Date: November 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 Earnings Call held on November 11, 2026

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

Dear Sir/Madam,

In continuation to our intimation dated November 06, 2026, and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Transcript of Earnings Call held on Wednesday, November 11, 2026, at 10:00 A.M.(IST), post the announcement of the financial results of the Company for the quarter and half year ended on September 30, 2026 on operational and financial performance of the Company for the quarter and half year ended on September 30, 2026.

The transcript is also available on the Company's website at:
https://r2dkmedia.dentalkart.com/media/investor/documents/f0bdb2b8-5921-46d1-a53f-36cd100cd7a1.pdf

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

Thanking You,

Yours sincerely,
VASA DENTICITY LIMITED

ESHA ARORA
Digitally signed by ESHA ARORA
Date: 2026.11.11 16:57:50 +05'30'

ESHA ARORA
COMPANY SECRETARY & COMPLIANCE OFFICER
Membership No.: 75805

November 11, 2026

EARNING CALL_VASA DENTICITY LIMITED_FY 26-27- TRANSCRIPT

Earnings Call_Q 2 & H1_FY 26-27_Vasa Denticity Ltd - Transcript

Esha: Good morning everyone and a very warm welcome to all of you. On behalf of Vasa Denticity Limited, I welcome you all to the earnings conference call to discuss the operational and financial performance of the company for the quarter and half year ended on 30th September 2026. From the management team, we have with us today:

Dr. Vikas Agarwal (Managing Director),
Mr. Sandeep Aggarwal (Whole-time Director),
Mr. Mayank Bawari (VP of Supply Chain),
Mr. Shahid (VP of Marketing), and
Ms. Ananya Bhav Abrol (AVP of People Excellence).

The financial results and the investor presentation for the quarter and half year ended on 30th September 2026 have already been filed with the stock exchange. We hope you have had the opportunity to go through the same ahead of this call. Before we begin, I may state a few instructions for all the investors for your convenience. The instructions are as under. All participant lines will be in listen-only mode during the management's opening remarks. Further, investors who wish to ask any question may use the raise hand feature, and before asking the question they may state their name and the name of the company or organization from where they are participating. To give every participant an opportunity, each participant may ask a maximum of one or two questions at a time. If you have further questions, we request you to rejoin the queue and we will take them up if time permits. Also, we would request you to please avoid raising questions on any information that has not already been made public since the management will not be in a position to comment on the same. Please note that this call is being recorded and the transcript will be made available on the company's website in due course in line with our disclosure obligations under SEBI regulations.

Now, I would like to invite Dr. Vikas Aggarwal for his opening remarks. Over to you sir.

Dr Vikas Aggarwal: Thank you Esha. Good morning everybody. First of all, a very warm welcome to all of you and a belated Happy Diwali and all the associated festivals with it. Dear share owners, 10 years ago we started with one belief: a dentist in a small town deserves the same products, price and speed as a dentist in South Delhi. This quarter, at an annualized revenue run rate of ₹348 crores, that belief broke past the ₹200 to 250 crore ceiling where a traditional dental distributor in India has historically stalled.

Revenue grew 19.4% YoY to ₹87.1 crores, taking the half year to ₹170 crores. Growth was led by our strongest cohort on our website and our app. Returning dentists grew 27% over last year. Revenue per customer rose 12.7% to ₹11,428 and online order value rose 27.6% to ₹3,454. Most importantly, operating EBITDA rose 23.9% YoY and 42.9% QoQ to ₹7.24 crores. Our operating EBITDA margin of 8.31% beat last year's 8.01% even with gross margins nearly six points lower, because our operating cost fell structurally. Gross margins climbed back as we

restored availability across our own brands after last year's stockouts and rupee depreciation. Over time, we see gross margins moving within a 25 to 30% band. The business can price higher, but we will not push margin up at the cost of customer trust. Anything above 30%, we would rather pass back to the dentist through sharper prices. In a recurring consumable business, building the buying habit matters more than squeezing an extra point of gross margin.

Today, operating cost fell 10.5% on a year ago while revenue grew close to 20%, dropping from 25.2% of revenue to 18.9%. Technology and automation now do work that people used to do. Our long-term benchmark for operating cost is 12% of revenue, roughly 4% each for logistics, people and everything else. We are reinvesting part of today's savings into leadership depth. 16 experienced professionals at manager level and above joined us in 2026, especially in the H1. Our first decade was built by homegrown generalists. Our next decade requires domain specialists who raise the bar from day one. With operating cost heading towards 12% and gross margin adding up to three points as availability normalizes, we see operating EBITDA compounding into the 13 to 18% range over time. Orders per customer eased to 2.66 as clinics consolidated smaller top-ups into larger planned baskets. We do not optimize for parcel counts. We optimize for total spend and profit per dentist. Larger baskets mean fewer boxes to pack and ship.

