

**Transcript of 24th Annual General Meeting of Metropolis Healthcare Limited held
on Wednesday, August 21, 2024**

Ameera Shah

Dear Shareholders, Good Morning and welcome to the 24th Annual General Meeting of Metropolis Healthcare Limited.

I hope all of you are safe and in good health. This meeting is being held through video conference in compliance with the circulars issued by MCA and SEBI.

Before we start the proceedings of the meeting, I would like to introduce my colleagues attending this AGM through video conferencing.

Dr. Sushil Shah, Chairman Emeritus and Whole Time Director;

Mr. Subramanian Ranganathan, Independent Director and Chairman of the Audit Committee;

Ms. Anita Ramachandran, Independent Director and Chairperson of the CSR & ESG Committee and the Nomination Remuneration Committee;

Mr. Hemant Sachdev, Non-Executive Non Independent Director;

Dr. Aparna Rajadhyaksha, Additional Non-Executive Non-Independent Director;

Mr. Surendran C, Chief Executive Officer;

Mr. Rakesh Agarwal, Chief financial Officer;

Mr. Kamlesh Kulkarni, Company Secretary and Compliance Officer;

Mr. Aditya Shinde, Financial Controller;

Mr. Vivek Gambhir and Mr. Sanjay Bhatnagar, Independent Directors could not attend this meeting due to preoccupation. They have conveyed their sincere apology to members.

Apart from them we also have the representation of Statutory Auditors, Secretarial Auditors and Cost Auditors who have joined this meeting. I now request Mr. Kamlesh to provide general instruction to the members regarding participation in this meeting.

Kamlesh Kulkarni

Thank you, ma'am. I would like to draw our shareholders attention to few important points regarding procedural and technical aspects in relation to this meeting:

1. The company has made all feasible efforts to enable the members to participate at the meeting through the video conferencing facility and vote electronically. The facility of joining the AGM through video conference is being made available to the members on first come first serve basis.
2. All members who have joined this meeting are by default placed on mute mode by the host to avoid any disturbance or inconvenience arising from the background noise and to ensure smooth and seamless conduct of the meeting proceedings.
3. Once the Question & Answer session commences, the name of the shareholders will be announced who have registered as a speaker shareholders, one by one.
4. Only the audio of the speaker shareholder will thereafter be unmuted by the host.
5. To start speaking the shareholders is requested to click the video on button only once and wait till the video is on. If the shareholder is not able to join through video for any reason, the shareholder can speak through the audio mode.
6. We would request the shareholders to limit their speech to two minutes.
7. During the AGM, if a member faces any technical issues, he may contact the helpline number of NSDL mentioned in the notice of the AGM.
8. The Register of Directors and KMP, including their shareholding and Register of Contract maintained under the Companies Act, 2013, are made available electronically for inspection by members during the AGM.
9. The company has tied up the NSDL stand up with NSDL to provide facility for e-voting and participation in the AGM through video conference.
10. As per the provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administrative) Rules, 2014 and SEBI (LODR) Regulations, 2015, the company had provided remote e-voting facility to its members administered by NSDL in respect of the resolutions to be passed at the meeting. The remote e-voting commenced at 09:00 a.m. on Saturday, August 17, 2024 and ended at 05:00 p.m. on Tuesday, August 20, 2024.
11. Further, the facility for voting through e-voting system is available during the continuance of this AGM for members who had not cast their vote prior to the meeting.

12. Since the AGM is being held through video conference and resolutions mentioned in the notice convening this AGM have already put to vote through remote e-voting. Hence, there will be no proposing and seconding of the resolutions.
13. Mr. Vijay Yadav, Partner of M/s. AVS and Associates, Practicing Company Secretaries, has been appointed as a scrutinizer to scrutinize the process of remote e-voting held prior to and during the AGM in a fair and transparent manner and provide the consolidated results.
14. A soft copy of the Annual Report has been sent to all members through email at the addresses registered with the company and RTA.
15. As the AGM is being held through video conference, the facility for appointment of proxies by the members is not available, hence there is no proxy register required.
16. Members attending the AGM through video conference are being counted for the purpose of reckoning the quorum under section 103 of the act. As per the MCA circulars
17. We have about 30 plus members present at this meeting.

