

February 10, 2022

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 Sirs,

**Sub: Outcome of Board Meeting - Unaudited Financial Results (Standalone & Consolidated)
for the quarter and nine months ended December 31, 2021**

We are pleased to enclose the Unaudited Financial Results (Standalone and Consolidated) of the Company along with Limited Review Report of the Statutory Auditors for the quarter and nine months ended December 31, 2021, as approved by the Board of Directors of the Company at their meeting held today, along with a press release issued in this regard.

The board meeting commenced at 11:30 hrs and concluded at 13:10 hrs.

This is for your information and record.

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



Manjula Ramamurthy
Company Secretary



Encls. As above

Strides reports Q3 and 9M FY22 results
Q3FY22 Consolidated revenues at ₹7,968m up 8% QoQ with a flat EBITDA
Course correction on track with full recovery expected in FY23

Stelis achieves its first ever operational breakeven in Q3FY22
Standalone operating revenue of INR 618 million delivering an EBITDA of 8% at INR 50m

Bengaluru, India, February 10, 2022 - Strides Pharma Science Ltd (BSE: 532531, NSE: STAR) today announced its consolidated financial results for the quarter (Q3FY22) and nine months (9MFY22)

Financial Highlights

PARTICULARS	Q3FY22	Q2FY22	Q3FY21	QoQ%	YoY%	9MFY22	9MFY21	YoY%
Revenues	₹7,968m	₹7,360m	₹8,375m	8%	-5%	₹22,247m	₹24,193m	-8%
Gross Margins	₹3,957m	₹4,113m	₹4,869m	-4%	-19%	₹11,499m	₹14,580m	-21%
EBITDA	₹40m	₹10m	₹1,661m			(₹418m)	₹4,895m	
Adj PAT¹	(₹870m)	(₹847m)	₹758m					
Adj EPS¹	(₹9.7)	(₹9.4)	₹8.5					

1. Adj PAT and Adj EPS for Q3 FY22 excludes exceptional items loss of ₹154m, Biotech and CHC share of loss of ₹243m; Adj PAT and Adj EPS for Q2 FY22 excludes exceptional items loss of ₹599m, Biotech and CHC share of loss of ₹234m

Commenting on the performance, Dr R Ananthanarayanan, Managing Director & CEO, remarked, “In Q3FY22, while we have delivered an 8% sequential revenue growth for our business, operating leverage continues to be subdued.

Our US business has returned to growth after two quarters of decline, growing 13% QoQ to \$38m in Q3FY22. We completed the acquisition of Chestnut ridge site in the US during the quarter and the integration is on track. Chestnut Ridge facility also completed a successful FDA inspection that ended on February 8, 2022 with 2 minor observations. While the site contributed to revenues only for a few days during the quarter, the plant related operating cost were part of our P&L starting October’21 leading to some level of negative operating leverage during the quarter. We expect the growth momentum in the US to pick up in coming quarters driven by new product launches from the combined portfolio.

Our performance in the other regulated markets continues to be steady and we are seeing healthy traction across our key markets. We continue to focus on expanding our product offering in these markets to drive the next leg of growth. The emerging markets performance during the quarter was driven by our institutional business with healthy procurement from our partners.

Our cost initiatives have started yielding results and we have witnessed improvements in our base cost structures QoQ. As we further scale our businesses across regions, we expect improvement in operating

leverage in coming quarters.”

