

Dated: June 11, 2026

To,
National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai- 400051

Company Symbol: DENTALKART,
ISIN: INE0N5801013

Sub: Transcript of Conference Call held on June 5, 2026

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

Dear Sir/Madam,

In continuation to our intimation dated May 26, 2026, and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Transcript of Conference Call held on Friday, June 05, 2026, at 11:00 A.M.(IST), post the announcement of the financial results of the Company for the quarter and Financial year ended March 31, 2026 on operational and financial performance of the Company for the quarter and Financial year ended March 31, 2026.

The transcript is also available on the Company's website at <https://www.dentalkart.com/investors-new>

You are requested to take the above information on your records.

Thanking You,

Yours sincerely,
VASA DENTICITY LIMITED

NIDHI Digitally signed
by NIDHI
Date: 2026.06.11
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NIDHI
COMPANY SECRETARY & COMPLIANCE OFFICER
MEMBERSHIP No: A74591

June 5, 2026

EARNINGS CALL_VASA DENTICITY LTD_FY 2026 - TRANSCRIPT

CS Nidhi: Okay. Hi everyone. Good day and welcome to the Vasa Denticity Limited earning conference call to discuss the operational and financial performance for the quarter and financial year ended on 31st March 2026. From the management team we have with us

Dr. Vikas Agarwal, CEO, chairman and managing director of the company.

Mr. Sandeep Agarwal, director and chief financial officer of the company,

Mr. Sunil Gupta, AVP finance,

Mr. Rajat Anand, AVP of supply chain,

Mr. Akash Bairwa, general manager of supply chain,

Mr. Mukesh, general manager of warehousing.

As a reminder, all participants line will be in the listen only mode and there will be an opportunity for you to ask questions one by one. Further, please note that this call is being recorded. I now hand the conference over to the Dr. Vikas Agarwal, chairman, CEO and managing director of the company.

Thank you and over to you Dr. Agarwal.

Dr Vikas Agarwal: Good morning everybody. Thank you all for joining the earning call. Let me be direct with you about FY26. We grew total income to 283 crores on continuing operations after deliberately exiting 39 crores of low margin trading. Our core business grew 33%. We added over 70,000 new dentists, a 62% jump, and now serve 1.44 lakh customers, most of them in tier 2 and tier three of India where our category is structurally underserved, but we also fell short where it mattered. Own brand stockouts pulled our gross margins from around 34% to 23.7% by Q4 and a weaker rupee raised the cost of imported products that compressed our EBITDA, and I own that, these are operational issues not structural ones and they are being corrected. We also chose to walk away from the IDS Denmed acquisition. FY27 will be a year of deep focus on the core, restoring availability, improving inventory productivity and converting growth into profit.

The long arc is unchanged. India's dental market is barely penetrated. We are the largest online first platform serving it and two in three new customers already return within 6 months. We are building dental infrastructure for the next decade. I am happy to take your questions on it further. Nidhi we can take questions one by one. All the participants, all the shareholders, you can raise your hand and we'll take the questions one by one.

CS Nidhi: Okay sir. So the first query is from Chintan Parikh. Chintan Parikh please unmute yourself and ask your query.

Chintan Parikh: Yeah. Okay. Am I audible now?

CS Nidhi: Yes. Yes, you are audible.

Chintan Parikh: Perfect. Yeah. Thanks. So Vikas, I understand you owning up on those two things, right? This was actually one of the questions which you own up. The question is why didn't we pass on the imported product price increase to the customers because these are not you know contractual orders which runs in months. Yeah. This is on demand orders where you can raise the price. So is there any other competitor which is not allowing you to raise the price, on fear of losing the customers? What's the real story why this price could not be passed on?

Dr Vikas Agarwal: Yes. So, this market is mostly a traditional market where the price rise reflects in the real market after some time because of the traditional supply chain and if we increase the prices we fear that we might lose some customers. So it takes us some time to increase or decrease prices.

Chintan Parikh: But because I mean if I look at your nearest listed competitor who had a very large presence on tier three tier four market, you enjoy a presence in a tier one two market as well right, where your customers depending upon if they are in some metro cities, top eight or top 15 cities of India, would be able to absorb those prices and pass on to the actual end consumer. I can understand the strategy for defending the prices for tier three tier four but why not for tier 1 and 2?

Dr Vikas Agarwal: Yeah, but we have one price for the whole country as per the competition commission of India. We cannot have multiple prices and talking about the nearest competitor. So I think the whole offline supply chain is our competitor and for some dealer in Mumbai to raise the prices, it takes some time for them to actually understand that the price has increased. But for us it is directly manufactured driven sales. However, we try to increase prices seeing the competitive landscape in mind and first priority for the company is growth. First priority is not losing the customer. Then thinking about price rise and at the same time Chintan Ji it is a learning curve for us. We are also trying to learn and understand how this behavior converts or loses a customer.

Chintan Parikh: Understood. Sir, just also wanted to understand about the dental cap and other bridges and other segments. Yeah. So what is the growth over there? Is that the business stabilized? How do you see that growing up or shaping up in coming years?

Dr Vikas Agarwal: Yes. We have a subsidiary called Smileworks which is into manufacturing of prostheses like crowns and bridges. They are not over-the-counter products. They are customized products. After a doctor takes an impression of the patient's mouth, they're customized for that particular patient. So Smileworks is currently at a run rate of 4.8 crores annual and we feel that by the end of this year it'll be around 10 to 12 crores of run rate.

Chintan Parikh: And so this is currently operated in how many cities and are we able to meet the local companies which provides this in a fraction of a day or a two days timeline?

Dr Vikas Agarwal: Yes. So we are currently operating in only Delhi NCR majorly. However, we are supplying to some parts of Punjab and Haryana but we have not yet decided to scale it. We are

building the structural engine inside Smileworks where we have the whole digital flow, how the lab internally behaves and how a customer communicates with the lab and different technicians. So while we build the processes, the doctor also has to communicate with the technician, sometimes with the ceramist, sometimes with different departments. So we are trying to build that engine, we have already built it, it is live inside but we are optimizing it. So this year we think that Smileworks will reach a certain stage and over the next four five years we can take it to scale in different cities, different states, and maybe two to three days will be the average for the nation.

Chintan Parikh: So any plan to get into the dental insurance space because from a pediatric perspective it's a lot of kids undergo corrective treatment which drains the pocket of a parent, which is something which is predictable and it's a future event. Is there any plan to get into something like that which can, with a minimal effort, corner a market share with such an innovative financial product?

Dr Vikas Agarwal: There are a lot of priorities before that. But in the short term there's no plan, but if something amazing, something really exciting comes to our mind, we'll definitely look at it.

Chintan Parikh: I'll go back into the queue. Thank you.

Dr Vikas Agarwal: Thanks.

CS Nidhi: Okay, thank you Chintan Ji. So, the next query is from Mr. Swaraj Mehta. Mr. Swaraj, please unmute yourself.

Swaraj Mehta: Hello, I'm audible.

CS Nidhi: Yes. Yes, you're audible.

Dr Vikas Agarwal: Yes.

Swaraj Mehta: Thank you for the opportunity. So my first question was, now that we are not going ahead with the acquisition, what do we plan to do with the cash that we have in the balance sheet?

Dr Vikas Agarwal: We plan to currently park it and use it over the years as a growth capital of the company. No immediate plans to invest that money.

