

Vimta Labs Limited

Investor Presentation
Q4FY23 & FY23



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Q4 and FY23 Earnings

- Q4 & FY23 Earnings Highlights
- Operational Highlights
- Financial Performance: Q4FY23 and FY23
- Key Metrics
- Profit & Loss Statement
- Balance Sheet

01

Q4 & FY23 Highlights

Q4FY23 Earnings Highlights

- Total Income for Q4FY23 grew by 10.7% YoY to Rs. 825 Mn
- EBITDA for Q4FY23 is Rs. 242 Mn; EBITDA margins at 29.5%
- Q4FY23 PAT is at Rs. 127 Mn up 7.2% YoY
- Basic EPS grew by 6.9% to Rs. 5.7 in Q4FY23 against Rs. 5.4 in Q4FY22

FY23 Earnings Highlights

- Total Income for FY23 grew by 15.0% YoY to Rs. 3,216 Mn
- EBITDA for FY23 is Rs. 949 Mn; EBITDA margins at 29.8%
- FY23 PAT at Rs. 482 Mn up 16.6% YoY
- Basic EPS grew by 16.4% to Rs. 21.8 in FY23 against Rs. 18.7 in FY22
- Cash and Cash equivalents at Rs. 398 Mn as of 31st March 2023
- Cash flow From Operations at Rs 879 Mn for FY23 ended 31st March 2023
- FY23 Capex at Rs 498 Mn; Free cash flow for the period was Rs 381 Mn
- Receivable stood stable around 90 days as of 31st March 2023
- Debt to Equity ratio 0.05x

FY23 Operational Highlights

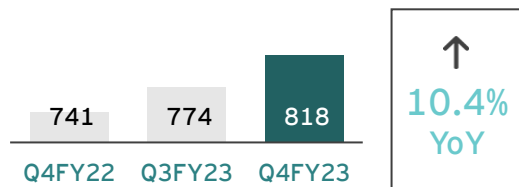
Operational Updates

- During the year, the company continued strong growth momentum in food, pharma, and electronics testing/research services with other segments remaining stable.
- Inaugurated Electronics and Electrical (E&E) and the entire scope of E&E services were accredited by NABL and certified by TEC (Telecommunication Engineering Centre).
- Rolled out Green Audits services for various industries.
- Continued digital enablement of lab and administrative processes for increasing their ease and efficiency.
- Expanded vivarium capacities for large species.
- Successful maiden year of operations of National Food Lab, which is setup and operated in PPP mode with FSSAI.
- Satisfactory performance in audits by USFDA, Ukraine regulatory authority, NABL, NGCMA, AAALAC, TEC, BIS, and several other audits of external agencies and customers.
- Embarked on doubling capacities in the Genome Valley, Hyderabad campus and gearing up for our growth for next 5 years. Laid the foundation and started construction of Life Sciences expansion project which will add ~225,000 sf. ft. of additional space for labs and support functions.
- Contributed towards harmonizing regulations/procedures of Bangladesh Food Safety Authority with CODEX__a unique cross border public private participation.

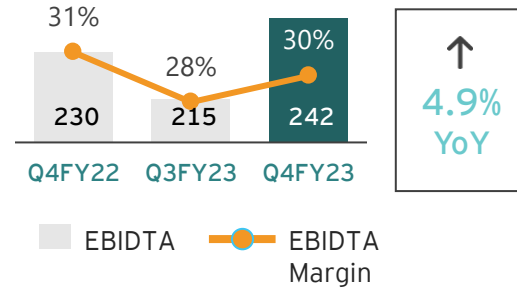
Financial Performance: Q4FY23 and FY23

Q4FY23 SNAPSHOT

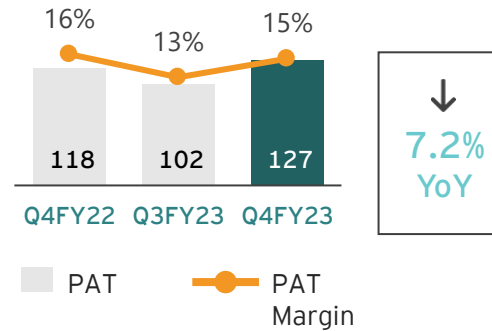
Revenue from operations¹ (In ₹ Mn)



