“Credent Connect N Care Limited
H1 FY27 Earnings Conference Call”
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MANAGEMENT: **MR. TARUN SHARMA – MANAGING DIRECTOR AND CHAIRMAN – CREDENT CONNECT N CARE LIMITED**
MR. SACHIN SHARMA – CHIEF FINANCIAL OFFICER – CREDENT CONNECT N CARE LIMITED

MODERATOR: **MR. SUYASH SAMANT– STELLAR IR ADVISORS PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Credent Connect N Care Limited H1 FY27 Earnings Conference Call. 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 this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

And now, on the conference, over to Mr. Suyash Samant from Investor Relations Advisor. Thank you and over to you, sir.

Suyash Samant: Thank you. Good morning, everyone and thank you for joining us today. I have with us today the senior management team of Credent Connect N Care Limited, Mr. Tarun Sharma, Managing Director and Chairman, and Mr. Sachin Sharma, Chief Financial Officer, who will represent Credent Connect N Care Limited on the call.

The management will be sharing the operating and financial highlights for the half year ended September 30, 2026, followed by a question-and-answer session. Please note, this call may contain some of the forward-looking statements which are completely based upon the company's beliefs, opinions, and expectations as of today. These statements are not a guarantee of the company's future performance and involve unforeseen risk and uncertainties. The company also undertakes no obligation to update any forward-looking statements to reflect developments that occur after the statement is made.

I now hand over the conference to Mr. Tarun Sharma. Thank you and over to you, sir.

Tarun Sharma: Hi, this is Tarun Sharma. Good morning, everyone. It gives me a great pleasure to welcome all of you to the earnings conference call of Credent Connect N Care Limited. Following our listing on the NSE SME platform in August 2026, this is an important milestone in our journey. And I would like to begin by thanking our shareholders and investors for the trust and the confidence they have placed in us.

I hope you have had an opportunity to review our financial results and investor presentations, which are available on the Stock Exchange and our website both. Since this is our first interaction with the investor community, I would like to provide an overview of our business, our journey, the capabilities we have developed, and the opportunities ahead.

Let me begin with a simple example. Whenever a patient undergoes a blood test, the sample needs to be collected by the trained professional phlebotomist, handled under the appropriate conditions, and transported to a laboratory within a defined time frame. While the actual testing takes place on the laboratory, there is an entire operating ecosystem behind the movement of the sample.

This includes phlebotomy specialized packaging, temperature-controlled transportation, logistic coordination, technology-enabled tracking, and timely delivery. This is a critical part of the diagnostic value chain, and it is precisely where Credent operates. At Credent, our focus is to build an integrated healthcare logistics and pre-analytics platform, which connecting patients, diagnostic laboratories, hospitals, and other healthcare enterprises.

We are not a simply a conventional logistic company. Our business combines specialized healthcare logistics with the trained professionals, technology, and complementary healthcare services. Our objective is to enable healthcare companies to focus on their core activities while we support their collections, their logistics, and their operational other requirements.

Starting with our journey, it began in 2015, when we are incorporated Credent Cold Chain Logistics Private Limited, with the focus on specialized temperature-controlled transportation for diagnostic companies. We recognize that healthcare logistics requires specialized handling, timely transportation, temperature integrity, and coordination across collections and testing locations.

Working closely with the customers, we identify opportunities to support them across the broader range of services. We gradually expanded our geographical network, introduced home collection phlebotomy capabilities, and strengthened our healthcare logistic infrastructure.

Now, our turnover crossed INR25 crores in 2022, INR50 crores in 2023, INR75 crores in 2024. And in 2024, we rebranded ourselves as the Credent Connect N Care Limited Private Limited, reflecting our transition beyond cold chain transportation towards an integrated healthcare logistics and service platform. We further strengthened our capabilities through the acquisitions of Credent Healthcare Private Limited and Credent Team Private Limited in 2025, followed by Alltrak Technologies in 2026.

These developments have expanded our capabilities across healthcare services, clinical workforce management, and technology-enabled operations. Our successful public listing in August 2026 represents another important milestone as we prepare for the next phase of growth.

Today, our business is built around five interconnected services categories. First is healthcare services, which includes home collection, station phlebotomy, on-demand phlebotomy, and preventive health checkup services. These services support diagnostic laboratories, hospitals, and healthcare institutions.

Secondly, we offer a logistic service where we provide intra-city and inter-city logistics through road, rail, air transportation. This includes temperature-controlled and cold chain movement for time-sensitive diagnostic samples and healthcare consignment.

Third, we offer a technology and IT services where we provide technology platform and application support for home collections and sample movement, workforce management, and laboratory operations and other healthcare workflows.

Fourth category comprises professionals and other services which includes advisory services, corporate and wellness programs, technology-enabled operations, support for healthcare organizations.

