



Zeal & Innovation in **M**edicine

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BSE Limited, Market Operations Dept. P. J. Towers, Dalal Street, Mumbai- 400 001 Company Code- 541400	National Stock Exchange of India Limited Listing Compliance Department Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 (Symbol - ZIMLAB)
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Dear Sir/Madam,

Sub: **Q3 & 9MFY24 Earnings Presentation**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed Q3 & 9MFY24 Earnings Presentation.

Kindly take the intimation on record.

Thanking you,

Yours faithfully,

For ZIM LABORATORIES LIMITED

(Piyush Nikhade)
Company Secretary and Compliance Officer
Membership No. A38972

Encl: As above.

ZIM LABORATORIES LIMITED

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INNOVATION AND DIFFERENTIATION FOR PATIENT-CENTRIC SOLUTIONS

Q3 & 9MFY24 – EARNINGS PRESENTATION



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ZIM LABS AT A GLANCE

- **Novel Drug Delivery System Using Proprietary Manufacturing Processes**
 - ZIM develops and supplies unique combination generic products utilizing innovative drug delivery solutions using various in-house technology platforms
- **Sustainable R&D Spend**
 - Focus on development of New Innovative Products (NIP) and new registrations continue - the R&D spend as a percentage of Total Operating Income stood at 9.1% for 9MFY24
- **Expanding to Regulated Markets**
 - Contribution to Revenue from innovative products - NIP and Oral Thin Films has been growing ; In 9MFY24, NIP + OTF combined business contributed 10.4% of Total Operating Income
- **Developed An Exclusive Pipeline of Complex Non-Infringing New Innovative Products (NIP)**
 - 10 New Innovative Products (NIP) in various stages of development with several more in the pipeline; 4 NIP filed in the EU under ZIM's name; and several filings also done in RoW markets

Rs. 2,495 Mn
9MFY24 Revenue

1 NIP Dossier
filed in the EU in
Q3FY24; Total of 4
EU NIP filings till
date

Rs. 643 Mn
Formulation Exports
Business in 9MFY24;
34% of Total exports;
up from 25% in
9MFY23

1984
Incorporated

3 Facilities
Infrastructure

Accreditations
EU-GMP, WHO-
GMP, NSF/ANSI
455-2

500+
No. of Employees

Business Highlights

Business Update

- FF Exports Business growing in line with strategic initiatives ; 26 % QoQ growth contributing Rs. 246 Mn for Q3FY24
- Nutra business has picked up; orders worth Rs. 180 Mn received in Q3FY24
- Contribution from high margin Government business has grown during Q3

Marketing and Registrations

- 1 NIP Dossier filed in Spain and Portugal
- In addition, 10 FF dossiers were submitted under ZIM's name; while 3 registrations were received under ZIM's name from previous filings
- For the ODS business, ZIM and its partners submitted 17 dossiers; 12 were under ZIM's name
- Our partners submitted 5 ODS dossiers; Ondansetron in Brazil, Tadalafil in Indonesia and Rizatriptan in Austria
- Focus continues on obtaining plant accreditations for countries where dossiers are being filed, developing new products, upgrading dossiers and on filing for registration of products across our target markets

Financial Highlights

Improved Run Rates in Total Operating Income

- Our Total Operating Income grew by 12.2%, reaching Rs. 963 Mn in Q3FY24, up from Rs. 858 Mn in Q2FY24
- EBITDA margins were at 13.1% improving 60 bps QoQ
- Profit After Tax grew in absolute terms from Rs. 41 Mn to Rs. 48 Mn QoQ; PAT margins increased by 20 bps QoQ

NIP and OTF contribution increasing

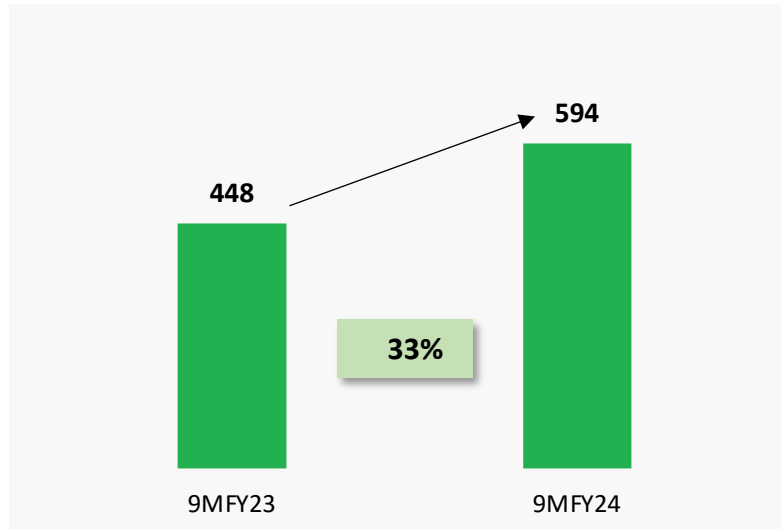
- For 9MFY24, there was a 164% YoY growth in NIP revenue, reaching Rs. 168 Mn
- OTF revenue in 9MFY24 was Rs. 93 Mn, a 31% YoY growth.
- The combined contribution from NIP and OTF for 9MFY24 is 10.4% of Revenue i.e. Rs. 261 Mn

Continued Investment in R&D and Facility

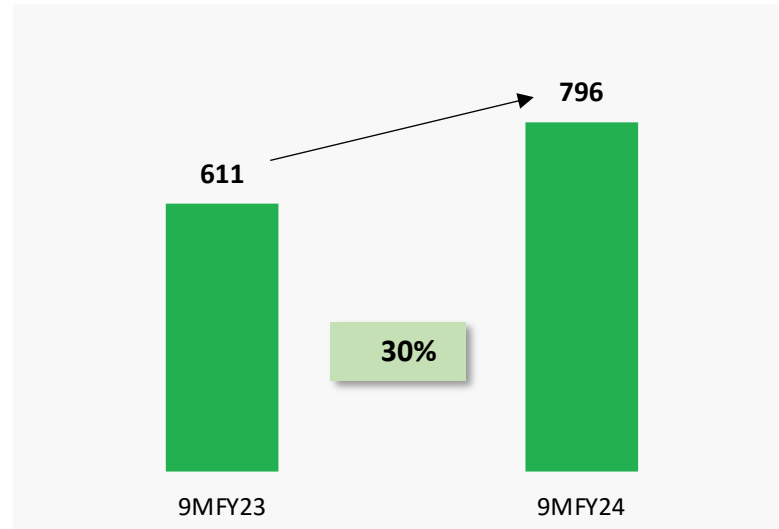
- In Q3FY24, the investment in R&D was **9.6%** of the Total Operating Income; Rs 41 Mn spent on BE studies and Registrations
- Capex addition of Rs. 174 Mn in Q3FY24; 9MFY24 total capex addition is Rs. 514 Mn

