



February 13, 2025

Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400051

Scrip Code: 543223

Name of Scrip: MAXIND

Sub: Transcript of Investors & Analysts Conference Call

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Transcript of Investors & Analysts Conference Call held on February 7, 2025, post declaration of Un-audited Financial Results of the Company for the quarter and nine months ended December 31, 2024, is enclosed.

The same has also been uploaded on the website of the Company at maxindia.com/static/uploads/financials/max-india-earnings-call-transcript_13-feb-25.pdf

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For **Max India Limited**

Trapti
Company Secretary & Compliance Officer

Encl.: As above

MAX INDIA LIMITED

CIN: L74999MH2019PLC320039

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“Max India Limited Q3 & 9M FY25 Earnings Conference Call”

February 07, 2025



“E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 13th November 2024 will prevail.”

MANAGEMENT: **MR. RAJIT MEHTA – MD & CEO, MAX INDIA LIMITED**
MR. AJAY AGRAWAL – DEPUTY CEO & CFO, ANTARA SENIOR LIVING & HEAD, INVESTOR RELATIONS, MAX INDIA LIMITED
MR. ISHAAN KHANNA – CEO, ANTARA ASSISTED CARE, MAX INDIA LIMITED
MR. SANDEEP PATHAK – CFO & HEAD OF LEGAL, MAX INDIA LIMITED
MR. ANKIT KALRA – CFO, ANTARA ASSISTED CARE, MAX INDIA LIMITED
MR. NISHANT KUMAR – INVESTOR RELATIONS, MAX INDIA LIMITED

Moderator: Ladies and gentlemen, good day and welcome to Max India Limited Q3 and 9 months FY25 Earnings Conference Call.

As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing ‘*’, then ‘0’ on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rajit Mehta – MD & CEO. Thank you and over to you, sir.

Rajit Mehta: Thank you very much and good evening to all of you and Namaste and welcome to this Q3 FY25 Earnings Call for Max India.

For all our existing shareholders who have joined, a big thank you for your support. The markets have been playing hide and seek as we know, so really thank you for your support. For the benefit of all of you, I have with me my colleague, Ajay Agrawal - the Deputy CEO and CFO of Antara, also lead Investor Relations; Ishaan Khanna who is the CEO for Antara Assisted Care; Sandeep Pathak – the CFO for Max India and the Head of Legal for Max Group and Ankit Kalra - CFO for Antara Assisted Care; Nishant from our Investor Relations team and SGA, Investor Relations Advisors, Aakash as well on the call.

To start with, I am very happy and delighted to share it has been quite an action-packed and satisfying quarter. There has been steady progress across all business verticals. For the asset side or real estate side or Antara Senior Living, we launched the first intergenerational living community in Gurgaon. Q2 FY25 has been a phenomenal response where within the few months we have been able to sell 82% of the inventory, so roughly 240 of the 292 units have been sold. Some have been sold in January and February also, but that is for the next quarter’s update. Given the encouraging response and the price points that Gurgaon enjoys, we are already in discussion with Max Estates to look at a Phase-2 a similar partnership in a contiguous piece of land because we do have some pending demand as well for this geography.

On Noida, on residences, the finishing works is in progress. All the construction related NOCs have already been obtained and will be ready for possession within timelines.

On Antara Assisted Care, we have added 234 new beds in Care Homes in the current financial year. Our bed capacity is now increased to 300. We also had planned to increase some more in Q4 of this year, which will happen as well. We are now in three geographies, Gurugram, Noida and Bengaluru. Both Care Homes and Care at Home reported very healthy revenues with the high double-digit growth over comparable last quarter.

Lastly, in the AGEasy vertical, we now have 18,000 repeat customers. We have touched about 1.93 lakh lives out of which 1.5 lakhs are through marketplaces, rest are on own website. Our

NPS is extremely healthy, which vindicates the customers confidence in our offerings which is growing steadily from 13 to now 36 in the last 6 months.

