February 2, 2024

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Scrip code: 532531

The National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (E) Mumbai - 400 051

Scrip code: STAR

Dear Madam/ Sir,

Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We would like to inform you that Management of Strides will be meeting with investors/ analysts during the week of February 5, 2024.

The investor deck which will be considered during these meetings is enclosed for your reference.

This is for your information and records.

Thanks & Regards,
For **Strides Pharma Science Limited,**

MANJULA RAMAMURTHY
Digitally signed by MANJULA RAMAMURTHY
Date: 2024.02.02 20:48:35 +05'30'

Manjula Ramamurthy
Company Secretary
ICSI Membership No. A30515

Strides

Strides Pharma Science Ltd

Feb 2024

Safe Harbor

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements“. These forward-looking statements involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Strides Reset Completed, Now Poised for Growth

(In INR Crores)	FY22	FY23	YoY %	9MFY24	YoY %*
Revenue	**3,095**	**3,704**	***+20%***	**2,997**	***+17%***
Gross Margin	*51.5%*	*56.1%*	*+463bps*	*59.2%*	*+300 bps*
Employee Cost	647	732	*+13%*	552	*1%*
Operating Cost	931	899	*-3%*	677	*8%*
Total Cost	**1,578**	**1,631**	***+3%***	**1,229**	***-4%***
EBITDA	**4.2**	**446**	*N/A*	**544**	***+147%***
EBITDA Margin%	*0.1%*	*12.0%*	*+1190bps*	*18.1%*	*+791bps*

Particulars	FY22	FY23	9MFY24
Net Debt / EBITDA	N/A	5.4x	**3x**
Net Working Capital Cycle	152	140	**136**

Consistent Revenue growth of high teens over last 18months

- Significant pick-up in B2B business via **synergICE**
- New Product Launches in the **Front-end business via Chestnut Ridge**
- Expansion of product offerings to **new geographies** through **portfolio maximization**

Gross Margin Revival — **Nearing historical levels of ~60%** driven by Ramp-up in US business and Easing of Supply chain disruption

Cost Efficiency: Operating Cost base brought down to $ 200m p.a.

- **FY22 Cost Base:** $230 M
- **FY23:** $202 M
- **FY24:** ~$200 M

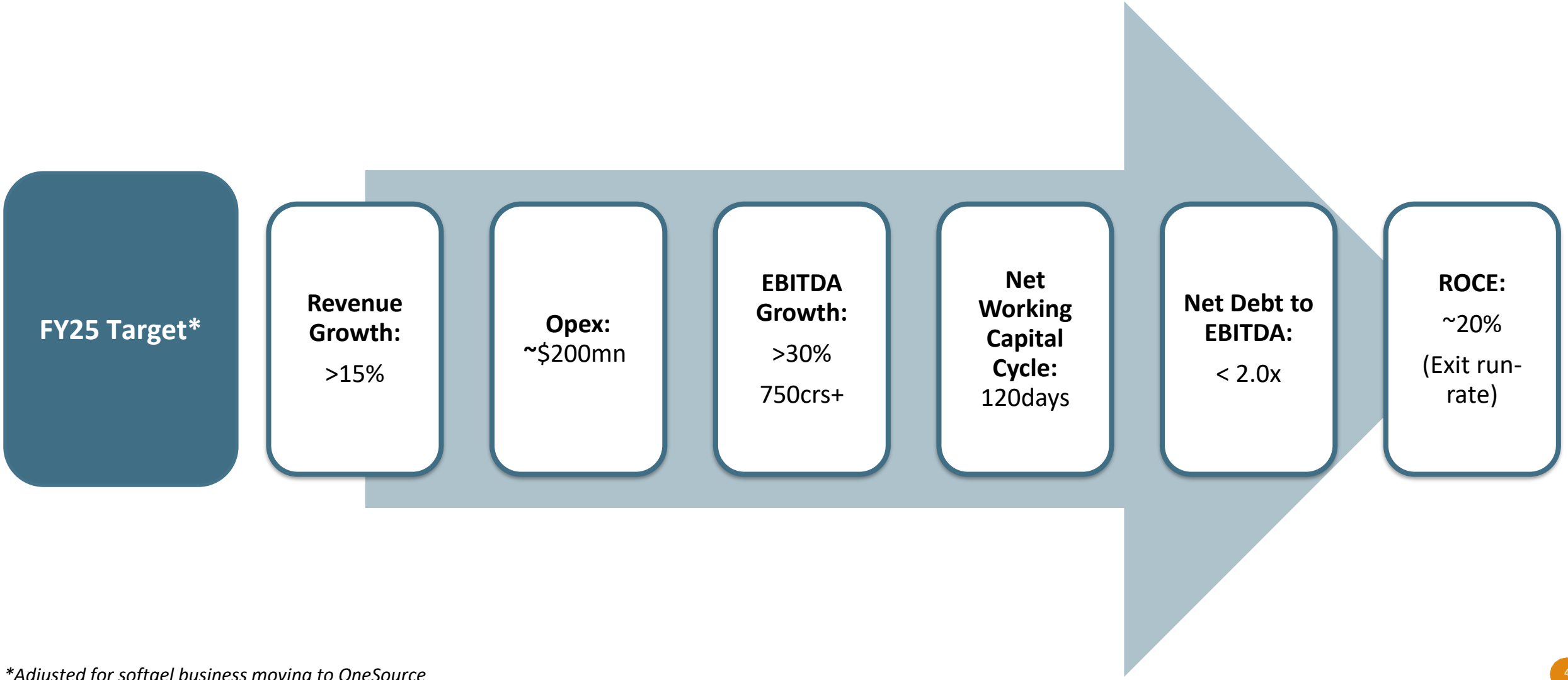
- Reduction in **Logistics & Warehousing** Cost
- Reduction in Manufacturing **Under recoveries**
- Optimizing R&D Cost

Successful Deleveraging — **Net Debt to EBITDA reduced from ~8.3x in Q1FY23 to 3x by Q3FY24**

** 9MFY24 YoY growth adjusted for UCL, Kenya operations which got deconsolidated effective Sep 30th 2022*

Way Forward for Strides Excluding Soft Gelatin Capsule Business (Divested to OneSource)

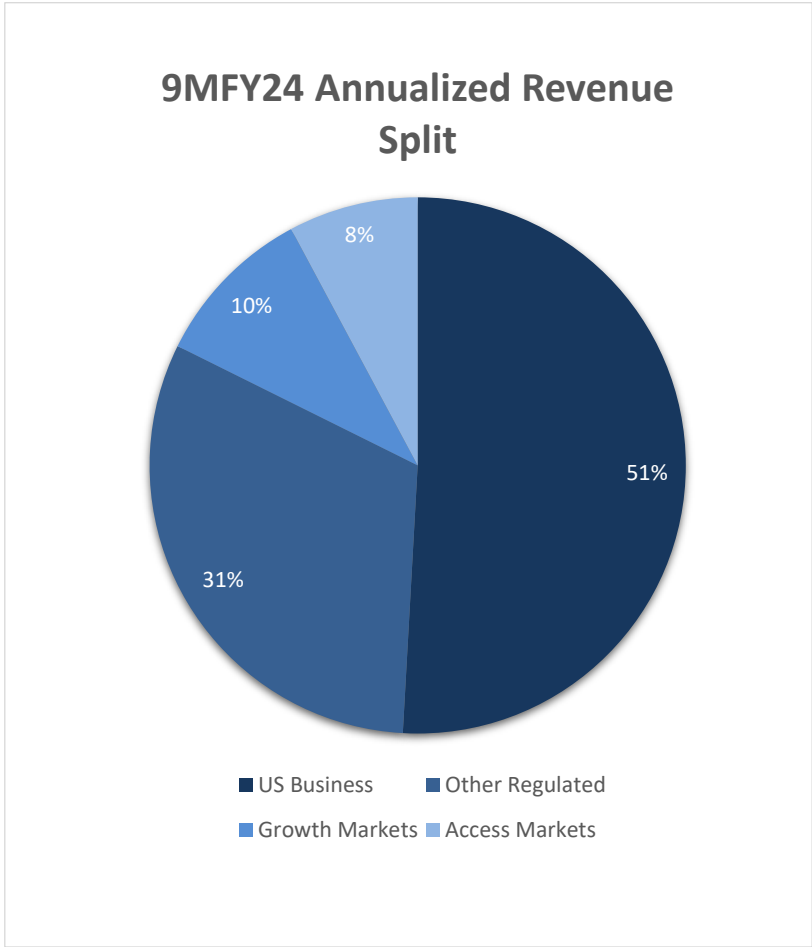
Mid-Teens Revenue Growth + EBITDA Margin Expansion + Capital Efficiency = Improving ROCE towards 20%+ levels



**Adjusted for softgel business moving to OneSource*

Strides at a Glance: A Pharma Formulation Exports Player

	9MFY24 Annualized
Revenue	~$485 M
Gross Margin	~59%
EBITDA	~$88 M
EBITDA Margins	~18.1%
Net Debt / EBITDA	3x

