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SYMBOL: QMSMEDI

Sub: Transcript of Earning Call for quarter ended June 30, 2026.

Dear Sir/Ma'am,

We enclose herewith a copy of the transcript of the Earning Call for the quarter ended June 30, 2026 held on August 17, 2026.

The same is also being made available on the Company's website at: https://qmsmas.com/

Kindly take the same on your records and oblige.

Thanking you,

Yours sincerely,
For QMS MEDICAL ALLIED SERVICES LIMITED

TORAL JAILESH BHADRA
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Date: 2026.08.21 15:58:41 +05'30'

TORAL JAILESH BHADRA
(MEMBERSHIP NUMBER: A56927)
(COMPANY SECRETARY AND COMPLIANCE OFFICER)
DATE: AUGUST 21, 2026
PLACE: MUMBAI

"QMS Medical Allied Services Limited

Q1 & FY27 Earnings Conference Call"

August 17, 2026

MANAGEMENT: **MR. MAHESH MAKHIJA – CHAIRMAN AND MANAGING DIRECTOR – QMS MEDICAL ALLIED SERVICES LIMITED**
MR. MOHIT TAMHANKAR – DIRECTOR, COMPLIANCE – QMS MEDICAL ALLIED SERVICES LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Q1 FY '27 Earnings Conference Call for QMS Medical Allied Services Limited. The management will be sharing the key operating and financial highlights for the quarter ended June 30, 2026, followed by a question-and-answer session.

Please note that some of the statements made in today's discussion may be forward-looking in nature and may involve risks and uncertainties. Documents relating to the company's financial performance are available on the stock exchange and the company's website. Trust, you have been able to go through the same. 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 Mr. Mahesh Makhija, Chairman and Managing Director. Thank you, and over to you, sir.

Mahesh Makhija: Thank you. Good afternoon, everyone. This is Mahesh Makhija, Chairman and Managing Director of QMS Medical Allied Services, and I'm delighted to welcome you all to the Quarter 1 FY '27 Earnings Conference Call of QMS Medical Allied Services.

Our financial results and investor presentation has been uploaded on stock exchange as well as on our website. And I hope you had an opportunity to review them. Joining me on our call today is Mr. Mohit Tamhankar, he is our Director Compliance. It gives me immense pleasure to share our quarter 1 FY '27 performance with you.

This quarter marks a strong start to the new financial year and comes on the back of several important milestones of QMS. One of the key milestones was our successful migration of the SME platform to the main board of NSE on June 18, 2026. This reflects the progress we have made over the years and reinforces our commitment to ending a larger, stronger and more diversified health care services platform.

For the next few minutes, I'll take you through the industry landscape of our business performance and our financial results of Q1 FY '27. India healthcare industry continues to offer a strong long-term growth opportunities supported by rising healthcare awareness, increase in healthcare spending, expanding access to health care and the rapid adoption of digital health solution. At the same time, the growing burden of chronic diseases and increasing treatment complexity advising greater focus on continued patient care, adherence, and engagement.

Against this backdrop, the patient service programs of PSP ecosystem is gaining increasing importance. Pharmaceutical companies are increasingly moving beyond medicines towards more holistic patient-centric care. PSP typically focus on treatment, access, patient education, adherence, disease management and on on-going patient engagements, particularly across chronic and specialty therapies.

Indian pharmaceutical industry provides a large and expanding ecosystem for PSP. India is also a major global supplier of medicines accounting for around one-fifth of the global generic medicine supply. As pharmaceutical companies increasingly focused on improving patient access, adherence and outcomes we expect demand for our integrated and technology-enabled PSP platform to continue growing.

We believe that the combination of both the on-ground execution, digital engagement and data-driven patient support present some meaningful long-term opportunity for QMS. Coming to our performance, I'm pleased to report that we have started FY '27 on a strong growth. Our consolidated revenues from the operations stood at INR56.9 crores, registering a 22% year-on-year growth. More importantly, our EBITDA grew faster than revenue, increasing 27% year on to INR8.3 crores with the EBITDA margin improving 14.6% compared with 14.1% in Q1 FY '26 and 13.3% in the Q4 FY '26. PAT stood at around INR4 crores, growing 25% year-on-year.