Now, let me go to each vertical what we have done, what we have achieved. On the residence vertical, all inventories are already sold out in Dehradun. We are now getting some opportunities of resales because sometimes circumstances in senior life change due to medical condition or loss of a partner. During the 9-month FY25, we have done 12 resales and earned about Rs. 2.2 crores as marketing fee. The operational revenue from Dehradun has increased to about Rs. 6.1 crores for Q3 FY25, a growth of 13% over the last corresponding quarter. Dehradun community reported a profit of Rs. 0.4 crores, much ahead of the plan is now also operationally cash positive. Let me remind you, it is always PBT and cash positive. Now, it is operationally cash positive as well and the overall cash surplus for Dehradun now stands at Rs. 110 crores. In Noida Phase-1, we had already sold out the inventory many months back. The collections are better than planned. We have 99% collection efficiency. Total collection achieved so far is INR 382 crores, 14% growth over last year. Our construction is as per plan and now we are doing all the finishing works, interiors, landscaping, etc., and we will be ready for possession much before the timeline stipulated by the authorities.

The application for OC has been kept in abeyance by Noida as some of you are aware, there is a sector 150 issues being sorted out and the Noida authority is waiting for direction from the Government. On Phase-2 of Noida sector 150, in the last earnings calls I had informed you that we had temporary set back because of RERA. We have now taken this up with appellate authority and resolution discussions are underway for these approvals. While there will be a delay in Phase-2, the silver lining in the market continues to be quite buoyant and compared to the price point, we had sold Noida Phase-1, the Noida Phase-2 will be much higher. That is the silver lining once we get the approval.

On new communities about Max Estates Gurgaon which is a 0.7 million square feet development of the total 2.1 million. We have 292 apartments as I said 240 already sold out. Sales collection of INR 124 crores and Antara continues to have a steady revenue income by way of management fees. Some of you may get concerned that the quarter-on-quarter consolidated revenue is going down primarily because the collections have cycles depending on when the time is due. So, while there was some collection done last time and therefore it showed an uptick. This time, obviously, there is nothing due, but as we proceed towards the next quarter, this will catch up. It is just the nature of the business. Nothing to get worried about, it is very temporary, and we have been guiding you all the time this will happen. But as we collect more, as we launch more communities, this problem will also get sorted out.

We are actively pursuing the Chandigarh opportunity with a stage of definitive agreement negotiation now, so our commitment to create 1.5 million square feet every year quite remains. We have 0.3 of Noida Phase-2, potential 0.7-0.8 of Chandigarh and we will have possibly 1 million of Gurgaon Phase-2. So, the 1.5 is not a problem at all.

For Antara Assisted Care, overall net revenue at Rs. 19.4 crores in Q3 FY25 grew sequentially by 57% over Q2 year-on-year growth of 176%. On the Care Home, significant expansion was planned for FY25. We already have 234 beds added and the rest will come in Q4. Fit outs are going on 170 beds in Chennai and 80 beds in Whitefield, a number of 250-300 more is also within sight. Full efforts are being to operationalize the maximum beds within this fiscal year.

On financial numbers:

The Care Home's net revenue stood at Rs. 2.1 crores in Q3 FY25, which is a growth of 22% over last quarter and Y-o-Y growth of about 40%. The existing Care Home, Gurugram and Memory Care Home reported positive contribution margin of 1% in Q3 FY25. We have been having some issue with occupancy in Gurgaon Care Home primarily because long-term move-ins have not been there, but the contribution margins have continued to be steady as the temporary issue will get solved over a period of time again. The ARPOB has grown quite healthily by about 8%. The reduction in occupancy I already explained to you. Also, what happens is since we have some seniors who are quite elderly we often lose them, sometimes, which is the nature of the business, so that occupancy gets affected temporarily because of that reason as well.

In the mature steady state, we will hit the annual revenue of Rs. 5 crores to Rs. 6 crores as we were saying in each Care Home. Margins are sharply improved from 12% in Q3 FY24 to 18% in Q3 FY25. We have served about 200 patients during Q3 FY25 and over 2000 patients in Care Home since inception. And as we ramp up occupancy, obviously the margins will improve. On Care at Home, we continue to expand our footprint in new geographies, Bangalore and Chennai have registered a sequential growth of 17% and 7% respectively in Q3 over Q2 and are now nearing contribution breakeven.

