

Poly Medicure Limited

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Date: 29th May, 2026



Scrip Code: - 531768

Scrip Code: - POLYMED

The Manager,
BSE Limited,
Department of Corporate Services,
Phirozee Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

The Manager
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1-Block-G
Bandra Kurla Complex, Bandra(E),
Mumbai-400051.

Subject: Submission of Transcript for Q4-FY26 Earning Conference Call under the SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015

Dear Sir/Madam,

Pursuant to Regulation 30(6) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we hereby submit Transcript of the investor Meet/Call held on 25th May, 2026, at 17:00 P.M. (IST) on the Audited Financial Results of the Company for the quarter and Year ended, 31st March, 2026, on Standalone and Consolidated basis, which were considered and approved by the Board of Directors of the Company, at its meeting held on 25th May, 2026.

This is for your information and record.

Thanking You,

Yours Sincerely

For Poly Medicure Limited



Avinash Chandra
Company Secretary
M. No. A32270

Encl: As above



“Poly Medicare Limited
Q4 FY '26 Earnings Conference Call”

May 25, 2026



**MANAGEMENT: MR. HIMANSHU BAID – MANAGING DIRECTOR – POLY
MEDICURE LIMITED
MR. NARESH VIJAYVERGIYA – CHIEF FINANCIAL
OFFICER – POLY MEDICURE LIMITED
MR. RAHUL GAUTAM – PRESIDENT, STRATEGY &
CORPORATE DEVELOPMENT – POLY MEDICURE
LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Poly Medicure Limited's Q4 FY '26 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 the conference call, please signal an operator by pressing star then zero on your touch-tone phone.

Today on this call, we have with us from the senior management team of the company, represented by Mr. Himanshu Baid, the Managing Director; Mr. Naresh Vijayvergiya, CFO; Mr. Rahul Gautam, President, Strategy and Corporate Development. I would now like to hand the conference over to Mr. Himanshu Baid. Thank you, and over to you, sir.

Himanshu Baid: Thank you very much. Good evening, everyone. I welcome you all to our Q4 and full year FY '26 earnings call. I sincerely thank you all for being here today. Last financial year, FY '25-'26 was a year of deliberate transition, a fundamental upgrade from our business model towards high technology, high complexity, high-growth segments, a year in which we chose to invest in a difficult external environment rather than wait it out.

We invested in high-technology verticals, built out clinical and R&D teams. And despite general headwinds, we delivered every commitment we made during the Q3 call. So Poly Medicure is currently under strategic transition where we intend to become a globally recognized brand in high-end medical devices over the next 5 years. FY '26 was just the beginning of the journey. In FY '27, we'll consolidate initiatives that we have undertaken, drive synergies across the group and continued investments in high-end technology segments.

Let me share how we intend to leverage PendraCare and Citieffe over the next 2 years, the companies we acquired last year and integration work is fully underway. On the cost side, the procurement and manufacturing processes, outsourcing related savings, so we are working on those areas aggressively. On the revenue side, we'll be cross selling both directions. India will introduce these products. We are waiting for registrations to come through.

It takes between 6 to 9 months to get import registrations. And we have also started leveraging Polymed's distribution network globally for this product. And I think as time progresses, you'll see a lot of work happening there.

Internationally, we are using our global presence to widen the reach in newer markets, and that's already happening as we speak. On the R&D front, our teams are collaborating for new products. We are already working on a lot of new devices. The R&D team there in Europe and in India is working simultaneously to fast track a lot of projects which were stuck earlier. So a lot of work happening there. All these initiatives have already been undertaken, and I expect that post recovery, and all the necessary regulatory approvals will start to reflect in the performance of FY '27.

Before the numbers, I would like to update on the expansion of our global footprint in a new geography with an acquisition of Medyneo in Brazil, a medical device company in Brazil – Brazil is the largest medical device market in South America with a market size of approximately USD13–15 billion, serves as a gateway to the broader Latam region.. Medyneo comes with

ANVISA and import licenses, which fast track our entry into the market where approvals actually take years.

Brazil is a very important market for Polymed with a strong brand recall, and this is a step in this direction, ensuring long-term success of our business in that region. So we're in the process of hiring people there, building a team -- clinical team, sales team directly in that market. And as we had opened our own subsidiary, Polymed Brazil last year, I think this is a continuation of that strategy that now we have a fully operating company with all the licenses needed to start going directly in that market.

Each of these initiatives is already in motion. I think in 1 or 2 years, we'll make these 3 businesses into a single global platform for growth. So we are already working in that direction. Some key business updates. We've launched close to 35 new products across the group in FY '26. Of course, that also includes some products which came through acquisition. On a stand-alone basis, we have added around 20 products last year.

On the Renal platform, we have placed around 450 dialysis machines last year, taking our installed capacity to approximately 1,000 machines. On Cardiology, now we deployed close to 11,000 stents. Our clinical registry — a 2,000-patient study — has over 650 patients enrolled. And I think by end of the year, we'll complete the entire enrolment of 2,000 patient pools in India and outside India.

Our U.S. business is picking up momentum with the conversation on multiple projects with customers, again, getting active. I think due to the scenario, which was created last year, especially because of tariffs, I think we had a setback. But now I think we are on track. And I think we're also getting some new products FDA approved, some are in pipeline right now.