Swaraj Mehta: Okay. And now I think we faced stockouts over H2. So what was this shortage of our own brands and why did this happen?

Dr Vikas Agarwal: This is because of our internal supply chain issues. There were some series of mistakes our supply chain did over last two quarters of last financial year and that resulted in a lot of miscalculations in the ordering of own brands, and because the lead times are long for own brands because it undergoes different packaging, legal methodology scenarios, different licenses from CDSCO. So it took us more than usual to get them back in stock. So the stockouts went upwards of 33% in own brands at one point of time and now we are at 14.6%, that is still higher than usual. The usual is 5 to 7%.

Swaraj Mehta: Okay. And so we are mandatory required to list our products on CDSCO before selling them in the country. So all our products are registered on CDSCO?

Dr Vikas Agarwal: Most of them are registered, and you know there's a continuous registration process going on. So at one point of time there are so many applications with CDSCO and once we get the license we are able to import the product and list it.

Swaraj Mehta: So we spoke to a few dentists and I think major part of why customers prefer online distribution over offline distribution in tier one is relationship, same day delivery and credit periods. So what are we trying to do to address these?

Dr Vikas Agarwal: Yes. So for same day delivery, mostly in tier one cities we are currently delivering next day, close to 60% of the orders in any tier one city of India is delivered next day. So slowly and steadily we are trying to go near the customer by opening smaller warehouses and try to bridge that gap. Secondly, we have a large assortment of products which might not be available with a regional dealer. Credit facility is not available on Dentalkart as of now. But we offer EMIs on credit card, we offer buy now pay later through various NBFCs. But unstructured finance is not available with us. And third is relationship, we are learning to do BTL activities to get more closer to the customer's mind and personality. We are a company which has access to over 10 years of customer behavior patterns and what products they are currently looking at and what products they might need which they might not be aware of. We're trying to bring that AI based popups or knowledge to the customer of what they can do with their inventory, what procedures they can do, what kind of products are available in the market which they are currently not using and missing out on, and many things like that we're trying to do and trying to create value for the customer.

Swaraj Mehta: So are we incorporating like voice notes for taking delivery, like a dentist friend mentioned that it's very convenient while driving to give orders on the phone to the local distributor. So anything like that that we've incorporated through AI?

Dr Vikas Agarwal: Yes, that is under plans. But before that we'll come out with image search. We'll come out with a system where a doctor can directly type the products they need instead of searching and adding to their cart. So voice search can be there to search products but not directly taking orders as of now. It is in the plans in future but there are a lot of priorities before that, but it's a good idea. Thanks a lot.

Swaraj Mehta: And the number of NRIs who visited India this year had significantly reduced this year. So did we see an impact because of that, or any issue because of that on the growth?

Dr Vikas Agarwal: I don't think we have had such an impact since we are just 2% of the overall industry and that kind of tailwinds might not impact us immediately but we'll keep an eye on that.

Swaraj Mehta: And have we changed the way we have reported any data? Because some data points did not match with the past year data, like past year number of orders in our earlier PPT was 5 lakh 36,000 and this year I think the order number is 7 lakh 60. So the growth number mentioned is 26.2 in our latest PPT but it is much higher. So was there any change in the data, or the number for quarter 1 and quarter two volumes were also different than what were reported in the current PPT?

Dr Vikas Agarwal: I don't think there's any change. I'll check the numbers and I'll give a briefing to the market on this.

Swaraj Mehta: How many employees do we have? Currently on our website in about us criteria I think we mentioned that we have 680 team members and last year we had around 360 or 350. So how is this split bifurcated and how do we see employee strength going forward?

Dr Vikas Agarwal: So there are two kinds of employees we have, one is on our payroll and one is off roll. So combined together it is the number mentioned in the about section. Actual number of employees is 303 on payroll.

Swaraj Mehta: And this will stabilize going forward. We don't need more people now to grow.

Dr Vikas Agarwal: I think we only need people in the higher strata. So senior level hiring might happen but with the help of AI I think lower level hiring won't be required going forward.

Swaraj Mehta: Okay, we have four warehouses currently, right? We had seven earlier. So which warehouses did we close and why? Because I think other expenses dropped this quarter. So was the closure of warehouses the reason for the other expense and is that sustainable? Will that be the range of other expenses going forward?

Dr Vikas Agarwal: I think wherever you have read it, four warehouses are the largest ones. We have the same number of warehouses as earlier.

Swaraj Mehta: Okay. So we have seven warehouses only.

Dr Vikas Agarwal: Yes.

Swaraj Mehta: So what was the reason for dropping other expenses this quarter?

Dr Vikas Agarwal: So we optimized some warehouses. For example, we were spending 100 rupees on a certain warehouse and we realized that there were a lot of manpower who were doing only one kind of work and they were not participating in other activities. For example, inbound people are only having KPI of inbound and not outbound. So we have tried to optimize that and we saved some money there.

Swaraj Mehta: And you mentioned one line in your PPT like four major warehouses plus digital fulfillment nodes plus dispatch automation. So can you throw some color on that? What is that and how do you plan to go with that?

Dr Vikas Agarwal: That's a future plan that we can have smaller warehouses of 500 to 1,000 square ft in small cities where the number of orders are small but because of the distance from other warehouses it takes us four to five days to deliver. So if we have a local warehouse, we might be able to deliver for the fast selling or for the most commonly used products by a dentist, maybe same day or next day. And that's the plan I showed.

Swaraj Mehta: And what was the split of consumables, inventory and instruments this quarter for the whole year?

Dr Vikas Agarwal: It was close to 70% for consumables but a lot of own brand consumables were not there in the last financial year. It differs, I don't have it handy for quarter to quarter but it is a little bit different in last financial year.

Swaraj Mehta: And how do we decide which products to make or import for our own brand portfolio? So how do we decide which products to include in our own brand portfolio?

Dr Vikas Agarwal: So generally what we see is, for example, there is a particular chemical which is sold by 10 different brands on Dentalkart at different price points and we understand the pain point of the customer that what is the right price point for that product and what are the right features required in that product. So we, based on that data, talk to the customer, talk to the manufacturer, find out what price we can buy that product in bulk, and if we can eliminate some

of the brands on Dentalkart which are not actually being searched by a customer which is only offered by us. So we try to optimize the same product with one of the product of our brand and two three major players in the market and that way we offer the right price and value to the customer with our own brand products.

Swaraj Mehta: What was the contribution of private label, of our own brands, for FY26, and for private labels how much is the proportion of tier 1 versus tier 2 and three, and the same for third party brands?

Dr Vikas Agarwal: So the proportion of own brands last year was lower and that shows in the declining gross margins quarter on quarter last year, and the rest of the numbers I don't want to go into detail for because there is a lot of proprietary information which we don't want to give to the market at this stage of our company.

Swaraj Mehta: Right. Oh, no problem. Thank you. I'll join back in.

CS Nidhi: Thank you, Mr. Swaraj. So, we have the next question from Mr. Pawan Kumar. Mr. Pawan Kumar, please unmute yourself.

Pawan Kumar: Yeah. Hi Vikas. So Vikas, earlier we guided around 500 to 600 crore revenue in FY27. That looks difficult now. So, do you want to revise the guidance?

