healthX
Innovate. Heal. Thrive.

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Date: 17-08-2026

To	**To**
The General Manager	**The Manager**
Department of Corporate Services	**Listing Department**
BSE Limited	**National Stock Exchange of India Limited**
Phiroze Jeejeebhoy Tower	Exchange Plaza, Bandra Kurla Complex
Dalal Street, Mumbai - 400 001	Mumbai - 400 051

Ref: ***BSE Scrip Code: 533259; NSE Symbol: HEALTHX***

Dear Sir/Madam,

Subject: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of Earnings Conference call for Q1 FY27

Ref: Our letter dated 05.08.2026 for intimation of schedule of the Earnings Conference Call for Q1 FY'27.

This is in furtherance to our letter dated August 5, 2026 intimating that a Earnings Conference Call with investors and analysts was scheduled to be held on 11th August, 2026 at 4.00 PM (IST) to discuss the performance for the quarter ended June 30, 2026 and updates of the Company.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the transcript of the said call with the Investors and analysts.

Please also find herein below the link of the transcript of the said call that has been uploaded on the website of the Company.

https://healthxplatform.com/Pdf/HXPL_Q1_FY27_Earnings_Call_Transcript.pdf

You are requested to kindly take the same on record.

Thanking you,
Yours faithfully,

For Health X Platform Limited
(formerly known as Sastasundar Ventures Limited)

PRATAP SINGH

Digitally signed byPRATAP SINGH
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SERIALNUMBER=6a38acf8d61293d955d818b2d95dba95f63a20725f3d90094dec69f93829ad46,
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Pratap Singh
Company Secretary & Compliance Officer
M. No.: ACS-24081

"Health X Platform Limited
Q1 & FY27 Earning Conference Call"
August 11, 2026

MANAGEMENT: **MR. B.L. MITTAL – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – HEALTH X PLATFORM LIMITED**
MR. LOKESH AGARWAL – CHIEF FINANCIAL OFFICER – HEALTH X PLATFORM LIMITED

MANAGEMENT: **MS. SOUMYA – GO INDIA ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to Health X Platform Limited Q1 and FY27 Earning Conference Call hosted by Go India Advisors. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Soumya from Go India Advisors. Thank you, and over to you Soumya.

Soumya: Hi everyone, I welcome you all to Health X Platform Limited Q1 FY27 Earnings Con Call. Please note that discussions on today's call may include certain forward-looking statements and must be therefore viewed in conjunction with the risks pertaining to the business.

We have on call today Mr. B.L. Mittal, the Managing Director and CEO, and Mr. Lokesh Agarwal, the CFO. I now request the management to proceed with the opening remarks. Post that, we will open the floor for Q&A. Thank you and over to you sir.

B.L. Mittal: Good afternoon, friends. I am B.L. Mittal. Welcome to the Health X Platform Limited Q1 FY27 Earnings and Business Update Call. We sincerely appreciate your continued trust and support as we build Health X into a technology-led, capital-efficient healthcare platform with a clear objective of making healthcare more affordable, accessible, and trustworthy across India.

Q1 FY27 has been an encouraging start to the year for us. The initiatives that we have invested in during the previous year across RetailerShakti, SastaSundar, geographical expansion, fulfilment infrastructure, technology, and JITO are now beginning to translate into stronger revenue momentum while we continue to work towards improving the underlying economics of the business, building scale with a strong operating foundation.

The strength of our platform today is reflected in the scale we have built. We currently serve approximately 75,000 retail pharmacies with more than 50,000 SKUs sourced from over 1,000 vendors, supported by more than 350 health buddies and 3,500 employees. Importantly, more than 95% of our purchases are sourced directly from pharmaceutical companies without paying any purchase rights, while our purchase return remains below 1%. This gives us a strong sourcing and availability advantage as we continue to scale.

RetailerShakti and SastaSundar both are driving growth now. Our revenue momentum has achieved meaningfully, led by our two core platforms. RetailerShakti grew 48% Y-o-Y, continuing to remain our principal growth engine. While SastaSundar grew 44% Y-o-Y, reflecting a strong B2C business.

The quality of this growth is also encouraging. Within Retailer Shakti, 69.4% of business comes from orders above 2,500 and 42.4% from orders above 5,000, indicating that retailers are increasingly consolidating a meaningful share of their procurement requirements on our platform. This also eliminates the focus on certain customers because the sales are widespread of in thousands of customers.

Similarly, 69.2% of SastaSundar orders are above 1,000, highlighting a healthy consumer basket size, and it also reflects that 30.8% of our orders are going below 1,000 that shows us the capability to serve even the smallest order. Together these platforms provide us with a strong base to deepen customer engagement and build a larger healthcare ecosystem.

We are expanding beyond our existing markets, a part of our key strategy is to replicate this model across geographies. Building on our existing West Bengal infrastructure, we have expanded into Odisha, Bihar, and Jharkhand, while strengthening our northern operations through our Noida infrastructure. We have already deployed sales team and established the logistics and fulfilment capabilities required to penetrate these markets.

The early response reinforce our confidence in this strategy. Importantly, our business is not dependent only on large metropolitan markets. Approximately 67% of RetailerShakti business and 78% of SastaSundar business comes from tier 2 and tier 3 markets. This reinforces our philosophy of inclusive healthcare infrastructure in India, which the India needs and we provide across geographies, across income level.

