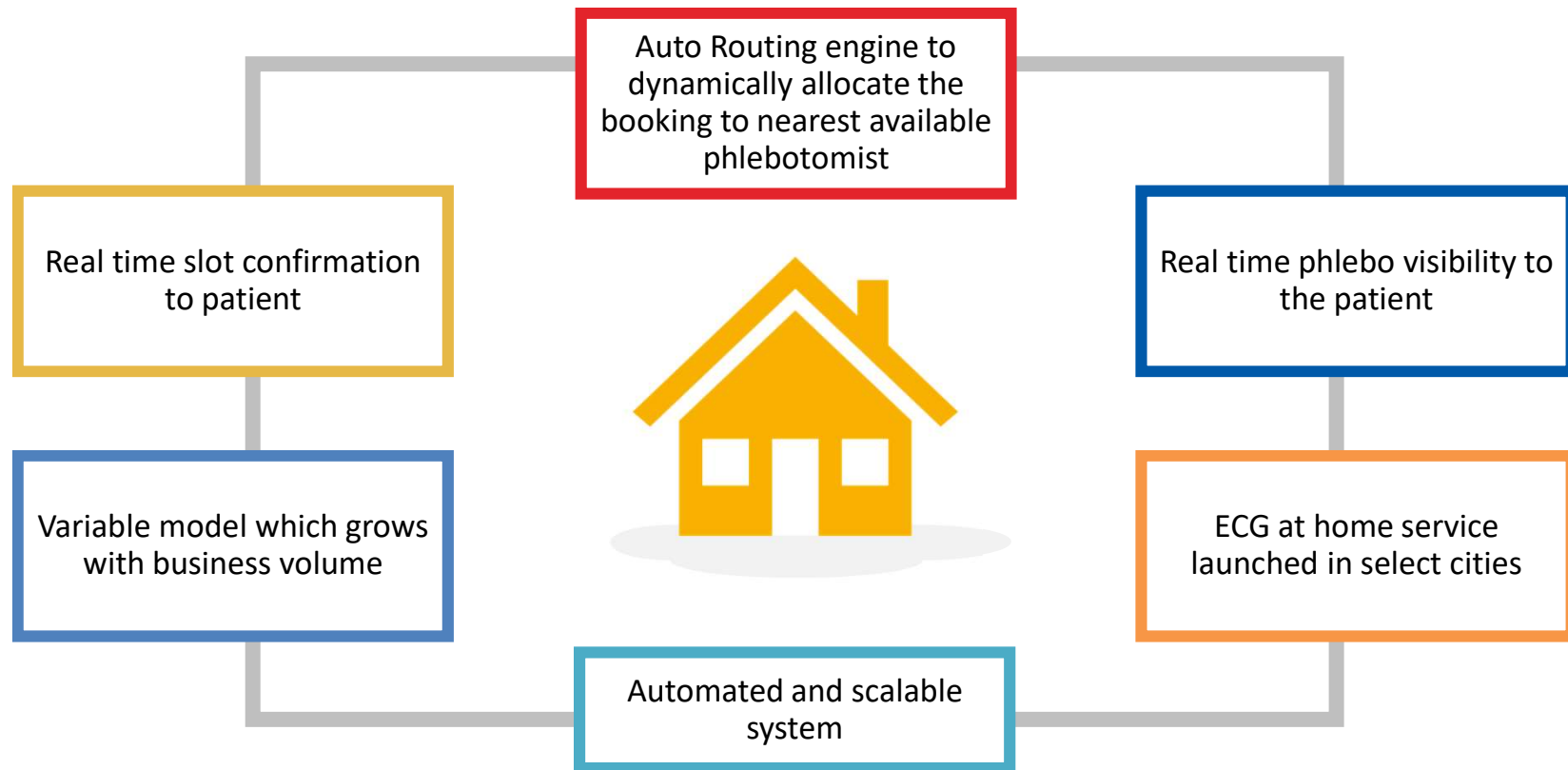


# Best in class Logistics and Supply Chain management

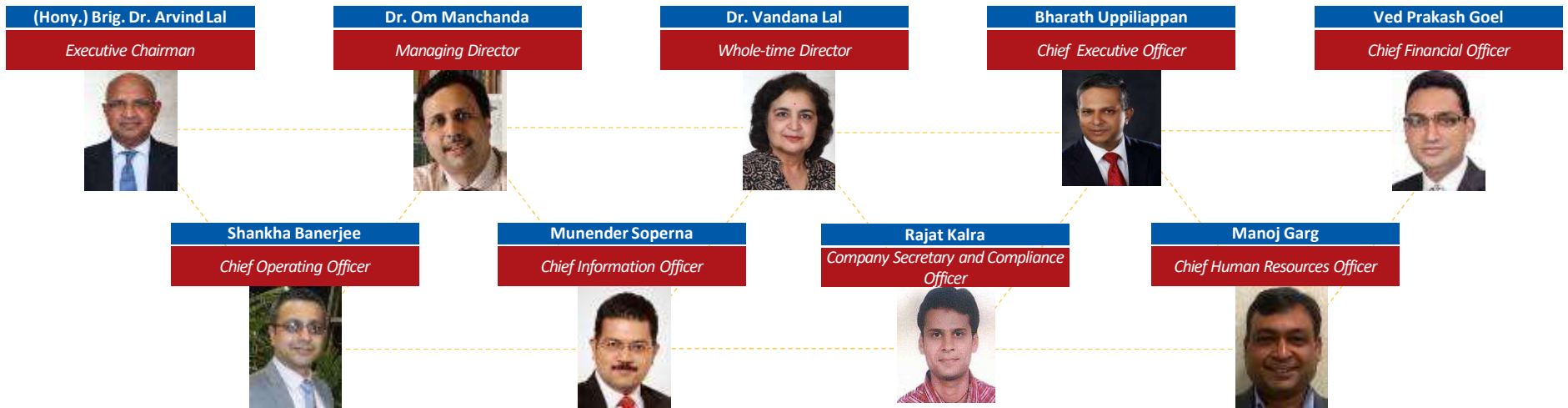




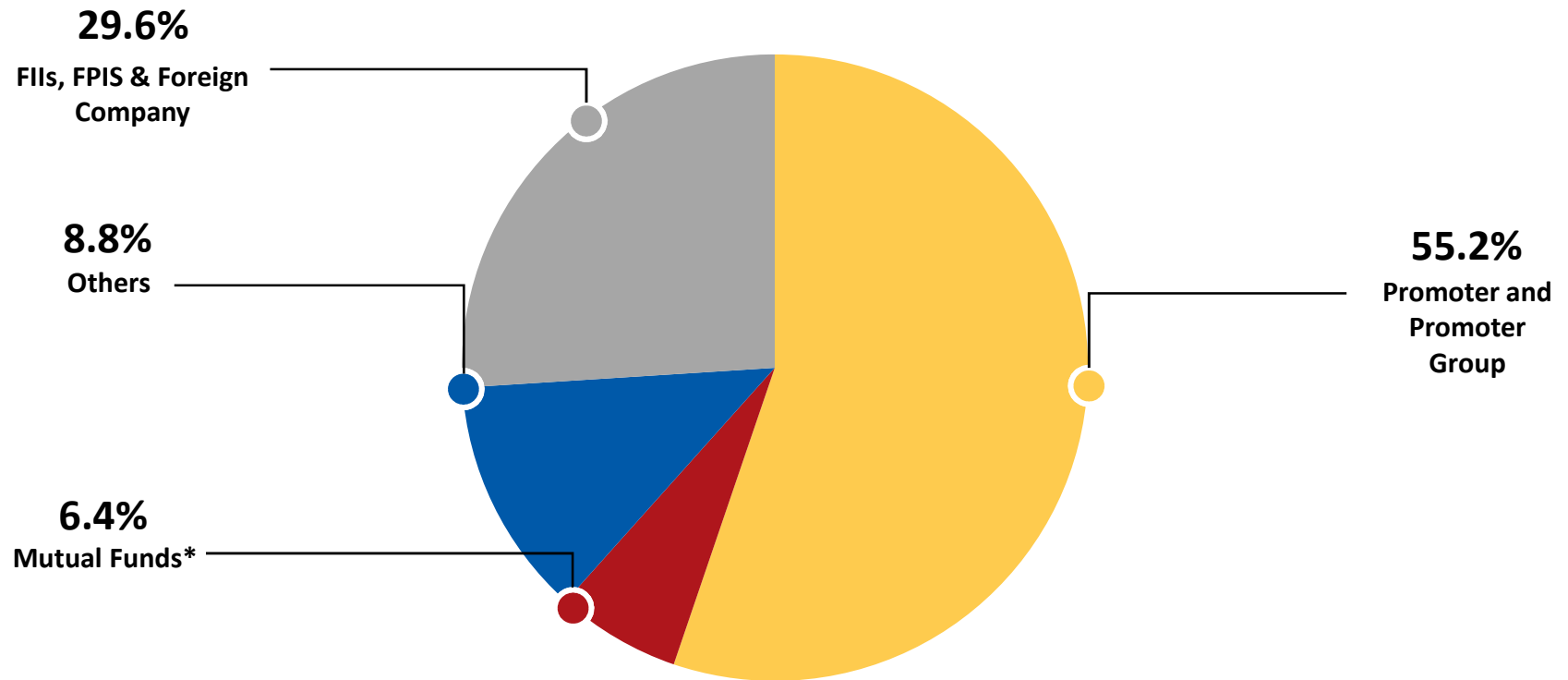
# Enhanced Customer Experience in Home Collection



# Experienced Management team



# Shareholding as of 31st March, 2021



\*Mutual Funds includes Alternate Investment Funds as well

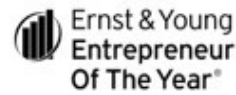
# Key Awards & Recognition



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



Data Quest Technology Award 2015 – Excellence in Implementation of Technology



VC Circle Healthcare Summit 2013 – Best Diagnostic Company



Computerworld Honors Laureate Program, 2012



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



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)

# 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**

**Website:** <https://www.lalpathlabs.com>

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