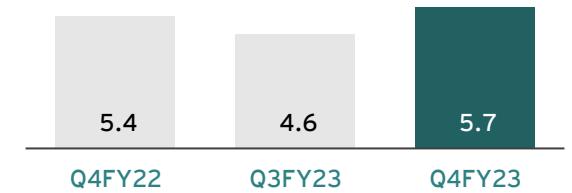
EBIDTA & EBIDTA Margin¹ (In ₹ Mn, %)



PAT & PAT Margin¹ (In ₹ Mn, %)

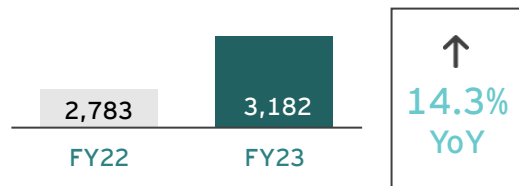


Basic EPS (In ₹)

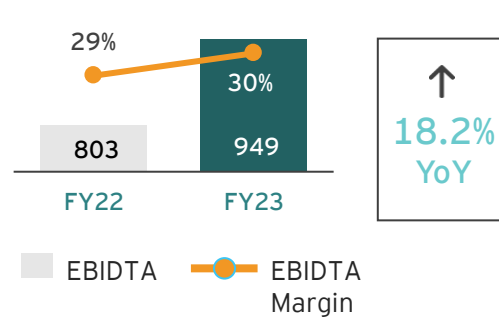


FY23 SNAPSHOT

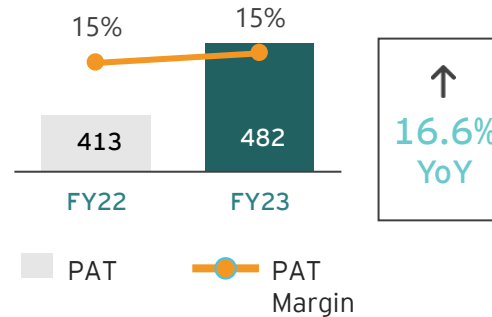
Revenue from operations¹ (In ₹ Mn)



EBIDTA & EBIDTA Margin¹ (In ₹ Mn, %)



PAT & PAT Margin¹ (In ₹ Mn, %)



Basic EPS (In ₹)



Profit & Loss Statement

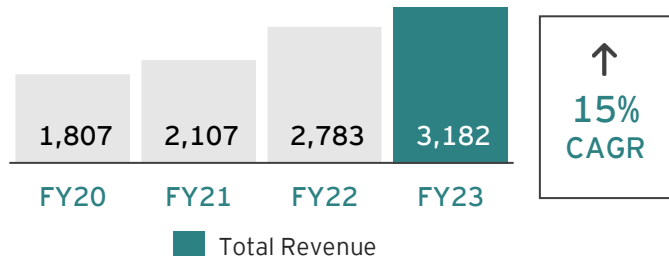
Particulars (₹ Mn)	Q4 FY23	Q4 FY22	YoY (%)	Q3 FY23	QoQ(%)	FY23	FY22	YoY (%)
Revenue from Operations	818	741	10.4%	774	5.7%	3,182	2,783	14.3%
Other Income	7	4		11		34	14	
Total Income	825	745	10.7%	785	5.1%	3,216	2,797	15.0%
Material and Testing Costs	188	153		173		718	651	
Cost of lab setup	1	20		15		20	138	
Changes in inventories of work-in-progress	1	0		0		1	3	
Employee benefits expense	220	211		231		911	760	
Other expenses	167	127		141		584	428	
Total Expenses	576	510	12.9%	559	3.1%	2,233	1,980	12.8%
EBIDTA	242	230	4.9%	215	12.7%	949	803	18.2%
<i>EBIDTA (%)</i>	<i>29.5%</i>	<i>31.1%</i>		<i>27.7%</i>		<i>29.8%</i>	<i>28.9%</i>	
Finance costs	2	6		7		26	15	
Depreciation expense	80	67		78		307	233	
Exceptional Items	0	0		0		0	12	
Profit before tax	166	162	2.0%	141	17.6%	650	557	16.7%
<i>PBT (%)</i>	<i>20.1%</i>	<i>21.8%</i>		<i>17.9%</i>		<i>20.2%</i>	<i>19.9%</i>	
Tax	39	44		38		168	144	
Profit for the year	127	118	7.2%	102	23.8%	482	413	16.6%
<i>PAT (%)</i>	<i>15.4%</i>	<i>15.9%</i>		<i>13.0%</i>		<i>15.0%</i>	<i>14.8%</i>	
Basic EPS (INR)	5.7	5.4	6.9%	4.6	23.9%	21.8	18.7	16.4%
Diluted EPS (INR)	5.6	5.3	6.9%	4.5	25.0%	21.3	18.3	16.5%