We have also increased the penetration of higher margin services like Critical Care and Physio. We have now achieved the highest ever revenue of Rs. 4.6 crores in Q3 FY25 with strong year-on-year growth of 83% and around 32,000 patients have been served in this vertical. Please do remember the number of lives we touch, whether through residences, products or services are customers to whom we can sell and cross sell our other products and services, which was the intention and the aspiration and the vision behind creating an integrated care ecosystem. So, in one sense, we are creating a flywheel concept where customers can come through residences, through AGEasy, through Care Home, through Care at Home and we kind of create them and sell them different products and services to the much higher LTV.

Overall, AGEasy includes the erstwhile MedCare business to achieve the highest ever net revenue of Rs. 12.7 crores, which is a growth of 92% over Q2. This is the nature of the business. This is a D2C business. Therefore, the growth is never going to be linear. All SBUs, in fact, have shown strong momentum. The AGEasy monthly revenue rate grew from Rs 52 lakhs in June to Rs. 1.3 crores in September to Rs. 3 crores in December and maybe we will cross that number

in January as well, but that is for the next quarter update. So, a 6x growth in daily run rate with sharp improvement in our ROAS which is a return on ad spend and the product portfolio is now expanded to 60 plus products and SKUs of 180. the metrics, we track very carefully is the revenue on ad spend improving and that is improving, which means you are spending less to get more revenue and that number is true as well.

We have crossed an annual revenue trajectory of Rs. 60 crores with 68% of the business coming from marketplaces, 22% through D2C channel and 10% through offline channel. On Amazon, we have BP Monitors, Hinged Knee Braces, Nebulizers are top three products amongst the top 10 best sellers. We are also focusing on products like Bunion Corrector, which is for the toe, Shower Chair, Grab bars, Protect Smart Watch which have a ROAS of about 3. And we are working on inducing more and more products with senior specific features.

The lung care health condition was launched with 8 products in Q2 showing initial good traction with the launch of the offline channel and the momentum is expected to accelerate further. For joint pain, the focus continues to be on product portfolio expansion and increased offline presence. We have planned for 10 new product launches in Q4 and Gut health as the next condition launch expected in Q1 FY26.

Now, in order to increase our access to customers to make sure we have a stitched up pipeline of products to launch new innovative products and solutions, we have also been stitching up new partnerships. So, we onboarded Boat, as you know it is an admirable electronics organization in India, leading player in wearable and hearables, they are going to be our technology partner for AGEasy. So, all senior specific gadgets, devices, wellness products which require electronics, they will help us develop cutting edge tech led solutions and they are exclusive to Antara AGEasy. That is one partnership.

We also partnered with Dr. Lal PathLabs, a leading diagnostics player to launch customized geriatric packages for seniors to strengthen our geriatric care services. The package has been created basis are combined learnings and what senior needs and Antara will be in the customer facing role in this partnership.

We will also develop nutraceuticals to be offered as part of AGEasy and a leading nutraceutical company, Well-being nutrition has also been partly acquired now by Unilever has done a tie up with us again, exclusive to us. They will develop tailored products as a part of this tie up, which will help us manage holistic wellness for seniors through nutraceutical and supplements.

We are also participating with Axis Bank in their silver lining program. Axis has about 30 lakh customers who are seniors and they wanted to offer them value add services. So, we have been onboarded as their partner where we will target their customers through a specific set of offerings. And this obviously gives us access to very large pool of customers. Our discussions with Axis Max Life Insurance have also concluded for an annuity plan, which will be offered to

Antara customers for financing their monthly expenses and this also will give access to a large pool of customers.

Our partnership with IIT Delhi continues for product innovations. We have initiated our sourcing for China to improve our gross margins, already placed order worth Rs. 5 crores for 20 products which will improve our margin by about 20% and once we are able to stabilize this supply chain, will look at more sourcing from China. We have continued to receive a very strong endorsement for our brand and offering. We have healthy customer satisfaction scores, 92% for Care Homes, 94% for Care at Home and 84% for AGEasy. As already said, NPS on AGEasy now turning towards 36. It is quite a high score for a D2C business. If you look at our Dehradun community, the scores continue to be high 88%-90%.

