

June 26, 2023

To,
The Manager
Listing Department,
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

Dear Sir/Madam,

Trading Symbol: ZOTA

Sub: Investor Presentation

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject we, Zota Health Care Limited are submitting herewith enclosed the Investor Presentation.

This is for your information and record.

Thanking you,

Yours faithfully,

For **Zota Health Care Limited**

Ashvin Variya
(Company Secretary & Compliance Officer)
Place: Surat

Encl: a/a

Registered Office:

Zota House, 2/896, Hira Modi Street,
Sagrampura, Surat-395002 Ph: +91 261 2331601
Email: info@zotahealthcare.com
Web: www.zotahealthcare.com

CIN: L24231GJ2000PLC038352

JUNE 2023

Zota Health Care Limited

INVESTOR PRESENTATION



Safe Harbour

This presentation has been prepared by the Zota Health Care Limited (the “Company”) only for information purpose to the stakeholders and does not contain any offer or invitation to subscribe the securities of the Company. No offering of securities shall be made except by means of offer documents.

This presentation has been prepared on the basis of information and data available with the Company consider reliable. This presentation may not contain all the information that you may consider material. Any liability in respect of the content of or any omission from this presentation is expressly excluded.

Stakeholders are advice to compare the data provided in the presentation with the full financial results available on the website of the Company as well as on website of NSE.

This presentation contains “forward looking statement”, including “future oriented financial information” and “financial outlook”. This forward looking statement is based on management’s current expectations and belief, and subject to uncertainty. Actual result may be vary from the material facts contained in this presentation due to changes in government policies, regulations, economics reforms, natural calamities, competition, technology, etc. Company is not under obligation to inform any update or alter in forward looking statement, whether as a result of any new information or future events.



Executive Summary

- Zota Health Care Ltd. is a publicly listed company trading at NSE and operating under three verticals i.e. Retail pharmacy operations- Davaindia, Domestic Marketing & Exports.
- Zota Health Care Ltd - Founded in 2000, headquartered in Surat
- Davaindia – a brand of Zota Health Care Limited started in 2017, headquartered in Surat
- Zota Health Care Ltd along with its WOS currently has 400+ employees.
- Davaindia, a Zota Health Care brand is one of India's leading Retail Generic Pharmacy Chain
- The Zota group has a strong presence in Indian markets with more than 1,050+ distributors on board under Domestic Marketing Business & serving 284 approved products in 30+ semi regulated & regulated markets under Exports Business.
- The company has its own brand of products sold under Davaindia brand name which accounts for more than 1,700 SKUs , thereby being both backward as well as forward integrated.
- Davaindia operates on an asset-light model with 493 Franchisee Owned Franchisee Operated (FOFO) stores across 24 states as on March 31, 2023.
- Company Owned Company Operated (COCO) stores of Davaindia operates by wholly owned subsidiary company M/s Davaindia Health Mart Limited (WOS) and under this initiative has store network of 101 stores as on March 31, 2023.
- On-boarding of Mr. Kapil Dev as the brand ambassador of Davaindia has led to increase in its retail presence and brand shaping.

Davaindia is **REVOLUTIONISING THE INDIAN HEALTHCARE SCENARIO**



8370 Lakhs

Gross Merchandise Value in FY23



58 %

Gross Margin in COCO format



594

Fast growing FOFO & COCO store network



30-90 %

Savings to consumers on Generic medicines



8.5 Mn+

Happy Consumers



25-30 %

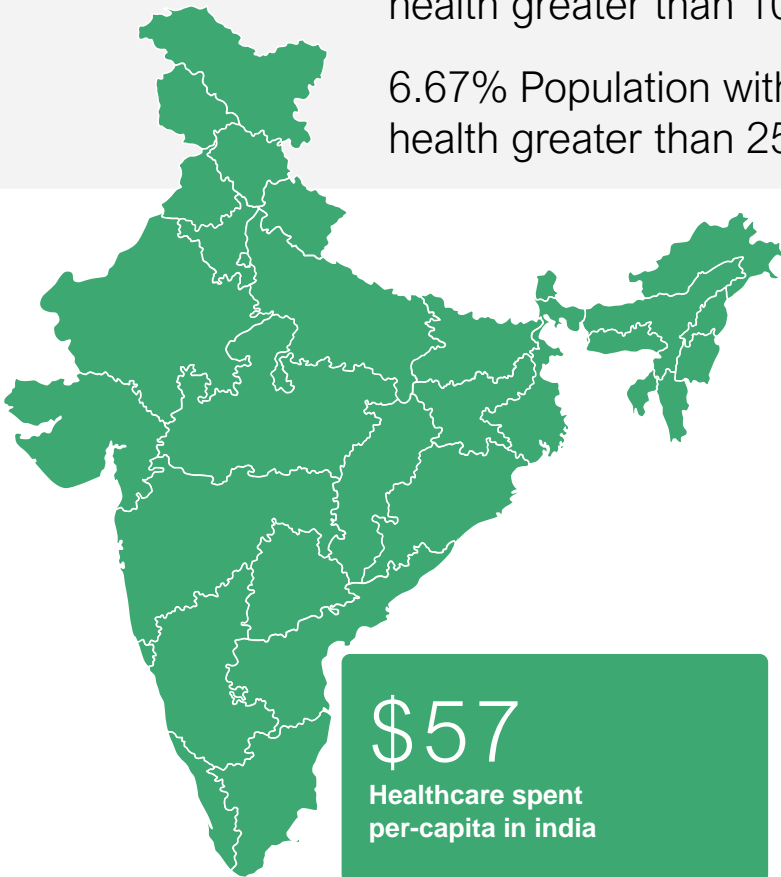
Mature COCO Stores EBITDA



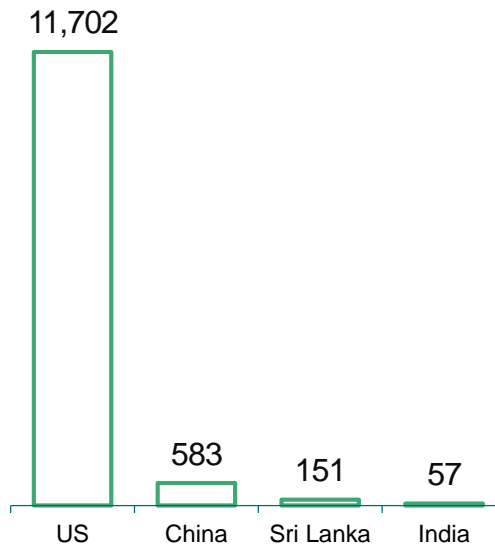
India is amongst the **Lowest Public Spenders**

17.46% Population with household spending on health greater than 10% of total household budget.

6.67% Population with household spending on health greater than 25% of total household budget.



Compared to
(In \$)



Medicines account for

51%

of the total out of pocket healthcare expenditure making it the biggest pie in the healthcare costs

About

77mn

Indian people living with diabetes and a projection of 134 million by 2045 (International Diabetes Federation), this leads to higher healthcare spends*

In India pharma companies selling generics as a brands and **passing huge margins to the intermediators**



	Rosuvas – 10 mg	Rosubest - 10	Rosuvastatin 10
	Sun Pharma	Cadila	Davaindia
	Branded Generic	Trade Generic	Generic
Trade Margins	30%	70%	25-30%
Pharma Company	60%	20%	
Consumer Price for 10 Tab.	208	115	21

e.g. of same molecule Rosuvastatin 10mg sold under multiple brands and ~90% margins in chain

Source: * www.investindia.gov.in, # <https://timesofindia.indiatimes.com>

Total turnover of Pharmaceuticals in India in the fiscal year 2021-22 was

\$42.34bn*

The Indian generic drugs market stood at

\$24.53bn

2022 and is expected to grow at a steady compound annual growth rate (CAGR) of 6.97%#

The quality in terms of efficacy and safety of **davaindia generic medicines is at par with the branded medicines available in the market**