While our PAT margins have improved to 7%, the sequential performance is equally increasing. The revenue increased by 28%. Quarter-on-quarter EBITDA grew by 41% and PAT more than doubled, increasing 110% over quarter 4 FY '26. I believe these numbers are particularly important because they demonstrate that the investments we made during the FY '26 in people, technology, infrastructure and service capabilities are now beginning to translate into a strong revenue growth and improved operational performance.

As the business continues to result around two complementary pillars, product and services. Our Product business continued to see a healthy traction during the quarter across our healthcare and wellness portfolio, including Q-Devices. We are strengthening our presence across multiple channels, including the pharmaceutical companies, hospitals, clinics, QMeds, our ePortal, eGramin, and our digital platforms. Our expanding distribution network and a broad product portfolio basis a strong foundation to scale this business further.

We will continue our focus on expanding our own brand portfolio, strengthening our distribution network and increasing our presence across our point of care and other health care segments. At the same time, our services business is emerging as an increasingly important growth engine for QMS The business has been driven by a deeper pharmaceutical partnerships increasing adoption of patient support programs and the growing scale of our health care camp operations.

During our quarter 1 FY '27, our PSP business, including subsidiary, Saarathi Healthcare generated approximately INR17 crores of revenue. We currently hold a 76% stake in Saarathi Healthcare and are progressing towards acquiring the remaining stake, which we expect to complete by the end of quarter 2 FY '27. This will further strengthen our capabilities in disease management and the patient support program, enabling us to address the patient journey in a more comprehensive manner.

Today, our proprietary technology platform supports 100-plus programs and more than 1 million patients providing real brand tracking, monitoring, analytics and patient engagement capabilities. This combination of technology health care expertise and on-ground execution gives us the ability to manage patient programs at a larger scale. Our B2B health care camps also continues to scale during this quarter.

We are very pleased to announce that we have conducted more than 11,497 B2B health camps in the Quarter 1 FY '27 demonstrating the depth of our field execution capabilities and the trust based on us by our profitable factors. Importantly, we see PSP and healthcare camps as complementary capabilities. Camps enable screening, awareness and early diagnosis while PSP grows us to engage that makes patients with treatment initiation, counseling, adherence and follow-ups in disease management.

Together, they allow QMS to participate across a much broader path of patient learning. Looking forward, our strategy remains focused on three key areas. First scaling the service business, particularly patient service programs by deepening relationships with pharmaceutical companies and expanding across different therapeutic areas.

Second, expanding our product business led by Q-Devices, Point of Care Solutions, and our broader distribution network, while leveraging our platforms, such as QMS MEDS and eGramin. Third, leveraging technology across our health care ecosystem to reason engagement and services deliveries were scalable, measureable and data driven. We believe these initiatives position the QMS well to benefit from structural shift towards the patient centric and solution-driven healthcare. Overall, I believe Q1 FY '27 represents an important start to the year for QMS.

We have delivered a strong revenue growth, transfer EBITDA growth, improved margins and a healthy increase in profitability, while simultaneously continuing to strengthen the underlying capabilities of the business. More importantly, the quarter demonstrates that the investments made are beginning to yield results, while our product business grows to provide a strong foundation for the growth.

Our ambition is to build QMS into a comprehensive healthcare solutions platform, combining our medical products, patient engagement, technology and nationwide execution capabilities, while growing PSP opportunities and expanding pharmaceutical company based a strengthened service platform to Saarathi and our established products and distribution franchise, we remain confident about the long-term growth opportunity ahead.

I would like to thank our employees, customers, pharmaceutical partners, business associates, shareholders for their continued trust and support. We remain focused on discipline, execution, sustainable growth, and creating a long-term value for our stakeholders. Thank you, and I look forward to discussing this quarter with you. Thank you, guys.