This demonstrates the scalability of our model and the significant opportunity available in underserved markets where accessibility, affordability, and reliability availability remain important needs.

Our new initiative JITO, which is creating another growth opportunity. That is another strategic initiative, a JITO private label, through which we aim to make quality healthcare significantly more affordable by offering medicines at prices up to 60% lower than leading branded alternatives. We see JITO as an opportunity to simultaneously improve affordability for customers and create an additional margin opportunity for the platform. At this stage, our focus remains on building the right distribution network, establishing customer acceptance, and scaling the business in a disciplined manner.

We are investing ahead of scale while improving economics on profitability. EBITDA stood at INR14.9 crores during the quarter. As we continue to invest on team and in technology-led capabilities across procurement, fulfilment, inventory management, and customer engagement. I would like to reiterate that almost all our revenue is contribution margin positive revenue.

We have consistently maintained that technology investments need to be made ahead of scale, but capital deployment must ultimately be supported by sound economics. Our objective is, therefore, to continue investing in capabilities that can provide productivity and customer experience, while progressively moving the platform towards stronger profitability and capital efficiency.

Our PAT stood at INR2 crores, reflecting the improving underlying economics of the business. Technology and fulfilment are also key enablers. Technology remains central to how we intend to scale the platform. We are continuing to strengthen our platform infrastructure and our existing network complimented by new capabilities in Guwahati, Lucknow, and Udaipur. These facilities will allow us to penetrate deeper into the market.

We have already entered and improve service level as volumes increase. Our fulfilment centers are becoming increasingly automatic and technology-led helping us improve throughout, inventory management, and manpower productivity. At the same time, we remain focused on maintaining a capital efficient model. Our working capital cycle is approximately 28 days, equivalent to roughly 8% of revenue.

This provide us with a strong foundation to scale without proportionately increasing our working capital requirement. Friends, our company is in just infant stage, but this much I can say that the model is established as one of the highest growing company with most capital efficient requirement.

Now I speak about the outlook. Overall, we believe that FY27 can be an important year for Health X. This quarter is the best quarter in the history of the company. We are ahead of the composite sales with Flipkart partnership that entered and ultimately terminated. This quarter we cross the highest turnover which we reported in during our Flipkart partnership era. And this year we believe that should be the best year in the history of Health X.

The investment made during the previous year are now coming together. RetailerShakti is scaling strongly, SastaSundar is recovering, our geographical footprint is expanding, new fulfilment capabilities are coming online, and JITO is gradually building momentum. Our focus for the year is clear: grow the platform, deepen our presence across India, improve technology efficiency, and progressively enhance profitability and capital efficiency.

We are continuously working to launch our AI-monitored RetailAir product for our retailers, and we are scheduled to launch in this quarter. Hopefully in the next quarter we will confirm the success of the project. We believe the combination of our customer network, sourcing capabilities, technology platform, and expanding infrastructure give us a strong foundation to build a large, scalable, and sustainable healthcare platform over the coming years.

With this, I now request our CFO, Mr. Lokesh Agarwal to take you through the detailed financial performance for the quarter ended June 2026. Mr. Lokesh Agarwal, thank you.

Lokesh Agarwal: Thank you, Mittal ji. Good afternoon, everyone. So again, Health X delivered a strong top line momentum in Q1 FY27, with revenue from operations growing more than 58% at year-on-year level to INR440 crores and registering a growth of over 16% on quarter-on-quarter basis from INR378 crores. Gross profit increased by 64% year-on-year to INR34 crores and 24% quarter-on-quarter, while gross margin improved to 7.8% from 7.3% in quarter four of FY26.

Operating profitability also improved sequentially, with EBITDA loss narrowing to INR15 crores from INR20 crores in Q4 FY26 and EBITDA margin improving to negative 3.4% from negative 5.5%. Despite this strong revenue growth, EBITDA remained slightly impacted by higher employee and other operating expenses. At PAT level, the company reported a profit of INR2 crores in Q1 FY27 marking a significant improvement from negative INR13 crores loss in Q4 FY26, although profitability remained below INR26 crores PAT reported in Q1 FY26.

Overall, the quarter reflects a strong sequential operational improvement, with revenue and gross profit accelerating and operating losses narrowing meaningfully. Going forward, the key focus remains on converting this strong momentum and revenue growth into sustainable EBITDA and PAT profitability through operating leverage and tighter cost monitoring and management.

As we move forward, we expect the new geographical markets, additional fulfilment infrastructure, increasing retail penetration and SastaSundar's continued recovery and the gradual scaling of JITO to support further growth. Our focus remains on maintaining right balance between growth, margin improvement, and capital efficiency. With this, I would like to hand the floor back to the moderator for any Q&A from the participants. Thank you.

Moderator: First question comes from the line of Sanchita Sood with Robo Capital. Please go ahead.

Sanchita Sood: Hi, thank you for the opportunity. Sir, my question was that for RetailerShakti specifically, what was the gross margin and EBITDA margin in Q1 FY27?

Lokesh Agarwal: So in Q1 FY27 at RetailerShakti, we are maintaining a gross margin of around 7.8% and EBITDA number we are closer to break even and expect to make positive EBITDA in Q3 this financial year end.

Sanchita Sood: Okay, and sir, any revenue aspiration for FY27 and FY28?