The requisite quorum being present, I now request Chairperson to address the shareholders of the company.

Ameera Shah

Thank you, Mr. Kamlesh.

Distinguished members, a warm welcome to all of you. Again, it's a great pride that we gather here on a significant path, and now we are on the brink of a momentous milestone our 25th year.

Over these past 24 years, we have achieved remarkable feats and faced numerous challenges, each of which has contributed to our growth. Our collective efforts, commitment and shared vision have brought us this far.

The successful completion of this remarkable journey is a testament to the strength of our fundamentals of our business and the robustness of our corporate governance practices. The fiscal 2024 has been a very good year for us at Metropolis as there have been many new initiatives undertaken. Our strategic focus on Metropolis 3.0 has given us opportunities to go forward and beyond.

On the industry side, it is expected that the diagnostics industry grow at a CAGR of 8 to 10%. However, the organized sector is estimated to grow at a faster pace, marked by a transition from unorganized standalone diagnostic players to larger organized players.

The industry is also seeing consolidation and there will be an increase in mergers and acquisitions opportunities as valuations are getting more reasonable.

On the industry side, we have seen our wellness segment growing rapidly for the whole market, while we have seen rapid growth as well. Capitalizing on the post COVID surge in wellness awareness with health tech, competitors initially aimed to acquire customers through wellness services with the hope of converting them to illness related services, their conversion rates have now remained in low single digits.

As a result, these players have now increased the prices of their wellness packages, coming closer to the incumbents and controlling and reducing the price disruption.

In contrast, metropolis and other established brands have successfully leveraged strong brand recognition and developed an effective omnichannel strategy allowing us to significantly increase our market share in the wellness segment.

Our ability to meet the growing demand while maintaining competitive pricing has been a key factor in our success.

Building a specialized diagnostics business goes beyond just bundling tests and offering it as wellness, but really offering a comprehensive and extensive testimony. It's about deep expertise in each test and each therapeutic segment that drives superior quality in every area.

At Metropolis, we pride ourselves on our institutional knowledge which enables us to deliver better quality reports compared to others. Having this experience in every subspecialty area, combining equipment's with the best talent and the expertise is what differentiates us from others.

We are particularly focused on the fast-growing therapeutic areas such as transplants, neurology, nephrology, gastroenterology, cancer and others. To ensure we are future ready, we are making significant investments in building capabilities in genomics and molecular biology, which we believe represents the future of our industry.

Our focus remains on scientific innovation, expanding our presence in tier two and tier three towns and implementing AI and track driven solutions to enhance our services.

Looking at these trends and opportunities in the industry, the prospect for metropolis is to continue to outpace the industry and peers, which would happen via organic growth as well as inorganic opportunities.

Let me now share some financial highlights:

For the year gone by, the total revenue stood at INR 1,189 crores. For the financial year 2023-24, our core business stood at INR 1,166 crores, growing at 13% on a Y-o-Y basis our EBITDA stood at INR 284 crores before CSR and ESOP stood at INR 395 crores in the year and EBITDA margin before CSR and ESOP stood at 24.9% for the same period. While profit after tax for the full year stood at INR 128 crores with 10.8% margin.

Let me now share the key strategic focus areas for us as part of the Metropolis 3.0 strategy:

1. Expanding our network strategy

Over the past two years, we have made significant strides in expanding our presence across India. In the last twelve months alone, we have achieved a significant milestone in our network expansion going from 350 towns to over 600 towns across India, including substantial penetration into tier two and tier three cities.

With plans to reach even more towns in the next 2-3 years, we reinforce our commitment to delivering high quality complex diagnostic services nationwide. Additionally, we have strengthened our presence in Africa and boosted our B-to-B operations, receiving samples from over 15 countries. Our successful digital transformation and initiatives have enabled us to gain a comprehensive view of our customers and offer personalized experiences. Recognizing the potential of AI genomics and molecular diagnostics, we will continue to invest in advanced expertise, state of the art machinery and innovative testing capabilities to drive industry innovation and leadership.