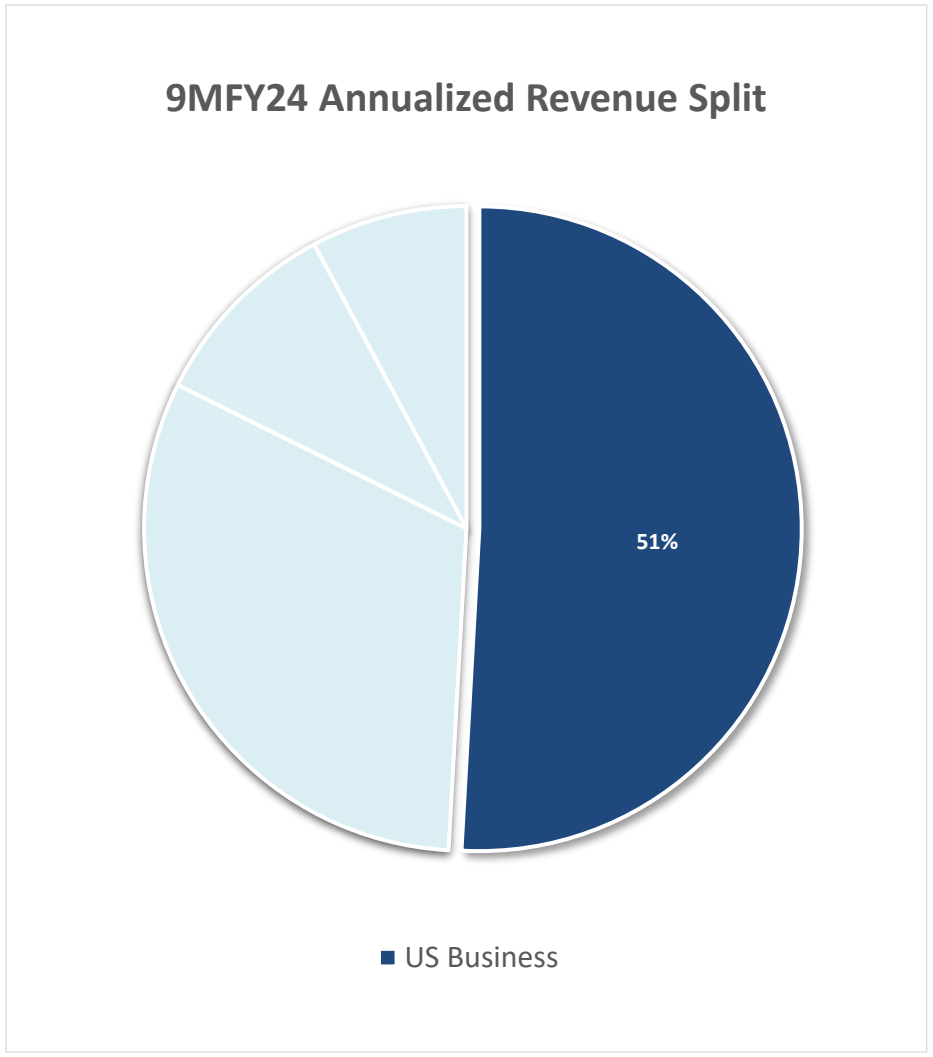


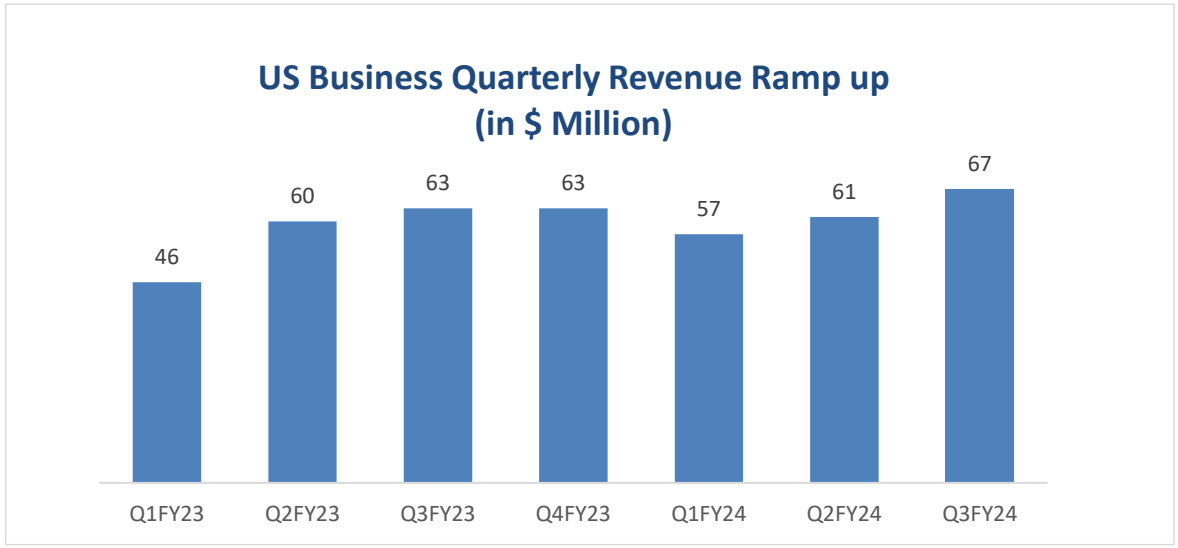
Manufacturing Footprint
7 Mfg. Plants including
4 USFDA approved facilities

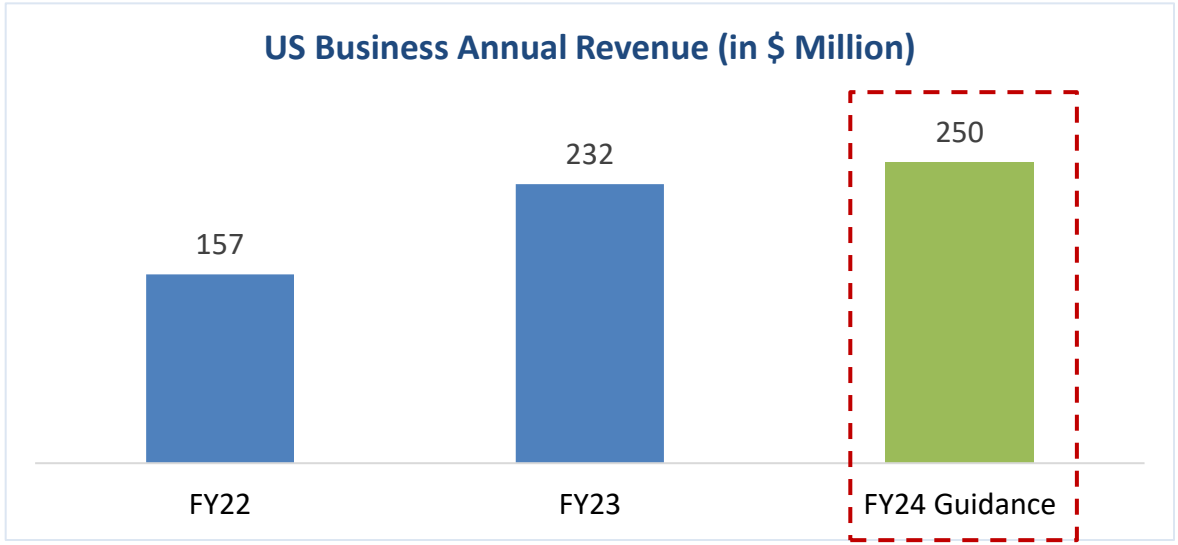
Quality Compliance
Successful compliance track record with Global regulatory agencies over the years

Globally Diversified
4600+ Workforce with exports to **100+** Countries

US remains a focus market for Strides; Reset for Profitable Growth







Large Approved Portfolio provides sufficient Leeway to Scale up the US Business

Existing Portfolio Strength

260+ ANDAs filed
235+ ANDA Approvals

65+ Commercial products

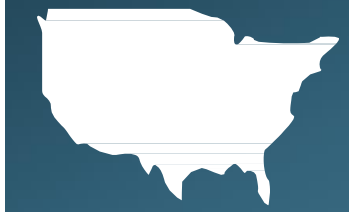
Ranked #1 in 19 Products &
Ranked among **Top 3 in 34 products**,
that contribute **75% of its U.S. Revenue**

Growth Levers in Place

Pipeline of 100+ Approved products of which **50+ products to be launched over the next 36 months**

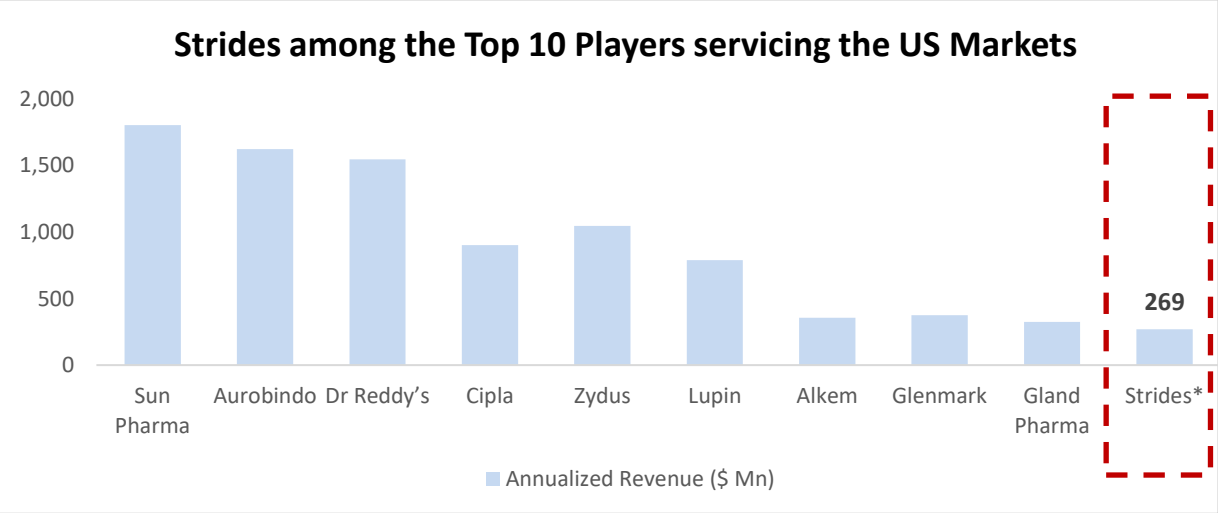
New domain additions comprising of Controlled Substances, Hormones, and Nasal Sprays through Chestnut Ridge

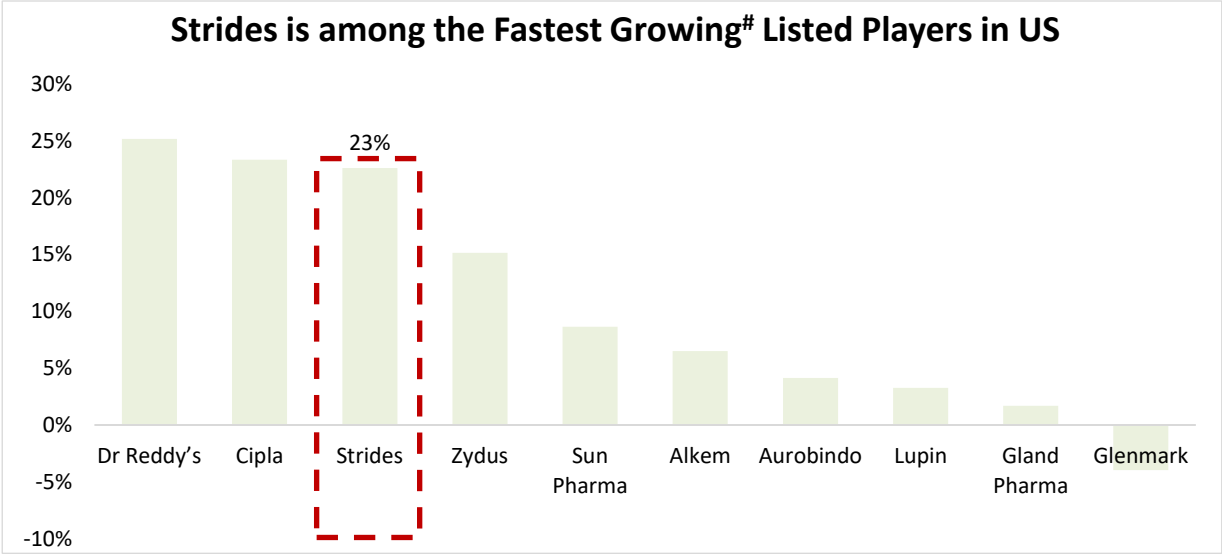
Targeting few High-ticket Launches:
$15M-$20M per product
(vs. $5M-$7M historically)