Fifth, we offer a C3 wellness through which we provide an integrated corporate wellness solutions include preventive healthcare for the corporate, for their employee health checkup, on-site health scan, and diagnostic and consultation. These services are complementary and allow us to support customers across multiple stages of their healthcare operations.

For example, a diagnostic company can engage with Credent for home collections. They also require transportation, cold chain handling, and technology-enabled tracking. Similarly, a corporate customer can utilize our healthcare network for their own employees for their health checkup, preventive wellness programs, and on-site healthcare services.

The strength of our model lies in bringing these capabilities together on a common operating platform, allowing us to support a wide range of customer requirements while creating opportunities to increase business from existing relationships. Over the years, we have developed a Pan-India operating network supported by specialized logistic capabilities and trained healthcare professionals.

As highlighted in our investor presentations, our network covers approximately 19,000 pin codes with over 2,200 plus phlebotomists and association with more than 2,500 laboratories. We have more than five courier partners, approximately 40 train and buses courier connections, and over 35 air routes with delivery capabilities of approximately 10 to 12 hours on the specified air route network.

Our network enables us to support diagnostic companies operating collection centers across multiple locations while conducting specialized testing and centralized laboratory with a focus on appropriate handling and turnaround time. An important aspect of our expansion strategy is that it is closely linked to customer requirements.

As our customers enter new cities and expand their collection network, we aim to support their growth through our existing capabilities and targeted network expansion. We believe our experience in managing these specialized requirements together with our geographical reach and integrated service capabilities provide an important competitive strength.

We have also obtained ISO 9001:2015 and ISO 13485:2016 certifications, reflecting our focus and established quality management processes. Technology is another very important component of our operating model. Our digital workflow spans phlebotomy allocations, patient verification, sample collection, transportation, and tracking.

Through API integrated system, which is based on pin code mapping, GPS-enabled monitoring, and digital tracking, we aim to improve visibility and coordination across the processes. Our technology capabilities also extend to workforce management, training, customer management, and operational oversight.

The acquisition of Alltrak Technologies has further strengthened our capability across routes, optimizations, home collections, sample movement, and other supply chain visibility. As per our business expands, we have technology will play an increasingly important role in improving operational efficiency, managing larger volumes, and supporting consistent service delivery.

And another important strength is our established and diversified customer base. We serve around 280 domestic customers across diagnostic laboratories, hospital, healthcare enterprises, healthcare institutions, and corporate clients. Importantly, no single customer contributed more than 10% in providing diversification across our customer base.

Our relationships are built around specialized execution, timely services, operational reliability, and the ability to support customers across multiple locations. Coming to the industry opportunity, we believe Credent operates at an intersection of healthcare, diagnostic, logistic, and technology.

India's diagnostic service market is estimated at approximately USD11.8 billion in 2026 and is projected to reach around USD20.1 billion by 2030, representing an estimated CAGR of 11.1% according to the industry research reference in our investor presentation. The growth of organized diagnostic service, increasing demand for home-based testing, preventive healthcare, and expansion into the smaller cities are expected to create additional requirement for specialized sample collection and logistic infrastructure.

As diagnostics expands their network, they require reliable partner capable of supporting sample movement across multiple locations. Beyond diagnostic, we also see opportunities across adjacent healthcare segments where specialized logistic and handling capabilities are required.

Our six focus sectors, which includes vaccines industry, pharmaceutical industry, diagnostic industry, clinical trials industry, and contract research organization, plus cord blood and in-vitro diagnostic. These segments represent opportunities to leverage our existing capabilities while progressively expanding our service offering.

Looking ahead, our strategy is built around four important priorities. The first is growing with an existing customer accounts. The second is expanding our healthcare logistic footprint. The third is scaling through technology, and the fourth is strengthening our capabilities through selective acquisitions and talent development.

We will continue evaluating our opportunities that complement our existing business, expand our services capabilities, and support our long-term growth objectives. Now, coming to the roadmap, our roadmap through FY30 is focused on integrating acquired capabilities, strengthening executions, expanding our technology-enabled workflow, developing additional services infrastructure, and pursuing selective organic and inorganic growth opportunities.

We also intend to evaluate international opportunities subject to feasibility. As highlighted in our investor presentation, we are targeting approximately 45% revenue CAGR through FY30 and 5x multiple from the 2026 revenue. This is an ambitious growth objective and our focus will remain on executing our strategy, expanding our customer relationship, strengthening our capabilities, and improving profitability as the business scales.

To conclude, our vision is to continue building Credent into a larger technology-enabled healthcare, logistics, and service platform with a focus on sustainable growth, operational excellence, and long-term shareholder value creation.