We also received the HR Excellence Award from Business World. We were also certified as a Great Place to Work now, a very young organization and some of these achievements are a big validation and vindication of the vision and the values that we follow. We also entered into collaboration with Dementia India Alliance that is not-for-profit working for dementia across India, they are helping us both in terms of protocols and content for training, and they have tied up with NIHMANS for knowledge partnership. Our contents of a training program on Geriatric Care have already been certified by the Healthcare Sector Skills Council, again a vindication of the quality that we are building.

On the consolidated basis, for Q3 FY25, our results are in line with expectation. The revenues are Rs. 39 crores 18% lower. Primarily as I repeat, due to lower collection in residences, it is cyclical pure temporary phenomena which will go as we launch more communities or collect in Gurgaon this will show an uptick. This was planned and we are also trying to control our cost to minimize this impact.

On Antara Assisted Care, as I said, there has been an uptick on revenue on all the verticals compared to Q2 FY25, the consolidated EBITDA loss excluding the exceptional item stand at Rs 24.7 Cr compared to Rs 15.7 Cr. It is a growth business and therefore we need the money for growth. However, we are able to contain the losses through cost optimization and very healthy treasury income. Overall, all treasury and other monetizable asset stand at Rs. 312 crores as of December 24 and the company has a consolidated net worth of Rs. 400 crores as of December 24.

This is all about the result. Some of you joined the call for the first time. Like to reiterate Antara is the only and the largest brand building an integrated care ecosystem for seniors and we are able to do this because of our unique lineage where we have handled Healthcare, Infrastructure, Real estate, Insurance and Hospitality businesses. Therefore, we are able to stitch together this complete solution. We do believe that seniors needs change with the age and medical condition and therefore we want to be there for them on whatever they need.

We have 3 verticals, the Antara Senior Living business which has independent housing, Antara Assisted Care which has assisted living, Memory Care, Care at Home and the products business, which is basically products for chronic conditions for seniors, helping them age with ease and joy. You can access AGEasy by calling our command center during a WhatsApp video call, calling the expert home, or walking into our physical spaces for a consult. The size of the senior market actually continues to evolve with more and more players coming in. Some deals already happening. The market is between \$10-\$15 billion depending on which verticals you take, it is already a very significantly large market. The NITI Aayog has given the charge to Dr. Vinod Paul, to set up a committee. He has already been set up to develop the sector and those meetings are happening now regularly.

So, in summary, Antara Assisted Care, we have touched about 2.25 lakh patients so far. Hopefully, the next 5-7 years, we will also keep our promise of creating 8-10 communities, 4,000-5,000 units of senior living, about 1,500-2,000 beds of assisted living plus Antara AGEasy available across India through marketplaces, through our own physical spaces and through our own website. I think this quarter I repeat the demonstration of all the promises we have made. The numbers are visible in terms of our growth, so thank you very much for your support. Happy to answer any questions that you might have.

Moderator:

Thank you very much. We will now begin the question-and-answer session. We have our first question from line of Harsh Kundnani from Aionios Alpha. Please go ahead.

Harsh Kundnani:

Hi, thanks for this. Couple of questions from my end. On the AGEasy, fantastic growth this quarter, wanted to understand, is there specific product basket that is driving this growth, something that you have launched over the last couple of months or so, just wanted to understand where this growth is coming from and how should one look at margins in this segment?

Ishaan Khanna:

Hi Harsh, Ishaan here. Couple of things, one is as a business progresses, our channels, which is marketplaces, our own website, each of them are seeing scale. So, there is for products that we had launched, we are seeing an uptick improve as our performance marketing, digital marketing efficiency increases. So, existing products are contributing to growth. There are obviously new products like Lung Health like Rajit mentioned, we launched the Nebulizers, BP Monitors, which picked up really well. The Bunion Corrector which is used for correcting the toe bone is doing exceedingly well on both marketplaces and D2C. So, new products are also driving this. On your point regarding how should we look at margins, we track two very important parameters, one, again as Rajit has alluded ROAS which is return on advertising spend. That is a critical parameter for us to look at how efficient we are getting in our performance marketing and that has been improving month-on-month and quarter-on-quarter. The other we look at gross margins because this is a product-led business. We are working towards healthy gross margins and that is again a very critical parameter that we track.