Targeting a Revenue of
$400 million
within the next 3 Yrs

Strides among the Leading Indian Players in the US Market



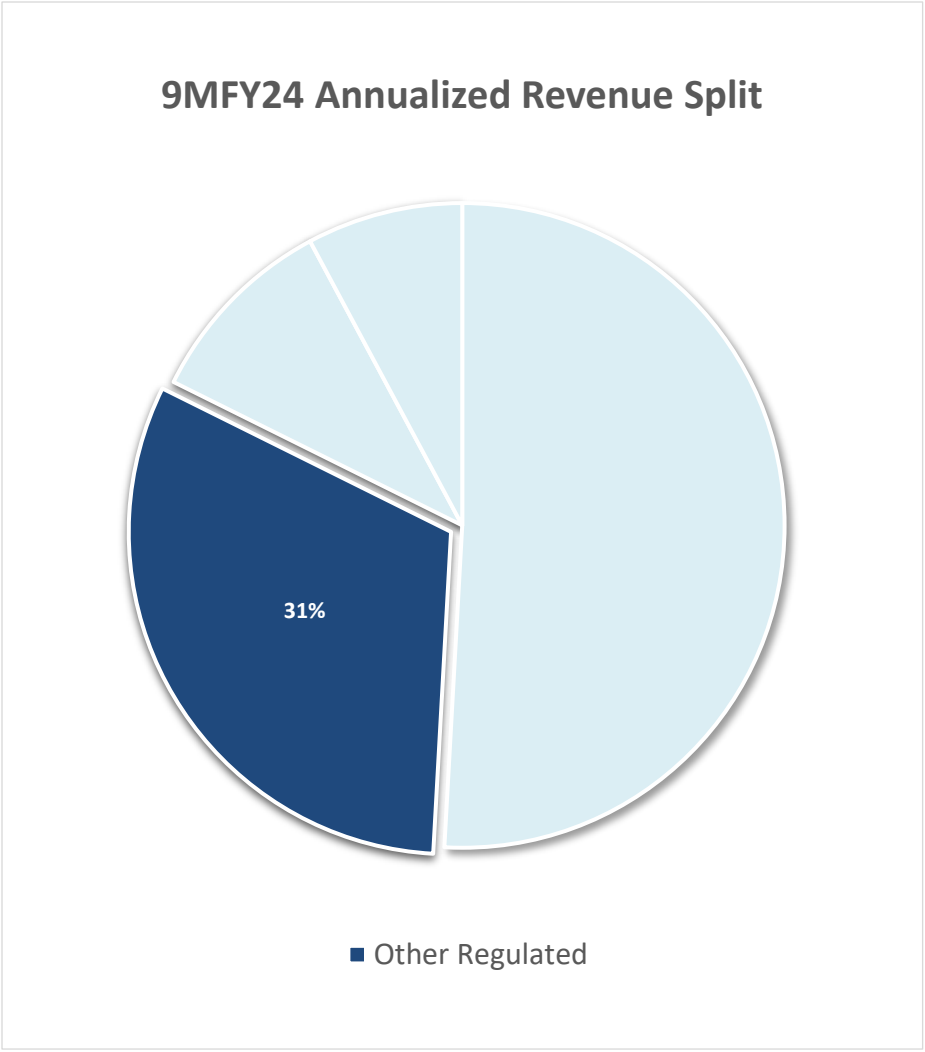


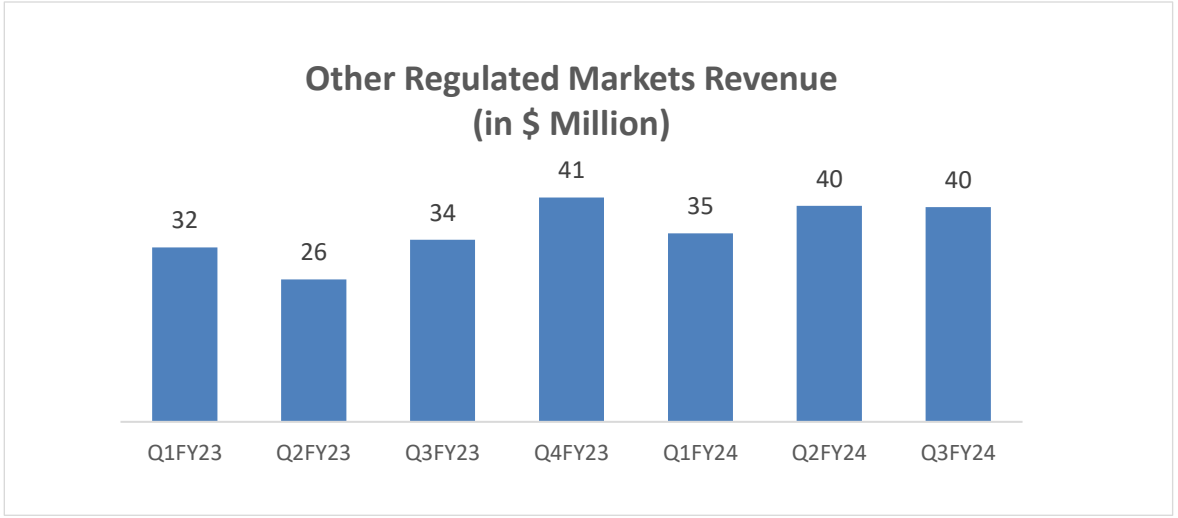
**Strides Q3FY24 US Revenues Annualized at $269 m*
 # Growth is based on CAGR from FY22 to H1FY24

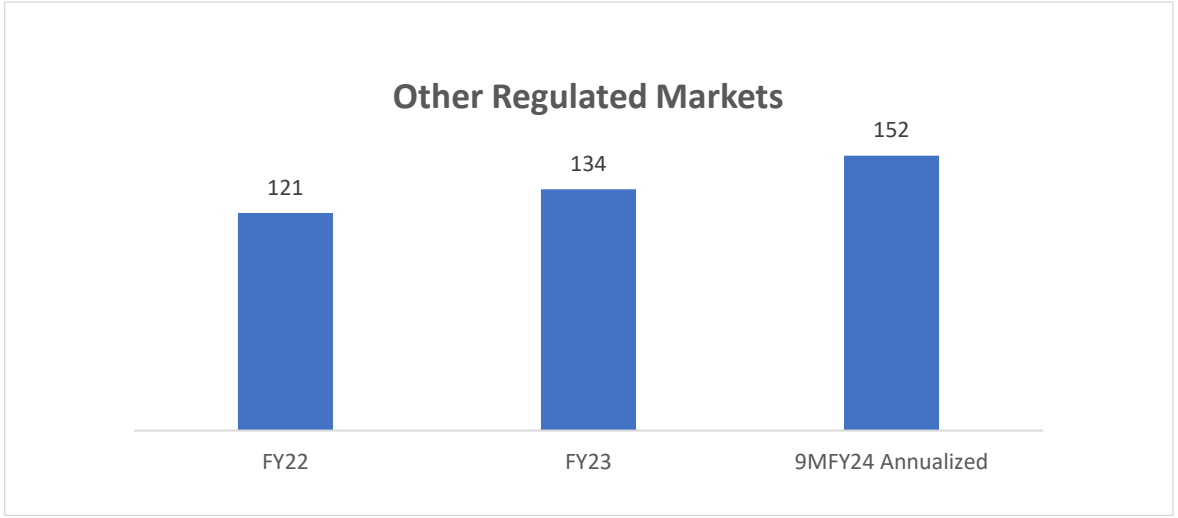
Strides has a differentiated strategy for its US Business – Market Leadership in Niche Products

- Unlike other Generic Pharma Players, Strides has **Profitably** established its US business by implementing a Calibrated strategy for product launches, maintaining **pricing discipline** & **preserving its margin** profile.
- Despite facing a challenging environment in the US, this strategy has enabled the company to **maintain its $250 million business outlook**.
- With Approved Manufacturing Facilities and R&D Investments largely done, Strides possesses an extensive portfolio of approved products. This should help us **launch 50+ products**, thereby propelling us toward the **$400 million** target for the US business within the **next 3 years**.
- Strides' emphasis in its US business lies not in rapid growth, but rather in **prioritizing margins, compliance, and ensuring a steady supply**. The extensive pipeline of products serves as guardrails that enable the company to maintain these key factors.