Moderator: Thank you. We take the first question from the line of Parth Sodha from Trinetra Asset Managers. Please go ahead.

Parth Sodha: Sir, am I audible?

Mahesh Makhija: Yes.

Parth Sodha: Yes. Good afternoon and thank you for the opportunity. So, my first question is like Q devices is expected to improve margins and expand the portfolio. So, what was the Q device revenue in Q1 and what revenue contribution are you targeting for FY27?

Mahesh Makhija: See, Q devices, quarter 1 revenue was approximately INR3 crores. Okay. Last year, the entire financial year we did INR14 crores actually, okay? And we're looking at a 10% to 15% contribution coming from Q devices. We are including a lot of point-of-care products, which are going to be a part of our new portfolio, which will start in, you know, we'll be putting this in the market by the quarter first end of -- I mean, by third quarter, technically speaking.

Mohit Tamhankar: So just to add to that, also Q devices is a very important strategic initiative for us. As you can understand, because it basically help us opportunity to participate beyond pure distribution and gives us greater control on product selection, quality, supply chain, while supporting our margins. So, it will become -- and as it has been in the past, an important asset for us as far as risk strategic initiative is concerned.

Parth Sodha: Okay. Got it. And my second question is like Q1 had 11,497 camps and INR13.7 crores revenue, implying much higher revenue per camp than FY26. How much of this improvement is due to higher value trends versus pricings or patient linked billing?

Finance Team: Hi. From the finance team, just a correction, we are just uploading a revised file. The number of the revenue actually for B2B camps is INR6.4 crores, which has got misprinted as INR13.68 crores. So that is just getting rectified. And I would want Mahesh-bhai to answer, what's driving it.

Mahesh Makhija: The question of driving is, again, the more therapeutic segment areas that we are entering actually right now. That's more important. So, the more deeper we get into an organization, the more number of areas. Now with the GLP-1 -- launch of GLP-1 also, so that has also increased the business model right now. So, we would like to look at the more different areas within the organization, the different therapeutic segments actually, that’s what we are driving actually.

Mohit Tamhankar: Just to add to that, as you can understand, B2B camps continue to be very important at the entry point of the patient journey, because the early screening, the early diagnosis is something that is also driven by Government of India.

So, we are actually helping through the pharmaceutical companies, to the end-care patients to help diagnose the disease early so that they can be treated early and helps to reduce the complications like diabetic retinopathy, etc. While we improve on our execution because as you've seen that more than 11,500 camps, which is almost a 40% increase over the last quarter, we continue to be very positive to have greater penetration in B2B camps in this fiscal year.

Parth Sodha: Okay. Got it. Thank you so much for the opportunities. That’s all from my side.

Moderator: Thank you. We take the next question from the line of Saket Saurabh from Sagari Capital. Please go ahead.

Saket Saurabh: Hi. Am I audible?

Mahesh Makhija: Yes.

Saket Saurabh: Yes. So, thanks for the opportunity. Sir, if I look at the Q4 commentary, the expectation was that we had hired employees upfront. So, we were expecting some operating leverage coming from employee expenses. But instead, what we see is that employee expenses, whether sequentially, that is Q-o-Q has gone almost from, say, INR5-odd crores to almost 10.5 -- sorry, almost INR11 crores now -- from IN 5.7 crores has gone to INR11.2 crores. And on Y-o-Y basis, it is INR3.5 crores. So instead of operating leverage, we are seeing much more increased expenses.

So one, what explains that? Has the PSP, the semaglutide PSP, which was likely to kick off with Semaglutide getting launched in last week of March or so. So, has that not picked up pace yet? And what explains even more additional employee expenses? So that's point one. And second, most of the margin -- while the margin has been largely flattish, but the most of the, I would say, dip in or say, negative impact of employee expenses has been nullified by the increase in gross margin.

