Zeal & Innovation in Medicine

Ref : ZLL/Compliance/LODR

Date : 02.06.2021

BSE Limited,
Compliance Department,
P. J. Towers, Dalal Street,
MUMBAI – 400 001
Company Code – 541400

Dear Sir,

Sub : **Corporate Presentation**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed Corporate Presentation – June 2021.

Kindly take the intimation on record.

Thanking you,

Yours faithfully,
For ZIM LABORATORIES LIMITED

(Piyush Nikhade)
Company Secretary and Compliance Officer

Encl : As above.

ZIM
LABORATORIES
Limited

CORPORATE
Presentation

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Company Overview

An Innovative Drug Delivery Solution Provider

ZIM develops, manufactures and supplies oral, solid differentiated generic pharmaceutical formulations and pre- formulation intermediaries (PFI) in certain key therapeutic segments.

We have in-house Research and Development capabilities to provide various delivery solutions that bring differentiation in generic pharmaceutical formulations.

Our delivery solutions are comprehensive and cover product conceptualisation product development, filing for registration, manufacture and supply of various pharmaceutical formulations.

Focused on Differentiated Generic Products

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Our value proposition is our ability to develop complex generic products as well as introduce novel drug delivery techniques, which provide unique therapeutic benefits to the patient and competitive edge to our partners. We strive to bring product differentiation by developing:

- **New Dosage Forms and Release Profiles –** like sustained release, immediate release , targeted release in pellets, capsules, granules, tablets, oral suspensions etc. to enhance efficacy and better patient convenience.
- **Novel Drug Delivery Platforms** – like the Oral Thin Film solutions for serving specific patient groups.
- **Differentiated Generic Products –** for better patient convenience and compliance.

Company Overview

Company Overview

With a Partnership Business Model

We partner with pharmaceutical manufacturing, marketing and distribution companies and provide solutions for their Brand / Product exclusivity extensions, sourcing and marketing of pharmaceutical products.

We have initiated development and supply of unique pharmaceutical products for the Developed Markets through new business partnerships.

Catering to Key Therapeutic Segments

ZIM's products are focussed in the following therapeutic segments:

- Urology
- Gastrointestinal
- Cardiovascular and Anti Coagulants
- Antibiotics and Anti Infectives
- NSAID / Pain Analgesics
- Vitamins and Supplements

Across Several Global Markets

ZIM's products and business initiatives cover several markets:

- Europe, Canada and Australia
- Latin America
- CIS Countries including Russia
- Asian Countries including SE Asia
- MENA, Middle East and Turkey

BUSINESS

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MODIFIED DOSAGE FORMS AND RELEASE

Modified Dosage Forms And Release

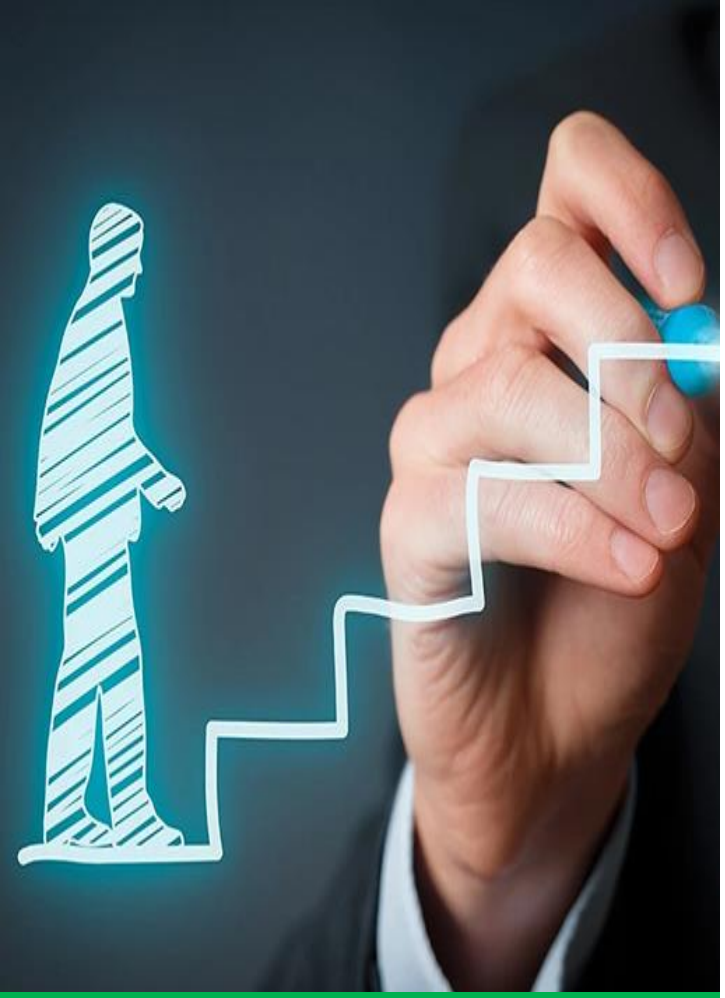
Why Modified Dosage or Release Formulations

- Rising competition in conventional generics and import barriers in customer countries is driving the need for innovative dosage forms or release patterns resulting in smarter generics or super generics in terms of convenience, efficacy and treatment adherence.
- These products with unique delivery mechanisms, can be developed in lesser time frame and lower investment but provide unique competitive advantage through increased life cycle, differentiated positioning etc. thereby improving profitability and return on investment.
- New forms and release patterns lead to better drug efficacy, lower dosage frequency, improved bio-availability, minimisation of side effects and increased patient compliance and treatment adherence.
- Provides potential for developing non-infringing products with IP protection for competitive advantage. They resist fast commodification which all conventional generic products today face.

