

Date: 14 November 2025

To

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001
Scrip Code: 544293

The Secretary
The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1. G Block
Bandra -Kurla Complex, Bandra (East)
Mumbai- 400 051
Scrip Symbol: SURAKSHA

Dear Sir / Ma'am,

Reg: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Intimation of availability of text transcript on Analyst(s) / Investor(s) Meet/ Conference-Earnings Call

In continuation to our letter dated 05 November 2025 and pursuant to Regulation 30(6) and 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the text transcript of the Earnings Call held on Tuesday, 11 November 2025 at 2.00 pm on the interaction of the Company's representative with Analyst(s) /Investor(s) on the unaudited (standalone and consolidated) financial results for the quarter and six months ended 30 September 2025 and or any other matter, is enclosed herewith.

Please note that the same is also available on the website of the Company at www.surakshanet.com.

This may please be informed to all the concerned.

For **Suraksha Diagnostic Limited**

Mamta Jain
Company Secretary & Compliance Officer

Encl: As above



**“Suraksha Diagnostic Limited
Q2 and H1 FY’26 Earnings Conference Call”**

November 11, 2025



**MANAGEMENT: DR. SOMNATH CHATTERJEE – CHAIRMAN AND JOINT
MANAGING DIRECTOR – SURAKSHA DIAGNOSTIC
LIMITED**

**MS. RITU MITTAL – JOINT MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER – SURAKSHA DIAGNOSTIC
LIMITED**

**MR. RAVINDRA K. S. – GROUP CHIEF FINANCIAL
OFFICER – SURAKSHA DIAGNOSTIC LIMITED**

**MR. NIREN KAUL – CHIEF SALES OFFICER – SURAKSHA
DIAGNOSTIC LIMITED**

**MR. BALGOPAL JHUNJHUNWALA – REGIONAL
BUSINESS HEAD – SURAKSHA DIAGNOSTIC LIMITED**

**MODERATOR: MS. POOJA SWAMI – MUFG INTIME INDIA PRIVATE
LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Suraksha Diagnostic Limited Q2 and H1 FY'26 Earnings Conference Call hosted by MUFG Intime India Private Limited. As a reminder, all participants' lines will be in the lesson-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Pooja Swami. Thank you, and over to you.

Pooja Swami: Thank you, Heena. Good afternoon, everyone, and welcome to the Q2 and H1 FY26 earnings call of Suraksha Diagnostic Limited. From the management, we have with us Dr. Somnath Chatterjee, Chairman and Joint Managing Director, Ms. Ritu Mittal, Joint Managing Director and CEO, Mr. Ravindra KS, Group CFO, Mr. Niren Kaul, Chief Sales Officer, and Mr. Balgopal Jhunjhunwala, Regional Business Head.

Before we proceed with this call, I would like to mention that some of the statements made during today's call may be forward-looking in nature and may involve risks and uncertainties. For more details, kindly refer to the investor presentation and other filings that can be found on the company's website and stock exchanges.

Now, with that, I would like to invite Dr. Somnath Chatterjee for his opening remarks. Thank you, and over to you, sir.

Somnath Chatterjee: Good afternoon, everyone. I warmly welcome you to the quarter two and H1 FY26 earnings conference call of Suraksha Diagnostic's. During the quarter, we added three new centres to our network, including one PPP, one large and one small centre. With these additions, our network grew to 63 centres at the end of September 2025, including two centres of Fetomat Wellness, which were added in Q1 FY26.

During Q2 FY26, we launched Suraksha Genomics to provide advanced genetic and molecular testing services, which was a landmark event for us. This foray into advanced genomic testing can also be leveraged to deliver prenatal care. We will continue to assess various growth levers going forward, as we look to innovate and position ourselves for future growth.

With that, I will now invite our CEO, Ms. Ritu Mittal to elaborate on the operational performance and updates during the quarter and beyond. Thank you very much.

Ritu Mittal: Thank you, Dr. Chatterjee. Good afternoon, and a warm welcome to everyone on the call. For Suraksha, revenue growth has remained strong, reflecting sustained demand and successful market expansion, supported by strong operational execution.

We are seeing sustained strong margins across our mature centres, reaffirming the profitability potential of our model. The near-term EBITDA impact from new centre additions is a strategic investment toward increasing our footprint and driving long-term margin expansion. 33% of our centres are not matured yet.

In fact, 15 centres are less than one year old. As these centres scale and reach optimal utilization, we expect strong operating leverage and margin expansion in the long-term. The investments in new centres will drive strong future growth.

Q2 performance was impacted due to heavy rainfall and floods and early festivities this year. As guided earlier, we are confident of achieving 15% revenue growth in FY26 and EBITDA margin between 33% to 34%. We are on track to adding 12 to 15 centres this financial year, as committed earlier.