- Harsh Kundnani:** Understood. Just wanted to clarify, how should one look at the margins of this segment say a year down the line or two years down the line? What is your aspirational margin profile?
- Rajit Mehta:** So, I think on a gross margin business, that is the first, we should look at about 55%-60% range next year, right, and a two-year timeframe, 60% plus, right? That is what we should look at.
- Ishaan Khanna:** And CM2 positive, we want to be in two years, we should be CM2 positive as well, which is including all your direct spend.
- Harsh Kundnani:** Got it. Also, just one small clarification, you mentioned in the PPT that there is some sourcing that you are doing from China for about Rs. 5 crores. Is that entire cost item sitting in the base right now in your P&L or what is the status of that?
- Ishaan Khanna:** It sits in the inventory Harsh because we are ordering this and so it is part of the inventory that we purchase.
- Ajay Agrawal:** So, it has not hit the P&L presently because the inventories are still under the purchase stage, right. So, once it will start selling it, then only it will impact the P&L. Presently, it is all in inventory.
- Harsh Kundnani:** Understood. Secondly on the Care Homes, were there in any bed additions in this quarter and what is the plan for the next year in terms of the total bed additions?
- Rajit Mehta:** About 234 beds added this quarter.
- Ishaan Khanna:** No, they were added in the H1. Now, quarter 4 is when the next. So, this quarter itself we didn't have any new capacity. We had planned in H1. We will have close to 300 beds going live, which is what we have done. Now, all the capacity is between Chennai and Bangalore. We will get live in quarter 4, which is again close to 200 beds.
- Ajay Agrawal:** So, as we speak the beds are under fit out and these are going to come operational within this quarter.
- Ishaan Khanna:** There are 3 Care Homes in Chennai and one Care Home in Bangalore, all under fit outs right now to go live in Q4.
- Harsh Kundnani:** Understood. Thanks a lot for this.
- Moderator:** Thank you. We have our next question from the line of R Sen from MAS Capital. Please go ahead.
- R Sen:** Yes. Thank you for the opportunity and thanks for the detailed note. Rajit sir, just wanted to understand while you did share that Chandigarh, we are in very advanced stages of final

discussion and we will be forming up almost 1 million kind of a project, any update on Hyderabad and Bangalore given in the earlier calls we had kind of indicated about very good traction there. Any update on those two markets?

Rajit Mehta:

Yes, actually we have held back because the Gurgaon Phase-2 opportunity came and this is only because of the phenomenal response of how the sales in Phase-1 has gone as you know the price points in Gurgaon are multiple of what is available in Bangalore, Hyderabad. So, that has been quite attractive for us. So, that is 1 million square feet by itself, right. So, given the Chandigarh 0.8 million and this 1 million and 0.3 coming up for Noida, we thought our 1.5 million commitment will stand and at a much better financial signature. So, that is the reason we said let us focus on the Gurgaon Phase-2 and Chandigarh and Noida Phase-2 and push Bangalore and Hyderabad, so that we get a much better financial outcome for FY26.

Ajay Agrawal:

And also just to add in this, if you remember in Bangalore, we had said that we are an advanced stage, so unfortunately there the clearance we did not receive from the lenders of the land owners and there we never wanted to get into a project which is risky from day one, and that is why with these alternatives coming to us, we said let us play careful and that is the reason why we backed out from Bangalore.

R Sen:

Got it. My next question was on AGEasy, I think great to see the ARR at Rs. 60 crores and the scale at which you are going looks very interesting and very appealing. Thanks for the education that this looks like a Rs. 50,000 crore market size. Now, pardon my enthusiasm, but do we see this to be a Rs. 500 crore business in the next 5-6 years? This is in the backdrop where you guided that in the next 5 years at an overall company level, we are targeting Rs. 1,000 crores revenue?

Rajit Mehta:

Absolutely, the it will be Rs. 500 crores before 5 years actually.