So, what is driving the gross margin? Is it driven from, say, low-cost inventory of products that we having or any price hikes that we might have taken in the sale of product portfolio? And third was that we were expecting that, because the services portfolio is likely to be much higher margin around 25-odd percent. But even if I look at vis-a-vis Y-o-Y, the contribution of services has gone up, but the margin hasn't really followed soon. So just thoughts on that, sir?

Finance Team: Hi. This is from the finance team. I'll answer your question about the employee cost. The employee cost has increased because of further hiring that we have for our PSPs. And that is reflecting and that cost has been compensated by the higher revenue of our PSPs. So, in certain PSPs, we would have contractual employees, but there are some long-term PSPs which required us to hire employees on our payroll.

So, it's not that our employee cost has increased without the increase in the service revenue, the contracts that were supposed to start have already started in quarter 1. And the -- basically, it's those exact employees that are contributing to the revenue. So, I hope that answers the question regarding the increase in employee cost. Can you repeat your next question?

Saket Saurabh: Yes. So just, again, first double clicking on the employee cost. So say, for example, last time we had said that it was upfront hiring, so which led to INR5.7 odd crores of expenses. So, what was the order book of PSP saying Q4 vis-a-vis, say, order book of PSPs in Q1? Because I'm assuming more hiring means, the order book or say, number of contracts or total contract value of PSPs might have gone up. So, what is the trend as far as PSP?

Finance Team: So, our PSPs are typically cost-plus contracts. So, the employee cost plus the administration cost, plus cost of other allied services are charged to the client, and we have a markup. And PSPs typically work on an annual contract basis. So, we would have a yearly contract, and that would get renewed towards the end of the year for the next year. So, I am not able to decipher how can I calculate an order book for this, but these are typically a year-long contracts, and we build based on actuals plus a markup. And this year ...

Saket Saurabh: And what was the PSP revenue in Q1 then?

Finance Team: If you see the presentation, you see that our PSP revenue in Q1 is about INR17 crores, it's actually INR17.6 crores. And separately, our camp revenue is INR6.4 crores. So, you combine them two, that we have a INR24 crores, INR25 crores of service revenue in this quarter.

Saket Saurabh: Okay. And is it safe to assume that it's -- because these are annual contracts, so annual, say, expectation from PSP would be more like INR17.6 into 4, which is around INR70-odd crores. Is that the run rate that we can look for this year? Or it might scale up? Is there a possibility of that?

Finance Team: It is based on the current contracts signed; you are correct. But we are also under negotiations for additional contracts. So as and when that happens, this number might go up based on the outcomes. However, for now, you can consider that. And we've guided approximately INR90 crores to INR100 crores of service revenue visibility for this year.

Saket Saurabh: Okay. So thus -- I think what was guided was that 25% is the EBITDA for services. So does that hold true for PSP also, because if I'm not mistaken, most of the cost-plus markup has 12% to 13% kind of markups. So, is it like we are much higher?

Finance Team: So, we have a higher margin in camps and a lower margin in PSPs and the combined margins is what we estimate to be in 20% to 25% range. I would want Mahesh to talk in.

Mahesh Makhija: There are a lot of PSPs basically which starts from a camp point of view, that the program is fitted in that way, so there are a lot of camps which are taken into place and then the other factors also coming. So, there is a combination basically of everything working on that actually. Okay. Mohit, do you want to say something?

Mohit Tamhankar: Just to add just one point. In quarter 4, we also said that part of the program has been rolled out in quarter 1, the other part has been rolled out, and the few employees, which you see the increase in employee cost has been added. So more or less, you will see overall in last two quarters. This has already been taken into account.

As far as longevity is concerned, in terms of stickiness, we already have said in the past that the stickiness of these projects, as our finance team mentioned is on a yearly basis. So, we have typically yearly, maybe 2 or 3 yearly contracts that are there. So, we will have sustainability for the contracts over the long term.