So I think pretty positive about the U.S. development. And I think we have taken a 1-year setback on this business, but I think now we are back on track, and I think a lot of new opportunities are coming up from the U.S. after the change in scenario.

Let me share the financial performance. Let me start with stand-alone performance. On a full year basis, the stand-alone revenue was around INR1,662 crores, which was up by around 4% compared to previous year. So that last year was a tough year for us, especially on the export front. The low growth in stand-alone is due to tough external environment, again, mainly impacted from international revenue. Gross margin expanded by around 128 bps and was up to around 68.1% from last year's 66.8% or something like that.

And on the profitability, we had guided stand-alone EBITDA margin in the range of 25% to 27%. We have delivered close to 26.8% at the higher end of the range and stand-alone EBITDA was INR446 crores. Stand-alone revenue for the quarter 4 was INR443 crores up 5.2% year-on-year, 6% sequentially, it was highest ever stand-alone quarter, with Q4 gross profit of around INR295 crores, EBITDA of INR121 crores, with a healthy margin of 27.3%.

So as you can see, there's been a constant improvement. So when we started the year, we were at around INR384 crores for the quarter revenue. Stand-alone, now we have moved to almost

close to of INR443 crores. So it's a steady increase. Every Quarter sequentially, we have been increasing the stand-alone business.

Now on the consolidated picture, full year consolidated revenue grew by 12.3% to INR1,875 crores, domestic business was around 20%, international was about 9% year-on-year. Of course, that includes addition from our acquisitions at the gross level. Of course, these were not full year revenue. These were one acquisition happened in September, one in November. So in FY '27, we'll see a full impact of the revenue.

On the Q3 call, if you recall, I commented that H2 will be about 20% above H1, and we have exactly delivered that. So growth has been from INR847 crores to INR1,029 crores, an increment of around 21%.

Q4 consolidated revenue was INR534 crores, up around 21% year-on-year basis with a gross profit of INR356 crores and 66.7% margin. The growth in the quarter was broadly based on domestic growth of around 25%, international business around 19%. And Q4 consolidated EBITDA were INR112 crores, a little lower than the stand-alone numbers because there was an impact of consolidation of low-margin acquisitions and about INR9 crores onetime regulatory and cost provisions in one of our international subsidiaries.

Other important point to highlight is shift in our revenue mix in Q4 '26. Infusion Therapy now accounts for 50% of the revenue, down from 57% in Q4 '25 with Renal around 11%, steadily rising, share coming from Cardiology, Critical Care and other acquisitions. In other words, our new higher technology segments are now contributing to over 50% of our revenue and I expect this proportion to keep on improving in coming years. And that is also one of the reasons that the gross margin has started looking upwards. On the balance sheet front, the equity remains strong and consolidated cash of around INR842 crores.

This amount is a strategic reserve for our strategic initiatives in future, and we intend to use operating cash flows to meet regular capex requirements across the group. For FY '26, the capex was around INR296 crores pertaining to our plants Haridwar, Faridabad, Mitrol and also in YEIDA Medical Park. Current year, I'll share the numbers slightly later. Let me give you the forward-looking guidance. Again, there has been, of course, a huge shift in the external environment. We have seen the current disruption caused by Gulf war, and I think the situation is quite challenging.

But let me tell you that we are managing every piece and working on lot of initiatives inside the organization. I think West Asia, I just want to call it out, around 6% to 8% of our revenue comes from there. And though the demand seems to be quite intact, we don't see any drop in demand. I think it's a logistics nightmare right now. And I think there's a bottlenecks which are causing some disruption in shipping products out of India. But I think from the demand side, I think it's pretty much intact.

And we have pending orders, which we need to execute, but we are still waiting for supply chain and shipping routes to improve and have better pricing. There has been an impact on raw

materials because and plastic packaging materials all across because most of them are crude linked.

And we see there was an impact of around 20% on an aggregate basis in raw materials and a meaningful headwind to the gross margin. But just let me tell you one thing that your company was maintaining adequate stocks, inventory was almost close to 2.5 to 3 months. And because of that, we didn't see too much of an impact in quarter 1. So far, we've been able to minimize it. and we are taking more steps to minimize this risk.

And I think if the crude prices -- the current business plan, we have looked at, has been made on crude levels of around \$100 and I think \$100 to \$110, but I think in time to come, crude prices will definitely soften up. So I think this headwind will kind of go down a little bit. But let me tell you that the freight cost and minimum wage revision in Haryana has caused some disruption, but we are able to get our price increase from customers between range of 3% to 5% already.

And also, currency has moved -- rupee has currently depreciated against all major currencies and company's 60% to 70% business is international, export driven on a stand-alone basis. So there we are able to recover some costs back overall. So on the current situation based on where we are today as on today, we may see some erosion on gross margin going from, let's say, 68% to maybe around 66% or maybe in that region, maybe lower by 200 bps, 300 bps. But this is just a present estimation.

And I think if the crude prices soften up, let's say, in the next few months, I think then this impact can also be minimized. But also to minimize this risk, we are already working a lot of cost-saving projects looking at alternate supplies sources. A lot of raw materials, which we are importing, we are trying to buy from indigenous sources. Lot of parts and components, which are coming from the third countries, we are also trying to make them in-house.

We are working a lot. We are also seeing some savings through our gamma plant, which is established this year, is now fully operational. So a lot of savings or optimization projects are already happening inside the organization. So hopefully, by the end of the year, we may see this impact to be very, very negligible, not even this INR200 crores, INR300 crores. But I just want to -- based on the current situation, I think we see today where we are, but going forward, it may further reduce. I think that's what we are looking at.