R Sen:

Very heartening to know that, sir. Thank you. Just a follow up question on that bit. The mix that we see at this juncture between marketplace, D2C and offline is 68, 22 and 10, usually that is how an emerging brand kind of starts off. But as the brand kind of moves from an established to a premium range, we see that D2C becomes 60 and then offline 30 and marketplace kind of goes down. Is there a school of thought on the management team here in terms of how do you want the mix to evolve over the next few years?

Rajit Mehta:

Yes, we are going in theory based on all the education we received from people who run successful D2C businesses. Eventually, we should end up with a 55-45, 60-40 marketplaces versus D2C. And we have been advised to cede the offline channel right now because after 2-3 years, both marketplaces and our D2C website will tend to plateau and that also we have done, so in the short term, we are focusing on 60-40 and then eventually it will become 50, 40, 10 offline kind of scenario in the next 3 years.

R Sen: Sure. My last question, if I may add another question here. It is very interesting to see the kind of partnerships we have been doing, from on one end, IIT Delhi, to Dementia Association, to Boat, to Dr. Lal, to Axis, truly an integrated healthcare ecosystem you kind of developing. Now, you will be also kind of bringing your product especially this is AGEasy specific. There are pockets of institutions like in Pune, I am sure you studied, I think the largest senior care ecosystem is by the company called Athashri. So, have you explored partnerships with some of our direct competition because AGEasy seems to be a very great fit for Athashri just to name a brand. Any thoughts on those things?

Rajit Mehta: See so far, since people are also dabbling with the senior care space, their own thinking is evolving, they see as an entirety, so if we were only AGEasy that partnership is possible. But since we also have residences and Care Home, they start to see a conflict of interest. So, at this point of time, within Senior Care World, we have not explored the partnership because they are viewed as a conflict of interest. We are busy tying up with all the back end, backward integration. So, we don't have disruption in supply chains, or we get access to large customers. Secondly, it is too early for me to comment on any opportunities or merger or collaboration within the Senior Care sector. Everybody is currently subscale, so that is also out of the window. So, yes, we are very keen to explore if somebody don't see us as a conflict of interest, but unfortunately since we have all businesses, they find that we will conflict with them in one business or the other.

R Sen: Sure. Appreciate the responses, sir. Thank you so much.

Moderator: Thank you. The next question is from line of Anjana Shah from Shah Investments. Please go ahead.

Anjana Shah: Thank you for this opportunity, sir. Two questions from my end. Sir the Assisted Care business is capital intensive. So, are there plans to explore an asset light model through franchise partnerships? Or probably JV structure that can help us expand faster with lower capital requirement. And sir, second one would be, given India's evolving Healthcare and Insurance landscape, how do you like plan to integrate insurance-based models or government backed healthcare schemes to drive affordability and accessibility for your services?

Rajit Mehta: See, Assisted Care, the model is capital light. We only take facilities on lease and the only CAPEX spend is about Rs 8 lakhs or Rs 9 lakhs on a bed and about Rs 2 lakhs, let us say on the operating losses with breakeven, so let us say Rs. 10 lakhs per bed is the kind of investment. It is quite asset light. We don't buy ever and therefore we lease out facilities. That is response number one. On insurance, that is a very interesting question. We have been trying to work both at an NITI Aayog level and Ministry of Social Justice to push the government to create a task force. Because we think insurance, once it comes into play for senior care, will be a big push to the business. So, far we have succeeded in working with Axis Max Life to take out an immediate annuity product which seniors can buy to fund their immediate expenses on a monthly basis. We also work with NABH to take out certification standards for Care Homes and Memory Care

Homes, so that once that happens, then TPA and insurance will be very easy. We are putting the building blocks in place. It is work under progress. I guess it is a question of time before this sector also starts to attract insurer's attention.

Anjana Shah: Sure sir. That will be it from my end. Thank you.

Rajit Mehta: Welcome.

Moderator: Thank you. We have a next question from the line of Nikhil, a shareholder. Please go ahead.

Nikhil: Thank you for the opportunity. My first question has already been answered on Bangalore Senior Residency. But can I please request the Management to let's say whenever we deviate from our original plan, you state somewhere in the investor presentation or in the commentary, so that we are better informed instead of these particular variation from our original plan ?