Other Regulated Markets: Growing at a Steady Pace







Portfolio Maximization and Strategic Partnerships to Drive the Other Regulated Markets Growth

Growth Pivots

Front End Markets

The UK and other front-end markets have returned to their previous levels of growth and profitability

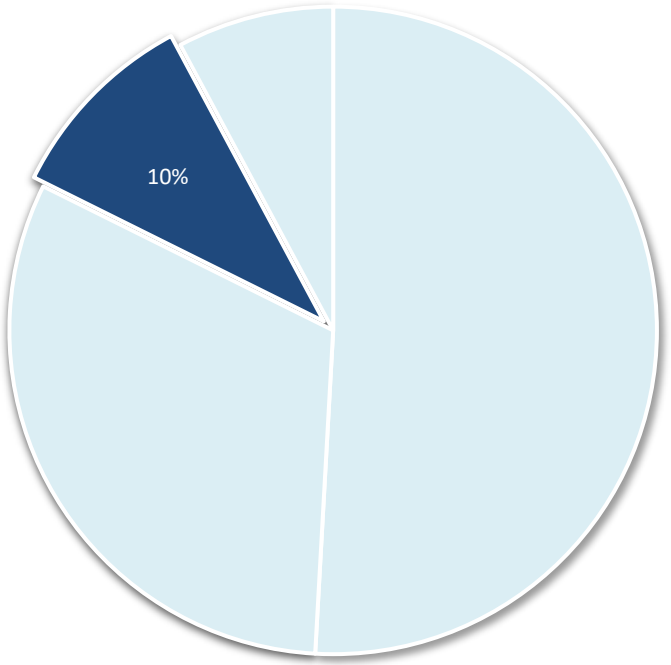
- Portfolio of **40+** launched Products with Top 3 Rank in 1/4th of the Portfolio
- Pipeline of **30+** products to be launched **over next 12-18 months**
- Tapping multiple distribution channels for Rx and OTC products – Direct wholesalers, NHS supplies, and Clinical commissioning groups (CCG)

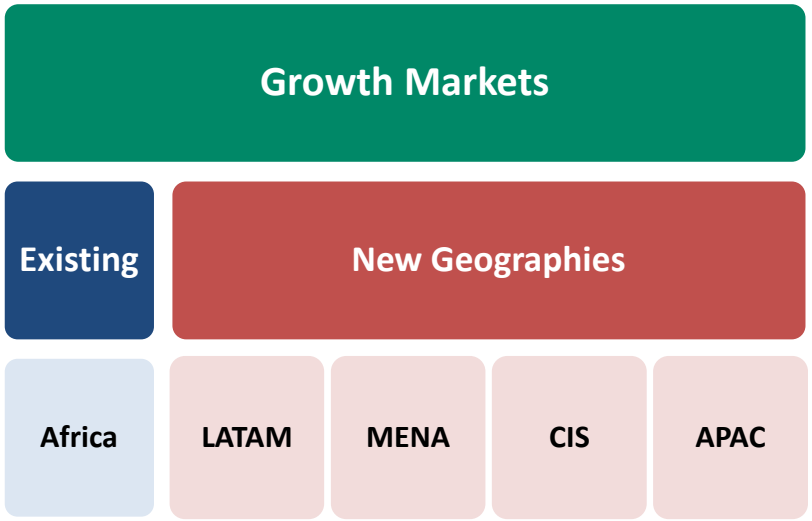
IP Led B2B Partnerships

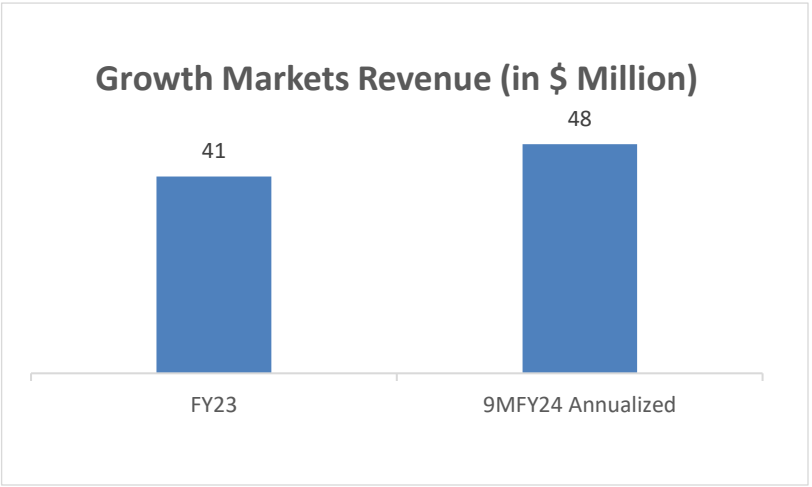
- **150+ R&D filings** to build a strong partner led business across **20+ EU Markets**
- Leveraging **10-year** Supply contract with **Arrotex**, **Australia's** leading generic company
- Expansion of product offerings to **New geographies** through portfolio maximization & **Strategic Alliances** to drive growth

Aspiring to Mirror the US Business over the next 4-5 Years ($400 M Revenue)

Growth Markets: Positioned for strong growth via new geographies & new products







Aspiring to grow Emerging markets (Growth & Access) to $ 200m over the next 4-5 years

Deepening Presence in Existing Geographies & Establishing Footprint in New Focus Geographies

Established Geographies

South Africa Business

Portfolio offering of **100+** molecules

Strong relationship with **Dischem** (a Prominent Player) to provide easy access for new products.

Future growth to be driven by **Foraying into tender and Newer Private Market**

Africa Business

African Pharma market is expected to grow at **10%+** with **Branded generic to grow faster** than Originators

Medical field force with coverage of **20,000** Healthcare professionals ensuring a well-established position

Territory **expansion** & Entry into **New Therapies**

New focus Geographies

Focused Expansion

Latin America (LATAM)
One of the historical markets for the group with deep experience

Asia Pacific (APAC)
Significant registered portfolio for re- entry

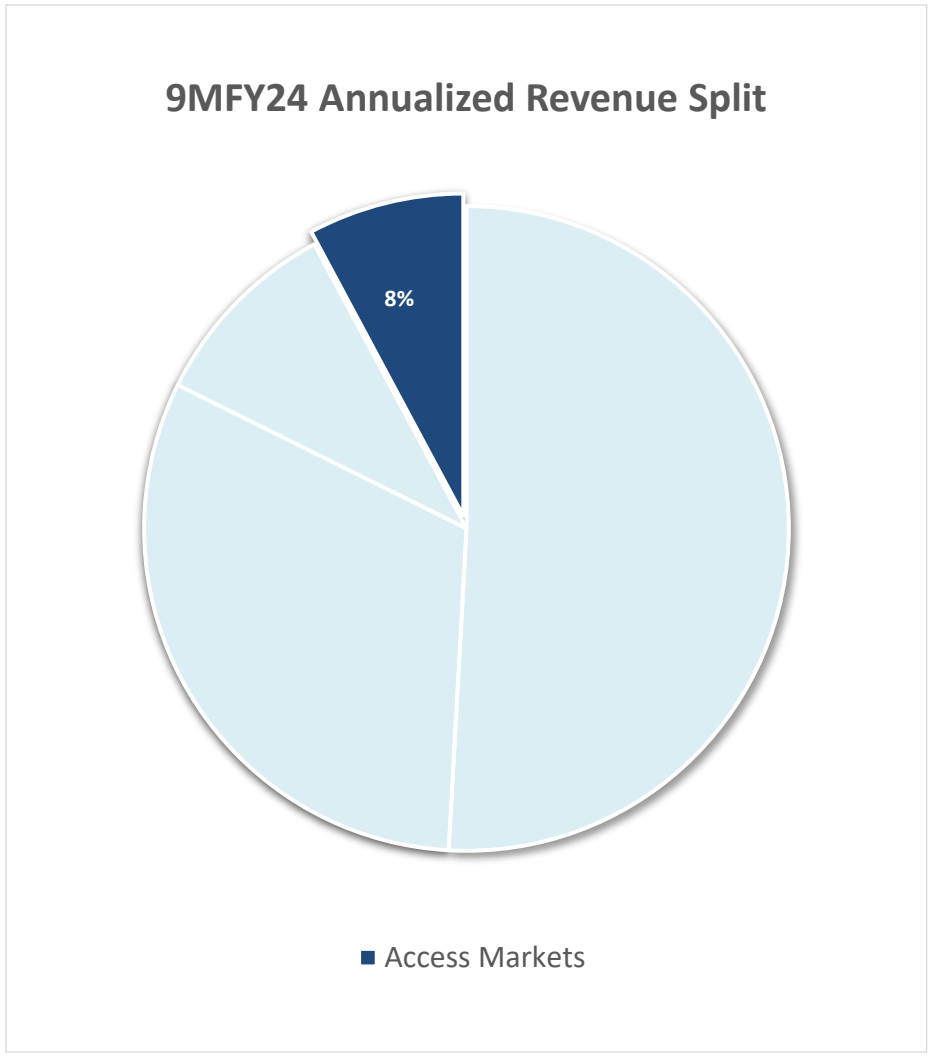
Commonwealth of Ind States (CIS)
Significant registered portfolio for re- entry

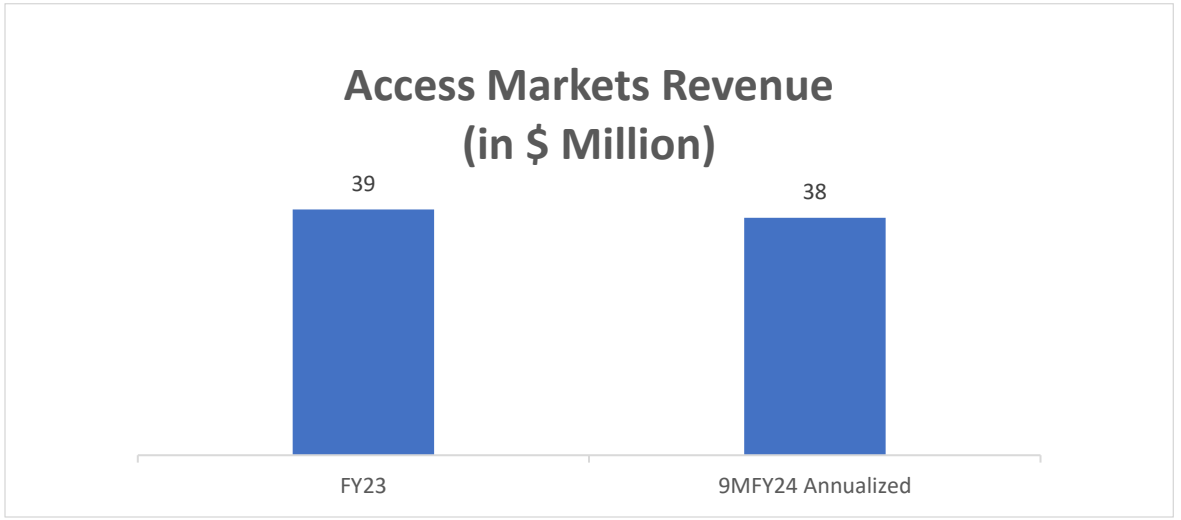
Strategic Partnerships

China
JV with Sihuan with 3 products under registration process

Middle East
Potential to forge partnerships with at least 3 leading companies

Access Markets: A Tender-driven Business; Not a Primary Focus for Strides





Access Markets Key Highlights

- Access markets Revenues continues to be **lumpy** as the business is Tender driven, however this business **recovers for the facility opex**
- Continued focus on CIPs with vendors to reduce COGS and enhance competitiveness