Saket Saurabh: So, this INR11-odd crores employee expense, is that a fair stable run rate or do we see further acceleration more order wins or say PSP contracts getting coming in? Is there a possibility?

Mohit Tamhankar: We believe more or less, it will be a stable run rate. Having said that, it might increase if we have new projects, as you can understand, depending on the intensiveness of the project, whether it is field driven or whether it is digital driven.

Mahesh Makhija: Or within the core existing projects, if the companies want to scale it up more, okay? They believe that they -- if they want to scale it up more, then there might be an increase on that.

Saket Saurabh: Fair point, sir. And another question was that what explains the expansion in gross margins? Is it like low-cost inventory or you have taken product price hikes, what explains that GM increase?

Finance Team: The margin increase is driven by the shift of our revenue from the revenue contribution; a higher contribution is coming from services. So that is a driver for the expansion of gross margins. Our margins in the product set are more or less stable as they were However, since -- if you see the contribution now a higher contribution of our revenue comes from services, and this is our strategic target, and we want to continue expanding that, that has driven the gross margins to be higher this quarter, and we expect that trend to continue for the full year. So, if you see the quarter...

Mohit Tamhankar: Sorry, just to add to that, if you see the quarter 1 last year versus quarter 1 this year, our services contribution to the total revenue has increased from 30% to 40%. And therefore, the margins have increased as well.

Saket Saurabh: Got it. So, what a now updated guidance for this year for the total top line was around INR220-odd crores. But we already are sitting at INR57-odd crores. So -- and we are usually extra heavy if I'm not mistaken, based on the earlier interactions. So, what's the updated top line guidance now for FY27?

Finance Team: We would want to maintain that guidance because we just finished quarter 1, we are in mid of quarter 2. In our experience in the way pharma cycle goes 1 out of the 4 quarters for some purpose for some reason or a PSP point of view does get delayed. So, we would want to be conservative and maintain that guidance. Maybe when they are closer to Q2, Q3 is when we would be tempted to revise the guidance now. But this is too early in the year to revise the guidance.

Saket Saurabh: Okay. Thanks for the opportunity. I will fall back in the queue and best of luck for coming quarters.

Mahesh Makhija: Thank you

Moderator: We take the next question from the line of Nish Shah from Stellar AMC. Please go ahead.

Nish Shah: Hello. Hi sir. Thank you for the opportunity and congratulations for good set of numbers. So, my first question is regarding the PSP side. So, you mentioned that the PSP revenue was around INR17 crores to INR18-odd crores. So, what do -- how should we think about the growth trajectory of the PSP programs going forward? And what is the current pipeline? You mentioned that some new contracts in the pipeline, if you could mention the amounting that would be useful.

Mohit Tamhankar: Sure. So, I think going by the current run rate, as I said earlier, that the quarter 4 what we have signed in terms of new agreements of PSP, is going to have its annual impact in this fiscal year at FY27. We believe that the overall impact, including the current contracts that we have will lead us to about INR90 crores to INR95 crores in this year overall from the PSPs.

And we believe that the additional PSPs that we were talking about will give us additional INR5 crores to INR7 crores. So, our net overall contribution to the PSP with operations revenue, it will be around INR100 crores to INR105 crores in FY27.

Nish Shah: Okay, sir. And this includes Saarathi, correct?

Sejal Mhatre: It include Saarathi, yes.

Nish Shah: Okay. So, you also mentioned something on the stickiness and the renewal is within 1, or 2, 3 years contracts. So, what percentage of revenue, what percentage of contracts to get to be from the existing customer and the contract that got renewed? And what is the visibility beyond the existing customers, any new customers in pipeline? How is it?

Mohit Tamhankar: Yes. So, we believe, generally, there are 3 elements to the overall stickiness. One is that we have seen in last 4 or 5 years that our contract renewals are up to 60% to 70%. So, we will have a rollover sales of 60% to 70% on a year-on-year basis. Secondly, as Mr. Mahesh mentioned, that if program increases in terms of number of people or services or camps, add to the revenue.

