

December 02, 2020

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 (the "Company") are submitting herewith enclosed the Investor Presentation in respect of Financial Results for the quarter ended September 30, 2020.

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 - 395 002 | Ph: +91 261 2331601
Email: info@zotahealthcare.com
Web : www.zotahealthcare.com
CIN : L24231GJ2000PLCO38352

Plant :

Plot no. 169, Surat Special Economic Zone,
Nr. Sachin Railway Station, Sachin,
Surat - 394 230 (Guj.) India
Ph: +91 261 2397122



Q2FY21

Performance Highlights December 2020



Powered By  zota[®] healthcare ltd.



 dava india[®]

Save UPTO
90% on
generic medicines

*90% savings compared to price of leading brands. Conditions apply.



 dava india[™]
GENERIC PHARMACY

A chain of pharmacy store providing
generic alternatives to branded medicines





Safe Harbor

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 Emerge.

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



Table Of Contents



1	Result Highlights & Operational Metrics	
2	Davaindia	
3	Industry Snapshot	
4	Financial Summary	



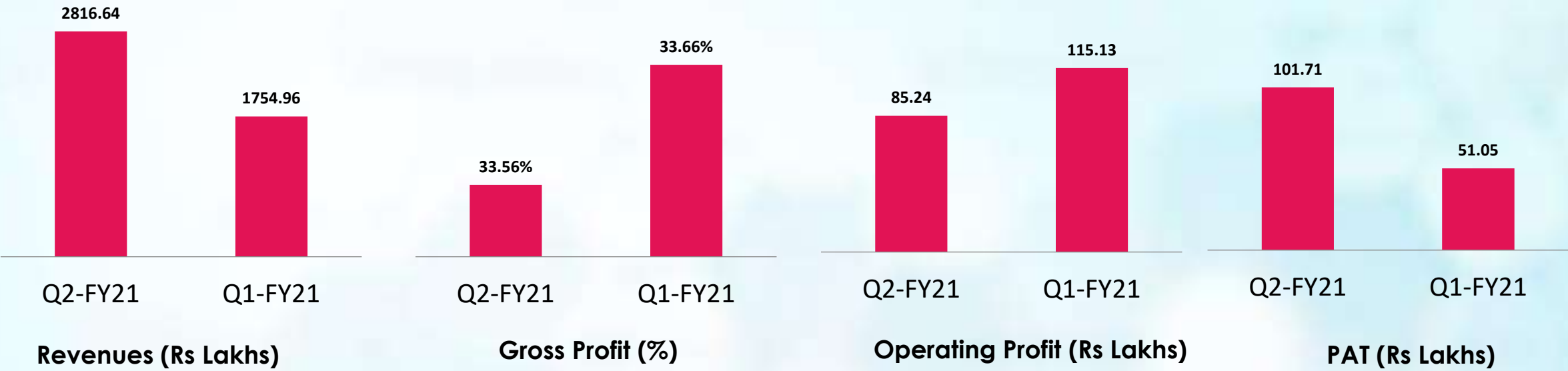
Qtr- Result Highlights & Operational Metrics



