Ref: AHCL/2026-27/C056

November 11, 2026

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Scrip Code – **544350**

National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Symbol : **AGARWALEYE**

Dear Sir / Madam,

Sub: Analyst / Earnings Conference Call - Transcript

Ref: Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the captioned subject and reference, Transcript of the discussion on the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 2026, at the Analyst / Earnings conference call held on November 05, 2026, is enclosed herewith.

The said transcript is also made available on the website of the Company at: www.dragarwals.co.in.

For **Dr. Agarwal's Health Care Limited**

Thanikainathan A
Digitally signed by Thanikainathan A
Date: 2026.11.11 14:57:58 +05'30'

Thanikainathan Arumugam
Company Secretary and Compliance Officer

Encl.: as above.

"Dr. Agarwal's Healthcare Limited

H1 FY27 Earnings Conference Call"

November 05, 2026

REPRESENTATIVES OF THE MANAGEMENT OF DR. AGARWAL'S HEALTH CARE LIMITED PRESENT OVER THE CALL:

DR. ADIL AGARWAL
CHIEF EXECUTIVE OFFICER AND WHOLE TIME DIRECTOR

DR. ASHAR AGARWAL
CHIEF BUSINESS OFFICER

MR. RAHUL AGARWAL
CHIEF OPERATING OFFICER

MR. YASHWANTH VENKAT
CHIEF FINANCIAL OFFICER

MS. AASHNA DHARIA
HEAD OF INVESTOR RELATIONS

Moderator: Ladies and gentlemen, good day, and welcome to the Q2 and H1 FY27 Earnings Conference Call hosted by Dr. Agarwal's Health Care Limited. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. I now hand the conference over to Ms. Aashna Dharia, Head, Investor Relations from Dr. Agarwal's Health Care Limited. Thank you, and over to you, ma'am.

Aashna Dharia: Thank you, Rutuja. A very good evening, ladies and gentlemen. Welcome to the earnings call of Dr. Agarwal's Health Care Limited for the Second Quarter and First Half of FY27. From the management side, we have Dr. Adil Agarwal, our Chief Executive Officer; Dr. Ashar Agarwal, our Chief Business Officer; Mr. Rahul Agarwal, our Chief Operating Officer; and Mr. Yashwanth Venkat, our Chief Financial Officer.

We've also released the financial results, press release, and investor presentation, all of which are available on our website and the exchanges as well. Before we continue, we want to remind everyone that this call is being recorded, and the transcript will be made available on our website afterwards. Additionally, please be aware today's discussion may include certain forward-looking statements, which should be considered in the light of the risks our business faces. Please refer to the detailed statement on Page 2 of our investor presentation.

It is now my pleasure to hand over the call to Dr. Adil Agarwal, our Chief Executive Officer, who will share his opening remarks and insights. Dr. Adil, over to you.

Adil Agarwal: Thank you, Aashna. A very good evening to all of you, and thank you for joining us for Dr. Agarwal's Health Care Limited Earnings Call for the second quarter and first half of fiscal year 2027. Let me begin by providing you all an update on the quarter and half yearly performance. Quarter 2 FY27 was another quarter of strong and consistent performance.

This quarter, we added 18 new surgical facilities, our highest ever in a single quarter. Revenue from operations rose 6.7% sequentially to INR 655 crores for the quarter, one of our strongest quarter-on-quarter performances. For the first half of FY27, the company reported a total income of INR 1,286 crores, up 27.6% year-on-year, while revenue from operations rose 28.7% to INR 1,269 crores.

Our Ind AS EBITDA grew 27% to INR 362 crores, with margins broadly stable at 28.2%, even as we absorbed ramping costs at our new centers. Our PAT grew by 50.1% year-on-year to INR 112 crores and PAT margin expanded by around 130 basis points to 8.7%. This was despite start-up losses from the 51 surgical facilities we have launched over the last 12 months.

Q2 specifically, the company reported total income of INR 665 crores, up 31.3% year-on-year, while revenue from operations rose by 31.4% to INR 655 crores. Q2 delivered a robust Ind AS EBITDA of INR 186 crores, reflecting 28.8% year-on-year growth with margins broadly stable around 28%.

PAT grew by 55.8% year-on-year for the quarter to INR 57 crores, with PAT margin expanding by 134 basis points to 8.5% for the quarter.