Rajit Mehta: So, are you currently seeing any deviation from the strategy, please call it out in the investor deck. That is what you said?

Nikhil: Yes.

Rajit Mehta: Got it. Noted sir. Noted.

Nikhil: Thank you, sir. So, another question, If you are tracking the private market, there is some a company called Primus Senior Living have recently raised around \$20 million from Gruhas, which is led by Mr. Nikhil Kamath and other investors, if you are aware, at what valuation they have raised with capital?

Rajit Mehta: No idea, sir. It is a closed-door negotiation and deal. I have no idea.

Nikhil: that's fine. Thank you so much. I don't have any more questions. Best of luck.

Rajit Mehta: Thank you, Nikhil. Thank you.

Moderator: Thank you. We have a next question from the line of Saurabh Gupta, a shareholder. Please go ahead.

Saurabh Gupta: Thank you, sir, for giving me the opportunity. Most of my questions have been already answered. I just have couple of questions that earlier you guided that we will achieve Rs. 1,000 crore topline in the next 5 years. So, do you still hold those numbers being the current growth rate? And the other question that I have is when do you see that we can achieve breakeven at the consolidated level?

- Rajit Mehta:** Yes. We are still holding on to our ambition, aspiration of crossing, of reaching Rs. 1,000 cross by FY29-FY30 in that range and by FY27-FY28 will be breakeven on a consolidated basis. These are all forward-looking statements, but this is just the intention.
- Saurabh Gupta:** Thank you, sir, and best of luck for the next quarter.
- Rajit Mehta:** Thank you.
- Moderator:** Thank you. We have our next question from the line of Viresh, an Individual Investor. Please go ahead.
- Viresh:** Hi, thanks for the opportunity. I have couple of questions on AGEasy. One is related to the offline set up like, what is the strategy like and in the presentation I saw there is already we have done a setup in Gurgaon. Can you tell a bit about it, how much is the size? When did it open and how is the response? And also are there any plans to open such setups in the residences that we have already given like Dehradun or Noida which is planned maybe in next quarter or so? Secondly or the second question on same AGEasy, although the growth seems to be pretty good, but the cash burn is also equally aggressive, so wanted to know like and then we are also planning to do some equity dilution. Aren't we too early on diluting the equity to raise funds and your just thoughts on that like how does the growth plan looks like?
- Rajit Mehta:** Sure. So, the offline channel will operate in two ways. One is obviously through the traditional way of distributors and retailers, which are chemists. We already have a sizeable presence in NCR, about 30 distributors and 200 chemists, already stock AGEasy products. That is one way. Second is by having our own physical space, which I must dare say more branding than revenue generator. So, we have set up the first product store in a mall in Gurgaon on the main Golf Course Road which is quite marquee. We will get inaugurated in the next 15 days or so, which has all the products that we offer and expert available. Depending on the footfall that we see on that its an experiment that we are doing, we will then start to expand those centers, but I don't envisage hundreds of centers coming up the next few years. There will be quite a few in Bangalore, Chennai and Delhi, depending on the success, but more importantly the offline channel which is comprising of distributors and chemists that will expand more rapidly, so that is the focus on the offline channel. On the question of dilution, we are currently not specifically diluting AGEasy. We are looking out for funds for growth both for Antara Assisted Care and AGEasy. So, it depends on the deal that we strike. As I said, the rights issue will happen at the Hold co. level, which is the first branch of funding in the next \$10-\$12 million will happen at the subsidiary level perhaps. Whether it happens in AGEasy or AACS we don't know. So, it is not a question of diluting AGEasy. and we know in no hurry is 6-9 months will take for this deal to happen. We just need the growth capital and depending on the valuation we will get, we will take a call on how much equity needs to be diluted. But I don't see a very large chunk getting diluted honestly at this point of time. See, the cash burn that you talked about is the nature of D2C business And I will request Ishaan and Ankit to throw some light on that.