Dr Vikas Agarwal: So actually, earlier calls or guidance showed our immaturity on how to handle the capital markets. We believe that we can double our top line every 3 to four years and going forward I don't want to get into giving guidance but just have a NorthStar of doubling on the top line every 3 to four years.

Pawan Kumar: So are you saying maybe around 30% CAGR or less or I mean where do you see?

Dr Vikas Agarwal: That is possible. Yes, that's what I'm saying. I don't want to give a particular number to you because it's a dynamic market and there are a lot of things going on currently globally. I don't want to give a particular number to you but I just want to assure you that I'm bullish on what I'm doing and I'm highly confident that I'll be able to achieve as much as possible and meanwhile we are also learning a lot of things so giving a number won't be right at this stage.

Pawan Kumar: Okay. And our EBITDA margins have fallen from 10% to 4%. When do you see it coming back to around the earlier level of 9-10%?

Dr Vikas Agarwal: So in the presentation I have mentioned that we aspire to bring it back to mid-teens in next 3 to four years and the EBITDA margin falling at such levels in last quarter or last financial year was according to us a one-off and it is not something structural. We'll get back to better numbers in EBITDA in this year and in years ahead.

Pawan Kumar: Okay. Thank you. That's all from me as of now. I'll join back in the queue.

Dr Vikas Agarwal: Thanks.

CS Nidhi: Thank you, Pawan Ji. So, next we have Mr. Ketan. Mr. Ketan, please unmute yourself.

Ketan Chheda: Hello. Yeah. Am I audible?

CS Nidhi: Yes. Yes.

Ketan Chheda: Okay. Yeah. Sorry for the delay. So my first question is with respect to the cash flows. Now I understand that we have to keep a lot of inventory and stocks and everything. And for the past 3 years we've had a negative operating cash. So is this trend likely to continue going forward or are we likely to have positive cash flows? I asked this question in the context of your statement where you mentioned that you would aspire to double the revenues every 3 or 4 years. Given the kind of growth that we aspire, would we be in a position where we would have continuously negative cash flows?

Dr Vikas Agarwal: Sir, I think this will improve over the next couple of years. This year we will see better cash flows in Vasa. A lot of optimization is happening and we are trying to keep the right stock levels at the right warehouse. So we are optimizing the inventory but you know last year during October November something happened because of optimizing inventory. We lost a lot of stocks of our items just by taking the pressure of keeping less inventory. So while we will be highly aware of that because it was a lot of stockouts and a terrible situation for me as a CEO to face, going forward cash flow is very important and long-term free cash flow per share is really important to me.

Ketan Chheda: Okay. A related linked question is, while we will grow at a good pace, would you need to raise funds going forward? And if yes then what path would you choose, short-term working capital kind of a fund or would you dilute equity?

Dr Vikas Agarwal: Yes. So right now there's no plan to raise funds. We have necessary funds available with us as growth capital and for future growth also. We cannot see a fund raise right now. But in future if we require funds we have a debt line of 15 crores available from various financial partners and we have a stable rating which will help us to raise those funds. So right now we look at debt as a possible fund raise in future.

Ketan Chheda: Okay. And the other question is, I had come across certain news items wherein some brands had kind of barred or their notices were that any people buying from Dentalkart probably will not get the required support from those brands. Is this true first of all? And if yes, what led to that?

Dr Vikas Agarwal: Yes. So first of all all of them are supplying to us despite that, and many of them were 4 years old, 5 year old, 3 year old relationships but they all were combined by some competition in the market and then it was put out in the market. But yes there were two three correct incidents from them which actually happened after the Delhi exhibition last year where a lot of manufacturers wanted us to increase the price on Dentalkart for products so that they'll be able to sell more in the exhibitions and there were some miscommunication or disagreements with my pricing team that led to them coming out in the market and saying that they don't recommend Dentalkart. But most of them are supplying directly to us.

Ketan Chheda: So that incident has been taken care of and now it is pretty smooth in terms of them supplying to you and them not barring customers from buying from you?

Dr Vikas Agarwal: They never stopped supplying us.

Ketan Chheda: They didn't stop supply but then they still made a statement in the market saying that customers should not buy from you.

Dr Vikas Agarwal: They made a statement at that point of time just after the exhibition, out of two three people combining their understanding and just coming onto the market, but that didn't change anything for us. In a way it did some marketing for us. If you go through some social media posts where people are discussing this, a lot of dentists came in our support that Dentalkart did the right thing, not coming into pressure from some manufacturers so that some short-term strategy could be favored for the exhibition. For us it is a year long, 365 days exhibition on Dentalkart. Thank you.

Ketan Chheda: And going forward, do you foresee our own brands growing in relation to the other brands that we sell on our platform? And does this not pose a kind of a cannibalization risk for the other brands that you have on your platform?

Dr Vikas Agarwal: That is what prevents us from going all in. So we first of all want to maintain Dentalkart's neutrality. We want to always make sure that Dentalkart behaves as a neutral platform but yes giving right value to the customer. So the right price point of a particular feature set or a particular product should be made available to the customer. So because of that we are not at 70% of our own brands. We are at 45 to 50% still because it takes time to build those products and offer the right value to the customer. So we are not looking at cannibalizing the different brands sold on Dentalkart. But yes, as I earlier mentioned, if there are 10 same products on Dentalkart, it wastes a lot of our energy, a lot of our bin allocation in different warehouses to sell them and it doesn't add any value to the customer. So it's better that we have three to four real in-demand products and one of our own products.

Ketan Chheda: Okay. And in terms of distribution, as of now, if I were to talk in number of pin codes, how many pin codes have we reached and what is the target for us to reach in say the next four to five years?

Dr Vikas Agarwal: So there are big logistic partners whom we work with and I think they are available almost everywhere in India. So upwards of 19,000 pin codes of India we are already supplying. However we have delivered in 13,000 to 14,000 pin codes only till now. 5,000 pin codes of India have never ordered yet.

Ketan Chheda: Okay. Thank you so much for answering all the questions. And I should compliment you that you accepted and admitted all the challenges that you faced head on. You took responsibilities for whatever things didn't go the right way. Good show there. Thank you so much.

Dr Vikas Agarwal: Thanks a lot.

CS Nidhi: Thank you Mr. Ketan. So we have the next question from Mr. Madhur Rathi. Mr. Madhur, can you please unmute yourself?

Madhur Rathi: Hey, hi Vikas. Thanks a lot for the opportunity. I just, to continue on the previous participant's question, looks like this is still more of a B2B market than a B2C market, with the customer being a dentist. Because there is a lot of local supply chain still which is more prevalent. So did you contemplate on actually thinking about building a model which could facilitate larger growth and probably building a better business model, like what Entro probably has done, where they are not going after the end customer but rather going after the retail pharmacy? Can you also go to a distributor in local areas where you could be their tech enabler? Is that a thought you have given?

Dr Vikas Agarwal: Yes. So we have contemplated on that and we are still looking at it, like what are the different ways of growth. But at the same time we have to in the long term offer the value to the customer which we have built over the past couple of years before and after IPO. So based on that, if we supply everything through a B2B channel or through a dealer then we'll be doing the same which a traditional network did over the last 30-40 years. So why not we go through a Blinkit or a Zepto way or Amazon way where we can supply to B2B companies or dealers through a tech platform rather than going offline and doing that traditionally.