Next, I would like to share our footprint and network growth update. This quarter was another record quarter for network expansion. We added 21 facilities comprising 19 Greenfield centers and 2 acquired facilities in Delhi NCR.

With 18 facilities already commissioned in Q1, our total additions for the first half now stand at 39. This quarter's additions include 1 Tertiary facility in Delhi NCR and 17 secondary facilities: 4 in UP, 3 in Andhra, 2 each in Tamil Nadu, Delhi, and Maharashtra, and 1 each in Kerala, Karnataka, Telangana, and Gujarat. Additionally, we launched three primary facilities across Andhra Pradesh and Tamil Nadu.

Now in India, we have a total network of 305 facilities across 14 states and 5 union territories, covering 172 cities, taking our overall network strength to 324 facilities. Our presence is well diversified now with 32% of our facilities in Tier 1 markets, 62% in other markets and 6% located internationally.

Now during the first half of FY27, we served around 18.5 lakh patients and performed more than 1.86 lakh surgeries. To put the scale in perspective, on any given day, nearly 12,300 patients walked into our Dr. Agarwal's facility, and we performed close to 1,250 surgeries every single day. Volumes are rising strongly at both our established centers and our newest ones, which tells us that the model is truly scalable, and we intend to build on that momentum as we expand the network through the rest of the year.

Our Greenfield engine has been the defining driver of our network growth over the last 4 years. Since FY23, we have added 185 Greenfield facilities, accelerating our expansion from 10 facility additions in FY23 to 37 additions in H1 of this year alone. Now what makes this pace sustainable is the operational foundation underneath it from site selection and fit-outs, to clinical talent onboarding and new market entry. It is now a well-honed playbook and the result is that our new facilities attract strong patient footfalls from the very first months.

Now let me turn to an update on our clinical excellence initiatives and our focus on complex surgeries. For the first half year ended September '26, high-end cataract surgeries accounted for 30% of the total 1,37,170 cataract surgeries performed. Within the high-end surgeries, robotic cataract surgeries, what we call the Femto cataract grew by 25.5% year-on-year, crossing 3,284 procedures for the period.

Lenticular procedures, what we call as SMILE surgeries for refractive, increased by 41.9% year-on-year, while Retinal surgeries crossed 7,849 procedures for H1, up 26.5% from last year. We also completed over 579 Corneal transplants over this entire period. Now beyond these volumes, we continue to push the frontier of advancing surgical techniques in eye care.

Last quarter, we spoke about Pinhole Pupilloplasty, and I'm pleased to share the launch of the world's first PPP capable department at our Chennai flagship facility inaugurated by the Honorable Chief Minister of Tamil Nadu, Thiru. C. Joseph Vijay. This is a proud milestone for Dr. Agarwal's and a reflection of our commitment to clinical innovation.

We're already seeing strong traction. In FY27 alone, which is the last 6 months, we performed over 540 PPP surgeries, surpassing our full year of FY26 volume of 500 surgeries. We intend to

take PPP not only across our network, but also globally, bringing this procedure to more patients and creating a lasting impact on their lives. Now moving on to business updates.

Let me begin with our SSSG update. Our same-store sales growth has been stellar this year. SSSG came in at 18.8% for Q2 FY27 and 17.7% for the first half, which shows how much room our existing network still has to grow even as we expand at a record pace. Our most mature facilities, those operational prior to FY23 contributed INR 948 crores of revenue, reflecting a strong 17.2% year-on-year growth, accounting for 75% of group revenues.

Facilities opened in FY24 delivered INR 96 crores, growing at 20.9% while those launched in FY25 contributed INR 127 crores at a healthy 67.8% growth. The FY26 vintage is clearly in the ramp-up phase and has already generated INR 71 crores. Our emerging facilities collectively now contribute to 21% of revenues. These are still in early stages of the ramp-up with substantial headroom for growth as utilization continues to scale up.

Now moving on to our region-wise performance. Our Southern region continues to be our largest market, contributing 62% of total group revenues. In the first half, the region delivered INR 790 crores in revenue, a phenomenal 24.6% year-on-year growth. This was powered by deliberate expansion beyond cataract into other specialties such as Refractive, Retina and Cornea with Refractive and cornea performing really well. Our Pharmacy and Optical business have also been meaningful revenue streams, further supporting the region's elevated growth.