Balance Sheet

Particulars (₹ Mn)	31 March 2023 (Audited)	31 March 2022 (Audited)
Assets		
Fixed Assets	1,570	1,498
Capital work-in-progress	123	3
Goodwill	56	56
Intangible assets	122	134
Other non-current assets	116	138
Total non current assets	1,987	1,828
Trade Receivable	800	769
Inventories	226	174
Cash and cash equivalents including Bank Balance	398	114
Other current asset	213	186
Total current assets	1,637	1,244
Total Assets	3,623	3,072
Equity		
Total Equity	2,818	2,340
Liabilities		
Non-current liabilities		
(i) Long-term Borrowings	99	127
(ii) Other non current liabilities	134	128
Total non current liabilities	233	255
Current liabilities		
(i) Short-term Borrowings including current maturities	51	67
(ii) Trade Payables	144	123
(iii) Other current liabilities	377	287
Total current liabilities	573	477
Total Equity and Liabilities	3,623	3,072

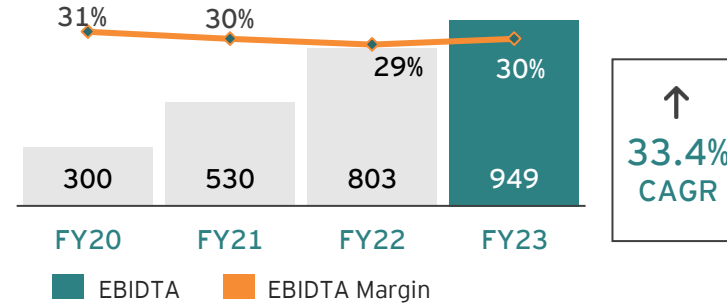
Key Metrics

REVENUE FROM OPERATIONS (₹ Mn)

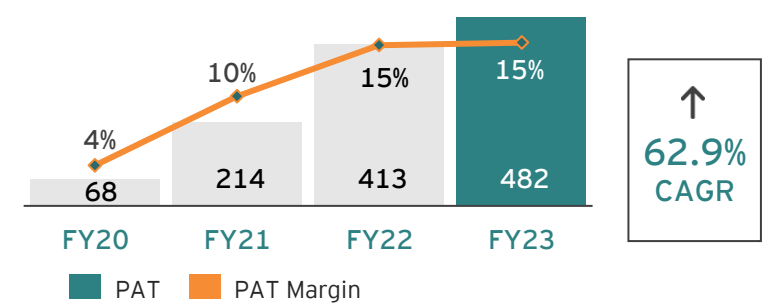


PROFITABILITY (₹ Mn)

EBITDA & EBITDA Margin

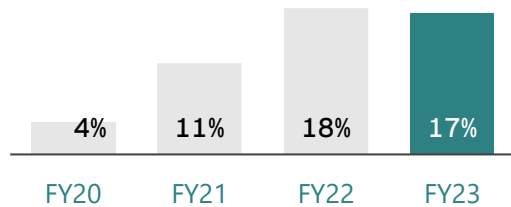


PAT & PAT Margin

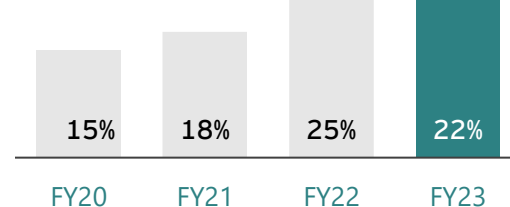


BALANCE SHEET RATIOS

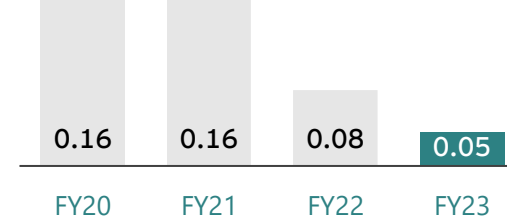
RoE (%)



