



Everything in Pharma... Everywhere in India...

Entero Healthcare Solutions Limited

Investor Presentation – February 2025

This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Entero Healthcare Solutions Limited** (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.

Q3 & 9M FY25 Financial Highlights





Prabhat Agrawal
Promoter, Managing Director and CEO

We are pleased to share yet another quarter of strong growth and consistent execution at Entero Healthcare. In Q3FY25, our consolidated revenue reached ₹1,359 crore, marking a robust 37% YoY growth. Our organic growth stood at 17%, significantly outpacing the Indian Pharmaceutical Market (IPM) growth rate of 7% for the same period. This growth reflects our commitment to expanding our reach, product categories and deepening our market presence across India.

EBITDA for the quarter stood at ₹50 crore, representing a 75% YoY increase, with EBITDA margins improving from 2.9% to 3.7%. This improvement is a direct result of our continuous efforts to scale higher margin product categories, drive procurement efficiencies and operating leverage. Sequentially also EBITDA margins continue to improve as we execute on the margin levers.

We remain extremely bullish on the consolidation opportunity in healthcare distribution market and the efficiencies which comes along with scale and technology that can benefit the entire healthcare ecosystem.

Operational Highlights



Outperforming Market Growth (9MFY25)

Entero: 30%

IPM: 8%



Customers (Retailers)

9MFY25: 86,200+

9MFY24: 79,400+



SKU's Handled

9MFY25: 76,600+

9MFY24: 67,100+



Relationship with healthcare product manufacturers

9MFY25: 2,500+

9MFY24: 1,900+



Customers (Hospital)

9MFY25: 3,200+

9MFY24: 3,300+



Districts Covered*

9MFY25: 492

9MFY24: 461



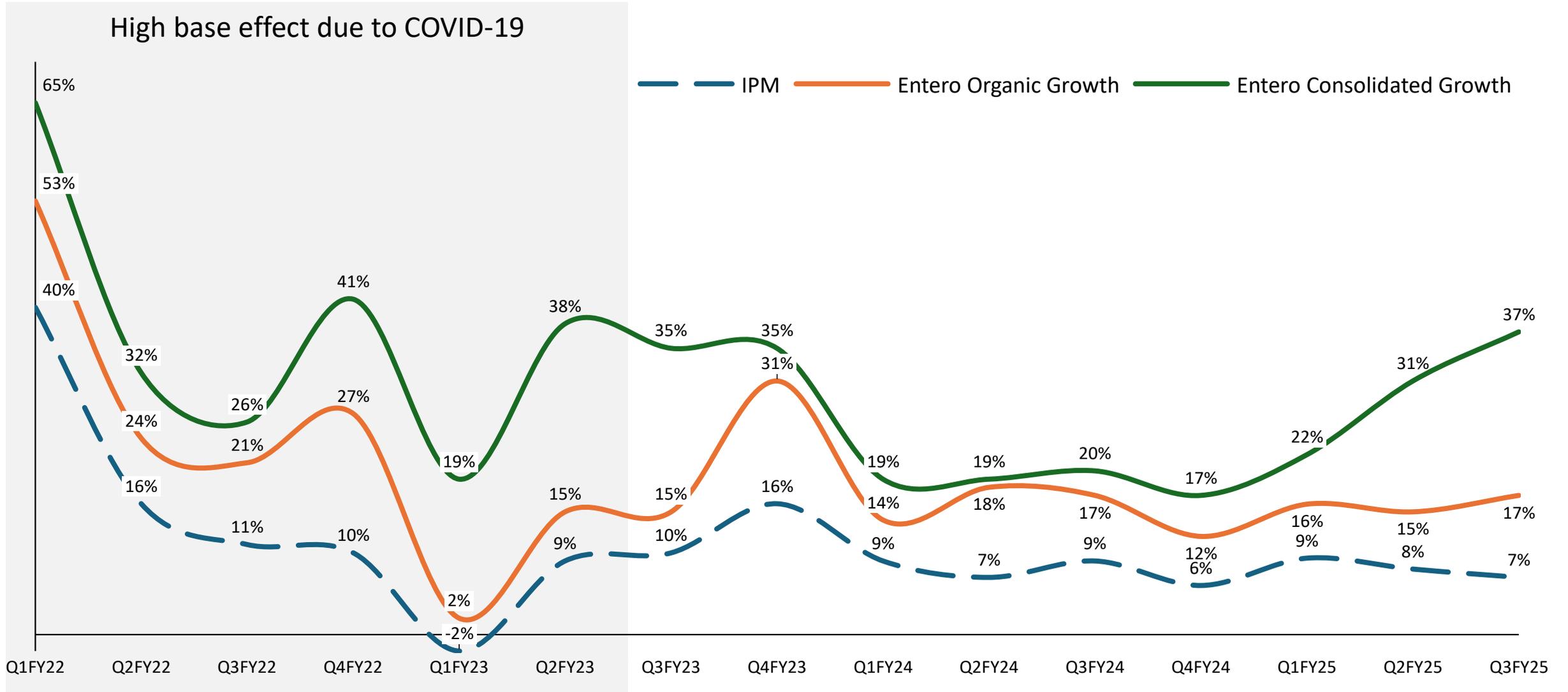
Warehouses

9MFY25: 104

9MFY24: 78

*Aligned to latest GOI pincode to District mapping

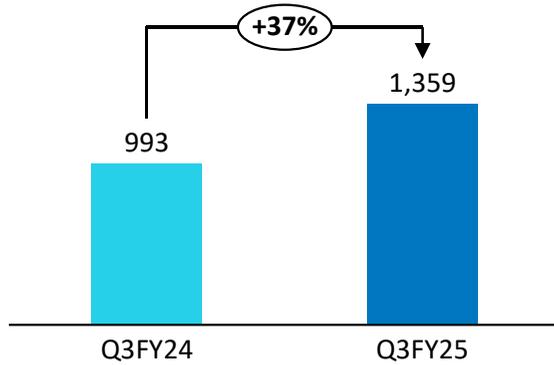
Growing faster than Industry... Gaining Market Share



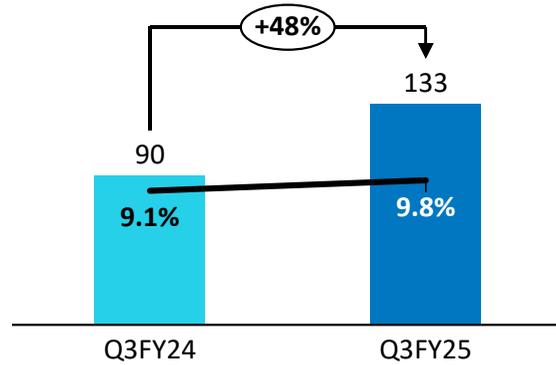
Consolidated Financial Highlights

Quarter

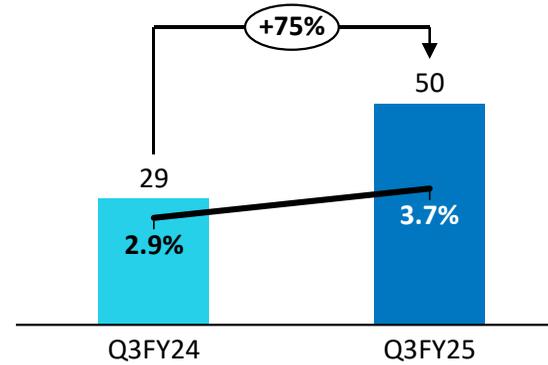
Revenue (Rs. Cr)



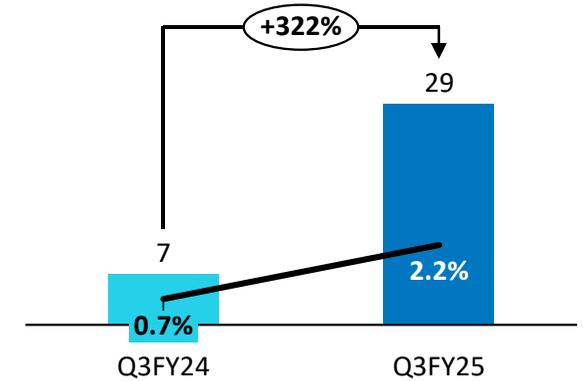
Gross Profit (Rs. Cr) & Margin (%)