Now coming to the West region. Our West region contributes 15% of group revenues and delivered INR 195 crores in the first half, up a strong 30% year-on-year. We now have 55 facilities across the West, including 8 new surgical Greenfield additions in the first half. These include Thane, Ulhasnagar and Palghar in Mumbai, Wagholi, Moshi and Kondhwa in Pune, Nikol in Gujarat and Ahilyanagar. Encouragingly, both Cataract and Refractive volumes rebounded strongly in Q2 with new greenfield additions in Mumbai and Pune launched in FY27 have gained strong patient traction. In Gujarat, our relocated Adajan Road facility also has been performing well.

Coming to the North region, which is one of the fastest-growing regions in our network, this region contributed 9% of group revenues and reported INR 115 crores of revenue for H1 FY27. This is up by 60% year-on-year. We now operate 36 facilities across the North, including 13 new facilities added so far this year. I would now provide a detailed update on our expansion plan in the Delhi-NCR region. During the quarter, we further strengthened our presence in Delhi NCR by commissioning 5 new Greenfield centers across Noida, Ghaziabad and Delhi. In addition, we completed a small strategic acquisition of two facilities in the region, further deepening our presence across key micro markets. Now with these additions, our network in Delhi stands at 15 facilities. And since commencing operations in Q1 FY26, we now have a strong facility network of 15 centers in just 15 months, underscoring the speed and disciplined execution of our expansion strategy.

Coming to the East region. This region is still relatively smaller from a contribution standpoint to overall group revenues and it delivered INR 35 crores in revenue, but this was also up by 30% year-on-year. We now have 14 facilities across the Eastern region. With the new leadership team

in place and with a sharper focus on clinical excellence and business development, this region is already delivering significant results, and we expect to see significant growth coming in from the East region as we proceed.

Now moving on to our next business update on facility expansion. We're pleased to announce an upward revision in our guidance. We are now targeting an addition of 65 new facilities during the year, which includes 55 new surgical facilities as against the earlier guidance of 60 facilities, which included 40 surgical centers. We have had a strong first half with 39 facility additions during the period, out of which 34 were surgical centers.

This included 18 centers in Q1 and another 21 centers in Q2. Looking ahead, we plan to add another 26 facilities in the second half of the year, which will include 21 surgical facilities. So overall, we're looking at adding 55 surgical centers for the entire year. From a regional perspective, South will add 25, followed by North, 20, West, 15 and East with 5 facilities. This upward revision in our guidance reflects a strong execution momentum in the first half, strong visibility on our expansion pipeline and our track record in scaling our Greenfield model.

To conclude, a very strong half of FY27 driven by operation discipline and consistent execution, positions us well to carry this momentum through the rest of the year. Now I would like to hand it over to our CFO, Mr. Yashwanth Venkat, who will take a deep dive into our financial performance.

Yashwanth Venkat: Thank you, Dr. Adil. I'll begin with the operational update. Surgical services continue to be the main revenue driver, contributing 66% to the group revenue. Diagnosis consultations and other nonsurgical treatments contributed 12% and the sale of optical products and pharmacy items accounted for 22%.

For the half year ended September 2026, we performed close to 1,87,000 surgeries, marking a 19% year-on-year growth. Cataract surgeries remain the largest contributor, accounting for approximately 73% of total surgeries, followed by refractive surgeries at around 4.7%. Volumes for cataract and refractive surgeries grew nearly 20% year-on-year.

Our payer mix for H1 FY27 stood at 63% from cash 28% from insurance and TPA and 9% from government schemes. Moving on to the financial section, the group's revenue from operations for H1 FY27 grew 28.7% year-on-year to INR 1,269 crores compared with INR 986 crores in H1 FY26. For Q2 FY27 alone, revenue from operations grew 31.4% year-on-year to INR 655 crores.

Revenue from operations in India for H1 stood at INR 1,138 crores, up 28.5% year-on-year. This growth was driven by volume and value contributions of 8% and 9.5%, respectively, with the rest coming from new centers opened in FY26 and FY27. Revenue from our Africa operations grew 31.1% year-on-year and contributed about 10.4% of group revenue.

Gross margin improved by 50 basis points year-on-year to 78.9%, with gross margin up 28.4% to INR 1,014 crores. This came despite a richer surgical mix as high-end cataract procedures rose to nearly 30% of total cataract surgeries. Doctor and employee costs were broadly stable at

33.8% of total income. Similar other expenses remained at 16.8% of total income. As a result, Ind AS EBITDA grew 27% year-on-year to INR 362 crores with a margin of 28.2%.