B.L. Mittal: As I said that we do not project on yearly basis, but I can tell you what happened in July. So July, we ended with INR150 crores plus revenue. So you look into the growth, you can now extrapolate the revenue projection for this year and next year. July, we ended with INR150 crores, subject to audit, revenue monthly ARR.

Sanchita Sood: All right, that's all from my end. Thank you.

Moderator: Our next question come from the line of Abhishek Singhal with Perpetuity Funds. Please go ahead.

Abhishek Singhal: Thanks for taking my question. Sir, I first wanted to get some perspective around the gross margin potential of the business that we are building. And, so if you take, how is your private label/JITO panning out in terms of percentage of revenue, how that can ramp up and potential impact of that in gross margin? Because if you compare some of the other listed businesses and look at the gross margin there, they have kind of started reporting almost double-digit gross margin, at the consol level, 10%, 11%, 12% also. So I just want to get some perspective around how this gross margin ramps up for that?

And subsequent to that, if you can, you know, provide some clarity around below gross margin, the current cost structures. How that pan out, and what kind of an operating leverage that we see in this business flowing through as the numbers of quarters roll by? So if you give some directional context around that, that would really help us understand the business slightly much better than we currently do on the reported numbers.

B.L. Mittal: Thank you Abhishek, this is very important question. We also look into these things. So if you see the companies operating in the distribution business, if you see the pharmacy distribution business at gross margin level is a fabulous good business both in terms of retail and both in terms of wholesale. The companies are making good profits and sufficient gross margin I would say healthy margins.

Now if you compare the SastaSundar with others then if you compare at the level of -- because the gross margin is the function of volume. Largely volume, how you procure, at what volume you procure. So at this level, if you compare other companies what they were doing then you will find that the Health X performance is better than any of the competitors. That is number one.

And number two is that coming to the gross margin -- from here it expanded by virtue of one, is by volume, second is by increasing your wallet share of the retailer and third is by increasing the private label. So, private label Jito ramp up I am pretty sure. So we launched in the last quarter of financial year '26 and we sold product of Jito around 25 lakhs. And this quarter we sold around 79 lakhs.

So though these are very minor numbers but the growth is significant. And the gross margin is above 50%. So this Jito revenue ramp up will increase the gross margin. And then, since we are the digital business, so we increase the wallet share very significantly like selling of devices, like selling of OTC products, like selling of health care products, preventive care products of the pharmacies, and thereby we increase the gross margin.

So the gross margin if we see the industry level that taken together of both B2B and B2C, we expect to pan out of around 12% going forward. And down the line we don't look the EBITDA because the main problem of the industry is the depreciation. If you see the beautiful companies, they kill the gross margin earned in their depreciation and the depreciation is the real cost.

So we through digital distribution system, we want to eliminate the depreciation cost and interest cost. And straight away come to the functions whereby from the gross margin to the administrative cost it goes directly to the shareholders' kitty. So similarly our entire philosophy is that we should do the same kind of business as the industry practices are, in a different manner, adding the digital technology capabilities, add the capital efficiency and add the distribution capability, digital distribution capabilities and we are done.

So the capital efficiency along with the digital distribution, digital distribution will ensure the growth comes in a rapid automated manner. And capital efficiency ensures that there is no depreciation and no interest cost and from directly sales it comes to the cash flow. So our focus is not EBITDA, our focus is cash flow from the revenue. Thank you, I hope it is clear, Abhishek.

Abhishek Singhal: Got it. Sir just to expand a bit more on this gross margin perspective, if I remember correctly you right now mentioned somewhere around INR150 crores kind of a revenue for the month of July in your business right? That is both Retailer Shakti and the Health Buddy business put together right?

B.L. Mittal: Yes.

Abhishek Singhal And sir, you mentioned that 70 lakh was more like a quarterly, so what I want to understand is, sir, that you are talking about Jito at like a 50% kind of a gross margin business, so just from a leverage on this perspective, so for example once your INR150 crores top line goes to say INR200 crores a month, in your view what could the Jito contribution be in this or the private label or whatever like, your own push be in that?

And so essentially what I'm trying to arrive at is that, if say your Jito revenue becomes 2% of your monthly sales, it could almost add like a 100 basis point kind of a gross margin expansion right? So how are you factoring that and what kind of say if I were to look at next two, three years as a percentage of sales, be it quarterly, monthly or an annual basis, your -- this part of the business can entail like in the next three years, this could go to 5%, 6% of your top line, some trajectory and direction around that will give us some perspective, sir.

B.L. Mittal: I mean, whatever you are mentioning, Abhishek, I fully agree with that. To that line I think we are working upon that, that much I can say but I mean, it's very difficult to predict anything because we are evolving company. We are an emerging company and we believe that there will be multi more new initiatives coming forward.

But Jito we are quite hopeful and whatever figures you mentioned, we internally -- our working suggest that we will surpass that without mentioning any specific guidelines. So, our internal working, our internal projections, our internal business plan suggests that we will surpass whatever figures you mentioned in your narrative.

Abhishek Singhal: Okay. And sir from a region perspective, can you please help give us some perspective. So if your current run rate in terms of revenue, how much is West Bengal contributing, how much are, say for example, the other parts of India contributing? And the new regions, how are you seeing them ramp up, some perspective around your geographical expansion and the current growth contributors as well, from a region perspective, that would be really helpful.