With that, I would like to invite our Chief Financial Officer, Mr. Sachin Sharma, to take you through our financial journey and H1 FY27 performance. Thank you and over to you, Mr. Sachin.

Sachin Sharma: Good morning everyone. Our focus has remained on expanding our operations, improving profitability, and maintaining financial discipline as we continue to scale our business. An important milestone in our financial journey was the successful completion of IPO in August 2026.

The IPO proceeds are earmarked towards working capital requirements, investment in our wholly-owned subsidiary, Credent Healthcare Private Limited, machinery-related capital expenditure, debt repayment, and general corporate purposes.

Moderator: I am sorry to interrupt. We are losing your audio. Can I request to get the device closer towards you?

Sachin Sharma: Is it better now?

Moderator: Yes sir thank you.

Sachin Sharma: So I will just repeat again. The IPO proceeds are earmarked towards working capital requirements, investment in our wholly-owned subsidiary, Credent Healthcare Private Limited, machinery-related capital expenditure, debt repayment, and general corporate purposes.

These investments are intended to strengthen our operating capabilities and support our next phase of growth. As of September 2026, we have used approximately INR21.65 crores towards the stated objectives of the issue. Coming to our H1 FY27 financial performance, our revenue from operations stood at INR138 crores, registering a growth of 53% Y-o-Y compared to INR90 crores in H1 FY26.

Our EBITDA stood at INR18 crores, registering a growth of 53% Y-o-Y with an EBITDA margin of 13% maintained in line with H1 FY26. Our profit after tax stood at INR14.65 crores, registering a growth of 95% Y-o-Y with a PAT margin of 11% compared to 8% in H1 FY26. This includes a one-time tax credit of INR1.78 crores, excluding it, the PAT grew 71% to INR12.87 crores.

Coming to our balance sheet and return ratios, our total borrowings stood at around INR22 crores with cash and bank balances of INR74 crores as of September '26. Our debt-to-equity ratio stood at 0.2x in H1 FY27, while the return on equity and return on capital employed stood at 42% and 50% respectively during FY26.

As we move forward, our financial priorities remain aligned with our growth strategy with a continued focus on improving profitability, strengthening cash flows, managing working capital efficiently, and ensuring prudent capital allocation. With that, I conclude my opening remarks. Thank you for your time. We can now open the floor for the question-and-answer session.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Raunak Bansal from Nova Orbit Advisory. Please go ahead.

Raunak Bansal: Hello.

Tarun Sharma: Hi, Raunakji.

Sachin Sharma: Hi, Raunak.

Raunak Bansal: Yes, sir. Good morning, sir. Congratulations on a very good set of numbers. Sir, my question is on the EBITDA margin side. Margins have been around 13% despite like 50% growth in H1. And as revenue scales over like next two, three years, what steady-state EBITDA margin do you believe this business can achieve? Is like 15%, 16% a realistic medium-term target or like there are structural constraints from manpower and logistics cost? Could you like highlight on this aspect?

Sachin Sharma: The EBITDA margin, what we foresee at the moment is that the EBITDA margin would remain stable at 13%, which is at the moment, you know, achieved in the H1. What we expect going forward is the based on the, you know, leverages from the operating working capital improvement as well as the operation cycles, there can be a slight improvement going forward, but that will be all based on the operational performance and improvement on the working capital.

Tarun Sharma: So, we will reach around 15% to 16% of EBITDA margin over the three years.

Raunak Bansal: Okay, sir. I got a fair idea. Sir, secondly, could you share the like relative profitability of like the different segments, healthcare services, logistics, as and how will this mix evolve? Which segment do you think is expected to contribute the most incremental EBITDA over like two to three years?

Tarun Sharma: So, we are targeting two industries specifically. One is called as a wellness industry and second one is called as a collection industry. Instead of logistics, I think the improvement in profitability and improvement in gross margins at EBITDA plus PAT should become only through the healthcare services. Because logistics is not as much as profitable because it's a competitive industry again.

So, healthcare services which we are currently doing is a unique kind of process and it's a monopoly kind of, till we say because we are the only one in our peer group as a listed organization. So, we always take a first mover and a national presence advantages from the client. So, including those things, we are giving a better result in terms of from the healthcare and the wellness services.

Raunak Bansal: Okay, sir. Sir, a last question, sir, from my side is? Hello, am I audible?

Moderator: Yes, sir. Raunak, go ahead. You are audible. Raunak, can you hear us? Raunak Bansal, can you hear us?

Raunak Bansal: Hello, I think I lost you for a couple of a few seconds.

Moderator: We can hear you now.

Raunak Bansal: Yes, sir. So you mentioned that in a year we can add two, three enterprise clients and I think Pre-IPO calls you mentioned that, we added a couple of clients. I wanted to know, are there more clients we are talking with in pipeline to add this year or the coming year? And what impact

does like one enterprise client have and on our overall business, especially in the healthcare services?