EBITDA (Rs. Cr) & Margin (%)

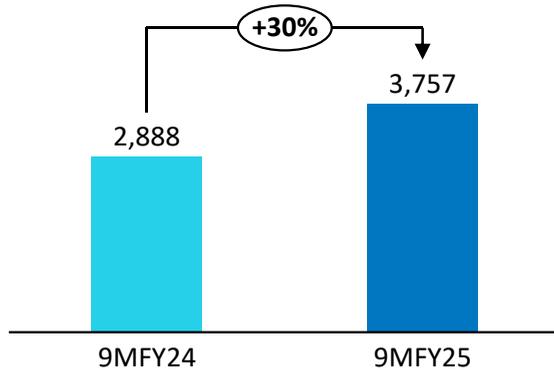


PAT (Rs. Cr)

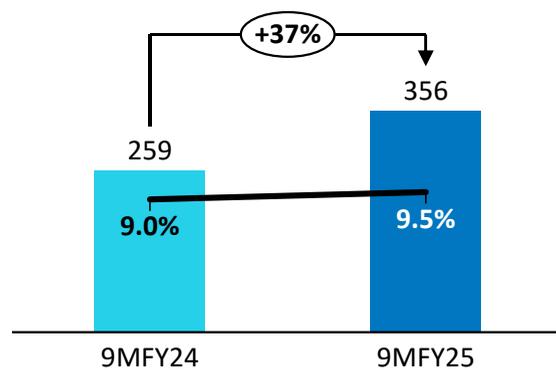


Nine Months

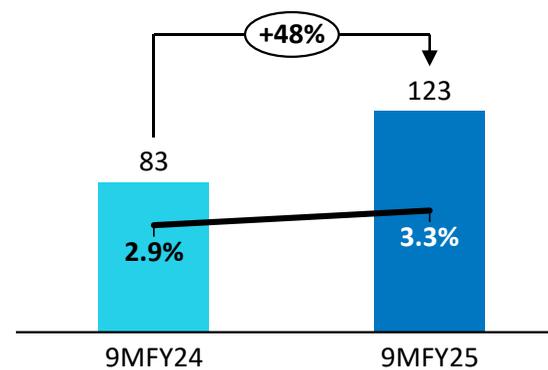
Revenue (Rs. Cr)



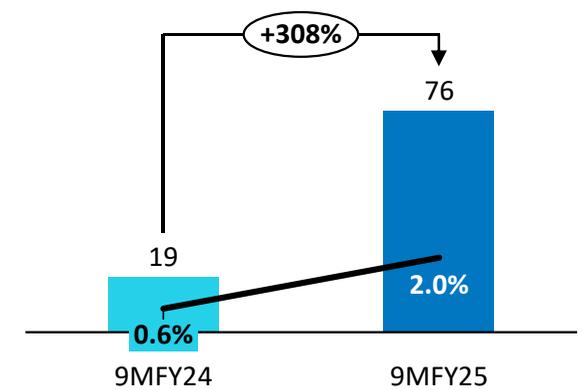
Gross Profit (Rs. Cr) & Margin (%)



EBITDA (Rs. Cr) & Margin (%)

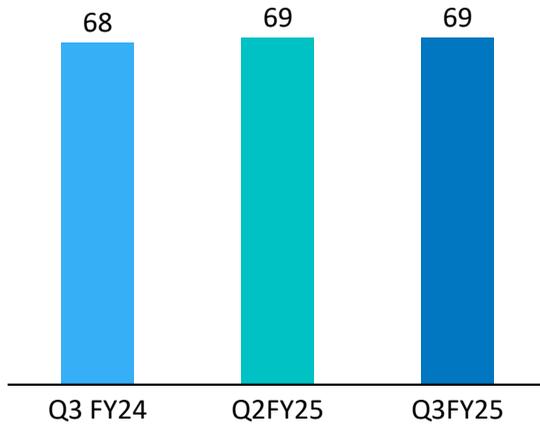


PAT (Rs. Cr)

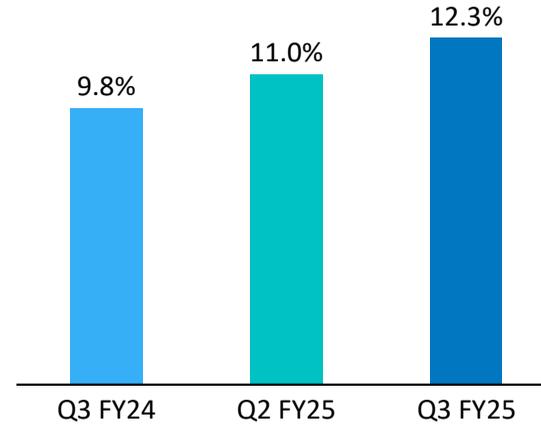


Key Balance Sheet Highlights

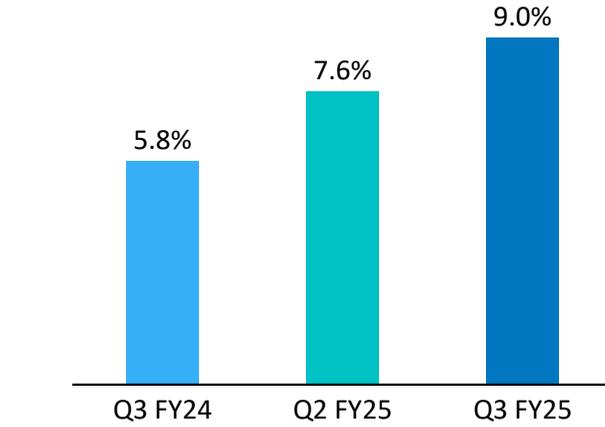
Net Operating Working Capital (Days)



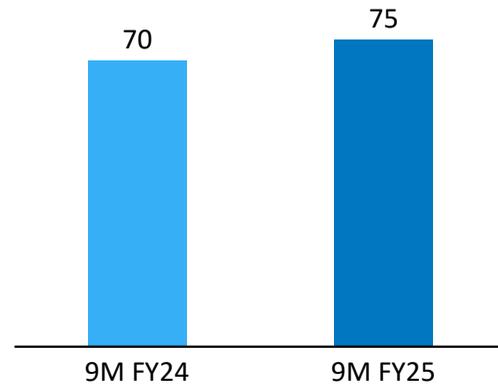
RoCE (%)



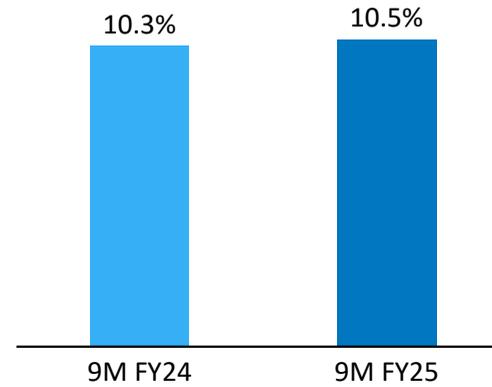
RoE (%)



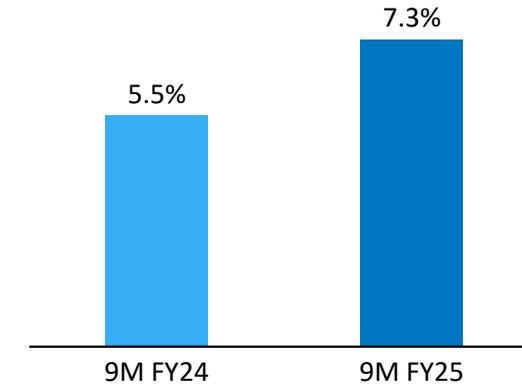
Net Operating Working Capital (Days)



RoCE (%)



RoE (%)



RoCE: EBIT / Average Capital Employed (Capital Employed = Tangible Network + Borrowings + Deferred Tax Liability)
 RoE: PAT / Average Tangible Network (Tangible Network = Total Equity - Intangible Assets)
 Net Operating Working Capital (Days) = (Trade receivables + Inventories - Trade payables) / (Operating Revenue with GST(12%) / 365)