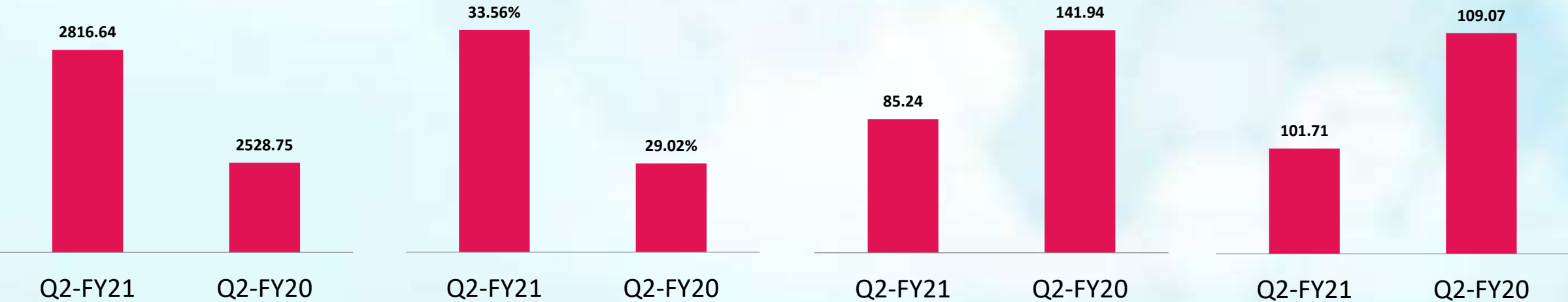


Consol Quarterly Financial Highlights

Q-o-Q



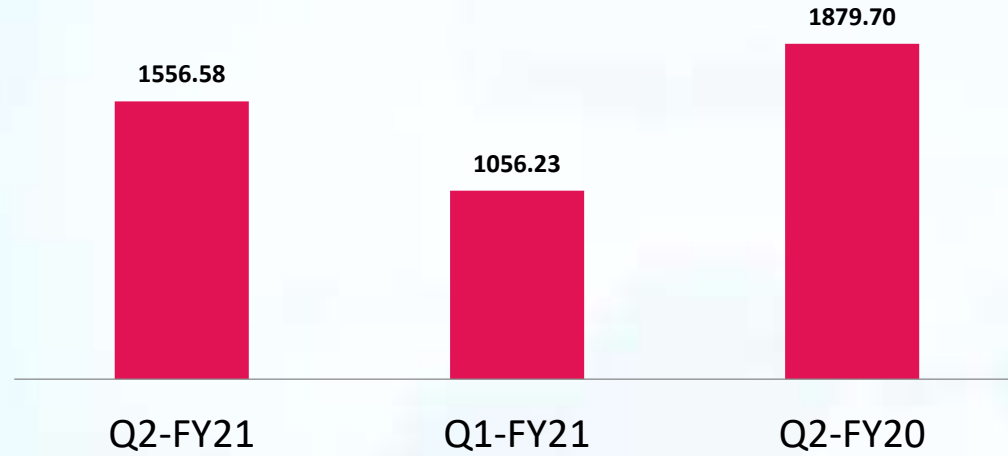
Y-o-Y



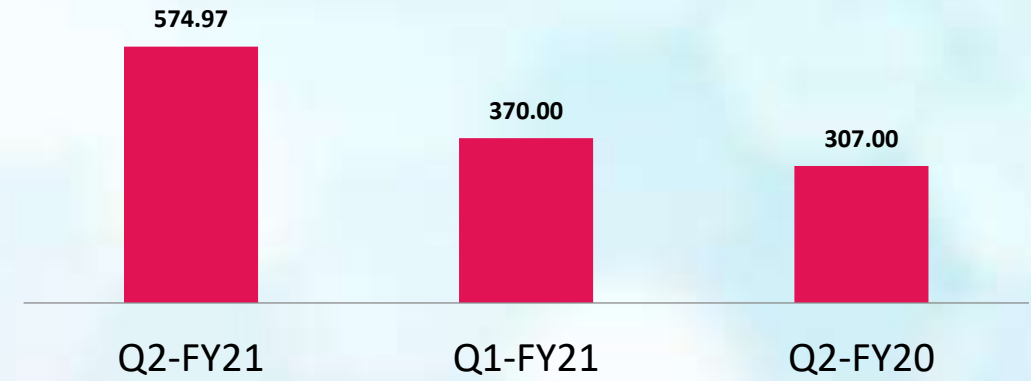


Revenue Break up – Quarterly

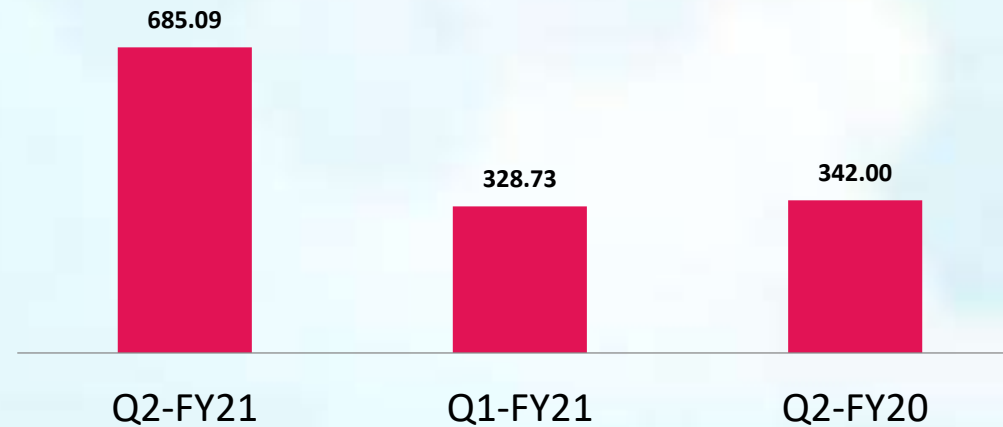
Domestic Sales



DavaIndia Sales



Export Sales (SEZ)