I just want to give you a revenue guidance for FY '27. On a consol basis, we are guiding a revenue of INR2,300 crores to INR2,400 crores, up from INR1,875 crores we have done in FY '26, which will include full year consolidation of PendraCare and Citieffe. On stand-alone basis, we are guiding on a revenue of INR1,900 crores to INR1950 crores with domestic business growing upwards of 20% and international business growing upwards of 15%.

So this is our guidance for the full year of FY '27, stand-alone INR1,900 crores to INR1,950 crores and on consol basis between INR2,300 crores to INR2,400 crores. Stand-alone EBITDA margin is expected to be -- again, we are giving a guidance of 25% to 27% range. Of course, this year -- last year, FY '26 was the same range we have given.

We should be able to almost cover the same thing. On a consolidated basis, EBITDA margin -- because our subsidiaries operate at lower EBITDA margin right now and we are in the phase of doing a lot of cost-saving projects there, so we expect this year consolidated EBITDA to be between 23% and 25%, but stand-alone will be between 25% and 27%.

We expect to spend between INR200 crores to INR225 crores on capex this year. This is a guidance. This is lower than last year. Last year was INR296 crores. This year, as most of these projects are getting ready, the plants are getting operational, so the capex requirement will be a little lower. But efforts, we are pushing more on automation right now so that at least we can mitigate some wage revisions, which has happened resulting in a higher wage salary cost.

In summary, I think we have delivered every Q3 commitment we made H2, 20% of H1, stand-alone EBITDA in the higher range of the -- higher end of the range, around 450 machine placements done in the year. So -- and almost 35 new products launched in FY '26. I think we have a clear domestic import substitution strategy and international strategy accelerating in U.S., Europe and with a prudent entry into Brazil.

I can genuinely tell you that business is now adequately positioned for growth ahead. As you can see already, the plan is to move from INR1,875 crores to INR2,300 crores to INR2,400 crores is a substantial what we are planning this year. So again, I want to assure all of you that we are on the right track. We've been able to preserve margins. We are able to preserve growth in the organization.

In spite of all the headwinds and challenging situation, we are still guiding higher so that -- because today, the demand is coming back, what we had lost earlier in the last year, and also Indian market, I think we can see our presence now in all -- most of the corporate chains, larger hospitals and even in standalone hospitals. And I think that business is also bound to grow in a higher percentage level. So thank you again for your trust and time. I'll now hand over to the operator, and we'll be happy to take your questions. Thanks again.

Moderator: Thank you very much. First question is from the line of Siddharth Negandhi from CWC. Please go ahead.

Sidharth Negandhi: Three questions from my end. If you could give us some details on the Brazil acquisition in terms of the categories the target operates in, what is the revenue and what's the acquisition cost like that you've paid? And on the current acquisitions that were made, Citieffe and PendraCare, is it fair to assume that most of their sales, which you highlighted broadly about INR65 crores this quarter are in EU itself? Or is there an EU and ROW sort of split there? If you could give us that and accordingly to understand what the organic performance on EU and ROW is?

And on your guidance of 15% to 17% stand-alone growth, could you give us a sense of how would that pan out domestically versus for exports and for the core infusion therapy versus the new therapies?

Rahul Gautam: Yes. Okay. So let me take the Brazilian acquisition, and I'll request Himanshu to comment on the other questions. So the Brazilian acquisition is a small acquisition. It's a company which was registered last year as a medical device storage and distribution company.

The company does not have currently any operations. And as Himanshu mentioned during the opening remarks, the rationale for acquisition for this was to leapfrog the regulatory timelines that are required to get the importation license and the ANVISA license for us to be able to take the medical devices distribution business in Brazil. From an acquisition standpoint, it was about \$40,000. So it's a small acquisition from a cash outlay perspective, but it clearly saves us anywhere between 18 to 24 months to be able to operationalize the business.

Himanshu Baid: And on the other 2 companies, yes, PendraCare and Citieffe have almost 50% sales in Europe and 50% in rest of world. Citieffe has also a business in North America, in U.S. and Mexico, which is around 35%, 40% of the business right now and 50% is in Europe. PendraCare has majority of the business in Europe and then some business in Middle East and Latin America.

And on the Indian business, on the -- in stand-alone business, basically, we are seeing domestic business will grow around 20%. That's what I've guided again. And international business will grow around 15% or so. So we're anticipating stand-alone business to grow to around INR1,900 crores to INR1,950 crores from a current base of around INR1,662 crores.

Sidharth Negandhi: Got it. Just a follow-up on that, given how that's panned out. In terms of the headwinds that you saw this year in Europe, how are you seeing the situation on ground now? And when do you expect -- at what point in time in FY '27 or whenever do you expect this to normalize?

Himanshu Baid: I would say that we have bounced back in Europe. That's what I can tell you right now. We have added quite a few customers in Europe. And also the existing customers where we had an over inventory situation and we had a little slowdown in demand. I think that has come back. And currently, in last 3-4 months, we are seeing a good uptake, and the pipeline is also very, very strong in Europe. Overall, we are very positive about the current business in Europe, what we are doing from Polymed stand-alone basis.

Moderator: The next question is from the line of Shamit Ashar from AMBIT Capital.