2. Focusing on wellness and specialized testing

As mentioned earlier, wellness testing has experienced significant growth due to the changing dynamics post COVID. We have seen strong traction in this area and continue to increase our share of the wellness market. Our true health, wellness and specialty services have been instrumental in this group, helping metropolis gain a stronger foothold in the wellness segment. Our success can be attributed on the specialty side to a scientific approach to selling, combined with an effective omnichannel strategy that has allowed us to reach a broader audience and drive substantial traffic for testing.

Packages and targeted markets have boosted our wellness testing and additionally by upselling to existing customers, we have expanded our true health portfolio as well, leading to higher revenue and an increase in number of tests per patient. This approach has positively impacted our margins as costs remain the same while the revenues were growing.

3. Focusing on scientific excellence

At Metropolis, science has always been our goal. We have pioneered specialized tests that consistently meet global standards and are committed to enhancing our services in niche areas. To further our clinical excellence, we've established our Internal Medical

Advisory Board (iMAB), to guide us with expert insights, keeping us at the forefront of scientific advancements.

Recently, we also launched Miles, which is the Metropolis Institute of Laboratory Education and Skilling, to upskill doctors and technologists aligning with the government's focus on workforce development. We also collaborate closely with leading doctors to educate and raise awareness about the latest scientific advancements, which strengthens our reputation as the preferred choice for complex diagnostics and specialized testing.

4. Focusing on inorganic growth

Our M&A strategy focuses on identifying and pursuing bolt-on acquisitions to expand our geographical presence in new areas or acquiring new capabilities and service offerings, which is where I am personally dedicating a considerable amount of time. We seek acquisition opportunities that enhance our testing capabilities or let us go into new markets where we have high quality B2C businesses where Metropolis currently has limited presence.

Additionally, we are also exploring investments and technological capabilities to enhance our existing offerings. To support this, we've established a capex committee and an investment committee to oversee strategic investments, ensuring efficient capital deployment while maintaining our return ratios.

Lastly, I want to emphasize our commitment to redefining industry standards with a visionary approach. We plan to grow organically through our existing network while expanding into underserved markets, particularly tier 2 and tier 3 towns. Mergers and acquisitions will be key to strengthen our market position and with a robust pipeline of advanced tests boosting our technical capabilities, we are confident we will meet industry demands and drive growth.

Additionally, we are exploring expansion into adjacent areas such as basic radiology services. Through strategic alliances, these efforts will help us acquire new capabilities, enter new markets and develop additional skills. By leveraging our strong brand recognition omnichannel strategy, we aim on capitalizing the post pandemic trends and further increasing our market share.

I would now like to take a moment to express our deep gratitude to our Founder and Chairman Dr. Sushil Shah, who will now transition into the role of Chairman Emeritus. Under his visionary leadership, Metropolis has grown into a trusted and respected pathology brand, earning widespread recognition from both medical professionals and consumers and securing its position as a leader in the industry.

His commitment, dedication and forward-thinking approach have been key to the company's remarkable success in his new role as Chairman Emeritus and Director on the board. He will continue to offer invaluable guidance and mentorship to the board and the executive team.

His wealth of medical expertise will remain a vital asset to metropolis as he continues to provide direction. We extend our heartfelt thanks to Dr. Shah for his years of service and for his pivotal role in propelling metropolis to new heights. Thank you so much.

As we close this year on a strong note with positive outlook for the future, I am pleased to announce that we will continue our consistent dividend track record. I also want to express my sincere gratitude to our dedicated team, loyal customers, our supportive board and our valued shareholders. For your unwavering trust and confidence in metropolis. Your support has been the driving force behind our growth and success.

Together we have navigated challenges and celebrated numerous achievements making this journey truly remarkable. Your trust motivator motivates us to reach even greater heights and strengthens our commitment to excellence.

As we look ahead, we remain focused on achieving new milestones and building on the solid foundation we have created. Thank you for being an essential part of our ongoing success story. I now hand over to Mr. Kamlesh for further proceedings.

Kamlesh Kulkarni

Thank you, ma'am. As the notice has already been circulated to all the members, I take the notice convening the meeting as read.

We now take up the resolutions as set forth in the notice. We will open the floor for any questions from the members after the resolutions are placed before the meeting.