Finance costs stood at INR 46 crores despite our accelerated expansion. As a share of total income, they fell from 4.7% to 3.6%,. Profit before tax grew 44.5% year-on-year to INR 155 crores with PBT margin expanding from 10.6% to 12.1%. Profit after tax grew 50.1% to INR 112 crores and the PAT margin improved from 7.4% to 8.7%. To sum it up, it has been a good first half with robust growth across every key metric.

As we look ahead, our growth will be driven by three levers: deepening our presence in existing micro markets, expanding into new geographies and accelerating the adoption of advanced surgical procedures and technologies across our network. Thank you all. We'll open the floor to questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Harith Ahamed from Avendus Spark. Please go ahead.

Harith Ahamed: So the first question is on the acquisition that you've done during the quarter. So firstly, if you throw some more color on this particular asset, the kind of financial profile. And if you also talk about how you think about acquisitions as part of your expansion strategy going forward. If I recollect correctly, this is our first acquisition after a while.

Adil Agarwal: Adil here. So yes, we haven't done an acquisition in quite some time. But I think from a strategic standpoint, what we have noticed in Delhi is there are certain micro markets where some of the doctors have a very strong footing. Keeping in line with that as part of our South Delhi expansion strategy, although we have a good network presence in South Delhi.

We have partnered with one doctor whose name is Dr. Anchal Gupta. She is a very strong practitioner and has a center in Greater Kailash. She also has a second center in Ghaziabad in a place called Loni. So this is a 2-center strategy where we have acquired both the centers. And roughly, the last 12 months performance of revenue was about INR 13.5 crores, and that center has delivered about INR 7.16 crores of business EBITDA. We have acquired the entire business as a part of a BTA process.

Harith Ahamed: Just a related question. So I was wondering about the capex plan for the year. Is there a revised number that you could share, including the acquisitions?

Adil Agarwal: Yes. So as you remember from our Q1 call, we had actually guided towards approximately a INR 400 crores capex plan. We are going to be revising our capex guidance upwards given the strong momentum. We now plan to add 65 new facilities as per our earlier plan of 60. And also, we had earlier given a guidance of 40 surgical centers.

Now we are moving up that guidance towards 55 because a lot of the sites that we have identified, many of these are coming up and many of these centers will be ready by H2. We've already launched 39 centers in H1. So we're looking at adding about 26 centers in H2. So the revised guidance will be for 55 surgical centers for the year with 10 primary centers. So we will be revising our capex guidance upwards from INR 400 crores to INR 500 crores.

Harith Ahamed: Got it. Just a follow-up to what you just mentioned in terms of surgical centers accounting for 55 out of the 65 centers that we're planning for the year. It's a bit different in terms of the share of surgical centers when I compare with FY25 or FY26. So is there a change in strategy? And is this the kind of center mix in terms of new centers that we should expect going forward?

Adil Agarwal: See, the goal always for us is to gravitate towards the surgical centers because we see a lot better throughput coming through from our surgical centers. And on average, our surgical centers do anywhere between INR 75 lakhs to INR 80 lakhs on an average per month. Given that as our brand is growing, we're starting to see a lot of success in terms of achieving breakeven in many of our centers in our core markets.

Based on the feedback which we are getting after we have opened some of these centers, we are confident that we will be able to roll out a lot more centers in both existing markets and some of our newer markets such as Delhi NCR and in Mumbai. Based on this kind of response that we are getting, we're fairly confident that we should be able to ramp up these centers pretty quickly.

Harith Ahamed: Got it. Thanks, I'll get back in the queue.

Moderator: Thank you. Next question is from the line of Maulik from 360 ONE Capital. Please go ahead.

Maulik: Congratulations on a great set of numbers. Firstly, sir, I wanted to understand that our revenue from the Western region has been really strong. So what is our strategy? And are we focusing on West and North? Or what is our focus area in terms of growth and deepening presence?

Adil Agarwal: Yeah. So, I will request our COO, Rahul to comment.

Rahul Agarwal: I think from a focus area perspective, the entire India remains a focus area because we are seeing growth across every pocket versus Q1, if you see Q2 has ramped up much better for us, and that we are seeing across the regions. Now when it comes to further capex and newer centers, we are actually deepening our current presence in most of the southern states, whether it is Tamil Nadu, Karnataka, Kerala or Andhra Pradesh, Telangana.