Growing Our Business in Target Markets

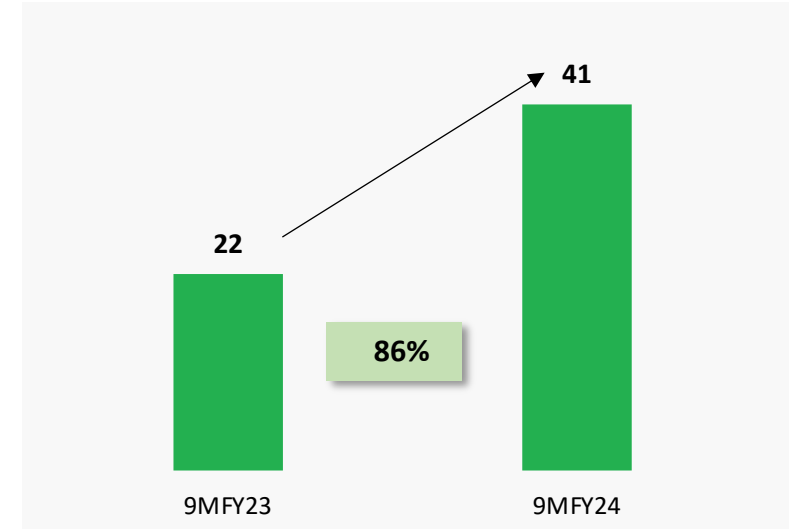
India Revenue (Rs. Mn)



Asia (Ex India) Revenue (Rs. Mn)



Europe Revenue (Rs. Mn)

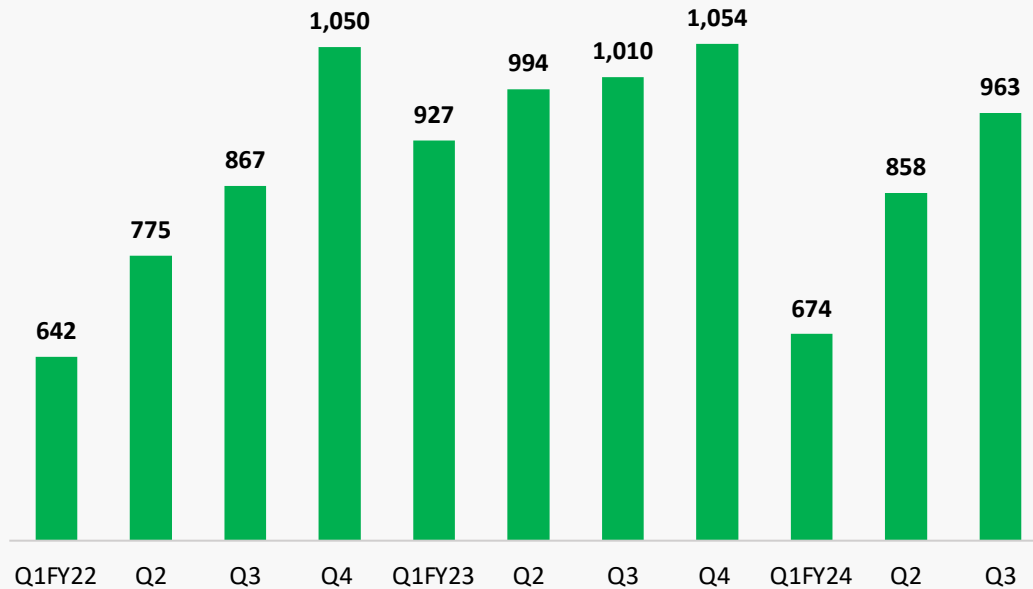


Steadily moving towards making presence in stable markets

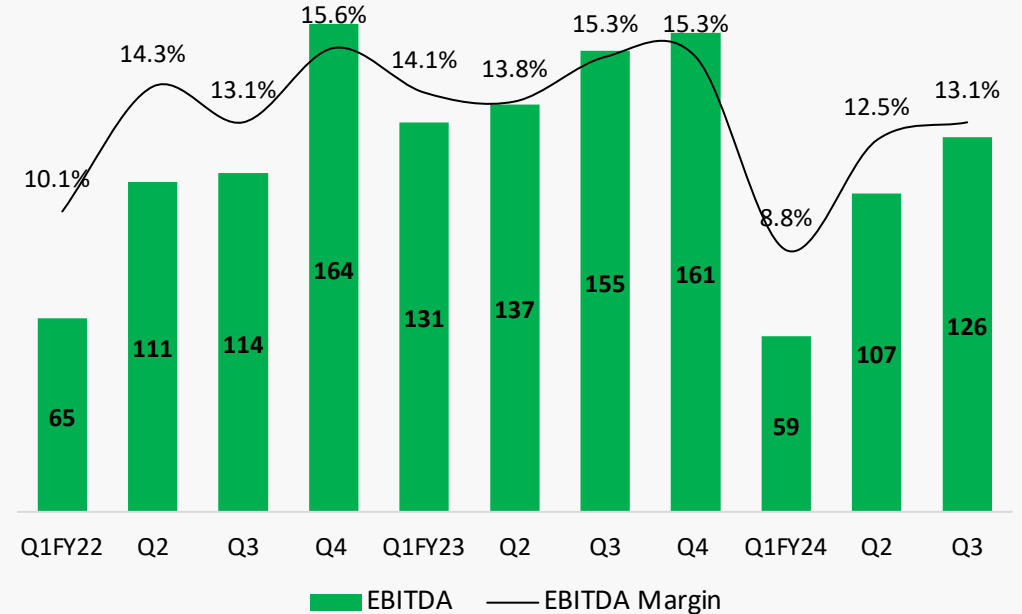
- Europe: For Q3FY24 Revenue in the EU market increased to Rs. 12 Mn, up 52% YoY
- Asia (Ex India) witnessed an YoY increase in Revenue for Q3FY24 by 39% to Rs 299 Mn
- Indian Market: For Q3FY24, revenue in India increased by 115% YoY to Rs. 279 Mn
- This quarter saw increase in orders from State Government for some of our leading nutraceutical products
- Formulation business saw traction in India on back of collaboration with some leading Indian Pharma Co's for our unique urology product

GROWTH TRAJECTORY

Total Operating Income (Rs. Mn)