Modified Dosage Forms And Release

Our Progress

- Zim acts as a single window partner for multiple proprietary innovative offerings which cover a wide range of dosage forms and products – like pellets, capsules, oral suspensions, granules, tablets etc.
- We specialise in differentiation in products through various drug release patterns like Controlled Release, Extended Release (ER), Sustained Release (SR), Targeted Release (TR), Taste Masking etc.
- Our Pre-Formulation Intermediary (PFI) products have been the mainstay for our business for many years with exports to over 33 countries .
- Our Formulations business has grown to 3times over the last three years, 664 products have been registered across 52 markets.
- Our manufacturing facility is EU-GMP and WHO-GMP approved along with accreditations from many other Regulatory Authorities.



Modified Dosage Forms And Release

Our Growth Plans

- Several originator therapeutic molecules are coming off patent in the next few years. This provides potential for tie up with clients for supply of differentiated PFIs for the Pharmerging and Developed Markets.
- We intend to be a preferred partner for development, manufacture and supply of generic products with innovative delivery or release mechanisms that provide unique marketing advantage to our customers and better margins.
- Leverage on existing product basket and the PFI business to grow our Finished Formulations business in specific therapeutic segments.
- Increase marketing efforts and add more partnerships, JVs with local players in new Pharmerging and ROW markets.
- Develop own branding strategy for Finished Formulations.

Modified Dosage Forms And Release

Our Current Focus

- Continue the strategic shift of our business towards high margin business for PFI and Formulations.
- Leverage the R&D team capabilities and investments to develop pipeline of innovative generic products that are unique and have competitive advantage for marketing in RoW markets.
- Increase business possibilities in Pharmerging and Developed Markets through deeper product pipeline and increased investment in marketing efforts.
- Increase our marketing tie ups and partnerships – including for Co-marketing, JVs in specific regions
- To develop our own branding strategy for our formulation products.

Modified Dosage Forms And Release : Products

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Therapeutic Segments						
ANTI-BIOTIC and ANTI-INFECTIVE	VITAMNS, MINERALS & DIETRAY SUPPLIMENTS	GASTRO INTESTINAL	CARDIO VASCULAR	ANALGESIC/ PAIN MANAGEMENT	CENTRAL NERVOUS SYSTEM	UROLOGY
Azithromycin TMG*	B-Complex with Zinc Sulphate CR*	Esomeprazole & Omeprazole & Pantoprazole ER*	Amiloride IR	Paracetamol TMG	Duloxetin CR	Alfuzosin HCl CR
Cefuroxime Axetil TMG	Carbonyl Iron IR* with Other Vitamins	Mebeverine CR	Nicardipine CR	Diclofenac SR	Aripiprazole IR	Tamsulosin CR
Ciprofloxacin TMG	Ferrous Gycine Sulphate CR with Other Vitamins	Mesalamine CR	Losartan IR	Ibuprofen TMG	Lorazepam IR	Potassium Citrate CR
Linezolid TMG	Ferrous Sulphate CR With Folic Acid	Peppermint Oil Capsules CR			Venlafaxine CR	
		Pancreatin ER				

*TMG – Taste Masked Granules, CR – Controlled Release, IR, Immediate Release, ER – Extended Release, Sustained Release

NOVEL DRUG DELIVERY PLATFORM - OTF

Novel Drug Delivery Platform - OTF

Why Oral Thin Films

- Conventional oral solid dosage forms like tablets and capsules have to be swallowed and that too preferably with water or any other liquid.
- Swallowing may be a hindrance in drug administration for certain category of patients like children, elderly, mentally challenged, nauseated, mobile and bed ridden patients.
- Oral Thin Film provides an alternate, non-obstructive dosage form possessing the advantages of a Tablet or Capsule but with convenience of administration that leads to treatment adherence.
- This unique delivery platform provide possibilities for repurposing and reformulating generic products to create new or extend existing brands with a unique new dosage form possessing a high technology barrier for competition!

Novel Drug Delivery Platform - OTF

Our Progress

- Zim is a pioneer and leader in the Oral Thin Film delivery technology. In 2009 Zim conceptualized this patented Thinoral® technology for manufacturing of instantly wettable, rapidly dissolving, non-sticky, non-tacky, and non-curving thin films.
- Over the years Zim's OTF R&D team has further improved on the technology platform to be therapy agnostic and suitable for delivering by oral, sublingual and buccal routes.
- The technology platform has strong protection through the filing of 30 product process patents, few of which are already granted in various territories like, US, India, Malaysia, Ukraine, Eurasia etc.
- Several pharmaceutical and nutraceutical products based on this OTF technology have been developed, registered and commercialized. Various innovative products are under co-development in association with MNCs and leading regional players for registration and commercialization in regulated markets (including Europe and USA).
- Our OTF manufacturing facility is EU-GMP and WHO-GMP approved along with accreditations from many other Regulatory Authorities.