So along with that, yes, West continues to be a huge focus area. Bombay specifically is an area where we are entering into a lot of newer micro markets. We have signed a lot of these agreements already. And in the next 6 months, you'll see a lot of rollouts coming into some of the Bombay major micro markets as well.

Again, coming to North, Delhi, we have already Delhi NCR. We already have 15-odd centers currently, and we'll continue to consolidate those centers, which are opened in the last 18 months. And we'll also -- we continue to look at some of the other micro markets in Delhi as well where we are ramping up. So long and the short, most of the newer markets, we are looking at expansion. Some of the older markets, we are looking at further deepening of the business.

Maulik: Understood, sir. And also, we've had a very strong growth in the Refractive surgeries, which was kind of flattish for last few quarters. So that's a very good thing. So just wanted to understand that because of the increase in the Refractive surgeries, has our yield improved? So I think it's

improved by around 5-odd percent. So that is purely because of increase in Refractive surgeries and Femto Cataract surgeries? Or is there anything else to understand from it?

Adil Agarwal: So I think we have started to realize that the market is now becoming a lot more recipient towards the advanced Refractive surgeries, which is what we call as the Lenticular procedures. Based on that, we have also added a few more machines to different regions. Like, for example, Naranpura has a lenticular machine. Cochin has a new lenticular machine. Coimbatore has a lenticular machine.

So similar to -- along those lines, as we have added these new lenticular procedures, the market per se is moving from the older traditional LASIK surgeries towards lenticular procedures or what we call a SMILE surgeries, which is why now you're seeing a significant increase in that volume. So last year, if you remember, the Refractive surgery growth has slowed down a little bit. But now as we have started to move towards lenticular procedures and as patients are seeing better results, we are seeing a lot more volumes go up right now across the market for lenticular procedures.

Maulik: Okay. Just a follow-up on...

Adil Agarwal: I'll just request my CFO to come in. He will just add a couple of points on this piece.

Yashwanth Venkat: Yes. In terms of growth on Lenticular procedures, our growth was about close to 41% and the Femto cataracts have also grown close to 26%. So the question on yield is in terms of your assumption, it is correct because of the movement towards high-end procedures. And also out of overall share of Cataract, 30% -- close to 30% were high-end procedures.

Maulik: Understood, sir. And so going ahead, can we assume that the case mix towards these high-end surgeries will be much more higher, which will be driving our yield rather than pure price hikes?

Adil Agarwal: No. So there is an active movement towards premiumization. If you see overall high-end cataract surgeries contribute to about 30% of our volumes. That percentage volume has effectively stayed where it is. It's not going to significantly improve because there is a long tail also where some of these procedures are fairly expensive and not very affordable for some of the patients.

So we don't expect this mix of high-end procedures to go to 50%, 60%, right? It will stabilize at that 30%, 35% at least for the next few years. But as we continue to expand, we add more of these machines, you'll start to see a slight shift in many of these other places towards that 30% range of higher-end procedures, which is where we think is the sweet spot.

Adil Agarwal: Rahul will add a couple of points on this.

Rahul Agarwal: Yes. So one thing I would say is that our high-end procedures from FY24, it was somewhere around 18%, which has now gone up to closer to 30%. What we are seeing is the uptake on high-end procedures is slowly as we've introduced now Femto cataract as well. The requirement from the market keeps on increasing and sometimes more than we anticipate as well. So I think as the disposable income continues to go up, as the insurance penetration continues to go up and as the

premiums in the insurance keep going up or the coverage in insurance keeps going up, I think the ability for patients also to pay for those higher-end procedures continues to go up.

So yes, we continue to see an uptick in high-end procedures as we move forward.

Maulik: Okay. And sir, just one clarification. So we've added 21 new facilities in 2Q, right? And this is purely Greenfield facilities.

If we add the 2 acquisitions, it will be totaling to 23 new facilities in 2Q, right? Am I right?

Adil Agarwal: No. It's 19 greenfield plus 2 from the acquisition. So it's 19 plus 2, 19 Greenfield plus 2 acquisitions.

Maulik: Okay. Can you help, sir, with the 19 Greenfield facility? How much of that is Tertiary, Primary and Secondary?

Adil Agarwal: So out of the 19 centers, we have two Primary and the rest are all Surgical centers basically.

Maulik: Okay sir. And the acquisition is also Tertiary, right?