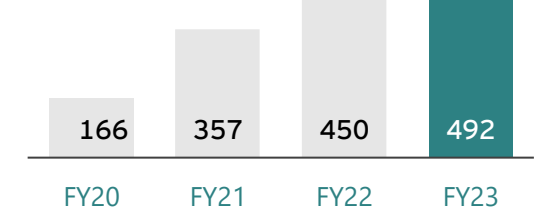
RoCE (%)



Debt to Equity

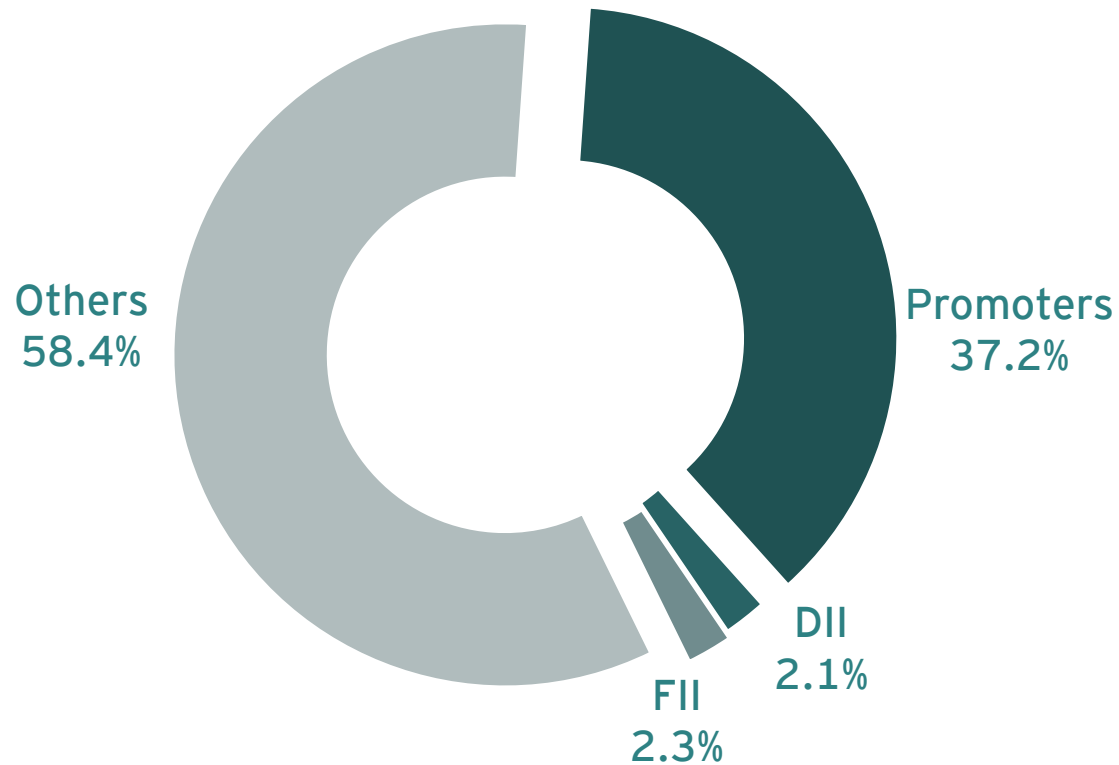


Total Capex



Shareholding Pattern

Vimta Labs Shareholding as on 31st March 2023



Share Information (as on 31st March 2023)

NSE Ticker	VIMTALABS
BSE Ticker	524394
Market Cap (INR Cr)	695
% free-float	62.8%
Free-float market cap (INR Cr)	436
Total Debt (INR Mn)	150
Cash & Cash Equivalents (INR Mn) [#]	398
Shares Outstanding	2,21,28,989
3M ADTV (Shares)*	37,234
3M ADTV (INR Cr)*	1.27
Industry	TIC

*Source: NSE & BSE

[#]Cash and Cash equivalents includes other bank balances

Company Overview

- Vimta Labs at a Glance
- Our Journey
- Services
- Geographical Presence
- Management
- Accreditation

02

Vimta Labs at a Glance

Established in 1984, VIMTA is one of India's most renowned companies for contract research and testing, recognized for its high quality, cutting edge technology enabled wide spectrum, reliable services and vast experience. The company's broad capabilities span across biologics, small molecules, agro-chemicals, food & beverages, electronics, clinical diagnostics, medical devices, home and personal care products, and environment testing.