Shamit Ashar: So I just wanted to know how -- what kind of growth you are projecting in your Renal segment because in the Q3, you had mentioned you are facing some competition from some domestic players as well as some Chinese players?

Himanshu Baid: It is imports. Not domestic. Domestic, there is nobody. Except Polymed, there is nobody in the market today, domestic-wise.

Shamit Ashar: Okay. So what kind of growth are you projecting for in FY '27 in the Renal segment?

Himanshu Baid: It's 20% growth in the renal segment again. So we will not say maybe around -- earlier, we were targeting 30%, 35% growth. But I think the Chinese headwinds continue to kind of disrupt the market. So we are still seeing maybe a 20% growth or maybe over 20% growth this year also in this business. We have initiated certain actions against Chinese companies.

I can't tell you because that's confidential. But we are working with the government of India to help us through this because many Chinese companies have set up bases in ASEAN countries where we have a 0 import duty on medical products from ASEAN countries. So that is hurting

the current environment. So we are working with the government to arrest that point. And I think hopefully, you'll see some action. But in spite of all that, maybe it happens, doesn't happen, I think we are still targeting a growth of over 20% in Renal.

- Shamit Ashar:** Got it. And also in the European market, are you back projecting around 15% growth?
- Himanshu Baid:** Yes, we are back. And I think we have added some distributors in Northern Europe. We have added some distributors in in U.K. and also in Germany. So that -- all that is helping out.
- Shamit Ashar:** Are the Chinese players still dumping there? Is that situation resolving?
- Himanshu Baid:** See, China is dumping in every industry. I think that is the problem across the industry, not in any -- but because Polymed, we have a lot of products which are very specific. There are certain patent protection. So I think we are not impacted. See, the demand is not getting impacted-- see demand which was impacted due to supply chain.
- Last time, I mentioned very specifically that there was, let's say, maybe an oversupply because of the route opening from Red Sea and also the containers going around Africa to Europe. So that was a mismatch there. But now everything is smooth. So I think now we are seeing a more -- better demand coming from Europe actually.
- Shamit Ashar:** Got it, sir. And also, if I look at your inventory, how much of that would be under goods in transit, if you could give some bifurcation because I'm sure some of that must have been because of the logistical issue. So how much do you expect to build it in the first quarter?
- Himanshu Baid:** So inventory in transit -- no, are you talking about export inventory?
- Shamit Ashar:** The overall inventory. So if I look at your balance sheet, your inventories have increased from INR285 crores to INR430-odd crores. So is there any inventory which is yet to be built?
- Himanshu Baid:** Is the consol number or you're looking at the...
- Shamit Ashar:** Consol number.
- Rahul Gautam:** So obviously, we got an impact of the acquisitions as well. If you look at the stand-alone balance sheet, that increase is about INR30-odd crores.
- Himanshu Baid:** On the stand-alone, it's only INR30 crores addition on inventory. And basically, the FGS, finished good inventory, as on 31st March was around INR30 crores, INR35 crores. So there's not too much of -- we don't keep so much of SGS and basically it's 5, 6 days inventory basically at the end of the year. So it's very tightly managed. And of course, there was raw material available. So that's the reason those first 2, 3 months, we are not able to feel the heavy impact of raw material price increase. So that's where you see that.
- Moderator:** The next question is from the line of Kanishk Gupta from SS Family Office.

Kanishk Gupta: Sir, my question would be that if the business is currently for FY '26 grown at low double digits despite the earlier confidence of mid-teens growth, what specific levers give management confidence that the company can reaccelerate growth over the next 3 to 5 years?

Himanshu Baid: See, I think we have to see that last year was more or less for us also a lot of transition year because there was a lot of focus on high technology, building new technology products. And over a period of time, Polymed was very steady on the -- so we have transitioned from low technology to medium to high technology, and that's a huge transition we are committing.

And as I mentioned on my call initially, -- so next 5 years, that's where the direction is, whether we focus more on orthopaedics, on cardiology, neonatology, on oncology. So these are 4, 5 key areas, renal care. So these are 4, 5 areas we are going to focus more and more in future. And that helps us to even get a better gross margin in the business. And also, what we have seen over the last 1 year that wherever we had some lower revenue, we are trying to fix that.

U.S. was a big, I think, for us, I would say, a red flag because of the current situation, which was there in the U.S. on tariff situation. So that delayed our launch to the U.S. market quite a lot. So all that is coming back. India is coming back because -- see, you have to see it from 2 perspectives. First of all, a currency, which is -- Indian currency, which is devaluating is going to help us more in exports for sure. So that's a big advantage. Secondly, medical device industry is 70% import-driven in India, 60%, 70%.

So whatever company they were importing products in India, they are getting expensive for them. Being a local manufacturer, import substitution, bringing import substitution products, that makes the product more competitive to hospitals.

And also the whole scenario is changing in India. The hospital sector, which was, let's say, 50% cash driven, 50% insurance driven, now things are changing. I think there, it's now 60%, 65% insurance and balance is cash. So that also is pushing them towards more towards domestic manufactured products. So all these are tailwinds which are going to help us to grow our business.

And plus we are going direct to markets. We talked about U.S. a little bit earlier. We talked about Brazil and then going a little bit more direct in Europe with our subsidiaries. So all that will happen in next coming years, will help us to grow faster and increase our presence in important markets.

Kanishk Gupta: Sir, broadly at present, is it really safe to say that the worst is really behind us?