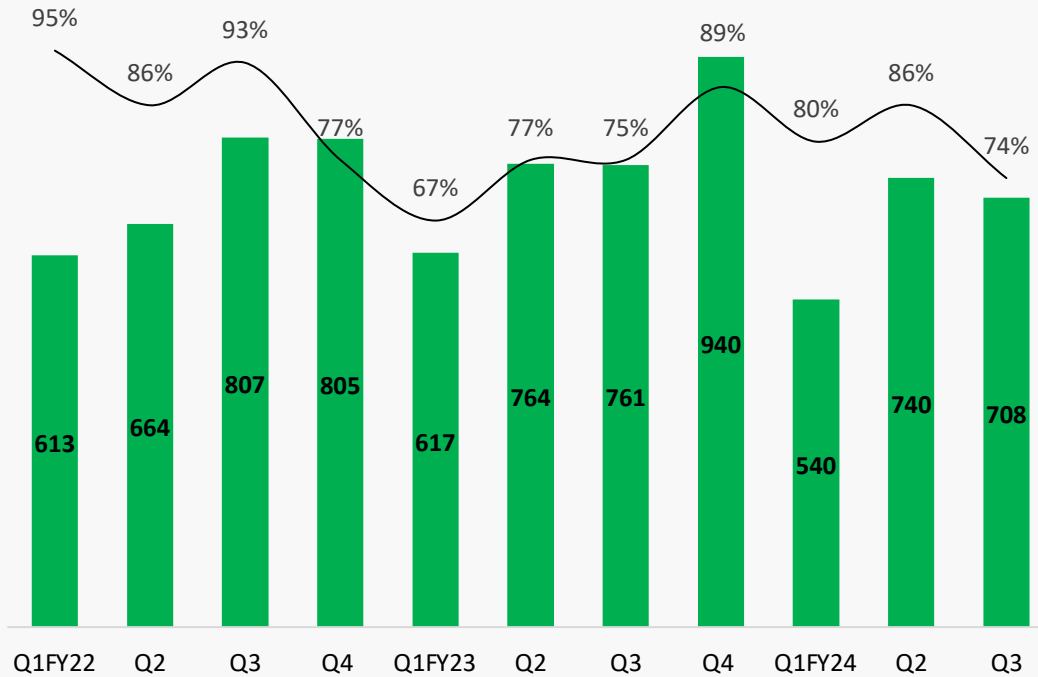
EBITDA (Rs. Mn) & EBITDA Margin



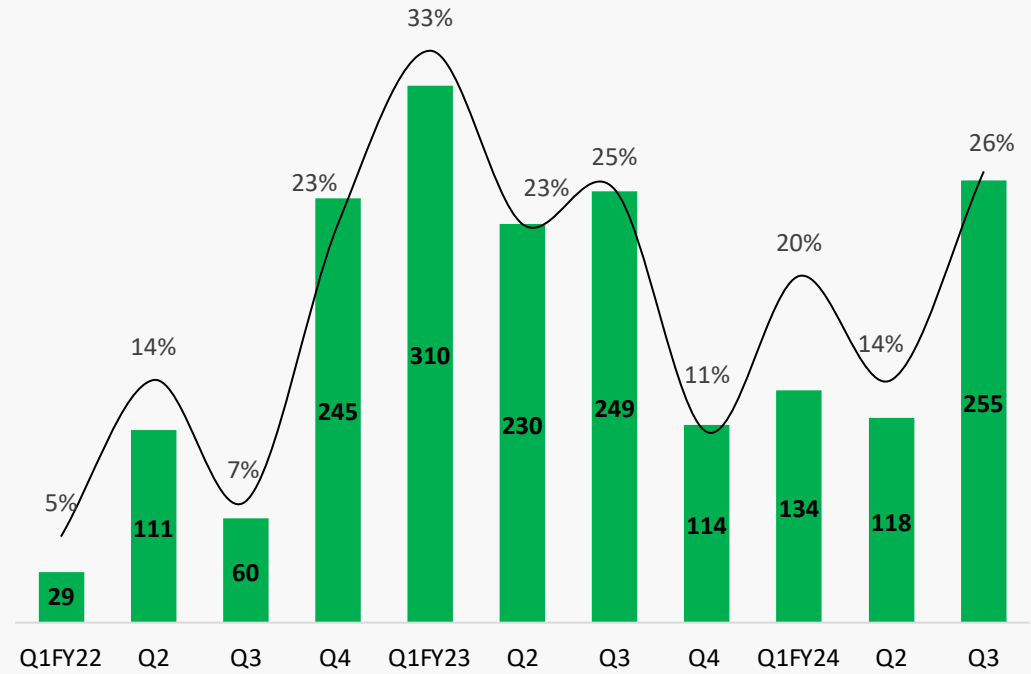
- Run rate of Operating Income was in line with historic trends ; Total Operating Income for Q3FY24 saw a growth of 12.2% Q-o-Q
- EBITDA grew from Rs. 107 Mn in Q2FY24 to Rs. 126 Mn in Q3FY24; up 17.8% Q-o-Q
- EBITDA margins up 60 bps; 13.1% in Q3FY24 as compared to 12.5% in Q2FY24