39 Years

Of experience in CRTO industry

400,000+

Sq.ft. of Ultra modern lab space

3,216

Total Revenue
(In ₹ Mn)

↑ **15%**
YoY

1,400+

Dedicated Multi Disciplinary Team

75+

Successful Regulatory Audits

949

EBIDTA (In ₹ Mn)

29.8%

EBIDTA MARGIN

↑ **18.2%**
YoY

20

Regional & Satellite labs across India

#1

- In India:
- Pharma Analytical & Preclinical Services
 - Food Testing Services

482

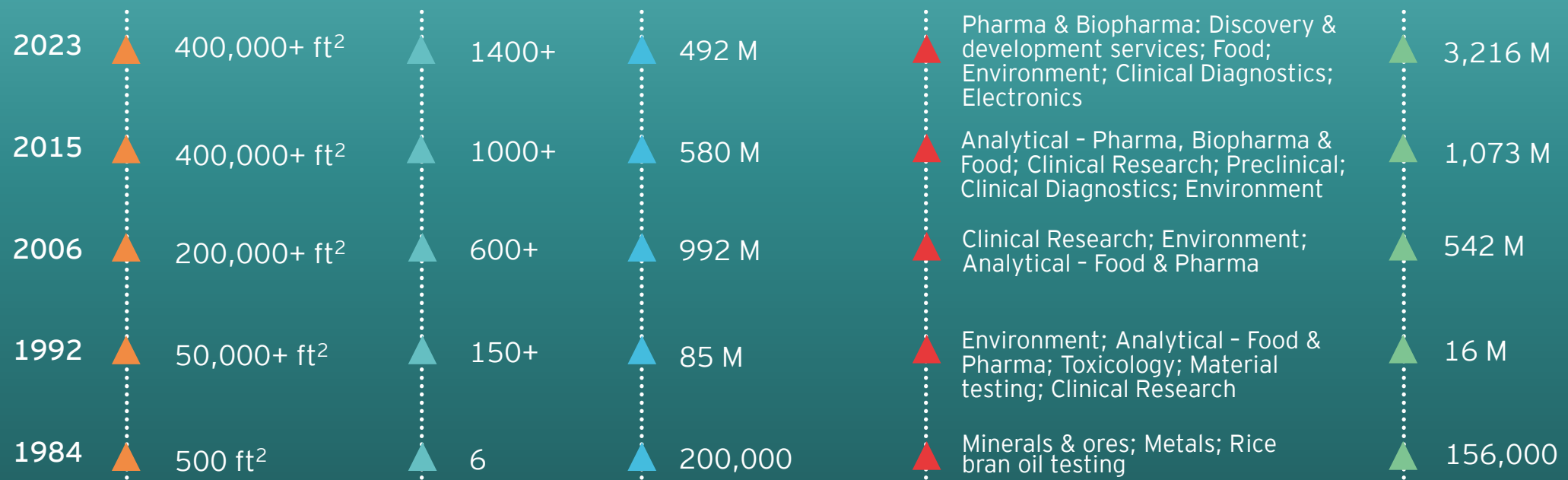
PAT (In ₹ Mn)

15.0%

PAT MARGIN

↑ **16.6%**
YoY

Our Journey



- Investment & Revenues in INR
- Investments depicted may have spread across more than the denoted year

Our Offerings (1/3)

Drug discovery and development support to Lifesciences Industry

Food & Agriculture Services

Electronics & Electricals Testing

Clinical Diagnostics

Environment Testing & Consultancy

Offerings

Pharma Analytical

Clinical Research

Preclinical Support

Industry

Pharmaceuticals

Pharmaceuticals

Pharmaceuticals, Biotech, Medical device, Agrochemicals

Accreditations & Regulatory Approvals

DCGI, USFDA, WHO, NPRA, UK MHRA and other European countries

Good Laboratory Practices (GLP) - certified by NGCMA, and AAALAC accredited

Services

➤ **Leader in India** for a wide range of **analytical services** for the pharmaceutical, biopharmaceutical and animal health industries.