Which is why operating EBITDA per order rose 18.8% to ₹353 from ₹297 a year ago. Cost per order fell 8.2% YoY to ₹804, and it sits at ₹789 excluding the one-off ₹30 lakhs of severance cost we have paid as we upgraded the team, alongside higher courier tariffs and fewer parcels. We also moved exhibition shipping to marketing and inbound freight to cost of goods, so every cost line reflects true unit economics. We added close to 15,000 new customers this quarter without heavy acquisition spend. But our real prize is the 3.1 lakh dentists, out of the 4.1 lakh dentists registered with the National Dental Commission, who have already ordered from us before. Dental buying is specialized. A returning dentist already trusts our app, notifications, refunds and the whole process of buying a dental product. Winning back past buyers and deepening our share of their ₹1.2 lakh annualized clinic consumable spend is the fastest path to scale. Our Plus members show what that habit looks like at maturity: each spends 2.7 times as much as a non-member.

Return requests rose temporarily because we deliberately made returns effortless through our AI chat assistant, which now handles roughly 60% of the customer queries. In clinical commerce, a fast, no-questions-asked refund builds long-term habit. What we have zero tolerance for is shipping a damaged or wrong item, and we are fixing those at the source through clearer sizing guides on product pages and tighter warehouse barcode checks. Inventory stands at ₹104 crores at the consolidated level, built deliberately across four priorities: ending stockouts, launching new lines, meeting supplier minimum order quantities, and backing demand across five warehouses as well as future demand projections. That buffer cut stockouts on our top 2,500 SKUs from a 33% peak last year at this exact time to 8.8% today, on the way to below 5% as I have promised. When we secure a CDSCO medical device import license, a regulatory process that takes roughly 12 to 24 months per product category, we buy from global suppliers.

It may take 6 months to sell through, but that product is exclusively ours, competition rarely follows, and we stock the full clinical depth. For example, there is a root canal file which starts from size 6 and goes up to 140. Where a local dealer stops at 30 or 35, we keep the whole range till 140. Those long-tail variants turn slower, but they carry superior margins and make Dentalkart indispensable to a clinic. With availability now restored, our board reviews inventory ageing every quarter. Slow variants clear through short-expiry sales, and inventory days will come down as sales scale. Half year operating cash flow went directly into building this stock. Even after that investment, we hold close to ₹40 crores in cash and liquid investments with virtually zero debt, and H2 sell-through will convert that inventory back into cash. Only about 4% of Indian dental clinics are digital today. Every intraoral scanner, 3D printer or milling machine we install locks in five to seven years of high-margin zirconia blocks, resins and lab work through our EBITDA-positive Smileworks lab, and recurring consumables already make up 17% of our digital division revenue, alongside our own brands, which we will grow only as fast as they deliver superior value to dentists.

We are building the operating system where every Indian dentist starts the day: to buy, to learn and to grow. We are building for the next decade, not for the next quarter. Thank you for being with us. Over to Esha.

Esha: Thank you so much sir for your opening remarks and apprising the investors regarding the financial and operational performance along with the future prospects of the company. We now open the floor for the investors and the shareholders for asking questions. I kindly request all those who have joined to raise their hands and we shall take up the questions one by one. So, we have our first question from Mr. Swaraj Mehta. Swaraj ji, please unmute yourself and ask your question.

Swaraj Mehta: Hello, am I audible?

Esha: Yes sir, you are audible.

Swaraj Mehta: Okay, thanks. So, first of all, congratulations on a great set of numbers. My first question was on growth levers. Setting guidance aside, what specific steps are we taking to accelerate sales growth?

Dr Vikas Aggarwal: So Swaraj, we were not a very pro-marketing company earlier. Now we are focusing on retention of the customers as the primary strategy rather than acquiring new customers. We feel that we have a small share of the clinics we are currently serving, which is close to 10 to 15% only, and we believe that it can be taken up to 40 to 45%. So, the primary growth lever is the retention of the old customers. Secondly, what we have seen over the years in the cohorts of the customers is that when a customer buys for the first time, they place a small cash on delivery order ranging between ₹1,000 to ₹2,000. But as they grow older with us as a repeat customer, the average order value as well as the average revenue from that customer grows, and for some customers it has grown beyond ₹1.5 lakhs. So the primary growth lever is retention and activation of all the existing customers.

Swaraj Mehta: Got it. Thank you. And what measures is the company taking, apart from an increase in SKUs, to increase the ARPU?

Dr Vikas Aggarwal: Yes. I would like my marketing team to take this answer.