Adil Agarwal: Yes, yes. Acquisition is a Tertiary.

Maulik: Okay. Are you calling out the acquisition number? How much have we paid for the INR 13.5 crores of revenue and INR 7 crores of EBITDA business?

Adil Agarwal: Yes. So, we have paid INR 55 crores for the total acquisition.

Maulik: Okay. And it's completely paid or it's a milestone-based payment?

Adil Agarwal: No, it's a milestone-based payment. Yashwanth will just take you through the deep metrics.

Yashwanth Venkat: So, the payout will be structured like we are paying close to INR 33 crores upfront. The rest will be paid over 4 years linked to certain milestones.

Maulik: Okay. Thank you. I have more questions. I'll join the queue. Thanks a lot.

Moderator: Next question is from the line of Nikhil Upadhyay from SIMPL.

Nikhil Upadhyay: Good evening and thanks for the opportunity. Congrats on good set of numbers. I hope I'm audible.

Adil Agarwal: Yes. You are audible.

Nikhil Upadhyay: So just two questions. One is, can you just split the footfall growth between realization, conversions and like -- the SSSG growth between realization, conversions and footfall.

Rahul Agarwal: Sure. So overall, at a 17.7% kind of SSSG, I would say our OPD growth is in the range of 7.5%, conversion another 0.5%. So overall 8% from a volume perspective. Premiumization is the

remaining around 9.5% and -- sorry, value growth is the remaining 9.5%, in which premiumization is closer to 8% and the remaining 1.5% coming in from price.

Nikhil Upadhyay: Okay. And second question, see, this is more -- like I'm not trying to ask for quarterly numbers. But if I just go back to your assumptions like 6 months back when you thought about the number of clinics to open for this year. And in the second half, when you say that we are more positive and we want to increase that pace.

At the ground level, what are you seeing which has changed and given you the confidence to increase the pace? And especially because at one point, we are also looking at more competitors coming in and trying to do a similar strategy. So, if you can just help us understand qualitatively, what are you looking at the ground gives you confidence to increase the pace and sustain this kind of a growth?

Adil Agarwal: So, Nikhil, see, the planning for any centers happen about 12 to 18 months in advance. So when if we are looking -- if we have a goal of about 60 centers every year, the planning happens about 6 to 12 months in advance, where a pipeline of about 100 centers is given. That's how once you have about 100 centers, that will get filtered down to 60 centers.

Now a lot of the work which is -- where we're opening centers in FY27 has actually happened in FY25. Many of those projects have been identified and many lease agreements have been signed. Also, what we have seen is in existing markets, given that we're able to ramp up very quickly in markets like Chennai, Bangalore, Hyderabad, as we are seeing that kind of success, the ability for you to actually open more centers in those areas also is increasing.

That's one. Second, in the original plan, if you see, we did not have this kind of plan to actually expand into Delhi NCR. But Delhi NCR itself has added about 15 centers in the last 15 months. And given the kind of response we are seeing in the Delhi market, we're looking at adding another 8 centers to 12 centers over the next 9 months to 12 months.

So that also is an addition, which is coming in. So, a combination of you going deeper in your existing markets, plus some of these new markets which are responding well to us is why we are saying we are very confident that we should be able to ramp up. And that confidence is coming in from our ability to actually hit breakeven in many of these markets where we have opened. Ashar will just come in and add a couple of points. Ashar?

Ashar Agarwal: I'll just add, I don't think we are increasing the pace. We are right now at 39 centers for H1. We are just revising the guidance for the current year based on a lot of things that have gone right in execution of the project, in hiring of the team and in a better start for these centers. So we're just revising the guidance based on the work which has been done for the last 12 months, as Dr. Adil said.

Nikhil Upadhyay: Sure. And last question, see, you entered Delhi with a prominent name. And then that gave you the confidence that we will go Greenfield. Now we've added these -- we've acquired these 2 facilities. But I always thought Eye Clinic is always a regional business, like it's more than regional, more a locality kind of a business.

So, would you say that this kind of bolt-on acquisition will keep on happening? Or would you -- your earlier guidance of focusing more on the Greenfield will remain the cornerstone?

Adil Agarwal: So Nikhil, we have always maintained that our strategy is predominantly built around Greenfield. And if you remember from our previous conversations, I've always said, we continue to look at partners to acquire as long as we're able to get them at the right multiple and as long as they fit strategically into some of the newer markets where we are entering, then we will consider doing acquisitions.

