Welcome to the 29th Annual General Meeting

August 20, 2020
CONTENT

Strides at a Glance
FY20 Performance Highlights
Q1FY21 Performance & Outlook
AGM Agenda
Strides at a Glance
Strides is expanding and deepening its global reach with a differentiated generics strategy

- **30+ YEARS**
  - Rich experience in the dynamic pharmaceutical industry
- **8**
  - World-class manufacturing facilities spanning four continents
- **3,000+**
  - Global workforce strength
- **100+**
  - Country of global presence
- **225+**
  - R&D team size

- **400+**
  - Registrations for other regulated markets
- **124**
  - Cumulative ANDAs filed (38 pending approval) as of March 31, 2020
- **18 Billion**
  - Annual oral solid dosage capacity across our 8 plants
- **₹13,740 Million**
  - Debt repaid during the year
- **140%**
  - Dividend declared for FY 2019-20 (Face value of ₹10 per share)
FY20 Performance Highlights
An accelerated growth in FY20, despite a set back due to Ranitidine product withdrawal

Performance in FY20

Adjusted financial performance*

Revenue growth led by regulated markets
EBITDA growth leading to stable margins (22.4%) expansion
Regulated market revenues driven by the US markets

Reported financial performance

Revenue growth led by regulated markets
EBITDA growth leading to stable margins (19.1%) expansion
Regulated market revenues driven by the US markets

*Adjusted performance does not include the impact of Ranitidine withdrawal

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**Revenue**

(₹ in Million)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>21,936</td>
<td>29,127</td>
</tr>
<tr>
<td>EBITDA</td>
<td>27,637</td>
<td></td>
</tr>
</tbody>
</table>

**EBITDA**

(₹ in Million)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,575</td>
<td>6,514</td>
</tr>
</tbody>
</table>

**EBITDA Margins**

(%)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>11.7</td>
<td>22.4</td>
</tr>
<tr>
<td>EBITDA</td>
<td>19.1</td>
<td></td>
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</tbody>
</table>

** Pharma PAT**

(₹ in Million)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,133</td>
<td>2,341</td>
</tr>
</tbody>
</table>

**Adjusted Performance**

**Reported Performance**

1070 bps | 740 bps

106.6%
Deleveraged debt in FY20 to strengthen the balance sheet & return ratios

<table>
<thead>
<tr>
<th>Pharma ROCE</th>
<th>Total Debt</th>
<th>Total Net Debt to EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>(%)</td>
<td>($ in Million)</td>
<td>($ in Million)</td>
</tr>
<tr>
<td>FY19  7.1</td>
<td>22,885</td>
<td>4.9</td>
</tr>
<tr>
<td>FY20 14.1</td>
<td>10,200</td>
<td>1.9</td>
</tr>
</tbody>
</table>

- **700bps**
- **-55%**
- **-61%**

- Deleveraging debt undertaken during FY 20 helped strengthen the balance sheet significantly with a right-sized debt supporting continuing operations.
- The proceeds from Australian divestment was used for reducing debt
In FY20, the regulated markets remained a key driver

The US business, including the sales of Ranitidine of $46m, grew from $150m in FY19 to $238m, up by 61%, meets the higher end of FY20 guidance.

The Other Regulated Markets reported a 47% YoY growth in FY20, driven by a strong momentum in markets such as United Kingdom, Australia, key EU countries and South Africa.

As guided, FY 20 was a reset year for emerging markets as we laid a strong foundation for sustainable growth for the market.

The R&D spend in FY20 spend was ₹939m, as a significant buildout of the US portfolio is completed, we have shifted gears in R&D in FY20 to focus on other regulated markets.
Q1FY21 Performance & Outlook
A solid execution of our strategy led to an all-round performance in Q1FY21

<table>
<thead>
<tr>
<th></th>
<th>Q1FY21</th>
<th>Q4FY20</th>
<th>Q1FY20¹</th>
<th>QoQ%</th>
<th>YoY%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>₹7,847m</td>
<td>₹6,126m</td>
<td>₹6,888m</td>
<td>26%</td>
<td>14%</td>
</tr>
<tr>
<td><strong>Gross Margins</strong></td>
<td>₹4,825m</td>
<td>₹3,750m</td>
<td>₹3,726m</td>
<td>29%</td>
<td>29%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>₹1,578m</td>
<td>₹680m</td>
<td>₹1,239m</td>
<td>132%</td>
<td>27%</td>
</tr>
<tr>
<td><strong>Pharma PAT²</strong></td>
<td>₹788m</td>
<td>₹84m</td>
<td>₹523m</td>
<td>839%</td>
<td>51%</td>
</tr>
<tr>
<td><strong>Pharma EPS²</strong></td>
<td>₹8.8</td>
<td>₹0.9</td>
<td>₹5.8</td>
<td>839%</td>
<td>51%</td>
</tr>
</tbody>
</table>

1. Includes Ranitidine sales of ₹443m in Q1FY20
2. Pharma PAT and Pharma EPS for Q1 FY21 excludes Exceptional items gain of ₹445m and Biotech and CHC share of loss of ₹201m
Focused Outcomes in FY21 with commitment for long term value

**Deliver Growth**
- Robust growth over our reset base in the U.S
- Continued strong momentum in Other regulated markets
- A recharge of our institutional business and branded generics business in Emerging Markets

**Ensure Compliance**
- Upholding a state of complete vigilance and control in our manufacturing sites
- Reclassification of Puducherry Facility
- Quality Fabric initiative to strengthen our quality culture based on people, products, processes and facilities.

**Healthy Financials**
- Maintaining a healthy balance sheet and P&L Ratios – sustaining gross margins, high operating Ratios, controlled leverage
- Free cash flow generation

**Build Sustainability**
- R&D engine to anchor our growth plans with a strong pipeline of new filings and new launches
- Risk mitigation – will enable our business to grow responsibly and sustainably.
- Robust process-driven culture and enhance IT footprint
Priorities for Business Continuity and Risk Mitigation amidst Covid-19 uncertainties

**PEOPLE FIRST**

- Established leadership connect globally and ensure employee Safety & Wellbeing
- Build Emotional Connect through multiple channels – extending to families of employees
- Rapid response & agile adaption of new work practices at organization level globally

**OPERATIONS & SCM**

- Proactive engagement with suppliers to ensure uninterrupted supplies of materials
- Smart working capital management
- Continued compliance of all sites with focus on sustaining and maintaining the quality metrics

**BUSINESS ENGAGEMENT**

- Right size channel inventory to avoid stock out situations given constraints
- Strengthen customer advocacy and build a strong connect with customers leveraging digital platforms
- Focus on improving productivity and efficiency at each level to maximize returns

**FINANCIAL FOCUS**

- High focus on Enterprise Risk Management framework
- Austerity measures to contain cost and preserve cash without disrupting business
- No major new investments or M&As until we have better visibility on situation
AGM Agenda
AGENDA FOR AGM

ORDINARY BUSINESS

1) Adoption of Audited Financial Statements for the Financial Year ended March 31, 2020
2) Declaration of Final Dividend of Rs. 2/- and confirmation of Interim Dividend of Rs. 12/- for the Financial Year ended March 31, 2020
3) Re-Appointment of Mr. Arun Kumar, retiring director, as a Non-Executive Director

SPECIAL BUSINESS

4) Appointment of Dr. Kausalya Santhanam as an Independent Director of the Company
5) Appointment of Dr. R Ananthanarayanan as a Managing Director & Chief Executive Officer of the Company
6) Re-appointment of Mr. Badree Komandur as an Executive Director-Finance & Group CFO of the Company
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