Md Shahid Shams: Yes. I think that's a very good question, Swaraj. Thanks for asking that. So, as Dr. Vikas mentioned, currently we are about 10 to 15% of the share of what a customer would spend, and we want to grow that up to 40%. We are bringing in strategies that will help us replicate the offline behavior of a dentist online and therefore be present at the moment of truth when the customer is searching for those products. So, being able to predict with accuracy when the customer would need a particular product is what we are bringing in through technology. Customizing our communications to those moments of truth is the other lever, which reminds the customer of Dentalkart, and bringing that customer back to the platform to purchase those products is primarily reactivating the customer, to overall increase the ARPU of the customer. Hope that answers the question.

Swaraj Mehta: Yes. Thank you. And how has InstaDent fared so far, what has been the inference from your first few cities and how has the progress been so far?

Dr Vikas Aggarwal: Yes. So, our Vice President of Supply Chain is here. Mr. Mayank, please take this question.

Mayank Bawari: Yes. Hi Swaraj. So, our experience with InstaDent has been quite positive. Week on week, we have been able to increase the order count twice for every week that we have been operational. We started in the first week with around 18 to 20 orders. Currently we hover at around 200 orders. In the first instance, we were seeing that the customers were only placing a trial order just to see whether they would be able to get the stock or not. Eventually, what we saw is that higher value items, for example a total cart value of more than ₹10,000 to ₹15,000, were also being supplied through the same channel. So, we are seeing that as the volume grows, we are also seeing value coming to this particular channel. Currently, at this particular juncture, it holds at around 8% of our overall channel sales.

Dr Vikas Aggarwal: And adding to that Swaraj, we feel that InstaDent can be replicated in a lot of cities of India with a very small cohort of products which are required urgently by the clinics and which need same day delivery. It can be 1,200 to 1,500 products only. So, we can have targeted product selections for different cities based on user behavior, and the larger product base still sits in our larger warehouses, which are the hubs. We are now looking at opening spokes across the country.

Swaraj Mehta: Great. And on the scanners and printers, how many were installed in quarter 2 and what is the Smileworks revenue and EBITDA? Also, some competitors are providing scanners for free and then asking for a per month commitment from the dentist. So, what is our strategy and how do we see the returns on these investments?

Dr Vikas Aggarwal: So, first of all, we are not providing scanners for free. We are selling the scanners. Scanners are provided for free generally by the lab companies. And for the last quarter, the sales of scanners have gone down across the country because laptop prices have increased dramatically. In fact, they have doubled or even gone up 2.5x on certain configurations. So, we are working on that. The exact scanner sales number is difficult to say publicly, Swaraj, because of competitive reasons, but overall the digital division has grown in the last quarter and it has contributed close to 5% of the total revenue. Did I answer your question?

Swaraj Mehta: And what was the Smileworks revenue?

Dr Vikas Aggarwal: Smileworks revenue is not publicly disclosed.

Swaraj Mehta: No problem. Thank you. And my last question: this year, USD has appreciated 8% against INR. So, did we take proportionate price increases or is that yet pending in some way? And further, with various raw materials moving up, how often do we review price increases across SKUs?

Dr Vikas Aggarwal: Prices are dynamic on a daily basis. Prices are being looked into almost every minute by an AI model, and the purchase price and the sale price are both dynamic. So, based on the market demand, based on the stock we have, and based on the price lists or price changes across the industry, our prices fluctuate.

Swaraj Mehta: And the USD appreciation, have we incorporated that or is it yet pending?

Dr Vikas Aggarwal: In the purchase price, that is accounted for. We don't have a real-time dollar, euro or pound integration yet. But we are working on a fully dynamic price optimization for Dentalkart going forward, which includes the currency fluctuations as well.

Swaraj Mehta: Okay, thank you. Those were my questions. I'll join back in the queue. Thank you.

Dr Vikas Aggarwal: Thank you.

Esha: Thank you Swaraj ji for your questions. I hope all your queries have been resolved. So, our next question is from Mr. Shubham. Mr. Shubham, kindly unmute yourself.

Shubham: Hey, yeah. I think I have asked this question before, what will our average order value settle at? And the answer was, I think, ₹5,000, right? So, it is already kind of reaching there. So, what is our strategy going forward? Now I think we are not focusing on our average order value. So why this change in strategy?

Dr Vikas Aggarwal: So sir, what I have said in the past is that the average order value will settle around ₹4,800 to ₹5,000. We are still far away from that and we don't see a saturation there. And as inflation happens, as time goes on, that number will also increase. We are still around ₹4,300 to ₹4,400 on an average, and if you only talk about the online business, it is close to ₹3,500 only. So, there is a large room for growth in the average order value, but what we feel is more important for the company is our average revenue per user. Overall, how much business or how much wallet share we have from a dental clinic is more important according to us. When we got listed, we were tracking certain metrics; what we track also changes with time, and now we believe that ARPU is a more important metric. AOV is important because if AOV goes below a threshold, then we might be at a loss, because every parcel has a fixed cost as well. So, a threshold for AOV is important, but in the long run ARPU will be more fruitful for the company.