Himanshu Baid: I can say that absolutely for the moment, yes, but we don't know what can happen tomorrow. That is my worry. And I'm sure it's everybody's worry because what happens tomorrow morning, nobody knows, but, I think if we see a steady state even at current crude level prices, I think we are in a good shape.

Kanishk Gupta: And sir, realistically, what would be the sustainable organic growth rate of the business over the next 5 years, excluding acquisitions?

Himanshu Baid: See, if you see even on the guidance we have given this year, even when we say INR2,300 crores to INR2,400 crores revenue guidance for this year on consol level, we're already talking about a 25% growth rate -- over 25% growth rate. So it's already -- we are pushing the pedal again. So this is very clear.

Even on a stand-alone basis, when we say INR1,900 crores to INR1,950 crores revenue from INR1,662 crores, we are already guiding over 15% to 16% revenue increase. And I think gradually, stand-alone will further increase as we launch more products in different segments we are working on as a lot of new launches are happening. So I'm sure some of you have visited facilities already know what we are doing.

Kanishk Gupta: Got it, sir. Got it. And the final question would be that over the years, what do you think has contributed most to customer stickiness in your business, especially in export markets where customers have multiple sourcing options?

Himanshu Baid: Yes. So I think there are 2 important points here. Most of our customer relationships outside of India have been for the last 15, 20 years. And we have hardly lost any large customer in the last 15, 20 years. That's number one.

And the stickiness is created because of 2, 3 reasons. One, because of quality, which we deliver because today Polymed has almost every quality -- our products comply to every possible global quality standard. Number two, in terms of performance, our products are performing at par with multinational products in global market. Number three, the innovation we are able to do.

Today, the company has over -- at a group level, we have around close to 399 patents. So we are able to innovate products at a much frugal cost compared to any other company and then put those products in the market. So that gives us a stickiness in the business. So all these factors contribute to that stickiness.

Kanishk Gupta: And sir, in the long run, what kind of revenue mix do you want to achieve in terms of Indian and international business?

Himanshu Baid: So it's a great question. So ideally, I would like it to be between like 1/3 India and 2/3 RoW.

Moderator: The next question is from the line of Neel Mehta from Equirus Securities.

Neel Mehta: A couple of questions from my side. Sir, first for the quarterly perspective, our subsidiary revenue stands at roughly almost around INR92 crores. Can you please give the broad-based bifurcation of what kind of revenues will be from the PendraCare for the quarter? And what kind of revenues from the Citieffe? And what will be the Y-o-Y percentage growth rate of these 2? That's my first question.

Himanshu Baid: Yes. So Rahul can answer that question.

Rahul Gautam: Yes. So Neel, the total revenue of INR65 crores that we have done from the 2 acquisitions, about INR43 crores, INR44 crores is from Citieffe and the balance is from PendraCare.

Neel Mehta: And sir, what would be that Y-o-Y growth rate of that on a quarterly basis?

- Rahul Gautam:** Last year numbers, I will check on that and come back to you.
- Neel Mehta:** Okay. And sir, if I see from the stand-alone level, right, since you mentioned that INR30 crores only increase in inventory just because if you see the FY '26, our growth rate is around 4-5%. That's why probably it doesn't look so. But if we see from the perspective of the days, inventory days has increased from 50 to 58 days. How we are planning to reduce that?
- And apart from inventory days, if you see the receivables, which has increased drastically from, let's say, INR340 crores to INR440 crores. Like in the terms of days, it's 68 days to 86 days. So can you just help me -- can you throw some light on that? How do we see that?
- Rahul Gautam:** Yes. So Neel, I think on the inventory side, we are not too concerned. In fact, it's currently helping us only because large part of our inventory is in raw materials, right? So which is helping us cushion some of the price impact that we're seeing. So a INR30 crores increase for a business of our size is probably not worrisome. On the debtor side, I think, obviously, there has been a significant jump on the debtor side, and that's primarily because of the external factors, right?
- Because the -- as you mentioned, the international environment was quite troublesome, and we had to support our customers in terms of better terms for them to drive growth, right? So I think that's been primary reason. Bulk of the increase on the debtors have happened because of the international business. The domestic business receivable cycle continues to remain quite strong, and we don't see any challenge.
- I think as the international environment becomes more malleable, I think the debtor cycle will come back. But in the interim for us, ensuring our customer retention and ensuring growth, we are there when the growth comes back, we are willing to extend the help to the customers.
- Neel Mehta:** Great, sir. So it is fair to say, let's say, from the perspective of FY '27, this would be at a normalized level of receivable days by the end of FY '27?
- Rahul Gautam:** I think at the moment, looking at the environment, I would expect receivable cycle to be similar for FY '27.
- Neel Mehta:** Okay. Okay. And sir, if you see from the export revenue from the perspective of 4Q FY '27 that we have roughly clocked almost around INR362 crores. If I remove the Citieffe and PendraCare or let's say, remove the subsidiary revenues out of that, which is INR90 crores kind of numbers, then the core export growth looks slightly flattish or a slight decline in that. So how -- like what we are doing to ramp up that we can command the growth going forward from the export market growth ex of PendraCare and Citieffe.
- Himanshu Baid:** So I think 2 things. You're right. Export, in fact, were negative, not flattish also. We were, I think, minus 3% or 4% on the export side. But again, what we are trying to do is, as I said earlier, U.S., again, the doors are open, and we see some new products getting added this year for export to U.S.
- market. We are in that process. So that will add something. Europe, we have added more distributors. So I think that is helping us to regain that growth in the European market. And in

certain markets, we will go direct as we opened a subsidiary in Brazil, we're going direct there. So that will also open some doors there.