For example, we are not looking at doing any acquisitions in, say, the Chennai market or the Bangalore market or the Hyderabad market. But given that we have a decent presence in Delhi, this kind of bolt-on acquisition actually helps us well with our market expansion plan, especially in the South Delhi market where it is very competitive.

Nikhil Upadhyay: Sure.

Adil Agarwal: We will continue to look at these acquisitions. If we are able to get the right multiple and they strategically fit within our expansion plan, then we will consider doing these kind of bolt-on acquisitions.

Ashar Agarwal: See, what I would also add is also dependent on the quality of the partners that you get. The growth engine for the company continues to remain organic expansion. That is where the capability lies. At the same time, there are some acquisitions which come with extremely good practices with extremely reputed people and stellar partners, which should not be ignored by a company of our size.

Nikhil Upadhyay: Sure. Thanks a lot. I'll come back in the queue.

Moderator: Next question is from the line of Diya Shah from Alder Capital.

Diya Shah: Hi thanks for the opportunity. So my first question was on the doctor attrition levels. Or If you could split the attrition between trainees and practicing consultants and further between senior and junior surgeons? And is the attrition materially different in North and West versus in Tamil Nadu and Karnataka?

Adil Agarwal: So, our attrition levels have been around 14%, 15%, but I don't want to give you inaccurate number. So, Diya just give us some time to come back to you with the exact number. But I think overall, if you factor in all the trainees and everything, it's about 14%. But from what I understand, the -- at a senior level, the attrition is less than about 1% to 2%, right? But we don't want to comment on a cost number. We will come back to you with the exact numbers, which is -- they have been there for the last 6 months. So please give us time to come back to you with the exact number.

Diya Shah: Sure. No worries. And is it material different in North and West versus in Tamil Nadu and Karnataka -- or are they on the similar level?

Adil Agarwal: No, I think it's actively similar across.

Diya Shah: Understood. Just a quick follow-up on that. What is the proportion of the fellowship graduates we retain after the program ends? And has the conversion rate improved as the network has grown? And for the new centers, which we're trying to expand upon to, what is the share of surgeons do we expect from the internal pipeline versus the lateral hiring?

Adil Agarwal: No. So on this fellowship also, we will have to come back to you, Diya. I don't have the exact details offhand right now in terms of how many graduates continue with us. We will have to come back to you with this detail.

Moderator: Next question is from the line of Gopal Bhatt from Baroda BNP Asset Management.

Gopal Bhatt: Yes. Am I audible?

Moderator: Yes, you are.

Gopal Bhatt: Okay. So yes, I just wanted to check. I was just looking at your performance by vintage, which you have given out with split. So I can see that the performance for FY24 and FY25 vintage, despite FY25 having a higher base, they have grown on a higher -- they've grown at a stronger pace as well. So if you could just give a little more color on that, that how come facilities which are more recent have a higher base compared to the FY24 base? Growth stronger can be understood, of course, but is there a difference? I mean, say a material difference in the geographies here or something between the two vintages?

Adil Agarwal: No. So the only difference actually coming in from -- actually, FY24 is a very good cohort. FY25 has the benefit of one acquisition that we had done in FY25, which is the Thind facility in Punjab, which is a very large asset. So that's why you see the overall base of the FY25 cohort is higher than the FY24 cohort. If you take out the acquisition from there, then obviously, FY24 is a better performance.

Gopal Bhatt: Okay. Got it. How much would be the contribution? Like it's INR 130 crores for FY25. How much would be the contribution of the acquisition?

Adil Agarwal: For H1 of this year, I think the overall Thind contribution will be about INR 42 crores.

Moderator: Next question is from the line of Shubh Kalra from Asit C Mehta Investment.

Shubh Kalra: So my question is on the Pharmacy business. So with the Sun Pharma announcing a halt in the production of certain eye drops on 30th October, I read the news. So reportedly due to some quality-related concerns. And considering its earlier recall of ophthalmic products as well, could you please help us understand whether these developments have had any sort of impact on the company's Pharmacy business? Have you observed any changes in prescription patterns or a shift towards alternative brands?

Adil Agarwal: We work with a wide range of products from different companies with a lot of multinationals and Indian companies, and one of them is also Sun Pharma. So I don't think this has any impact on our business. And Sun Pharma is not a big part of our supply chain from a pharmaceutical standpoint. So I don't see any impact coming in from there.