Shubham: Yeah, I mean, what I was trying to understand is that the volumes have not grown by that much this quarter, and I hope that those will be growing when you focus on the same customers returning back, right? So, that will be the strategy. Okay. Sure. Thank you.

Dr Vikas Aggarwal: Thank you.

Esha: Thank you Mr. Shubham. I hope you have all your queries answered.

Shubham: Yeah.

Esha: Okay. Now, next we have questions from Mr. Abhishek. Mr. Abhishek, kindly unmute yourself.

Abhishek Chowdary Kanithi: Hello.

Esha: Yes, you are audible.

Abhishek Chowdary Kanithi: Yeah. Hi. Thank you for the opportunity. Could you talk a bit more about your competition and how do you compare yourself to the competitors in India?

Dr Vikas Aggarwal: Yes. Shahid, would you like to start answering and then I'll add points.

Md Shahid Shams: Sure. So, we are the category creators when I talk about the online e-commerce business for the dental industry, the dental procurement industry. And therefore, with all the heart and soul that has gone into building the business, we are also the category leaders here. I wouldn't like to take names of the competitors, just so as not to bring your attention to any particular brand, but what I would say is that we are very cognizant of how we give value back to the customer in their experience and in the products that they procure, and by virtue of that we are always ahead of the curve, is what I believe. But at the same time, I think healthy competition only adds value in the market. It helps you grow the market further. So, any competition is a healthy growth lever as I look at it.

Dr Vikas Aggarwal: Adding to that, I feel the competition is not online. The competition is with the traditional behavior of how a dental practice buys products. Currently, 96 to 97% of the buying is still happening offline. So, we need to work on providing the right value to the customer so that they choose us. And we have seen similar changes of behavior happening in multiple countries across the world, to the tune that 50% of the overall market is with online companies. That happened in Brazil, that happened in the US, that happened in several other countries. So, we think that we should learn from those countries and from those companies around the world. At the same time, we definitely have to keep an eye on what is happening in the market, what different strategies different companies are following, and learn from it and adapt to it.

Abhishek Chowdary Kanithi: Sir, also could you talk more about the initiatives which you have taken in the last two years, how have you been seeing them work, and what have been the learnings from them, for example Smileworks?

Dr Vikas Aggarwal: So, a gentleman asked about Smileworks financials just now. I just want to tell you that Smileworks is EBITDA positive for the first quarter now. It is almost tripling year on year now and we see huge potential in Smileworks as a consolidated offering from our side. We were only providing clinical or lab side equipment, consumables and instruments. We were not providing any services to the customers. So, for the same customer base, we can now offer lab services as well. We are currently still in the structuring phase, where we are working on the internal software and internal team building. Once we feel that we are at a stage of scaling Smileworks, we will start mass marketing across our customer base. So, that is one of the initiatives we have done in the last two years. Second is InstaDent. InstaDent is actually

my personal dream for almost six years now, and finally we thought that now is a good time for us to start with InstaDent. InstaDent can become bigger than Dentalkart in the next five to six years. So, that is what we believe about InstaDent. Any other initiative you want to name? Because internally we have a lot of initiatives.

Abhishek Chowdary Kanithi: So, Smileworks is positive, but it is still in, not the pilot stage, sorry, you are running it at one place and you are still learning from the behavior?

Dr Vikas Aggarwal: Yes.

Abhishek Chowdary Kanithi: Okay. Thank you very much, sir.

Dr Vikas Aggarwal: Thank you.

Esha: Thank you Mr. Abhishek. So, our next question is from Mr. Shivam. Mr. Shivam, kindly unmute yourself.

Shivam Dugaya: Thanks for the opportunity. My question is on the dental product sourcing side. Can you please share the current split between sourcing from direct manufacturers versus from distributors?

Dr Vikas Aggarwal: Shivam, we don't have the exact numbers yet to disclose publicly, but significant purchases are happening from the manufacturers, and going forward the strategy is to tie up with manufacturers directly. We have seen that when a manufacturer directly ties up with us, we have better warranty support, better product knowledge and scientific support. We can run webinars together on products. We will have a better understanding of the products. They can provide trainings to our team, and our team can directly tell them how to grow the business, what is wrong and what is right. So, the direct manufacturer tie-up always works well for both sides, and going forward the direct tie-ups are increasing with time.

Shivam Dugaya: Okay. One more question I have. Are the own brand products entirely sourced from domestic sources or are they imported also?

Dr Vikas Aggarwal: For own brands, it is a mix of both. For a lot of products, we do contract manufacturing from Indian manufacturers. For example, for some brands like Waldent, part of the products are contract manufactured in India and part come from outside India. So, it's a mix.

Shivam Dugaya: Okay. That's fine. Thank you.

Esha: Thank you, Mr. Shivam. Our next question is from Mr. Ankur. Mr. Ankur, kindly unmute yourself.