Tarun Sharma: So, one enterprise client is giving us approximately INR12 crores to INR18 crores of revenue in a year. And the one mid-size client is giving us the revenue of INR4 crores to INR6 crores. So, we are adding this year approximately two enterprises new clients for this listing and we are targeting approximately 5 to 10 new clients from the mid-size company. Rest we will generated, we will be expanding with our existing clients only.

Raunak Bansal: Okay. Sir could you just reiterate like have we already added two clients or we will be adding two clients in this year?

Tarun Sharma: It's already has been started.

Raunak Bansal: Okay. Thank you so much for answering my question. That's all from my side. Thank you and all the best.

Moderator: Thank you very much. Next question is from the line of Anupam Agarwal from Lucky Investment Managers. Please go ahead.

Anupam Agarwal: Thank you so much and congratulations on the great set of numbers, sir. firstly, sir, can you call out the mix of revenue for the first half between all the segments?

Tarun Sharma: Predominantly the mix for the H1 is healthcare services around 45.84%. logistic services 24.81%, IT and operational supply chain 29.35%.

Anupam Agarwal: So, this is for the standalone business, right? What about the consolidated Credent Connect?

Tarun Sharma: There is a consolidated, sir, we talk about.

Anupam Agarwal: Okay. Sir, can you help us understand the volume growth that you have seen in this 53% growth and segment-wise, what are the kind of volume growth we have seen?

Tarun Sharma: I didn't get your question please, Anupam.

Anupam Agarwal: Across these segments, can you help us understand what has been the volume growth or let's say the per test growth that you have seen?

Tarun Sharma: No, sir, it's a value growth.

Anupam Agarwal: Do you -- is there a parameter that you see volume growth?

Tarun Sharma: These are value, because we are charging on per collection, per pickup basis, so volume will be increased, that's why only the value should be increased.

Anupam Agarwal: Sir, have you seen that increase that let's say in terms of per test, have you seen the per test realization improving?

Tarun Sharma: Sir, diagnostic company, we are not realizing a per test basis. We are targeting on per patient basis. Per patient, per collection is our collection revenue, per center, per pickup is our logistic revenue. So, we are on the patient number of count and the pickup number of count. The volume is increased, then only the value should be increased.

Anupam Agarwal: Understood. I will come back in the queue, sir.

Moderator: Thank you. Next question is from the line of Arya Shah from Whitestone PMS. Please go ahead.

Arya Shah: Hey, thank you for the opportunity. I just wanted to understand what kind of revenue growth you are expecting in the next two to three years?

Tarun Sharma: A minimum, it's 45% CAGR. We are targeting approximately from INR200 crores of last year revenue tentatively[1], we are targeting 5x up to 2030. So, in terms of a number, it's tentatively somewhere around of INR1,000 crores plus minus 10%, 15% in 2030 and similarly in an EBITDA and PAT margins will be the from the increasing side. So, tentatively, it's around INR100 plus crores of PAT.

Arya Shah: Okay, thank you.

Moderator: Arya, do you have any follow-up question?

Arya Shah: No, I will come back in the queue.

Moderator: Thank you. Next question is from the line of Priyansh from NGP Family Office. Please go ahead.

Priyansh: Thank you. Thank you, sir. Sir, hope I am audible.

Moderator: Yes, go ahead.

Priyansh: Yes, okay. Sir, sorry, can you repeat the revenue guidance, sir? What was the revenue guidance? It was not fully clear.

Tarun Sharma: For future?

Priyansh: Yes. Yes, for next maybe two years, sir.

Tarun Sharma: So, Priyansh, as our previous statement shows that we are running from 45% plus CAGR from last five years, we are growing. Similarly, next five years, we are growing with the minimum of 45% to 50% of CAGR in our business. So, tentatively, last year, we are doing INR216 crores of revenue. This year, we are targeting INR320 crores of revenue and as per the year, we are 40% to 45% in H1 and 55% to 60% in H2, we are doing as per the industry leverage of seasonality.

So, now we are doing approximately INR138 crores of revenue in H1, so we are targeting approximately INR320 plus crores of revenue in this year FY27. So, if you can see the growth, the growth is again a 50% of CAGR from last year. Similarly, by this growth rate, if we are

[1] Management was referring to ~INR214 crores for FY26 consolidated revenue

extending till 2030, so we are targeting INR1,000 crores of revenue tentatively in 2030 with the PAT of 10% after taking leverage and with the PAT EBITDA of 15% to 16% of revenue.