Madhur Rathi: No, but my question is more like, if the market structure is already like insurance, which is a very touch-based product where you need some local presence, if this market is also structured in that format where a doctor wants to call someone, he always wants a channel manager, because he is not a person who will use an app to keep an online inventory in a cart etc. He wants to talk to someone. These are fundamental market structures which are very prevalent in the market, as I understand from one of the previous dentist participants who spoke about these aspects. Hence I'm a bit worried about the overall narrative on the B2C front, whether this is something which can really pan out in the long run, or whether it's like we are just burning a lot of capital.

Dr Vikas Agarwal: Yes, thanks a lot for the suggestion. We'll contemplate it further and think on it of how we can utilize the suggestion going further.

Madhur Rathi: And just another question, because given the world has moved into a quick commerce model, everybody now knows about Zepto and Blinkit, and now the instant purchase behavior of customer has gone up. Do you even think that this 2-day, 3-day thing will hold? Will people expect it to get delivered in one to two hours or in a very short span of time? Is that what you are also witnessing?

Dr Vikas Agarwal: I feel that given the quick commerce growing so fast in India the expectation of the customers will definitely be towards faster delivery and we believe that most of the customers don't stock all the SKUs. Sometimes they finish with the alginate and they need it immediately. Sometimes they finish with a GIC. So yes, delivering in 2 hours or 3 hours might be needed in future but that's not what we are trying to do right now. I think if we are able to deliver within 2 days to majority of the market we'll reach the level we think of and then we'll see if in certain states or certain cities where the demand is such, we'll try to have an experiment on that model. So we already have a trademark called Instad where it is taken on the belief that someday we have to deliver very fast or maybe within two or three hours and we did a pilot in Delhi also. However we lost some money on that. We tried to deliver 1,000 orders in Delhi NCR and we were able to deliver within three or four hours but the unit economics was not favorable at that time. In future if we have specialist delivery partners or companies who can manage this rather than us building that model, we'll definitely go with it.

Madhur Rathi: Got it. But any chance of us integrating with these quick commerce players like Zepto? I don't know if you know about this industry called ICT where Rashiperipherals, they actually tie up with multiple such quick commerce platforms to enable it. Even doctors can quickly go on to Zepto and start buying some of the inventory, maybe small consumables can be facilitated through those routes. Again I'm naive to this industry maybe you are better with what you know but this is something because what is happening is a local supply chain expert can always give it in a day. If Dentalkart gives it in 2-3 days what is the value addition? Because here the key variable probably is how fast you can deliver it to them right and is the brand important? I mean price

probably is yes but I think it comes third right, probably time, then comes brands, then comes price if I'm not wrong.

Dr Vikas Agarwal: Okay. So while I agree with you on some points, I would like to have an agreement on disagreement on this, that availability is the first priority. I think the right product is the first priority. While the local supply chain can offer a product same day or next day, they won't be able to provide maybe a choice among five different SKUs of the same set of features at different price points. So when I was practicing myself 10 years back I had to accept what my local dealer had. If the agent was available from Dentsply which is 1,700 rupees I had to accept it. If the dealer had a 500 rupee worth of agent I had to accept it. If the dealer had a 200 rupee worth of agent which I didn't like as a product I had to accept it because I had no other choice or I have to wait. With Dentalkart, this freedom comes that you can choose whatever product you want. Yes, it takes two to three days to deliver but you have a bigger assortment of products to make that choice. So that is one. Second, yes, availability if done timely, we'll grow on our numbers and the wallet share of the same clinic. And third, yes, price plays a role, but for various strata of the market especially in tier three and four, the price really matters. They are sometimes ready to wait for 4 days but the price matters to them and then they try to buy maybe for next month as well.

Madhur Rathi: You got it. This helps. Thanks a lot.

Dr Vikas Agarwal: Thanks a lot.

CS Nidhi: Thank you Madhur. So we have next Mr. Vibhor Talreja. Mr. Vibhor, please unmute yourself and ask your query.

Vibhor Talreja: Hi, thanks Dr. Vikas and thank you for the straightforward conversation and detailed presentation. The online businesses all take their own time to mature and we have seen that across categories. And if an industry is only 2% online it does take its time. So that's okay. And I have gone through your guidance of aspiration to have mid EBITDA margins in two to three years with growth of 2x in every 3 to four years. But I wanted to more focus on the near-term as well, you know, the last couple of quarters where the margin has seen a decline. You have mentioned it has been because of forex as well as own products not being available, of which I'm sure the own products are now being available because that's an inventory management issue which can be corrected in a couple of months. The forex part still continues. So can you give me a color of the near-term trajectory for the business given the competitive environment and the forex and the stockouts?

Dr Vikas Agarwal: Yes. Thanks a lot for a good question Vibhor Ji. I think the stockout situation we are majorly over it but yes it is still more than what it used to be earlier. It all depends on the gross margins we have and the sales we make, and then cutting down our expenses. However, in the last 6 months we have optimized the other expenses we are making, be it the manpower expenses, be it the warehouse expenses, we are trying to reduce the expenses at the same time. With the stocks coming back in and the regular own brand share in the sales, we think that we can reach there faster. But for this year, it'll be, I hope it'll be much better than what happened last year.

Vibhor Talreja: Okay. You say for this year, for the coming year it will be better than last year. I'm just focused on gross margins right now. Because the last year is a function of first half and second half. So right now I was more focused on the material cost being 77% in the March quarter,

which was frankly a surprise from what one had read through in the earlier calls. Is that recovering fast or will it take its own time?

Dr Vikas Agarwal: That will take over because in the normal MNC brands we only have 10 to 15% margin. If their share of sales is high, naturally the gross margins will come down and that showed in the last quarter of last year. Now since our own brands and all the research we have done over the years on the right set of products in our brands is coming back, we expect the gross margins to come back to a certain level and the EBITDA coming back towards higher numbers.

Vibhor Talreja: Okay. Fair enough. Thank you.

Dr Vikas Agarwal: Okay, thanks.

CS Nidhi: Thank you Mr. Vibhor. So we have the next question from Mr. Naitik Shah. Mr. Naitik, please unmute yourself.

Naitik Shah: Hello, I'm Adam.

CS Nidhi: Yes. Yes.

Naitik Shah: Yes, thank you Dr. So just wanted to understand, for FY25, when we do a gross profit per order kind of an analysis, that was somewhere about 1360 rupees. Now I understand for this year in H2 we faced several issues in terms of our own brand sales but H1 was fairly okay for us. Over there we see a gross profit per order of about 1,200 rupees. So why did we see a decline both in terms of revenue per order and gross profit per order, especially in a year where at least on a H1 basis our equipment sales was much higher, where on a per order basis the absolute amount of gross profit or revenue should have been higher?

Dr Vikas Agarwal: Okay sir. I'm sorry I missed some part of your question. Can you please repeat?

Naitik Shah: Yeah. So when you look at your revenue per order for FY26 that was somewhere about 3,670 rupees. For FY25 the number was 4,600 rupees and for FY26 this fell to 3,670 rupees. So can you help us understand the decline in revenue per order?

Dr Vikas Agarwal: Yes. So that was a function of a lot of offline trading activities as well. Combined together, the offline trading activity when we do a B2B trading activity the average value is higher. So combined together it became 4,600 rupees. And we stopped trading as I mentioned in the presentation.