Quality

Source of high quality generics from 45+ WHO-GMP approved plant

Private Label

1700+ private label SKUs, a highest in this space

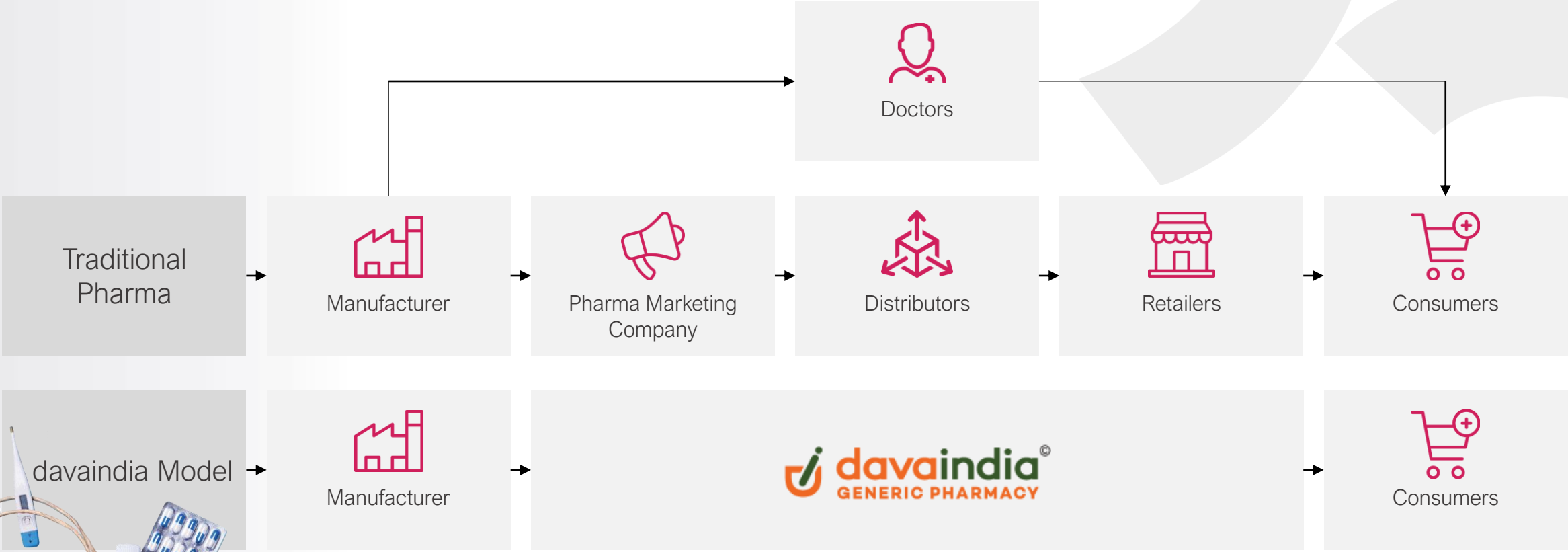
Savings

30-90% savings on medicines as compared to branded counter parts

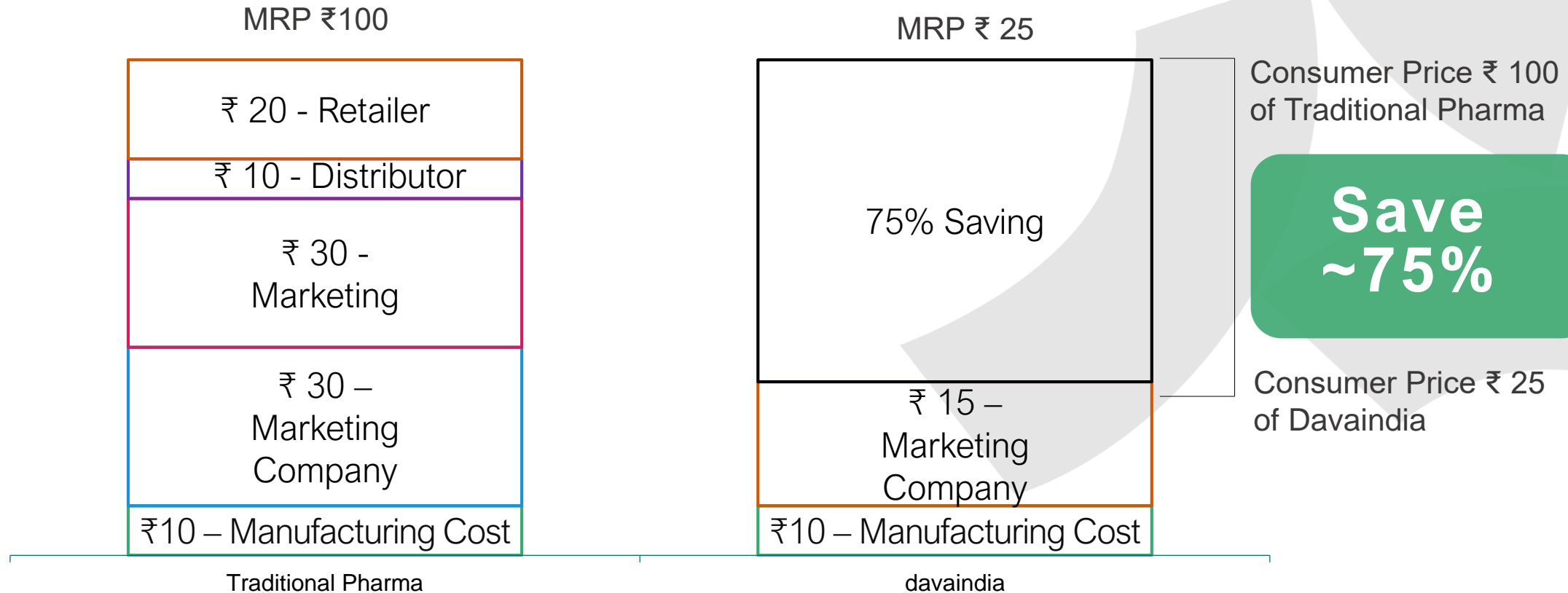


We are eliminating the **traditional pharma supply chain and passing benefits to the Consumers**

Sourcing directly from manufacturers and selling directly to consumers...



On an average **~75% savings on medicines as compared to branded counter parts**



Key Investment **Highlights**



Huge Potential of Generic Products in India

- Indian Pharmaceutical market is expected to grow at a CAGR of ~7.0%
- Indian Generic Pharmaceutical market is expected to grow at a CAGR of ~30.0%
- Government of India promoting the use of quality generics



Successful Brand Positioning

- Davaindia offers products at a price which is lower than its competitors, MRP being 30-90% less than branded medicines
- Ensures brand consistency amongst the products, thereby leading to repeat customers
- Franchisee gets an average margin of 25% and the company helps with marketing activities like SMS blast, pamphlet distribution etc., to boost up sales



Strong Network and Reach

- The management has an average 23+ years of experience
- Planning to launch an application that shows simple informative generic prices
- Working to launch of e-pharmacy model will help in generating e-prescriptions, by connecting doctors and patients and further helping the patients purchase medicines through the same app



Clear Value Proposition

- Started FOFO store variant in Oct 2017 with 3 stores, to currently 493 stores and in COCO store variant Started with 1 store in 2021 and now we have 101 stores
- Continuously adding to its product and to reach from a current offering of 1,700 SKUs to 2,800 SKUs by FY25
- Signed Kapil Dev as a brand ambassador which has led to increase in number of store roll out since then



Growth Strategy

- Plans to expand network of COCO stores that would lead to increase in the margins for the company
- Aspire to increase the FOFO store count from a current 493 stores to 993 stores by FY24 and COCO store count from current 101 to 351 by FY24.
- Offer a larger variety of product offerings to its customers

Zota Health Care **Business Verticals**

1 DAVAINDIA

- A Retail generic pharmacy chain which provides quality generic medicines.
- Focuses only on private-label products in:
 - Medicinal
 - OTC
 - Ayurvedic
 - Cosmetic and Nutraceutical
- Key emphasis is on chronic therapies and ailments
- One-of-its-kind concept started with 3 pilot stores in 2017
- FOFO Stores are operated on an asset-light franchisee model

02

Store variants Company Owned Company Operated (COCO) and Franchisee Owned Franchisee Operated (FOFO)

30% – 90%

Savings on medicines as compared to branded counterparts

Larger Store Network

101 COCO stores
493 FOFO stores

100%

private labelled products

2 DOMESTIC MARKETING BUSINESS

- Procures finished dosage forms from domestic formulations manufactures and market them under their portfolio of brands
- Markets the products across the country to the distributors, which, in turn, caters to retail pharmacies in their respective districts

1,050+

Distributors currently present across India

4,000+

Products covering major therapeutic segments

WHO

Partners with WHO recognized manufacturers

3 EXPORTS

- Commenced operations in 2010 in manufacturing unit in Sachin, SEZ
- Manufactures about 250 formulations in the unit
- To focus on more and more products registrations in all these countries & company itself holding all the MAs / Registration of all other countries

284

Product approvals out of 586 dossiers applications

30+

Countries' approval mainly in the semi regulated and regulated markets



Growth led by exclusive foreign distribution network and exclusive MA holding

Management Profile (1/2)



Mr. Ketankumar Chandulal Zota
Chairman and Non-Executive Director

- He began his career in 1984 with a modest retail medical business, and in 1995, he founded Zota Pharmaceuticals (now Zota Health Care Limited).
- He holds a D-Pharmacy degree and has worked in the pharmaceutical industry for over 37 years.
- His energetic leadership propelled company to prominence in the sector and he is now in charge of developing and implementing the Company's new marketing strategies and projects.
- He won the 'Lifetime Achievement Award' from the DCGI for his outstanding contributions to the pharmaceutical business.
- At Pharma Ratan Universe – 2019, he was also given the title of 'Pharma Ratna Asia'.



Mr. Himanshu Muktilal Zota
Whole Time Director

- He holds a Diploma in Pharmacy degree and a Bachelor in Computer Application.
- He began his career as a Retail Pharmacist and a Distributor of a Medical Agency; subsequently, he has been associated with the Company since the time of its incorporation, thus having an aggregate experience of around 29 years in the Pharmaceutical Industry.
- He is entrusted with responsibilities like strategy formulation, finance, taxation & accounting, IT, overall management, planning and implementation of new projects and forecasting upcoming changes in pharma sectors.
- He is also playing a vital role in the planning and implementation of the Company's Davaindia project.



Mr. Moxesh Ketanbhai Zota
Managing Director

- He holds a bachelor's degree in pharmacy from Gujarat Technological University and a Master's degree in international marketing and business management from BPP University in UK.
- Under his guidance, the organisation has established a global presence in more than 30 countries.
- He has pushed for more product registrations in foreign countries, with a total of 280+ products registered in various countries and another 310+ products in the process of being registered.
- He is in charge of overall management, export business, strategy design for new project implementation, research on future pharmaceutical market scenarios, international business development, and product registration.



Mr. Kamlesh Rajnikant Zota
Whole Time Director

- He holds a bachelor's degree in pharmacy from Gujarat University and has aggregate work experience of over 26 years.
- He began his career as a Senior Technical Assistant at Torrent Pharma Limited, then moved on to Unique Pharmaceuticals Laboratories as a Production Officer before joining the Company at its inception.
- He has played a critical role in obtaining regulatory permission for various facilities, including NAFDAC, TFDA, FMHACA, PPD, NMRA, and others.
- In addition, he is in charge of the Company's different business affairs, such as factory management, FDCA work for domestic and export products, WHO certification, trademark and patent registration, customs and export documentation, pharmaceutical-related regulatory compliances and so on.



Dr. Sujit Paul
Chief Executive Officer and Key Managerial Personnel

- An industry veteran with many years in senior leadership roles.
- He carries 22 years of rich experience in setting up, scaling and operating for plethora of brands such as Reliance Retail, Asian Paints, Bata, Kodak, Apollo Hospital, Trust Pharmacy, Columbia Asia Hospital and many more.
- His last stint was as a Vice President of 'Reliance Retail' (THE LARGEST ORGANISATION OF ASIA), where the mandate was to launch & handle entire Pharma Retail of Reliance in terms of Online as well as Offline.
- He has also been featured in innumerable National and International news and magazines consistently.
- Recently, he was covered by Times Now and Brand Vision and was honoured amongst Top 100 Global leaders by Asia One.

Management Profile (2/2)



ADHEESH MUKHARJEE
SGM – COCO OPERATIONS

Total Experience: 16 Years

Past Experience:

- Aster Pharmacy- Bangalore
- SWIGGY
- Tata Communication LTD
- Prism Payment Services



VICTOR BHADRA
SGM – FOFO OPERATIONS

Total Experience: 12 Years

Past Experience:

- Aster Pharmacy- Bangalore
- Netmeds
- Apollo Pharmacy
- Bata India LTD



P. SREEKANTH
SGM - HR & T&D

Total Experience: 24 Years

Past Experience:

- KIMS Hospital - Secunderabad – Hyderabad
- Apollo Pharmacy
- Apollo Hospitals



A. RAVI
SGM – B2B, PCD & ETHICAL

Total Experience: 36 Years

Past Experience:

- Dr. Reddy's Laboratories LTD
- Alkhem Laboratories



SITARAMA RAJU
CONSULTANT - IT

Total Experience: 40 Years

Past Experience:

- Aster Pharmacy- Bangalore
- Apollo Pharmacy
- Birla Corporation LTD
- Heavy Engineering Corporation

Davaindia Competitive Edge

The USP of the brand ranges from quality to affordability to variety to efficiency in operations . . .

BENEFITS TO THE CUSTOMERS



Medicines priced at **low MRP** thereby ensuring affordability by the masses



Private labels offered, helps in building customer trust by ensuring consistency



Continuously adding to its **product range** thereby offering variety



Products procured from **WHO & GMP** approved plants and quality attested at NABL approved labs

BENEFITS TO THE FRANCHISEES



Store operations and the supply chain efficiently managed by cloud based software & AI



Widespread marketing activities helping in promoting the brand and improving sales