Ankur Gulati: Thanks. Somehow the flywheel on the revenue side is still a bit slower than, let's say, we were anticipating. The average order value has gone up by 12%, total revenue by 19%, which means the increase in customers is about 7%. Can you help us more on these two levers? You have spoken a bit about average order value, but what's the thought process on increasing the customer count? There is also a comment in the presentation about the two to three lakh customers which you have touched upon, and that you are going back to them now. So, how do you see winning back more of those customers and eventually leading to a higher customer count?

Dr Vikas Aggarwal: Thanks Ankur for the question. I agree with you that the revenue flywheel is not doing what we anticipated or expected a couple of years back. But there are so many initiatives and so many things happening inside which are not showing results in the numbers immediately. If things start clicking, I think we will take off from here very soon. Just telling you a few numbers, for example, the scanner sales did not happen in the last quarter as much as we anticipated, and some of the large equipment sales did not happen. So, we could have done ₹10 crores extra last quarter, but we didn't because several things did not click. Several things clicked as well, but a lot of things did not click. So, it's a dynamic market situation. Something or the other leads to some benefit or some loss somewhere. We are also learning this. We are not 100% sure what the revenue will be next quarter or the quarter after that. We just give an optimistic projection from our end of what is going to happen and try our best to achieve that. Regarding the second question, can you please repeat it?

Ankur Gulati: There is a comment that you have touched upon 3.1 lakh dentists out of 4 lakh. Just help me with the current active customer count out of this 3.1 lakh, and when do you see getting back, let's say, 20 to 30% of those 3.1 lakh?

Dr Vikas Aggarwal: We are looking at retention of the customers. Internally, I have asked my team to stop acquiring new customers or old customers and first focus on correcting the customer service, first focus on the delivery timelines. There is still some work to do on the delivery timelines and customer care, but with the help of automation a lot of things are happening very fast. So, we will be in a position to get all the old customers back very soon. What we feel is that the old customers who already understand the culture, who already understand how to buy a product, how to get a product repaired or serviced, how to coordinate with our teams and how the app UI/UX functions, are easier to train to buy long-term with us. 3.1 lakh customers have ordered from us overall in our history. Every month, close to 50,000 customers currently buy from us. In the last financial year, 1 lakh 44,000 customers bought from us. The rest of the customers, the difference between 3.1 lakh and 1.44 lakh, did not buy because they didn't find value in ordering from us. What are those values? Either the delivery timeline, or the right customer service they expected, or maybe the right products they were looking for were out of stock. So, we are working on all those dimensions, and once we are sorted on those fronts, we will try to get all of those customers back.

Ankur Gulati: Dr. Vikas, there is another comment that the annual consumable consumption per dentist is ₹1.2 lakh, and you did roughly ₹11,500 for this quarter. So, if I annualize, you are at roughly ₹48,000, which means a 30 to 40% market share wherever you are catering. Is that a correct assessment?

Dr Vikas Aggarwal: There's just a small thing which you missed there. The overall revenue we did from a customer was a mix of equipment, instruments, consumables and lab equipment. So, it's a mix of all of that. We are not giving a bifurcation of everything publicly because of competitive reasons, and we are too small right now to disclose everything, but you can consider 50% of that as consumables.

Ankur Gulati: So, you are catering to around 20% of the annual consumable demand of the current customer base of about one lakh customers. Is that correct? There was one more comment there that you are awaiting some approval for licensing. So, any progress on that?

Dr Vikas Aggarwal: I'm sorry, I did not mention anything like that in the presentation actually.

Ankur Gulati: Just one second. You said there is a CDSCO medical device import license which will take 12 to 24 months. What is that reference?

Dr Vikas Aggarwal: Yeah. So, I was explaining why the inventory build-up has happened and why we are not shying away from buying inventory. Inventory is a balance between the stockouts, the future demand and the compliance as well. When we get a license for a particular category of product, we place orders with manufacturers who come with an MOQ. So, when we launch a new product, it takes time to sell for the first time. That was the context.

Ankur Gulati: Okay. Lastly, on the cost saving on the operating expenses below gross profit: let's say revenue stays wherever it is. Do you still envisage this four to seven percentage points of cost saving or not?

Dr Vikas Aggarwal: At the current revenue, it will be difficult, I think. It will come with scale, as revenue grows. In fact, when we grow from ₹280 crores to say ₹380 crores, there will be a lot of benefit in the costs which are happening. So, as the revenue grows, we will see a lot of unit economics improvement.

Ankur Gulati: Okay, thanks.

Dr Vikas Aggarwal: Thanks.

Esha: Thank you Mr. Ankur. I hope all your queries are resolved. Our next question is from Mr. Amit. Mr. Amit, kindly unmute yourself. You are not audible sir. Are you there?

Dr Vikas Aggarwal: Let's take the next hand and we can take Amit ji later.