B.L. Mittal: I'm very happy to announce that the product has been proven in across the market. So from West Bengal, this quarter we expanded to Odisha, Jharkhand, Bihar and Chhattisgarh. From Noida, we expanded to Haryana and UP and Rajasthan. Assam Northeast, we are covering. So 30% is right now out of West Bengal and all markets are giving very good response.

And in terms of the growth, I must tell you that the Northeast is the highest growing entity. This shows that this Tier-2, Tier-3 geography and where -- as per IPM, if you see the Jharkhand is having the highest growth rate. This is happening because the India is changing. This I firmly saying to my internal team that you look the IPM data, that 70 crores , 80 crores new people who hitherto was not taking medicines.

You were talking about the Jito, so Jito is no more a substitution, it is the requirement of those 80 crores people who are coming first time in the pharmacy shop to buy the medicine. So, I am very much hopeful for these new geographies. In Jharkhand we are planning to set up a new warehouse in Ranchi. Patna and Chhattisgarh, so these geographies we will ramp up this year and next year very, very aggressively looking to our success in Assam. And as far as the Assam is concerned, that is the growing very fast and rapidly. So the underpenetrated area has more scope of distribution and has more share of the Jito.

Abhishek Singhal: Okay sir, I will join back the queue. Thank you.

B.L. Mittal: Okay, thank you.

Moderator: Thank you. Our next question comes from the line of Disha with Sapphire Capital. Please go ahead.

Disha: Hello. Am I audible, sir?

B.L. Mittal: Yes, you are audible, Disha.

Disha: Yes, thank you so much, sir, for this opportunity. So sir, for Retailer Shakti you mentioned that we have a gross margin of 7.8% and EBITDA is closer to break even. For the Health Buddy platform, what is the current gross margin and the EBITDA margin level for this quarter?

B.L. Mittal: So actually -- I tell you the SastaSundar we are building, I must tell you what our vision behind SastaSundar. So SastaSundar is the building a B2C business. So there are two ways of building B2C business. One way is that we go digitally, entirely digitally, we have to spend in network, brand acquisition, technology. And if we go physically, we have to spend in retail shops and kill money into depreciation.

So the depreciation model will show you the good EBITDA but the cash flow will not come. The SastaSundar, as per our model, we spend around 15% of building the revenue. So suppose we build a INR200 crores revenue in this year then we have to invest around 15% of that, means INR30 crores. So if you see the current EBITDA loss of SastaSundar, Health Buddy around 90% loss is by virtue of technology built up, that is number one.

The technology built up, I tell you the AI built up is both for Retailer Shakti and SastaSundar as I suggested that we are naturally look for this Retailer. And SastaSundar also we are building AI technology. And second is building revenue because we don't open shops, so the entire building revenue comes in profit and loss account. My humble request is that if you look Health X and if you are investing in Health X, don't look from EBITDA perspective.

We are not an EBITDA positive company for the next two, three years and we neither look the EBITDA from perspective. So EBITDA is not our priority, our priority is building a very, very large company without looking hurriedly EBITDA in SastaSundar business and we will build a solid business with a straight cash flow without killing any money in depreciation. Thank you.

Disha: So sir, these gross margins -- so okay not looking at the EBITDA margin. For the gross margin, I think we were at 9.1% this quarter. What will be the target for the entire year?

B.L. Mittal: Entire year we will be maintaining 8% plus gross margin.

Disha: Sorry?

B.L. Mittal: 8% plus gross margin.

Disha: And what is our eventual target, sir? Where do we want to take this number to, say next two, three years?

B.L. Mittal: As I said that it will run to 12%, from 8% to 12% if you look the industry. See the gross margin is the function where we will be making similar kind of gross margin where industry is working, because the customers pricing and supply, we are buying from the same companies, we are supplying to the same customers.

So, gross margin differentiation will be as per the industry. Differentiation will go by that infrastructure we built and technology and capital efficiency that is the only two factors which will differentiate in terms of return on capital employed, in terms of revenue and in terms of growth.

So the gross margin will be the industry, the industry in B2B is operating around 12% and B2C net off last mile retail shop expenses is also around 12% gross margin. So the gross margin is around 12% and we should achieve that at that scale.

Disha: Okay. And just the last thing from my side. So we have seen revenues increasing, sir, but quarter-on-quarter we've seen a bit decline in the other expenses. So what has led to that?

B.L. Mittal: The other expenses are not declining, as percentage of revenue that is declining. As the revenue increases your fixed cost remains same. So if you see the percentage that will decline. So that is a natural phenomena as the scale goes, the fixed cost remains same and the expenses jump. That is how the company achieves the profitability going forward.

Disha: Okay. That's it from my side, thank you.

B.L. Mittal: Thank you.

Moderator: Thank you. Our next question come from the line of Rohit with iThought PMS. Please go ahead.

Rohit: Good afternoon sir. I hope I'm audible?

B.L. Mittal: Yes.

Rohit: Sir, first of all, sorry, I'm a bit new to your company, so please pardon some questions which may be very basic. So sir, if I were to look at your business right now, so based on your presentation, you're saying that in the last financial year you did INR155 crores in SastaSundar and about INR1,125 crores in Retailer Shakti.

