

CHAIRPERSON'S SPEECH TO BE DELIVERED DURING THE 31ST ANNUAL GENERAL MEETING OF ZENOTECH LABORATORIES LIMITED TO BE HELD ON SATURDAY, SEPTEMBER 26, 2020 AT 10:30 AM THROUGH VIDEO CONFERENCING FACILITY

Dear Shareholders,

We are in midst of an incomparable times of Covid-19. At Zenotech, we started to recognize this health crisis very early and we assure you that we have acted with greatest concern and priority for the health of our employees, their families and our partners. In keeping with Zenotech overarching value of Health & Safety, your Company strictly followed the guidelines prescribed by health authorities and the government. We also worked very closely with Sun Pharmaceutical Industries Limited, holding company and one of the promoters of the Company, sharing the best practices and creating new standard operating procedures to ensure that health remain our key focus.

During the year under review, the Company recorded revenue of ₹ 2,593.83 Lakhs (previous year ₹ 1,302.91 Lakhs) from its operations ~100% increase over the corresponding previous year. The Company reported a profit of ₹ 1,073.07 Lakhs as against the reported loss of previous year (311.94 Lakhs), including exceptional items of ₹ 636.96 Lakhs towards reversal of Service tax provisions under SVLDRS Scheme, 2019. During the year, the Company registered operational profit of ₹ 440.79 Lakhs for the first time since its inception. The operational performance for the Oral Solid Dosage (OSD) and Eye care facilities of the Company was at par with its installed capacities. However, the Cyto Injectables and General Injectables are yet to attain its optimum utilization due to low market demands. The Company started production from its newly commissioned Depot Injectable facility during the latter part of the year and expecting more revenues from this facility in future subject to market demands. Based on the projected business plans for the forthcoming years, the Company believes that it can maintain its positive performance by utilizing its existing resources to its maximum. Your Company is constantly striving to optimize its operational capacities, control costs to remain competitive which would help to improve the operational efficiency.

Revamping project of Biotech Facility of the Company is completed and Sun Pharmaceutical Industries Limited, one of its promoters had initiated product development activities in the said facility. The Company had invested in enhancing its utilities, infrastructure and manpower to support its future operations.

Your Company has always maintained high standards of Corporate Governance and we follow a culture that is built on our core values of ethical business conduct.

At the end, I would like to reiterate that we are very optimistic about our future and believe that despite the COVID-19 pandemic, our country will continue on its growth trajectory soon.

Dear Shareholders, once again, the Zenotech team has performed well in the financial year 2019-20 in challenging times. On behalf of the Board of Directors, I express my sincere appreciation for the efforts and hard work from employees at all levels and wish them all the best for the success of the Company in the years to come. Last, but not the least, I thank you dear Shareholders, for your continued support. My best wishes to you and your families.

Thank you.