Elimination of distributors will ensure timely supply of stock

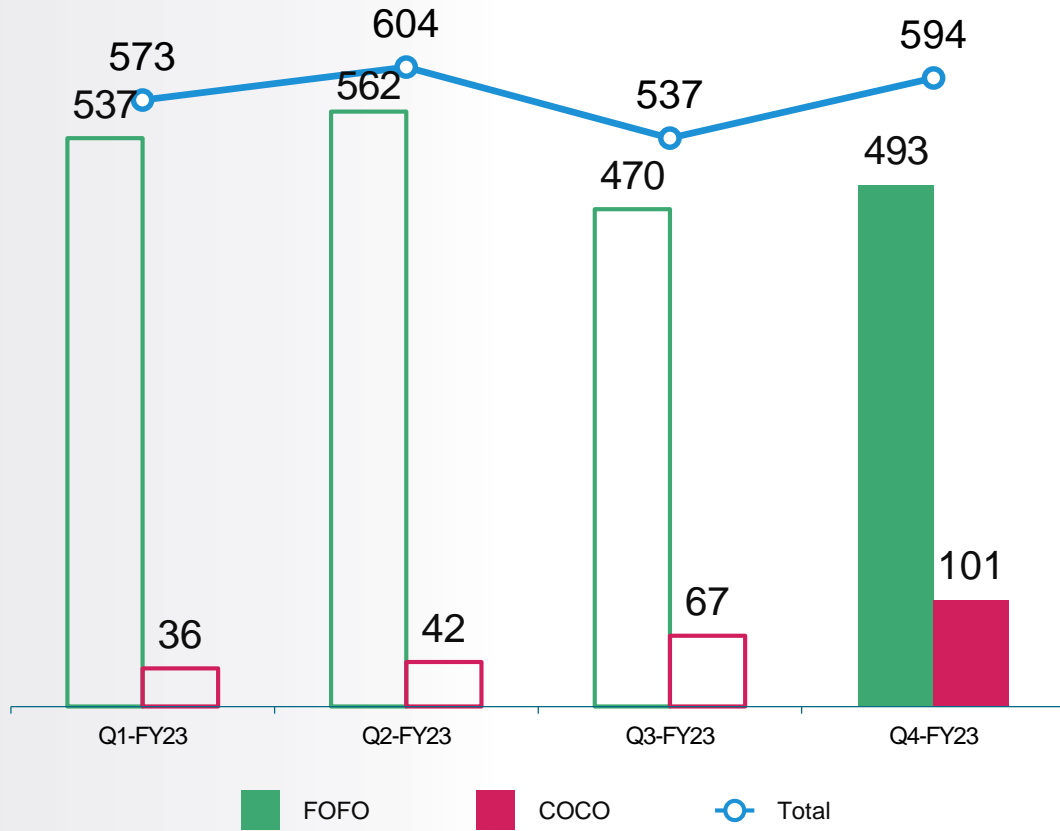


Franchise will get **1 km radius** ensuring exclusivity

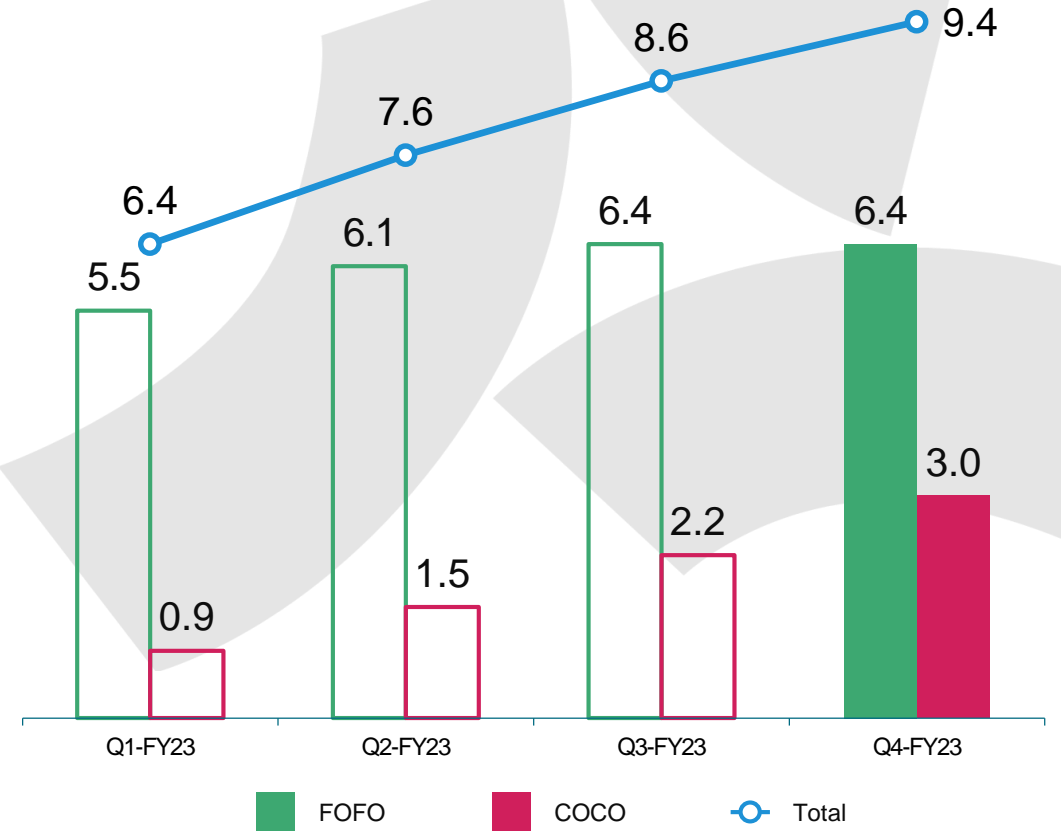


KPI's - Davaindia

No. of Stores



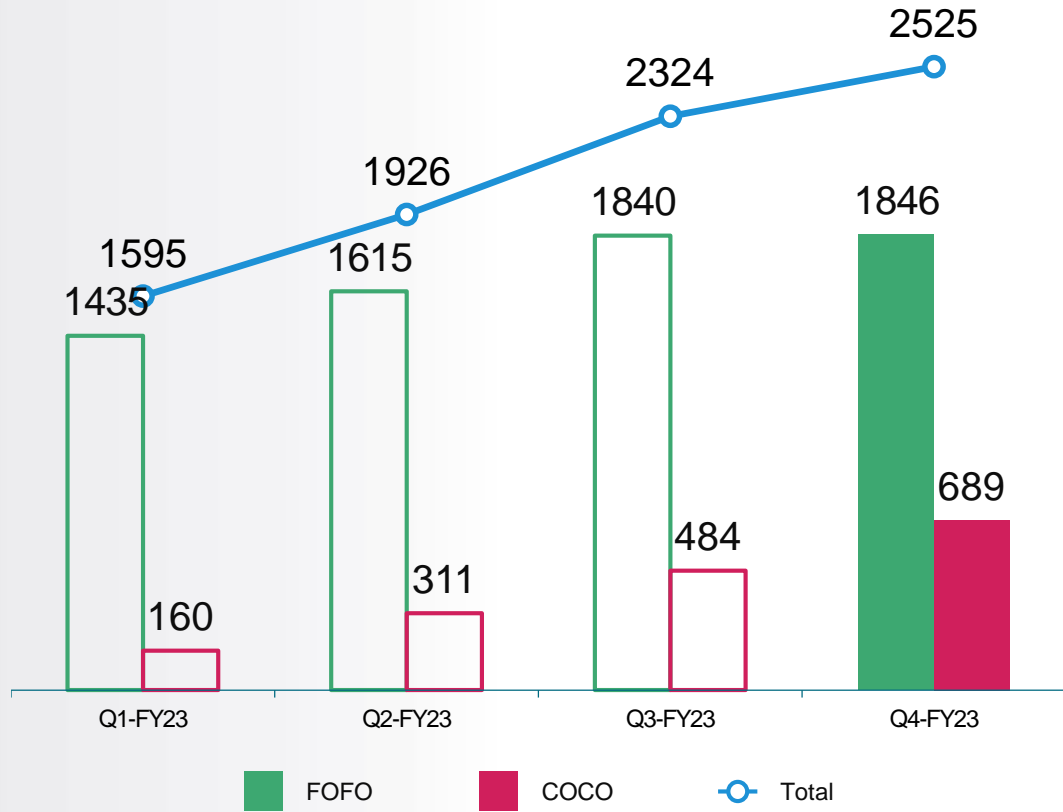
Quarterly Footfall (Lakhs)



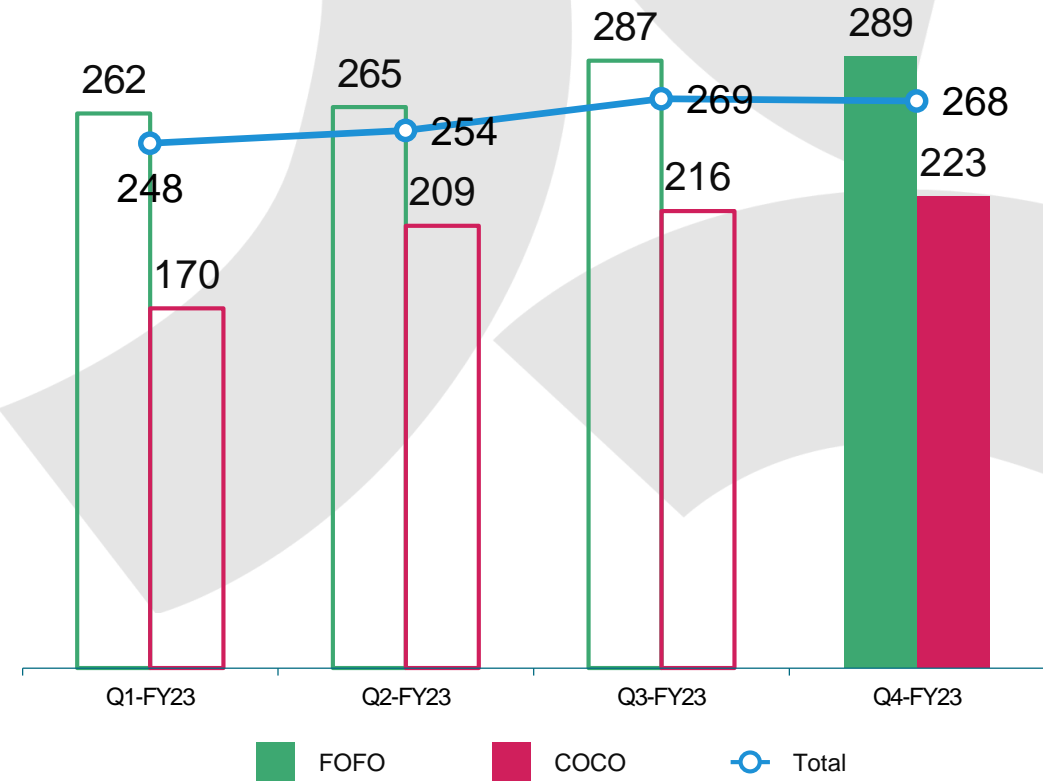
Note – The Company did a one-time closure of under-performing FOFO stores in Q3FY23, leading to a decrease in total store count.

KPI's - Davaindia

Quarterly GMV (₹ Lakhs)



Avg. Wallet Spend (₹)



COCO Store **Format**



Particulars	coco	COCO (IOCL)
Area (Sq ft)	~400-500	300-350
Infra Cost (Furniture, Interiors, Electronics)	6 Lacs	5 Lacs
Deposit to Landlord	1.5 Lacs	75k
Inventory	5 Lacs	5 Lacs
<u>OPEX Per Month</u>		
- Rent	~40-50K	~22-25K
- Salary (Pharmacist + Helper)	~50K	~50K
- Others (Utilities, POS, etc)	~10-11K	~10K

All COCO stores are a walk in stores, where customer can feel and experience the products.