So, I mean, so if you were to sort of double click on both these businesses for a minute, so can you sort of -- so it seems from the outside that SastaSundar is a very different business from Retailer Shakti in the sense that it has to -- the customer acquisition is much more difficult and also you have much more bigger players with deeper pockets. So can you maybe just help us understand like what is -- so if you were to step back and then both these businesses are different, so how are you trying to build it?

First question is, is it different or is it understanding even correct from your vantage point? These are different businesses or is that not so? So, if you can maybe help us understand the nuances of these two businesses in a little bit more detail.

B.L. Mittal: So your question is right. I mean, these are not two different businesses. See, this business is -- one part is the procurement, second part is fulfillment, third part is technology and fourth part is the last level of customer. So the first part, second part and third part both Retailer Shakti and SastaSundar are same.

Now coming to B2C business that you address to, we have a very unique Health Buddy model, which are also Retailer Shakti's customer type, they are also small pharmacies. So, we run a Health Buddy model. And we spend around 15% on building the revenue. So we have estimated that if we say build a INR2,000 crores SastaSundar company then we spend 15% of that INR300 crores. And a INR2,000 crores company we can make 5% revenue accretion that is coming INR100 crores per year.

So by investing INR300 crores, we make INR100 crores per year. So that is a 30% IRR on our investment. That is the pure mathematics of building SastaSundar business. Having said that, because that mathematics coming only because we don't -- we need to invest only in one vertical, that is the customer acquisition and building brand. And then from analyst point of view if you look then you will see -- because it will take certain amount of time, then index itself gives us the comfort.

But if I am going to time 2015-16, when SastaSundar was over 80% business and when we just started Retailer Shakti then the same thesis analysts asked us that why are you building Retailer Shakti? Who will buy without credit? You have a solid business of SastaSundar, why don't you expand, why don't you focus? So you just wait for one, two, three years. Once you start seeing the figures coming, then you get comfort out of that.

Rohit: No, sure sir. I mean your scale up in RetailerShakti is quite impressive and really..

B.L. Mittal: No, no SastaSundar was impressive, SastaSundar business, we sold it. I -- you must appreciate that SastaSundar business was INR500 crores per year business in the same company. We sold Flipkart for INR800 crores. And our company built capital out of that and out of the treasury income of that capital we are investing. So we made huge money out of SastaSundar narrative.

And right now also I mean at any point of time business like SastaSundar, which has a contributing margin business can be sold for by five, six times the investment. So I mean this is a very beautiful business for building a very large scale business with large opportunities, you just need to look futuristic performance rather than putting into scale and see the linear progression.

Rohit: Mm right, understood sir. No I mean so in, so can you just maybe explain the Healthbuddy model? What is the difference here? So I mean is it like typically..

B.L. Mittal: Yes, yes. So, a Healthbuddy model we have explained in the slide also. The Healthbuddy model is that we don't directly deal with the customer. So, we appoint franchisee in each PIN code who don't hold inventory. So, they run the store without inventory. So, they book the customer's order on their shop and whatever order is coming in our app and website at SastaSundar, those are transferred to our central warehouse and we deliver to that Healthbuddy.

So the last mile delivery, the compliance part, the last mile customer engagement part is being handled by that Healthbuddy. So, Healthbuddy is an independent franchisee partner, who is a like a retail store, like a general retail store. So, for us, this the supplies all the retailers, be it Healthbuddy or a general retailer.

So, RetailerShakti supplies to general retailer, SastaSundar supplies to company appointed franchisee partner named Healthbuddy. But all are B2B business for us. Procurement is single, warehousing fulfilment center is single, tech team is single, and management is single. And as I said, we need to spend only 15% of the revenue, while if you see the other companies which are building in this company, because they have to do everything together for B2C business, they have to spend five times more than SastaSundar building JITO. So that kind of leverage -- why should we leave that leverage on table?

Rohit: So sir, when you, so let's say I am sorry, maybe this is a very stupid question but, so let's say when you say that the franchisees don't hold inventory, so how does the customer know that there is a franchisee? So that's money spending you do. So, is there an app on which you will have your franchises listed and the customer acquisition happens on your app and the fulfilment happens by you at the back end and based on the location etc through tech, the nearest person will then get fulfilled? Is that how it is?

B.L. Mittal: Yes, this is a, this is a hybrid model where by -- suppose a Healthbuddy starts, then first thing is he has a opening of his shop. So open, he calls all his friends, all his relatives, so say 100 people gather for tea, samosa party. And from that he starts selling 20 prescriptions to his friends. And then we build a health camp in his area, and he get another 20 customers.

Then we build a customer engagement program in his area, another 20, 60 customers. Then he takes reference and build 100 customers. And 100 customers means 3 lakh sales per year. So, I mean, this kind of data come organically. So there is a twin effort. One effort is from Healthbuddy and second is health from digital capabilities and on ground activation.

So the Healthbuddy has a center in their particular area, that gives comfort and human touch to the customer also, so that is how it helps.

Rohit: Got it. Understood. And sir this 7%, 8% of your revenue which comes from finance is basically your treasury income?

B.L. Mittal: Yes, it is treasury income.

Rohit: Understood. Okay. Okay. Sure sir, I think at this point of time that's all from my side. I'll probably read more and come back for more questions. Maybe I'll reach out to the IR and set up a call. Thank you.

B.L. Mittal: Thank you.