We believe that given our scale and deep knowledge of the market, our dominance in Eastern India will persist. Even at current levels, the market remains under-penetrated and offers compelling opportunities to enhance our footprint and catalyze the next phase of growth.

With that, I would now like to hand over the call to Mr. Ravindra K. S., who will provide insights on the company's financial performance during Q2 FY26.

Ravindra K. S.:

Thank you, Ritu, ma'am. Good afternoon to everyone, and thanks for joining us. I will take you through an overview of our financial performance for the quarter and half year ended 30th September, 2025.

In Q2 FY26, the total income stood at INR795.8 billion, which showed a growth of 16.9% year-on-year, driven by higher patient volumes and network expansion. EBITDA grew by 1.9% year-on-year to INR249.66 million, with a margin coming at 31.7%. The margins during the quarter were adversely impacted by heavy rainfall and floods, as well as seasonal festivities. The Durga Puja Festival occurred in September 2025 this year, impacting the business in Q2. However, in the previous year, these festivities were in the month of October 2024.

PAT for the quarter reached INR88.28 million, compared to INR101.56 million in Q2 of FY25. Consequently, our PAT margin during the quarter reached 11.2% compared to 15.2% in Q2 FY25.

In H1 FY26, the revenue rose by 17.8% year-over-year to reach INR1,530.72 million. This was the first time that the company revenue surpassed INR1,500 million in the half-year period. During the first half, the company generated EBITDA of INR496.22 million, which shows an increase of 7.3% year-over-year. The corresponding H1 FY26 EBITDA margin was 32.8% compared to 36.3% in the previous period. EPS in the first half of the year reached at INR3.53 compared to INR3.43 in H1 of FY25.

In H1 FY 2026, the number of tests performed reached INR4.13 million, compared to INR3.29 million in the same period in the previous year. The number of patients served increased to 0.71 million, compared to 0.61 million in H1 of FY25. The revenue per patient increased to INR2,120 compared to INR2,099 in H1 FY 2025, while the EBITDA per patient fell to INR695 compared to INR761 in H1 FY25.

Despite the minor challenges in Q2 of FY26 in terms of profitability, we will revert to our previous higher margin level for the next few quarters, especially as our centers gain scale and

achieve maturity. Our matured centers have a higher profitability profile compared to the relatively newer ones.

In terms of profitability, our 42 matured centers have an EBITDA margin of 37% to 38%, but our 21 new centers, out of which 15 centers are less than a year-old impact the overall EBITDA margin. As our new centers mature and economies of scale set in, we expect our margin to return to normal level. With a higher top-line momentum, we will seek tighter control on costs, which should lead to improved margin as we expect margin expansion in our mature centers.

Here, we conclude our remarks for Q2 and H1 FY26 conference call. I would now request the moderator to open the floor for the questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Mihir Singh from Yashvi Securities. Please go ahead.

Mihir Singh: One second. Hi, am I audible?

Moderator: Yes, you are audible.

Mihir Singh: Hello, everyone from the Suraksha team. So, I was going through your numbers. I saw in H1 FY26, your test volume grew by 25%, whereas, our revenue has only increased by 18%. So, I just crunched the numbers the realization per test in H1 FY25 was INR389, which has reduced to INR364. What would be the reason? If a new center opens, do we give a discount on the test to gain traction, like, what would be the reason of the same?

Ravindra K. S.: The revenue, as well as the EBITDA per patient, as you can see, there is a marginal increase in the revenue and there is a small dip in the margin -- I mean EBITDA per patient. That is mainly due to number of patients which have got increased for the existing centers. So that is one of the reason.

Mihir Singh: I'm asking about the realization per test. The realization per test was approximately INR390 in H1 FY25, which has reduced to INR365. What would be the reason for that?

Ravindra K. S.: The realization per patient you're asking?

Mihir Singh: Realization per test, per test, not per patient per test.

Ritu Mittal: So, this is because like you rightly mentioned, we do give discounts in the new centers that we set up to -- for traction of patients. That is one. And second is we have increased our B2B business, if you will see by 1%, and that normally consists of packages. Therefore, realization - - discounted packages, therefore, realization per test is a little lower.

Mihir Singh: Okay. Okay. And ma'am, like in this quarter, our other expenses increased to INR32 crores from INR28 crores in the last quarter. Like were there any one-offs or seasonal factors?

Ravindra K. S.: Yes. So let me take this question. So normally, our other expenses as a percentage of sales, which ranges from 35% to 37%, 38%. So current quarter, we are at 40.5%. So, if you proportionately, if your sales -- if you consider the expenses, we have increased by around INR4 crores, the INR4

crores is mainly due to the rental expenses for the expansion, which has contributed around INR80 lakhs. And also, there is an RCM reverse charge mechanism under GST, which has got introduced in November 2024.