Consolidated Profit & Loss Statement

Particulars (Rs. Cr)	Q3FY25	Q3FY24	YoY%	9MFY25	9MFY24	YoY%
Revenue	1,359.0	992.6	37%	3,756.7	2,888.1	30%
Cost of Goods Sold	1,225.6	902.4		3,401.2	2,628.8	
Gross Profit	133.4	90.2	48%	355.5	259.3	37%
Gross Margin (%)	9.8%	9.1%	73bps	9.5%	9.0%	48bps
Employee Expenses	52.4	39.1		144.9	112.2	
ESOP Expenses	1.0	0.8		2.2	1.0	
Other Expenses	30.0	21.7		85.9	63.2	
EBITDA	50.0	28.6	75%	122.6	83.0	48%
EBITDA Margin (%)	3.7%	2.9%	80bps	3.3%	2.9%	39bps
Other Income	7.4	1.7		31.3	4.9	
Lease Rental related Income	0.1	0.1		1.0	0.4	
Depreciation	2.5	2.3		7.0	6.8	
Lease Rental related expenses	5.6	3.7		15.2	11.1	
Finance Costs	7.7	14.7		25.0	44.0	
Lease Rental related expenses	2.2	1.4		6.2	4.3	
Profit Before Tax	39.4	8.3	374%	101.5	22.0	361%
Taxes	10.0	1.3		25.5	3.4	
Profit After Tax	29.4	7.0	322%	76.0	18.6	308%

Utilization of IPO Proceeds

Particulars (Rs. Cr)	Amount to be funded from Net Proceeds	Utilized till date	Unutilized
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	142.5	142.5	-
Funding of long-term working capital requirements of the Company and its Subsidiaries during Fiscals 2025 and 2026	480.0	330.0	150.1
Pursuing inorganic growth initiatives through acquisitions and/or investments	237.0	193.0	44.0
General corporate purposes	91.8	49.2	42.7
Total	951.3	714.6	236.7



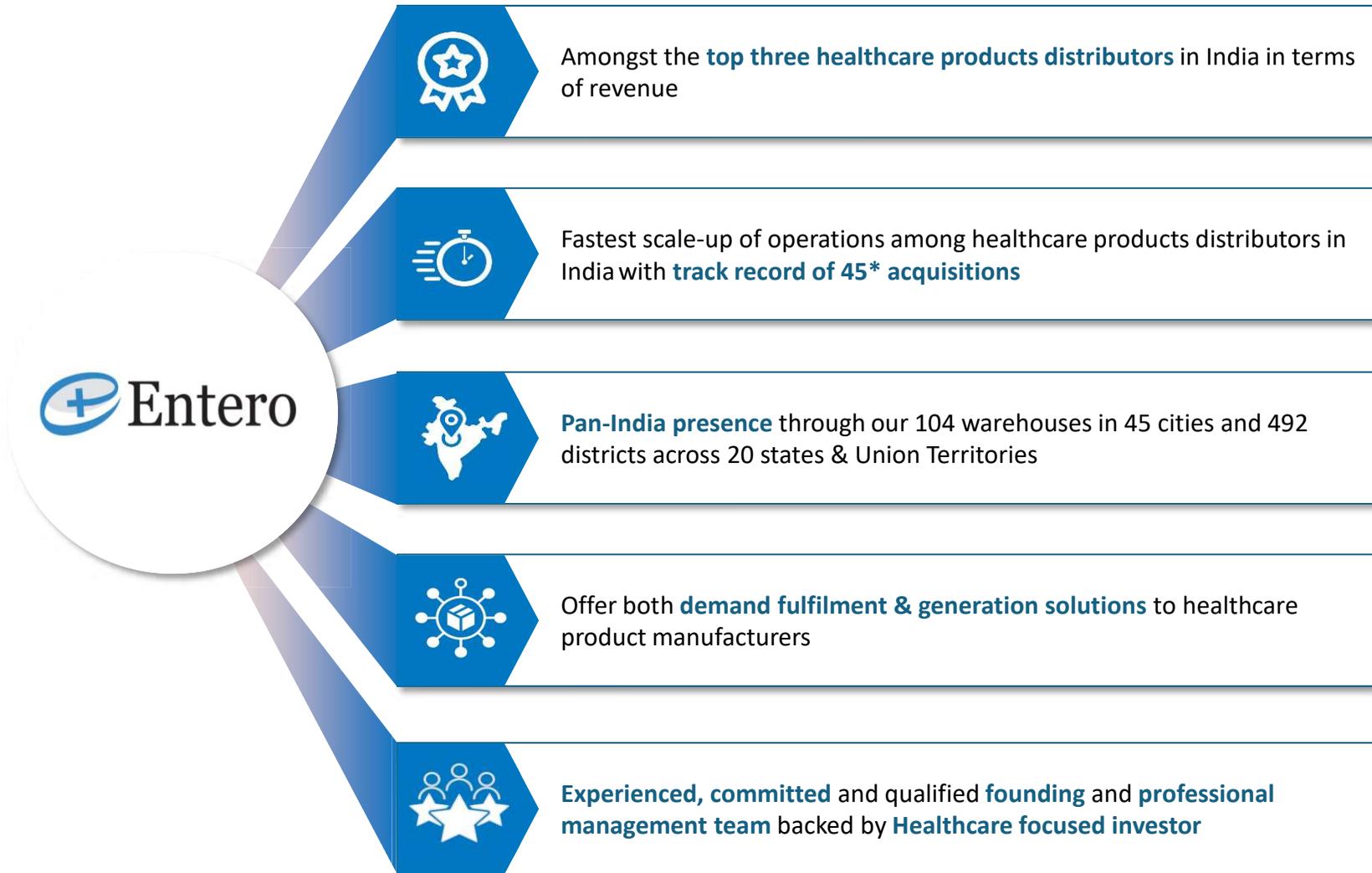
We are extremely thrilled to announce that Entero Healthcare Solutions has been honored with the **Excellence in Healthcare Supply Chain & Logistics 2024** award at the ET Healthcare Awards this year!

This prestigious recognition underscores our commitment to transforming healthcare supply - through commitment to quality, technological driven efficiencies, and a customer centric approach. A heartfelt thank you to our business partners, well-wishers, and the incredible Entero team whose dedication made this achievement possible. And together, we're transforming Healthcare supplies in India!

About Us



We are a Healthcare Supply Chain Solutions Specialist



Our Warehouses



*Includes 1 acquisition announced for which closing will be done in due course of time