Strides

OneSource: Years of Investments, Time for Fruition

- *Strides announced creation of "OneSource" in Sep'23*
- *An independent Specialty Pharma CDMO*
- *Will unlock value to shareholders*
- *Listing* expected in next ~12 months*

* Transaction subject to approval of Shareholders, Lenders and other applicable Regulatory authorities

Value discovery and Unlocking Potential

- **India's first Specialty Pharma CDMO covering Biologics, complex Injectables and Oral Technologies (Soft-gelatin capsules)**
- **Set to emerge amongst India's Top 5 pure play CDMOs**
- **Full potential of Soft gelatin business residing in Strides unlocked at superior multiple (EV/EBITDA ~17x)**

Value unlock for Strides Shareholders

- Creation of two distinct operating entities with focused executive teams
- Strides shareholders to participate in value discovery by holding 44% in OneSource (**implied value INR 364 per share of Strides**)
- Strides shareholders to receive 1 share of OneSource for every 2 shares of Strides, Swap Ratio of 1:2
- Allows Shareholders and Investors to value both business independently
- Investment strategies aligned with pure play CDMOs
- Efficient capital allocation and focused leadership to drive growth
- Continued focus on superior governance standards

OneSource: Creation of India's first Specialty Pharma Pure Play CDMO

Strides Current Holding	Businesses to be Merged
~31%	**Biologics and high-end drug devices combination** *(Existing Business of Stelis)*
100%	**Oral technologies (Soft Gelatin Capsules)** *(Demerged from Strides Pharma)*
-	**Sterile Injectables** *(Demerged from SteriScience)*

***Strides Shareholders will own 44%** of the economics of OneSource*

OneSource:
India's first specialty pharma pure play CDMO

*The Implied value of proposed Shares issued by OneSource to Strides shareholders is **INR 364 per share***

Resultant Cap Table of OneSource (Currently Stelis)

Category	Pre – Scheme*		Post - Scheme	
	Number of Shares	**% Share Holding**	**Number of Shares**	**% Share Holding**
Promoter and Promoter Group	12,586,085	29.93%	42,321,592	39.00%
Strides Group**	12,929,220	30.74%		
Public	16,541,349	39.33%	66,205,489	61.00%
Total	**42,056,654**	**100.00%**	**108,527,081**	**100.00%**

** 11,089,320 shares held by Strides in Stelis will be cancelled through the Scheme

*The pre-scheme shareholding pattern of Stelis and SteriScience includes, 510,144 shares and 1,649 shares respectively under employee stock options and under other commitments which the management intends to issue before the effectiveness of the scheme.

Financials & Valuation Synopsis:
Valuation of OneSource based on valuation report of PWC and fairness opinion of Jefferies

In $m

	FY24* Revenue	FY24* EBITDA	FY24* Net Debt	Equity Value	Strides Ownership	Strides Value
Soft Gel Business	~65 M	~30%	~35 M	293 M	100%	293 M
SteriScience	~60 M	~28%	~25 M	264 M	-	-
Stelis	~20 M	Breakeven	~55 M	352 M	31%	109 M
OneSource	~145M	~25%	~115 M	909 M	44%	403 M

** Proforma*

Way Forward, Set for Profitable Growth

Way Forward

Target	FY24	FY25
Revenue	~$145 M	~$190 M
EBITDA Margin	~25%	~30%
Net Debt	~$115 M	~$50 M
ROCE %		25%+

Medium Term Outlook

OneSource has potential to double its scale in 3-4 years mainly from the momentum from biologics and high-end drug device combinations in GLP-1 products

EBITDA to FCF generation : 60+%

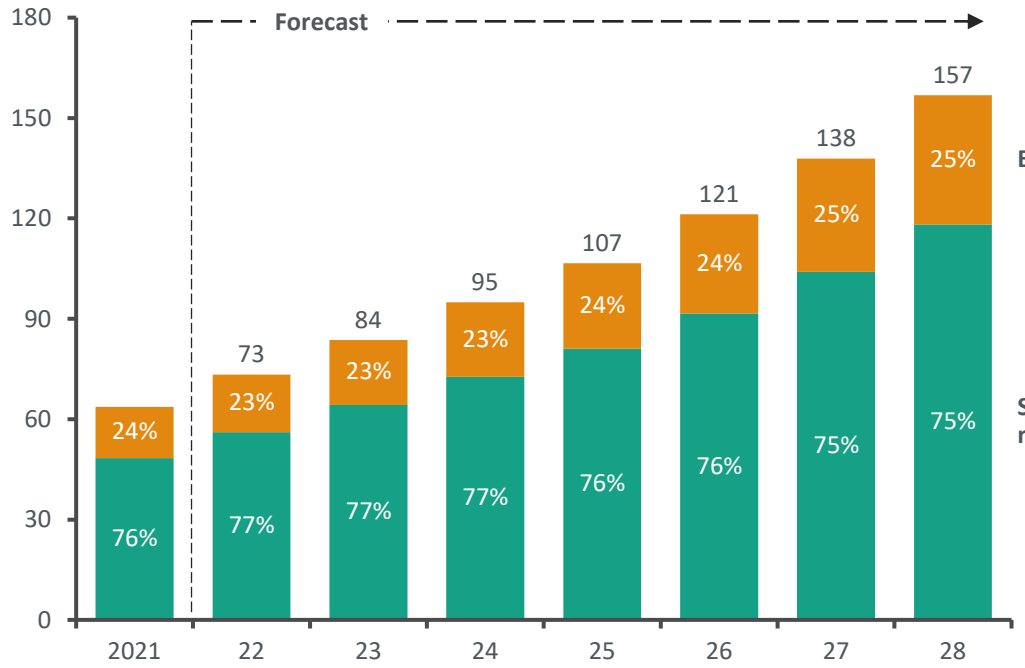
Net Debt Free by end of FY26

Strides

OneSource: Growth Enablers

The global pharmaceutical and biologics players are leaning towards a partnership model for developing and manufacturing their existing products

Global CDMO market split by product type (2021-28)
Billions of USD



	CAGR% (2022-28)
Biologics	**c.14%**
Small molecules	c.14%
	c.13%

Biologics CDMO market size

	2021	22	23	24	25	26	27	28	
Global (bn USD)	15.3	17.2	19.5	22.3	25.6	29.6	33.8	38.6	
APAC (bn USD)	2.6	3.1	3.7	4.4	5.2	6.2	7.3	8.7	**c.19%**

*Note: *DS: Drug Substance; ** DP: Drug Product*
Source: Frost & Sullivan (2020); Azoth Analytics Report (2022), L.E.K. research and analysis

KEY DRIVERS

Outsourcing to specialized organizations helps global players lower drug development costs, optimize manufacturing networks and improve efficiency.

The industry has high entry barriers due to initial investments in establishing high-end capabilities, long gestation periods, high switching costs for the innovator, and, most importantly, the ability to protect intellectual property rights.

Continued R&D spending will drive significant outsourcing growth (>6% CAGR between 2021-2026, estimated to reach $1.6 trillion), driven by the anticipated launch of novel therapies addressing unmet needs and volume growth from expanding global access to medications.

The outsourcing trend is also being driven by new small pharmaceutical companies, biotechnology startups and virtual pharmaceutical companies who do not have their own developmental and manufacturing facilities

Strides group is combining its assets to build one of most advanced technology led specialty CDMO

Biologics	Soft Gelatin Capsules	Complex & Specialty injectables	Drug-Device Combinations
Microbial biopharmaceuticals	Rx Soft gelatins Out-licensing	Formulation development	
Mammalian biopharmaceuticals	OTC / Consumer Health partnerships	Clinical, analytical and stability studies	
Cell and Gene therapy	Development & Manufacturing services	Fill-finish services	
RNA, Adherent and suspension-based products	Regulatory support	Regulatory support	

Pre-clinical → **Phase 1/2** → **Phase 3** → **Commercial manufacturing**

Our robust capabilities form the bedrock for addressing a substantial market opportunity within the expanding CDMO landscape.

Growth Enablers

Biologics and Drug-Device Combinations

- Fully integrated capabilities from cell line development to commercial manufacturing
- Two manufacturing sites with capabilities in a microbial and mammalian expression system, including wild strains
- USFDA and EMA recently approved Flagship Facility.
- Significant order book to break even in FY24 and fast expand from FY25 as the commercial sales for the partners initiate.

Specialties

Soft Gelatin capsules

- 15+ years of soft gel experience in Rx/Prescription led specialized products.
- One of the largest Global Rx platforms for the soft gels manufactured in technical collaboration with Pharmagel, Italy
- Significant market share (partner-led) in all the commercialized products Globally
- Recent foray into OTC and CDMO led partnerships
- Large scale capacity with 2 billion annual units and planned expansion. Facility approved by US-FDA, MHRA, ANVISA, TGA, WHO, and MCC

Complex and ready to use products

- From the team that delivered significant outcomes with Agila, India's first truly global injectable platform.
- Long term contracts with leading global players across multiple products
- Capabilities to develop and manufacture complex products in differentiated formats including vials, lyophilized vials, Pre-filled Syringes and dry powder.
- Two manufacturing facilities in India with approvals from USFDA, EU-GMP, Health Canada, and UK MHRA.