So I think all in all, I think -- and then our focus has been more on the clinical side. So, we've added a lot of people on the clinical team. So, now we are doing a lot of new global clinical trainings. And we have increased our hospital visits internationally. So our team has been visiting globally all across from every -- almost every country in Europe to -- in Middle East or of course, or in Southeast Asia. All these markets, we are putting a lot of clinical support, which is helping us to mitigate earlier challenges. So -- and then this upsell is actually helping us to move into more products into the hospitals.

Neel Mehta: Perfect, sir. And just last 2 questions from my side. Sir, I think we have done really good in terms of Renal segment. I just wanted to know that what kind of -- would you like to put a number like how much dialysis machines that we have sold for FY '26 and how we see that number coming up in FY '27, that's my first question. And last question is that, Gautam, sir, can you just help me with the EBITDA margin of PendraCare and Citieffe for the quarter? That's it from my side.

Himanshu Baid: I think on the Renal side, very quickly, I said, we sold 450 machines last year. And this year also, we -- as I said, Renal business, we grew close to around 20%. So we'll see maybe a sequentially 20% increase in the sales of machines also this year. That's the current plan. And I think on Citieffe and PendraCare, maybe I'll ask Rahul to very quickly chip in. Rahul? Neel, can you just repeat your question on this, please?

Neel Mehta: Yes. So sir, I just wanted to know what kind of EBITDA margin that we have clocked for PendraCare and Citieffe individually for this quarter?

Rahul Gautam: Yes. So I think this quarter, the EBITDA margin, the acquisition has had a negative impact on EBITDA of about INR2.6 crores. There are 2, 3 reasons for it. Number one, quarter 1 tends to be -- or quarter 1 of their calendar year tends to be a lower quarter because of shorter working period. Plus, for PendraCare, they had a fairly large exposure to Middle East compared to what the overall group level is, which has gotten impacted a bit more.

And for Citieffe, they had a sort of a product mix issue in terms of selling certain low-margin products because of which EBITDA margins were lower. I think on a steady-state basis, once things become normal, we think both the business can operate at mid-teens in terms of EBITDA margin. And obviously, with the benefit of synergies that we will drive over the course of the next few years, we expect that number to go up to 20%. But quarter 4 or quarter 1 of their calendar year was a lower EBITDA margin for them.

Moderator: The next question is from the line of Sriram Palaniappan from ithuboughtPMS.

Sriram Palaniappan: So in intravascular lithotripsy and drug-eluting balloon, for these new products, is the complete product development done in-house? And have the products been commercialized? And can we also know the utilization rate of the capacities that were expanded after QIP-1?

Himanshu Baid: I'll answer the last question first. So, after the QIP-1 we are seeing a capacity utilization of close to around 65% to 70% right now. And on the products which are developed, it's fully developed in-house. So a lot of products are in pipeline right now, which we'll announce in due course.

We will already launch drug-eluting balloons, again, fully indigenously developed product. It's 100% import substitute product and very, very few companies are able to make that kind of product. And we are working on some high-level products, which will be around INR1 lakh or INR7 lakh, INR8 lakh, INR10 lakh products in times to come. So there are a lot of development projects going on in cardiology space, in orthopaedic space, also in oncology and also some new products are getting launched in renal space also.

Sriram Palaniappan: Great to know, sir. And sir, in the previous con call, you mentioned there's a good opportunity to replace the multinational in the stent segment. We usually enter a market where there's no domestic player as import substitution. But -- hello?

Himanshu Baid: Yes, yes. Go ahead.

Sriram Palaniappan: Yes. But here, we have a couple of large domestic players along with other large inventories. So how are we planning to like increase our market share in this competitive segment, sir?

Himanshu Baid: So again, the focus is not in selling stents. We are not focusing -- stent is a very small part of our business, maybe INR10 crores, INR12 crores out of INR1,800 crores. So I think that is not we are focusing on. Our focus is to develop products -- because you need the full basket when you are approaching a hospital with products. So we can't be just working on a few products and that doesn't complete the basket and it's very hard to change the practice.

So we are moving up the value chain, as I told you earlier, on DES and some other new devices, drug-eluting balloons and some other specialized products. So that is where we are working on. And I think drug-eluting stents forms a part of that basket. And I think import substitution, our focus is overall on the whole product category, whether it's renal or oncology or whether it was neonatal or it was vascular access. So we are working across all categories to bring import substitution into the country.

Moderator: The next question is from the line of Deepak from Sundaram Mutual Fund.

Deepak: So first of all, congratulations on delivering a good set of number on the top line as promised in the earlier con call. Sir, my question was first on gross margin. So if I look at our 9 months gross margin, what we delivered in the first 3 quarter, it was roughly between 68.5% to 69%. And you did highlight on the call that it is because our critical care and cardio vertical, which is a new vertical for us, which is ramping up nicely, and that is what you eventually want to grow in the next couple of years also?

But if I look at Q4 gross margin, there is a dip of almost 1.7% to 1.8% on a Q-o-Q basis. So despite these 2 products going up, let's say, in terms of execution and also full quarter consolidation of high gross margin business like Citieffe and PendraCare, I just wanted to understand why there is a dip in the gross margin in Q4?