Consol Profit & Loss Statement - Quarterly

Particulars (Rs Lakhs)	Q2FY21	Q2FY20	YoY %	QoQ %	Q1FY21
Export Sales (SEZ)	685.09	342	100%	108%	328.73
Dava India Sales	574.97	307	87%	55%	370
Domestic Sales	1556.58	1,879.70	-17%	47%	1,056.23
Revenues from Operations	2,816.64	2,528.70	11%	60%	1,754.96
Cost of Goods Sold	1,871.49	1794.84	4%	61%	1,164.32
Gross Profit	945.15	733.9	29%	60%	590.64
% Margin	33.56%	29.02%	454 BPS	(-) 10 BPS	33.66%
Operational Exp	859.91	591.97	45%	81%	475.51
Employee cost	236.81	258.99	-9%	15%	206.5
Other expenses	623.1	332.98	87%	132%	269.01
Operating Profit	85.24	141.94	-40%	-26%	115.13
% Margin	3.03%	5.61%	(-) 258 BPS	(-) 353 BPS	6.56%
Other Income	21.1	37.49	-44%	-9%	23.08
Exceptional Item	102.88	0	100%	100%	0
EBITDA	209.22	179.43	17%	51%	138.21
% Margin	7.43%	7.10%	33 BPS	(-) 45 BPS	7.88%
Depreciation	76.63	32.05	139%	4%	73.91
EBIT	132.59	147.38	-10%	106%	64.3
% Margin	4.71%	5.83%	(-) 112 BPS	101 BPS	3.66%
Interest Cost	1.48	1.02	45%	100%	0.74
EBT	131.11	146.36	-10%	106%	63.56
% Margin	4.65%	5.79%	(-) 114 BPS	103 BPS	3.62%
Taxes	29.39	37.3	-21%	135%	12.51
Profit After Taxes	101.71	109.06	-7%	99%	51.05
% Margin	3.61%	4.31%	(-) 70 BPS	70 BPS	2.91%



Management Commentary

- After the COVID-19 outbreak and a one-time hiccup in the performance of the company in Q1FY21, the company has made a strong recovery in Revenue from Operations across all three segments in Q2FY21. In fact new-age businesses of the company i.e. Dava India and Exports recorded some of the best ever performance in the period under review.
- Company has registered the Gross Profit margins of 33.56% in Q2FY21 10bps lower than Q1FY21.
- EBITDA at Rs 209.22 Lakhs 17% higher YoY, margins at 7.43% on account of realization of profits in the exceptional items.
- PAT declined 7% YoY at 101.71 Lakhs.



Management Commentary

Domestic Operations

- Domestic operations of the company have made a major recovery after the COVID-19 Lockdown, on a Q-o-Q basis the Revenue from Operations grew 49%, while the operations are still down 2.5% on a Y-o-Y basis – the management is confident of making a strong recovery at par to pre-COVID levels.
- The company has registered the domestic revenues of Rs. 2153.74 Lakhs in Q2FY21.
- In Q2FY21 - EBITDA came in at Rs. – 26.34 Lakhs on back of higher operational expenses.
- PAT at Rs. – 89.69 lakhs in Q2FY21 on account of accelerated depreciation.

** Here Domestic operations also includes the DavaIndia Operations.*

Exports

- COVID-19 outbreak had caused a nationwide lockdown, due to this the company's manufacturing plant was totally shut uptill April 16, 2020 after that operations were started in phased manner, this had adversely impacted the export business of the Company in the previous quarter. **However Export business has a made a strong recovery in Q2FY21 with 100% and 108% growth on Y-o-Y and Q-o-Q basis respectively.**
- Export Revenues increased by 100 % YoY at Rs. 685.09 Lakhs in Q2FY21
- In Q2FY21, EBITDA at Rs. 235.58 lakhs with the margins of 34%
- PAT stood at Rs.191.44 lakhs for Q2FY21