On account of both the reasons, there is an increase of INR80 lakhs. And there's a professional fees to doctors, which is -- because of that, there is a INR1.6 crores of increase because there is a minimum guarantee, which we have paid to the few doctors and also the OPD engagements have increased during the current reporting period.

And the third important line item would be the professional and legal fees because after listing, we are supposed to BSE, NSE and also NSDL charges have increased, which was not there in the previous half year ended. And the last but not least is administrative expenses, which has grown by INR1.1 crores, which is due to additions of centers, which is around 12 centers, which has got opened recently.

Mihir Singh: Okay. Okay. I had -- this answered my question. I had another question. Like how -- you've opened eight stores in this quarter and some stores also get closed. So, ma'am, how do you go about what is the thought process behind closing like a store? Like how do you guys decide like now this plant needs to be pulled off for a particular store?

Ritu Mittal: See, we have closed one HLM, which was a small center setup within a hospital, okay? So now they set up their own show, which was for five or seven years that we ran the thing. They set up their own diagnostics, and therefore, we shut it. Second is when we open a big center close to a small center because we see potential for a big store there, then we shut the small center because otherwise, it will be cannibalizing the own business.

Mihir Singh: Okay. Okay. So, ma'am, in the next three to six months, do you see any stores being closed also? And like we've guided for -- okay no. Okay. Because we've guided for nine new center additions, so we could see that on a net basis as well?

Ritu Mittal: Yes, yes.

Mihir Singh: Okay. Thank you, ma'am, wish you the best. Have a good day.

Moderator: Thank you. The next question comes from the line of Pradhan from Maximal Capital. Please go ahead.

Pradhan: Yes, ma'am, I hope I am audible.

Ritu Mittal: Yes, you are audible.

Pradhan: Yes. So can you give the salience of your B2B versus B2C revenue mix for this quarter and for H1?

Ritu Mittal: Yes. So, our B2C is 93% and B2B is 7%.

Pradhan: And this is for this quarter, right ma'am or?

Ritu Mittal: This is for first half. H1

Pradhan: First half. Okay. And in B2B, ma'am, what do you usually consider a part of your B2B?

Ritu Mittal: So B2B are basically hospitals and nursing homes that we have tie-ups with. And it also includes corporate business that we do with big corporates like Reliance.

Pradhan: Got it. And on this test, basically the revenue relation is a bit lower than the B2C. That understanding is correct, right?

Ritu Mittal: Yes, absolutely.

Pradhan: And ma'am, second, what is the mix of our radiology versus pathology versus any other advanced test that we do?

Ritu Mittal: So, our radiology is I think around 46%.

Ravindra KS: 48% and 52%. Radiology is, non-path is 48%, pathology is 52%.

Pradhan: In terms of trend ma'am, has it increased year on year or has it...

Ritu Mittal: Excuse me. Can you please repeat the question?

Pradhan: Yes, the radiology salience, the mix has increased year on year or has it remained...

Ritu Mittal: No, it remains the same. It remains the same.

Pradhan: Okay ma'am. And the final one, regarding to your comment on the margin impact due to heavy rainfall and festivities, can you elaborate a bit more like what exactly happened? Like, was it due to low testing done during this quarter or...

Ritu Mittal: So, there was a -- the whole city was having torrential rainfall and obviously a lot of flood happening in the city, so we don't expect patients to travel then, neither do we expect doctors to be practicing. Therefore, you know, four days we practically were doing 10% of our regular business.

Pradhan: Got it. Because of the...

Ritu Mittal: And also then, you know, therefore you will see even the mature centers have taken a little bit of a hit in EBITDA, because even these mature centers were flooded, so obviously there won't be a patient footfall.

Pradhan: Got it.

Ritu Mittal: Puja was in September this year, but then that is something we had accounted for.

Pradhan: Okay.

Ritu Mittal: But the major impact was because of the torrential rainfall.