Shubh Kalra: Okay, that's helpful. Thank you.

Moderator: Next question is from the line of Maulik from 360 ONE Capital.

Maulik: Can you help me quantify the amount of losses that we've incurred for the facilities, the new facilities, I think 51 surgical facilities. You mentioned are in losses. So can you quantify that number?

Adil Agarwal: Yes. So the number overall is about INR 42 crores for the past 6 months, if you include both the FY26 and FY27 cohort. FY27 cohort will be about INR 18.2 crores and FY26 cohort is about INR20.12 crores. So these are the 2 cohorts where we are seeing some loss.

Maulik: Okay. And sir, in terms of our employee expenses -- sorry, consultancy charges to doctors, it's around INR 96-odd crores. So this includes -- I mean, this is the new base or the new facility that we are planning to add is not included here?

Adil Agarwal: It includes all the new facilities and a very small number of doctors who have been pre-hired for some of the new centers to come up will probably be there in this as well.

Maulik: Understood. Okay. And also in terms of depreciation also, this is -- should we consider this as the new base, INR 80 crores to INR 83 crores?

Adil Agarwal: Yes.

Moderator: Next question is from the line of Gopal Bhatt from Baroda BNP Paribas Asset Management.

Gopal Bhatt: Sorry, I forgot to add one more question. Yes, could you tell me the pre-Ind AS EBITDA as well for this quarter and maybe the previous -- I mean, Q2 FY26 as well?

Adil Agarwal: Yes. So, the Q2 pre-Ind AS EBITDA is INR 143 crores at a margin of 21.5%.

Gopal Bhatt: Okay. And versus last year?

Adil Agarwal: Last year, same...

Yashwanth Venkat: INR111.2 crores, this year INR143.2 crores.

Moderator: Next question is from the line of Harith Ahamed from Avendus Spark.

Harith Ahamed: Hi thanks for the opportunity again. So in recent weeks, there's been a lot of debate and court interventions around markup of -- for drugs in hospitals. So while these are primarily targeting drugs, there's also been some chatter around extending this to devices and implants. So is that a risk if there were to be some regulatory interventions around margins for something like Intraocular Lens? And how should we think about that and our ability to navigate if something like that were to happen?

Rahul Agarwal: Right, Harith. No, we heard that sorry. So yes, we've heard that too. I believe that what the government is trying to do is increase the affordability and access of health care to various segments. We completely appreciate that. However, given that the discussions are ongoing

between the Supreme Court and the government, I think it will be premature right now for us to comment on that in terms of whether it's a risk or not.

What would be the thinking, how would it all pan out, what would be the control? All of that is quite thin and in the air right now for us to really be able to have any judgment on any of those concepts. So I would say that right now, it's premature for us to comment. But as the development goes and anything fructifies or comes to any kind of conclusion, we can probably comment and see what kind of issues or impact anybody can have.

Harith Ahamed: Understood. And last one on the merger, are there any regulatory steps pending? I understand the merger has become effective. But in terms of delisting of Dr. Agarwal...

Adil Agarwal: Merger is done...

Harith Ahamed: Yes, I understand...

Adil Agarwal: So this company now will stop trading by November 17. And from November 18 onwards, it will only be recorded as one company, which is Agarwal Health Care Limited. And on that date is when all the shareholders of our subsidiary will get allocated shares in the holding company... It's already taken effect on November 1.

Moderator: Next question is from the line Of Shubh Kalra from Asit C Mehta investments.

Shubh Kalra: I'm seeing this quarter numbers, so the consumption of surgical lens has grown faster than the revenue coming to north of 12.6% of the revenue from operations. So what is the reason for this high growth of cost line? And should we assume this as a base going forward?

Adil Agarwal: No, you're talking about? What are you talking about?

Shubh Kalra: Consumption of surgical lens as a cost line item in your results.

Adil Agarwal: On our results. Overall, Shubh, if you see our overall COGS is sitting at 21.5%, right, which is, I think, at 21.3% for the quarter, which is Q2 FY27. We are not seeing any significant change in the overall COGS. And overall, the COGS for us has stayed approximately at the 21% to 21.2% range. So we're not seeing any significant movement in terms of how COGS has moved compared to revenue growth. It's approximately staying in line at the 21% -- 20.2%, which is a sweet spot we want to be at.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. On behalf of Dr. Agarwal's Health Care Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.