Priyansh: Yes, makes sense, sir. Sir, my next question is on our business strategy, right? Like given that we already have almost more than six 6,000 fleet, right? That is stated in our investor deck. So, I just want to understand the network effects, right? For example, for the given 19,000 pin code that we serve, right? So, suppose we add say next 20 or 50 more customer, right?

Tarun Sharma: So, I give -- one clarity.

Priyansh: Sorry, the last bit like if we add more say 20 or 50 new client, right? What sort of capex do we require to add in terms of fleet or are we running on some sort of capacity utilization we track in our business? That piece I want to understand.

Tarun Sharma: Understood, sir. I got your question sorry. So, Priyansh, we just want to say one thing in the platform. We serve approximately 19,000 PIN code tentatively in a year. But as you see our balance sheets, our documents, our financials, we are stronger in our three to five states as a majority.

So, we need to expand in a Tier 3 and Tier 4 with our clients. So, we need to expand some more cities with the regular services basis. Similarly, we do not require much more capex in terms of Credent because Credent is a low capex company. We do not have as such infrastructure, machinery, so and so kind of thing. We are expanding with the variable cost.

If we are expanding in a city, we will come with the client with taking the minimum guarantee of business, then only we own that city and put some resources there. So, the losses should not be there in the expansions as well. But yes, in terms of operational team, there may be some kind of leverage we will be taking as a cost, as expenses on a burden with the new city launch.

But it's not as such as a huge investment in terms of capex, not as in terms of losses we are expanding. So, if we expand with the numbers of INR1,000 crores, yes, our fleet should be expanding, but not as such as capex. Because we are targeting approximately INR30,000 to INR40,000 of revenue with the one territory once we own, with the one PIN code or a two PIN code kind of thing.

So similarly, we are doing 7,000 fleet with the INR320 crores of revenue. So till the INR1,000 crores of revenue, our fleet size should be around 15,000 to 16,000. Leverage should become, that's why it's a 15,000 to 16,000. If leverage and the bottom should not be improved, then it maybe 20,000 of employment.

Priyansh: Understood sir. So, just a follow-up question sir, in our operation, as you mention, fleet addition is not capital intensive, but in terms of, sir, warehouses and other cold chain storage, right, that is also sufficient, right? You see for that 1,000 revenue target?

Tarun Sharma: Yes. This business model we are not on till today. We are having our sufficient warehouses and offices for the collection business and similarly for the wellness business. It's a logistic business

where we required a bigger kind of warehouses and fleets, with this business we will not expanding this year.

Priyansh: Makes sense, sir. Sir, one question on the acquisition that we did in last year, right? Is it stabilized or is it also now giving us closer to optimal EBITDA margins? Or what is the state in the overall synergy that required?

Tarun Sharma: We are discussing with some of the companies which are similar to our business or the diversification in terms of wellness or the logistics. But we are looking only for the profitable organization by which we can improve our PAT margins and EBITDA margins and taking their some top lines.

But we are looking only for the multiple of 10 to 12 kind of multiple companies with the revenue of less than INR100 crores. Who wants to grow with us, by this strategy only we are looking for some M&As. Till today we don't have any finalizations. If we get it, then we will let you know in a shorter period.

Priyansh: Makes sense, sir. Sir, one small last question, like for the big diagnostic chain, right? Like, all those -- VRL Logistics and all this, so do we have any big customer already onboarded? Or are we right now targeting to smaller one because of our target segment, as you mentioned is Tier 3, Tier 4 cities, right?

Tarun Sharma: Any of the bigger company you had the name in your mind, Priyansh, they all are working with the Credent only. Either it's a Dr. Lal, either it's a Metropolis, either it's Apollo, either it's a Lupin, Torrent, Thyrocare, any of the national company who having a presence more than a patent called as national players, they all are working, including Neuberg with us. LifeCell, Neuberg, Oncquest, Lupin, Torrent, any of the diagnostic companies, we're having association with those.

Priyansh: Okay. Makes sense, sir. Thank you, sir, for this opportunity. All the very best for the upcoming quarter.

Tarun Sharma: Thank you very much, Priyansh.

Management: Thank you.

Moderator: Thank you. Next question is from line of Abhi Jain from A.J. Capital Partners. Please go ahead.

Abhi Jain: Hi, good afternoon. Hope I'm audible.

Tarun Sharma: Yes.

Sachin Sharma: Yes, sir. You're audible, sir. Good afternoon.

Abhi Jain: Okay. First of all, congratulations, sir, on your debut in the market. Congratulations on the great set of numbers. Wouldn't have been a better debut, so congratulations to you and your team.

Tarun Sharma: Thanks.

Abhi Jain: So, since this is the first call and we are new to the company, so the questions would be a bit exploratory to understand the business better. So, I wanted to first understand, sir, you have grown at a fantastic pace of 45% CAGR in the last 3, 4 years. Obviously, you want to grow and you are projecting to grow at the same pace.

