



September 20, 2019

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

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

Scrip code: 532531

Scrip code: STAR

Dear Sirs,

**Sub: Press Release**

Please find attached press release issued by the Company titled:

**‘Strides Board approves incremental investments in Stelis’**

Thanks and Regards,

For **Strides Pharma Science Limited**

A handwritten signature in blue ink that reads 'Manjula R.'.

**Manjula Ramamurthy**  
Company Secretary



**Strides Pharma Science Limited**

(Formerly Strides Shasun Limited)

CIN: L24230MH1990PLC057062

Corp Off: Strides House, Bilekahalli, Bannerghatta Road, Bangalore - 560 076, India

Tel: +91 80 6784 0000 Fax: +91 80 6784 0700

Regd Off: 201, Devavrata, Sector 17, Vashi, Navi Mumbai – 400 703, India

Tel: +91 22 2789 2924 / 3199 Fax: +91 22 2789 2942

info@strides.com; www.strides.com

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## Strides Board approves incremental investments in Stelis

- *Strides to acquire a controlling stake in Stelis with the infusion of new capital*
  - *Investments to facilitate the re-entry of Strides into Sterile Injectables domain from December 2019*
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**Bangalore, September 20, 2019-** Strides Pharma Science Limited (Strides or Company) today announced that the Board of Directors of the Company have approved an additional investment up to a maximum of ~US\$ 40 million over a period of 24 months for a controlling stake in Stelis Biopharma Private Limited (Stelis).

The proposed new investments will be a primary infusion into Stelis which will enable Stelis to achieve its objective of becoming a compelling global player in the biopharmaceutical space and also accelerate Strides' re-entry into sterile injectables business post the completion of the Company's non-compete period in December 2019.

### BACKGROUND

Stelis was set up to pursue a global biopharmaceutical business with a strategy to develop competitively priced biopharma products and offer high-end CDMO services covering end-to-end biopharmaceutical value chain.

As on date, Stelis has invested over ~US\$160 million, of which ~US\$ 91 million is represented by equity capital infused by Strides and its equity partners. Strides has invested ~US\$ 35 million for a ~43% ownership in Stelis. With the aforementioned infusion up to ~US\$ 40 million by Strides and pending equity commitments from the other partners, Stelis would have attained a critical size to break even at the operational level which is expected in the next 18 months.

### STELIS BUSINESS AND OUTLOOK

Stelis's business and future growth will thrive on three strategic domains viz. Biopharmaceuticals, CDMO & High-end biologics research services and Sterile injectables

#### *Biopharmaceuticals*

Stelis's portfolio includes biosimilars produced from microbial production technology. Its portfolio has now attained a reasonable position with significant investments already made into product development and commercial readiness of its compelling biopharma pipeline.

#### *Advanced Stage assets*

Stelis has achieved critical regulatory filing milestones for two advanced-stage assets.

Product	Therapeutic Area	Market Readiness	Market Opportunity
SBL001	Osteoporosis	<ul style="list-style-type: none"><li>• Successfully completed the pivotal phase 1 clinical study in Australia which meets filing requirements for EU, Australia, and Canada</li></ul>	~\$2 billion

	<ul style="list-style-type: none"> <li>Phase 3 waiver for EU received with global ex-US filings expected in the Q2 of CY20</li> <li>Significant licensing partnerships in discussion for the European markets</li> <li>Incremental phase 3 studies for the US by end CY20</li> </ul>		
<b>SBL005</b>	Osteoarthritis	<ul style="list-style-type: none"> <li>Dossiers under filing in emerging and ROW market with the potential to launch this product as a device</li> <li>EU/US development under progress given the recent change in regulations to classify this product as a drug</li> <li>Incremental phase 3 studies for the EU &amp; US by end CY20</li> </ul>	~\$2 billion

### **Early Stage Assets**

Stelis is building an integrated insulin and insulin analogue platform with proprietary technology. Stelis believes that the platform is one of its kind and has the potential to disrupt the industry paradigm in insulin accessibility and affordability. Stelis's R&D and clinical strategy for insulins are designed for the global markets.

### **CDMO & High-end biologics research services**

#### **CDMO services for drug product and drug substance**

Stelis has completed the construction of its modern fully integrated state-of-the-art biopharma manufacturing facility at Bangalore. While the Drug substance block is under installation and validations, the Drug Product block has been validated and now ready for commercial operations. The Drug Product CDMO services have started seeing traction from global players for aseptic fill-finish in various injectable formats and Stelis recently concluded its maiden CDMO contract for fill-finish services with commercial revenues starting from FY20.

#### **Biologics research services**

Stelis is now also equipped to offer biologics research services to focus primarily on the development and commercialization of biosimilars, bio betters and New Biological Entities. It has the necessary infrastructure to support microbial and mammalian process developmental activities in therapeutic proteins and monoclonal antibodies both for the early stage and late development which also includes scale-up, preparation of clinical material and stability studies. Stelis is in early discussions with leading global players for offering these services, and the business is expected to commence commercial revenues from FY21.

### **Sterile Injectables**

From December 2019, the envisaged investments will facilitate and accelerate Strides' re-entry into sterile injectables domain with a basket of niche products leveraging the group's proven experience and strong capability in the space.

This three-pronged growth strategy is expected to result in meaningful outcomes with Stelis generating operational cash flows to drive its future growth. Stelis is expected to have a

positive EPS from FY22 and is well on its course to create significant value in the long-term for all its stakeholders.

### About Strides

Strides, listed on the BSE Limited (532531) and National Stock Exchange of India Limited (STAR), is a global pharmaceutical company headquartered in Bangalore, India. The Company mainly operates in the regulated markets and has an “in Africa for Africa” strategy along with an institutional business to service donor-funded markets. The Company’s global manufacturing sites are located in India- Bangalore (two locations), Pondicherry, and Chennai, Singapore, Italy- Milan, Kenya- Nairobi and United States-Florida. The Company focusses on “difficult to manufacture” products that are sold in over 100 countries. Additional information is available at the Company’s website at [www.strides.com](http://www.strides.com)

**For further information, please contact:**

<p><b><u>Strides</u></b> <b>Badree Komandur</b> Executive Director - Finance +91 80 6784 0747</p> <p><b><u>Investor Relations:</u></b> <b>Kannan. N:</b> +91 98450 54745 <b>Vikesh Kumar:</b> +91 80 6784 0827 <b>Sandeep Baid:</b> +91 80 6784 0791 Email: <a href="mailto:Sandeep.baid@strides.com">Sandeep.baid@strides.com</a></p> <p><b><u>Strides Pharma Science Limited</u></b> (Formerly Strides Shasun Limited) CIN: L24230MH1990PLC057062</p> <p>Regd. Office: 201, ‘Devavrata’, Sector - 17, Vashi, Navi Mumbai - 400 703</p> <p>Corp. Office: Strides House, Bannerghatta Road, Bangalore – 560 076</p>	<p><b><u>PR Consultancy</u></b> Fortuna PR K Srinivas Reddy: +91 90005 27213 <a href="mailto:srinivas@fortunapr.com">srinivas@fortunapr.com</a></p> <p>K Priya: +91 95354 25418 <a href="mailto:priya@fortunapr.com">priya@fortunapr.com</a></p>
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