Detailed investor communication on the performance of the Company is attached

About Strides

Strides, listed on the BSE Limited (532531) and National Stock Exchange of India Limited (STAR), is a global pharmaceutical company headquartered in Bengaluru, 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 (Chennai, Puducherry and two locations in Bengaluru), Singapore, Italy (Milan), Kenya (Nairobi) and the United States (New York). 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

For further information, please contact:

<p><u>Strides</u> Badree Komandur Executive Director & CFO +91 80 6784 0747</p> <p><u>Investor Relations:</u> Sandeep Baid: +91 80 6784 0791 Email: sandeep.baid@strides.com</p> <p><u>Strides Pharma Science Limited</u> CIN: L24230MH1990PLC057062</p> <p>Regd. Office: 201, ‘Devavrata’, Sector - 17, Vashi, Navi Mumbai - 400 703</p> <p>Corp. Office: Strides House, Bannerghatta Road, Bengaluru – 560076</p>	<p><u>Corporate Communication</u> Pallavi Panchmatia: +91 80 6784 0193 Email: pallavi.panchmatia@strides.com</p> <p><u>PR Consultancy</u> Fortuna PR K Srinivas Reddy: +91 90005 27213 srinivas@fortunapr.com K Priya: +91 95354 25418 priya@fortunapr.com</p>
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Strides

Q3 and 9MFY22 Earnings

February 10, 2022





Strides reports muted performance during Q3 FY22, course correction on track for full recovery in FY23



Gross margin compression in Q3 due to portfolio and business mix along with increase in raw material prices for certain products



Drop in revenues and gross margins for key regulated markets now arrested



US business returns to growth after two quarters of sequential decline, Chestnut ridge integration going as per plan, Business on track to meet our growth outlook of US\$ 250m+ in FY23



Chestnut Ridge facility successfully completed an FDA inspection with 2 minor observations



Other regulated markets business delivered a steady performance during the quarter and has now reached its previous historical peak revenues



Significant initiatives being pursued on cost control, operating leverage to play out starting FY23 driving margin improvement



Fund raising at Strides through issuance of convertible warrants to the family office of the Promoters at a price of Rs 485 per warrant aggregating up to INR 1,940m fund raise



Stelis achieves its first ever operational breakeven in Q3FY22
Standalone operating revenue of INR 618m delivering an EBITDA of 8% at INR 50m



In Q3FY22, while we have delivered an 8% sequential revenue growth for our business, operating leverage continues to be subdued.

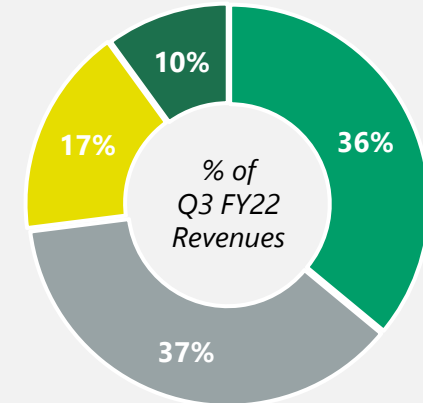
Our US business has returned to growth after two quarters of decline, growing 13% QoQ to \$38m in Q3FY22. We completed the acquisition of Chestnut ridge site in the US during the quarter and the integration is on track. Chestnut Ridge facility also completed a successful FDA inspection that ended on February 8, 2022 with 2 minor observations. While the site contributed to revenues only for a few days during the quarter, the plant related operating cost were part of our P&L starting October'21 leading to some level of negative operating leverage during the quarter. We expect the growth momentum in the US to pick up in coming quarters driven by new product launches from the combined portfolio.

Our performance in the other regulated markets continues to be steady and we are seeing healthy traction across our key markets. We continue to focus on expanding our product offering in these markets to drive the next leg of growth. The emerging markets performance during the quarter was driven by our institutional business with healthy procurement from our partners.

Our cost initiatives have started yielding results and we have witnessed improvements in our base cost structures QoQ. As we further scale our businesses across regions, we expect improvement in operating leverage in coming quarters.