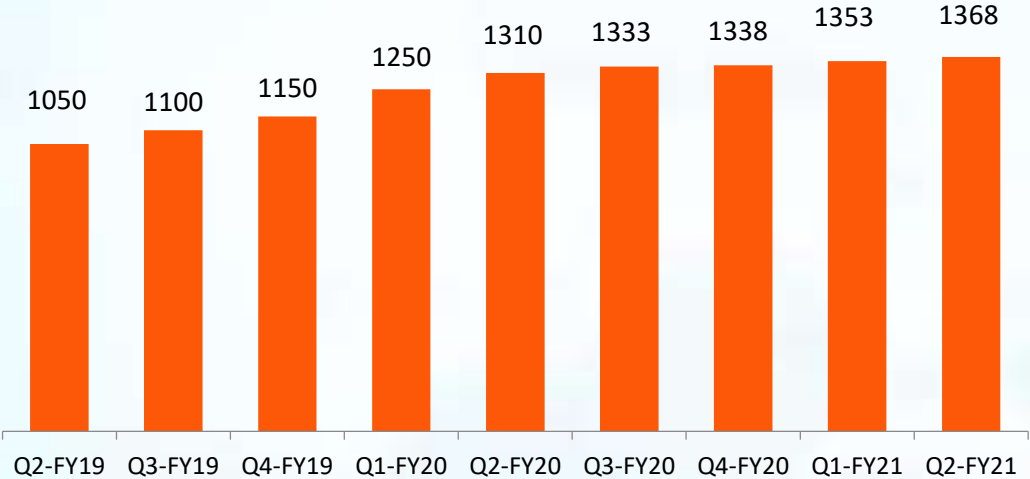
davaindia[®]
GENERIC PHARMACY



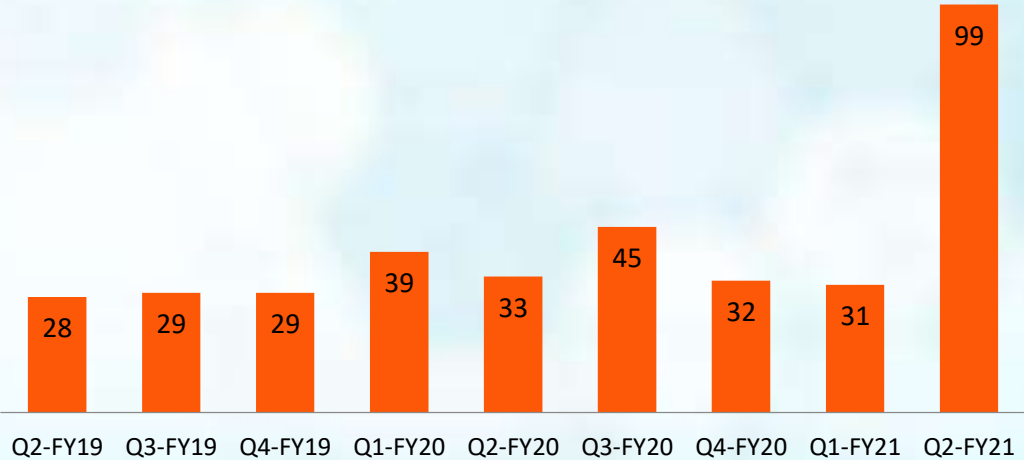


Davaindia Key Figures

SKU's

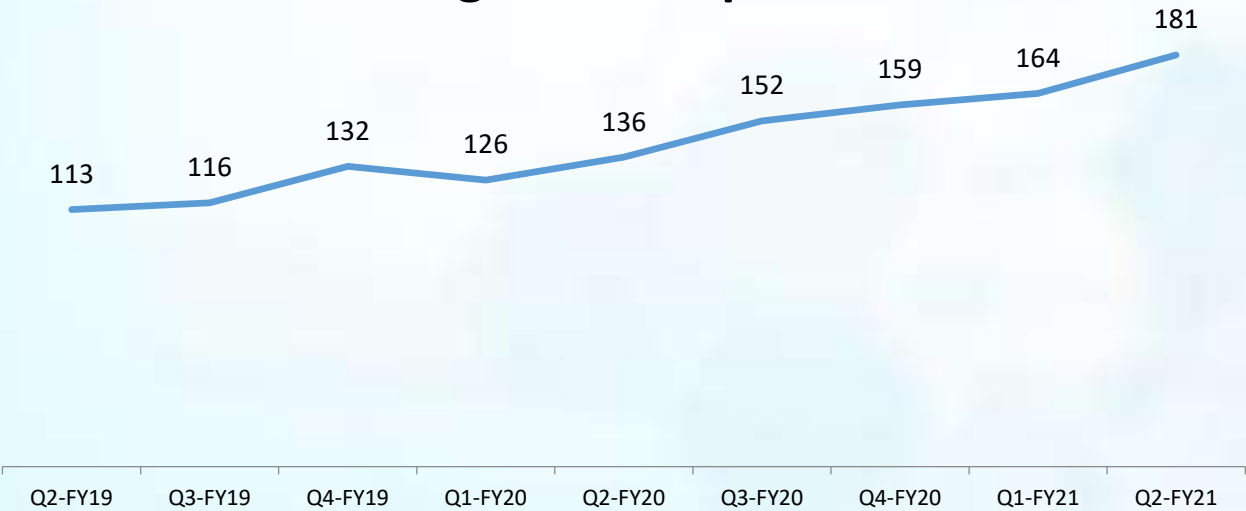


Stores rolled-out

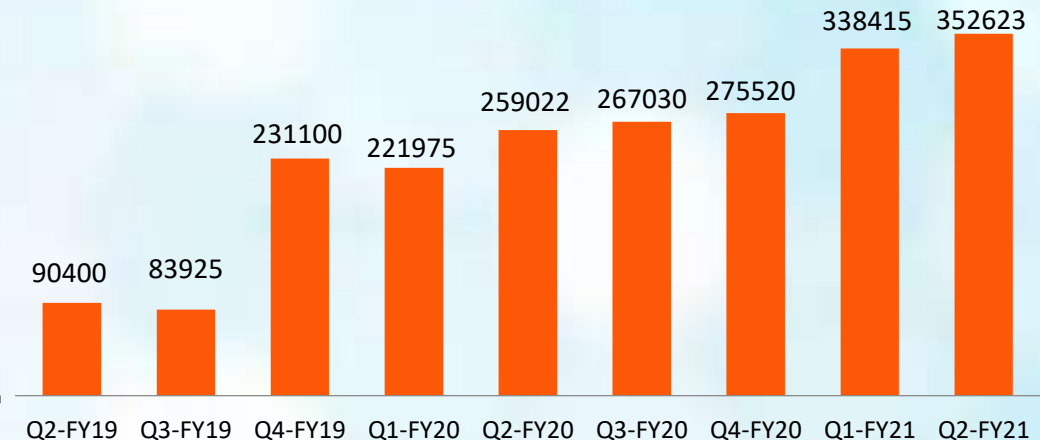




Average Wallet Spend



No. of Customers Served

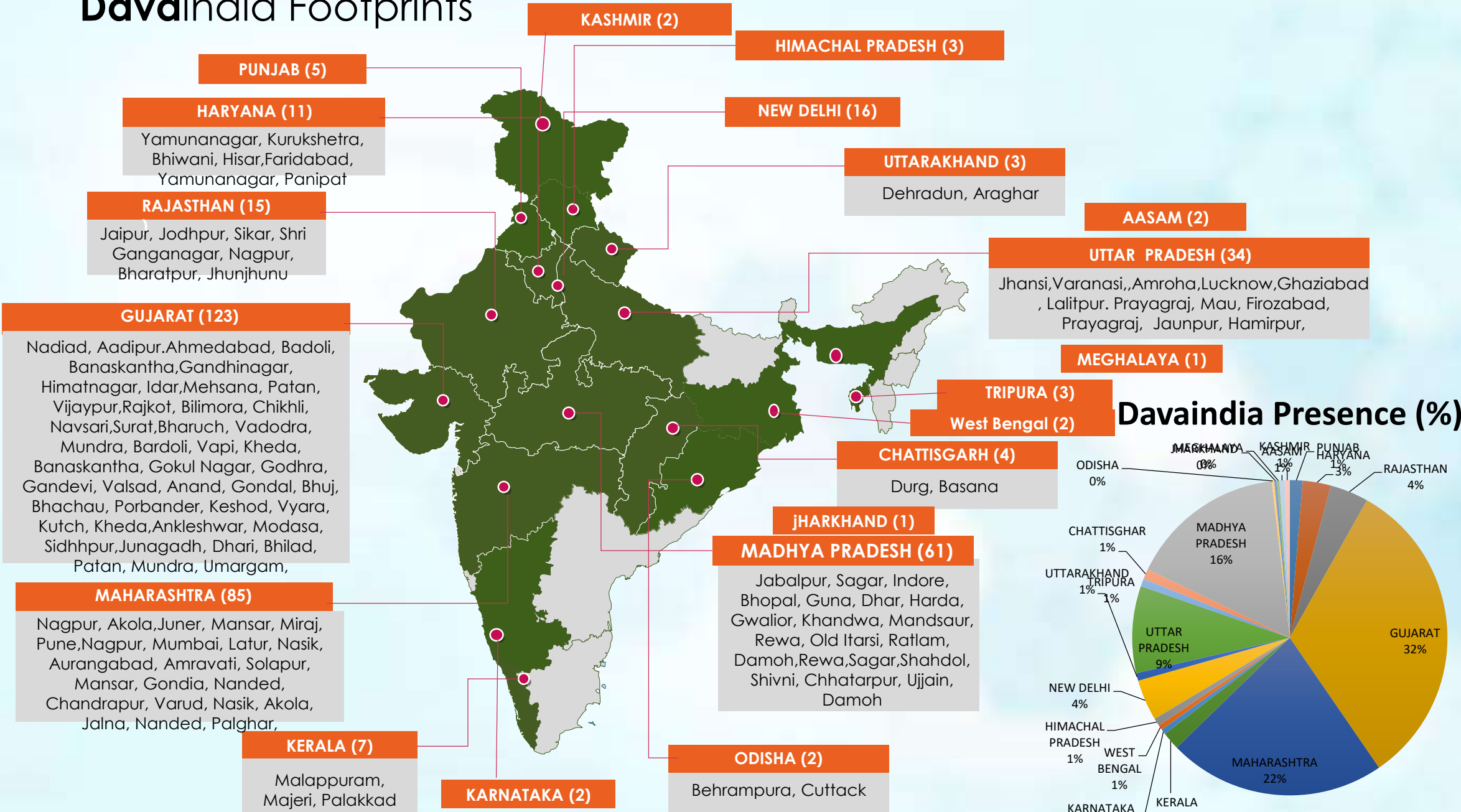


- During the quarter DavaIndia has catered 3.52 lakhs customers and impact of the same can be seen on revenue side, during the quarter DavaIndia has registered robust growth in Q2FY21 at 87% YoY.