Moderator: Thank you. Our next question come from the line of Amit Mehendale with Robo Capital. Please go ahead.

Amit Mehendale: Thank you. Sir, my first question is again on the burn for SastaSundar. I think we plan to, if I remember correctly, we had spent about INR50 crores and we wanted to spend another INR100 crores in FY27 and 28. I am just wanting to kind of discuss a little bit on the rationale of spending INR40 crores, INR50 crores.

My understanding there is that we don't require too much money for acquiring customers because it's largely a B2B2C model and acquiring health buddies is not very expensive. And from a customer side, the customer comes to us largely for discounts. Because we offer say 20%, 22% discount on a -- so why, so that INR50 crores that we are spending, what exactly does it do for the customer?

B.L. Mittal: No, the large part is that -- the some part of the money goes from building SastaSundar brand. So we are advertising for SastaSundar app in our territories. So that SastaSundar brand is built, so one part is that. And second part is the tech, tech team salary. So tech we are building futuristically. As I said you that RetailerShakti is building a SaaS software called Retail Air, and we are building AI tool for customers based upon counseling, artificial intelligence tool.

So these tools, salaries are being debited in the profit and loss account. And then see the expansion part is also not very easy, as you have seen in our presentation we have given that we have started expanding in new territories like Bihar, Jharkhand, Odisha. So this we don't have an acquisition cost, we are not acquiring any existing revenue.

We are building revenue from our own resources. So we have to put sales team on the ground, so their expenses are debited into new geographies like -- these geographies we have taken. We are building new warehouse in Noida, Guwahati, Lucknow, Udaipur, everywhere require team, everywhere require efforts.

So, and this 47% of growth which will come, there are two ways, either we pay huge premium to outsiders and buy out, then there will be capital allocation and the ROE will be compromised. But the analyst will be very happy to see the good amount of profit. But the capital is gone. And if I say I build at a 10% of the cost, but that 10% cost will be debited into profit and loss account.

And that will be seen in the accounting as a burn. So if you look from my company, my company will look from the capital efficiency model, that these burnings are for generating revenue. See the differentiation part of our company is that we are a company which did not acquire any revenue, rather sold the revenue. And we bought back the shares.

We sold the revenue, built our capital base, and out of the treasury income building business, and we bought the capital rather than expanding and diluting the capital. So these are the two differences. Not a single penny of paid acquisition of a single revenue. Rather we sold 90% of revenue to Flipkart and then again building, and still have crossed that largest quarter in this quarter.

So these are the key differentiators, so these are the magic of capital efficiency which you can realize only after 4-5 years, once you see that how the capital efficiency measures in terms of shareholders wealth.

Amit Mehendale: Right sir, I think definitely, I mean, that it is definitely capital efficient. My just, the point was that the branding or the technology cost that we are spending on AI, at least currently the customer doesn't want AI. I think my understanding is that customer comes to us for discounts. But anyway, do you have numbers for how much we are spending for technology and how much we are spending for branding?

B.L. Mittal: That is the -- I myself asked this questions to -- I was an analyst at Microsec when I was running financial company, and I was fool to ask these things to Infosys call that why you -- why are you investing in AI? So I mean, these questions are normal, but you look -- you have to look the futures. And we are looking the futures.

And not today, but once after 3 years all of a sudden you will find that yes, the customer needs AI, the customer needs counseling. And it's not that customer needs AI, customer does not AI. Customer needs counseling. The retailers are not required to adopt the AI. Retailers are required to minimize the inventory. And that minimization can be done by the automation of AI.

Probably our Retail Air tool they will not understand that this is an AI tool. But they will definitely understand that it decreases their inventory level, inventory investment from 40 days to 4 days. Think about a retailer who does not need credit by automating his retail shop. Everything is automatically connected with RetailerShakti, the order process is automatically, and he has to invest say 10 lakhs in his inventory, that comes to INR2 lakhs in a month, by adopting the new software.

So, these kind of technology is it's not about adoption of AI, but it is adoption of a new facilities, and it automatically happens, all of a sudden it happens. It happens in UPI in India, it happens in your capital market in 2000s as option. So, the option becomes easy when, when consumers see the value of that in their daily life.

Amit Mehendale: Right, sir. Do I get -- is it possible to get a split of that INR50 crores-INR60 crores burn in technology, branding, and customer acquisition?

B.L. Mittal: So, you can say that branding will be around 25% and technology should be around 40%, 45%, and then 30% would be the acquisition cost. So, I mean this is overall estimate, broad estimate, we have not given...

Moderator: Sir, I am sorry to interrupt, but we are not able to hear you management.

Lokesh Agarwal: So, breakup of this burning is somewhere around 25% to 30% is towards marketing and advertisement, while the 40% to 45% goes towards tech related cost.

Amit Mehendale: Right, sir. And my last point or rather a suggestion is to provide P&L by business segments, you know, that will be of great help. If you could split the P&L by SastaSundar and, you know, RetailerShakti separately. And then carve out the -- you know, the one off costs which are the -- which is the burn that we are doing, that will help us to understand, you know, the gross margins and EBITDA much better. Thank you.

B.L. Mittal: Yeah. We are thinking about that, but right now what is happening, the 2/3 of the activities like procurement, fulfilment, and tech are so integrated that carve out is not becoming possible. But we are working upon that, we are working upon our tech adaptabilities. Once it is ready we will start giving you the separate figures.