- | | |
|------------------------|-----------------------------|
| ➤ E&L studies | ➤ Physical characterization |
| ➤ Stability testing | ➤ Dissolution testing |
| ➤ Method development | ➤ Microbiology |
| ➤ Validations | ➤ Immunogenicity |
| ➤ Genotoxic impurities | ➤ Characterization |
| ➤ Elemental analysis | ➤ Bioassays |
| ➤ In vitro studies | |

- One of India's most **reputed and reliable CROs**
- Experience of over **2,000 clinical studies**
- **Impressive track record** of successful global regulatory audits from national and international regulatory authorities.

- General and Genetic toxicology
- Safety pharmacology
- Development and Reproductive Toxicology (DART) studies
- Immunotoxicology
- **Comprehensive pharmacological** and drug metabolism and **pharmacokinetic studies**
- Wide gamut of Toxicology services also support agrochemical and medical device industries

Our Offerings (2/3)

Drug discovery and development support to Lifesciences Industry

Food & Agriculture Services

Electronics & Electricals Testing

Clinical Diagnostics

Environment Testing & Consultancy

Offerings

No. of Laboratories

Accreditations & Regulatory Approvals

Services

Food Testing

8

FSSAI, NABL, BIS, APEDA, EIC, Spices Board

- VIMTA is a **'National Referral Lab'** and a preferred **laboratory partner** for many MNCs, and also relied on by Government institutes for projects of national importance
- Routine as well as **specialized testing services** for food and agriculture products to assist with R&D, regulatory compliance, trade and internal quality requirements
- Support new product development, and offer multifarious analytical services for:
 - The feed that sustains animal life
 - Crops yielded by various soils
 - All varieties of food and food products for consumption/export
 - Milk, water and beverages
 - Nutraceuticals

Electronics & Electricals Testing

1

ISO 17025 accredited by NABL and approved by TEC

- **Newly launched EMI / EMC services** cater to IT, automotive, aviation & defence, medical devices, telecom, home appliance / consumer electronics and allied industries
- Services provided are EMI / EMC TESTING, Radiated, Conducted, Environmental testing, Mechanical & electrical safety testing, Performance testing, Product certification
- The non EMI / EMC services are rendered through our wholly owned subsidiary, Emtac Laboratories Pvt. Ltd

Our Offerings (3/3)

Drug discovery and development support to Lifesciences Industry

Food & Agriculture Services

Electronics & Electricals Testing

Clinical Diagnostics

Environment Testing & Consultancy

Offerings	Clinical Diagnostics	Environment Testing & Consultancy		
No. of Laboratories	2 (regional reference laboratories); 7 (branch laboratories)	NA		
Accreditations & Regulatory Approvals	ISO 15189 by NABL, CAP	MoEF, ISO 17025 by NABL, QCI/NABET, OSHAS 45000		
Services	<ul style="list-style-type: none"> ➤ Strong brand equity and a pan India presence offering both routine and specialized diagnostic services ➤ The hallmarks of our clinical diagnostics services are stringent quality systems, latest technologies and committed customer care ➤ Clinical diagnostics range: <ul style="list-style-type: none"> ➤ Biochemistry ➤ Haematology ➤ Molecular biology ➤ Microbiology ➤ Histopathology / Cytopathology ➤ Serology ➤ Cytogenetics 	<ul style="list-style-type: none"> ➤ Environment Impact Assessments and Environment Testing since inception. Provide our services to various industries such as power, infrastructure, steel, cement, oil & gas, mining, pharmaceutical, food, chemical etc. ➤ Our Services: <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top;"> <ul style="list-style-type: none"> ➤ Testing of water, waste water, air, soil, noise ➤ Post-project monitoring, environment compliance studies ➤ EIA & social impact assessments ➤ Deep-ocean studies, marine ecological studies ➤ Forestry and ecological studies ➤ Rejuvenation & clean-up consultancy </td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> ➤ Ground water studies & contamination studies ➤ Site due diligence, remediation strategies ➤ Social sustainability, climate change and environmental education projects ➤ Mining plan preparation ➤ EHS audits ➤ Work space monitoring etc. ➤ Green Audit </td> </tr> </table> 	<ul style="list-style-type: none"> ➤ Testing of water, waste water, air, soil, noise ➤ Post-project monitoring, environment compliance studies ➤ EIA & social impact assessments ➤ Deep-ocean studies, marine ecological studies ➤ Forestry and ecological studies ➤ Rejuvenation & clean-up consultancy 	<ul style="list-style-type: none"> ➤ Ground water studies & contamination studies ➤ Site due diligence, remediation strategies ➤ Social sustainability, climate change and environmental education projects ➤ Mining plan preparation ➤ EHS audits ➤ Work space monitoring etc. ➤ Green Audit
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Geographical Presence

Headquartered in Hyderabad, VIMTA has 20 laboratories across India, with a total laboratory space of over 400,000 sq. ft.