BUSINESS MIX

Total Pharma Revenue (Rs. Mn) & as % of Total Operating Income

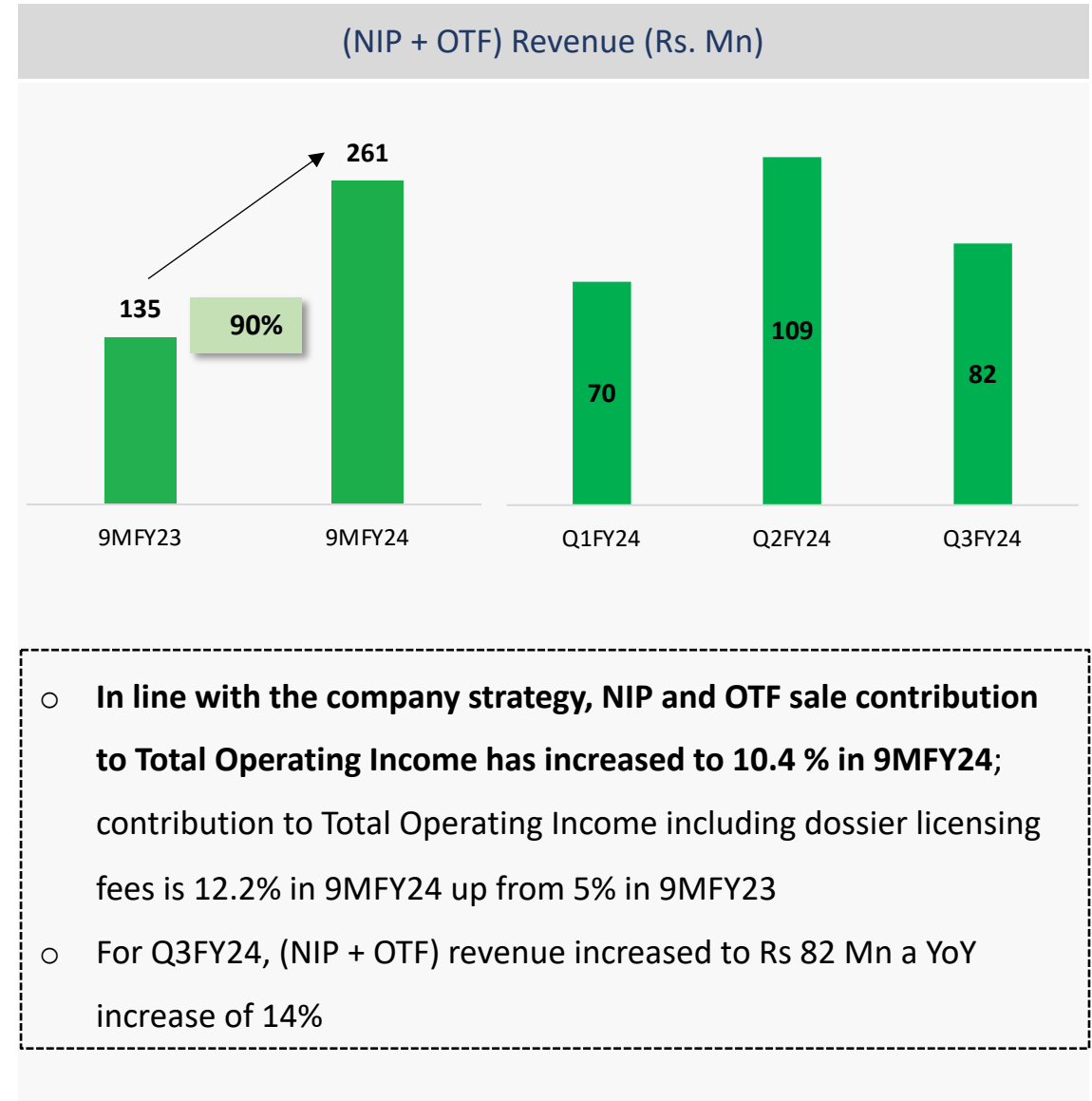
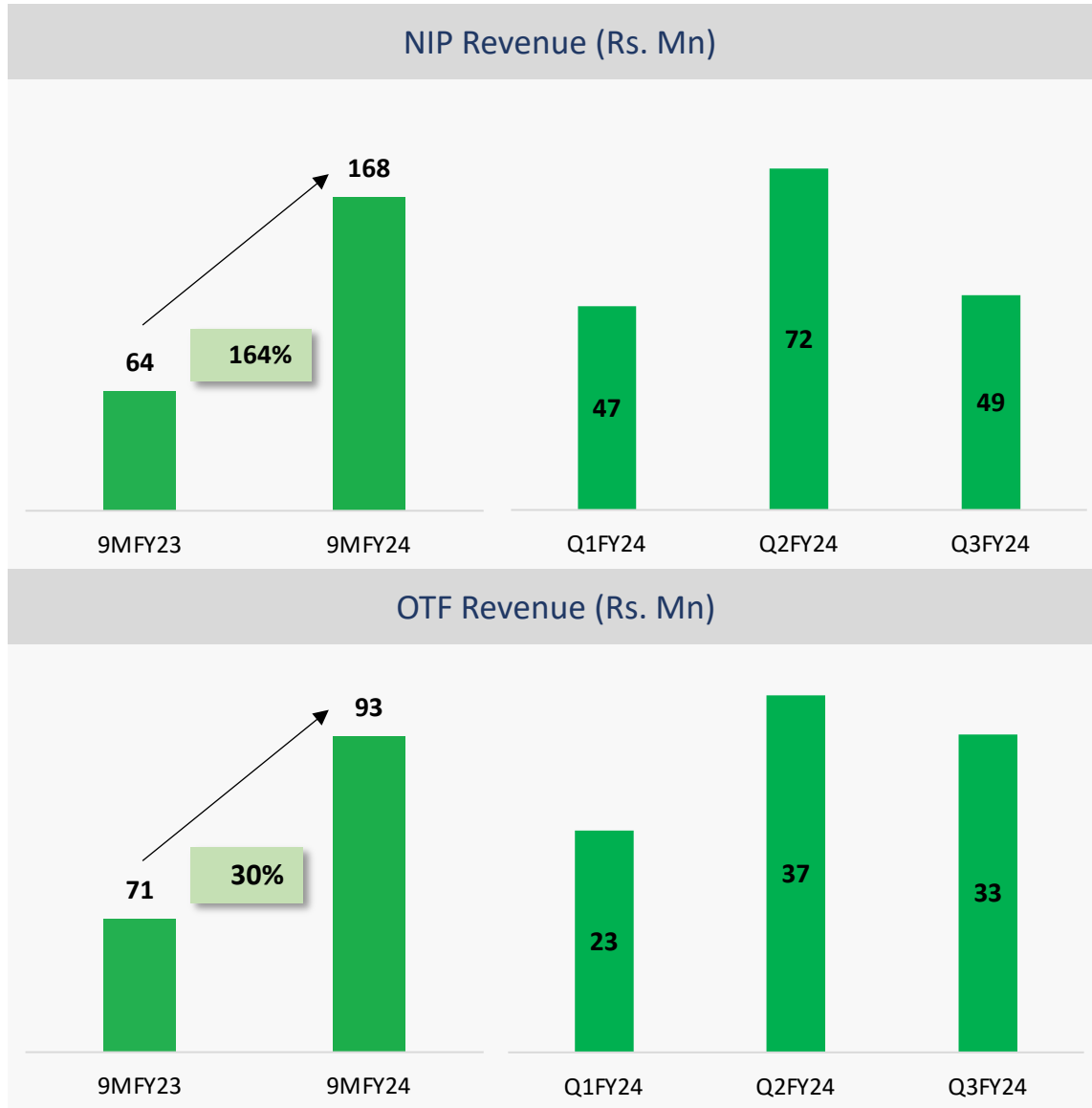


Total Nutra Revenue (Rs. Mn) & as % of Total Operating Income



- For 9MFY24 contribution from pharmaceutical business increased to 80% vs 73% for 9MFY23
- Nutraceutical business witnessed good growth in Q3 to Rs. 255 Mn, mainly attributed to pick up in exports and growth in demand from Domestic Market ; overall mix of nutraceutical mix was 20% for 9MFY24