Entero at a Glance

Geographical Reach of Distribution Network

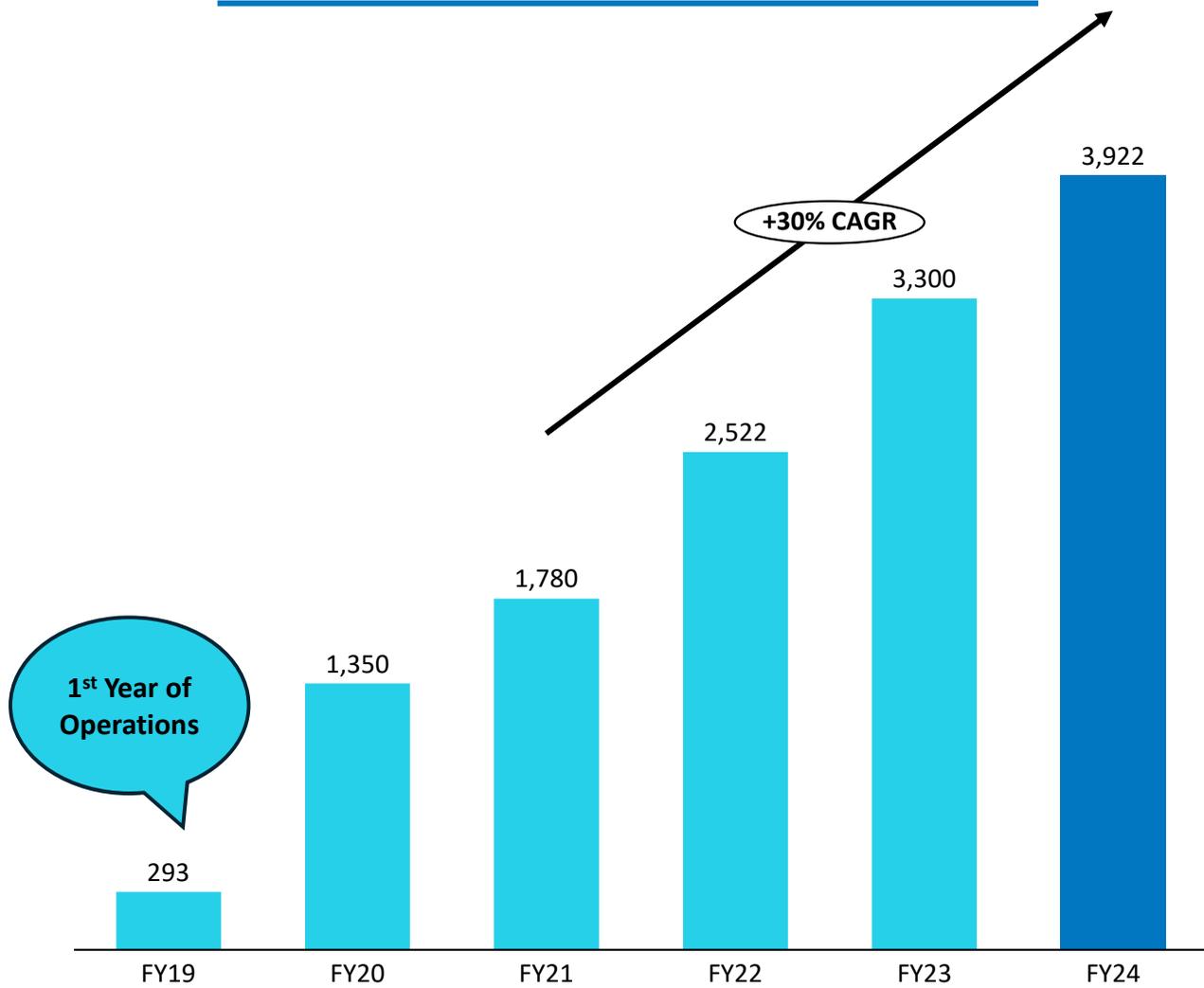


<p>Customers</p>	<p>86,200+ Retail Pharmacies catered to</p>	<p>3,200+ Hospital customers</p>	<p>2,500+ Supply relationships with healthcare product manufacturers</p>
<p>Scale of operations</p>	<p>5,79,595 Total Warehouse area (sq ft.)</p>	<p>104 Warehouses</p>	<p>~76,600+ SKUs handled</p>
<p>Presence</p>	<p>492 Districts covered</p>	<p>45 Cities</p>	<p>20 States</p>

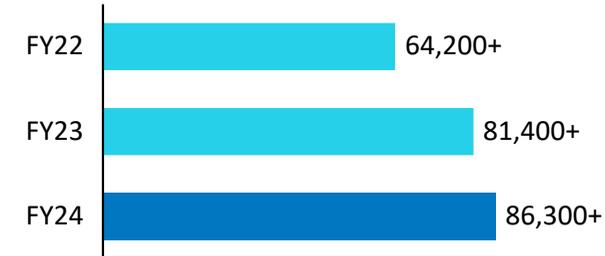
Notes:
 1. Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness
 2. As on 31st December 2024

Building a Highly Scalable Business Model

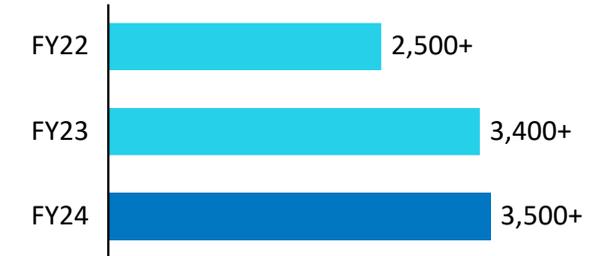
Consolidated Revenue (Rs. Cr)



Customers (Retailers)



Customers (Hospitals)



SKU's Handled



Relationship with healthcare product manufacturers



Warehouse



Districts Covered



Strong Board backed by a Healthcare-Focused Investors



Prabhat Agrawal
Promoter, Managing Director and
CEO



Sujesh Vasudevan
Chairperson and Non-Executive
Independent Director



Rajesh Shashikant Dalal
Non-Executive Independent
Director



Sandhya Gadkari Sharma
Non-Executive Independent
Director



Prem Sethi
Promoter, Whole-time
Director and COO



Arun Sadhanandham
Non-Executive Non-Independent
(Nominee) Director



Sumona Chakraborty
Non-Executive Non-Independent
(Nominee) Director



Kevin Rohitbhai Daftary
Non-Executive Non-Independent
Director



Prabhat Agrawal

Promoter, Managing Director and CEO

- Previous experience as CEO with Alkem Laboratories, Group CFO with Metalfrio Solutions, Brazil, and as Deputy Operations Director with Frigoglass Industries
- Bachelor's in commerce from Mumbai University and Master's degree in management from The Indian School of Business, Hyderabad
- Qualified Chartered Accountant and a Chartered Financial Analyst
- "CEO Of the Year – 2016" award at the 9th Annual Pharmaceutical Leadership Summit and Pharma Leaders Business Leadership Awards 2016



Prem Sethi

Promoter, Whole-time Director and COO

- Previous experience as Director – Offering Development and Product Management with IQVIA Consulting, Senior Practice Leader with Excellence Data Research Private Limited, and Information Services India Private Limited as Director – Offering Development and Product Management
- Bachelor's degree in pharmacy from Rajiv Gandhi University of Health Sciences and a Master's diploma in Clinical Research and Pharmacovigilance from James Lind Institute
- Business Leader Award from Business Transformation Awards 2021 by Mint and Techcircle



CV Ram

Group Chief Financial Officer

- Previous experience as CFO with API Holdings, Director of Finance and Commercial with Impresario Entertainment & Hospitality, and CFO with Apollo Health and Lifestyle
- Bachelor's degree in commerce from Pondicherry University
- Associate member of the Institute of Chartered Accountants of India
- Featured in the CFO Power List 2019 by CoreMedia as Investor Relations Icon
- Award for exceptional performance and achievement as CA Professional Achiever in healthcare sector by the Institute of Chartered Accountants of India for 2017



Sanu Kapoor

Vice President - General Counsel, Company Secretary and Compliance Officer

- Associate member of the Institute of Company Secretaries of India (ACS) and the Institute of Cost and Management Accountants of India (ACMA). She is a graduate in Law and Commerce from Mumbai University and also holds an EMBA degree from NMIMS, Mumbai.
- Has more than 20 years of experience spanning diverse sectors, including retail, civil aviation, heavy engineering (elevators), advertising and media, pharmaceuticals and construction.
- Held key roles with leading Indian conglomerates and multinational corporations



Sambit Mohanty

President - Institutional Business

- Bachelor's of science from Utkal University and Master's Diploma in Business Finance (PGDBF) from Indian Institute of Finance, New Delhi.
- Has more than 24 years of experience.
- Currently responsible for Business Development, Sales and Marketing and Key Accounts in our Company.