OneSource Capability Set Snapshot

Five manufacturing facilities have received certification from international authorities, and OneSource is making bigger plans for the future

R&D and Process Development

Biologics

- Cell line and strain development, selection & characterization
- Upstream and downstream process development: Mammalian & Microbial
- Analytical development – physicochemical, bioassay & characterization methods

Speciality:

- Expertise in Ready-to-use and complex injectables including suspensions, microspheres, and liposomes.
- Capabilities and experience in developing products across dosage formats of vials, pre-filled syringes, bags, ampoules, cartridges, and auto-injectors

Soft gelatin capsules

- Installed capacity is one of the largest in the World.
- 4 Encapsulation lines from Pharmagel Italy
- High speed Contact printers to print capsules with High speed camera based inspection system to detect any visual manufacturing defect
- Robust quality and compliance track record with any time audit preparedness
- All regulatory approvals including US-FDA, MHRA, ANVISA, TGA, WHO and MCC amongst others

Biologics , Bengaluru, India

- Approved by USFDA and EU-GMP
- Microbial: Hybrid drug substance manufacture clinical and commercial
- Mammalian: Single-use bags-based drug substance manufacture – clinical & commercial
- Drug Product manufacturing: Vials, PFS & Cartridges. Pen Device Assembly and release as per ISO standards
- Regulatory, Clinical, Validation services, stability studies & misc. support services

Specialty, Bengaluru, India (1)

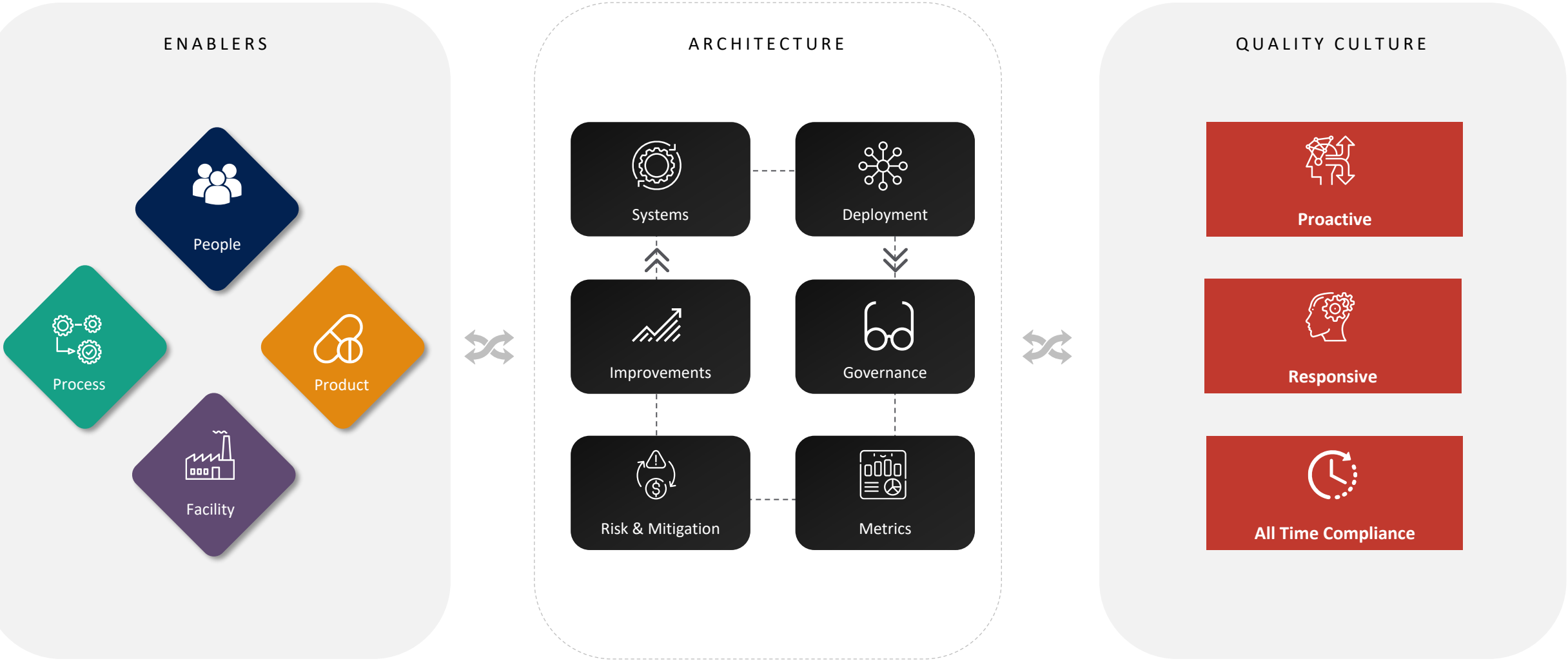
- State-of-the-art USFDA-approved facility offers a wide range of parenteral drug products with over two decades of experience supplying to the US, Europe, and Australia markets.
- The site has industry-leading expertise in lyophilization techniques and tremendous experience in cycle-time optimization.
- The facility also hosts an autoinjector device line that allows us to offer patient-friendly drug delivery solutions with capacities to produce 16 million autoinjectors annually.

Specialty, Bengaluru, India(2)

- A US-FDA approved dedicated penicillin facility; situated on an area covering 3900 square meters in Bengaluru, India, and caters to global markets including US, Australia & Brazil.
- Supply chain disruptions highlight a key vulnerability for penicillin production worldwide, with increased manufacturing capability for these life-saving drugs becoming imperative for ensuring continued access.
- The facility comprises two sterile dry powder lines with an annual capacity of 32 million units.

1,200+ employees with **200+ scientists** and techno-commercial leaders

Significant investments in quality systems and compliance with industry leading quality governance framework



Strides

Growth lever 1: Biologics and Drug-Device combinations

Our capabilities are tailored to provide development and manufacturing services throughout the lifecycle of biologics and complex products

In the CDMO business, OneSource would offer a fully-integrated biopharmaceutical platform providing one-stop-shop offering for biologics

Truly One-stop Offering

Cell-line Development → **Master and Working Cell Bank** → **Cell Culture Production** → **Filtration and Purification** → **Formulation** → **Fill and Finish** → **Packaging**

Integrated end-to-end provider with high quality tech transfer, process development, manufacturing, fill and finish and release biologics capabilities

Process Development	Drug Substance	Drug Product	Quality & Regulatory Services
• Upstream and downstream development for all clinical phases and injectable formats • Highly streamlined tech transfer approach	• Mammalian and microbial platforms • Single-use bioreactors for lower cost, reduced contamination risk and higher uptime	• Clinical batches to high-speed commercial lines inc. both liquid and lyophilized vials • Single-use manifold systems allowing customizable assemblies	• Highly-experienced regulatory personnel with worldwide regulatory knowhow: a GLP-1 filing completed in <200 days with approval in the first cycle

Single solution for developers seeking a turnkey CDMO partner that can serve across the full project lifecycle

A strong biologics CDMO division with world-class capabilities and capacities enabling cost-effective solutions

One Stop Capabilities

- Pure play biopharmaceutical CDMO covering drug substances capabilities across mammalian and microbial expression systems fully integrated with a wide variety of sterile drug product formats.
- Offers a complete spectrum of services, from cell line tech transfer to clinical and commercial manufacturing.

Flexible and Partner Centric

- Two state-of-the-art facilities, with ~550,000 square feet of Process Development (PD) and manufacturing space for microbial and mammalian programs.
- Tech transfer and scale up activities can be completed in existing facilities whilst bespoke manufacturing expansions are deployed to optimize program timelines.

Mfg. capacities

- 4X 2KL SUB capacity available for Mammalian and 1KL SS capacity for Microbial based products
- Drug product capacities available for all injectable formats (vials, PFS, PFC) and exceed 200 million units per annum
- Agility and space to expand capacity with industry-leading speed whilst catering to bespoke manufacturing requirements

Worldwide Quality and Compliance

- Flagship facility approved by the USFDA, EUGMP
- EU-approved process development capabilities
- Highly experienced quality and regulatory personnel to meet the highest global quality standards, ensure compliance and guide our clients through the regulatory approval process.

Business model for biologics is uniquely poised to recover several income streams until the product approvals are secured

Biologics CDMO Division Business Model

Manufacturing Services Agreements (MSA)

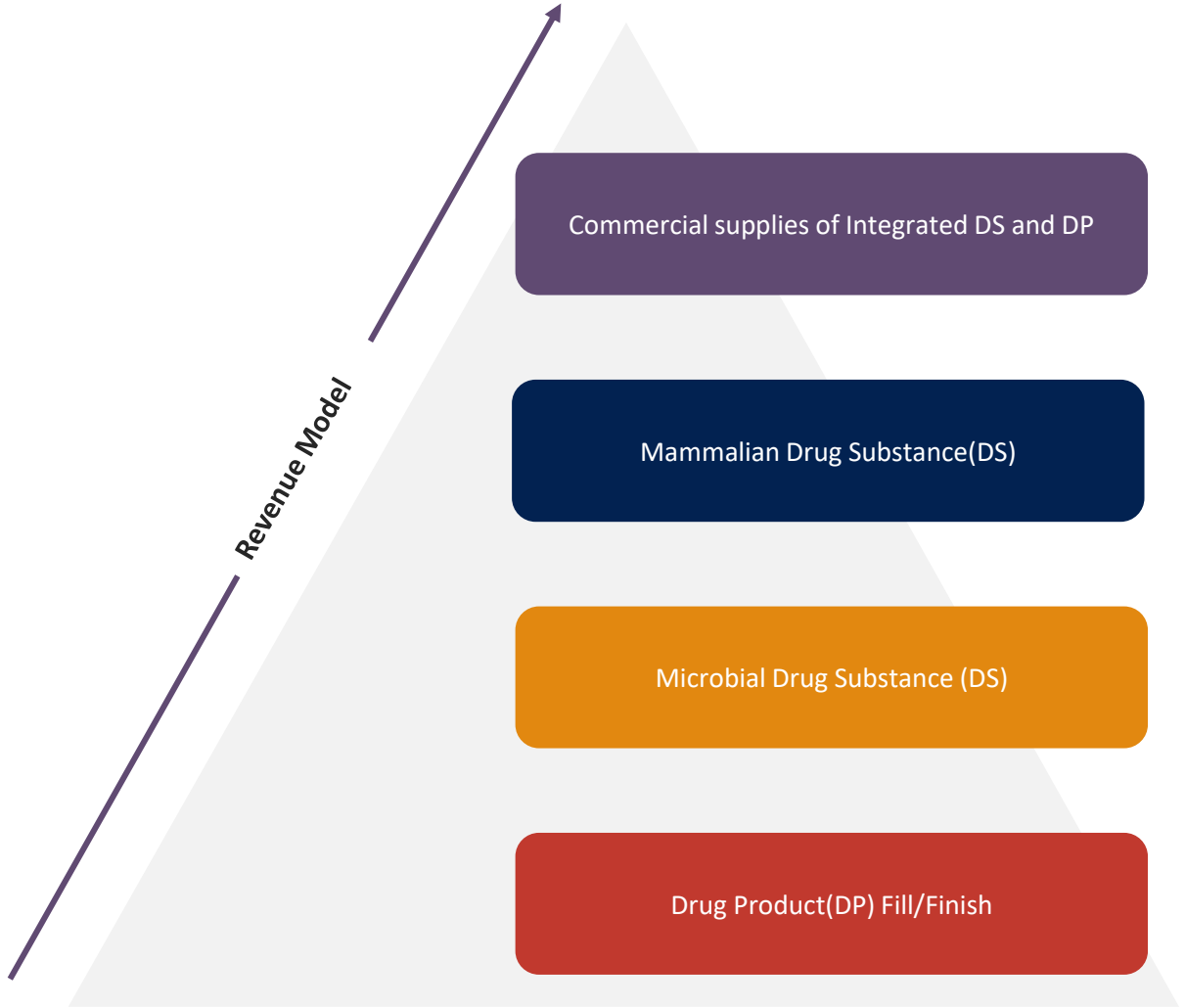
- First part of the CDMO contract which typically includes the technology transfer, process development, process scale and execution of Performance Qualification (PPQ) batches
- Includes the base work required for securing the regulatory approval, and consequently contract for manufacturing
- Typical revenue size in the range of $1-2m for drug product and $4-5m for drug substance

Commercial Sales Agreement (CSA)

- Second part of the CDMO contract, includes the value of business which is secured through the commercial supplies of the products which are developed for the partner under the MSA
- Typically, a duration of CSA would be 3-5 years and is secured by capacity commitment ensuring annuity of revenues

As more MSAs translate into CSAs, the P&L would be able to scale up its business significantly results in high profitability with no major increase in costs

Secured Backlog based on executable CSAs from existing MSAs



OneSource would have a balanced Generics and Innovators' commercial strategy to deliver near and long-term results

Complex Generics & high-end devices

Initial commercial focus leveraging spare capacity.