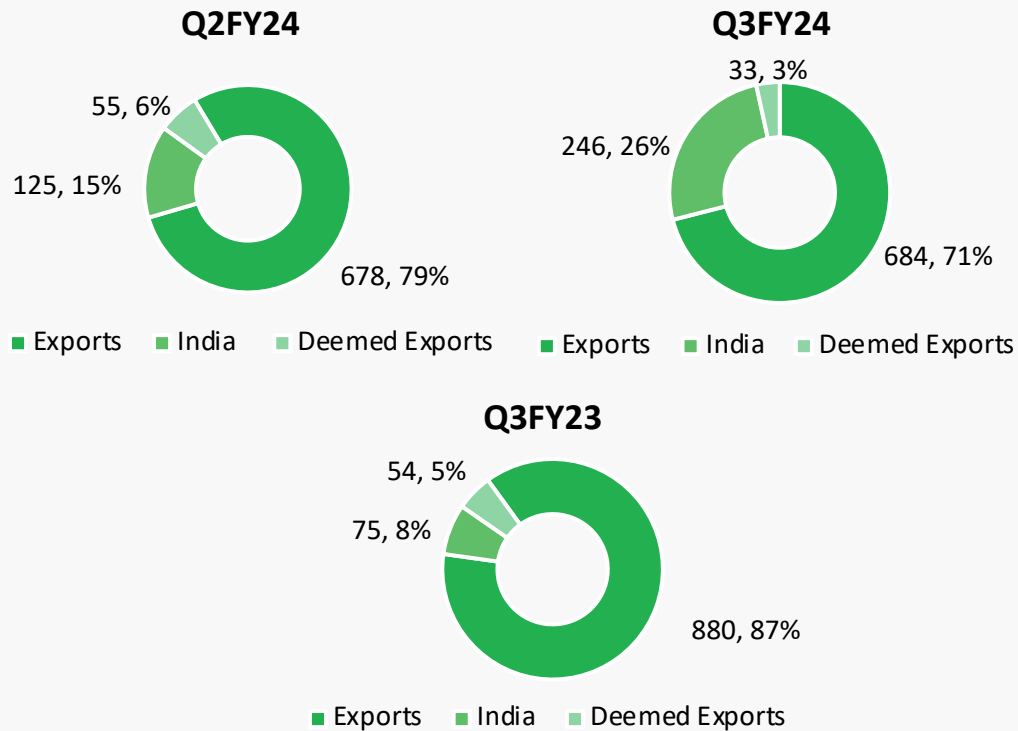
CONTINUED CONTRIBUTION FROM NIP AND OTF



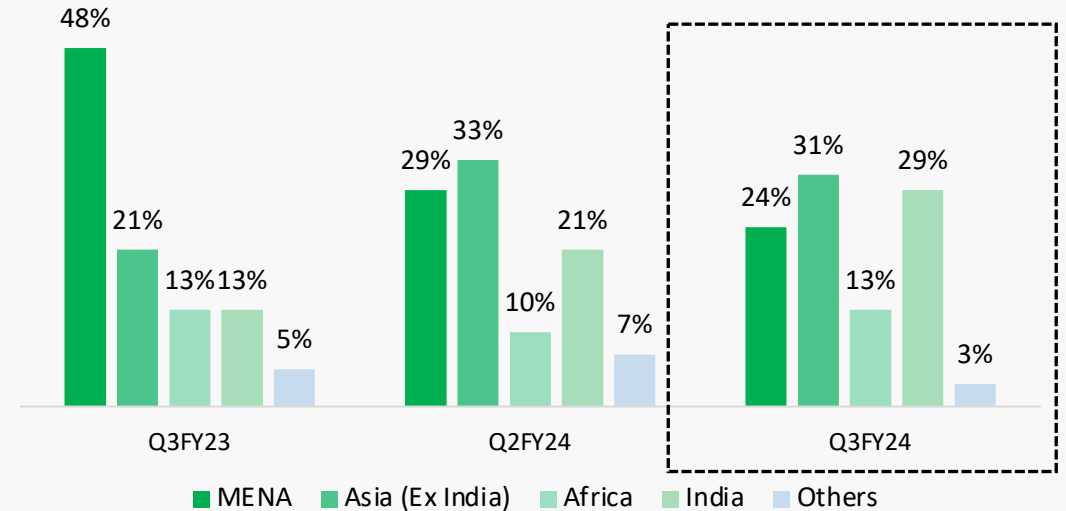
- In line with the company strategy, NIP and OTF sale contribution to Total Operating Income has increased to 10.4 % in 9MFY24; contribution to Total Operating Income including dossier licensing fees is 12.2% in 9MFY24 up from 5% in 9MFY23
- For Q3FY24, (NIP + OTF) revenue increased to Rs 82 Mn a YoY increase of 14%

GEOGRAPHICAL MIX : ASIA GROWING

Business Mix (Rs. Mn)



Region wise Business Mix (%)

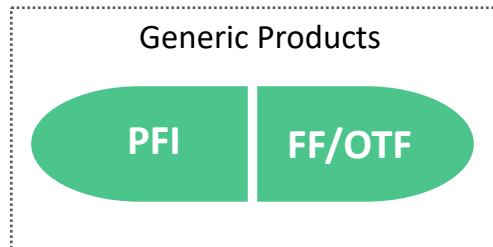


- Total Revenue from Exports for Q3FY24 is Rs. 684 Mn, up 0.9% vs. Q2FY24
- Business improving in Asia (Ex India) & in India ; Operating Income from these regions at 31% & 29% respectively
- Business Mix for MENA region has moderated to 25-30% during FY 24

COMMITTED TO CORE STRATEGY

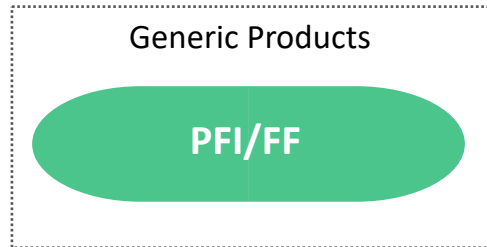
Current Business: 9MFY24

Pharmaceuticals



80% Revenue Contribution

Nutraceuticals



20% Revenue Contribution

76% Export

- Presently catering to the Rest of the World (RoW) and Pharmerging
- Pre-formulation intermediates (PFI) and Finished formulations (FF): unique combinations of generic products with various drug delivery techniques
- High R&D focus and a strong pipeline of innovative products
- Marketing ties: local pharma companies and distributors as partners to market the products

Outlook

Pharmaceuticals; New Innovative Products

10

New Products
(Various Stages of
Dossier
Completion)

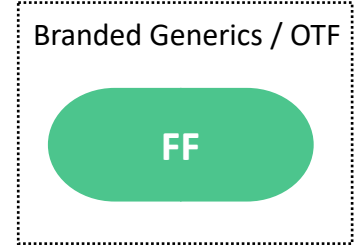
4

NIP Dossiers
filed
in the EU

2

NIP Filings
planned for
Q4FY24

Nutraceuticals



Attractive Products

Better Margins

- New Innovative Products: A Basket of 10 Products; More under development
- Market potential of NIP: USD 500 Mn- 1.5 Bn / Product* (Ex-USA); Generic+
- Registration of NIP products also targeted for RoW markets
- 4 products filed in the EU; 2 more developed market filings planned in Q4FY24
- NIP + OTF business contribution is 10.4% for 9MFY24
- Developing specialized Nutraceutical products