- Pradhan:** Okay, but in terms of like, you know, the testing and the fevers and all, on those things you didn't see any kind of downtrending -- downtrend?
- Ritu Mittal:** No, not at all. In fact, we were doing very well before this rain and flood hit the city. We were very, very bullish and we were really tracking good numbers. But then four days out of 30 makes a big impact.
- Pradhan:** Got it, ma'am. Ma'am, on the second comment on the investment into your new centers, can you elaborate like, what are these investments like? Are they training your personnel or, you know, hiring more doctors? If you can just elaborate, you know, what the model that you operate in and what kind of investment that you're talking about, which is you're doing in order to ramp up the revenue side as well as the margin profile of these new centers?
- Ritu Mittal:** So, we have been talking about investing around INR70 crores every year in making new centers organically. So, typically, a new center will take time to get the EBITDA margins. So, therefore, I have also mentioned a graph where we show that our centers which are mature. So, we consider any center which is above two years to be mature. So, we have EBITDA margin of around 37% to 38% for these centers. But we also have 33% of our centers which are relatively new and not mature yet.
- So, therefore, their margins being much lower dilute the overall margin for us. But this is only in the near term. If we think about long term, our mature center margins are very much sustainable. And, in fact, as the economies of scale set in, even our old center margins will expand a little.
- Moderator:** Thank you. The next question comes from the line of Prasanjeet Paul from 129 Wealth. Please go ahead.
- Prasanjeet Paul:** Good afternoon, everyone. Thank you for the opportunity. My question is on the GST front. So, first of all, as we all know, the diagnosis service are exempt from GST. So, no GST at all on the patient. But after 22nd September, what happened - a lot of medical input price, the GST reduced, like for the MRI machine and all, I think from 18% to 5%. And then there are many inputs like chemicals, medical kits for pathology testing and all. There are also the GST reduced from 12% to 5%. So, while I understand for the equipment part, MRI and all, I think your CapEx would be a bit less for those reduction.
- So, now I'm talking about those medical kits, raw material required for the pathology test. So, do you see any kind of cost reduction in this month, like October, November, December, due to this GST rate cut?
- Management:** 22nd September
- Ravindra K. S.:** So, in the first of all, second quarter, it is effective from 22nd September. And the impact of GST, as you rightly mentioned, on the capex, it will get capitalized along with the item. And as far as revenue expenditure is concerned, we are giving healthcare service. Our healthcare service is exempt from GST.

So, we are not eligible to take any input credit on the services, whatever we render. As far as OP pharmacy is concerned, we are charging based on the new rate, based on the new MRP after the GST changes. As far as IP and human service is concerned, so the same rate we are going to continue.

Prasanjeet Paul: Sir, my question was a bit different. So, I know that you are not able to take the input credit. Any diagnosis player can't do that. My question was, while you are procuring those inputs for a pathology test, maybe medical kits, some chemical reagents and all, so do you see any reduction on those price?

Because on those price, earlier there was a 12% GST on those and now it reduced to 5%. That is the raw material you purchase for those pathology tests. So, do you see any kind of reduction on your raw material price, input price, those are used for the test?

Ritu Mittal: Yes, we do see a reduction. But what we have to understand is that our total cost of goods sold is around 12% to 13%. And therefore, a little bit of impact of the GST from 12% to 5% is not very meaningful as far as our business is concerned.

Prasanjeet Paul: Yes, I got it. So, now the next question is, as you are expecting over the next few quarters, your overall if the margin will go back to the 33%-34% 35% kind of range, but even for the next 2-3-4 quarters, the new centers will open, capex will be there, manpower, all the costs. So, how you can foresee that the margin will increase over the next 2-3 quarters?

Ritu Mittal: Because we also have a big corporate cost that we incur. Okay, which is the cost of running the head office, this gets divided amongst all the new centers and the old centers. Therefore, we expect as the numbers scale up, we expect this cost apportionment going down across all centers. Therefore, I am saying there will be a margin expansion even in my mature centers.

Prasanjeet Paul: Okay, okay, okay. That's nice to hear. And finally, regarding the Fetomat, the Genomics division, so any idea what's right now the revenue per store and the margin? I guess those are the high margin business.

Management: So Fetomat has been -- we have started Fetomat as an acquisition recently only. The thing that is Genomics to be established in full force will take a little time. We are taking our steps in the right direction. We have for the H1 noted around INR55 lakhs of revenue and we are very much on track with this Genomics business.

And as and when we launch new and new test, the business will start growing. A lot of confidence is being shown by the market towards the local Suraksha brand in the East.

Prasanjeet Paul: And what's the margin on that business?

Management: So as of now, till -- we achieve some economies of scale. So, any margin, citing any margin would not be right at this moment.

Prasanjeet Paul: Okay, okay. Thank you and all the very best.

Moderator: Thank you. The next question comes from the line of Siddhant Kanodi from ASK Investment. Please go ahead.

Siddhant Kanodi: Hello. Yes, good afternoon, everyone. My first question is regarding the losses which we incurred from the new centers. Can you tell us what was the amount for this quarter?

Ritu Mittal: Amount for the quarter.

Ravindra K. S.: It is around INR3 crores.

Siddhant Kanodi: INR3 crores. And what will be this for the H1?

Ravindra K. S.: This is what I mentioned was H1 only.

Siddhant Kanodi: Okay. And for the quarter?

Ravindra K. S.: Total, in terms of revenue, it was around INR1.37 crores. I mean, what we have incurred was INR13 crores, against which INR3 crores was the EBITDA loss.

Siddhant Kanodi: INR3 crores EBITDA loss for H1 you mentioned?

Ravindra K. S.: Yes.

Siddhant Kanodi: And for the quarter, for Q2?

Ravindra K. S.: For the quarter, I think -- currently we don't have that number. But for H1, it is around INR3 crores.