Esha: Yes. Amit ji, you can drop the call and rejoin so we can take you again.

Amit Jawade: Hello. Am I audible?

Esha: Yes, you are audible.

Amit Jawade: I'm so sorry, there was a problem from my end. Apologies for that. Sir, my question is on the number of orders. There has been a decline in the number of orders. I understand you have given an explanation that the value per order has increased but the volume has decreased. So, from a reader's perspective, is it right to say that we have achieved the optimum of order volumes and henceforth the growth will be more from an increase in value per order rather than the number of orders?

Dr Vikas Aggarwal: No, no. We are far away from reaching that stage. We are in a very nascent stage, but I'll ask Shahid to take it first and then I'll add some points.

Md Shahid Shams: Sure. Thanks Amit for asking that question. So, as Dr. Vikas mentioned earlier, currently our focus is to increase the revenue per user, and that means increasing both the revenue from the customer and the order frequency we are getting. So, AOV becomes a guardrail. Therefore, what you would expect from here onwards is how we can increase the orders from customers at a particular guardrail of AOV. Hope that answers your question.

Amit Jawade: Okay. What is your target of volume increase in terms of quarterly orders?

Dr Vikas Aggarwal: I think we can easily reach one lakh orders a month soon, and the main thing here is to have a higher wallet share from the customer. So, adding the right product in the right city at the right time is the challenge, and we are trying to build a brain behind it. We have all the data available, Amit, to build that brain. It is about the time it takes to build a brain behind the right sourcing, the right availability and the right pricing of products. We have been building data for the last 10 years on the behavior of the customers, on what price points and what products a customer wants, an overall customer 360. So, it is about using it right going forward. I feel there's a huge potential to increase the number of orders and the revenue per user going forward. It is about our capability actually: how much we can do, what kind of a team we have, what kind of thought process and vision we have. The market is huge and the potential is huge, according to me.

Amit Jawade: Okay. A few more questions. One is on digital dentistry. There is a slide dedicated to that, slide number 17. As a non-dentist, I just want to understand what all Dentalkart does. Does our role start after the scanning is done and we do the back end, like the laboratory work, or do you also provide the scanner as a service? Because I understand there are third-party service providers who come to dental clinics with handheld scanners and do the scanning part. So, does Dentalkart do that, or does Dentalkart's work start after that stage?

Dr Vikas Aggarwal: So, Dentalkart educates the doctor about what a scanner is and, compared to the alginate or agar-agar impression materials traditionally used, why you should buy a scanner. Then Dentalkart sells the scanner to the customer, installs the scanner and teaches them how to use it. Dentalkart sells the software which will design the crowns for the clinic. Dentalkart also sells the scanner and the software which the scanner-as-a-service company uses to provide to the dental clinic. So, Dentalkart sells that whole ecosystem, and Dentalkart also partly owns a lab which provides scanner as a service to dental clinics directly. After scanning, a printer is required to print the models; that is also sold by Dentalkart. There is a metal printer called a DMLS machine, which is bought by dental laboratories to make crowns and bridges; that is also sold by Dentalkart. Then there are raw materials and consumables like the powders and resins required for that, which we have also started selling in the digital division. Then there are a lot of other small consumables required in the whole digital department; that is also sold by Dentalkart. There are a few products which are still missing, but slowly the whole digital armamentarium is becoming available on Dentalkart and will be sold by Dentalkart.

Amit Jawade: But sir, wouldn't the person who comes to the clinic with the scanner hijack the rest of the business from the dentist? He will take the scan, and then it's very easy for him to give the rest of the service as well, and that business then doesn't come to Dentalkart.

Dr Vikas Aggarwal: That is possible if they decide to do that. Currently, labs are selling scanner as a service, and they have to buy the products somewhere to provide to the clinic, and Dentalkart can be one of those partners in future to provide them with those products.

Amit Jawade: Okay. You have made a comment that only 4% of Indian clinics are digital. So, as a sub-question, what is our estimate of total dental clinics in India? And does this include the complete Indian dental clinics or only metros?

Dr Vikas Aggarwal: So overall, in India, according to our estimates, there are 2 lakh 87,000 dental clinics, and according to the National Dental Register there are close to 4 lakh 10,000 dentists in India. Apart from that, there are one lakh dental students in India, and apart from that there are close to 50,000 other dental professionals like dental technicians, mechanics and assistants in India, not counting the assistants who work in a dental clinic who are not registered.

Amit Jawade: Understood. And sir, when you say about 4% of Indian clinics are digital, do you mean that 4% of dental clinics own a scanner? What about the clinics who have access to a digital scanner but don't own it? So, what is included in the 4%?