Dr. R Ananthanarayanan
Managing Director & CEO






Revenues Mix



■ US ■ Other Reg Mkts ■ Institutional ■ Africa



Revenues	EBITDA
₹7,968m	₹40m

	Q3FY22	Q2FY22	Q3FY21	QoQ%	YoY%	9MFY22	9MFY21	YoY %
 REVENUES	₹7,968m	₹7,360m	₹8,375m	8%	- 5%	₹22,247m	₹24,193m	- 8%
 GROSS MARGINS	₹3,957m 49.7%	₹4,113m 55.9%	₹4,869m 58.1%	-4% -620 bps	- 19% - 840 bps	₹11,499m 51.7%	₹14,580m 60.3%	- 21% - 860 bps
 EBITDA	₹40m 0.5%	₹10m 0.1%	₹1,661m 19.8%			- ₹418 -1.9%	₹4,895m 20.2%	
 ADJ. PAT^{1,2}	- ₹870m	- ₹847m	₹758m			-₹2,500m	₹2,329m	
 ADJ. EPS^{1,2}	- ₹9.7	- ₹9.4	₹8.5			-₹27.8	₹26.0	

1. Adj PAT and Adj EPS for Q2 FY22 excludes exceptional items loss of ₹599m, Biotech and CHC share of loss of ₹234m
 2. Adj PAT and Adj EPS for Q3 FY22 excludes exceptional items loss of ₹154m, Biotech and CHC share of loss of ₹243m

Regulated Markets

Market	Q3FY22	Q2FY22	Q3FY21	QoQ%	YoY%	9MFY22	9MFY21	YoY%
US	2,831	2,502	3,876	13%	-27%	8,349	11,661	-28%
Other Reg	2,990	2,825	2,981	6%	0%	8,047	7,973	1%
Total	5,821	5,327	6,857	9%	-15%	16,396	19,634	-16%

Emerging Markets

Market	Q3FY22	Q2FY22	Q3FY21	QoQ%	YoY%	9MFY22	9MFY21	YoY%
Inst. Biz	1,388	1,113	878	25%	58%	3,471	2,390	45%
Africa	760	920	640	-17%	19%	2,381	2,169	10%
Total	2,148	2,033	1,518	6%	41%	5,852	4,559	28%

Consolidated Group Revenues

	Q3FY22	Q2FY22	Q3FY21	QoQ%	YoY%	9MFY22	9MFY21	YoY%
Total	7,968	7,360	8,375	8%	-5%	22,247	24,193	-8%

Key Updates
Regulated Markets
US

- US revenues at \$38m for Q3FY22 up from \$34m in Q2FY22, US contributed 36% of consolidated revenues in Q3FY22
- US business returned to sequential growth on the back of new contract wins, Q3FY22 revenues up 13% QoQ
- Retained volume market share for key base molecules, pricing environment stabilizing now

Other Regulated Markets

- Other regulated markets revenues at \$40m for Q3FY22 versus \$38m in Q2FY22, Other regulated markets contributed 37% of consolidated revenues in Q3FY22
- Witnessed steady performance across all our key markets during the quarter despite high omicron case load, growth momentum to continue driven by portfolio expansion

Emerging Markets

- Emerging markets revenues at \$29m for Q3FY22 versus \$28m in Q2FY22, business contributed 27% of consolidated revenues in Q3FY22
- Growth in emerging markets business was driven by institutional business that benefitted from a healthy customer offtake
- Africa business declined during the quarter owing to several countries' having high covid incidence impacting demand

Operating Cost

- Operating cost for the current quarter includes impact of Chestnut ridge site starting Oct'21
- While the freight rates continue to stay elevated versus historical levels, a superior supply chain execution has enabled a shift towards higher sea shipments helping contain our logistics cost QoQ
- Logistics cost during the quarter was at ₹606m versus ₹897m in Q2FY22 and ₹461m in Q3FY21
- Our cost initiatives have started yielding results and will drive operating leverage in coming quarters