- Ishaan Khanna:** I think it is important to understand how we look at cash burn in D2C business, and I think there are certain parameters that we very closely tracked. We also previously spoke about return on advertising spend, gross margin, contribution margins and if you see on a quarter-on-quarter basis, our ROAS are improving, our contribution margins are improving with sourcing through China, our gross margins are also improving. So, while yes, it may seem like on a total level, the cash burns are increasing, but our efficiency is also improving at the same pace and hence you will see in the coming quarters this efficiency also manifesting.
- Viresh:** And one bit, which somehow got missed, like is there any plan to set up AGEasy in our existing residencies or which will be given like when the position happens?
- Rajit Mehta:** Definitely, in all the communities we have in all the Care Homes as well. There will be specific space dedicated to the AGEasy product store.
- Ajay Agrawal:** We have a concept of integrated ecosystem and that will play around in all our developments. So, all the cross-sell opportunity will always be there for all our Residences or Care Homes, or vice versa.
- Viresh:** Thank you. And one last question if I can fit in. I am not sure how long the queue is, but one question on the management like obviously like we are developing our own residences but are we reaching out to other developers who are kind of pure builders and who do not have experience in Senior Care. So, are we reaching out to maybe take just the management contracts, just expanding our specialization?
- Rajit Mehta:** So, we are reaching out to do partnerships for construction of residences. So, land is being contributed by such developers. Preferably, we request them to construct and our core competence of helping them design, sell and operate will belong to us. Yes, definitely that we are approaching, but if somebody has already constructed a Senior Care facility and wants us to run, that is not part of our beat as of now, because that is a very small annuity income. It doesn't make sense and there are not very many builders who are senior living ready, but dialogue with developers to make senior living 100% they are on because they are interested now.
- Moderator:** Thank you. We have our next question from the line of Amisha Shah from KQ Investment. Please go ahead.
- Amisha Shah:** Hi, thank you so much for the opportunity. So, I just have two questions, so the first one is, given your partnership with IIT Delhi and Boat, is there a road map to build proprietary or high margin offerings, like for example, exclusive tech enabled senior care solutions and if so, what is the expected commercialization timeline?
- Rajit Mehta:** So, the intention is to look at small tweaks or innovations to solve customer pain points to existing products. But there is also effort going on, for example, with IIT Delhi, they started to not develop a prototype of a Walker, which can provide a sitting seat as well as the seniors walk

and get tired. They are prototyping that. That will become like let us say, an original product that we will have. So, yes, the effort is on, but more effort is going on putting tweaks to existing products so they become more senior specific.

Amisha Shah: Got it. And my second question was regarding AGEasy, so it has seen a strong revenue ramp up driven by marketplace sales. So, what is your road map for expanding offline distribution and what percentage of revenue do you expect to come from non-marketplace channels in the next two years?

Ishan Khanna: So, I will answer it in two parts. For offline, our approach is going to be via distributors and retailers or chemists. Today, we are present across 30 distributors in NCR and 200 chemists and we plan to expand this further across multiple geographies. We also will be launching our first dedicated AGEasy store, but this is not something we expect to immediately expand. This is a pilot that we are doing and based on the response and feedback, we will take a call on how we expand this. The way we see the marketplace is to D2C and offline ratio is potentially 55:45 in times to come.

Amisha Shah: Thank you. Got it. That is it from my end.

Rajit Mehta: Thank you.

Moderator: Thank you. Ladies and gentlemen, that would be the last question for today and I now hand the conference over to the management for closing comments. Over to you, sir.

Rajit Mehta: So, thank you very much for those great questions, helped us to be able to clarify and see where we are ahead as I said. We are the only brand trying to create an integrated care ecosystem for seniors. Our intention is to be able to create 8 to 10 communities with a topline of about Rs. 250 crores in a healthy EBITDA margin and cross Rs. 1,000 crores mark maybe in 2-3 years' time with the bed capacity of 1500-2000 beds of assisted living and AGEasy available to seniors across chronic conditions in India. We are currently on track. Quarter-on-quarter, we keep on telling you what commitment we made and where we are. We are not deterring or deviating. Yes, there could be some changes we make in terms of geography depending on the financial opportunity that we see. But apart from that based on our customer satisfaction scores and NPS scores, we are staying on course in order to achieve our vision to become an admiral organization. So, thank you very much for your support and look forward to a continued engagement. Thank you and all the best.

Moderator: Thank you, sir. On behalf of Max India Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.