Siddhant Kanodi: H1 is around INR3 crores. Because as far as Q1 was concerned, the amount was close to INR4 crores or INR5 crores. Like in the previous call, ma'am had mentioned INR3 crores or INR4 crores. Okay.

Somnath Chatterjee: So, the losses would basically keep winding down. You see, some of our small centers breakeven quite early. And they having been made in our core geography, some of the losses have winded down, while, of course, newer centers have opened which has added to it.

Siddhant Kanodi: Right, sir. Sir, and in terms of the center breakup, like in Q1, we had opened eight centers. And we ended FY 2025 with 55 centers. So, if I add eight, it will be around 63. And then we closed 3 centers, so 60. And then we added three new centers plus the two Fetomat centers. So, our total should be 65. Am I getting the math wrong?

Somnath Chatterjee: So, two PPP he has considered.

Ravindra K. S.: So total centers as far as standard SDL is concerned is around 56 as on 30th September. Okay? If you include PPP model, what we have around 4. So, 56 plus 4 is 60. If we have AIR, which is 1 -- 61. And there is a Fetomat which has got added too. So, total comes to 63.

Siddhant Kanodi: 63. Okay. Okay, 63. Right. And in terms of our H2s, can you just shed some color? How are we projecting H2 in terms of revenue and margins? Will it be better than H1?

- Ritu Mittal:** See, we have always been talking about 15% growth year-on-year, which is what we want to commit to. And our EBITDA margins at around 33% to 34% for the year. So, we are very much on track. And the quarter 2 was a little impacted because of the rain. But we expect to get back to our original figures.
- Siddhant Kanodi:** What will be that amount be in terms of the loss because of floods and Puja?
- Ritu Mittal:** No, Puja was accounted for in fact. But the floods must have caused a revenue shortfall of around INR3.5 crores.
- Ravindra K. S.:** Yes. That's correct.
- Siddhant Kanodi:** INR3 crores to INR4 crores.
- Ritu Mittal:** Yes.
- Siddhant Kanodi:** Okay, ma'am. Okay, ma'am. I will get back in the queue. Thank you so much.
- Moderator:** Thank you. The next question comes from the line of Hitesh Shetty from Ventura Securities. Please go ahead.
- Hitesh Shetty:** Hello. Good afternoon. So, my first question would be on the, what would be the guidance on the number of central additions year-on-year basis and with bifurcation with the small, medium and the large centers, and the revenue per center as well?
- Ritu Mittal:** Okay. So, we plan to add five big centers this year. Out of that, two have already opened. And work is going on in three more. For small centers, we've already opened four, five, six,..... seven. And work is going on in six more. So, seven plus six, 13 small centers, five big centers.
- Hitesh Shetty:** And what would be the revenue per center like if we are opening a new center, right? So, how much time the turnaround would be there and how much revenue would be expected in a year?
- Ritu Mittal:** So, we are overall expecting this year to give me a revenue of around INR22 crores from new centers.
- Hitesh Shetty:** Could you give me a break of per center, per center from the big center as well as small centers?
- Ritu Mittal:** So normally a big center in the first year would do somewhere around INR1.5 crores to INR2 crores. And a small center if it runs for the whole year will do a revenue of around INR90 lakhs.
- Hitesh Shetty:** Okay. Got it. Thank you.
- Moderator:** Thank you. The next question comes from the line of Chirag from CB350 Investment. Please go ahead.
- Chirag:** Yes. So -- hi everyone. So, during the first half of the year, the number of centers openings are below the run rate required to reach the 15 to 18 centers annually. So, like what are the factors that impacted this center openings?

Ritu Mittal: So, one was definitely the rains that slowed down work. This year it has been raining a lot in Kolkata. Second is because of the festivities coming in earlier, the government offices were shut. So, therefore, we could not get the relevant licenses, that got delayed though our centers were ready. We are in fact still ready with three centers and waiting for licenses to open. These were the major factors.

Chirag: Okay. So, could you just throw some light on the number of centers that have achieved the breakeven? And of those, how many were opened in less than last 12 months, about a year?

Moderator: Mr. Somnath Chatterjee, are you there?

Ritu Mittal: Yes, we are there. Just give me a moment, we will tell you how many centers are. So, less than a year are 15 centers. I will tell you how many centers out of them have broken even. Seven centers out of these 15 have broken even already and eight are yet to breakeven.

Chirag: Okay, okay. That really helps. So -- and on a different note, like are we actively looking for PPP opportunities and if so, then how many PPP centers do we plan to open in each particular year?

Ritu Mittal: So, we typically don't look to open PPP centers, but since we are the largest in our region, sometimes we have to open when the government tells us to, but we don't go actively looking for PPPs. So, the only PPP we have signed off for now is one MRI center in the biggest medical college of Kolkata.

Chirag: Okay, okay. So, for FY26, what would be the capex plans and how would you be set aside for acquisitions, and are you actively looking for inorganic growth opportunities?