Typical Matured COCO Store P&L (Per Month)



Matured Store P&L – PM

Particulars	₹
Sales at MRP	100
GST @ 12%	11
Reported TO	89
COGS	37
GP	52
Gross Margin %	58%
Opex	25
Store level EBITDA	27
EBITDA Margin %	30%

Working Capital Cycle (in days)

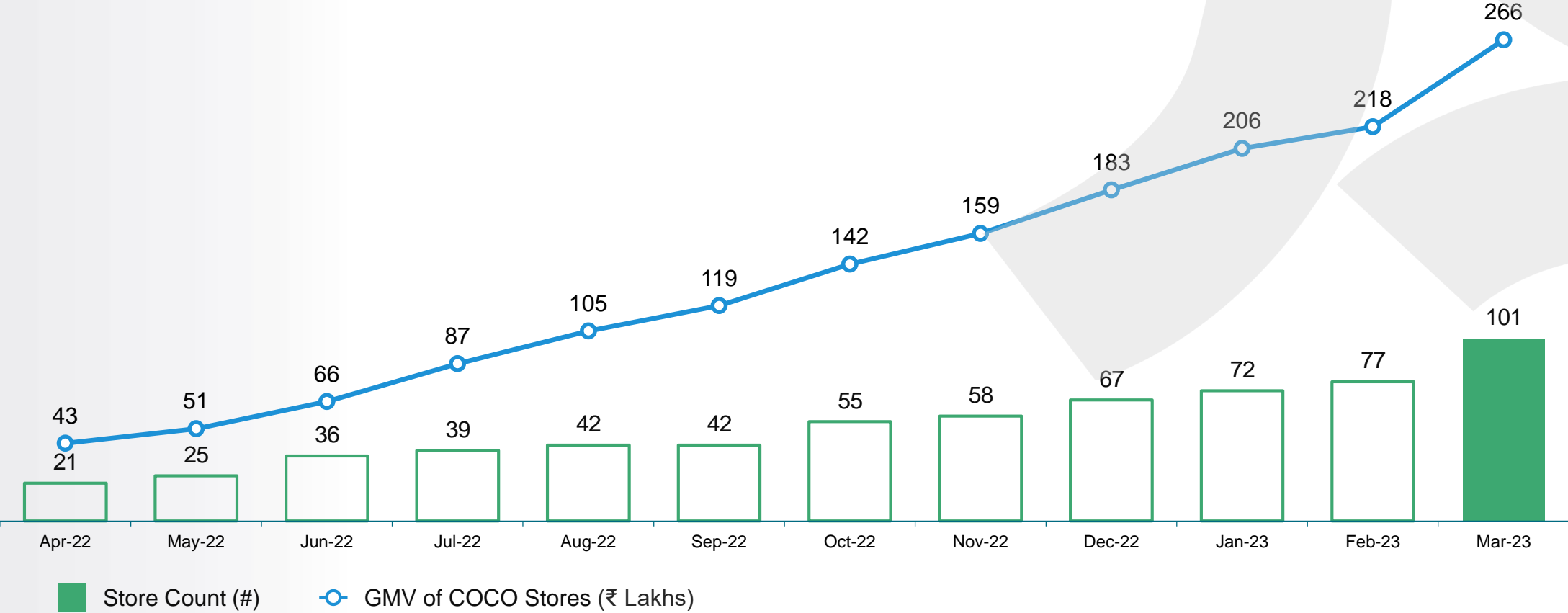
Inventory 30 - 40 days

Davaindia - COCO Stores



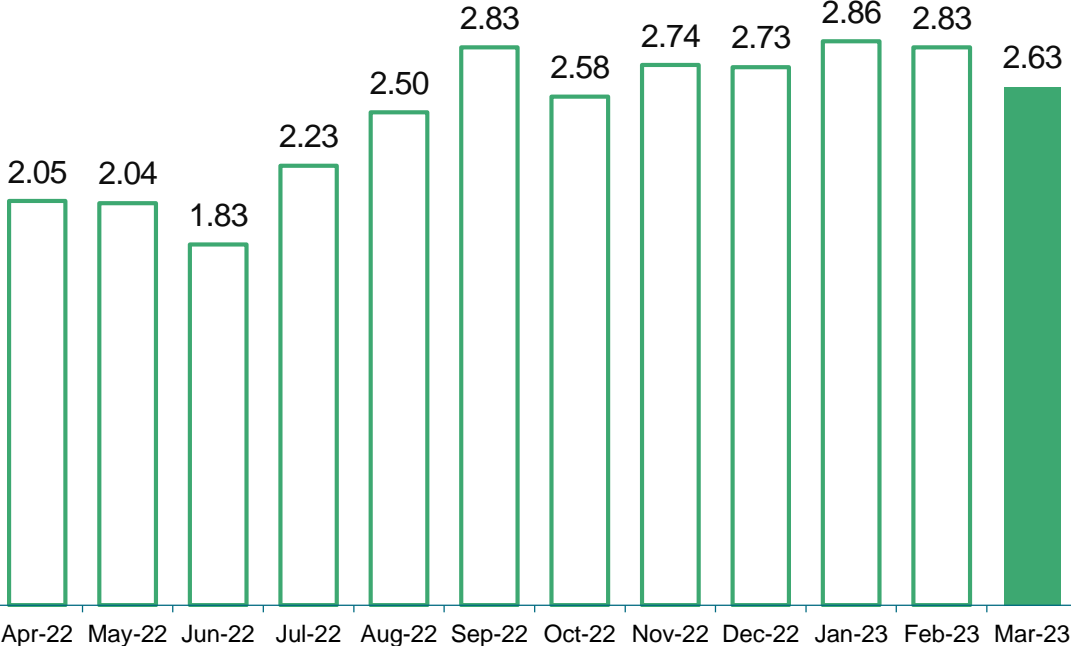
COCO Monthly Performance Updates

Store Count & GMV of COCO Stores

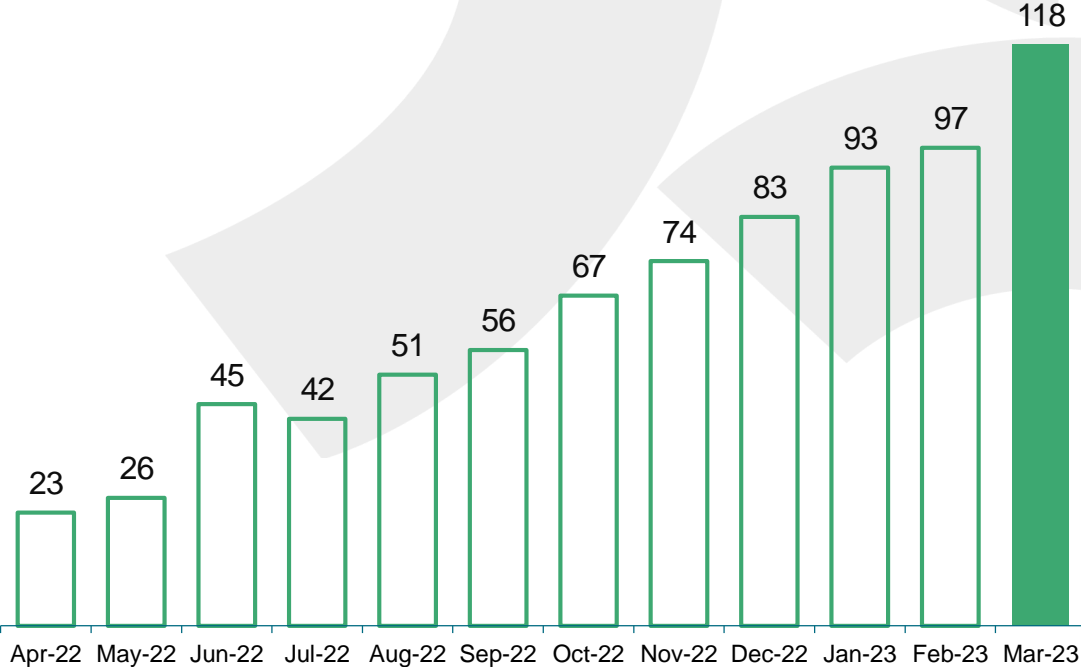


COCO Monthly Performance Updates

Average monthly GMV per COCO Store (₹ Lakhs)



Footfall at COCO Stores (Thousands)



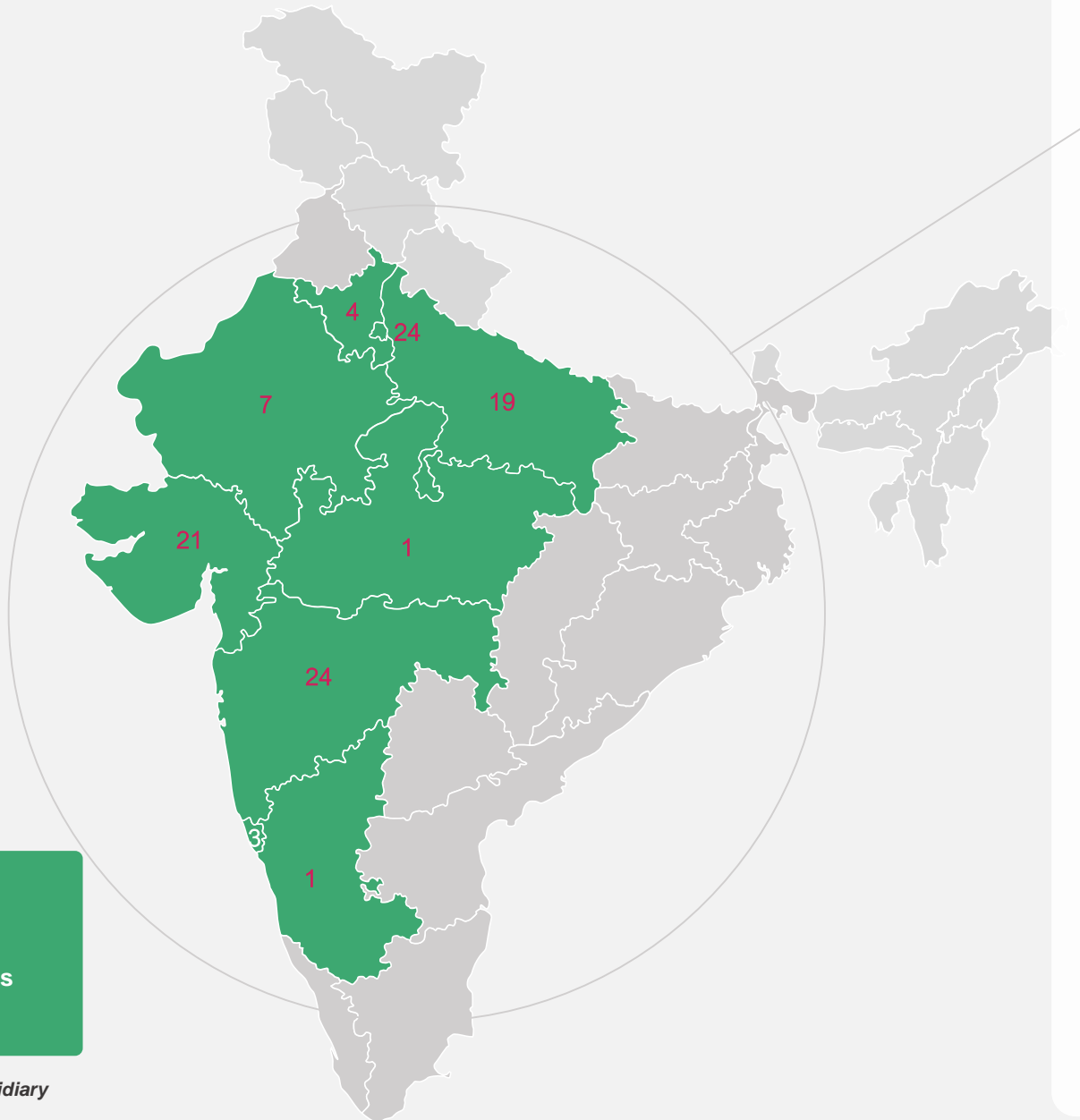
COCO Average Footfall Per Store

Particulars	Apr-22	May-22	June-22	July-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
Footfalls (In Nos.)	23k	26k	45k	42k	51k	56k	67k	74k	83k	93k	97k	118k
Total Stores	21	25	36	39	42	42	55	58	67	72	77	101
Avg Footfall per day/ store (In Nos.)	37	35	42	36	40	44	41	43	41	43	42	39

- As store ages (word of mouth publicity rises), footfall continue to rise.
- Despite aggressive new store additions, average footfall per store per day remains stable and as new store matures, the average footfall will increase.