Naitik Shah: Okay. So the trading component had a much higher revenue per order and a gross profit per order as well.

Dr Vikas Agarwal: Yes.

Naitik Shah: Understood. And when did we stop this trading?

Dr Vikas Agarwal: Last year we completely stopped it.

Naitik Shah: So the full year impact is there in FY26, or should that continue into FY27?

Dr Vikas Agarwal: We have identified that it's not a good long-term journey for us where we are not adding right value to the dentist's life. So we decided to focus on the core business of

dentalkart.com going forward, with some teams building offline divisions with minimal bandwidth from the founders.

Naitik Shah: Understood. Thank you. Thank you.

CS Nidhi: Thank you Mr. Naitik. So we have the next question from Mr. Nikhil Porwal. Mr. Nikhil, please unmute yourself.

Nikhil Porwal: Hello. Am I audible?

CS Nidhi: Yes. Yes, you are audible.

Nikhil Porwal: Yes. Hi Vikas. How are you doing?

Dr Vikas Agarwal: I am doing good. How are you?

Nikhil Porwal: Even I'm doing good. Thank you so much for the opportunity. It feels great to see how the maturity in terms of depth of the business and your communication towards the investors has changed over the last few calls. I really appreciate that. I broadly have a few questions mainly on digital dentistry. Today dentists may engage with you for specific products or services. Over time do you see the opportunity to become an integrated workflow partner across diagnosis, treatment planning, design, manufacturing and practice support? What would need to happen for Vasa to become embedded in the day-to-day workflow of a dentist rather than being one of several vendors?

Dr Vikas Agarwal: Correct. So I am trying to build an ecosystem for dentists where the workflow, anything which a dentist needs, is available with us. So that's why we started digital dentistry. However, we are not making much money on the offline division or the digital side of the business. But we are learning to build a workflow for dentists. For example, recently we set up a whole digital dentistry arm of a dental college where from the point a patient walks in to one of the clinics of that college, we take part in diagnosing what kind of problems the patient has and then that scan goes to an AI engine which actually reads the scan, also reads the CBCT from the customer, and then makes a differential diagnosis for the patient, and then a prosthesis or a splint or something of that sort is planned, it goes directly to the milling machine or a 3D printer, and the final prosthesis comes out, and then some person has to do some finishing work and later it comes back to the doctor to finally seat that prosthesis into the patient's mouth. So this is something we're trying to learn with digital dentistry right now and yes in future to complete that ecosystem which I really want to supply to my customer base, we have to keep on experimenting with all these different arms. And the same is the case of Smileworks, that's why we started Smileworks, because the same customer base of Dentalkart also orders prostheses from a lab, and why not we integrate all of this into one app in future.

Nikhil Porwal: Got it. And if we look at India today versus more mature markets, where do you think India is on the digital dentistry adoption curve so far? And in general what are the bottlenecks that you see that, if addressed, would accelerate the pace of adoption?

Dr Vikas Agarwal: Yes. So digital dentistry has been there in India for last 25 years. There have been CAD CAM machines, there have been metal DMLS printers, there were scanners in the market I think for last 14-15 years. But the problem was price point. Basic RVG, intraoral camera, scanner, that is the entry point to digital dentistry. With the price points coming down and a lot of

affordable products out there in the market, the demand is growing and what we've seen in Australia in last 10 years I think we'll see the same in India before that.

Nikhil Porwal: Okay. So basically a scanner that probably used to cost maybe a couple of tens of lakhs which has come down to I think three to five lakhs. That's a major breakthrough. And hopefully that also creates a flywheel for the rest of the product portfolio in digital dentistry. And I also happen to note you've mentioned supplying to some institution or university. Has this been usual business for Dentalkart before, or is this a new customer cohort altogether?

Dr Vikas Agarwal: This is a new customer cohort. We have never done that before. However, we received a query and we were already learning that, in the digital division, we were selling milling machines, scanners, 3D printers, metal laser sintering machines. So this is the first time we combined all of that workflow and delivered to an institution.

Nikhil Porwal: And this does build a sticky demand for consumables as the base for digital dentistry kicks up. Am I right in understanding that?

Dr Vikas Agarwal: Yes, it creates two new demands in the market. Number one is naturally the consumables and number two is the AMC and CMC of the machine supply.

Nikhil Porwal: Okay. My last question is, many companies can distribute equipment which India already has a lot of players for, but fewer can build long-term relationships with clinicians and labs. So over the next five years what capabilities are you investing in today that you believe will make Vasa a preferred partner for both of these? Ultimately which technology platform will help you win? So in general, how are you thinking about this?

Dr Vikas Agarwal: So we are first of all learning how to service these products for the long term and we are still exploring how we can be a long-term partner to the customers we serve. So we are still new in this segment. It'll take us some time to explore that.

Nikhil Porwal: Okay. Looking forward to interacting with you again. All the best. Thank you so much.

Dr Vikas Agarwal: Most welcome. Thanks.

CS Nidhi: Thank you Mr. Nikhil. So we have now the investors on repeat. Mr. Swaraj, please unmute yourself.

Swaraj Mehta: Hi, thank you for the opportunity again. My first question was on the service centers. Now as we increase our own brand sales, servicing those products also becomes more important. So how are we bridging the gap on service centers for our products and existing products as well?

Dr Vikas Agarwal: Yes, for the own brand small equipment and large equipment, let's divide them into two parts. Own brand small equipments can be serviced in the nearest warehouse. So wherever we have delivered the product, if a doctor wants to claim a warranty there are two ways to solve it. One is a technical support where the customer care does a video call through our software with the customer and tries to resolve it. Most of the issues are very easily solvable online. But if it is not possible then we'll take a reverse pickup, the product will be brought to the nearest warehouse, the service is generally between 2 to 6 hours and then delivered back to the customer. If the lead time is longer we try to give a standby unit to the doctor. This is for the small equipment.

For the large equipment, it requires an on-site service. For that, we are building a service team. We already have 14 service engineers in India. And also we have channel partners, for example in the southern part of India, we have two channel partners who service all the machines they have themselves sold and service the machines which we have sold on a chargeable basis. That saves a lot of our fixed cost to build a service person everywhere in the country.

Swaraj Mehta: And so now we are increasing our SKUs from 23,000 to 35,000 in the coming years. So what gap are we trying to fulfill through the SKUs?

Dr Vikas Agarwal: So recently we have launched a brand called Dental Tech that supplies compatible implant accessories compatible with most of the implant companies of the world. That category was not available on Dentalkart earlier. So we are trying to find categories which are not there on Dentalkart. The idea is not to reach 35,000 just to show the numbers. We want to add the right category of products which are not there on the card. So for sterilization we have the sterilization reels, we have the sterilization pouches, the indicator tapes and so on. But there are recently 15 different SKUs my team found where we can provide silicon rings on instruments for easy identification. Those products are not easily available in India. We are trying to find those products and double down on this approach to find more products. And that raises a question that it will just increase the inventory, but we'll keep less products and see how it works and then gradually increase the inventory. So the next few years will be experimentation on what works in India and what not, and if that product works then we'll scale that product from there.

Swaraj Mehta: And what do we mean, I just wanted to have clarity on what do we mean by unique customers, new customers and customers served on a quarterly perspective and yearly perspective as well?