And third is our pipeline that we keep talking about. And this pipeline is not something that will get that can generate sales overnight, as you can understand that these are long-term projects. It requires a bit of a gestation period. But we believe between 3 to 6 months is generally a gestation period of any new project. So, these are the 3 levers that we have for our PSP revenues between FY26, FY27 and moving forward on a year-on-year basis.

Nish Shah: Okay, sir, understood. And one more thing, let's say for the renewal contract, is there any provision for a price hike or let's say, is a contract designed for 2, 3 years, if any uncertainty comes up on do we have what -- let's say, on the price hike you contracts for 2 to 3 years. Do we get some price hikes?

Mohit Tamhankar: Yes. So, in terms of the price hike, we generally have 5% to 7% to 12%, depending on the scale of the project. That price hike is already mentioned in the agreement on a year-on-year basis. Uncertainty is the part of the world. It's -- we are all living in an uncertain world. So, whether that contract will remain for 3 years, 5 years or 2 years, we are looking at the crystal ball. So that is not something that I will be able to tell you exactly.

Having said that, the new projects and the increase in the project and our longevity in the market, in the pharmaceutical and the PSP market, helps us to remain with those clients for a long period of time as we have proven in the last few years. So, I think these things help us to also mitigate and also see the future direction of a particular client or an organization, which may get impacted either by a product recall or by a price cut in DPCO by the government, which reduces the price, etcetera.

The other thing which will help us to improve our leverage is, of course, as we mentioned earlier, is improving our services through our camps services with innovation in product services as well as the new products to improve the early diagnosis. Put all these things together, we will be -- it will help us to mitigate any of the contingency which might come in terms of any agreement is getting written off from the client.

Finance Team: Just to add one point to this thickness, the cost center that the pharma company looks at us is from point of view of marketing. So, the services, the PSP essentially help the pharma companies. I wouldn't say, generate sales, but maintain the relationship and adherence to the particular medicine and the therapy. So, it's not a cost that is the first target in a cost cut by a pharma company. However, as new drugs get launched and as they would want to penetrate the market further, this is something which helps them do that.

And in our experience, these contracts based on industry practice are a year-on-year contract. But unless there is a drastic change in the product profile, portfolio, or regulation, our experience shows that the pharma companies keep continuing, renewing, and expanding scopes of these programs.

Nish Shah: Okay. Sir, lastly, on what traction are you seeing, like more pharma companies are currently allocating their budgets between traditional promotional activities as the camps or PSPs? And are we seeing a PSP becoming more larger and recurring component of that spending?

Mohit Tamhankar: So, I think there are many companies, in fact, including Indian and multinational companies who are allocating their budgets more and more to the PSP as -- my colleague mentioned just now that it is a way to get no time in the doctor's chamber because there are not new innovative products that get launched every day, number one.

Number two, that a new group of products that we were also discussing in Q4 and in Q3 gets launched GLP-1. There are certain -- this is a certain subset of the product category which acquired PSP by default. So, we -- as we mentioned, we are running almost 4 to 5 PSP programs in the GLP-1 category.

It becomes an integral part of the marketing campaign, patient access and patient adherence for them to launch the GLP-1. Another important parameter, which is -- which must pick up in mind are the disease areas, which are more difficulty, like hepatology, oncology, rheumatology, etcetera. These are patient programs, which are very, very important for the overall quality of life of the patients, as well as making sure that the disease outcomes and the health outcomes of patients are better in times to come.

So, that's the reason why many of the companies are now looking at PSP, not only from the market access and the patient outcomes point of view. But also, to make sure that they create a differential in the market as far as doctors and stakeholders are concerned.

Nish Shah: Okay, sir. So, are you seeing any smaller companies getting into PSP? Are the concentration is sell among a large customer already?