Rahul Gautam: Yes, Deepak, I think the quarter 4 impact is primarily because of product mix issue. Obviously, we have a large product portfolio, right? And in some cases, some of the products are lower margin on a gross basis. And so I think the impact of that is primarily because of product mix rather than anything else.

Deepak: Okay. Got it. And you also had mentioned about these price hikes, which we have taken 3% to 5% and gross margin of 66%. Sir, do you think there is a risk to this number since the inflation is quite a lot. And I do understand that we operate at fairly high gross margin because of the nature of the business. I just wanted to understand how much price hike we would need to take incrementally, let's say, to offset any more erosion in the gross margin going forward?

Himanshu Baid: See, basically, when we see it today, our raw material percent is around 32%, 33% basically because that's where -- rest is the gross margin basically. So on that, we have seen almost a 20% increase in overall raw material pricing and when we spread across all the materials which we buy from packaging to basic raw materials.

So already, we see that some of it is mitigated by rupee depreciation across because we have. Almost 2/3 -- more than 2/3 revenue coming from international business. And then we have done some price increases with customers between 3% to 5%. So that will also help. So today, situation is very fluid. And I think we'll have more clarity end of quarter 1 when we review everything.

But at the present stage, I think with the high inventory of raw material which we are carrying on as of 31st March, we will be able to really manage it very well. And hopefully, as we talk in the next few months from now, the crude prices may soften from where they are today. And that will again help us to mitigate those risks which have been created today. So, so far, I think we are okay. I don't see any huge risk, but let's wait for a few more months. So interim, I think we are okay in the interim situation.

Deepak: Okay. And sir, your Renal segment, so last call, you were sounding a little bit cautious because of this Chinese dumping. But this quarter, you have done very well, like 25% Q-o-Q growth in the Renal revenue. So I just wanted to understand, has something changed between the quarter for the execution to pan out so well? And how is the situation on the Chinese dumping?

Himanshu Baid: See Chinese dumping continues. I think there is no -- unless until government thinks otherwise, the dumping continues. And you have to see from that angle that today, Chinese are importing at 0% duty, only 5% GST pay on the finished product, whereas I'm importing -- I'm buying all the raw materials, I'm importing some raw materials, I pay 18% duty, I pay 2.5% duty custom duty on my raw materials, 18% GST. So there's a lot of cost inversion plus the dumping from the Chinese.

So all that is actually -- and that's the reason you see today, hardly any regional player has come in last 5 to 7 years in the country, in spite of the segment being very open and the growth is still there in this segment. So I think that is a challenge. And of course, Polymed being a large manufacturer, we are able to mitigate a lot of this because we have a lot of manufacturing

excellence. So we are able to mitigate that part. So again, our focus is to gain market share. We are working on that.

And I think this dollar devaluation, rupee devaluation against the dollar will also, may be one of the factors which may help us in the long run because somebody is importing products. They will have to pay at a higher price. So I think -- and we are also pushing the government to put some counter duties on the product. So let's see what happens. But I think overall, 20%, 25% growth is still attainable in this business.

Deepak: Okay. Okay. Sir, one last question on the acquisitions. So would it be -- will you be able to call out what was the Citieffe and PendraCare, let's say, calendar year '25 full year revenue in terms of euro million?

Rahul Gautam: Deepak, for Citieffe, that number was about EUR17.5 million. And for PendraCare, it was about EUR8 million.

Deepak: Okay. And sir, in these terms, how much growth are we anticipating in this both in FY '27 in euro terms?

Rahul Gautam: In euro terms, I think we should be growing for Citieffe in low double digit, about 10% to 12%. And for PendraCare, because of the Middle East situation and their exposure to that, I think we are restricting the guidance.

Moderator: Next question is from the line of Sidharth Negandhi from CWC.

Sidharth Negandhi: Just a couple of questions. On the INR9 crores onetime cost that you mentioned in respect of the acquisitions, if you could give us some colour around what that cost was? That was question number one. Question 2 was if I had to sort of deduce basis the 50-50 split in Europe and rest of the world for your Q4 sales for Citieffe and PendraCare, right, then that means the rest of the world sales in quarter 4 may have a slight degrowth. Is that the right inference? And if so, could you share what -- where that impact primarily was? That was question 2.

Rahul Gautam: I will take the acquisition cost question. Sidharth, basically these are transaction-related costs. So payments to advisers you have to do for undertaking the acquisition. So that's the cost. I think on your question -- and you mean you're mentioning sequential degrowth or year-on-year you're mentioning?

Sidharth Negandhi: No, year-on-year. So basically, looking at your INR65 crores split 50-50 into Europe and rest of the world and keeping that base, right? Europe seems to be more flat on Q4 FY '26 versus '25 and rest of the world seems to be a minor degrowth?

Rahul Gautam: Yes. So Sidharth, I think it's important to understand that it's a B2B business. So there are obviously on a quarter-on-quarter basis, some differences on where the orders are coming from. It's not reflective of any significant trend in the business. I think best for such business is to be looked at from a full year perspective. These quarter-on-quarter variations can always happen in which geography we are selling the products.