R&D Investments

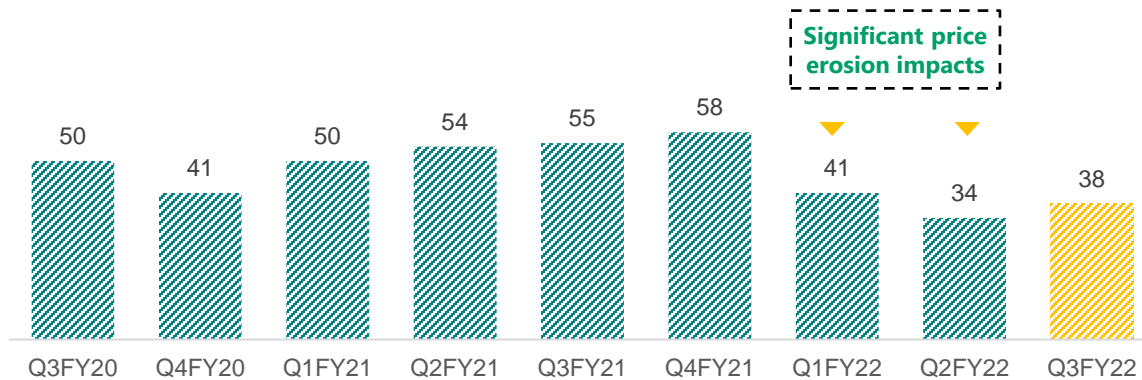
- R&D investment in Q3FY22 at ₹240m



Business Highlights



US Revenues - Quarterly Trend (₹/\$M)

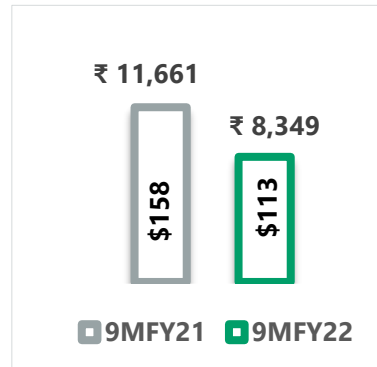
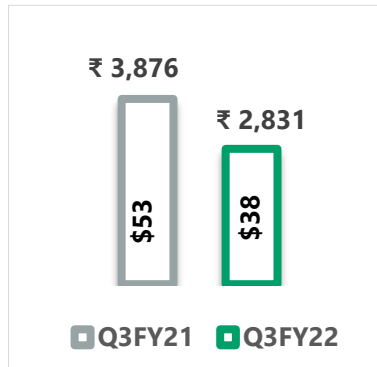
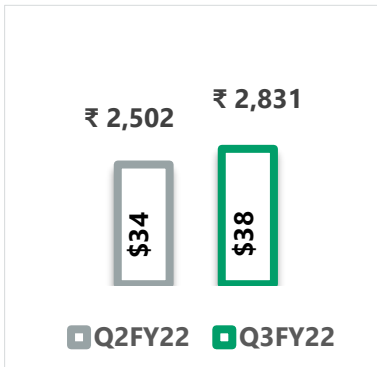


Financial Performance (₹/\$M)