Dr Vikas Agarwal: So unique customer is a unique email id. So sometimes one customer places 10 orders in a month. That is still one unique customer. Total number of customers are those total unique customers over a quarter or over a year. What was the third thing in your question?

Swaraj Mehta: New customers and customers served. How are they different? The meaning of quarterly and yearly.

Dr Vikas Agarwal: Customers served includes new customers and old customers. New customer is the first time, a unique email id which was never ordering with us before. I have Sandeep also with me. Sandeep, do you want to answer this?

Sandeep Aggarwal: Sure, the definition that you're providing is totally correct. So basically new customer is the customers which are coming that year and served customers is the total customers that we have served in that year.

Swaraj Mehta: Sorry, can you repeat. New customers?

Sandeep Aggarwal: Total customers are those which we have served in the entire year.

Swaraj Mehta: Okay. And new customers are in those particular quarter, whichever new customers we added which have never ordered from us again?

Sandeep Aggarwal: Yes.

Swaraj Mehta: And could you give a trend, you've given a retention rate for each quarter as well and I wanted to understand the 30, 60, 90 and 180 day retention rates that have been given, how to read those numbers?

Dr Vikas Agarwal: So suppose you are a dentist and you have ordered on 1st of January from us. So if you come back anywhere between 1st February to 28th February, that cohort is a monthly retention rate. So the retention data I've given is with the number of days. So 30, 60, 90, 180. If a customer is not coming back to us from January to June and coming after that, that is not part of the 180 days cohort. So the number itself is explanatory, that how many days it takes for a customer to come back to us and how many customers are coming back.

Swaraj Mehta: Okay. And just the quarterly retention rates, how do we read that?

Dr Vikas Agarwal: Yes, it is every 90 days what customers are coming back to us, that is the quarterly retention rate.

Swaraj Mehta: And the experience centers that we've launched, how are they doing and how has the response been?

Dr Vikas Agarwal: Okay, we have not highly focused on them but there are some sales from them and if a customer is able to see the look and feel of a capital equipment there's a higher chance of conversion. That was the idea behind opening the showrooms.

Swaraj Mehta: Thank you for all these questions. Thank you so much.

CS Nidhi: Thank you Mr. Swaraj. Mr. Raj Singh if you can unmute yourself, please unmute, otherwise I'm taking questions on behalf of you which you have mentioned in the Q&A box. Okay sir, so the first question from Mr. Raj Singh is, what percentage of our products are we importing from China and are we planning to diversify the same by increasing local sourcing?

Dr Vikas Agarwal: If it is possible to replace them with local sourcing, we will definitely try to do that because importing a product is tedious and selling it from the local market or doing contract manufacturing from local manufacturers is more convenient. Right now a large chunk of the imports are coming from China compared to any other country. I don't want to give a particular number to that.

CS Nidhi: Okay. So the second question is, what are we doing to increase awareness about our portal among the dentist community? Do we pay search engines to show our website on top? If someone does a search for online products, I see some other websites came up and our website didn't when I did the same search on Google.

Dr Vikas Agarwal: Okay. So that happens from place to place and customers' socioeconomic status and different price points they might be looking at, or maybe certain products they might be more possibly likely to buy. So Google engine works that way. Secondly to show our products or our website and app to the customers we do SEO, AEO, and more recently the AI search algorithms, we are doing that. Apart from that we do social media marketing on products and a lot of other ways of how tech companies market themselves.

CS Nidhi: Okay. So the last question is, what percentage of our business this FY came from repeat customers? Do we have a sales team on ground which goes to dentists and meets them personally to acquire new customers?

Dr Vikas Agarwal: In the online segment, we don't have a team on ground which acquires customers because we think it is costly to do that and it is not scalable. We can do much better than that online. And what percentage came from repeat customers, we want to keep that proprietary for now.

CS Nidhi: Okay. Thank you sir. So Mr. Raj Singh if you have any other questions you can mention the same in the Q&A box. Meanwhile we are taking questions from the next investors. So Mr. Chintan Parikh, you can unmute yourself.

Chintan Parikh: Hello, am I audible?

CS Nidhi: Yes. Yes.

Chintan Parikh: Yeah, perfect. So Vikas, thank you for again patiently answering all the questions and with great honesty and humility. My question is on digital dentistry research. So I spent a very small stint with Carestream way back in 2002 when they were introducing India's intraoral cameras as well as RVG sensors for the first time. I met a lot of dentists across Bombay, small and big, and the problem I saw, and I'm currently in Pune and here as well what I see is that not, and I'm talking about a 20 to 24 year gap between these two experiences, not all the dentists have adopted the intraoral camera. First one is because of the operational issues where they only have one attendant operating as attendant as well as receptionist. Second is it's a vanity where they just want to show that they know what is the procedure. There was a lot of challenge for the intraoral camera but RVG sensor definitely was a big hit and now we see that everywhere. The biggest issue what we found was that all this decision is very much tied to the chair that they buy, whether it's the first chair or whenever they're upgrading the chair. Is there any tie-up that you have done with chair manufacturers for the digital dentistry equipment? Otherwise the equipment which you mentioned are very very high-end equipment, hardly 5% of the dentists will be able to afford it for their clinic. That's my personal opinion, you could correct me.

Dr Vikas Agarwal: Okay. You are right. There's a low number of people who will adopt the big equipments that I mentioned earlier in the call. But yes at the same time, while we were discussing faster turnarounds of an e-commerce company setting higher standards in the mind of consumers, similarly the patients are also expecting faster turnaround of the procedures they want. So suppose you go to get a crown from a doctor. There are some doctors in the market who are doing a 2 hour to 3 hour crown delivery with a Dentsply Sirona CEREC or some other similar machines compared to another doctor who takes 3 days. So you know, there might be a preference for the doctor who is delivering faster. So that kind of population or consumer base we will definitely see growing, like we are seeing more buyers of scanners, we'll definitely see more buyers of same-day prosthesis machines in future.

Chintan Parikh: Right. But does this not conflict? Because one way we are going toward the mass market, tier three, tier four, for our online businesses. And at the same time we are now targeting a very niche market which requires a lot of in-person service. So it creates a bit of a dichotomy in the sales strategy there.

Dr Vikas Agarwal: That's not what I meant. Since you started the question with digital dentistry, I told you that the whole digital dentistry workflow only gets complete if we have the larger picture in mind. Yes, we are bullish on the scanners. We're bullish on the intraoral cameras. I think the intraoral camera is a very personal thing to me, how my practice got completely revamped or changed after I installed the camera on my chair. So cameras are here to stay, although RVG has definitely surpassed all the numbers comparatively. You also mentioned having tie-ups with a particular brand of chairs to grow digital dentistry equipment numbers. Our cameras are such that they can be compatible with any dental chair in the market. The clamps here matter and the kind of connection the clamps provide, irrespective of any chair the dentist uses.

Chintan Parikh: Okay, understood. Sir on the financials, let me just dissect Q4 financials a little bit further. Sir I see that there is roughly 2 crore of other income. Yeah. So can you elaborate what exactly is that other income in Q4?

Dr Vikas Agarwal: Yes. That is sale of some financial instruments which resulted in interest income.