COCO Stores



States	No. of Stores
Uttar Pradesh	19
Gujarat	21
Haryana	4
Karnataka	1
Madhya Pradesh	1
Delhi	24
Rajasthan	7
Maharashtra	24
Total	101

101

Operational COCO stores
as on 31.03.2023

Operated by wholly-owned subsidiary
Davaindia Health Mart Limited

COCO Store – Pivot to improve store economics

Particulars	Stores (#)	Total Sq.Ft.	Avg. Size (Sq.Ft.)	Avg. Monthly Rent (₹ pm)
First Phase	67	53,284	795	93,000
Second Phase	34	20,480	602	62,300
Total	101	73,764	730	82,750

Note: From Q2FY24, the Average COCO Store size would be of ~400-500 sq. feet and Average Monthly Rent would be of ₹ ~40-50k



COCO Strategic Partner



- DavaIndia has entered into agreement with Indian Oil Corporation Limited (IOCL) for rolling out COCO stores at IOCL petrol pump.
- Under this model, 6 COCO stores have already been opened.



Average Daily Sales of COCO store at IOCL Petrol Pump

First 3 stores having age of 9 Months

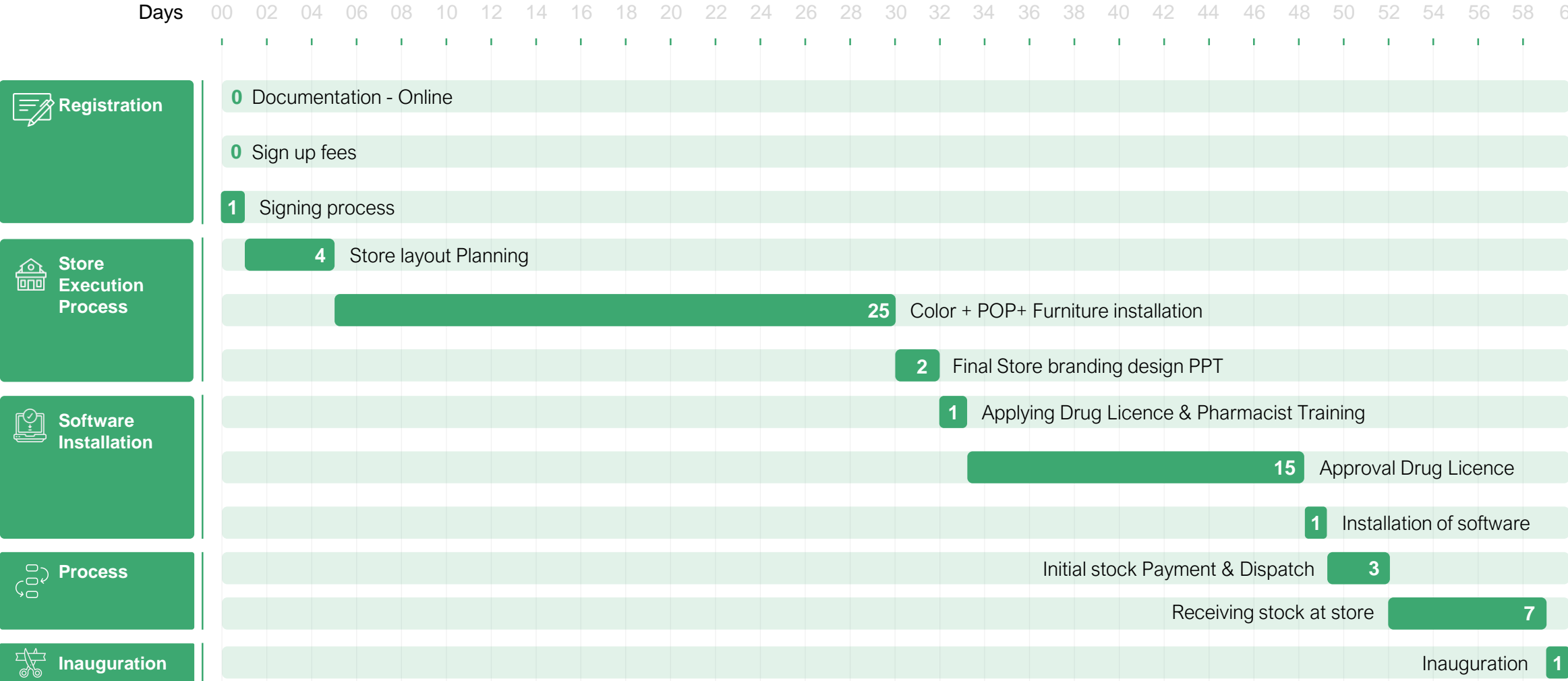
₹ 20,000 / day

Store Ageing - **COCO**

Age	Opening Period	No. of Store	Average Daily Sales (In ₹)	Average Monthly Sales (In ₹)
15 + Months	Apr-Dec-21	6	16,458	4,93,730
12-15 Months	Jan-Mar-22	11	13,062	3,91,852
9-12 Months	Apr-June-22	20	13,802	4,14,061
6-9 Months	July-Sep-22	15	10,364	3,10,914
3-6 Months	Oct-Dec-22	15	10,364	3,10,910
0-3 Months	Jan-Mar-23	36	5,166	1,54,970
Total		101	9,768	2,93,052



Store Opening Lifecycle – COCO



Store Opening Lifecycle – **COCO**



30 days

From Q2FY24

60 days

As of now we are taking

90 days

Earlier we were taking



FOFO Store **Format**



Particulars	FOFO
Area (Sq ft)	~200-300
Infra Cost	₹ 2-3 Lacs
Inventory	₹ 3 Lacs
Rent (for franchisee)	~₹ 15-25K

From Q4FY23, All new added FOFO stores are a walk in stores, where customer can feel and experience the products.



Typical Matured FOFO Store P&L (Per Month)



Matured Store P&L - Company

Particulars	(In ₹)
Sales at MRP	100
GST @ 12%	11
Franchise Margin @ 26%	23
Reported TO	66
COGS	37
GP	29
Gross Margin%	44%

Matured Store Economics for Franchisee

Particulars	(In ₹ Lacs)
Sales	4.5
Retailers' Margin (26% - 2 nd yr onwards)	1.17
Opex	0.50
EBITDA	0.67
Salary (assuming owner is pharmacist)	0.20
Total Take Home	0.87
Investment	6.0
Annualised ROI (%)	174%