Abhitesh Kumar

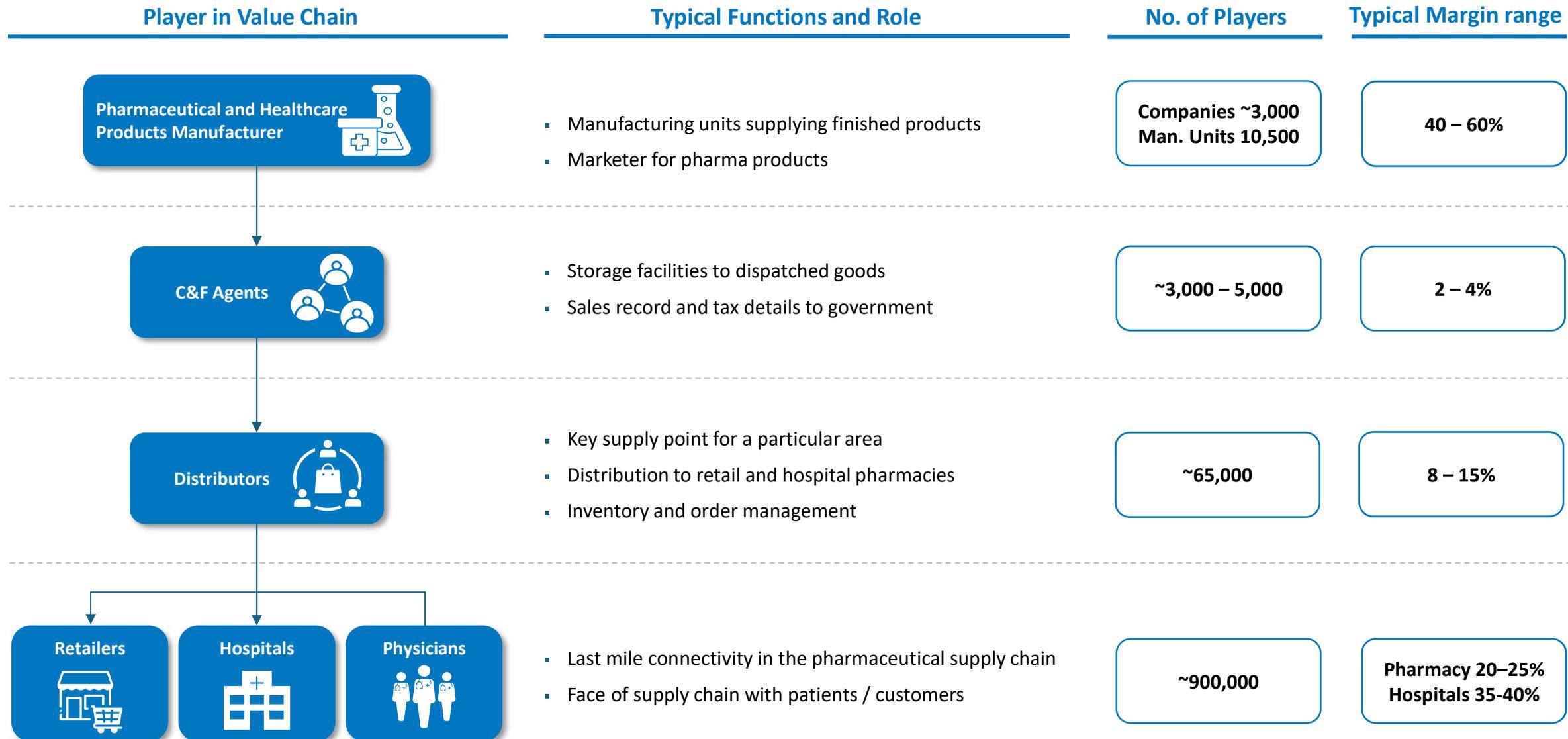
President - Retail Business & New Initiatives

- Bachelor's degree of Technology in Mechanical Engineering from BITS Pilani and completed a Post Graduate program in Business Management from IIM Calcutta.
- Has more than 10 years of experience. 8+ years of experience of industry.
- Currently responsible for retail pharma business, business development, supply chain management, and business operation in our Company.

Market Opportunity



Pharmaceutical Supply Chain in India is Highly Fragmented



Source: Prospectus

Key Challenges in the Pharmaceutical Supply Chain

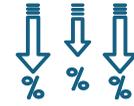
Pharmaceutical and Healthcare Products Manufacturer / Marketer



Complexity of dealing with multiple sub-scale distributors



Limited or no secondary sales data visibility and analytics



No direct reach to retailers, leading to poor implementation of secondary promotional offers



Inadequate storage infrastructure



High expiries due to multiple stock points and no data visibility

Distributors



Highly fragmented and competitive market



Limited scale and inefficiency of operations



Limited access to capital, technology, and management bandwidth

Retailers



Lower fill rate due to space and storage limitations



Complexity of dealing with high number of distributors



Manual ordering and inventory management due to minimal technological intervention

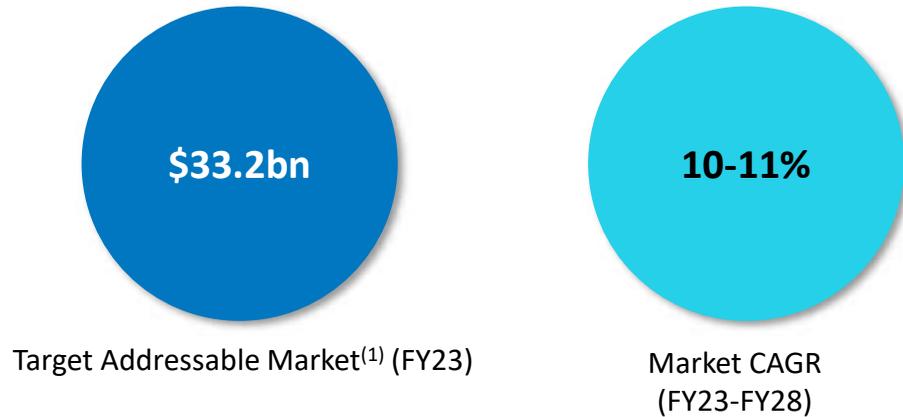


Lack of transparency in promotional offers / benefits

India is witnessing a shift from standalone/traditional distributors to large/national distributors having a wider presence, backed by market consolidation and the need for a reliable and scalable supply channel

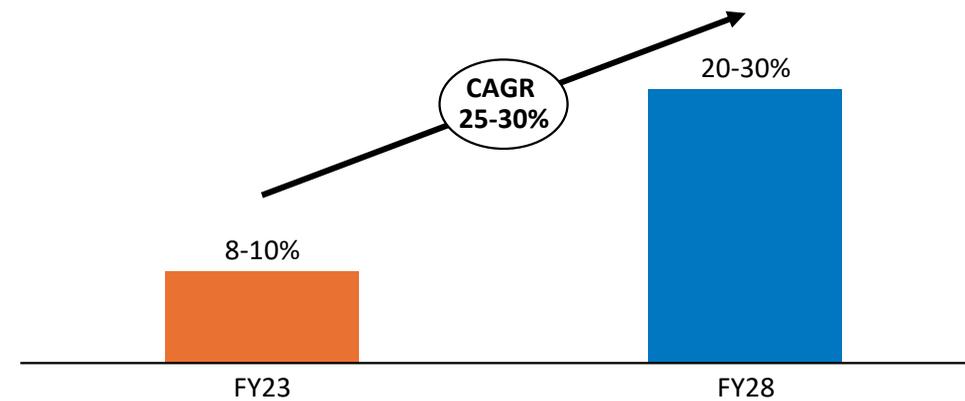
Healthcare Products Distribution Market Overview

Large and Growing Target Addressable Market...

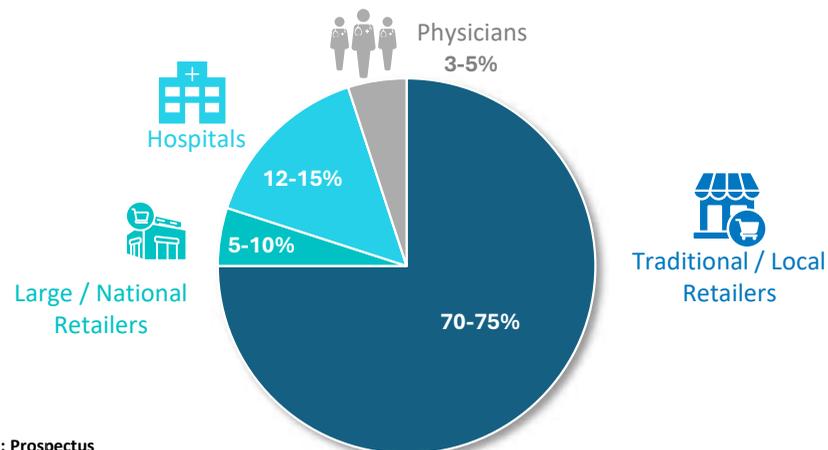


...Led by Increasing Share of Large / National Distributors

Share of the total distributor sales for Large / National pharmaceutical distributors