- DavaIndia has witnessed turn around of patients to generic medicines from the branded counterparts, Till Q2FY21 DavaIndia has catered more than 2.28 million happy customers.
- The managements focus on DavaIndia expansions has been inline and is underscored with addition of new store in the state of Gujarat, Maharashtra, Madhya Pradesh and Uttar Pradesh taking the total store count to 382 as on September 30, 2020.
- The company has adopted various marketing and communication channels like print, T.V and other mediums to increase top of the mind brand recall in the minds of the customers. This exercise that begun to gain traction and has witnessed wallet share increase among its users.
- A higher number of 1,368 SKU's has enabled DavaIndia to better serve customers across all ailment segments. Thus increasing its customer spends across varied price points, the average wallet spends was Rs 181 in Q2FY21.

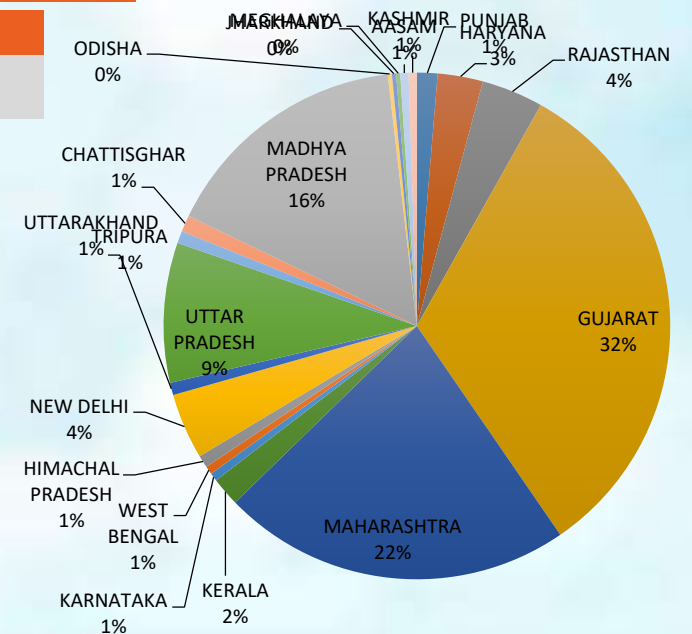




Davaindia Footprints



Davaindia Presence (%)



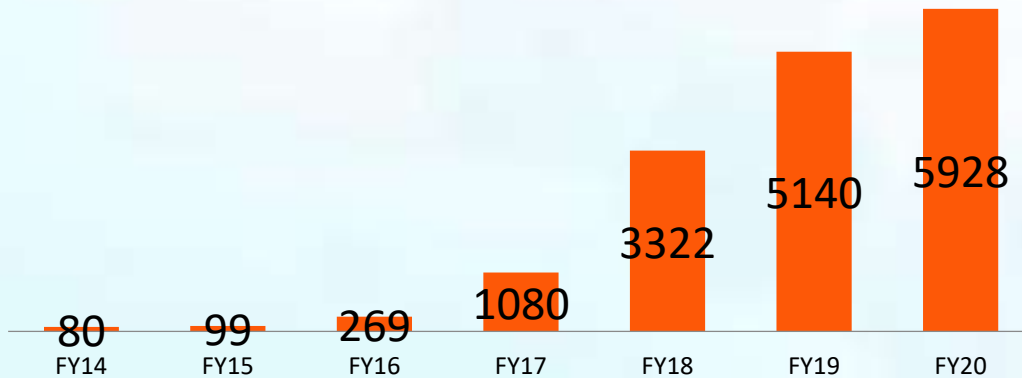
■ ■ ■
Industry Snapshot



India's Retail 'Generic Medicine' Landscape

Jan Aushadhi Stores - A key initiative against the high priced selling medicines in the market