Ritu Mittal: Yes, we are and we have a fairly underleveraged balance sheet. So, if required, we can always raise debt, but right now, whatever we are doing is through internal accruals.

Chirag: Okay, okay. That helps. Thank you. Thank you so much.

Ritu Mittal: Thank you.

Moderator: Thank you. The next question comes from the line of Hitaindra Pradhan from Maximal Capital. Please go ahead.

Hitaindra Pradhan: Yes. Hi. I'm sorry my line was cut off earlier. Ma'am, I just wanted to ask like on your point on the operating leverage from your corporate expense like the head office and all. So, can you elaborate, what are the expenses you are putting under the corporate expense? I mean the labs and all like those are also -- some of that cost also under your corporate expense or if you can give some further...

Ritu Mittal: Yes. So, our reference lab is under corporate expense and so are all the seniors and the expense that we incur at the HO. And, our lab has a capacity of doing 2.5x the number of tests it does today. Therefore, we say -- we talk about operating leverage, because as the volumes increase, our margins will become better. Since there is no more cost to be incurred. The setup is already done.

Hitaindra Pradhan: Okay, ma'am. And the final question is on, what was the rental cost incurred during Q2 and H1?

Ritu Mittal: Q2 and H1?

Hitaindra Pradhan: Yes, the rental cost.

Ravindra K. S.: H1 we have rental of INR 11 crores. H1.

Hitaindra Pradhan: Okay, sir. That's all from my side. Thank you.

Moderator: Thank you. The next question comes from the line of Raj Patel from SMG Finance. Please go ahead.

Raj Patel: Yes, thank you for the opportunity. Few questions from my side. So, first one I would like to know about the EBITDA. So, could you give us some color that what led to an impact on the EBITDA from the various factors such as flood, floods, Durga Puja or any other event?

Ritu Mittal: Like I mentioned, we were impacted to a tune of around INR 3 crores to INR 4 crores of revenue because of floods in the city. And INR 3 crores to INR 4 crores of revenue would have contributed very strongly to the EBITDA margin. And therefore, the EBITDA margin is muted in Q2.

Raj Patel: Okay.

Ritu Mittal: Durga Puja is something we already knew is coming in this month. So, that is not really very impactful. But it definitely impacts the revenue a little. But that was accounted for. What was not accounted for is the flooding of the city. And therefore, no footfall. Yes.

Raj Patel: Yes. So, my next question was, could you throw some colors as why there was increase in the other expenses?

Ritu Mittal: So, I will ask my CFO to answer that for you.

Ravindra K. S.: So, if you look at our trend as far as the percentage of other expenses is concerned, it varies from 36% to 38%. So, current quarter if you see, it is around 40%. The main reason would be the rental expenses in proportion to the revenue which is increased by around INR 80 lakhs.

So, overall basis if you see is around INR 4 crores of jump which you can see. So, out of the INR 4 crores, I am just giving you the breakup. Rental expenses increased by around INR 80 lakhs. And professional fees to doctors have increased by INR 1.6 crores because of the minimum guarantee and other subsidiaries which have got added during the H1.

And professional and legal fees has increased after the listing, which was not there in H1 of previous year, which has come this year. That also contributed around INR 80 lakhs. And there is administrative expenses, which has increased because of the expansion of centers, which has contributed around INR 1.1 crores.

And last, around INR25 lakhs we have incurred for discarding some old CT scan machine which has come as a part of the other expenses. This is what is the breakup of other expense of INR4 crores which has increased during the quarter.

Raj Patel: Thank you, sir, for providing the breakup of the other expenses. That was really insightful. My next question was, what were the other factors that lead to the fall in the margin well below the 34% from the current level? And how much was their impact?

Ravindra K. S.: So, the margin majorly it is because of three reasons as madam explained earlier. So, the revenue impact of INR4 crores and the new center expansion, which has resulted in few expenses and also the performance of some subsidiary, which will pick up in coming quarters.

Raj Patel: Got it, sir. And in H1 FY26, the EBITDA by patient has been fallen while the test volume have jumped. So, was there any offer pricing discount to drive this test volume and could we expect such discount pricing strategy moving forward to drive the volume?

Ritu Mittal: So, we always do give an introductory discount when we open a new center to drive footfalls. Okay, so that is one reason. And the second reason is because we have increased our B2B share of business by 1%, which is normally a little discounted business and also it consists of a lot of packages. So, these are the two factors that have contributed.

Raj Patel: Okay. And my last question was regarding the future guidance. So, over the next 2 to 3 years, what is the level of the top line EBITDA margin and the PAT expectation could be?

Ritu Mittal: Yes, top line we would carry on increasing 15% year-on-year. Our EBITDA margin, I believe should increase by 1% to 2% every year and PAT margin should also increase by 1% to 2%.

Raj Patel: Okay, ma'am. Thank you for answering all my questions.

Ritu Mittal: Thank you.