davaindia- **FOFO** Stores



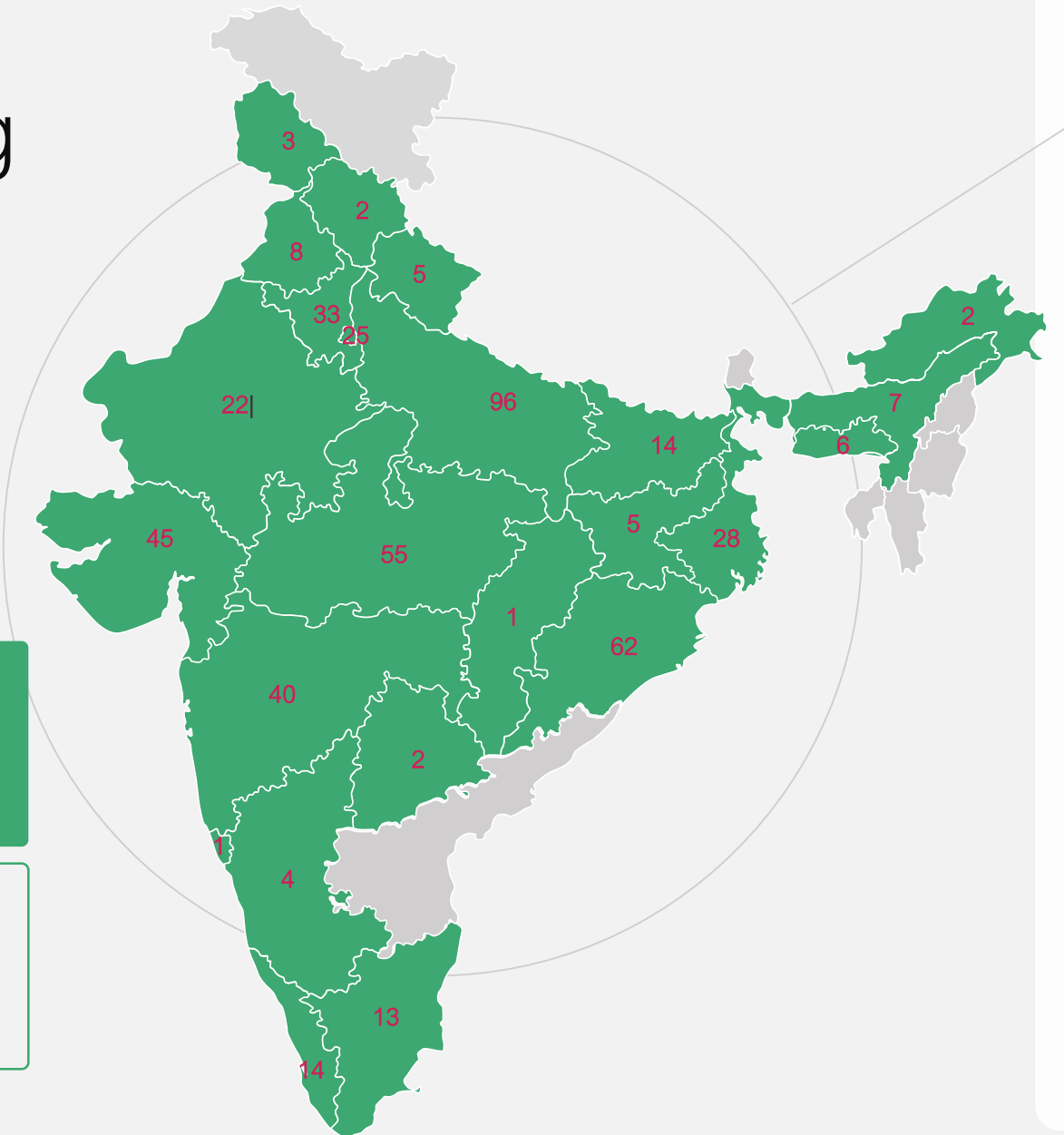
Store Opening Plan

FOFO

493

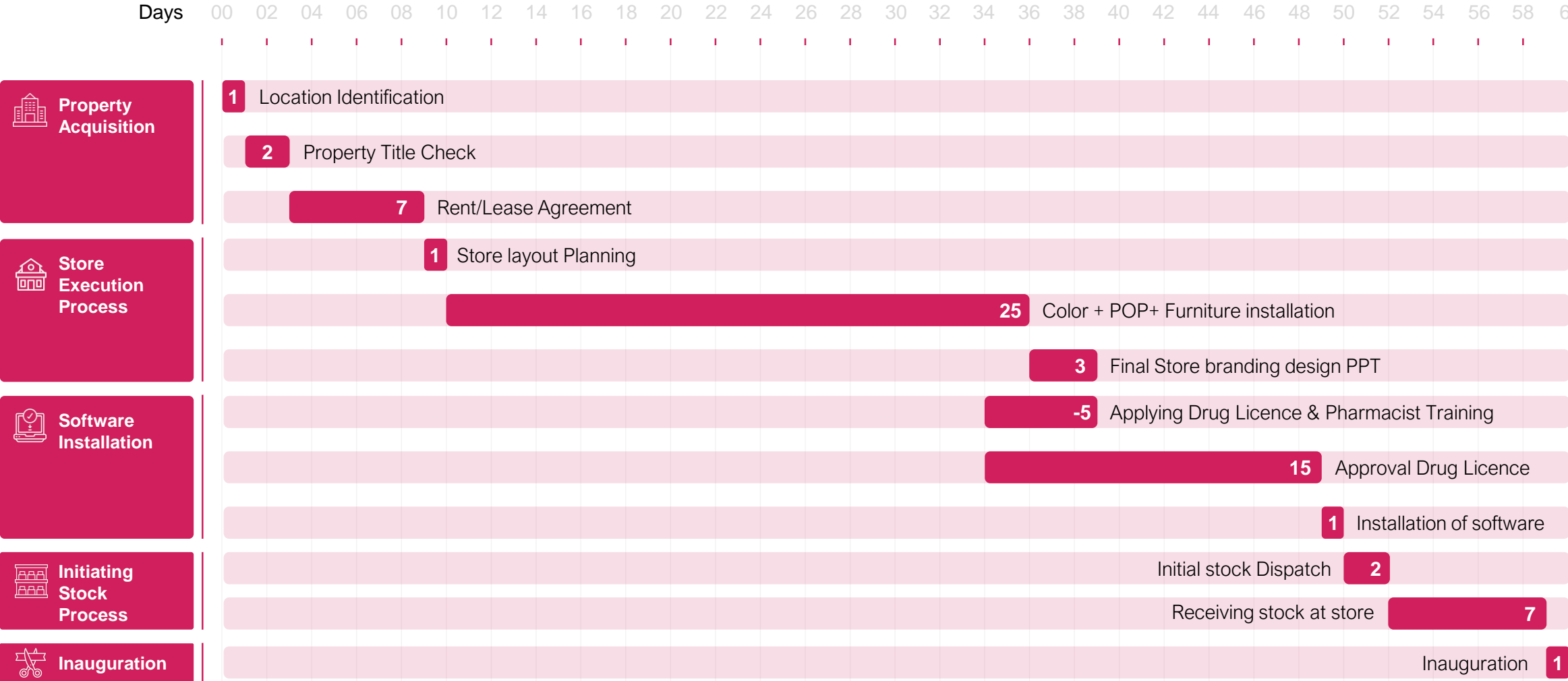
Operational FOFO stores as on 31.03.2023

■ Franchise Owned
■ Franchise Operated (FOFO) Stores



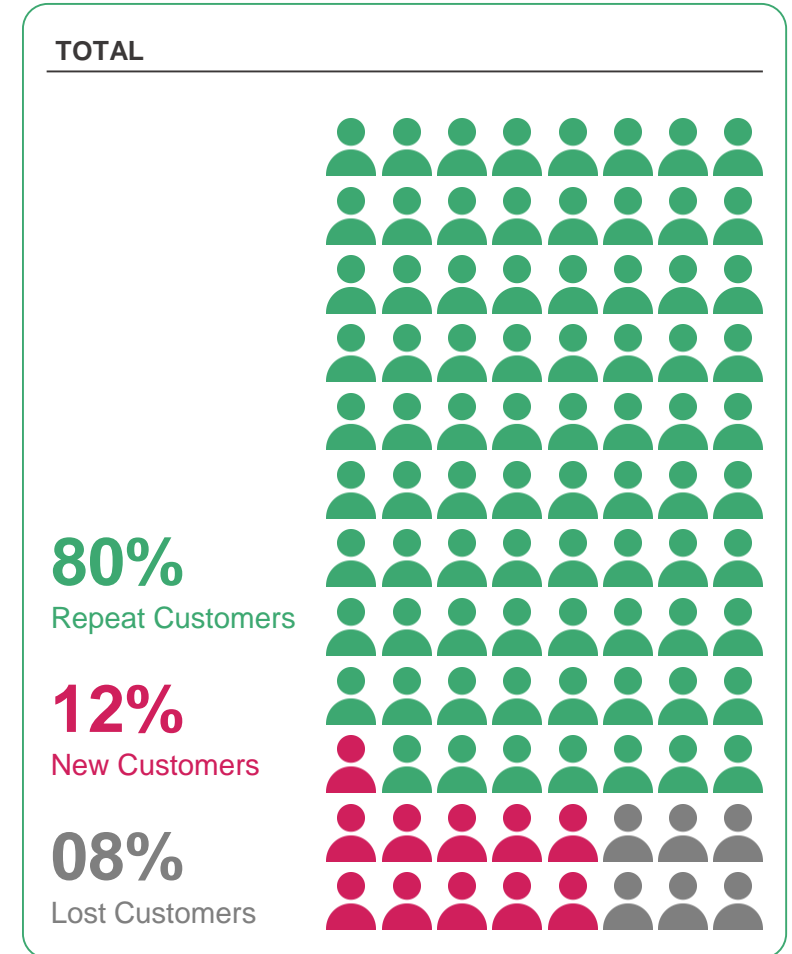
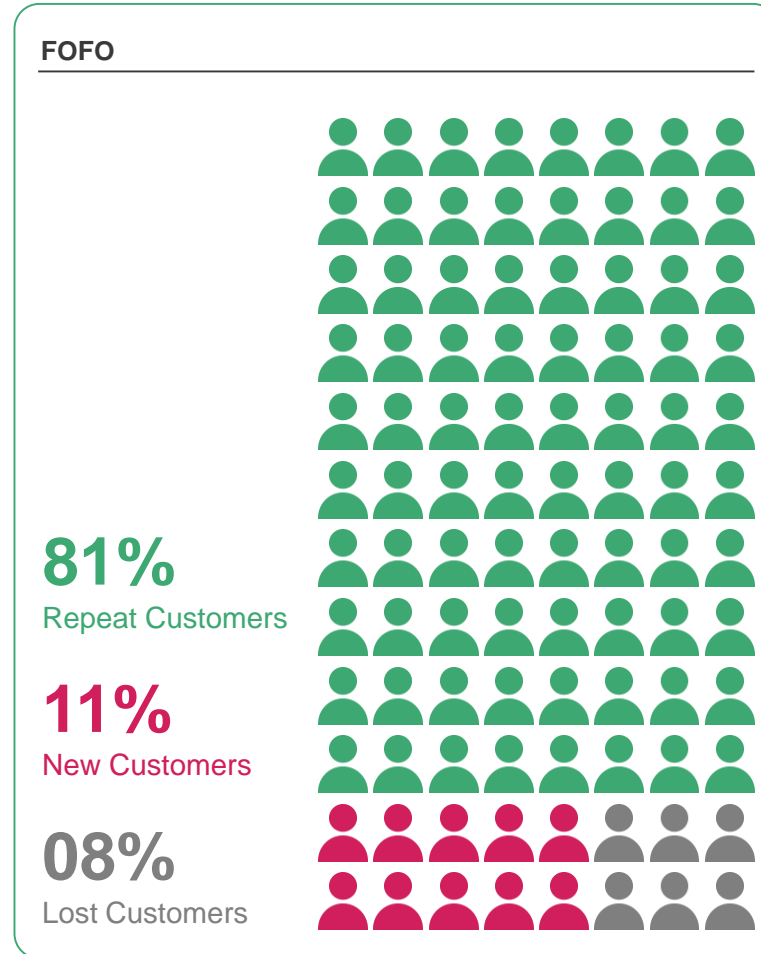
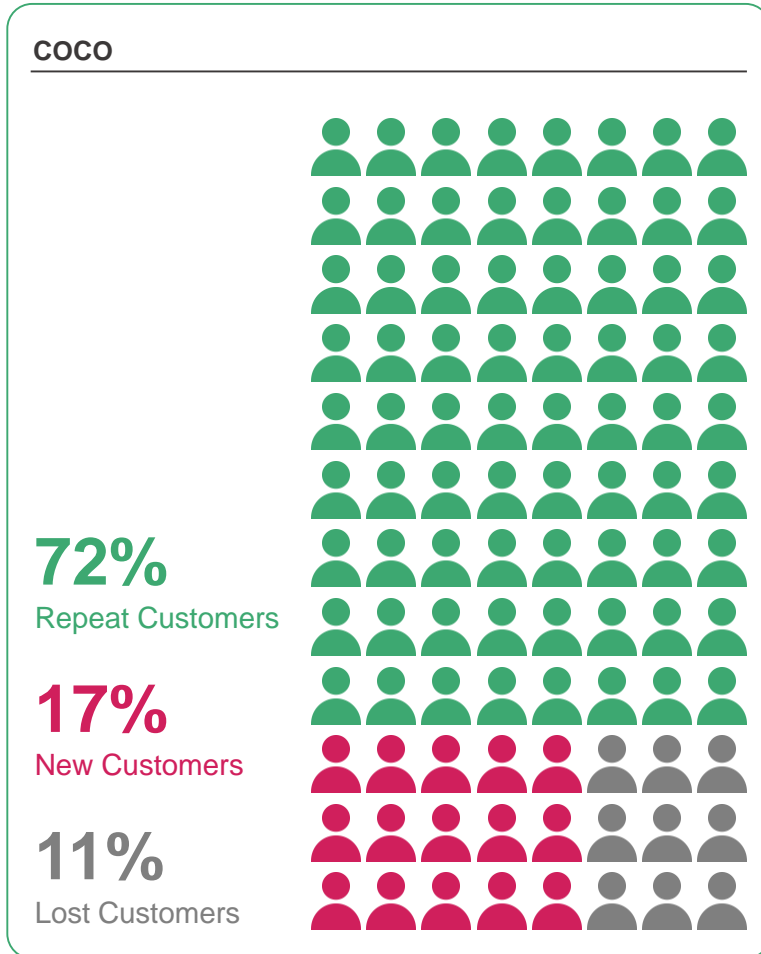
States	No. of Stores
Uttar Pradesh	96
West Bengal	28
Bihar	14
Odisha	62
Telangana	2
Gujarat	45
Haryana	33
Karnataka	4
Madhya Pradesh	55
Kerala	14
Delhi	25
Rajasthan	22
Tamil Nadu	13
Punjab	8
Assam	7
Jharkhand	5
Maharashtra	40
Tripura	6
Goa	1
Himachal Pradesh	2
Chattisgarh	1
Uttarakhand	5
Arunachal Pradesh	2
Jammu & Kashmir	3
Total	493