- Sidharth Negandhi:** Got it. Sure. And sorry, you had mentioned on the onetime costs being certain regulatory and employee costs. So is there already some manpower rationalization and cost savings that one can expect?
- Rahul Gautam:** No. These were basically costs which were just accounted for at the end of the year in quarter 4 and which impacted the quarter 4 numbers. And there is no manpower rationalization being done in any of these entities.
- Sidharth Negandhi:** Got it. And on Citieffe, just wanted to understand, you mentioned 17.5 million this year. And the acquisition call had mentioned about 17-odd million in '24. So was that flat performance or?
- Rahul Gautam:** Yes. So it was a flat performance, and it was primarily because of one of the tenders that they had been won in the Latam region was cancelled and was pushed out and because of which they lost a certain revenue in last calendar year.
- Moderator:** Sidharth, does that answer your question? We take the next question, which is from the line of Girish Jain from KJMC Capital.
- Girish Jain:** So, in the opening remarks, you mentioned that FY '26 was a year of transition. So, I presume you're referring to the move from product focused to a therapy-focused approach.
- Himanshu Baid:** That's correct. You've actually -- you have actually understood very well.
- Girish Jain:** And you also mentioned about the breakup of the segment revenue. I think you mentioned Infusion vertical has gone down to 52% and Renal has gone up to 11%. I could not capture the other percentages between Cardio and Onco.
- Himanshu Baid:** Girish ji, these are Onco, Cardio are very new businesses. So, we don't specifically call out those revenues. But the whole idea is that company at one point of time was doing 65% business on Infusion. And we are trying to derisk that and add more products in the other product categories. And I think that is really helping us to grow the business globally and also improve some gross margin. So that's the whole idea. We don't call out those numbers specifically because confidentially, we don't want to share what company is doing and that information goes out publicly.
- Girish Jain:** But safe to assume that Infusion as a percentage of the overall revenue will still be coming down, even though it may grow on a stand-alone basis. But as a percentage of the overall, Infusion may come down and the other segments may go up and therefore, pulling your gross margin higher?
- Himanshu Baid:** Again, that is our core, core, core business. So, we think that it will stay around that 50% level infusion because that's where Polymed today, if you see one of the products we manufacture, IV catheter, we have almost global 11% market share on that product including 600 million of those pieces. So that means we have a global excellence on this product. There are hardly any companies in India which can claim a 10% global market share in any single product, and we have that today.

So, I think that still remains to be our core business and all accessories we produce, we have a global excellence. We have a lot of patents on that product technology. So that will be there. But as we move into the higher price segment, when you look at orthopaedics or cardiology, the price per product is very high. So that infusion which is, let's say, INR10, INR15, INR20, these products are thousands of rupees or sometimes north of INR20,000 also. So that is how the product mix -- revenue mix is changing.

Girish Jain: So hopefully, once the raw material price comes -- becomes normal, then we can expect some expansion in the margin with this change in segment revenue?

Himanshu Baid: Today, we are calling out those margins. If you see the guidance we have given for India business still at around 25%, 27% EBITDA margin in spite of all the headwinds, what you see today. And overall, we have guided for 23% to 25%. We know that the international businesses operate at lower EBITDA margin. So, we are still guiding in these ranges because we know -- and all this has been accounted for based on the current crude price level.

So, if we see some improvement in crude price level, let's say, in next few months, definitely, those margins should get better. I think that's what we think. But at least from the current state, let's assume that we are in that band of 25%, 27%. But yes, we will try to deliver at a higher band what we have delivered in the past year also in FY '26. We delivered the numbers at a higher band of between 25% and 27% and delivered at 26.8% EBITDA at the stand-alone level.

Girish Jain: Just a little question on the margin. Is there any -- I'm sure there must be a strategy which maybe you can highlight on how we plan to increase the margins in the companies which we recently acquired, Citieffe and PendraCare?

Himanshu Baid: Girish ji, it's a good question. So, what we are trying to do is we're trying to bring in a lot of synergies. A lot of engineering work we are doing in India right now. We are also looking at a global supply chain, helping them to secure materials at much lower price, what they were buying earlier. And also, some part of manufacturing, we will probably ship to India at some point of time once we have all the regulatory clearances to do that.

All that will help us in the long run will help us to -- see, currently, these companies will operate, let's say, around 12% to 14% margin. That is what we anticipate. But I think in next 2, 3 years, we could see that improvement to going to around 18% to 20%.

Moderator: Ladies and gentlemen, that was the last question for today. With that, I now hand the conference over to Mr. Himanshu Baid for closing comments.

Himanshu Baid: I'd like to thank all of you for being on the call today and hearing us our updates on the company. And let me assure you again, we are in medical devices, health care business. It's bound to grow. Last year was a challenging year. Of course, again, a lot of strategic planning went in last year in terms of acquisitions and capex spend.

I think in terms of infrastructure, today we are a company which has one of the best infrastructure or some of you visited plant already know that, that Polymed has one of the best infrastructures in terms of medtech manufacturing and we continue to build very strongly. And as we are seeing

more and more registrations coming through in many countries in the current year and also in following years, we'll see our business increasing globally.

And in India also, we are pushing hard. In a lot of these corporates today, the brand is very well known. People see that brand as a quality product, and it has taken quite a while to do that. And I think we are in a very safe space, I can tell you that. And I'm pretty sure that once you'll see our performance, which we already guided today, I think you will see that happening, and I think you'll see much better results in coming years. Thank you very much.

Moderator:

Ladies and gentlemen, on behalf of Poly Medicure Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.