Mohit Tamhankar: So, I think when you look at a smaller company, I don't know what is the definition, if it is INR100 crores -- INR200 crores, these are companies who are still trying to adapt themselves in the market. Their EBITDA margins or the marketing spend probably does not allow them and they don't want them to be in that category as a market leader. So, most of the programs that we are running currently are with Top 20 or Top 30 companies.

Having said that, there are a lot of companies now which are medium-sized companies where we are getting into with our camps. And that is something that is helping them to penetrate with the doctors as a marketing campaign.

Nish Shah: Okay. Got it, sir. Thank you, sir, and all the best for future.

Mohit Tamhankar: Thank you.

Moderator: Thank you. Participants who wish to ask a question, please press star and one. We take the next question from the line of Deep Doshi, an individual investor. Please go ahead.

Deep Doshi: Hello. Thank you for this opportunity. Am I audible?

Mohit Tamhankar: Yes.

Deep Doshi: Sir, could you please help us understand the revenue and profitability profile of Saarathi separately? Like how much of the INR10 crores in Q1 PSP revenue came from Saarathi versus QMS existing PSP operations? And where do you see the biggest synergies between the two businesses?

Finance Team: So, while we could separately share the numbers and they do not be right to look at them individually, because the service portfolio of QMS group as such is divided between Saarathi and QMS. So, depending on the relationship, a particular entity has and the capability and the registration that a particular entity has, we would have a contract signed with either of the entities.

So, looking at QMS' individual numbers or Saarathi Healthcare individual numbers will not give a clarity on what is the performance because the revenues are split between both the entities. So, like I said, like we would -- I don't have that number. I'm not sure if I can share the numbers because they're not part of the investor presentation. But we could definitely work out the difference in the standalone and consolidated numbers to have a look at that.

While -- and we -- over the last 3 years, we have more and more integrated operations of Saarathi with QMS. We have -- our teams have been aligned. Our synergies have been realized. So, you could look at the total consolidated service revenue and profitability book, to analyze what has been in service performance.

Deep Doshi: Okay, sir. So, moving on to the product business, like the product business, like, continues to be a larger portion of our revenue. So, what are the key growth drivers for within products for FY '27?

Mahesh Makhija: As I said in my introductory speech, Q Devices is definetly going to be a growth driver, as well as to our point of care products which we are planning to come over. But it says going to be a growth driver for us.

Deep Doshi: Okay. And to one of the earlier participants, you mentioned about the increase in the employee cost, okay? So, can you just guide us how this number shape up as we progress into FY '27?

Finance Team: So, the numbers -- the quarterly number that you see right now is as of today stable. There would be -- there could be approximately 5% to 10% difference there depending on our subsequent hirings and annual hikes. But apart from that, for FY '27, this number looks to be reasonably settled up.

Having said that, if we do win any new major contracts midyear, this requires us to do further hirings, we will do that. But all of the hiring will be backed by a contract where we will be charging off these expenses and actual margin to our client, only then we will be those doing those hirings.

Deep Doshi: Fair enough. Just one last question from my side. The Q Devices appear be an important part of the company strategy. So, could you just give us some color on the current scale of Q-devices, the number of products and the company's expectation of the contribution in revenue in the coming 2 years to 3 years maybe?

Mahesh Makhija: See, our first -- like I said, last year, we did around INR14-odd crores per Q Devices. Quarter one is approximately INR3-odd crores. The number of products that we have introduced at this moment that at least 17-odd products, you know, being introduced in new devices at this moment. We plan to increase the number of more products and other banner of Q Devices actually. And definitely, out of the product segment that we sell, we are targeting in 3 years are an to be actually around 20%, 25% of total product revenue coming from Q Devices.

Finance Team: And just to add, this will be driven by fresh and new technology-based launches that we have in pipeline for Q Devices where the products will be unique and that will help a get -- create a pull for these products. We've established a good name and now is the time that we'll be able to use that goodwill to generate more sales.

Deep Doshi: Thank you so much for your time, sir, and all the best for your time ahead.