- Faster ramp up to commercial scale projects and capacity fill
- Lower development risk, de-risking near-term revenue streams
- Leverages group's contacts and goodwill
- Benefits from high market demand for sterile fill-and-finish
- Establishes track record to support innovator BD efforts

Biologics

Long term core strategy with good risk-reward

- Ideal technology set-up to serve a variety of project types
- Opportunity to become a top 5 player in APAC market
- Untapped market opportunity with large CDMOs unwilling to allocate capacity / provide quality service to smaller biotech
- Complex to manufacture products which will benefit from higher margins
- Follow the molecule opportunities, fueling outsized revenue potential once approved

Near-term advantage — **Long-term advantage**

~$1.5m	3-5		$3.5m	5-8
Value per MSA	Years to approvals	*Balanced and flexible approach*	Value per MSA	Years to approvals

Proven Drug Substance Capability

Talented scientific and cross functional team has proven experience in trouble shooting and delivering innovative solutions to clients globally

End-to end-development and manufacturing (DS + DP) of teriparatide biosimilar an *E. coli*-derived recombinant peptide approved by EMA

Successful tech transfer and scale-up of cell culture based adenoviral vector process from 50L to 2000L scale

Developed and validated analytical methods (in-process and release) as well performed ***exhaustive product and impurity characterization*** for peptides, mAbs and recombinant proteins

Successfully developed and scaled up (from 10 L to 1000 L) the technology of multiple ***Insulin analogue molecules***, including extensive method development and characterization.

Drug Substance manufacturing kicked-off in partnership with a global generics major; Mammalian DS development and manufacturing of a biosimilar for one of the largest biologics

First DS project secured

- Partner is a top 5 global Pharma Gx company
- Monoclonal antibody development aimed for global markets, including US, EU and RoW
- Technology transfer in development labs at 10 L, process scale-up to 2 KL, clinical trial material generation batches, PPQ campaign and commercial DS and DP manufacturing

2 DS Projects in advanced negotiations

Unique competitive edge with GLP-1 is a significant factor for future success while the biologics business has also picked up

- From a low base in FY20, we have added several new customers after receiving USFDA approval in FY23 (Two inspections included in CY2022- PAI, Drug Device, and GMP)
- Our business continues to grow as we propel our geographical marketing efforts and attract new partners.
- Our contracting of new manufacturing services agreements (MSAs) has intensified.
- From FY20 to Dec FY24, We secured $74 million in MSAs, of which $43 million were secured in FY24 alone so far. 9 Partners including top global companies have been added to our total unique clientele of 16 after USFDA approval.
- We secured our first significant DS contract with a top 10 global pharmaceutical company for an important product. In addition, the company won several new contracts from our existing partners, demonstrating our execution capabilities for their existing projects with a strong focus on client satisfaction and on-time delivery.
- Made our first commercial shipment, indicating the beginning of commercial supplies for our partnered products. Most Commercial Supply Agreements (CSAs) commence in H2, ensuring this division breaks even on EBITDA in the second half of FY24. In FY25, the division will have a positive PAT.

~$31m
Cumulative value of MSAs won between FY20 and FY23

~$43m
Value of MSAs won in FY24 so far

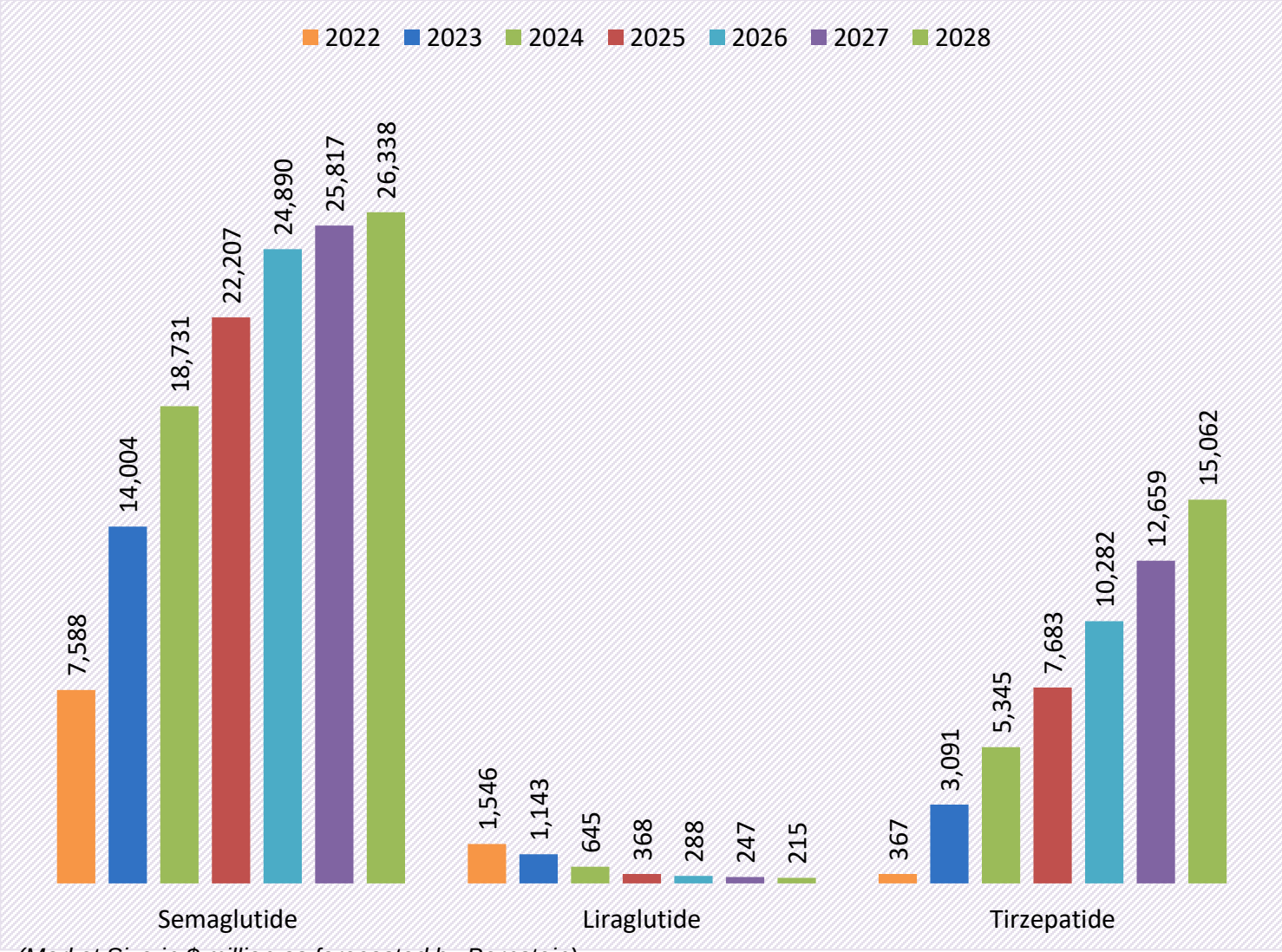
~$792m
Cumulative value of CSAs for GLP between FY24 and FY32

$282m
Cumulative value CSAs for Non-GLP between FY24 and FY32

~$36m
Value of business under advanced discussions

16+
9 Partners including top global companies onboarded after USFDA approval

OneSource in a sweet spot to capitalize on the upcoming GLP-1 opportunities



(Market Size in $ million as forecasted by Bernstein)

Semaglutide

- Sold as Ozempic® (diabetes) and Wegovy ® (Weight loss/obesity)
- Stelis is partnered with multiple players including 2 with NCE-1 filings in US
- Stelis has strategic advantage of end-to-end drug device assembly with state-of-the-art fill-finish services
- Early commercial revenue opportunity starting 2026

Tirzepatide

- Tirzepatide is a once-weekly GIP receptor and GLP-1 receptor
- It was approved as Mounjaro® by the FDA on May 13, 2022.
- Indicated as an adjunct to diet and exercise to improve glycemic control in adults with type 2 diabetes mellitus.
- Stelis has partnered with 2 leading global companies

Liraglutide

- Sold as Victoza® (diabetes) and Saxenda ® (Weight loss/obesity)
- Stelis is partnered with multiple players with filings in US & EU
- Stelis has strategic advantage of end-to-end drug device assembly with state-of-the-art fill-finish services

With access through own JVs & CDMO partners, including two first-to-files, Stelis poised to gain significant value from the GLP-1 growth story

Semaglutide

CDMO

- Leading Indian Generic player 1st to file [NCE-1]
- 2 Leading European Generic players

Partnered CDMO

- Licensed to global top 3 generics major – First to file [NCE -1] [Regulated Markets]

- MENA – No.1 Player
- LATAM - No.1 Player

Liraglutide

CDMO

- 6 customers including top Indian and Global players

Tirzepatide

CDMO

- Global Top 2 generics majors

Partnered CDMO

- 1 Leading European player

Strides

Growth lever 2 : Soft Gelatin Capsules

One of the leading global players in soft gelatin technologies with a strong funnel of opportunities and a robust partner led Rx-penetration