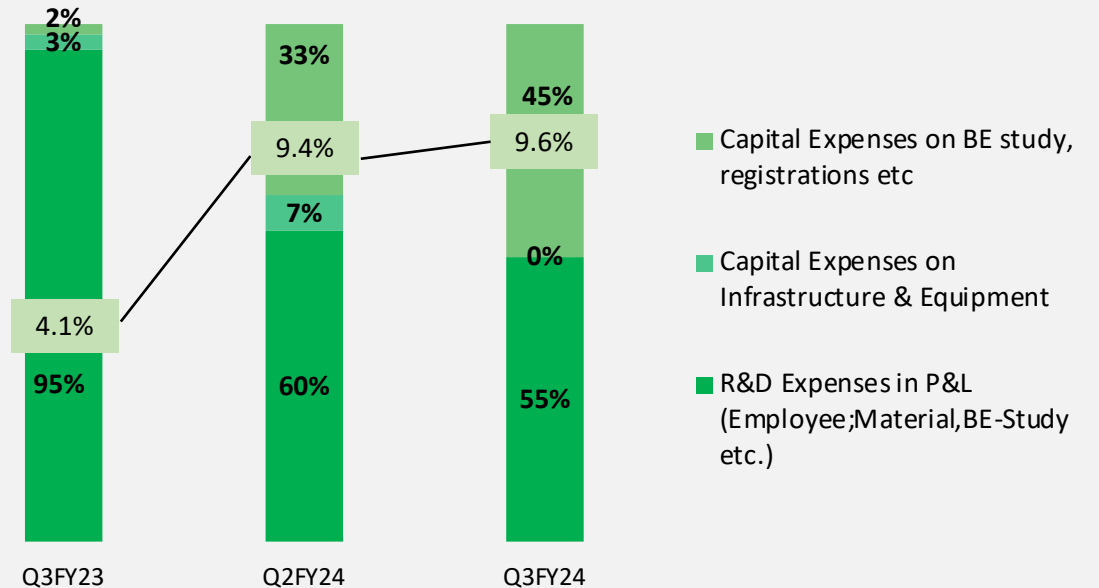
R&D AT CORE

R&D Initiatives

- R&D expenses in the quarter contributed towards dossier upgradation of 5 products and expansion of NIP pipeline
- Non – infringing development and manufacturing processes using various technology platforms –
 - Micro - Emulsion Coating Technology (MECT)
 - Pellet Cold Forming Technology (PCFT)
 - Rapid Gelation Drug Release Technology (RGDRT)
 - Matrix Pore Forming Tablet Technology (MAPOTAB)

90 R&D Team Size	3 PhDs	76 Postgraduates
1 NIP filed in EU market in Q3FY24	4 Versatile technology platforms	Rs. 226 Mn Spent in 9MFY24 on Opex, Facility, BE Studies, Registrations, etc.

R&D Expense Mix % of Total R&D Spend & Total R&D Spend as % of Total Operating Income (■)



R&D Patents : Q3FY24

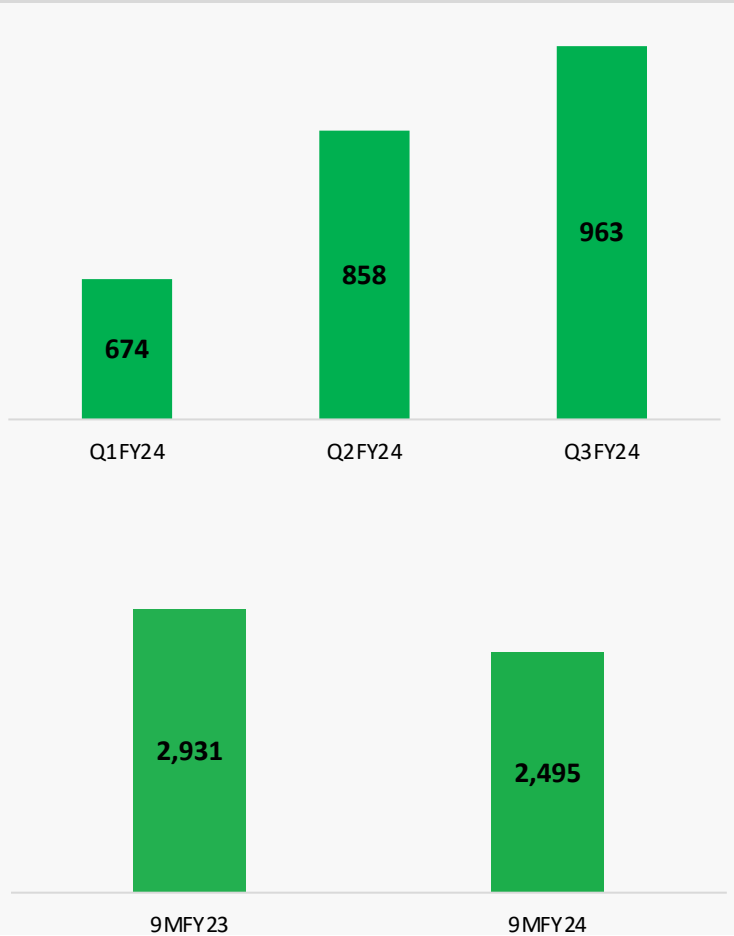
- 1 patent granted in the NIP business, while 2 patent applications were filed
- 2 patents were granted in the OTF business
- Total 18 patents granted and 61 filed by ZIM till date

INCOME STATEMENT

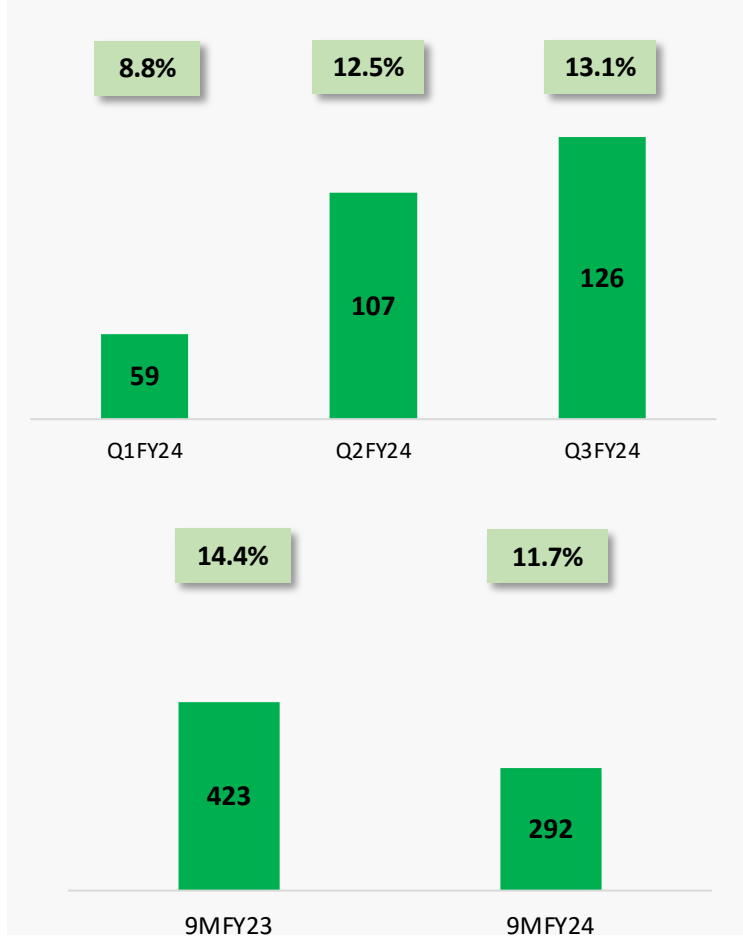
Particulars (Rs. Mn)	Q3FY24	Q2FY24	Change % (QoQ)	9MFY24	9MFY23	Change % (YoY)
Total Operating Income	963	858	12.2%	2,495	2,931	(14.9%)
Other Income	11	14	(21.4%)	36	57	(36.8%)
Total Income	974	872	11.7%	2,531	2,988	(15.3%)
EBITDA	126	107	17.8%	292	423	(31.0%)
EBITDA %	13.1%	12.5%	60bps	11.7%	14.4%	(270 bps)
Profit Before Tax (PBT)	70	54	29.6%	126	254	(50.4%)
PBT %	7.3%	6.3%	100bps	5.1%	8.7%	(360 bps)
Profit After Tax (PAT)	48	41	17.1%	91	172	(47.1%)
PAT %	5.0%	4.8%	20 bps	3.6%	5.9%	(230 bps)
EPS (Rs / Share)*(not annualised)	0.98	0.85	15.3%	1.88	3.53	(46.7%)