Industry Dominated by Traditional Local Retailers



Key Trends

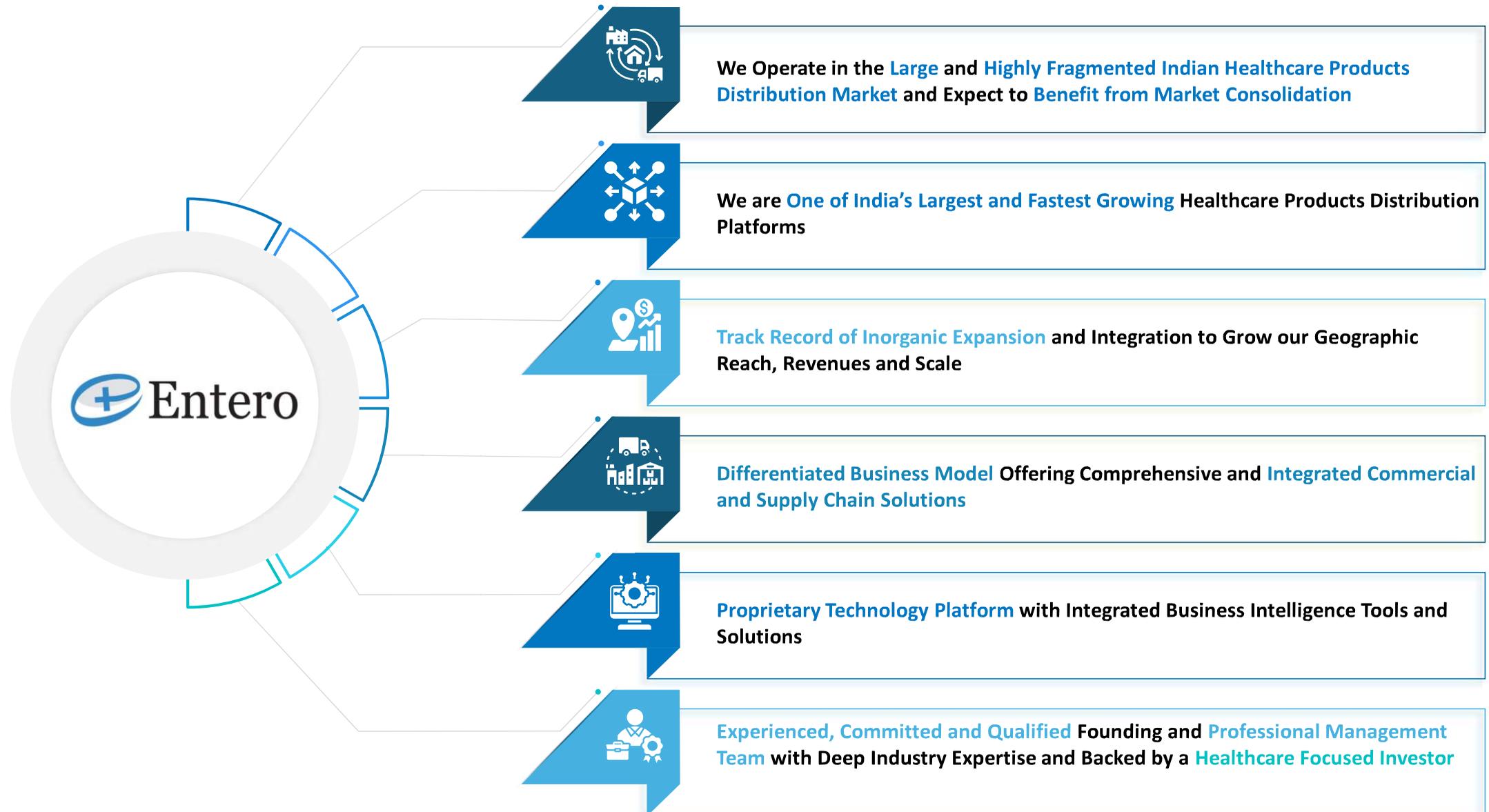
- Consolidation in the distribution industry
- Technological advances to support operational efficiencies in distribution
- Micro-market and regional data opportunities
- Higher demand for surgical and medical devices
- Increasing government focus on generics to further support distributors
- Omnichannel adoption to improve demand for pharmaceutical distribution

Source: Prospectus

Note:
(1) Target Addressable Market is with respect to pharmaceutical and medical devices (including hospital supply of medical devices and consumables)

Key Strengths





Highly Fragmented Market... to Accelerate Consolidation

		US	China	India ⁽¹⁾	Germany
Share of Large Players in the Pharma Distribution		Top 3: 90 – 95% 	Top 4: 40 – 45% 	Top 3: 8 – 10% 	Top 5: 95 – 97%
Share of Top x in Total Pharma Distribution in:		Top 3	Top 4	Top 3	Top 5 / All
	2020	90 – 95%	40 – 45%	8 – 10%	95 – 97%
	Pre-2015	85 – 90%	30 – 35%	<3 – 5%	90 – 95%

Market Consolidation is expected in India with share of large / national distributors expected to rise to 20-30% by FY28 supported by multiple factors and Entero is expected to benefit from this trend

Introduction of the Good and Services Tax Regime

Access to Additional Capital

Better Resource Management

Scale Advantages

Technology-driven country-wide distribution network

Source: Prospectus
 Note: (1) Indian numbers as of FY23

Geographical Reach of our Distribution Network



Notes:
 1. Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness
 2. As on 31st December 2024

Distribution Presence

20 States

45/492 Cities/Districts

Customer Network

86,200+ Retail Pharmacies catered to

3,200+ Hospital customers

Warehouse Infrastructure

104 Warehouse Locations

5,79,595 Aggregate size (Sq ft)

Breadth of Offerings

2,500+ Healthcare product manufacturer relationships

76,600+ SKUs

Successful track record of Acquisitions and Integration

Acquisition Strategy



› Take advantage of market consolidation opportunities available



› Pan-India approach towards acquiring and integrating smaller distributors



› On-ground acquisition team to identify acquisition opportunities



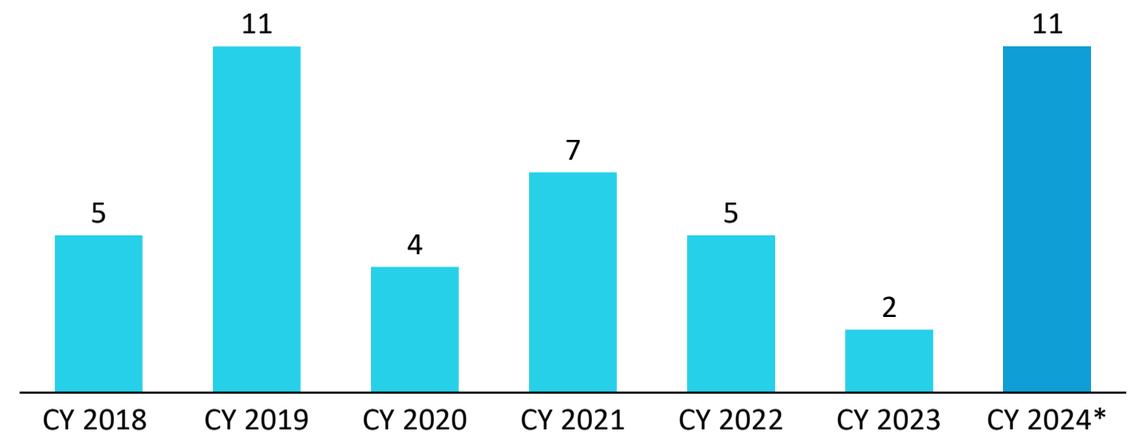
› Integration and growth approach replicable in existing and new geographies

Given our acquisition track record, we have been able to continuously attract distributors to integrate with us

Track Record of Growth of Acquired Companies

Distributor Name	Date of Acquisition	Location	FY21-23 Growth
R.S.M Pharma	14-Aug-2018	Bengaluru	~69%
Getwell Medicare Solution	26-Dec-2018	Kochi	~66%
Galaxystar Pharma Distributors	21-Feb-2019	Mumbai	~60%
Vasavi Medicare Solutions	31-May-2019	Coimbatore, Madurai	~88%
Millennium Medisolutions	07-Aug-2019	Gurugram	~61%
Sesha Balajee Medisolutions	13-Jan-2020	Visakhapatnam	~66%