Novel Drug Delivery Platform - OTF

Our Growth Plans

- Our goal is to develop innovative products addressing unmet medical needs based on sound research. Our product pipeline would be a combination of in-house selection or under co-development contracts with our partners.
- We are working to develop and commercialize products on other unique technologies like Spinoral™ and Printoral™ technologies which can be used for manufacturing of heat and moisture sensitive products including peptides in the thin film dosage form.
- We aspire to be the most preferred technology partner for renowned pharmaceutical marketing companies for the thin film dosage form in all the regions of the world.
- We also wish to leverage on the OTF technology for developing nutraceutical, vitamins and other Over the Counter (OTC) pharmaceutical and nutraceutical products for launch in the developed and advanced markets.

Novel Drug Delivery Platform - OTF

Our Current Focus

- Out-licensing the ready product dossiers to established players in the Pharmerging and Developed markets.
- Completing process validation and bioequivalence studies of our pipeline products meant for delivery by oral and sublingual route.
- Filing product applications for registration of our differentiated products across markets – pharmaceutical and nutraceutical products.
- Entering into marketing, distribution and brand tie-ups and partnerships which may include joint ventures for development, marketing and distribution of our various products.
- Developing further our innovative product pipeline, including non-invasive delivery system for injectable peptide products.

Oral Thin Film : Products

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Therapeutic Segments

Benign Prostatic hyperplasia, Erectile Dysfunction	Vitamin Supplement / Diabetic Neuropathy	Anti-Migraine	Anti-Alzheimer	Anxiolytic / Anti-Epileptic	For Smoking cessation	Anti-Flatulent	Anti-Allergic / Nasal Decongestant	Anti-Asthmatic / Anti-Allergic
Tadalafil	Methylcobalamin	Rizatriptan Benzonate	Donepezil	Clonazepam	Nicotine (Polacrilex)	Simethicone	Levocetrazine Dihydrocloride	Montelukast (Sodium)
Sildenafil Citrate	Vitamin D3	Zolmitriptan						

DIFFERENTIATED GENERICS

Differentiated Generics

Why Differentiated Generics

- Governments and Regulatory bodies across the world are actively searching for alternatives to several innovator therapies and branded products.
- There already exists a library of generic therapeutic molecules, which through repurposing, re-combining or reformulating, provide possibilities for creating new and affordable therapeutic solutions that strengthen product pipeline, improve product life cycle or create branded generics
- We intend to focus on improving such existing generic drugs and formulate to obtain lower dosage, reduced side effects, better patient compliance and treatment adherence etc. thereby introducing competitive advantages for longer price stability and better margins even as the cost of treatment is reduced.

Our Progress

- In 2019 Zim entered into Co-Development, Production and Supply contracts for multiple Combination and Dosage transformation Generic products with several national and international partners. These ongoing contracts include milestone-based delivery and payment schedules.
- Under the leadership and guidance of a highly experienced R&D team, over a dozen products have completed Formulation & Process Development, Technology Transfer to Manufacturing.
- A few of these products have completed Pilot, Pivotal BE Studies and Accelerated / Intermediate Stability Studies and submitted to the several Regulatory Authorities.

Differentiated Generics

Our Growth Plans

- The differentiated generic products that we choose for development will include recent or impending patent expiry, high business upside with sustainable profitability due to technical barriers.
- We plan to develop some of these products by ourselves and some in partnership under Co-Development contracts with pharmaceutical companies.
- Our goal being the registration and marketing of these differentiated generic products in EU and across global markets as Finished Formulations in partnership with leading Marketing Companies or as Pre-Formulation Intermediaries (PFI) in partnership with Pharmaceutical Companies including the Developed Markets.