Chintan Parikh: Okay. Because sir, if I just look at our Q4 profitability in isolation the margin becomes 0.34% or something like that if I remove the other income. And while looking at that and if I look at your statement on the inventory as well as our own product stockout, that is not making sense to me. Let me explain why. We are saying that in Q4 we had a stockout of our own products which are high margin products, at the same time if I look at our inventory on page 13 we see that we had a 27 crore inventory increase because of our own products. So what happened, how did we stock wrong products of our own brand and still ended up with a stockout? If you can help me understand the issue and how this will not happen in future?

Dr Vikas Agarwal: Yes. So first of all that 27 crore is for the whole year, that includes H1 and H2 as well. And we actually missed on some hot sellers. For example, if you see the Superinto brand on Dentalkart which is one of the top sellers, the whole rotary files inventory is out of stock. Those are the kind of products where we have good margins and we provide the best value to the customer. So those kind of consumables were not there in stock. However, a lot of digital dentistry sales happened last year for which the stocks were there with us and sales also grew. So you can see an 85% growth in the offline segment while the online did a 25% growth. We feel that such issues have made us more mature for taking care of the digital supply chains of the company. And I also want to admit that the supply chain of many big companies of the market if they are at a level 10, I am at a level 6.5 or 7. I have to work hard on my supply chain and my leadership of supply chain in future.

Chintan Parikh: Okay. So if I look at our inventory turnover, you are guiding that in the near-term you want to see it around 120 days. And we have close to 80 crore in inventory currently. At the same time you have discontinued other products. If you can help me understand this?

Dr Vikas Agarwal: So first of all we have not discontinued other brand products. We have discontinued the offline sales of other brand products. But yes, having more share of sales of own brands also tells us that we have to import more products, we have to do contract manufacturing of more products and they come with MOQs which we sometimes have to keep when we start that relationship with the manufacturer. I've also mentioned in the presentation that 120 to 150 days is what I see my inventory levels in the short term and when we optimize that it'll be around below 120 days and in the long term I see it below 100 days. That's what I see as a northstar. Past also during earning calls I have mentioned that I want to optimize the inventory, I want to go to lower numbers. But sometimes last year we did a mistake by taking the pressure of inventory from a lot of people in the market and trying to optimize that to a level where some issues happened and we missed a lot of stock and lost sales as well as some possible customers' wallet share. So we are also keeping that in mind. Inventory is not the main priority right now. Growth and more wallet share of the customer is.

Chintan Parikh: Okay. Sir, regarding our acquisition which we could not do, why did it take 9 months to realize that there is a lot of overhead on the integration? There was a lot of management time which got devoted toward that. So what happened and why did it take nine months?

Dr Vikas Agarwal: Yes. So first of all it was looking like a very good deal for us. We were so happy about it and when we signed the agreement and we gave a public announcement, we started finding different perspectives of the business. So there was a due diligence earlier on which was perfect and things were all good. When we were trying to do the merger actually, I saw a lot of cultural differences and it took me some time to open up with the promoters of IDS and when I did, we also bought some more time from each other to look at it again because it was one of the biggest decisions of both of our lives and it was really difficult for me as such a young company, coming back from such a large public decision I made. So we tried our best that we'll be able to merge this but we ultimately realized that it will take much more time to bridge the cultural difference between a traditional supply chain and a tech first company. Secondly, they were doing very good, they are doing very good in the offline segment, they're doing very good in the laboratory side of dentistry. So it is a very good business but at the same time we are totally different. Some teams have to communicate with each other and definitely me and Sandeep also have to invest a lot of time in merging that. We saw that it is really difficult to make that merger soon and it is really difficult for us to divert our attention to outside Dentalkart. So with Dentalkart in mind we took that decision.

Chintan Parikh: Okay. And sir, if I compare you to another listed company, Privy, how are they able to get such a high operating margin compared to us?

Dr Vikas Agarwal: So they are into dental materials, perishable dental materials which are mostly chemicals, and they are manufacturers of those products themselves. We are into a high growth segment where we don't want to focus on such margins, whereas we want to enjoy more wallet share of the customer and a larger customer base. So the aspirations of both the companies are different. We have to choose between slow growth and more margins, or faster growth and lower margins. So we are trying to balance between that.

Chintan Parikh: Any plan to go into the similar kind of field which they are operating in, because you mentioned about contract manufacturing as well right? We are doing that. So why are we not touching that particular area? If it has a, you already have the supply chain, you have already done the distribution, it is just about adding certain products into your catalog and pushing it and competing against the price.

Dr Vikas Agarwal: We do that in fact. Privy is one of our partners in contract manufacturing. So we do that internally. Brand-wise sales we have not disclosed and we would not like to disclose but our share of sales is also significant comparatively in that region.

Chintan Parikh: With a similar type of profit margin in those categories?

Dr Vikas Agarwal: Yes, in that category.

Chintan Parikh: Okay. Thank you. I don't have any more questions.

Dr Vikas Agarwal: Thanks a lot.

CS Nidhi: Okay, thank you Mr. Chintan. So we have the last question from Mr. Manish Gupta. Mr. Manish, please unmute yourself.

Manish Gupta: Thank you Dr. Vikas. Can you hear me?

Dr Vikas Agarwal: Yes, sir.

Manish Gupta: Okay great. So Dr. Vikas, I have two questions. My first one is that just listening to the suggestions of various people and also some vision that you have outlined, just one concern I had, and this is not being prescriptive, it is really just trying to understand. Are we trying to do too much in terms of scope of the problems that we are trying to solve for different dentists? And would we be better off if we just focused on solving a core issue of dentists first, which is broader assortment, quick delivery, very responsive customer service, and only when we have completely cracked that do we move on to the next mountain to climb? I mean are you trying to climb too many mountains at the same time? Again I reiterate this is a query, it is not a comment. I just learn by asking questions. So this is the first question and after this I'll ask my second one.

Dr Vikas Agarwal: You are right. In the past there were scenarios where we were trying to do too much and we were trying to climb a lot of mountains together. So with time this maturity came. I've also mentioned in my presentation that this year we'll be focusing on the core and the core is dentalkart.com. There are a lot of issues which we need to sort in next couple of years and by a lot of issues the top ones are, you know, availability of the right products at the right place at the right time, having responsive customer care which can tackle most of the customer queries almost instantly, and then delivering products on the right time to the customer. So this all is the core of the business. I think we have to crack it properly and only by doing that I expect a multifold jump because I don't see any problem in the demand. There are people coming and requesting products and we were not able to supply in the past. There were people asking us for bulk orders on certain products and we were not able to supply that. And we still have a very small wallet share of our own customer base where there is large room, I can say even 10x room for growth in the wallet share in some states. We will definitely focus there first and that is the mountain me and my team wants to climb first. So thanks a lot for this question.

Manish Gupta: So if I can just follow up on this itself. If you would list, say, what your three biggest priorities are for this coming year, fiscal year 27, what would they be?

Dr Vikas Agarwal: I think number one is customer service. Number two is faster delivery. By faster delivery I don't mean faster delivery everywhere, but in the places where customers are demanding faster delivery and the customer segment which provides bigger wallet share on faster delivery. And number three is better assortment of the inventory categories and brands. Like I mentioned about Dental Tech earlier in the call, we would like to have more categories which we are currently not supplying and the same customer base needs those products and they are buying from specialized dealers of those products. We would like to have those categories in place. So to sum it up: number one is customer service, number two is faster delivery, number three is more categories on Dentalkart.

