



Pankaj R. Patel | Chairman

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CHAIRMAN'S MESSAGE

Dear Shareowners,

MARCHING AHEAD WITH A MISSION

The pandemic of COVID-19 which began in 2020 continues to place countries and healthcare infrastructure across the world under tremendous stress. Faced with this formidable challenge, the factors that impact the economy have also changed quickly and dramatically. Amidst these uncertainties we continued with our fight against COVID-19 with new launches, new therapies and renewed efforts in research.

From diagnostics to therapeutics and preventives, Zydus has been leading the way with a mission to do all that it can to fight this challenge. We leveraged our manufacturing capabilities to provide required quantities of Hydroxychloroquine and other therapies like Dexamethasone and other medicines, to help patients fight the infection, like Fabidac- Favipiravir, Iveloc- Ivermectin, Derinide, Depotex, Cimmune and Supermune, immuno-boosters to provide succour to people afflicted with COVID-19. Remdac launched in July 2020 continues to be the most affordable and largest selling brand of Remdesivir in India, as per volume. Completing the trials on Pegylated Interferon alpha-2b (PegIFN), we received an emergency use authorisation for Virafin, to treat moderate COVID-19 infection in adults. A single dose subcutaneous regimen of Virafin makes the treatment more convenient for the patients. When administered early on during COVID infection, Virafin helps patients recover faster and avoid much of the complications.

ZyCoV-D, our plasmid DNA vaccine, which is the world's first DNA vaccine for human use has shown promising results. No severe cases of COVID-19 or deaths have been observed after the third dose of ZyCoV-D till date. Also, no moderate case of COVID-19 disease was observed in the vaccine arm post administration of the third dose suggesting 100% efficacy for moderate disease. ZyCoV-D which is awaiting approvals for emergency use from the DCGI could be the first vaccine to be made available for adolescents in the age group of 12-18 years, besides the adult population. The DNA platform used in ZyCoV-D is a plug and play technology which can be easily and quickly adapted to the mutations in the virus, such as those already occurring. The vaccine is applied using the PharmaJet® needle free system, Tropis®, which leads to a significant reduction in any kind of side effects. ZyCoV-D is stored at 2-8°C but has shown good stability at temperatures of 25°C for at least three months. The thermostability of the vaccine will help in easy transportation and storage of the vaccine and reduce any cold chain breakdown challenges leading to vaccine wastage. Also being a plasmid DNA vaccine, ZyCoV-D doesn't have any problem associated with vector based immunity.

A detailed report on the various steps taken by your company in battling COVID-19 has been shared in this annual report.

EMBARCKING ON A NEW DECADE

The start of every decade has been a defining moment for us. The speed of change and transformation and the impact that it has on the lives of people, and the way we live is often what growth and progress has been all about. We are not new to managing and winning in times of uncertainty. In our growth journey over the last two and half decades, we have been able to emerge despite challenges. In the year 2000 we welcomed our shareholders to participate in our growth. We also grew in size and scale to end the decade as a billion dollar company. In 2011 we welcomed the decade of innovation from Zydus. With each innovation we also relived our mission and purpose to find solutions to meet unmet healthcare needs and our resolve to provide these solutions in an affordable way. A key part in facilitating this, was our ability to conduct lab to market innovations, leverage technical operations and create value by optimizing cost and improving productivity. As an organization we have been honing our skills in execution, adding a great deal of agility to it. The rigour of execution goes swiftly beyond strategy to a concerted effort in making it happen. While we continue on this path, what we need to understand are the new drivers of change that can help us in our winning ways in the coming decade and beyond.

WHAT WILL DIFFERENTIATE US IN THE DECADE AHEAD?

This new decade will be propelled by technology and global connectivity. We need to see how we can embrace both. We are already transforming ourselves as an innovative global healthcare company. We will continue to build a truly global Zydus powered by Science and Innovation. We will move ahead by leveraging our deep presence and offering a broad and balanced mix of leading technologies, products and services and most importantly, by pursuing next-level performance across our business in everything we do.

There are going to be abundant opportunities in the coming decade but we will need to seize them in a complex, evolving and ever changing world. We will have to explore new ways to innovate and grow with our customers and partners. We must deliver real impact to our patients, customers and stakeholders to make ourselves distinctive. We will need to constantly refresh ourselves with a growth mind-set, be in the future radar and lead with an inspiring purpose. Most importantly we will need to move ahead with confidence and optimism that this decade belongs to us.

COVID-19 is not the first healthcare challenge that has brought about a huge change in the world around us and it certainly won't be the last. But what will make the difference is how we respond to these challenges. This is where Innovation and the ability to bring excellence in execution will matter and make all the difference. Innovation has been a game changer for us and it will continue to be an arrowhead for us in the decade ahead. Innovation also in terms of how we reach out to customers, that's going to be the most critical part of what we do. As we move ahead, we will continue to find newer ways of reaching out to patients and key opinion leaders and do this in a faster, simpler and more efficient ways.

MAKING INNOVATION OUR NORTH STAR

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with innovation.

We'll also see progress from continued, significant investment in research and development. Our R&D community, with more than 1400 research scientists and pharma technology experts, is always working to improve current offerings and design the products of the future. Zydus is a story of innovation, made possible by a remarkable team – a team that will always persevere to bring the most innovative products to the world.

THRUST ON DIGITAL TECHNOLOGIES

We're on a journey of continuous improvement in critical areas such as digital platforms technology.

We live in an age that demands smart work. An era in which data provides key analytics that save money, time and lives. That's why we will continue to expand and enhance our digital platforms. By combining technology with our services that bring information to life, our connect with customers and patients are gaining an edge.

DRIVING A CULTURE OF EXCELLENCE

We have always been championing enterprise excellence to drive value for the customer and bridging customer expectations and requirements. To this end, we have been aligning critical processes to improve end-to-end outcomes. The strategy also includes efforts to strengthen core business processes across the enterprise. The efforts underway are delivering a more connected, responsive and competitive Zydus. It's a Zydus that we are proud of.

Our global and diverse workforce is at the very heart of Zydus' success. We hold ourselves to high standards of values in the way we carry out our work, and the way in which we strive to foster an inclusive environment for ourselves. Our success is the result of a collaborative effort between the different teams spread across globally.

Leadership and accountability constitute a big part of our people strategy. We also place a lot of emphasis on learning and enriching skills through a comprehensive talent development programme which continuously strengthens our leadership bench strength. By actively promoting internal talent and providing abundant opportunities for role expansion and career growth, Zydus has been building people to build its business. All of this will help us step up the momentum for growth in the coming decade, and take our company to the next level, expand our business and serve customers like never before.

A bigger, more expansive and stronger Zydus, connected to the world is what we envision in our growth journey ahead. As we work through these unprecedented times, I have every confidence in our team and our strategy. Bringing more innovations to life, making good on our commitment to create healthier communities with patient-centric approaches, will be our overarching purpose as we move ahead, fulfilling our mission as a healthcare focussed organisation.

Pankaj R. Patel
Chairman
July 14, 2021