Dr Vikas Aggarwal: Only having a scanner doesn't mean the clinic is digital. By digital, it means whether they have the other armamentarium also. The scanner is the gateway to digital dentistry; we cannot count it as the clinic having become digital. According to my personal estimate, and it can be wrong or it can be right, I feel that 30% of the clinics in tier one cities have a scanner right now. In tier 2, 3 and 4 cities, the number is below 10%, and it varies city to city as per our data. How I know it is that the products which a customer buys tell a lot about what other products they use. If you are a dentist and you have bought 20 products from me, I know the rest of the 100 products also which you might be using, because a lot of products are related to each other. So, when you consistently buy from me over the years, I have a profile about you, so that I can recommend the right products at the right price to you going forward. So, based on these estimates, I feel that it is 10% in tier 2 and 30% in tier 1 for the scanner only, and for overall digital, the right estimate from our end is 4%.

Amit Jawade: Okay. As a last question, could you talk a little bit about the competition in India to Dentalkart and how you see the competition? Are they catching up? Are they also gaining ground? What are their strengths as compared to Dentalkart? There are some names that I generally hear of, and there are also many new websites which have come up.

Dr Vikas Aggarwal: Correct. So Amit, there might be many competitors. I know many names and there are websites coming up every day. I don't want to name anybody. My best wishes to everyone, but there will be only one Amazon going forward, and I feel it is us, based on the industry expertise, the intimacy with the industry and the understanding of the behavior, which is very difficult to replicate. Secondly, there is a network effect we have built in our app and our website: you come to read news, you come to read magazines, you come to explore products. The highest assortment of products that we have built is our biggest strength and very difficult to replicate. The licenses we have obtained from multiple licensing authorities are also a big strength. So, it is not impossible to do, but it is difficult to catch up, and by that time I am also working day and night to grow this company. So, that is my take on it. And I think the biggest competition is the traditional market. That's what I said previously in this call to one of the gentlemen: the biggest competition is the offline market, which is also the go-to source for the majority of dental clinics in tier one cities right now, and we are highly under-penetrated in the tier one cities of India. So, going forward, I see a very large room for growth for us.

Amit Jawade: Okay. And has one of the large offline distributors also started selling online?

Dr Vikas Aggarwal: I don't think so.

Amit Jawade: They have a website and they have listed products for purchase online. I understand they are very strong offline, but if they also come online, do you see that as a trouble for Dentalkart?

Dr Vikas Aggarwal: I don't see any website opening by any dealer or any company as a trouble. I see it as a learning opportunity for us to work upon. There are a lot of things which we know about ourselves which we can improve, because we will grow manifold from here. So, why worry about anybody else? Secondly, all the dealers who are offline have a website and they list their products, and it has been there since I started. Opening a website and listing products is not online. There's a lot of science in selling products online.

Amit Jawade: Understood. All right. Thank you, sir.

Dr Vikas Aggarwal: Thanks.

Esha: Thank you so much Amit ji. So, in the interest of time, this is the last round of questions that we will be taking. There are questions from three investors. I request the investors to kindly keep their questions short. Mr. Swaraj, you may ask again please.

Swaraj Mehta: Hi, thank you for the opportunity again. I just had one question with reference to what you were talking about earlier. When Amazon and Flipkart first came, people used to check prices online before buying, and now I think the same is happening with Dentalkart; people check prices on Dentalkart before buying. But talking to various dentists across the country, we noted that many times a dealer matches those prices and the dentist buys from the dealer instead of buying from Dentalkart online. I'm sure you have noted this too. Just wanted to know what efforts are being taken to mitigate that. It's almost like products are being put in the cart but not checked out.

Md Shahid Shams: Shall I take that question?

Dr Vikas Aggarwal: Yes, please.

Md Shahid Shams: So, as Dr. Vikas was mentioning, we have built a lot of intelligence on the behavior of the customer, and I believe that more than selling products online, we are in the business of shaping habits: taking what the customer is already habituated to, replicating that online and getting that customer hooked to our website and app. So, with that intelligence, we are building the right loop for the customer, so that even if he has added to cart and not purchased, we bring that customer back and ensure that we give the right levers to convert, give him the right experience and the right reason to believe that the experience with Dentalkart would be better than anywhere else. Does that answer your question?

Swaraj Mehta: Yes. Good.

Dr Vikas Aggarwal: Adding to that, Swaraj, 95% of the dentists of India have the Dentalkart app installed on their mobile phone, and they come to the app at least once a month to check prices, and they sometimes add products to the cart to see the final price. In the last quarter alone, add-to-cart was close to ₹500 crores, and the sales we made are in the numbers. So, there's a huge difference between add-to-cart and the final conversion. We don't want to push hard with a lot of discounts for them to convert. We are finding different ways to convert it,

and we have done it in the past. We don't want to be desperate about it, but slowly we will get all that.

Swaraj Mehta: Got it. Thank you so much, and congratulations on the stellar recovery that we have shown quarter on quarter. It's very heartening to see. Thank you so much.