Store Opening Lifecycle – FOFO



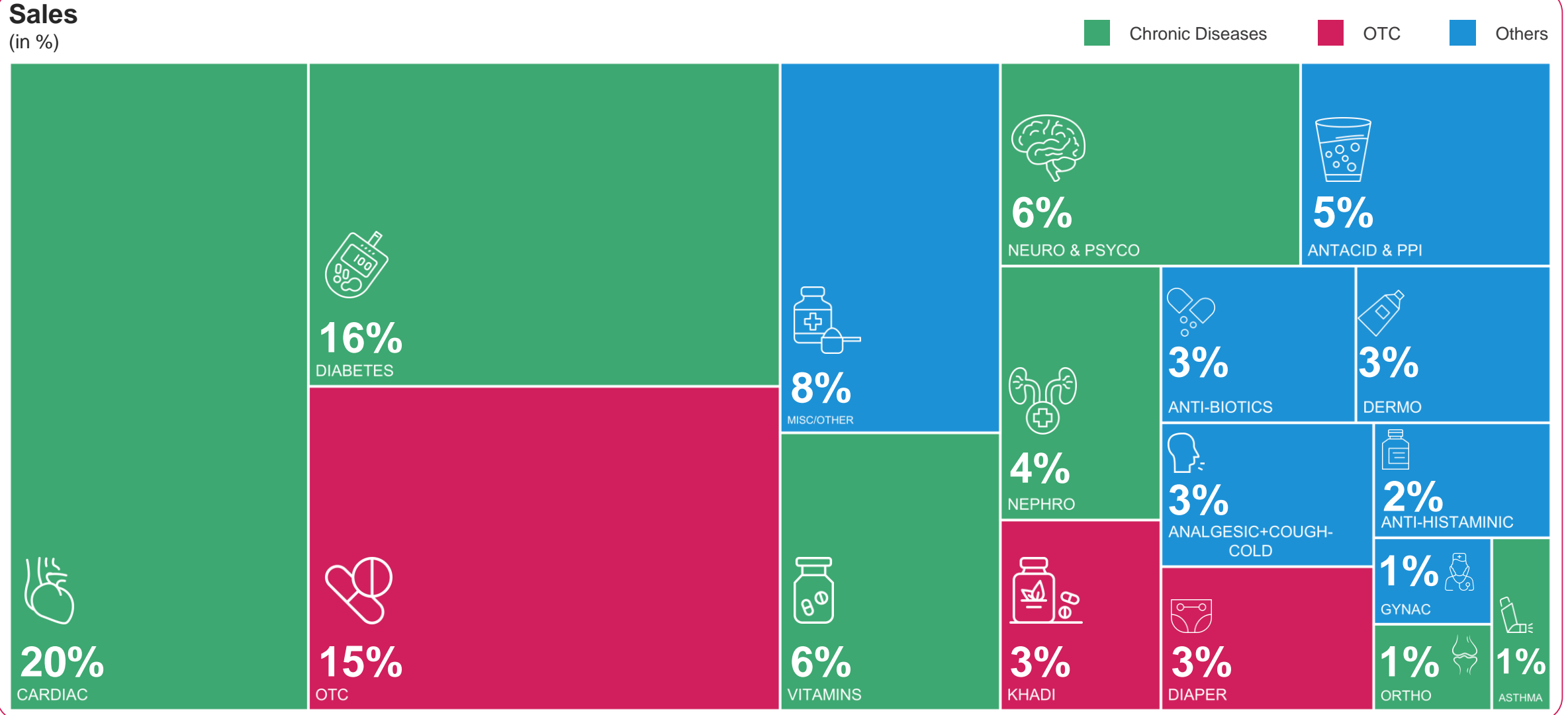
Healthy Repeats

Total Average (in %)











Note - The actual lost customer ratio is 8%, hence the over all repeat customer ratio is 92%

CATEGORY MIX – YTD FY23



PEER COMPARISON

Particulars #	Store Size	Avg. Rent (In ₹)	Avg. Daily Revenue (In ₹)	Inception Since	No. of SKU's	Margins After Passing Discount To Customer	Pvt. Label Product
 Apollo - Standalone Pharmacy	300-500 Sq. Foot	30-35k	25-30k	20 Year	6-8k	15-16%	6-9%
 Medplus (Offline Stores)	400-600 Sq. Foot	30-35k	25-30k	15 Year	44k	15-16%	13-14%
 Wellness Forever	1000-1500 Sq. Foot	100-150k	60-90k	4 Year	7-10k	15-16%	2-3%
 Davaindia - Coco	400-500 Sq. Foot	40-50k	10k*	1 Year	1.7k	55-58%	100%

Particulars	GENERIC SKU's	MEDICINE PRICE
 Jan Aushadhi ^	700-900 SKU's	AT PAR
 Medkart \$	1000 SKU's	20-40% HIGHER
 Zeno @	1000 SKU's	30-40% HIGHER
 Davaindia	1700 + SKU's	AT PAR

*** Equivalent to 30k of branded counter parts.**

Sources: #IIFL Research Report – MedPlus dated 16 September 2021 & MedPlus investor Presentation Dated 8th February, 2023, ^ Government of India, \$ www.medkart.in, @ www.pharmabiz.com

Domestic Operations

Domestic marketing has been the oldest business vertical for the Company and has remained its mainstay in the past. Until 2017, this vertical contributed most of the Company's revenues. This business vertical directly distributes generic drugs, OTC products, and other pharmaceutical products through the Company's distribution network spread across India.



1,050+

Distributors spread across India

4,000+

Products in the portfolio

MARKETING VALUE CHAIN



FDF Manufacturers

WHO-GMP certified manufacturing partners



Branding

Quality check, packaging and branding under the umbrella of Zota brands



Distribution

Direct distribution to 1,050+ distributors spread across the country



Retail Pharmacies

Ethical marketing, sales distribution and promotional activities undertaken by distributors

Export Operations

Our Exports business vertical, which started in 2010, serves clients in over 30 countries, mainly in the CIS, Latin America, Africa, and Asia. At its plant in Sachin, SEZ, the Company manufactures generic formulations for the dossiers it has registered in foreign markets. At present, the Company has registered over 284 dossiers, while another 302 dossiers have been filed and are awaiting approval from the relevant regulatory agencies.



250+

Products manufactured

284

Dossiers registered

302

Dossiers pending approval

COUNTRIES EXPORTED TO –

- | | | | |
|---------------|------------------|------------------|----------------|
| 1. Benin | 8. Ivory coast | 15. Sri Lanka | 22. Vietnam |
| 2. Bolivia | 9. Kenya | 16. Swaziland | 23. Zambia |
| 3. Cambodia | 10. Mali | 17. Tanzania | 24. Kyrgyzstan |
| 4. Cameroon | 11. Myanmar | 18. Turkmenistan | 25. Libya |
| 5. Costa Rica | 12. Nepal | 19. Uganda | 26. Yemen |
| 6. Ethiopia | 13. Nigeria | 20. Ukraine | |
| 7. Georgia | 14. South Africa | 21. Uzbekistan | |

Supply Chain Management

- The Company has outsourced supply chain management to a third-party warehousing & logistics partner.
- A state-of-art central warehousing & processing center has been built in Surat, in Phase 1.
- Eventually the Company will replicate such infrastructure across different zones in the country.



Click the link below for more details

[Click here](#)



— Q4FY23 Result Highlights

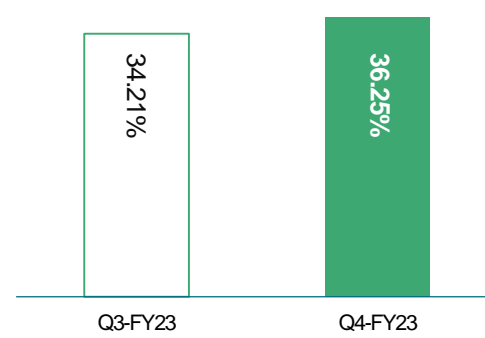
Stand Quarterly **Financial Highlights**

Q-o-Q

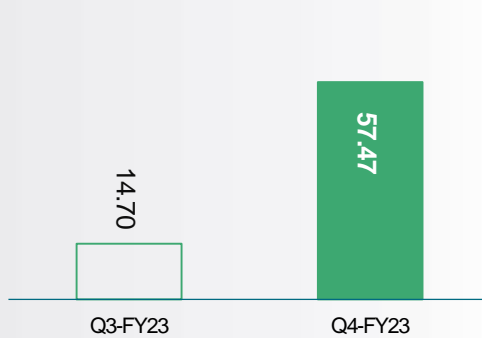
Revenues (₹ Lakhs)



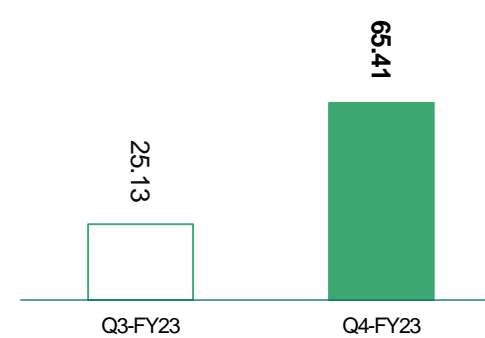
Gross Profit (%)



Operating Profit (₹ Lakhs)

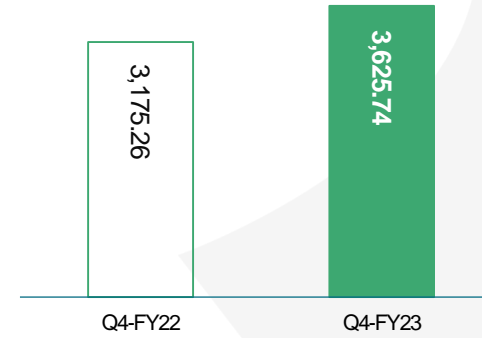


PAT (₹ Lakhs)

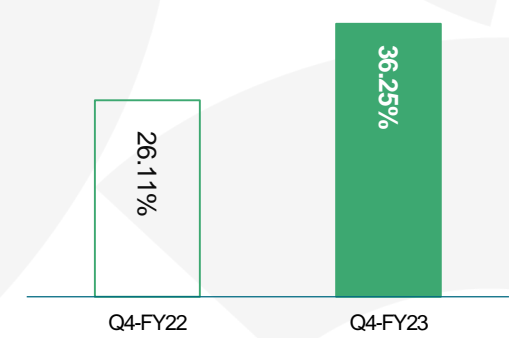


Y-o-Y

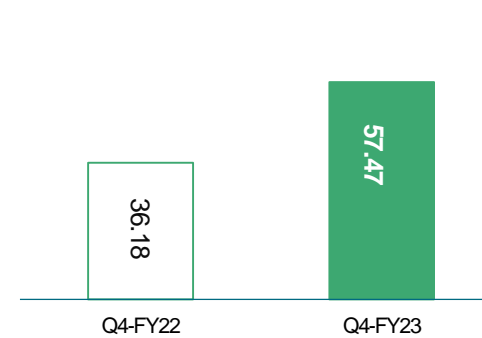
Revenues (₹ Lakhs)



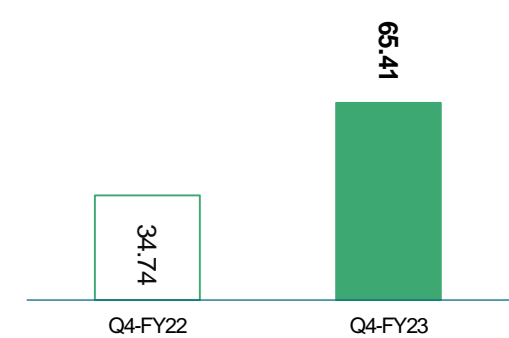
Gross Profit (%)