Amit Mehendale: Right, sir. And if I may, you know, add just one last point, you know, at least our understanding is that, you know, the burn, you know, the market cap of the company is definitely, you know, if you compare with the scale at which we are growing as well as the cash that we have, you know, definitely, you know, there is a lot of scope for improvement on the market cap. But I guess the -- you know, our understanding at least is that the burn, you know, for 2 years is delaying the, you know, eventual discovery, price discovery. So maybe, you know, if you could just think about that, it will be helpful.

B.L. Mittal: So, definitely we will do that. We will do the appropriate disclosures which helps you to understand the investors, but we will expand the so-called burning, but we will continue to burn and continue to invest in technology, because we are in infancy stage, we have not reached out. So, we will not stop our investment in technology, maybe more and more, so -- but definitely we will disclose it appropriately.

Amit Mehendale: Thank you, sir.

B.L. Mittal: Thank you.

Moderator: Thank you. Our next question come from the line of Ramesh with SJ Investments. Please go ahead.

Ramesh: Hi, sir. Thank you for the opportunity. Am I audible?

B.L. Mittal: Yeah.

Ramesh: Yes, sir. So, I just wanted to understand, you mentioned in the past that like our last few con-calls, you mentioned that in a year or 2, we'll probably reach EBITDA break even. While now we are extending the timeline by 2 years to 3 years. Like can I exactly -- like, sorry, I joined the call a little later, could you explain why are we postponing that timeline to a little later?

B.L. Mittal: No, we are not postponing. The RetailerShakti we earlier said that we will achieve the break even this year. We are near to break even and because the burning is coming by virtue of our

B2C business, we have never said that taking together B2C we will achieve the break even in the current year.

Ramesh: Got it, sir. So, can you exactly tell what the exact burn is just for SastaSundar, I understand you tech cost and marketing cost, could you just add to business -- could you explain how much the burn is?

B.L. Mittal: So, we will as I earlier I fully explained the methodology of the burning and we will figure out that to properly disclose segment wise investment from the time, then we are able to segregate the accounting things. Right now, all these are at integrated cost. But definitely we will show you.

Ramesh: Got it, sir. And coming to our warehouses, so we have had an option, like we have multiple geographies setting up capacities and with land acquisition and building usually there are delays with the season I would think. Could you explain what, how are we like progressing forward with these warehouses and where all did we start and like what is the percentage we are done with?

B.L. Mittal: So, the Noida, we have already started and another this 17th August, we are starting the new warehouse only, the Noida is done. And West Bengal is partly done. Guwahati, we have expanded existing capacity by taking new warehouse on rent, and 75,000 sq. ft. this we are starting the construction in next 6 months' time.

Others are Udaipur we have started the construction, Patna and Guwahati we will -- Patna and Lucknow we will start in next 2 months, 3 months. So, these are the 2 years planning everywhere. So, we take on rent and start immediately warehousing, and in the meantime, wherever is we see the good potentiality, we start building large capacity side by side, so that we can shift for the next growth phase.

Ramesh: Sir, so right now, the Guwahati is right now our priority in terms of from converting the rental to our own facility, right?

B.L. Mittal: Yes.

Ramesh: Got it, sir. So, and terms of the JITO response, could you explain like how the market has been taking it? Because I'm just trying to understand overall our brands, we have SastaSundar, Healthbuddy, and JITO, like both have -- has physical footprint as we know, and JITO also has more to it. So, could you explain, are we able to communicate this to the channel properly or has there been a disharmony in terms of anything on the ground?

B.L. Mittal: No. This is -- this, we have communicated very properly. The JITO revenue as I said in my earlier comments, that we started in the last quarter and we sold INR25 lakhs of product of JITO in Q4 FY26. That raised to INR79 lakhs in current quarter. So, these are a very small base figure is very low, but the growth is 200%. So, we see the good potentiality of JITO and good traction of JITO because it is the need of the consumer requirement, and this will grow.

Ramesh: So, is there a timeline in terms of all of them?

B.L. Mittal: Which timeline?

Ramesh: Convert, so we convert I think a few of the Healthbuddies into JITOs right? So, is there any plan to convert all the Healthbuddies into JITO clinics, like JITO pharmacies?

B.L. Mittal: No. JITO, we have already converted 19 Healthbuddies into JITO and 25 are in pipeline. So around 50% of the Healthbuddy will be converted into JITO in next 3 months time. And remaining are shall operate standalone Healthbuddy without JITO. So, these are the timelines for conversion of existing. We are creating a new channel of pure play JITO franchisee partners, we have invited partnership interest, so we are moving ahead in this year, but we have not set the timeline for this. Let the progress come on and then we decide how to measure by timeline.

Moderator: Thank you, Ramesh, I am sorry to interrupt you, but you may please rejoin the queue for more questions. Thank you.

Ramesh: Thank you.

Moderator: Our next question come from the line of Abhishek Singhal with Perpetuity Fund. Please go ahead.

Abhishek Singhal: Sir, thanks for taking my follow on here. I just wanted to get a perspective on our readiness as far as our warehouses are concerned. So, from what I understand currently the way you are scaling your business, you know your current infrastructure, what kind of top line per quarter can it sustain? And you know, how are you thinking about the backend from that perspective?