Moderator: Thank you. The next question comes from the line of Prasanjeet Paul from 129 Wealth. Please go ahead.

Prasanjeet Paul: Thank you once again for the opportunity. So, I just wanted to understand like as per your, the store addition numbers. So, in this FY26 itself, the store number will increase by around 30%. Next year, again, if we go for 15% around, so it will increase by another 18%.

So, considering around 30% increase in store addition, don't you think this 15% to 20% revenue growth will be a bit conservative side for this year or even for the next year considering number of centers increasing by 30% odd?

Ritu Mittal: See, we are also going into new territories and therefore we don't expect the revenue to grow consistently across all centers. And we would definitely want to be more conservative in our approach with numbers.

- Prsanjeet Paul:** Okay. Thank you. I hope we will be able to grow even more than the guidance. And finally, the last point, like, I am also from Kolkata. We experienced the rains and all, just a personal feedback. I also may be wrong.
- Diagnosis is an essential, I mean, service. So, even for rain and all, if I delay my test for one day, I think I will eventually do even if it gets delayed by one day or two days. So, in fact, in the last month itself, due to rain, I just delayed my test just by one day, but ultimately, I did it from sort of quite well.
- Somnath Chatterjee:** But what happens, Mr. Paul, is a lot of, at least 25% to 30% of our patients are from outside. You see, they come from the districts. So, if there is a delay, if there is a problem because of the rain, they will actually not travel to Kolkata. They will get it done locally. That's a loss.
- Ritu Mittal:** Also, business is impacted a little because when the city is flooded, even doctors are not practicing. So, if doctors are not practicing, prescriptions are not getting generated.
- Prsanjeet Paul:** Got it. Got it. Okay. Thanks a lot. And wishing you all the very best.
- Moderator:** Thank you. The next question comes from the line of Mihir Singh from Yeshvi Securities. Please go ahead.
- Mihir Singh:** Yes. Yes. Ma'am, I wanted to know like, what would our same store sales growth be for, same center sales growth be for, our matured stores?
- Ritu Mittal:** Our matured centers are growing at around 10%.
- Mihir Singh:** 10%. Ma'am, that's what, even I agree with the previous participant, the growth that they are giving is very conservative like 27% stores will be added in this year and 10% is existing same stores sales growth. So, like...
- Ritu Mittal:** See, new stores take time to ramp up.
- Mihir Singh:** Okay.
- Ritu Mittal:** So, you don't expect huge sales out of new stores.
- Mihir Singh:** Okay. Okay.
- Ritu Mittal:** But yes, the guidance is definitely conservative. And we would like to keep it that way.
- Mihir Singh:** That's what I am going to do. And ma'am, like how do we ensure that, like say for example, if I have done a test with Suraksha, how do we ensure, what is your repeat customer rate? Like do you track that data?
- Ritu Mittal:** Yes, our repeat customer rate is around 30% year-on-year.
- Mihir Singh:** And ma'am, do we incentivize?

- Ritu Mittal:** One person doing the test, one person coming within one year is considered a repeat patient for us.
- Mihir Singh:** Ma'am and do we incentivize repeat tests in any way?
- Ritu Mittal:** No, we don't.
- Mihir Singh:** Okay. Ma'am, could that be a good strategy? Like to incentivize repeat tests?
- Ritu Mittal:** In fact, we are working on some loyalty schemes. So, we are developing a software, we are in the process of developing a software where loyalty scheme will be active, but it will take at least two more quarters.
- Mihir Singh:** Yes, ma'am. I think it might be a good thing. That's it. I wish you continued success. Thank you so much.
- Moderator:** Thank you. The next question comes from the line of Akash Shah from Investec Capital Services Limited. Please go ahead.
- Akash Shah:** Yes, ma'am. I just had one question ma'am. So, you have guided for 12 to 15 new centre additions for FY26. But in response to one of the questions of the earlier participants, you said that you are in the process of opening five big and 13 small centres. So, 12 to 15 and five plus 13, you know, 18. Those numbers are not matching. Could you just help me with the same?
- Ritu Mittal:** So, I am not considering – so when we say, when we talk about 15 to 18 centres, we are talking about Suraksha centres. I am not really considering Fetomat or AIIR. I am only looking – or the PPPs. I am talking about 12 to 15 own centres. And if you add the PPP and Fetomat, then it adds up to 18 or 20. That's the way.
- Akash Shah:** Okay, sir. Okay, thank you, ma'am. And ma'am, my second question is with respect to the operating EBITDA margin, on the basis of aging of centres. Now, this has been given in your presentation, wherein I can see that the newer centres and centres which are aged less than two years, 24 months, they have improved their EBITDA margin.
- But mature centres have seen a reduction on their margin. Now, let's say if there is any one of like rains or floods, it impacts every centre, right? And not just the mature centre. Could you just give, you know, highlight on that, please?
- Ritu Mittal:** Yes. So, for the new centres already the volume is pretty small as far as revenue is concerned. So even they are impacted by rain, but still because they are on a major growth phase, the impact does not affect negatively.
- But when we talk about the mature centres and unfortunately, three of our very big centres in the core geography got flooded. So, four days impact was there. But other than that, also because some machines go out of order. So, to repair it again takes maybe seven to 10 days. So, even that business for that department is impacted.
- Akash Shah:** Okay. Okay. Yes. That's it ma'am. Thank you so much.