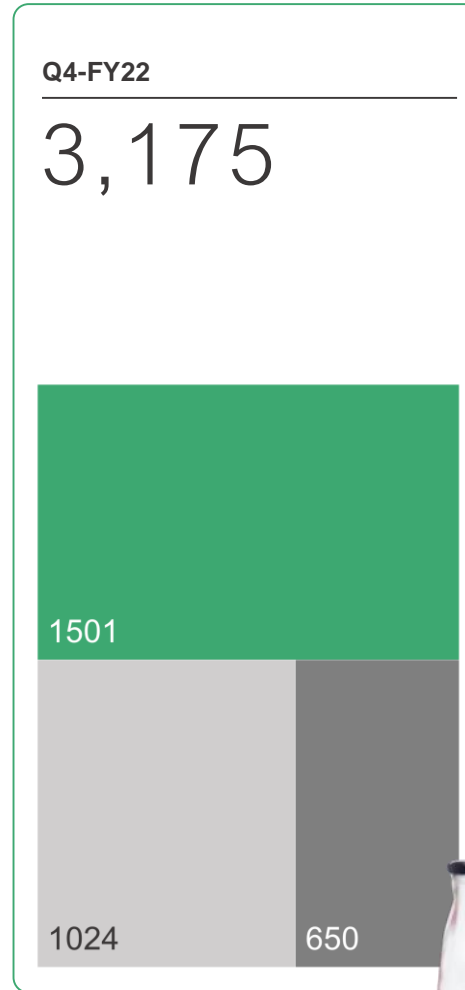
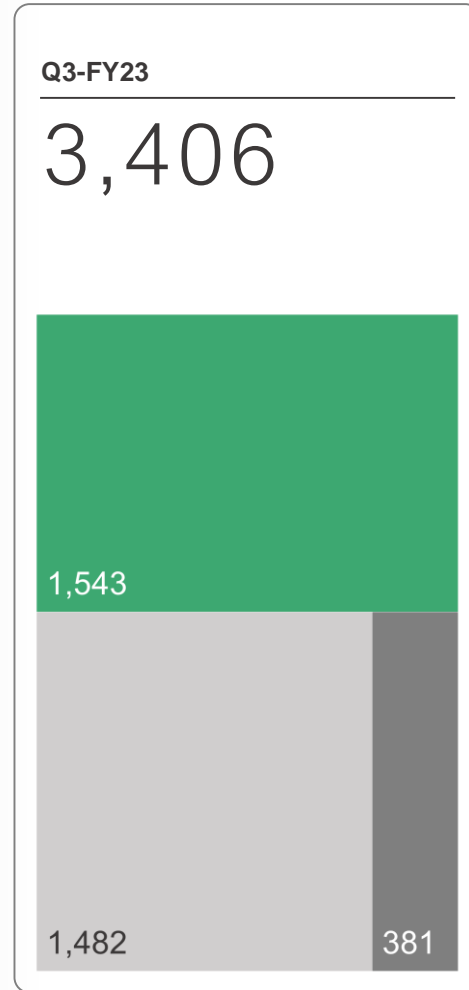
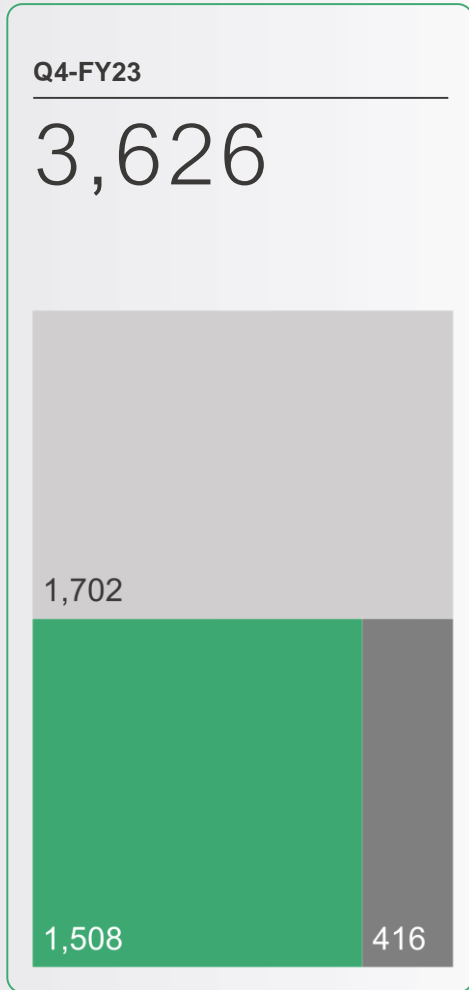
Operating Profit (₹ Lakhs)



PAT (₹ Lakhs)



Revenue Break up- Quarterly



-  Domestic Sales
-  Dava India Sales
-  Export Sales (SEZ)



Stand Profit & Loss Statement- Quarterly

Particulars (Rs Lakhs)	Q4FY23	Q3FY23	YoY %	QoQ %	Q4FY22
Export Sales (SEZ)	415.69	380.5	-36.09%	9.25%	650.39
Davaindia Sales	1701.6	1481.8	66.21%	14.84%	1023.77
Domestic Sales	1508.45	1542.6	0.5%	-2.21%	1501.1
Revenues from Operations	3,625.74	3,404.82	14%	6%	3,175.26
Cost of Goods Sold	2,311.27	2,240.11	-1%	3%	2,346.30
Gross Profit	1314.47	1164.71	59%	13%	828.96
% Margin	36.25%	34.21%	10.15%	2.05%	26.11%
Operational Exp	1257.00	1150.01	59%	9%	792.78
Employee cost	387.98	251.10	52%	55%	256.03
Other expenses	869.02	898.91	62%	-3%	536.75
Operating Profit	57.47	14.70	59%	291%	36.18
% Margin	1.59%	0.43%	0.45%	1.15%	1.14%
Other Income	23.50	79.75	-71%	-71%	82.39
EBITDA	80.97	94.45	-32%	-14%	118.57
% Margin	2.23%	2.77%	-1.50%	-0.54%	3.73%
Depreciation	66.49	62.18	-5%	7%	69.84
EBIT	14.48	32.27	-70%	-55%	48.73
% Margin	0.40%	0.95%	-1.14%	-0.55%	1.53%
Interest Cost	1.07	1.03	-73%	4%	3.93
EBT	13.41	31.24	-70%	-57%	44.80
% Margin	0.37%	0.92%	-1.04%	-0.55%	1.41%
Exceptional Items	53.79	0	100%	100%	0
Taxes	1.79	11.19	104%	86%	10.25
Profit After Taxes	65.41	25.13	88%	160%	34.74
% Margin	1.80%	0.74%	0.71%	1.07%	1.09%

Management **Commentary**

1

The Company has reported resilient performance in Dava India and Domestic sales, however, Export performance during the quarter took a hit on account of partial unavailability of plant .

2

EBITDA stood at Rs 80.97 Lakhs during Q4FY23, with margin of 2.23%, decreased by 0.54 QoQ basis on account of higher Operating Expenses (mainly Employee Cost, as we are expanding our team robustly).

3

The sales contribution from new-age business stood at 58% in Q4FY23 as compared to 55% in Q3FY23.

4

PAT stood at Rs. 65.41 Lakhs during Q4FY23, increasing 88% YoY basis and 160% QoQ basis.



Management Commentary

1

DOMESTIC OPERATIONS

Domestic Revenues increased by 6.14% QoQ and a growth of 19.78% YoY at ₹ 3210.05 Lakhs in Q4FY23 supported by healthy performance on both fronts.



EBITDA at ₹ **17.77 Lakhs** for Q4FY23, declined by 76.31% on account of high operating expenses.

PAT stood at ₹ **(13.76) Lakhs** for Q4FY23.

2

EXPORTS

Exports revenues increased by 9.25% on QoQ basis and decreased 36.08% YoY at ₹ 415.69 Lakhs in Q4FY23.



EBITDA at ₹ **63.20 Lakhs** for Q4FY23, increased by 224.89% on QoQ basis and 56.77% on YoY basis due to high export sales realization.

PAT stood at ₹ **79.16 Lakhs** for Q4FY23.

*Here, Domestic Operations includes the operations of Davaindia.

Management Commentary

Commenting on Q4FY23 financial performance and operational highlights, Management Team of Zota Health Care said,

*“The Company’s performance for Q4FY23 has remained intact as compared to Q3FY23. Our exports performance has been improved as compares to Q3, however the same has been significantly affected during the quarter on account of **disturbances in production activities** due to the plant upgradation exercise undertaken at Sachin SEZ site. This plant upgradation is to adhere to EU GMP regulatory requirements, as the Company plans on expanding its exports operations in developed markets. On the domestic sales front we witnessed marginal degrowth QoQ.*

Our gross margin has surged marginally, EBITDA margin has taken a hit on account of high operational expense majorly due to high employee cost, as we are expanding our team, we expect to taper this with high sales numbers in the coming quarters.

Our Davaindia performance continues to do well, during the quarter we registered highest ever revenue of Rs. 1701.6 lakhs, higher by 66.21% YoY basis and 14.84% QoQ basis. We also have registered highest number of footfall i.e. 9.4 lakhs during Q4FY23. The GMV of Davaindia during the quarter remains Rs. 2525 lakhs increased by 8.65% QoQ. On the store rollout front, we continue to expand our footprint. During the quarter we added a record 34 COCO stores and 23 FOFO stores, taking total store count of 101 COCO stores and 493 FOFO stores and the consolidated 594 stores as at the Q4FY23.”



Profit & Loss Statement

Particulars (INR Lakhs)	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Income from Operations	5,646.3	6,473.3	7,158.0	7,785.2	8,562.9	9,511.3	10,684.12	13,153.33	13,836.60
Other Income	1.4	7.7	5.6	151.9	154.5	151.3	125.66	164.56	255.87
Total Income	5,647.8	6,481.0	7,163.6	7,937.0	8,717.4	9,662.6	10,809.78	13,317.89	14,092.47
Operating Expenses	4,796.5	5,516.8	6,153.8	6,695.0	7,788.7	9,059.7	10,490.90	11,618.38	13,035.65
EBITDA	851.3	964.2	1,009.8	1,242.0	928.7	602.9	193.22	1,699.51	1,056.82
Margin %	15.1	14.9	14.1	16.0	10.8	6.3	1.8	12.9	7.6
Depreciation	150.6	123.5	105.4	93.7	139.4	209.8	316.68	273.05	241.99
EBIT	700.7	840.8	904.4	1,148.3	789.3	393.1	-123.46	1,426.46	814.83
Margin %	12.4	13.0	12.6	14.8	9.2	4.1	-1.2	10.8	5.9
Financial Charges	66.5	68.3	68.2	12.1	3.7	6.9	10.97	7.32	6.33
PBT	634.2	772.4	836.2	1,136.2	785.6	386.2	-134.43	1,419.14	808.50
Margin %	11.2	11.9	11.7	14.6	9.2	4.1	-1.3	10.8	5.8
Tax	207.6	261.5	282.1	407.4	230.7	112.0	-15.3	376.56	206.43
PAT	426.7	510.9	554.1	726.8	554.8	274.1	-16.24	1,058.01	659.35
Margin %	7.6	7.9	7.7	9.3	6.5	2.9	-0.2	8.0	4.8
EPS	3.0	3.6	3.9	4.2	2.3	1.1	-0.07	4.25	2.62

Balance Sheet & **Key Ratios**

Particulars (INR Lakhs)	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Share capital	1,436.3	1,436.3	1,436.3	1,754.3	1,754.3	2,456.0	2456.03	2,516.0	2,516.0
Reserves and Surplus	395.7	707.8	1,262.0	5,223.4	5,138.2	4,426.9	4,181.2	6,621.4	6,930.3
Non-current liabilities	548.7	272.7	466.8	64.7	87.1	105.3	94.5	102.9	93.8
Current liabilities	1,657.6	1,988.3	2,215.4	2,137.0	1,981.0	1,859.6	1,820.0	3,287.63	2,923.57
Total Equity and Liabilities	4,038.4	4,405.2	5,380.5	9,179.4	8,960.7	8,847.9	8,551.6	9,137.45	9,446.31
Non-current assets	842.4	855.6	932.5	3,605.4	2,723.3	2,961.4	2438.13	5,007.36	3,683.91
Current assets	3,196.0	3,549.5	4,447.9	5,574.1	6,237.4	5,886.4	6,113.5	7,520.57	8,779.80
Total Assets	4,038.4	4,405.2	5,380.5	9,179.4	8,960.7	8,847.8	8,551.6	12,527.93	12,463.71
Key Ratios	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
RoCE (%)	20.0	23.5	19.3	10.5	8.0	4.0	-1.8	15.4	8.5
RoE (%)	23.3	23.8	20.5	10.4	8.0	4.0	-0.2	11.6	7.0
Net debt to equity (x)	0.3	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Interest coverage (x)	10.5	12.3	13.3	94.8	214.5	56.6	-11.3	194.9	128.7
Inventory days	113.9	92.1	121.9	113.8	138.6	97.2	96.1	77.6	94.5
Receivables days	75.6	89.0	87.1	107.5	94.2	111.8	98.5	106.3	*114.9
Payable days	116.2	126.5	148.4	117.8	103.5	82.5	77.6	76.4	102.7

* Receivable days increased due to outstanding of M/s Davaindia Health Mart Ltd, Wholly Owned Subsidiary of the Company

— Thank You

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