Dr Vikas Aggarwal: Thank you.

Esha: Thank you Mr. Swaraj. Okay, the next question is from Mr. Shubham. Mr. Shubham, kindly unmute yourself.

Shubham: Yeah. So, I just had one more question. I see the average delivery timeline kind of flattening at 4 days, and I remember a few quarters back we were promising to take it to 2.5 to 3 days. That would, in my opinion, have shifted a lot more products which are bought from offline dealers to Dentalkart, because my cousin is also a dentist and there is a requirement for instant delivery in tier two towns, I'm talking about. So, what's our plan for that? Because I see the delivery timeline flattening and the number of orders coming down.

Dr Vikas Aggarwal: Yes. I want Mayank to take this question, and then I'll add some points.

Mayank Bawari: Yes. Hi Shubham. So, on the first part, that deliveries have been flattening around 4 days: there has been an improvement of around half a day that we have seen month on month. The reason the number seems a bit flat right now is that we are comparing it against a quarter where the Amazon sale is happening, so the data seems a bit off. But effectively, for the first three weeks of October we saved around half a day, and we saved around half a day against June. So, we saved around 0.9 days overall on the deliveries. Besides that, we have added two more channels, that is same day delivery and next day delivery, to bring down the delivery timelines from four days by adding a few more channels that are faster. The third part is that we will be going deeper into the network in the country so that we should be able to get to each and every customer in the country in about 2 days. So, that is the overall plan.

Dr Vikas Aggarwal: And what you see, Shubham, is the national average. I agree that I have said in the past that I would like to take it below 2 days or below 3 days at different points of time, but it is the long tail which actually increases the average. If we see only the tier one cities, the delivery average is 2.6 days, but if we bring Nagaland and Ladakh into the average, it increases a bit. So, internally, if we segment it tier-wise, there is improvement which we can see. I agree that we could have done better. Your suggestion is taken; we will focus on improving the timelines, and that is our own priority as well. But for certain segments, or for certain durations of the year like Diwali and Navratri, or the big sales by Amazon or Flipkart, the logistics partners cannot give us priority because we don't have our own fleet. That will be a bit of a disadvantage going forward. But I think this number will go down with time.

Shubham: Sure. That's what I wanted to know. I mean, the priority still remains to take it down, right?

Mayank Bawari: Yes.

Dr Vikas Aggarwal: Yes.

Shubham: Okay. Thank you.

Esha: Thank you Mr. Shubham for your question. So now our last question is from Mr. Abhishek. Mr. Abhishek, kindly unmute yourself.

Abhishek Chowdary Kanithi: Sir, based on what I could understand, and I'm new to this company, you are focused on the digitalization of labs, serving the dentists of our country and focusing on the users on the platform. So, what was the rationale behind Smileworks then? Because there you are trying to cater to a different set of customers, right?

Dr Vikas Aggarwal: Not actually, Abhishek. We are catering to the same set of customers we are currently serving from Dentalkart. A dental clinic buys products and services. They buy products from companies like ours and they buy services from dental labs. So, Smileworks is a dental lab. Dentalkart provides products and Smileworks can provide services.

Abhishek Chowdary Kanithi: So basically, dentists who don't have the investment capability to put up labs might come to you. So that is the plan?

Dr Vikas Aggarwal: No, not only the investment capability. Dentists are not actually meant to have their own labs in the clinic. It is not economically viable and there are very low chances of ROI on that investment. To have a good lab setup, it takes close to ₹40 to 45 lakhs. Then manpower is required for designing and doing the manual work. For that, they have to hire another person.

Abhishek Chowdary Kanithi: So it's more of an upselling thing.

Dr Vikas Aggarwal: Yes.

Abhishek Chowdary Kanithi: Okay. Thank you, sir. Thank you very much.

Dr Vikas Aggarwal: Thank you.

Esha: Thank you Mr. Abhishek for your question. So now, in the interest of time, we shall move forward to conclude this investor call. If any question remains unanswered for any investor, I request them to mail at cs@dentalkart.com and they will get the answer in due course of time. And now I invite Dr. Vikas to kindly deliver the closing remarks.

Dr Vikas Aggarwal: It has been a wonderful session. There were a lot of good questions. There were a lot of questions which I might not have answered to your expectations. So, I'll think more on what can be better answers to every question. Just one thing I want to tell all of you is that there are a lot of things which we are also figuring out, there are a lot of things which we are also learning every day, and I feel that there's a lot of runway and a lot of potential in what can be achieved. It is only about my capability and my team's capability of how fast we can deliver the results or the numbers you expect. Thank you so much for your time and a very Happy Diwali to all of you. Thank you.

Md Shahid Shams: Thank you everyone.

Esha: Thank you so much sir. And now this conference call is officially concluded. Thank you to the management and the investors for your time. Thank you all.