And also, if you can add that perspective because a lot of automation you had done at your, you know, at your Calcutta, Kolkata warehouse. So, have you replicated that kind of an automation across the board and something around the backend if you can help us?

And secondly on this also sir, if you can please help explain that this last mile delivery, are we having riders with us? You know, how does that pan out, if you can just give us some perspective around that.

B.L. Mittal: Yes, so I must give you that perspective around that. So the first part, I should take, is the automation of the warehouses. So our existing warehouse infrastructure or fulfilment center infrastructure are ready to take up around 100% growth from the current level. So INR2500 crores to INR3000 crores it means next year 2028 we don't have any issue for the existing infrastructure.

After that we require the massive infrastructure as per the growth plans and going to the new territories. So for massive infrastructure, since we are into a pharmacy warehouses whereby you know those are required licenses and those are required more hygiene and more capacity and more locality and more suitability.

So, we don't want to be dependent upon outside warehouses, but want to own the entire logistics and the fulfilment center. We want to make this also as an USP of our company going forward.

And second part is the riders for the last mile delivery. We don't hire third party riders because pharmacy is not selling potato, these are a very delicate things where you know we have to ensure that there is a proper atmosphere in the warehouse system and we don't need to change because we are dealing with 50,000 SKUs.

So, the expiry of the lease means transmission means huge losses and we are into the continuous operations so we can't afford to that. So that is how we are building. And logistics all the riders are on our payroll and we treat them very nicely, we provide them all the benefits whatever is applicable to our full-time employee and happy about that.

Abhishek Singhal: Got it sir, thank you very much.

Moderator: Thank you. Our next question come from the line of Preet Shah from Canny Art Home. Please go ahead.

Preet Shah: Mittal sir, Preet here, so firstly many thanks for the strong numbers and for continuing to walk the talk. And the vision and ambition are remarkable for building such a futuristic AI enabled and forward-looking company. So, thanks for that.

The question that I have, what is the current capacity utilization and what is the maximum revenue can be achieved with existing infrastructure? And the second question is are we facing any issues with the authority or permitting or anything for any upcoming warehouses?

B.L. Mittal: So, we are not facing any authority problem or any licensing problem for any of the warehouses, those are fully compliant and issued. And as I said that from there are three parts of the fulfilment center capacity expansion. One is the pure existing, one is the existing plus, that is already inside by side extension you can say.

And then third is building capabilities. So, existing we are running about 90% of the capacity, but you save the existing plus sideway extension that will cover another 50% to 100% of our revenue. So up to INR3000 crores revenue our existing plus side extension will be sufficient. Then we will need a massive amount of infrastructure development for building a seamless infrastructure into a large company.

And for that we have envisaged the capex plan also, we have started building our new warehouse capabilities. But that will be a strong USP of our company going forward.

Preet Shah: Okay got it, got it sir. Many thanks for this. And sir last question, are we on track with the SEBI approval for this merger and demerger scheme?

B.L. Mittal: Yes, yes, we are absolutely on track. We have started taking questions from stock exchange and replying them. We don't find any problem into anything so far.

Preet Shah: Okay. Thank you, sir. That's all from my ends, many thanks.

B.L. Mittal: Thank you.

Moderator: Thank you. Ladies and gentlemen, we'll take the last question from Neelam Punjabi with Perpetuity Ventures. Please go ahead.

Neelam Punjabi: Thank you for the opportunity and congratulations on some great set of numbers. Sir, my first question is, you mentioned that 70% of our revenues is from West Bengal. So, what's the current market share that we have in the region and what is our target for this market share in the next three to four years?

B.L. Mittal: Current market share in Kolkata and West Bengal should be around 3%, 4%. In next two, three years we want to make it double from here, so say 7%.

Neelam Punjabi: Got it. And sir, my second question is in the Retailer Shakti business, out of 75,000 retailer pharmacies that we have as per the deck, how many are active transacting pharmacies? And what is our current wallet share right now?

B.L. Mittal: Active, I mean, almost all registered do some transactions in a period of one year. But if you say last 30 days, pure super active, then 40,000 pharmacies are active in last 30 days.

Neelam Punjabi: Got it. And sir what would be our average wallet share with these pharmacies?

B.L. Mittal: So somewhere around 2% would be the average wallet share.

Neelam Punjabi: Okay. And what's our target in terms of getting additional wallet share from these existing pharmacies, any number that you have in mind?

B.L. Mittal: The target is the mainly as I said that this AI enabled SaaS, we are launching Retail Air. So once we launch the Retail Air, our entire target is to eliminate the inventory requirement at the pharmacy level.

So suppose a retailer is keeping inventory of 30 days, our target is to eliminate that from 30 days to five, six days because we guarantee the next day delivery. So, we want to automate that, and the wallet share we want to increase the double of each retailer. So these things we will start working once we launch this Retail Air software, AI based SaaS in the next quarter.

Neelam Punjabi: Got it. That's helpful. Thank you so much, and all the best.

B.L. Mittal: Thank you.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for the closing remarks. Thank you, and over to you.

B.L. Mittal: Thank you, friends, thank you so much.

Moderator: Thank you. Ladies and gentlemen, on behalf of Health X Platform Limited, that concludes today's conference. Thank you for joining us, and you may now disconnect your lines.

Lokesh Agarwal: Thanks, Somya for arranging the call. Thanks everyone.