Manish Gupta: Okay, thank you. My second question Dr. Vikas is, I note that you're not offering guidance and personally I think that's a very good suggestion because it's a very uncertain world. But hopefully we are long-term investors and I'm sure one day Dentalkart will reach a thousand crore revenue milestone, hopefully sooner rather than later. What I'd like to understand Dr. Vikas is very broadly, if that number is say five or six years out, you could be hopefully sooner, but what I'd like to understand is that at approximately a thousand crore revenue just for Dentalkart in the core business, what would be the different line items? You will have a certain warehousing cost, you will have employee costs. So when you say mid-teen EBITDA, I guess there should be a lot of operating leverage in warehousing, employee cost. And again I don't want a guidance, I just want your hypothesis, that what would those line items be such that the 25 to 30% gross margin that you are talking about drops to a mid-teen EBITDA?

Dr Vikas Agarwal: Yeah. So thanks a lot. That's also a very good question. I think in the long term I don't see my manpower cost increasing in proportion to the revenue increment. I don't see my warehouse cost increasing like the revenue increment I envisage. So I think I'll have the operating margins leverage. And if you see us before IPO we were not making much profits and compared to FY25 we made significant profits. So I think last year was a one-off. Going forward I expect that the operating leverage will continue to be seen.

Manish Gupta: So Dr. Vikas, let's say 5-6 years out, you've got about seven warehouses today. How many do you think you will have 5 years out?

Dr Vikas Agarwal: It is very difficult to predict. But I have some internal views and some numbers also back this up that we should have smaller warehouses in small cities of India, all the small cities like Jaipur, Bhopal, Lucknow, where we have only 500 to 1,000 square ft kind of space managed as dark stores and we are able to store only the top SKUs required by that state or that city. And that can be 20, 25, or that can maybe be seven only like it is now.

Manish Gupta: So actually I didn't ask the question appropriately. How many warehouses would you need to have to be able to deliver within two days?

Dr Vikas Agarwal: Okay, we have to explore that. I'm sorry, I'm not ready with an answer.

Manish Gupta: But what is your personal aspiration? You were a practicing dentist right. So you know different people will have different inventory levels. What do you think from a dentist perspective is a good service level to expect of a vendor like yourself?

Dr Vikas Agarwal: It depends on where I practiced. So I practiced in Delhi and my expectations will definitely be that if I order in the morning I get products by evening or by next day. And if I am planning to buy something in bulk because of an offer I am ready to wait for 3 to 4 days.

Manish Gupta: So if say you're a dentist in a tier 2 town, how would Dentalkart want to serve a dentist in a tier 2 town?

Dr Vikas Agarwal: I think 2 days is a good target.

Manish Gupta: Okay. And therefore for 2 days delivery in a tier 2 town, how many warehouses would you need across India?

Dr Vikas Agarwal: Close to 25.

Manish Gupta: So why would we not invest in those in FY27? Why only seven? Why would we not put that investment upfront?

Dr Vikas Agarwal: We can definitely but there are more priorities before that. Just, you know, if I don't have availability I need to have more inventory if I open warehouses. So first of all I need to optimize what I have right now and opening more warehouses increases the chaos which might occur and I'm just coming back from the ashes of last two quarters. I don't want to take this decision in a hurry for maybe this financial year or next couple of quarters. However, we will think on this suggestion and this is a good question raised by you. Why not we do it now if we have to do it in the long term?

Manish Gupta: Yeah, just to push on this point a little further Dr. Vikas. You mentioned a bit earlier in the call that you have 10-year demand patterns of various dentists. So you should have good data on what customers want. Right. And you have good data on what customers want. You perhaps have good data on what frequency they want and the kind of products they would want.

Right? So when you say that you still have to work on assortment, can you explain that a little better? Because you have the data of what people want, right? So can you explain that a little better? I mean you have the data of what people want. You perhaps have it at a micro level by city. So you can actually, if you have the warehouse, plan the inventory by city. So can you expand a little bit about what you mean by assortment?

Dr Vikas Agarwal: You are totally right. We have the data and with the use of AI we can definitely predict it to a good extent. But there are some issues with that. First of all, the products over the last 10 years have changed. The market dynamics changed, the price points changed, new launches change. For example, the orthodontic category. 10 years earlier, there were a lot of demand for traditional orthodontic braces. Now a lot of market is shifting to aligners. So there are products which are accessories to the aligners which doctors are giving to the patients. So market dynamics also change. While I'm not giving this as an excuse, yes there is in every state and in every tier of the market different demand patterns. There are different kinds of products coming up every year. In fact every couple of months there are new products coming up. So seeing all of that we are trying to build a recommendation engine. We're trying to build a personalization engine. As some gentleman also questioned about the search engine of Dentalkart, we have revamped the engine three times in the past and it is much better. It used to be just a plain search earlier on and now it is a semantic search and later on it'll be AI based search where you can ask anything to the search engine and it will recommend you products. That all will be happening with time and there are a lot of things coming up and in the pipeline. Once they are ready, we'll update the market.

Manish Gupta: If I may just pursue this line of thinking a little bit more Dr. Vikas, again I'm just trying to learn, would 70% of the products that a dentist needs really be like one needs toothpaste one needs soap? I mean maybe there's 30% that is changing but wouldn't 70% of base demand be the same?

Dr Vikas Agarwal: Yes, it would be the same. There is one more thing to that. We try to deliver everything in a box. If we try to split an order in two parts or three parts, it increases a lot of our cost, and our logistic cost is close to 5.5%. We have a target that we should reduce the logistic cost and not let it increase due to various factors as it'll impact us later on. So if I keep 70% of those items in a particular warehouse and 30% goes from my mother warehouse, it'll split majority of the orders of that state into two parts. So by delivering it maybe one day or two days faster, first of all I am impacting my customer experience by splitting the order into two. Secondly, I am also making more expenses and later on I have to increase my prices in certain products or certain categories of products in future. So there are a lot of dynamics to any decision we take and I understand what you're saying. We would also love to make smaller warehouses and open very fast and deliver what we can keep there, but a lot of permutation combinations are there for us to take that decision.

Manish Gupta: Understood. Thank you. Thank you, Dr. Vikas.

Dr Vikas Agarwal: Okay. Thanks a lot.

CS Nidhi: Thank you Manish Ji. So as there are no further questions from the investors, Dr. Vikas, you can give your closing remarks.

Dr Vikas Agarwal: Thanks a lot for first of all being there for last one and a half hours and listening to every other question. There are some people who have not asked questions but they've listened to the whole call. Thanks a lot for being there and trusting in us. I just want to say one thing, that last year was not as I have promised earlier. I want to assure you that it was a one-off. That was a situation that happened not because of demand, that happened because of the mistakes we have done and we understand that we are not near perfect. There are a lot of errors we do and we are learning. Me as a dentist and Sandeep as an engineer see ourselves as the same founders we saw ourselves 7, 8, 10 years back. We will learn. We will try to have the right experts in the company who can not let the same mistakes happen that happened in the past. I want to thank my whole team for all the hard work and whatever we have achieved in the past. I want to thank my customers. I want to thank all the shareholders for being there. Thanks a lot everyone.

CS Nidhi: Okay. So, thank you everyone for your time and for your questions and your confidence in the vision of the company. This meeting is now officially concluded. Thank you.

Sandeep Aggarwal: Thank you again.