FINANCIAL PERFORMANCE - 9M & Q3FY24

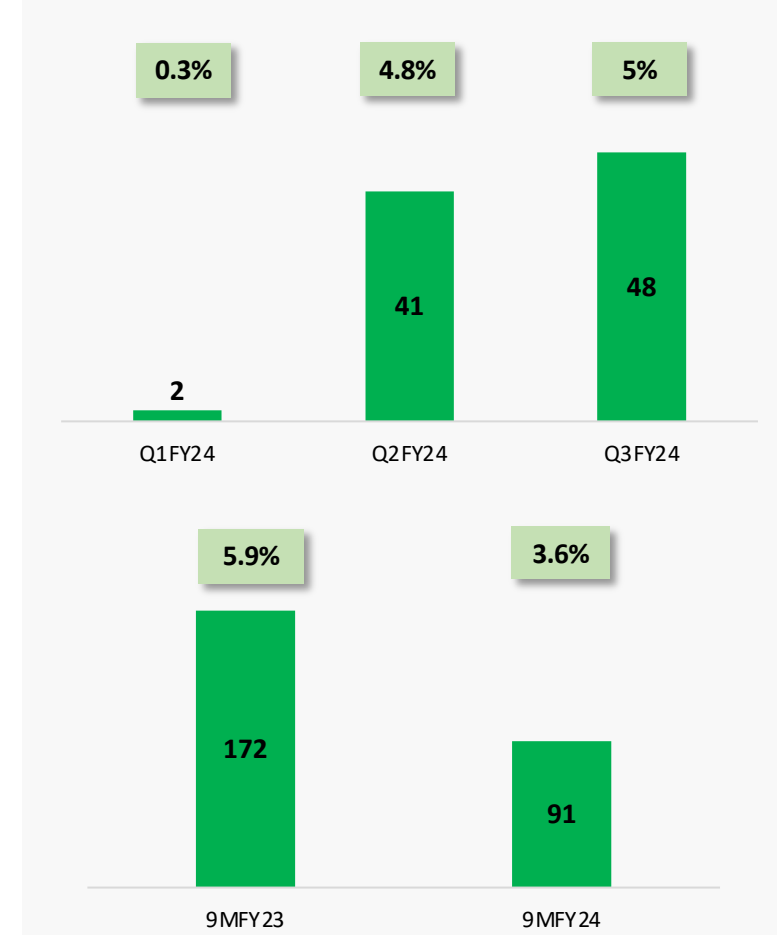
Total Operating Income (Rs. Mn)



EBITDA (Rs. Mn) & EBITDA %



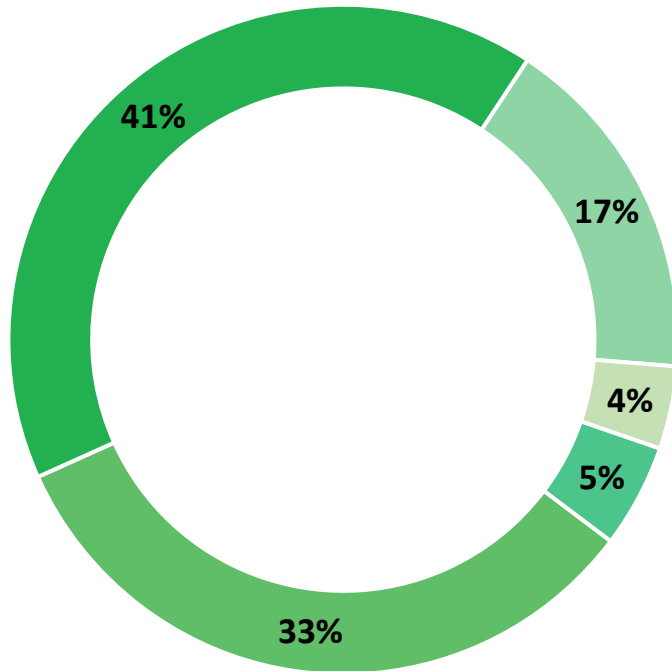
PAT (Rs. Mn) & PAT %



CORPORATE

SHAREHOLDING

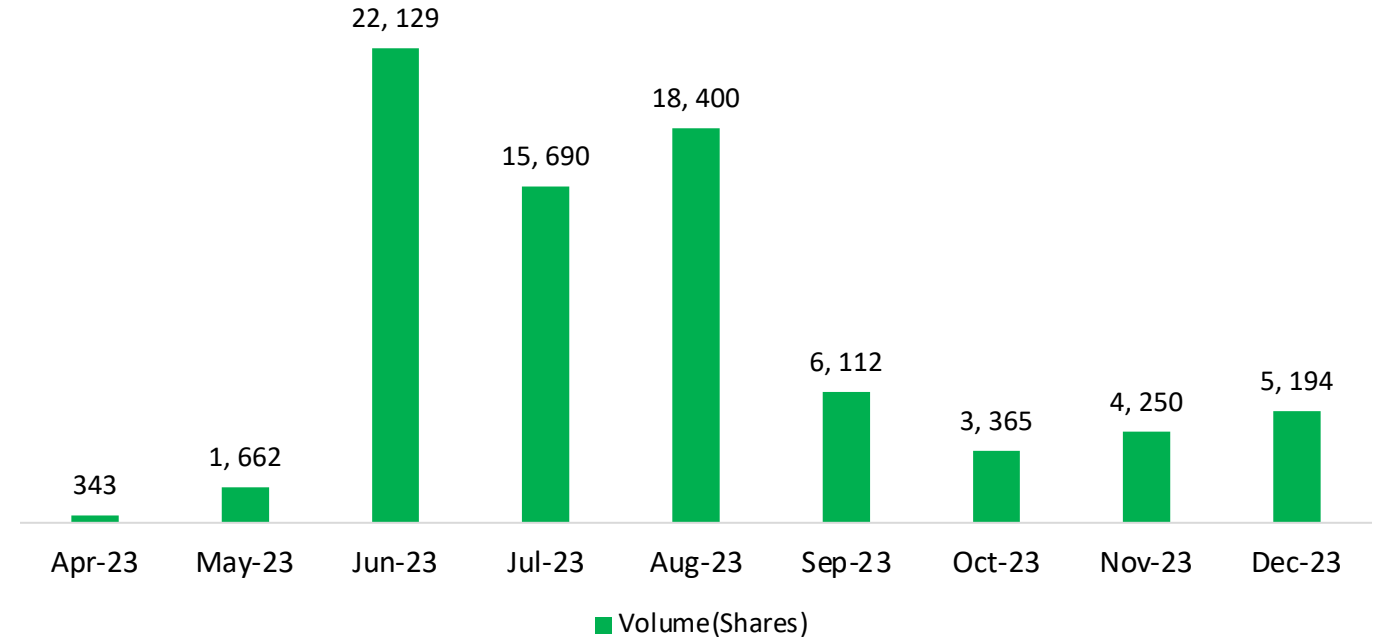
Ownership % (On Dec 23)