- Moderator:** Thank you. The next question comes from the line of Dheeraj Shah from RJ Investment. Please go ahead.
- Dheeraj Shah:** Yes. Thank you for the opportunity. So, I have couple of questions. Firstly, it's about your B2B revenue mix and how do you see it to be going in next two to three years and what are your anticipation on the margins for the same? And additionally, do you see this current mix to be changing going forward?
- Ritu Mittal:** Yes. So, our B2B business will definitely increase going forward. Also, on account of the genomic lab setup that we have done, this business generally comes from hospitals and nursing homes. So, our B2B business will definitely be going up. But as we scale up our genomic business also, we don't see margin impact in the long run.
- Dheeraj Shah:** Understood. Understood. All right. And secondly, what are your plans in expanding into newer geographies and do you feel the markets in which you currently operate, are they matured? And if so, if you are looking for expanding into other geographies, what would be your strategies that you might employ to penetrate into those geographies?
- Ritu Mittal:** So, we are definitely entering new geographies and our strategy is if there is an established player, then we would like to go for inorganic growth. But if not, then we would set up our own centres. Like Northeast is practically vacant, so we will go for new centre setup. Whereas, you know, if we were to look at adjoining states, where there are some players, not very big ones, we would like to acquire them so that we are known in the geography and we can hit the ground running.
- Dheeraj Shah:** Understood. And any comments on if the markets in which you are operating, have they matured? If you could throw some light on that?
- Ritu Mittal:** They are matured, but there is still a lot of scope. You know, you can keep penetrating deeper. Like there are districts, where you can actually set up 12, 15 centres, where we today currently have maybe four. So, there's enough scope to keep getting deeper into the territory.
- Dheeraj Shah:** Understood. Understood. Also, on a different note, this was about the acquisition of Fetomat that you have done. So, by when do you plan to acquire the remaining stakes of the Fetomat? And what would be your strategy to grow the brand and maybe increase the awareness among the customers? If you could throw some light on that?
- Ritu Mittal:** Yes. So, we would probably acquire the balance stake in three to five years. And the strategy going forward is to give these fetal services in -- start these fetal services in some of our own centers so that there is no -- you don't need to incur extra cost, but you can get some additional revenue and you can reach the patient closer to their homes.
- Dheeraj Shah:** Understood. Understood. Also, this was about genomics. How do you plan to acquire new clients, particularly in the genomics segment? And would genomics testing services take time to pick up in India, would you think so? And will this be particularly driven by recommendations of doctor? Or would it just be driven by the demand from the patients? How do you see that moving forward?

- Management:** I'd like to answer that. So, genomics has a huge potential in East because we are the only commercial genomic lab over here. So, the relationship with the doctors, the existing relationship and the equity we hold with the doctors helps us a lot in reaching out to them and telling them that this lab is closer to home and their engagements will land directly to our people who are conducting those tests so that any in-depth awareness of the patient situation can be immediately correlated with the actual patient condition.
- So, this helps a lot, and this gives a lot of confidence to the doctors in and around East that somebody who is conversant with the vernacular language is having a discussion with them. So, a lot of confidence amongst all the doctors who are prescribing these cases. So, these cases all go out of Kolkata right now.
- So we are gradually on the right foot, addressing all the queries that the doctors might have regarding their comfort that they want from the lab in terms of our capability and our in-house awareness on the subject. So, we are establishing that every day, and we are very sure that it will make a good impact in the region.
- Dheeraj Shah:** Understood, sir. Understood. And lastly, do you plan to initiate paying dividends going forward?
- Ritu Mittal:** Yes, we are still working on it, but we definitely do plan.
- Dheeraj Shah:** Okay. All right. Thanks for answering my questions. All the best for the future quarters. Thank you.
- Moderator:** Thank you. As this was the last question for the day, I would now like to hand the conference over to Mr. Somnath Chatterjee for closing comments.
- Somnath Chatterjee:** Thank you, everyone, for attending the call. We hope that we keep up the great work that we are doing here in Eastern India and turn up superb numbers in the second half of the year. Things look extremely bright, especially with the addition of the genomic lab and the rapid expansion scheme taken by our CEO, Ms. Mittal.
- So, we wish you all the best and hopefully can fulfill all the expectations that the market has from our group. Thank you very much.
- Moderator:** On behalf of Suraksha Diagnostic Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.