The global soft gelatin market is continuously expanding, and the introduction of new products is driving demand for CDMO services. We are amongst the top 5 players globally in SGCs

$11.5b

Global Market Size for
Soft gelatins across generics and NCE-1

$5.5b

North America*- the largest market for soft gelatins

9%

European Union is the fastest region for growth of soft gelatins

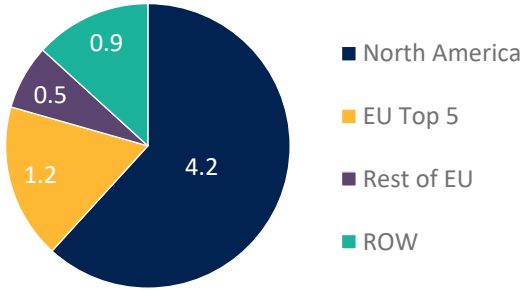
US is the largest market and a significant growth pick up is led by the EU and ROW regions

Region	Market size (bn$)	Volume (bn units)	Sales CAGR**	Volume CAGR
NA*	5.5	6.2	6%	-5%
EU Top 5	1.8	2.0	9%	1%
Rest of EU	1.0	2.8	6%	9%
ROW	3.0	9.4	8%	4%
Total	**11.5**	**20.4**	**7%**	**1%**

The new generics opportunity is emerging from the Ex-US regions

Region	Market size (bn$)	Volume (bn units)	Sales CAGR**	Volume CAGR
NA*	877	3604	-6%	-12%
EU Top 5	150	516	3%	3%
Rest of EU	138	378	8%	7%
ROW	706	1410	2%	3%
Total	**1871**	**5908**	**0%**	**-2%**

NCE-1 Opportunity is picking up and only specialized players have the ability to capitalize



a. Increasing intake of soft gelatins in developed and developing countries
b. Increasing use of halal-certified bovine and fish gelatin along with soft gel capsules made from vegetable ingredients such as cellulose gum, modified starch, and other plant gums driving its growth in Islamic countries.
c. Switch to vegetable oil

*NA includes USA & CANADA; **5 years (IMS MAT Q2 2021-2016)*

In technical collaboration with Pharmagel, Italy, our Soft Gelatin Platform under One-Source has been successful in delivering 15 ANDAs, with over 15 years of cumulative Rx soft gel experience.

Our Capabilities for a strong B2B or a CDMO led strategy

Product

- All products developed and manufactured with Global orientation including portfolio for oncology and cytotoxins
- Caters to both Rx and OTC markets with commercialized products having high teen market share
- Capabilities in varying shapes and sizes of SGCs from Oval , Oblong from 2 – 40 oval and 5 to 22 oblong

Plant

- Facility based in Bangalore, India with technological collaboration with Pharmagel, Italy, with 4 Encapsulation lines
- All regulatory approvals, including US-FDA, MHRA, ANVISA, TGA, WHO and MCC, amongst others
- Planned expansion to more than double SGC capacity by FY 24 (2.4 billion plus)

Processes

- High speed Contact printers to print capsules with high-speed camera-based inspection system to detect any visual manufacturing defect
- Robust quality and compliance track record with any time audit preparedness

People

- Dedicated capability pool for soft gelatin expertise
- Focused on domain specific strategy for expansion and operational excellence
- Continuous innovation and new product introduction through in-house capabilities

Amongst the Top 5 Player globally in SGCs with a sizeable presence and a strong pipeline of products to further augment the CDMO business

Strong funnel of opportunities and a robust partner led Rx-penetration

$11.5 B	*Total Soft Gelatin Market with $7.0b in NCE-1*
$4.4 B	*Total Generics opportunity across several products*
$2.5 B	*Market Opportunity for Approved Product Portfolio*
#4	*Largest soft gel manufacturer by volume*
15	*Total approved portfolio*
14	*Products under Development*
5	*NCE-1 coming off-patent in next years*

Plant

- Facility based in Bangalore
- Regulatory approvals: US-FDA, MHRA, ANVISA, TGA, WHO & MCC
- To more than double SGC capacity by FY24 (2.4Bn+)

Product

- Caters to both Rx and OTC markets
- Commercialized products having high teen market share, recently launched Gx Vascepa
- Capabilities in varying shapes and sizes

Client Wins

- Recently concluded multi-year deal with top-4 US private label supplier for 2 OTC SGC products
- In Contract finalization stage with leading OTC global player for supply of 500million units of Ibuprofen SGC
- Potential opportunity in China through our licensed SGC products with a leading Chinese company

Strides

Growth lever 3 : Complex and Specialty Injectables

Significant experience in injectables with wide capabilities makes us a very strong CDMO player for complex and ready to use products

The long-term fundamentals for small molecule complex injectables CDMO opportunities remain intact as more products lose exclusivity and high complexity of products elevates the barrier to entry for new players.

Generic injectables are increasingly considered the next growth engine by large generic players in the US

Most new entrants focus on complex injectables to differentiate themselves from the large incumbents

Nearly every generic player with some scale in the US has about increasing investments in injectables and stepping up on filings at the FDA in the last few years

Injectables seem to be the new mantra for growth in the US market, which has been plagued by competition and pricing squeeze by the wholesalers.

Brands LOE by route of administration ($ billion)[1]

Dosage	Un genericized	2022	2023	2024	2025	2026	2027	Total
Simple injectables		3.2	0.2	0.6	0.5	1.0	3.0	8.6
Complex Injectables	7.8	1.6		0.8		1.1	0.3	12.1
Inhalation	4.2		0.2		1.3		2.5	8.3
Others	0.8	0.3	0.2	0.1	0.6	0.6	0.8	2.9

1. *Source: Evaluate, Bernstein estimates and analysis LOE - Loss of exclusivity; Sales in the year before LOE*

The current environment in injectables presents opportunity for new players that can scale with capabilities

SEVERE INJECTABLE SHORTAGES PERSISTING – HITTING A 10-YEAR HIGH – MAJOR LACK OF SUPPLY RELIABILITY

INCREASED SCRUTINY FROM REGULATORS ON FACILITY INSPECTIONS EMERGING POST COVID

ABILITY TO OPERATE LARGE-SCALE, HIGH-QUALITY MANUFACTURING KEY TO SECURED SUSTAINABLE GROWTH

ACUTE SHORTAGES DRIVING CHANGE IN MARKET BEHAVIOURS WITH NEW PLAYERS LIKE CIVICA DISRUPTING STATUS QUO

OPPORTUNITY FOR EMERGING PLAYERS THAT HAVE ABILITY TO OPERATE AT SCALE

One of the largest platform for sterile injectables with strong capabilities across dosage formats

DOSAGE FORMATS

- Liquid Vials
- Lyophilized Vials
- Auto-injectors
- Pre-Filled Syringes(PFS)

Bengaluru, Site 1
General Injectables

- State-of-the-art USFDA approved facility offers a wide range of parenteral drug products with over two decades of experience supplying to the US, Europe and Australia markets.
- The site has industry-leading expertise in lyophilization techniques and tremendous experience in cycle-time optimization.
- The facility also hosts an autoinjector device line that allows us to offer patient-friendly drug delivery solutions with capacities to produce 16 million autoinjectors annually.

Bengaluru, Site 2
Dedicated to Penicillins

- A US-FDA approved dedicated penicillin facility; situated on an area covering 3900 square meters in Bengaluru, India and caters to global markets including US, Australia & Brazil.
- Supply chain disruptions highlight a key vulnerability for penicillin production worldwide, with increased manufacturing capability for these life-saving drugs becoming imperative for ensuring continued access.
- Facility consists of two sterile dry powder lines, with an annual capacity of 32 million units.

R&D Capabilities

- Strong R&D team with 100+ years of domain expertise and rich experience in injectables
- Expertise in Ready-to-use and complex injectables including suspensions, microspheres, and liposomes.
- Capabilities and experience in developing products across dosage formats of vials, pre-filled syringes, bags, ampoules, cartridges, and auto-injectors

CDMO (One-Source) platform: Building a global CDMO platform with 2 distinct segments - high margin IP-led CDMO business; & a tactical CMO business (used to ensure efficient capacity utilization)

- **In-house development of ANDAs** on behalf of the partners, with 5 launches in the US market and another 4 planned in the next 6 months
- Targeted B2B strategy for the portfolio with **more secured economics and shorter working capital cycles**
- Business model includes secured margins on transfer price, **with additional profit sharing and royalty earnings**

- **CMO contracts with legacy partners**, as part of the acquisition of the manufacturing sites
- Pure play CMO with revenues at transfer price value, ensuring a **fully loaded COGS + margin model**
- IP ownership is with the contract giver, with **Steriscience bringing in the manufacturing expertise**

We have invested over $200m investments to build end-to-end fully integrated service offering, along with the capacity and agility to handle almost any level of client demand.

One-Source will target a global opportunity with very few players that attract industry-leading multiples

Trends in CDMOs

Flexible CDMOs support pharmaceutical companies at all stages of the process of making medicines shifting their business model

CDMO M&A is on the rise, trailblazing with new manufacturing capabilities and scale

CDMO value chain is moving toward a “one-stop-shop” service portfolio with CDMO value chain becoming broader

CDMOs at scale have the purchasing power to move into new areas quickly, to extend their business model broadly

Structural shift to large molecules, the introduction of new modalities, deep pipeline, and R&D funding is expected to drive solid double-digit end-market sales growth

Leading Global players and their valuations

Segment	API	FDF	Biologics	Revenue ($b)	Market Cap ($b)	EV/EBITDA (x)
Wuxi		◉	◉	2.3	11.5	14
Lonza	◉	◉	◉	7.5	37.3	22
Samsung		◉	◉	2.8	44.2	39
Catalent		◉	◉	4.3	9.3	9
Thermofisher		◉	◉	42.9	208.2	23

Top Indian players and their valuations

Segment	API	FDF	Biologics	Revenue ($m)	Market Cap ($b)	EV/EBITDA (x)
Divis	◉			955	11.7	49.8
Suven	◉	◉		166	2.0	27.8
Piramal	◉	◉	◉	882	2.2	21.8
Gland		◉	◉	518	3.9	28.7
Syngene		◉	◉	398	3.6	29.7
One-Source (FY25)		◉	◉	190	1.0* (listing)	17x (1y Fwd)

** Basis independent valuation as announced*

Strides

Thank You