- Promoter
- HNI
- Body Corporates
- Other Public Shareholding
- NRI and foreign individuals

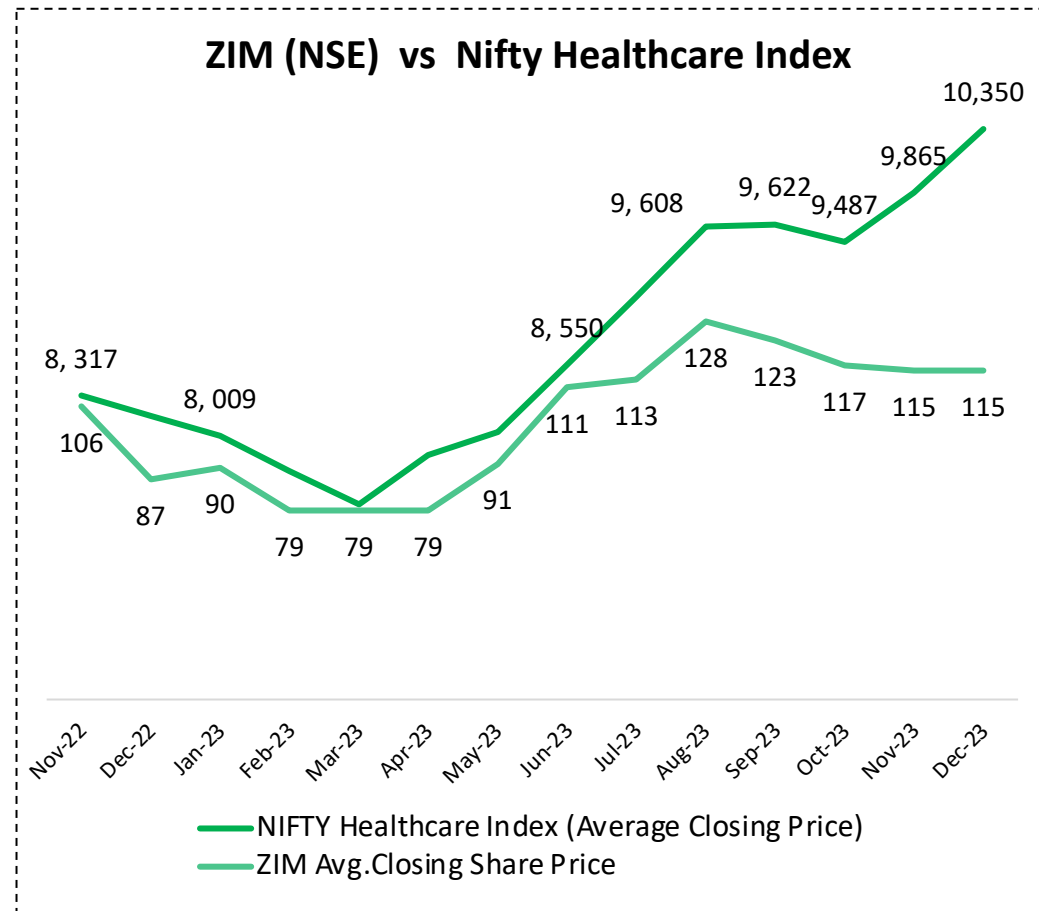
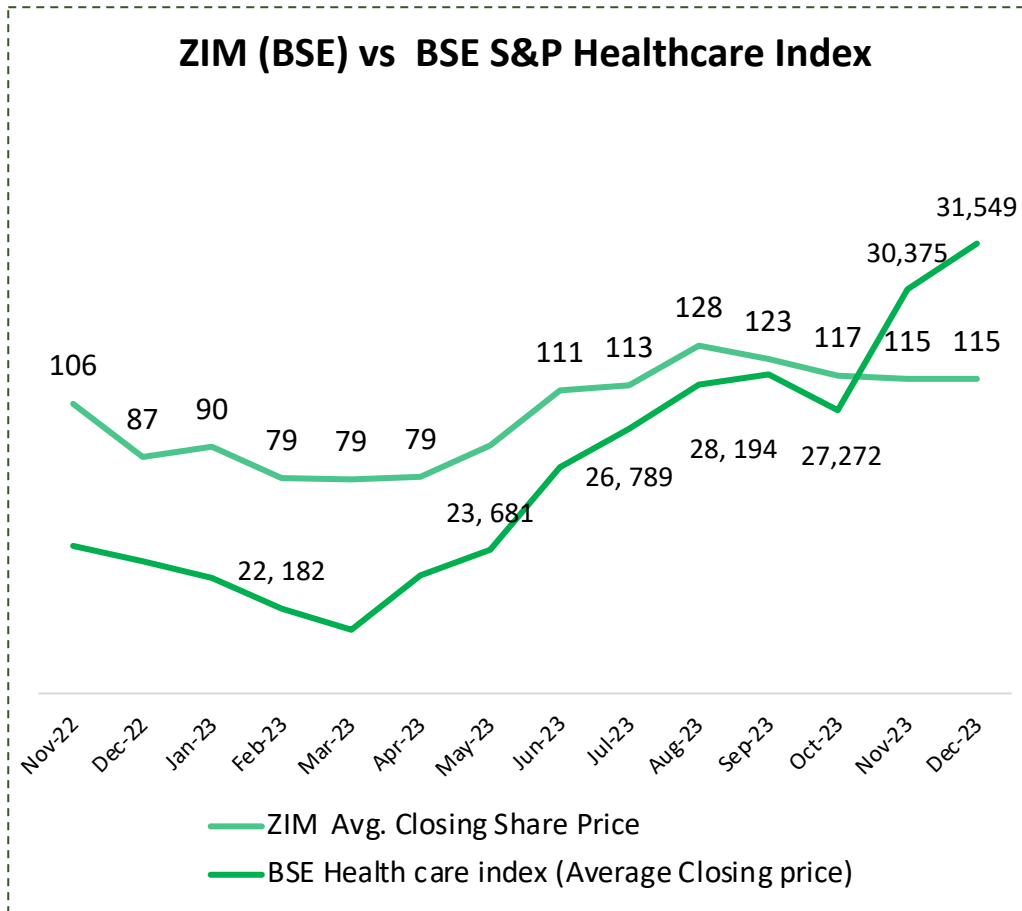
*Percentage figures rounded off to show whole numbers

Traded Volume (In K) BSE+NSE



- The company saw a significant increase in the number of shareholders; Q1FY24 – 8,982, Q2FY24 – 15,305, Q3FY24 – 17,342
- Promoter shareholding is free of any encumbrance

SHARE PRICE MOVEMENT



*Share Price - Adjusted for issue of Bonus Shares issued in Q3FY23

Q2FY24 EARNINGS CALL DETAILS

Date	31st January, 2024
Time	12 Noon IST
Dial – In Details	
Universal Access Numbers	+91-22-62801557/ +91-22-71158383
Diamond Pass	Click Here

Visit ZIM Laboratories Limited: <https://www.zimlab.in/>

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THANK YOU