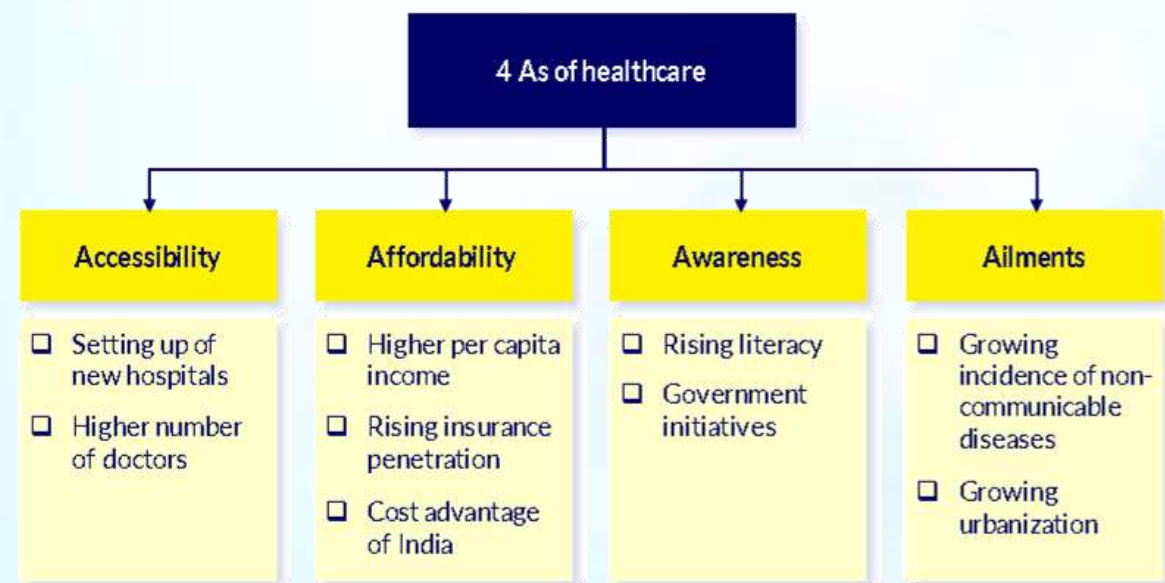
Jan Aushadhi Stores rolled-out



- 1 Our Honourable Prime Minister launched 'Jan Aushadhi Kendras' under the 'Pradhan Mantri Bhartiya Janaushadhi Pariyojana' (PMBJP) scheme.
- 2 The concept revolves around a direct market intervention scheme to make quality generic medicines available at affordable prices to all citizens through a specially dedicated outlet known as Jan Aushadhi Store (JAS).
- 3 A medicine under PMBJP is priced at a maximum of 50% of the average price of its top three branded equivalents.
- 4 PMBJP targets to cover all districts of India with at least one JAS in each district, and a total 10,000 JAS by FY2024.
- 5 It also plans to broaden the product portfolio to 2000 medicines and 300 surgical products from the current 800 and ~150, respectively.