Differentiated Generics

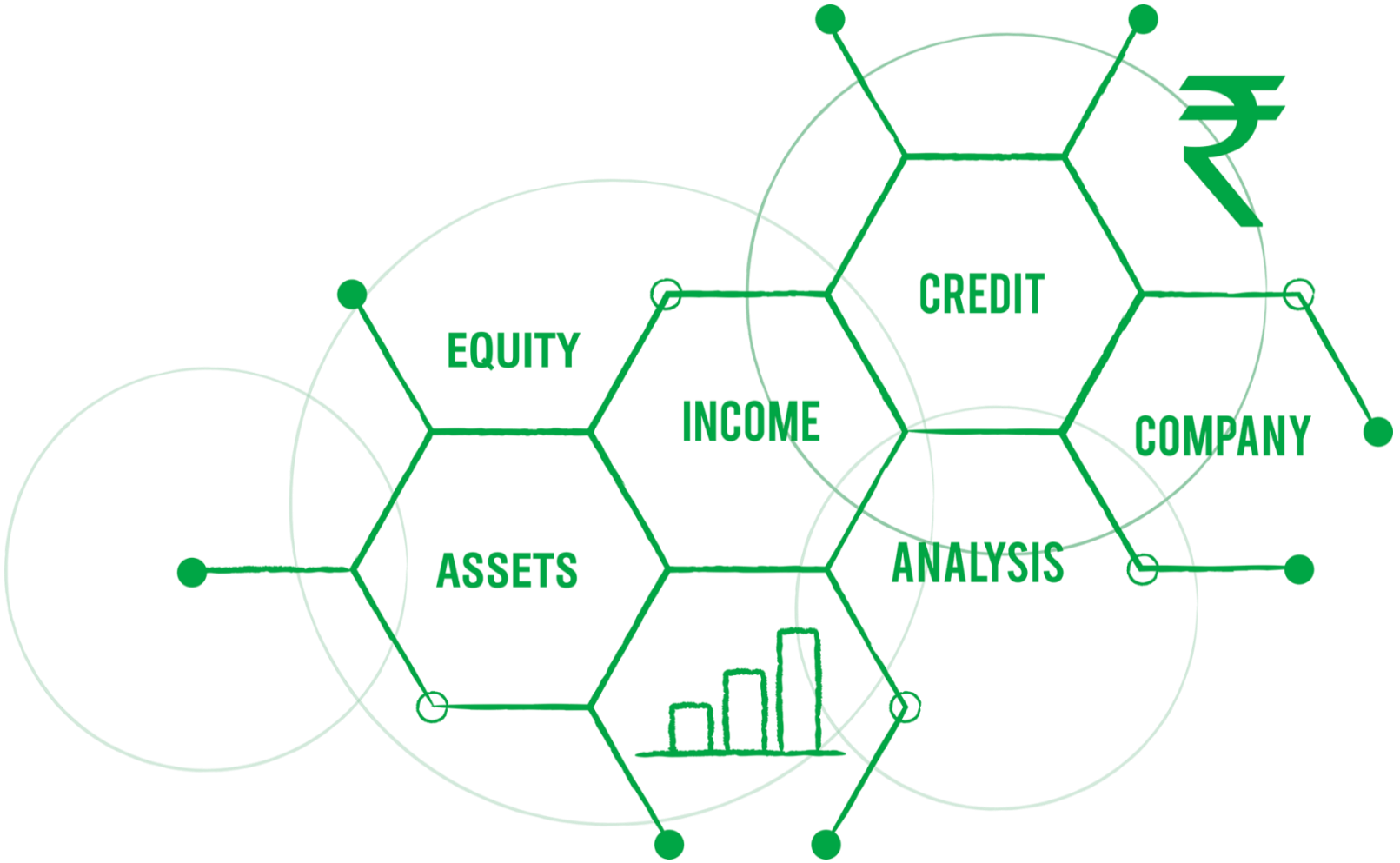
Differentiated Generics

Our Current Focus

- Planning on BE Studies on a larger scale to ensure bioequivalence of our formulation products with the approved branded product.
- Facilitating the required Regulatory Audits of our facilities by respective authorities and other leading global audit agencies and partners.
- Filing product applications for registration of our differentiated products across markets.
- Entering into marketing, distribution and brand tie-ups and partnerships which may include joint ventures for development, marketing and distribution of our various products.

Differentiated Generic Products – Under Development For Regulated Markets

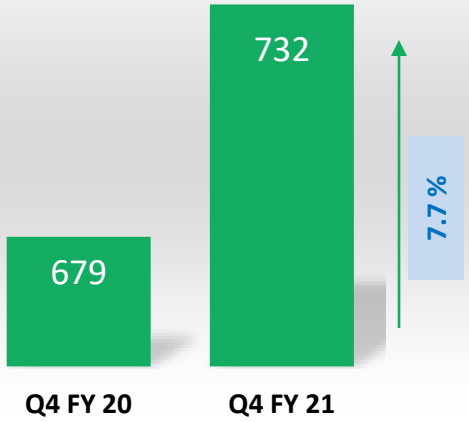
Therapeutic Segments			
ANTI-BIOTIC and ANTI-INFECTIVE	GASTRO INTESTINAL	ANALGESIC/ PAIN MANAGEMENT	UROLOGY
ZA1907	ZG1903	ZP2001	ZU1803
			ZU2003
			ZU2004
			ZU1902



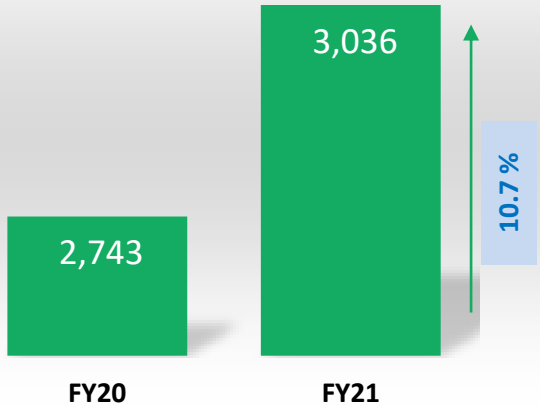
FINANCIALS

Financials

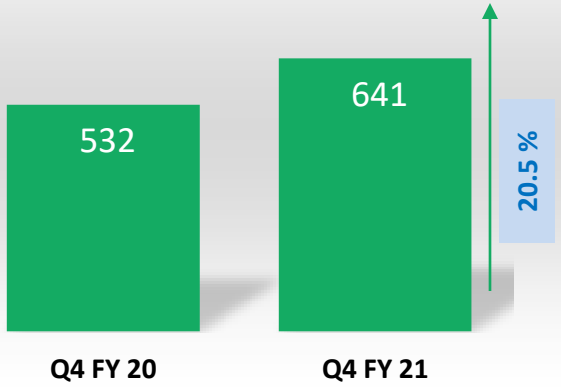
Revenue from Operations
(In Rs. Mn)