I want to understand a bit more nuance of that growth, how you're projecting it, because in the past what I've seen is that there have been two levers of your growth. One is that you have obviously increased your business from your existing customers, and second has been acquisitions. Acquisitions have helped you reach that 45% target in the past.

So, going forward in the next 3 years, do you think that a large part of this 45% CAGR growth will come from deepening relationship with existing customers, increasing volume, or do you think acquisitions and inorganic expansion will also be a big chunk of this growth? That was my first question.

Tarun Sharma: Thank you very much, Abhi, for asking this beautiful question. The numbers which we have committed to you, it's only by the organic growth. We have not seen any inorganic. When inorganic comes in a picture, it gives you more business.

Secondly, now in terms of a business with the 45% of CAGR, wherever the industry is growing only by 11% of CAGR, it means that why we are going growing by 45%, because we don't have as much as competition into the market. So, in a diagnostic industry, what exactly happens, if you see the balance sheet with the listed players like Dr. Lal, like Metropolis, like Krsnaa Diagnostic, Vijaya Diagnostic, and 5th one is Thyrocare. If you see all those five, six, Suraksha, including listed players balance sheets, you see they're expending 20% of their revenue into the pre-analytics.

So, suppose Dr. Lal PathLabs is doing INR2,500 crores of business in a year, so they are spending INR500 crores only on the pre-analytics, which is our core forte. Currently we are only doing INR300 crores of business. Wherever the industry is INR1.5 lakh crores. Organized players should be INR50,000 crores.

If we say INR50,000 crores organized players, that means the TAM for us, target audience and target market for us, is minimum tentatively INR1,000 crores of revenue. And in INR1,000 crores, we are doing only INR300 crores, and we are the leader.

So, there is a huge gap into the market which companies wants that we can do them for their growth. Because if they take their own shoulders, it's a fixed cost to them to expand, which is not giving their leverage to them. And by us, they are getting a variable cost with the leverage with the expansion of the cities. So they want our services, but with the working capital shortfall, we are running with the slow pace of 45%. Now, we get the funds from the IPO proceeds.

You imagine, we just use only INR4 crores to INR5 crores in our working capital out of this INR93.9 crores of IPO till today, because it's the 20th of August, we released the IPO. By 25th, 26th, we can get that escrow's account and all. And September only, we are using approximately INR5 crores from the entire fund.

By this, we are running with the 45% of CAGR. If we get the working capital in a place, we might run faster. So, our vision is clear. Market is open with the INR1,000 crores of valuation when nobody is serving, so that's all.

Abhi Jain: That is quite a beautiful explanation, sir. So, what I'm able to understand on this call and from your answer is that you are in your space a very moated business. Your competitive advantages are too strong to be ignored, and the scale at which you're operating, I think because of the niche that you have in the business, the 45% growth that you're targeting is highly reliable because you yourself are saying that there is hardly any competition in the space which is growing. So that's quite a statement and quite wonderful to hear. Thank you.

Nobody in management is able to articulate their competitive advantage like you have, so that's great. So thank you for that. Sir, my second question is, since you were talking about the IPO proceeds, now I understand that the money that you have raised is to be utilized in the working capital FY28. Given your pace of growth, I understand that you were not able to generate operating cash so far. And maybe generating operating cash might be difficult this year or for next 18 months.

So, do you think that you would need to come back to the market to raise more funds for your FY29 and FY30 growth, or do you think that you are seeing that operating cash flow will start coming in and the growth till FY30 will be self-sustainable? Because with this pace, if you can also generate operating cash, that will be like very solid business model. So, just want to understand that.

Tarun Sharma: Again, there was a beautiful question comes from Abhi. So, I just give you one brief. If we are growing with the organically, we don't require funds from market again. But yes, if we had some inorganic opportunities for M&As and all, we come to the market to raise some preferences and some equity. We will maybe dilute it for the inorganic acquisitions only.

But for organic business, till 2030 we are not looking for the funds. We are targeting with the INR1,000 crores of revenue we migrate to the main board in FY30. That is our reason till today. Because by the enterprises to whom we are serving today, there is a cash flow may be blocked because it's a billing cycle of 30 days, then it comes after 30 to 45 days.

So, our aging in terms of debtors is 60 days. But now we are just launching our one product, is called as On-Demand, which we are going to capitalize this year, by which we are targeting inorganic and patient lab who wants to expand their network, who wants to expand themselves but without taking any fixed cost.

They are still waiting for us, so we are operating our one of the technology for On-Demand, which we are operating with the prepaid model where any of the smallest lab who is located in your near and dear, they can use our platform as a Porter, as an Uber. They book their collections on this. They can book their logistic pickup on this. We are giving them a code, they can recharge their wallet, we can take their money, then only we serve them.