Ordinary businesses

Item number 1: To receive, consider, adopt audited financial statements of the company including consolidated financial statements for the financial year ended March 31, 2024 together with the Reports of the Board of Directors and Auditors thereon.

Item number 2: To confirm the interim dividend of INR four per equity share declared by the Board as the final dividend for the financial year 23-24.

Item number 3: To consider appointment of Director in place of Dr. Sushil Shah who retires by rotation and being eligible office himself for the reappointment.

Special businesses

Item number 4: To ratify the remuneration payable to M/s. Joshi Apte and Associates, Cost Auditor of the company for the financial year 2024-25.

Item number 5: To approve the change in designation of Dr. Sushil Shah from Whole Time Director to Non-Executive Non-Independent Director of the company.

Item number 6: To approve the remuneration payable to Dr. Sush Shah as a Non-Executive Non-Independent Director of the company.

Item number 7: To approve the change in designation of Ms. Ameera Shah from Managing Director to Whole Time Director in the capacity of Chairperson of the company and revision in terms of remuneration.

Item number 8: To approve the appointment of Dr. Aparna Rajadhyaksha as Non-Executive Director of the company.

Item number 9: To approve the revision in the pool size of Restrictive Stock Units (RSUs) and other terms of Metropolis Restrictive Stock Unit Plan 2020.

Item number 10: To approve the extension of Metropolis Restrictive Stock Unit Plan 2020 to the eligible employees of the subsidiary and associate companies of the company.

We now open the floor for the speaker shareholders. We would take all questions from each shareholder first and then apply to all the questions together in the end.

Speaker shoulders are requested to add there to the time limit of two minutes and may note that this AGM is being recorded.

Therefore, refrain from disclosing any sensitive personal information or personally identifiable information belonging to them or any other persons that has had no bearing on this meeting.

I will now read out the name of the shareholders who have registered themselves as a speaker and we received one request from Mr. Rajendra. Mr. Rajendra can you unmute? Mr. Rajendra Seth

Mr. Rajendra

Hello.

Kamlesh Kulkarni

Yes Mr. Rajendra, you are audible Sir.

Mr. Rajendra

Chairman Sir, Management Team, Shareholder Bhaiyo, Main Rajendra Sheth, Thane, Maharashtra se bol raha hu. Main company ke kaam se ekdum prabhavit hu, santusht hu. Dividend bhi time ke sath sath diya hai. Sirf ek hi question tha ki aur profit margin badhane ke liye jara vistar se bataiye, baki sab resolution mera pura support aur hardik shubhecha hain. Meeting aur CS department bahut accha kaam hai, time pe humko puri detail ke sath balance sheet mili unko bhi main dhanyavad deta hu. Meeting ka time

accha hai taki businessmen meeting attend karke apna apna kaam me lag sake. Bolneka mauka diya dhanyavad. Main phir se bolta hu sab resolution mera pura support aur hardik shubhecha hai. Thank you, Sir.

Kamlesh Kulkarni

Thank you, Mr. Rajendra. So, we received only one request from the speaker shareholder. There is no further speaker shareholder enrolled.

So, members may note that the voting on NSDL platform will continue to be available for the next 15 minutes and thereafter it shall be disabled.

The voting results will be announced within two working days of the conclusion of the meeting. The same shall be intimated to the stock exchanges and will also be available on the website of the company and on the website of the NSDL. I now hand over proceedings to the Chairperson for concluding comments.

Ameera Shah

Thank you Kamlesh and Rajendra Ji, aapke comments ke liye bahut thankful. Aapko aapne bohot compliments diye hai aur aapko lag raha hai ke hum accha kar rahe hai, thank you for that and your support for the resolutions. Company badhti jayegi and I will say jaise badhti jayegi waise profit bhi badhta jayega. Hum sab koshish kar rahe hai ki revenue aur profit ko bade teji se badhaaye hopefully ye saal me 2024-25 mai aapko isse bhi jyada satisfaction mil jaye but I wanted to thank all the Shareholders, Directors, Senior Management, Auditors and Employees of the company for the tremendous work in the past year and looking forward to the next year. I now declare this meeting as concluded. Thank you very much.

Kamlesh Kulkarni

Thank you everyone.