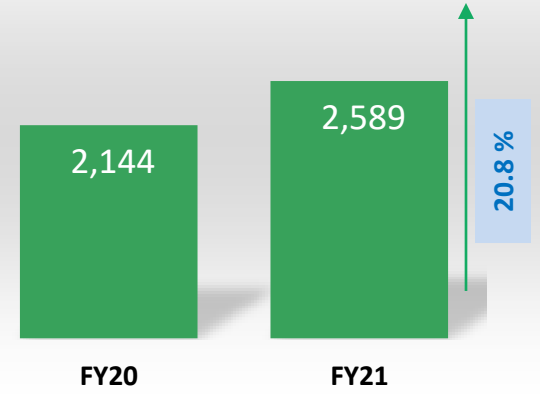
Revenue from Operations
(In Rs. Mn)



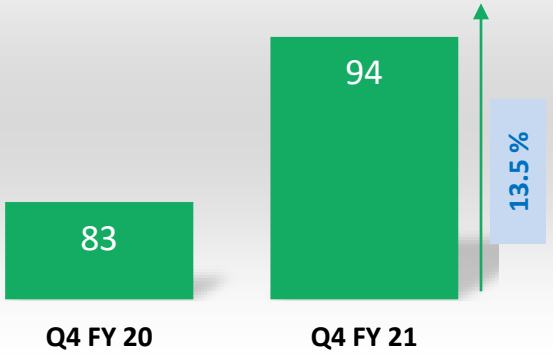
Core Revenue from Operations
(In Rs. Mn)



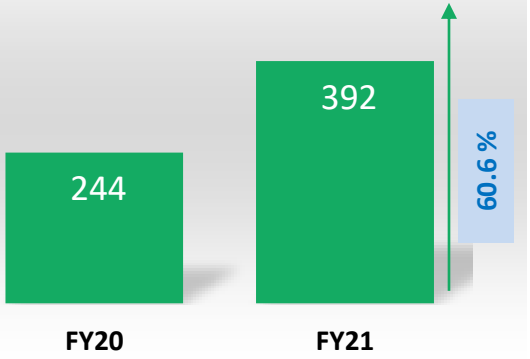
Core Revenue from Operations
(In Rs. Mn)



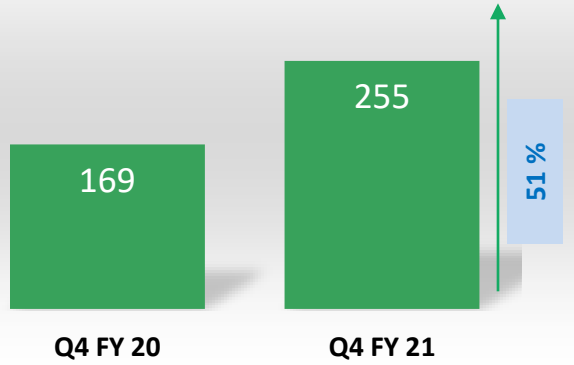
EBITDA
(In Rs. Mn)



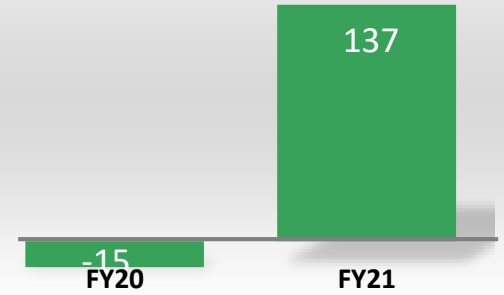
EBITDA
(In Rs. Mn)



Pre Tax Profits
(In Rs. Mn)



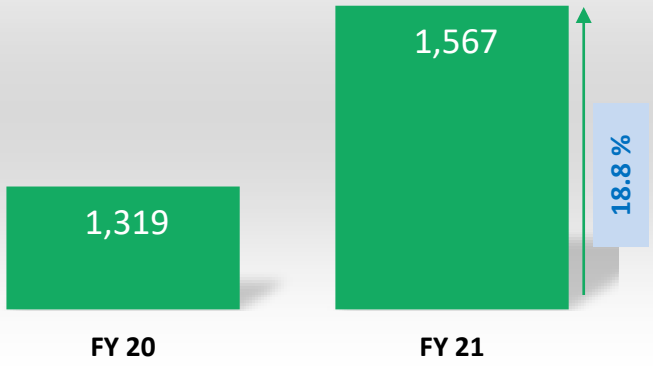
Pre Tax Profits
(In Rs. Mn)



Financials

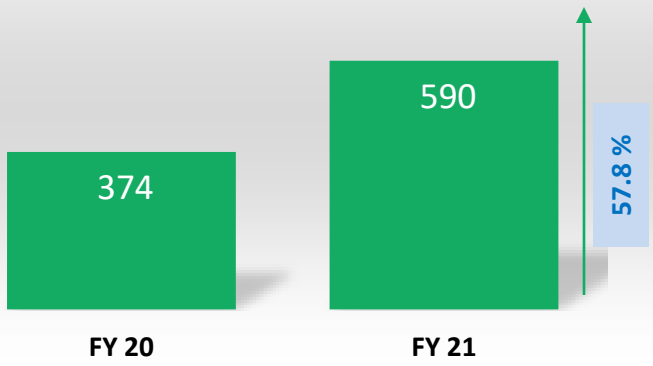
Revenue From PFI Exports

(In Rs.Mn)