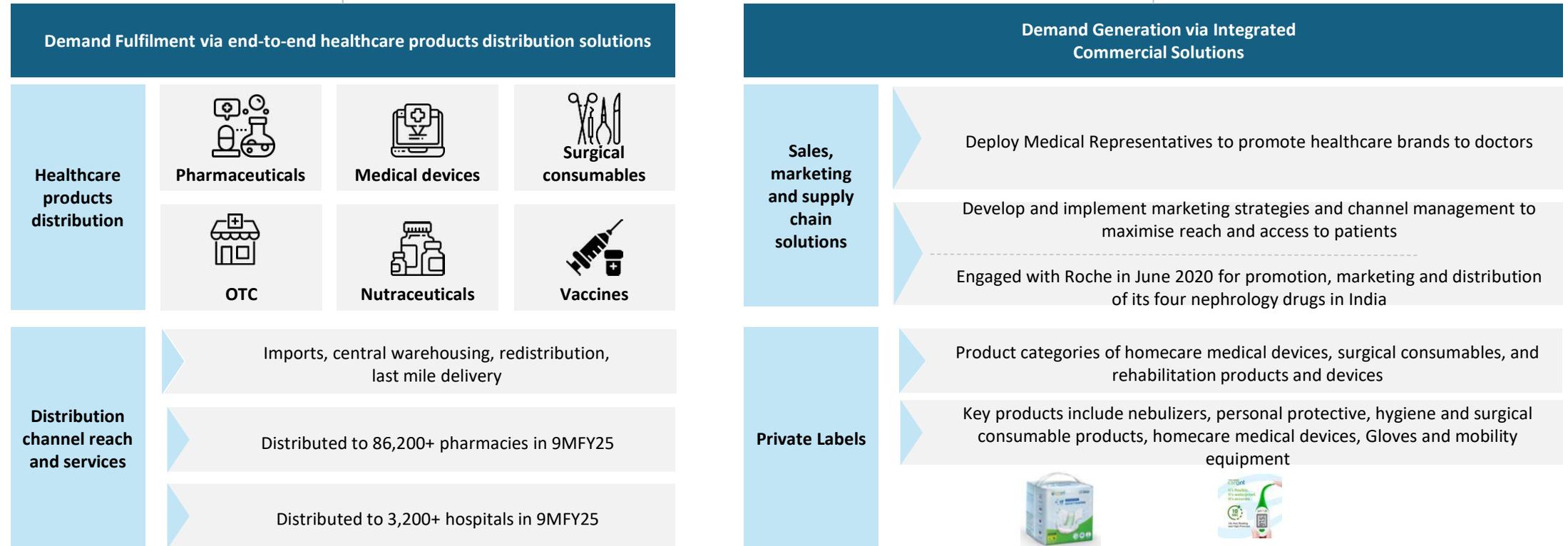
45* Acquisitions Since Inception



*Includes 1 acquisition announced for which closing will be done in due course of time

Differentiated Business Model

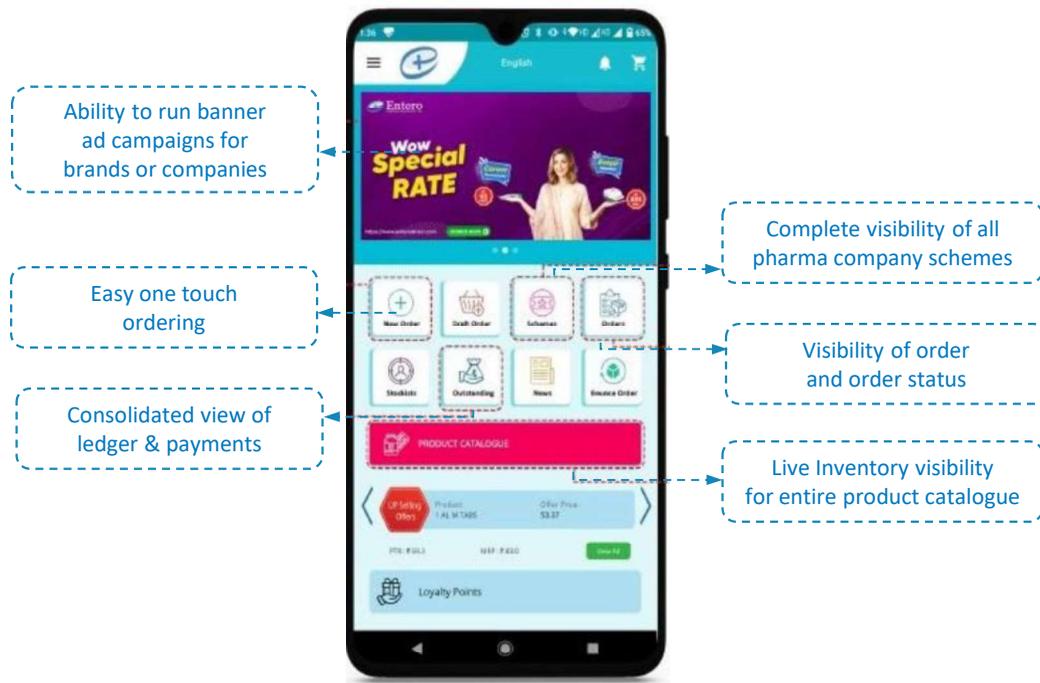
Offers both demand generation and demand fulfilment capabilities to healthcare brands and product manufacturers



Our Demand generation and demand fulfilment solutions are integrated across the value chain, and we benefit from synergies arising from our wide customer network, distribution infrastructure and geographic reach

Technology-Focused Approach Anchored on Our Proprietary Integrated Tech Platforms and Business Intelligence Tools...

Single-interface platform to pharmacies



...To Grow our Operations and Bring Efficiencies in the Healthcare Products Distribution Ecosystem

-  Real time visibility of products, pricing, inventory levels, order status, outstanding balances and promotional offers
-  Platform for healthcare product manufacturers to display their products and run promotional offers to increase visibility and promote their brands
-  Optimize internal operations, performance and productivity of sales and delivery teams
-  Established a "hub and spoke" model by connecting our warehouses and supply points to scale our footprint in a capital and cost-efficient manner
-  Invest in technology at all of our distribution warehouses to enhance fulfilment rates, reliability and product availability
-  Provide healthcare product manufacturers with timely secondary sales and inventory data and market insights on sales in a micro-market for sales strategies



Benefit from healthcare products distribution market consolidation with strategic acquisitions



Strengthen market position through increases in customer base, wallet share and geographic penetration



Pursue comprehensive marketing and distribution collaborations with healthcare product manufacturers



Continue to invest in and leverage our technology, scale and synergistic adjacencies to drive efficiencies and profitability



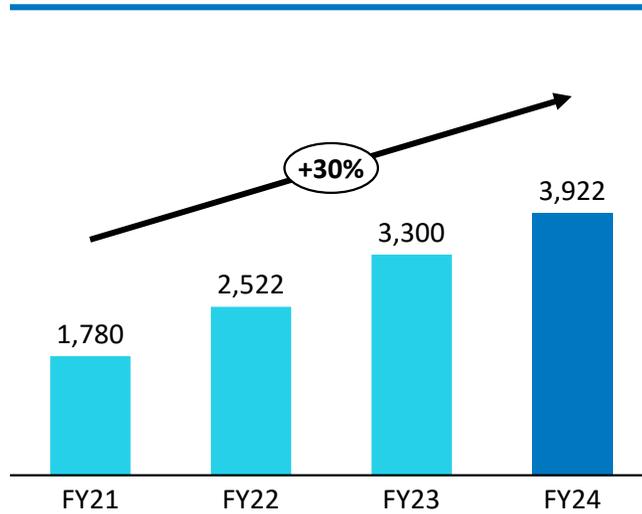
Expand our product adjacencies, private label and service offerings