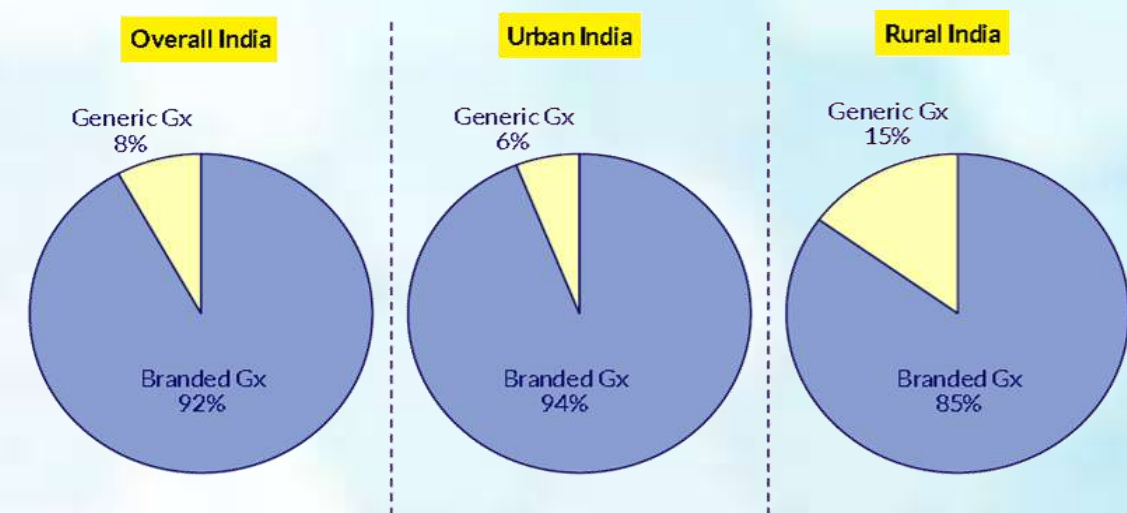


Underpenetrated Generic Medicine Market



Source: CLSA

4 pillars to drive healthcare



Source: IQVIA, CLSA

Branded and generic mix of Indian pharma market



Financial Summary





Profit & Loss Statement

Particulars (INR Lakhs)	FY15	FY16	FY17	FY18	FY19	FY20	Q2FY21
Income from Operations	5,646.30	6,473.30	7,158.00	7,785.20	8,562.90	9,511.30	2,816.64
Other Income	1.4	7.7	5.6	151.9	154.5	151.3	21.1
Total Income	5,647.80	6,481.00	7,163.60	7,937.00	8,717.40	9,662.60	2,837.74
Operating Expenses	4,796.50	5,516.80	6,153.80	6,695.00	7,788.70	9,059.70	2731.4
Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00	102.88
EBITDA	851.3	964.2	1,009.80	1,242.00	928.7	602.9	209.22
Margin %	15.1	14.9	14.1	16	10.8	6.3	7.37%
Depreciation	150.6	123.5	105.4	93.7	139.4	209.8	76.63
EBIT	700.7	840.8	904.4	1,148.30	789.3	393.1	132.59
Margin %	12.4	13	12.6	14.8	9.2	4.1	4.67%
Financial Charges	66.5	68.3	68.2	12.1	3.7	6.9	1.48
PBT	634.2	772.4	836.2	1,136.20	785.6	386.2	131.11
Margin %	11.2	11.9	11.7	14.6	9.2	4.1	4.62%
Tax	207.6	261.5	282.1	407.4	230.7	112	29.39
PAT	426.7	510.9	554.1	726.8	554.8	274.1	101.71
Margin %	7.6	7.9	7.7	9.3	6.5	2.9	3.58%
EPS	3	3.6	3.9	4.2	2.3	1.1	0.41







Balance Sheet & Key Ratios

Particulars (INR Lakhs)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	H1FY21
Share capital	1,196.9	1,436.3	1,436.3	1,436.3	1,754.3	1,754.3	2,456.0	2,456.0
Reserves and Surplus	384.2	395.7	707.8	1,262.0	5,223.4	5,138.2	4,426.9	4,590.0
Non-current liabilities	521.3	548.7	272.7	466.8	64.7	87.1	105.3	102.2
Current liabilities	1,381.7	1,657.6	1,988.3	2,215.4	2,137.0	1,981.0	1,859.6	2,676.1
Total Equity and Liabilities	3,484.1	4,038.4	4,405.2	5,380.5	9,179.4	8,960.7	8,847.9	9,824.3
Non-current assets	926.3	842.4	855.6	932.5	3,605.4	2,723.3	2,961.4	2,643.8
Current assets	2,557.8	3,196.0	3,549.5	4,447.9	5,574.1	6,237.4	5,886.4	7,180.5
Total Assets	3,484.1	4,038.4	4,405.2	5,380.5	9,179.4	8,960.7	8,847.8	9,824.3
Key Ratios	FY14	FY15	FY16	FY17	FY18	FY19	FY20	H1FY21
RoCE (%)	17.4	20.0	23.5	19.3	10.5	8.0	4.0	2.2
RoE (%)	19.7	23.3	23.8	20.5	10.4	8.0	4.0	2
Net debt to equity (x)	0.3	0.3	0.1	0.1	0.0	0.0	0.0	0.0
Interest coverage (x)	7.5	10.5	12.3	13.3	94.8	214.5	56.6	42.3
Inventory days	91.2	113.9	92.1	121.9	113.8	138.6	97.2	141.2
Receivables days	77.8	75.6	89.0	87.1	107.5	94.2	111.8	112.2
Payable days	109.0	116.2	126.5	148.4	117.8	103.5	82.5	133.2



Contact Information

-  Mr. Himanshu Zota / Mr. Ashvin Variya
-  "ZOTA HOUSE", 2/896, Hira Modi Street,
Sagrampura, Surat-395 002(Gujarat)
-  cszota@zotahealthcare.com
-  www.zotahealthcare.com

Thank You