Mahesh Makhija: Thank you.

Moderator: Thank you. Participants who wish to ask questions, please press star and one. We take the next question from the line of Saket Saurabh from Sagari Capital. Please go ahead.

Saket Saurabh: Hi. Thanks for the follow-up. So just one quick question. You know, we had guided for 18%-odd EBITDA margin for FY '27. Now, with the kind of – with the way Q1 has shaped up and the employee expense is likely to remain -- the run rate likely to remain. And the top line also, we are seeing that would still be on, say, earlier guided terms. So, do we think that we can still meet the 18% EBITDA margin guidance for full year '27?

Finance Team: So, if you look at the current numbers and we set a ramp-up, I would want to continue to maintain the guidance and not change anything at least in quarter three. So, the way the ramp-up is planned with the way we are looking at our numbers and our projections right now, things are in place.

We have seen a certain uptick from the earlier quarters. And we think that the uptick will continue.

And by the end of the year, the average would be higher. And now, whether it will be 18% or 17% or 16% or 20%, by the time we reach quarter four, it will take us to enter quarter three to give you that exact number. But those numbers that we shared were based on certain projections and those facts have not changed on ground. So, that's why we land right now.

Saket Saurabh: Got it. Currently, because I think we are only -- I think the consolidation in our topline would be about 76% of Saarathi, right?

Finance Team: No. So, we consolidate all the numbers in total, all the revenue, expenses in total. And while calculating EPS, a 24% noncontrolling interest is subtracted. So, the numbers that you are seeing are A plus B numbers in whole. So, whole of revenue of Saarathi, EBITDA of Saarathi and profit before tax is consolidated.

Saket Saurabh: Okay. Got it. And so, within our PSP initiative, do we also have, say, products that are currently under patent? Or these are mostly difficult to treat, but gene-sized molecules?

Mohit Tamhankar: So, are you saying the products in terms of the devices or what kind of products?

Saket Saurabh: No. When I said a PSP, so they might say molecules like that are still under patent, say, for example -- yes. So, there is that weight lost that really has, right? It is under patent.

Mohit Tamhankar: Yes.

Saket Saurabh: So, do we have the patented molecules, sorry, my bad -- I was talking about molecules – right. Yes.

Mohit Tamhankar: No problem. Yes. So, you're right. In terms of some of them, we are. So, the GLP, the weight loss one has actually lost patent, and that's the reason why there are a lot of Indian generic companies which have come in from -- and this is mainly Semaglutide, which is from Novo. There are, you know, semaglutide generics, which have come.

So, that's number one. Number two, there are a lot of other products which are patented in the field of super specialty like oncology, as I mentioned earlier, virology, hepatology etcetera. And we are running some of the patient programs and PSPs in that area.

Whenever they are generalized, obviously, a lot of other programs from other companies will come in. So, I think it's a mix of both patented and non-patented. But you are right, in terms of the patented molecules, there are ones which are coming with typically in a high specialty area where we run PSPs to these organizations as well.

Saket Saurabh: Okay. Understood. Thanks. Thanks for the opportunity, and best of luck.

Mahesh Makhija: Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to the management for their closing comments.

Mohit Tamhankar: Okay. So, thank you very much for all your questions, remarks, comments, etcetera. I hope we have been able to answer all the questions adequately. You are more than welcome if there are any residual questions or follow-up questions to e-mail it to us. We will be more than happy to come back to you.

We've had, as Mr. Mahesh mentioned, a great quarter one, which is a new beginning for us for FY '27. We hope that as we integrate Saarathi completely in our organization, in quarter two, we will be able to deliver the numbers as per the guidance in FY '27 and we are very bullish with the future of the overall healthcare industry, not only running on PSPs, but also bettering the patient outcomes and market access.

With this, I thank you very much for your participation, and we look forward to see you soon. Thank you.

Mahesh Makhija: Thank you.

Moderator: On behalf of QMS Medical Allied Services Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.