So, we are coming with some kind of prepaid model for unorganized sector as a station lab. Instead of putting our money in the enterprises bank, we are targeting some of the

diversifications with the unorganized players. So, till 2030, maybe we are not looking for the funds from the market again for organic growth.

Abhi Jain: That's quite a bullish commentary, sir. So congratulations on that. One thing I want to just warn you, given that the high expectations that you have set, going forward, if there is any disappointment, margins will really -- I'm pretty sure the markets will appreciate what you're guiding for. And given your business model, I'm pretty sure it's achievable. But I just hope that this consistency continues.

So congratulations, and, Yes, look to discuss more on future calls with you. Thank you so much.

Tarun Sharma: Thank you.

Sachin Sharma: Thank you so much.

Abhi Jain: Thank you for your time.

Moderator: Thank you very much. Next question is from line of Rohit -- sorry, Prashant Sharma from Hem Securities. Please go ahead.

Prashant Sharma: Good afternoon, sir.

Tarun Sharma: Good afternoon.

Prashant Sharma: Sir, I got one clarification that 45% CAGR that you are telling, the long-term growth is excluding the inorganic growth rate, right? Am I right on this, sir?

Tarun Sharma: Yes. You are right on this.

Prashant Sharma: Okay. Sure, sir. And my next question is, sir, what amount of revenue are we clocking from prepaid business? And could you also name out the client that you have onboarded recently?

Tarun Sharma: We have a name on our client is called as Wockhardt, and second one is called as Thyrocare.

Prashant Sharma: Okay. So two clients, we have onboarded in this segment, right?

Tarun Sharma: Yes. It's a private information, but you are from Hem, just only answer this. Otherwise, we…

Prashant Sharma: Okay.

Tarun Sharma: Client names to the platform…

Prashant Sharma: Okay. Thank you so much.

Tarun Sharma: Privacy of the business.

Prashant Sharma: And sir, one more thing I want to know that is, how realization rate are faring from one -- let's say for one patient or test, vis-a-vis normal business?

Tarun Sharma: Sir, again, there was a wrong question. We are not based on the business where the patient cost will be impacting us. If the patient is over for 200 or a patient is over 2 lakhs, we don't bother for the same. We are targeting on per collection model. Whatever is sent to the lab, we don't bother for it. We bother only for our service charge.

Prashant Sharma: So sir, how realization rates are faring in prepaid model or the normal one?

Tarun Sharma: In prepaid model, it should be on a dynamic basis, on a time basis, on a TAT basis, on a frequency basis, on a value what he gives in a month, on those basis. It's totally dynamic like the Uber, like the Ola, and like a supply. But in enterprises it was fixed for per patient, per collection, and a pickup per logistic basis.

Prashant Sharma: Okay, sir. Sir, any average if you can tell us?

Tarun Sharma: Not too yet.

Prashant Sharma: Not yet, sir? Okay, sir, no worries. And that's all from my side, sir.

Tarun Sharma: Thank you.

Sachin Sharma: Thank you.

Moderator: Thank you. Next question is from Raghav Shreyansh Individual Investor. Please go ahead.

Raghav Shreyansh: Congratulations on the good set of numbers, sir. My question has been partly answered. It was pertaining to receivables and the cash flow. I understand, sir, you are hoping to do a revenue CAGR of 45% going forward. So, just wanted to understand, sir, what is the credit period extended to your clients? And any color on cash flow turning positive going forward with such revenue growth rate?

Tarun Sharma: It may be positive. We are tightening our client for the payment terms, and we are improving our cash flows, and we are targeting that we can get that money within 30 or 45 days. So, on our new agreements, new clients, we are not giving them the relief for the 60 days or 45 days.

But yes, our previous clients are there, so we are balancing it out with two or three new formulas. One is for new clients, we are not giving them the credit period more than 30 days. Earlier was a 45 to 60 days and wherever we are targeting a new company with the prepaid models. So, by this mixture of those three, we try to make it on a positive trend and we try to close the aging of the debtors less than 45 days.

Raghav Shreyansh: Okay. Understood, sir.

Tarun Sharma: In future.

Raghav Shreyansh: Yes. And any color on turning cash flow positive by the end of this year or next year, first half?

Tarun Sharma: Maybe by next year, H2.

Raghav Shreyansh: Okay. Understood. Got it. Thanks.

Moderator: Thank you. Next question is from line of A. Chauhan, an Individual Investor. Please go ahead.

A. Chauhan: Hi, Tarun. Thank you so much for …

Moderator: Mr. Chauhan, can you speak through the handset please?

A. Chauhan: Just one second. Can you hear me? Hello?

Moderator: Hello. Hi.

