

CHAIRMAN'S SPEECH

Dear Shareholders and esteemed members of the Board,

I extend a warm welcome to all of you at this Thirtieth (30th) Annual General Meeting of Kimia Biosciences Limited through Video Conferencing/ Other Audio Visual Means.

As also specifically mentioned in the Notice of the AGM, it is informed that in Compliance with the relevant circulars, the Notice setting out the business to be transacted at the Annual General Meeting together with the Annual Report of the Company for the year 2022-23, were sent electronically to those members only whose email address is registered with the Company/ Depository Participant(s). As we virtually gather today, we deeply appreciate your generous support, and on behalf of the Board of Directors, I thank you for your valuable time and participation amidst your demanding schedules.

A company is shaped by its purpose and for us that quite simply is 'Wellness for our consumers'. It is with this overarching purpose that we have journeyed through the years. Even as we work on our growth strategy, we realize that embracing sustainability is key to a healthy future for all our stakeholders. The challenges posed by climate change, lack of access, changing patterns of disease burden and inequity need urgent action from us as a collective. However, there is a lot more to be done and such recognitions only serve to make our commitment and resolve stronger.

Expansion of R & D

Your Company has evolved much stronger and larger with increased infrastructure during the year 2022-23 and has forged ahead in development of innovative technologies, cost improvement in existing products & indigenous development of key raw materials.

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API Growth

The Indian active pharmaceuticals ingredients industry has undergone a remarkable transformation, transcending from being a producer of simple molecules to a currently preferred hub for high-value and complex APIs. According to a recent EY-FICCI report, Government initiatives are expected to be valuable in driving growth. Additionally, several capital expenditure initiatives are planned across the industry, with an emphasis on enhancing backward integration to APIs/KSMs and expanding production capacities. Furthermore, the Indian pharma industry is resolutely committed to meeting sustainability objectives, investing in both development capabilities and infrastructure to boost rapid drug discovery, solidifying its role as a reliable global drug supplier.

Material Changes and Commitments

1. The Company has been **granted permission** to manufacture and marketing of **bulk new drug Bemopedoic acid** Bulk Drug under New Drug and Clinical Trials Rules, 2019, under Drug & Cosmetics Acts, 1940 for manufacture and market of Bemopedoic acid Bulk Drug. The permission has been granted by Directorate General of Health Services Central Drugs Standard Control Organisation (New Drug Division) vide letter dated 17.05.2022.
2. The Company has received **DMF approval** of Fimasartan Potassium Trihydrate, Active Pharmaceutical Ingredients (API) from **Korea**.
3. The Company is in process to install **new reactors** at the plant of the Company to increase life and safety of employees. The Company had allocated a projected budget for this project around **200 lakhs**.
4. The Company had designed a framework for treating the industrial waste water for its reuse and safe disposal to the environment. In this reference, the management of the Company decided to take action in this regard for starting a **new ETP project**. The ETP project will increase our treating capacity of trade effluents. These project will increase the compliance standards of the Company. The management of the Company had allocated a budget for this project around **23 lakhs**.
5. The management of the Company has taken a decision for **installation of new Boilers** at the site of the plant.



6. The Company has recently appointed Ms. Mita Namonath Jha as Non- Executive, Non- Independent Director of the Company. Ms. Jha has over 27 years of experience as senior level in diverse industries viz, mining & metal, packaging, healthcare, advertising, financial services and steel. Ms. Jha is a board members of well reputed listed companies and has a rich expertise in HR domain, organizational strategy, culture building, Leadership Development, Change Management and Business Excellence.

Events

Your Company has recently participated in Pharmaconex 2023 expo that was held in Cairo, Egypt in the month of September 2023 and I have represented your Company along with the marketing Team of Kimia

I am happy to share that your Company has received a tremendous response in the Pharmaconex 2023 expo held in Egypt .

Your Company is also participating in CPHI Barcelona, Spain which is scheduled to be held in October 2023 and CPHI India at the end of November 2023.

Financial Performance

The past year was marked with global inflation, geopolitical uncertainty, energy crisis, and supply chain disruptions in various parts of the world due to on going war of Ukraine and Russia. It is worth noting that despite a challenging global scenario and fast-changing industry landscape, Kimia continued to be a reliable partner by fulfilling customer requirements through prudent supply chain management and operational excellence. We have been closely monitoring global developments to proactively manage risks and capitalise on opportunities ahead.

We look forward to perform better and generate larger revenues for your company in coming Financial Years considering these major events.

As we strive to maintain our leadership position in our core products and expand our portfolio with new product offerings, we are focused on unlocking growth potential through our six-point strategic approach. With the expiry of molecules, we see



possibilities for new product launches over the next two years. Towards this, we have filed drug master files that we expect will contribute to our growth in the upcoming years.

I would like to take this opportunity and thank our employees for their consistent effort to deliver the best results despite the challenges. I also take this opportunity to thank all my colleagues on the Board for their continued support and guidance. I also thank all our shareholders for their continued trust on the entire Kimia Biosciences team. At Kimia we remain committed to becoming one of the most sustainable organizations in the pharmaceutical industry. We are diligently working towards the goals set for reducing carbon emissions, replacing traditional fuel sources with renewable energy, mindful management of water and waste and conservation of biodiversity.

However, there is a lot more to be done and such recognitions only serve to make our commitment and resolve stronger. This year we refreshed our sustainability and ESG goals for the next decade, while making them central to our purpose and integral to our strategy.

Top priorities for FY 2024

- Sustainable and profitable business growth
- Supply chain continuity along with focus on inventory optimization
- Continued focus on business and operational excellence
- Increased investments in IT to facilitate business and digital transformation
- Focus on improving overall return ratios
- Sustained efforts on reducing emissions, specific water consumption and environment impact

Entering into Contract Drug Manufacturing operations.

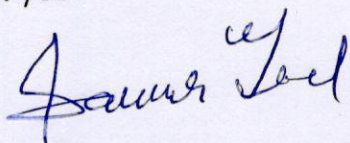
We see a large canvas of opportunities in front of us and we are fully prepared to leverage them with the cooperation of our people, partners and associates. I would



like to take this opportunity to thank all of them, as also the Board of Directors for their invaluable guidance through this journey.

Note: Now I would ask the Company Secretary to assist me in convening the meeting and to carry on with the proceedings of the Meeting from hereon.

Thank you



SAMEER GOEL

CHAIRMAN OF THE MEETING