Hyderabad (Headquarters)

-  Food
-  Clinical Diagnostics
-  Pharma
-  Electronics & Electrical
-  Environment

Food

Ahmedabad
Noida
Mumbai (NFL)
Pune
Bengaluru
Visakhapatnam
Nellore

Environment

Coimbatore
Noida
Kolkata

Clinical Diagnostics

Chennai
Delhi
Noida
Varanasi
Kolkata
Bhubaneswar
Visakhapatnam
Vijayawada
Tirupati

Key Management Team



Harita Vasireddi
Managing Director

Harita has close to 25 years of experience in the TIC/CRO industry with track record of growth and profitability.

Her Core competencies include management & driving organizational adaptability and development, quality management systems, and risk management.

She holds an MBA in Operations Management from Boston College, USA; and is a B.Pharm graduate from Mysore university, India



Sreenivas Neerukonda
Executive Director

Sreenivas's core competencies include strategic planning and execution, new service opportunities development, communication and relationship building, competitive intelligence, and fostering strong team relations to deliver goal oriented performance.

He holds an MBA in Management Information Systems, University of Oklahoma, USA; B.Pharm, Nagpur University, India.



Harriman Vungal
Executive Director -
Operations

Harriman was inducted to the Board as one of the Promoter Directors in 1990 and was appointed as Technical Director of the Company in 1992. He has extensive lab operations management experience and is a go to senior resource on GXP's.

He has led the Company's effort in building state of the art IT infrastructure, systems and their compliance to applicable regulations.

He holds D. Tech in Electronics from Toronto, Canada.



Suresh Kumar
President

Suresh have more than two decades of experience in Testing, Inspection, Certification and Contract Research Organization with diversified products and industries.

He was with TUV SUD South Asia as Chief Operating Officer and Member of Board of Management before Joining VIMTA

He holds B.Sc (Tech) from ICT Mumbai and B.Sc (Polymer Chemistry) from Kerala university .



Narahari Naidu D.R.
Chief Financial Officer

Narahari has close to 15 years of experience in diversified industries.

His core competencies include Financial Planning, Corporate Strategy, Fund raising, Banking & Treasury, Taxation, Investor Relations, Enterprise Risk Management, Compliance & Governance, Financial Reporting & Audit, Procurement Strategies.

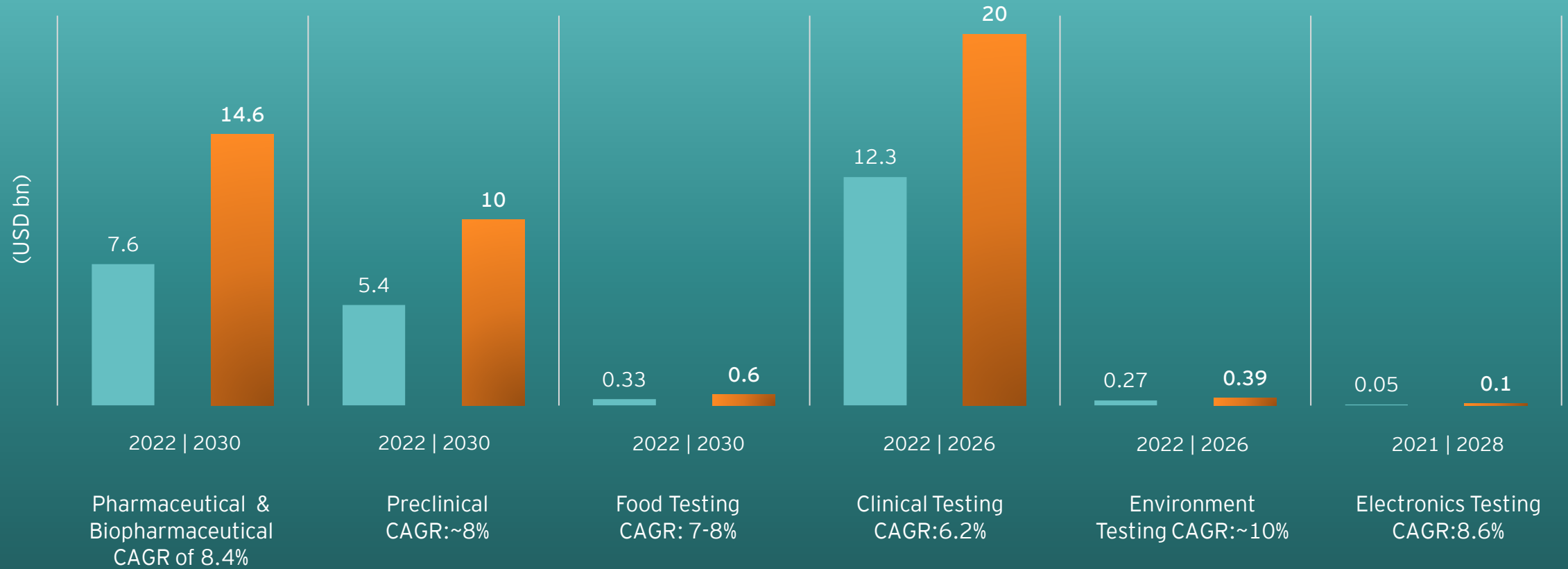
He is a Chartered Accountant (CA) and a Company Secretary (CS).