A. Chauhan: Yes. Tarun, thank you so much for joining call here and explaining about the company, the initial call with us…

Tarun Sharma: It's our…

A. Chauhan: Yes. Please go ahead.

Tarun Sharma: It's our pleasure to join this call, sir, to interact with the people like you. Thank you.

A. Chauhan: Okay. The question is, in your initial remark you highlighted that you are planning for overseas expansion. So I have two questions. One is, is there any geography where you are trying for that? And the second question is, if there is any capex involved, if you are going to expand in the overseas territory?

Tarun Sharma: Sure, sir. So sir, the beauty of our business is we don't require capex. So first, we see from capex side. Secondly, it's over the 3 years of a statement for forward looking until 2030, we are expanding geographically in international cities.

We are targeting UAE or Middle East currently, but due to some this war and all, we may be targeting it into the next FY. So, there are companies from the overseas, from the Middle East, companies like PureHealth, companies like Astra, companies like Amura, companies like Mokobara.

These kind of companies from Middle East are approaching us to do these kind of business into those markets because earlier it was not happening there. But due to this war situations and consequence, we are not expanding this year overseas, but maybe next year or after next year we will expand surely.

A. Chauhan: Okay. I understand the Middle East has a difficult situation right now, but what about the other geographies, Southeast Asia can be another market?

Tarun Sharma: No, sir, because other geographies are based on the hospitalization and healthcare business. So, there are no home collection kind of things and no logistically movement such as a bigger volume should be there. So, currently we are not looking for those such markets.

But yes, Middle East and Africa, there are the organizations who are working on the diagnostic business, there are the organizations who are working on the home delivery and home collection of business. Currently, Dr. Lal is also expanding in UAE from India. Similarly, many of the colleagues are joining from India to PureHealth and Amura kind of companies. So, they all reaching us, they all knows us. That's why they are pushing us to expand into the Middle East.

A. Chauhan: Okay. So, I presume -- I can safely assume that the next call which we will have after 6 months, we'll have some update on this overseas expansion.

Tarun Sharma: No, sir. You expect this next year H1 call at least.

A. Chauhan: Okay. Thank you so much for answering the call. Really appreciate it.

Tarun Sharma: So that's why it should not become to an H2 call.

A. Chauhan: Okay. Makes sense. Thank you.

Tarun Sharma: You're most welcome.

Sachin Sharma: Thank you, sir.

Moderator: Thank you. Next question is from line of Rohit Bildani, Individual Investor. Please go ahead. Rohit Bildani, may I request you to go ahead with your question, please? Rohit Bildani, if you can hear us, kindly proceed with your question.

Rohit Bildani: Hello. Am I audible?

Tarun Sharma: Yes, sir.

Moderator: Yes. Go ahead.

Rohit Bildani: Yes. Sir, my question is, what are the key risks you see in your business? And what is your plan to mitigate it if it comes in future?

Tarun Sharma: Sir, there is as such no risk into the business because we are not bounded by the government for any regulation. If yes, maybe tomorrow the healthcare should be only run by the government in India, then only we may be on a risk side. Otherwise, in India kind of country, wherever the population should be increased on a daily basis.

Even though suppose tomorrow, Lal is going down and Metropolis going up, or Apollo going down or Lupin going up, so we don't bother for all these kind of situations because anyone wants a business who can grow, we can grow together. Otherwise I don't think any risk is there.

Rohit Bildani: Okay. Thank you, sir. And congratulations for good set of numbers.

Sachin Sharma: Thank you.

Tarun Sharma: Thank you.

Moderator: Thank you very much. As there are no further questions, I'll now hand the conference over to Mr. Tarun Sharma for closing comments.

Tarun Sharma: So, thank you everyone. Just to close, not by the English words, from my heart. So Credent is basically a business which is a niche into the market. Nobody even does know -- see earlier, it will be kind of business into the play. So, last 14 years back when we have started, so many of the people said, Tarun, you are going to take some kind of a bigger pain of the industry and it is challenging on any day and every day operationally.

So, with them keeping in mind those things, we again started this. Till today, it's on a rocking side from when we have started. And I feel now proud to myself that we are both listed and we are getting this kind of fruitful investor for our organization. It's really a pleasure to me and the organizations to interact with you guys. So, thank you again everyone for joining us today on this earning call. We sincerely hope that all of your queries were addressed during this call.

Should you require any further information or assistance, please feel free to reach me or reach out to our Stellar IR advisors, our investor relationship advisors, who will be happy to assist you. Thank you once again for your time and participation. Thank you very much.

Moderator: Thank you, members of the management. On behalf of Credent Connect N Care Limited, that concludes this conference. Thank you for joining us today, and you may now disconnect your lines. Thank you all.