Revenue From Formulation Exports

(In Rs.Mn)

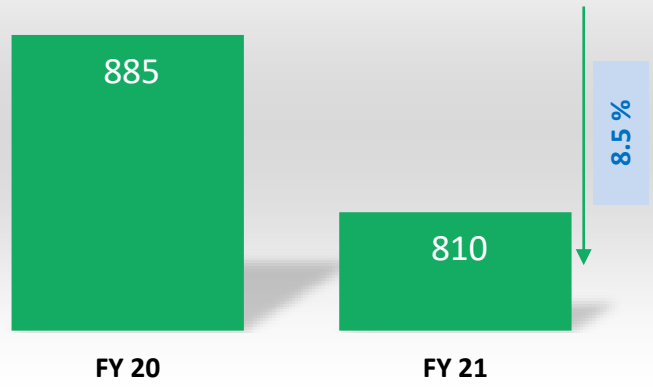


Growth Drivers:

- Core business growth at 20.8%
- Growth of PFI Exports at 18.8%
- Growth of Formulation Exports at 57.8%
- Share of Core Business to Total Business at 85% (up from 78% in F20)

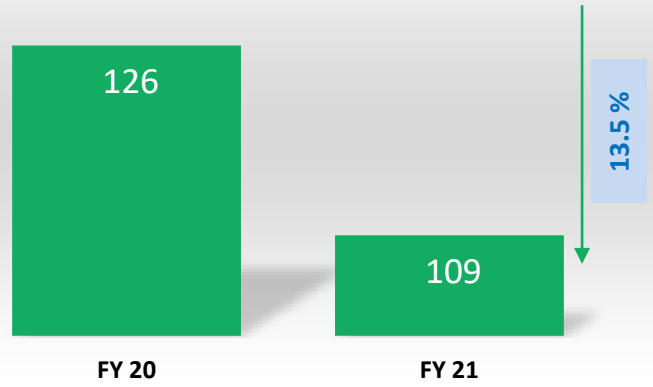
Total Operating Costs

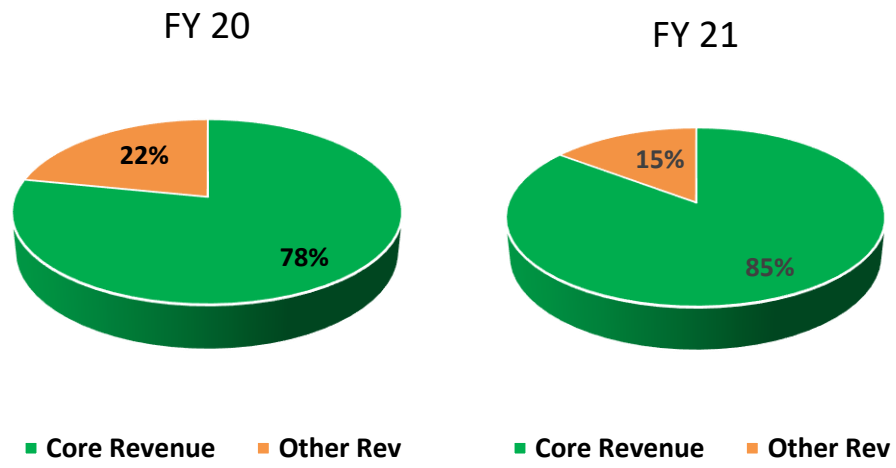
(In Rs.Mn)



Finance Costs

(In Rs.Mn)