Historical Financials

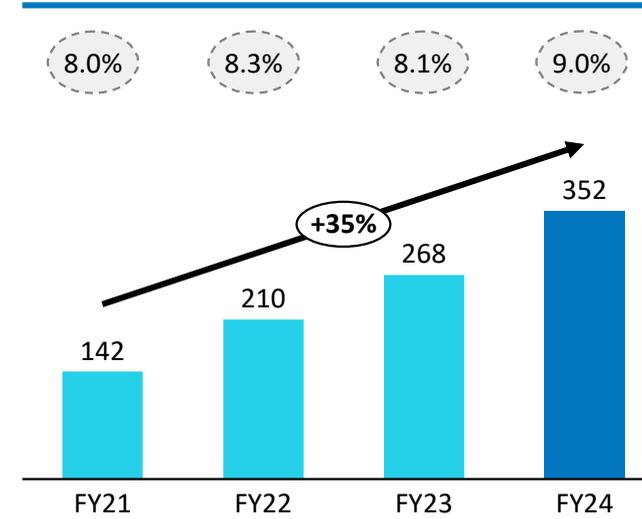


Historical Financial Highlights

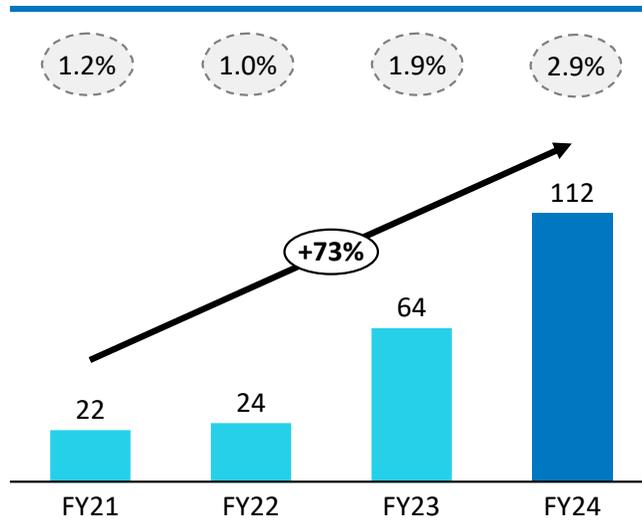
Revenue (Rs. Cr)



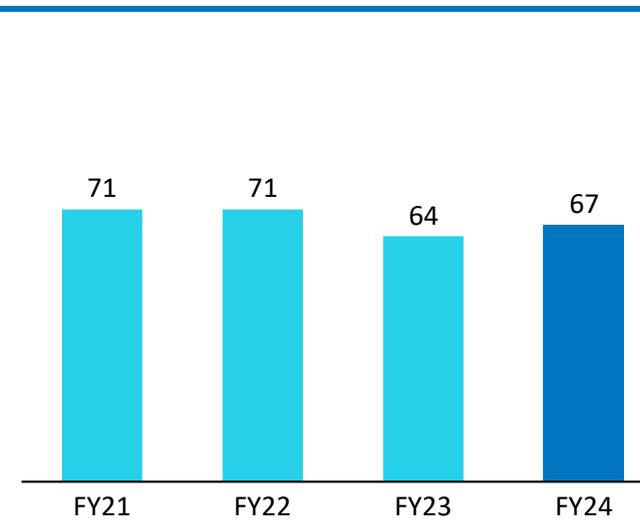
Gross Profit (Rs. Cr) and Margin (%)



EBITDA (Rs. Cr) and Margin (%)



Net Operating Working Capital (Days)*



*Net Operating Working Capital (Days) = (Trade receivables+ Inventories - Trade payables) / (Operating Revenue with GST / 365)

Consolidated P&L Statement

Particulars (Rs. Cr)	FY24	FY23	FY22	FY21
Revenue	3,922.3	3,300.2	2,522.1	1,779.7
Cost of Goods Sold	3,570.4	3,031.9	2,312.4	1,638.1
Gross Profit	352.0	268.3	209.6	141.6
Gross Profit Margin	9.0%	8.1%	8.3%	8.0%
Employee Cost	149.4	128.1	114.8	75.9
ESOP Expenses	1.8	0.0	0.0	0.0
Other Expenses	89.0	76.2	70.4	44.1
EBITDA	111.8	64.0	24.4	21.5
EBITDA Margin	2.9%	1.9%	1.0%	1.2%
Other Income	13.9	4.8	4.1	3.6
Lease Rental related Income	0.5	0.7	0.4	0.3
Depreciation	8.6	9.6	7.7	6.2
Lease Rental related expenses	16.4	14.6	12.0	10.0
Finance Cost	59.9	42.4	22.8	14.2
Lease Rental related expenses	5.8	6.5	6.2	5.9
Profit before Tax	35.6	-3.6	-19.8	-10.9
Tax	-4.2	7.4	9.6	4.5
Profit After Tax	39.8	-11.0	-29.4	-15.4

Consolidated Balance Sheet

ASSETS (Rs. Cr)	Mar-24	Mar-23	Mar-22	Mar-21
ASSETS				
Non-current assets				
Property, plant and equipment	41.0	43.2	45.7	40.9
Capital work-in-progress	-	-	0.6	-
Other intangible assets	3.4	3.8	4.4	2.4
Intangible assets under development	-	-	0.1	2.2
Right of use assets	52.0	53.7	61.7	55.9
Goodwill	192.8	167.0	150.2	89.5
Other financial assets	15.7	7.9	6.7	6.4
Income tax assets (net)	9.9	7.9	4.9	3.3
Deferred tax assets (net)	19.0	2.0	0.7	0.3
Other non-current assets	-	-	0.2	-
Sub-total - Non-Current Assets	334.0	285.6	275.1	200.9
Current assets				
Inventories	421.2	341.6	310.2	243.9
Trade receivables	615.4	514.9	374.6	242.2
Cash and cash equivalents	147.6	25.4	46.5	32.3
Bank balances other than Cash and Cash equivalents	745.5	81.5	58.9	50.5
Loans	0.1	0.6	1.0	0.8
Other financial assets	25.8	10.4	1.5	0.6
Other current assets	55.3	48.8	58.2	62.6
Sub-total - Current Assets	2,011.0	1,023.2	850.9	632.9
TOTAL - ASSETS	2,345.0	1,308.7	1,126.0	833.8

EQUITY AND LIABILITIES (Rs. Cr)	Mar-24	Mar-23	Mar-22	Mar-21
Equity				
Equity Share capital	43.5	4.1	3.9	0.1
Other equity	1,594.6	590.9	557.2	485.3
Non-Controlling Interest	3.3	2.6	2.2	1.7
Sub-total - Shareholders' funds	1641.4	597.7	563.2	487.1
LIABILITIES				
Non-current liabilities				
Borrowings	45.5	31.1	37.1	-
Lease Liability	49.0	50.0	57.7	53.2
Provisions	7.1	5.4	4.4	2.7
Deferred tax liabilities (net)	0.0	0.7	1.7	1.6
Sub-total - Non-current liabilities	101.6	87.1	101.0	57.6
Current liabilities				
Borrowings	230.0	342.4	247.9	141.7
Trade payables	229.9	210.5	139.8	96.7
Lease Liability	13.5	13.5	11.9	8.0
Other financial liabilities	105.7	39.2	41.1	10.8
Other current liabilities	15.9	14.5	11.9	11.7
Provisions	2.9	2.1	8.0	19.5
Current tax liabilities (net)	4.0	1.8	1.2	0.7
Sub-total - Current liabilities	601.9	624.0	461.8	289.1
TOTAL - EQUITY AND LIABILITIES	2,345.0	1,308.7	1,126.0	833.8

Consolidated Cash Flow Statement

Particulars (Rs. Cr)	FY24	FY23	FY22	FY21
Net Profit Before Tax	35.6	-3.7	-19.8	-10.8
Adjustments for: Non Cash Items / Other Investment or Financial Items	86.6	-71.2	-41.5	42.7
Operating profit before working capital changes	122.2	67.5	21.7	31.8
Changes in working capital	-145.7	-100.4	-46.1	-95.9
Cash generated from Operations	-23.6	-32.9	-24.4	-64.1
Direct taxes paid (net of refund)	13.1	12.4	10.9	4.6
Net Cash from Operating Activities	-36.6	-45.3	-35.3	-68.7
Net Cash from Investing Activities	-705.1	-48.6	-161.7	-30.9
Net Cash from Financing Activities	862.9	72.8	211.2	88.7
Exchange Difference	-	-	-	-
Net Decrease in Cash and Cash equivalents	121.2	-21.1	14.2	-10.8
Add: Cash & Cash equivalents at the beginning of the period	25.4	46.5	32.3	43.2
Add: Cash on acquisition	1.1	-	-	-
Cash & Cash equivalents at the end of the period	147.6	25.4	46.5	32.3

Company:



CIN: L74999HR2018PLC072204

Mr. CV Ram

E: irentero@ehspl.com

T: +91-22-69019100

www.enterohealthcare.com

Investor Relations Advisor:

SGA Strategic Growth Advisors

CIN: U74140MH2010PTC204285

Mr. Jigar Kavaia / Parin Narichania

E: jigar.kavaia@sgapl.net / parin.n@sgapl.net

T: +91 9920602034 / +91 9930025733

www.sgapl.net