Industry Landscape

- Market Opportunity
- Factors Driving Industry Growth

03

Markets Opportunity



Factors Driving Industry Growth

Drug Discovery & Development

Increasing demand for new drug innovations, growth in biologics and vaccine products development, and increasing regulations in pharma and biotech industry

Specialized knowledge, skills and testing tools that CROs can provide

Food Testing

Growing international food regulations, evolving Indian food safety regulations, growing world population, and increasing demand for independent third-party inspection & testing

Electrical & Electronics Testing

Surge in demand for certification services of electrical & electronic products, growing defence budgets and make in India initiatives

Green push by Government for electrical vehicles

Environment Testing

Increase in regulations to address the growing concerns of air, water and soil contamination

Diagnostics

Health risks from communicable diseases, life style diseases, growing population and urbanization is driving the demand for precise diagnostic testing

Growing demand in wellness segment

Our Competitive Advantage

- Our Position in the CRTO Landscape
- Our Strength

04

Our Position in the CRTO Landscape

1

Pharma Analytical & Preclinical

- #1 in India
- Customers - 90% of India top 20
- 30% revenues from overseas

2

Clinical Research

- Among the most reputed CROs in India
- 80% of revenues from overseas

3

Clinical Diagnostics

- Among leading labs in TS, AP, UP states

5

Food Testing

- #1 in India
- Customers - 70% of India top 10

6

Environment

- Among top 5 in India
- Customers - PSUs, large corporations across industries

7

Electronics & Electricals

- Start-up

Our Strengths

QUALITY

Long & successful regulatory track record - cGMP, GLP, GCP

CUSTOMER CENTRICITY

Long term partnerships with customers

INFRASTRUCTURE

Unparalleled lab infrastructure in the country. Gold LEED certified Vivarium

KNOWLEDGE

Multi-disciplinary, knowledgeable, skilled and trained manpower

TECHNOLOGY

Wide range of current technologies with expandable capacities



Way Forward

- Our Key Growth Drivers & Strategies

05

Our Key Growth Drivers & Strategies

Favourable markets	Core business strategies	Core operational strategies	Best practices
<ul style="list-style-type: none">✓ Growth momentum in markets✓ Growing demand for safe & quality - drugs, food, diagnostics, electronics & clean environment	<ul style="list-style-type: none">✓ Capacity expansions✓ Service innovations✓ Penetration into new markets✓ Customer partnerships	<ul style="list-style-type: none">✓ Operational excellence✓ Hiring right talent✓ Quality & compliance culture✓ Cutting edge technologies	<ul style="list-style-type: none">✓ Good corporate governance✓ Risk management✓ Listening to customers' needs✓ Continuous learning

We aspire to reach revenues of >Rs.500 cr by 2025/2026

Thank You

May 2023



VIMTA LABS LIMITED

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Telangana, India. 500051

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ISIN: INE579C01029

Website: www.Vimta.com

INVESTOR RELATIONS AT



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