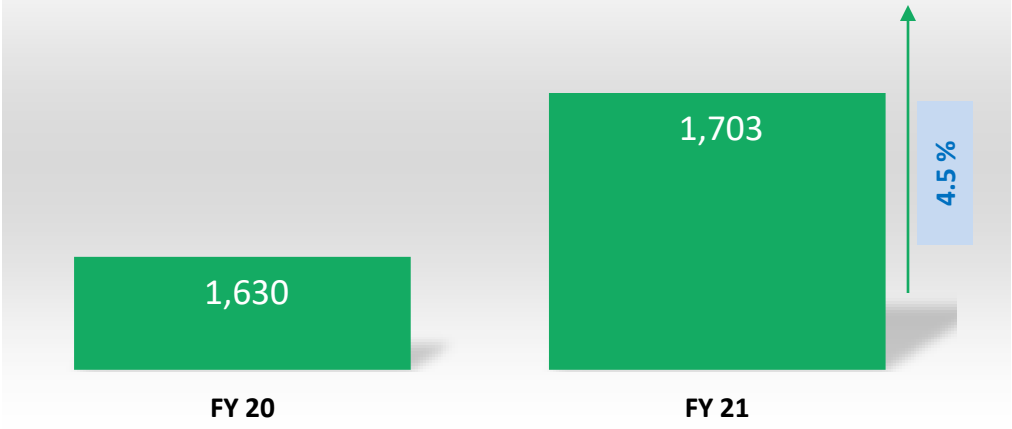




Financials

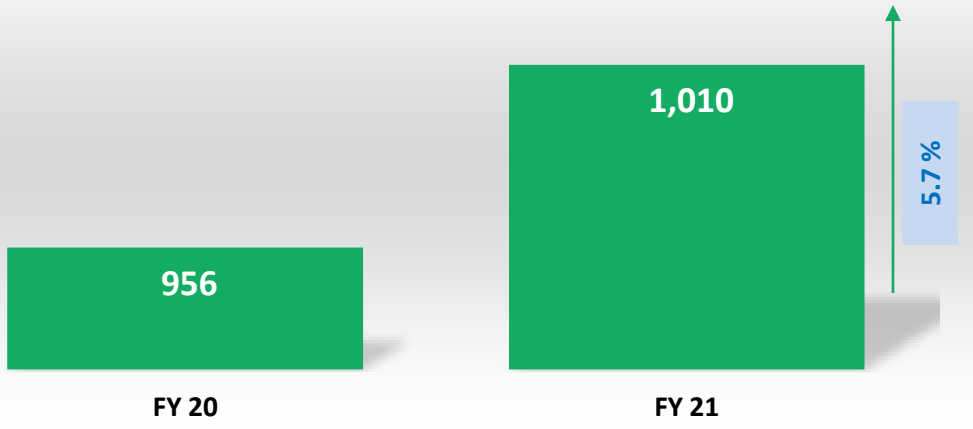
Gross Block

(In Rs.Mn)



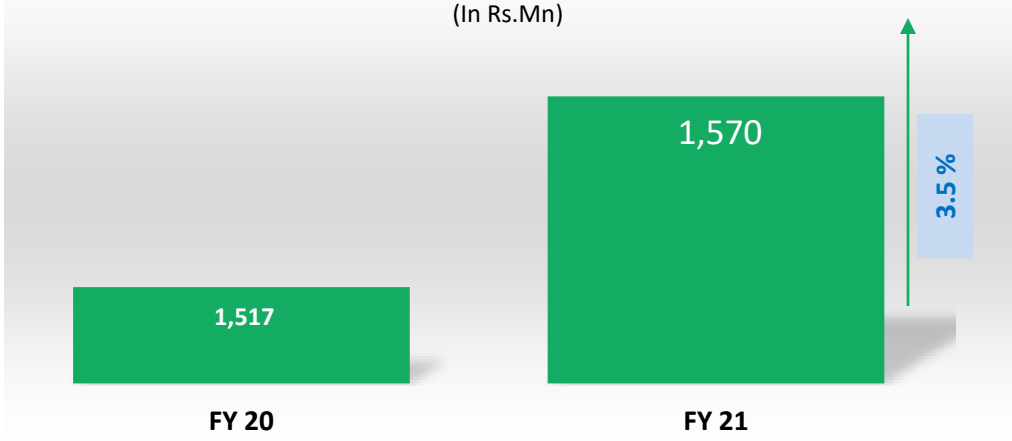
Net Current Assets

(In Rs. Mn)



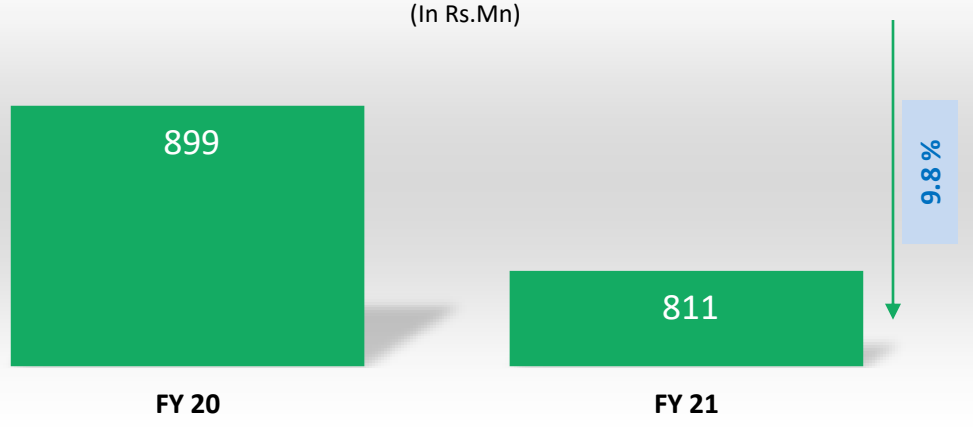
Net Worth

(In Rs.Mn)



Borrowings

(In Rs.Mn)



Financials

Income Statement

(In Rs.Mn)

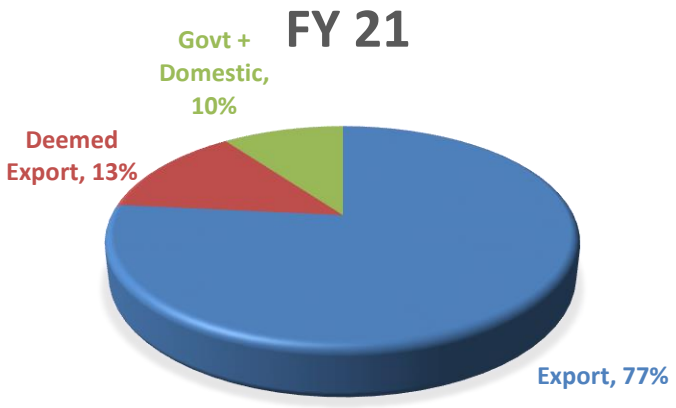
Particulars	Q4 FY 20	Q4 FY 21	Y-o-Y %	FY20	FY21	Y-o-Y %
Revenue From Operations	679	732	7.7%	2,743	3,036	10.7%
Other Income	25	8	-65.4%	47	24	-47.4%
Total Income	**704**	**740**	**5.2%**	**2,790**	**3,061**	**9.7%**
Gross Margin	**330**	**361**	**9.6%**	**1,312**	**1,450**	**10.5%**
Gross Margin (%)	48.6%	49.4%		47.8%	47.8%	
EBITDA	**83**	**94**	**13.5%**	**244**	**393**	**60.6%**
EBITDA %	12.2%	12.8%		8.9%	12.9%	
PBT before exceptional Items	**17**	**25**	**51.0%**	**(15)**	**138**	
PBT%	2.5%	3.5%		-0.5%	4.5%	
PAT	**15**	**14**	**-8.6%**	**17**	**56**	
PAT %	2.2%	1.9%		0.6%	1.8%	

Assets & Liabilities

(In Rs.Mn)

Assets	FY 20	FY 21
Gross Block Fixed & Intangible Assets Incl WIP	1,630	1,703
Net Block- Fixed Assets including WIP	1,209	1,136
Other Non- Current Assets	257	237
Current Assets	1,763	1,830
Total	**3,229**	**3,203**
Liabilities		
Equity	1,517	1,570
Long term Borrowings	402	365
Short term Borrowings	497	446
Other Non- Current Liabilities	6	2
Current Liabilities	807	820
Total	**3,229**	**3,203**

Strategic Initiatives Showing Initial Results



Focus on Growing our Core business of Exports of Formulation and PFI

- Total export business registered a **CAGR @ 12%** over the last 3 years (FY18 – FY21)
- Of this, Formulation export has tripled (**40% CAGR**) over the last 3 years (FY18 – FY21)
- Pre-Formulation Intermediaries exports has grown at **5.7% CAGR** in the same period
- ZIM has registered **664** formulations in its own name across **52** markets In addition it has also registered in its own name over **370** brands across various markets; several filings are also awaiting registration

While reducing Institutional and Other Non Core Businesses:

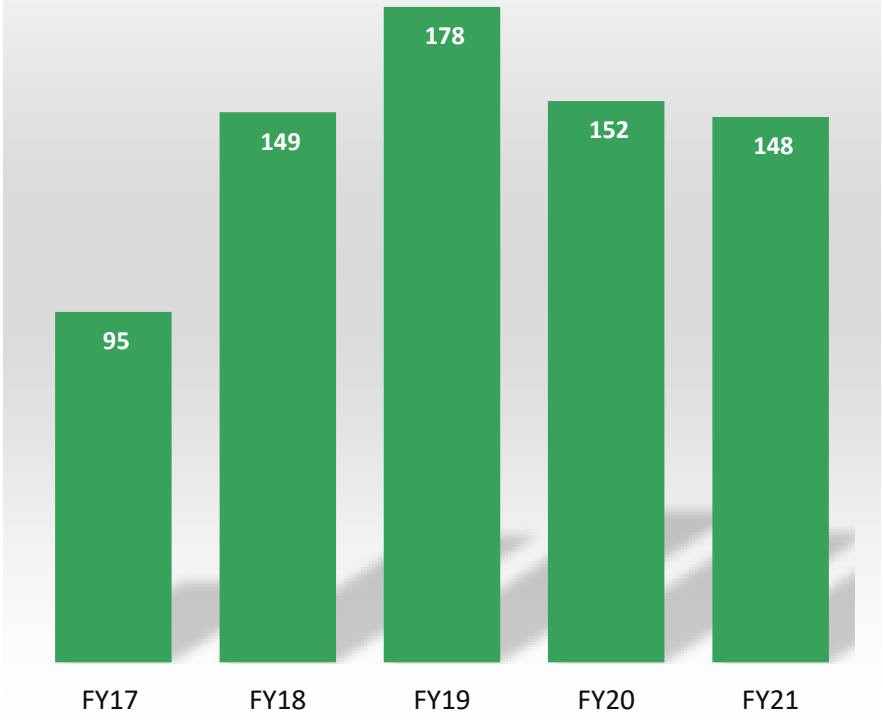
- Institutional business has reduced by half (De-growth of **21% of CAGR** in the period FY18 – FY21)
- Deemed Export has degrown by about **9%** in the same period

Resulting in Export Business, as part of the Total Revenue, being at 77% in F21 vs. 59% in FY18

Strategic Initiatives Showing Initial Results

R&D Expenses Over Last 5 Years

(In Rs. Mn)



Developing the "Thin Film" delivery platform – several products commercially launched

Commercial revenue of INR 110 Mn in FY21 including Co – Development Fees recognized.

- 6 registrations filed for Developed Markets - Europe (3), Brazil (2) and Canada (1) in collaboration with global partners
- In advance discussion for Nutraceutical products for USA

Strengthening R&D, QA, QC and Operations for partnering Pharmaceutical Companies in Co-Development and supply

- Revenue of INR 150 Mn recognized till FY21.
- Presently 14 complex generic Co-Development projects in pipeline for Europe, Brazil and Turkey markets
- 4 OTF products are signed under Co-Development projects

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THANK YOU