QUARTER ON QUARTER

YEAR ON YEAR

9MFY22 ON 9MFY21



» 13% QoQ

» - 27% YoY

» - 28% YoY

YoY comparison in INR reported

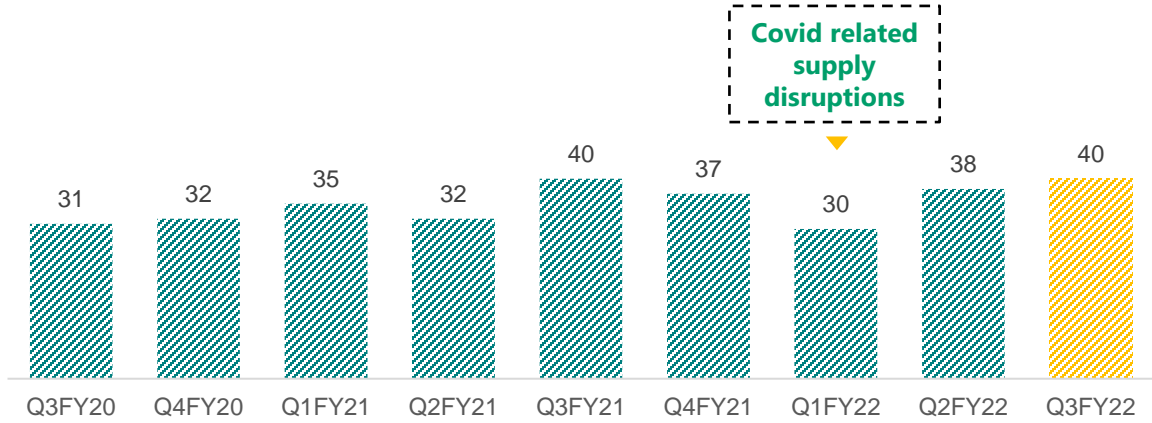
Business Updates

- Revenues from the US for Q3FY22 stood at ₹2,831 (\$38m), up 13% QoQ, representing 36% of consolidated revenues for Q3FY22
- Integration of Chestnut ridge commenced in October'21 and is on track, the site contributed to revenues only for a few days during the quarter
- Chestnut Ridge facility successfully completed an FDA inspection on February 8, 2022 with 2 minor observations.
- Retained volume market share for key base molecules, new launches from Chestnut ridge portfolio to expand product offering in coming quarters
- Completed divestment of Florida site at the end of the quarter, growth plan for the manufacturing business including VA opportunity now consolidated under Chestnut ridge facility

Near Term Outlook

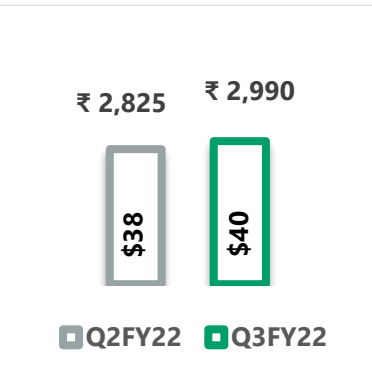
- QoQ trend for generic TRx in the US showing signs of stability in volumes, however full recovery still a few quarters away
- Chestnut ridge portfolio to help ramp up new product launches from Q1FY23 onwards with clear visibility on specific products
- Combined portfolio to be well diversified with mix of acute and chronic products rendering stability to the portfolio
- Continue to engage with the customers for a faster Go-To-Market for the planned launches from the combined portfolio
- On track to achieve our growth outlook for FY23 in the US

Other Regulated Markets Revenues - Quarterly Trend (₹/\$M)



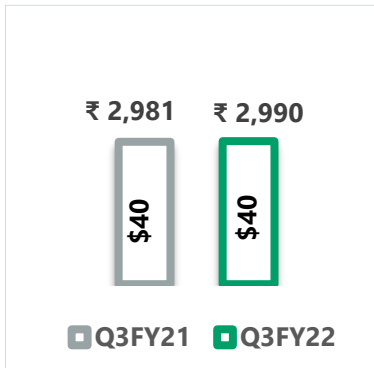
Financial Performance (₹/\$M)

QUARTER ON QUARTER



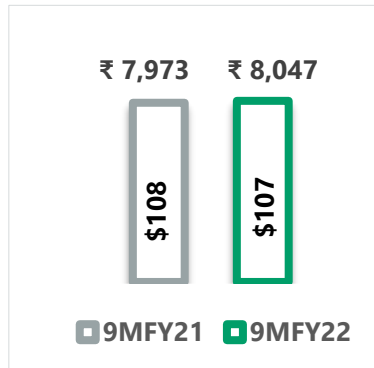
6% QoQ

YEAR ON YEAR



0% YoY

9MFY22 ON 9MFY21



1% YoY

YoY comparison in INR reported

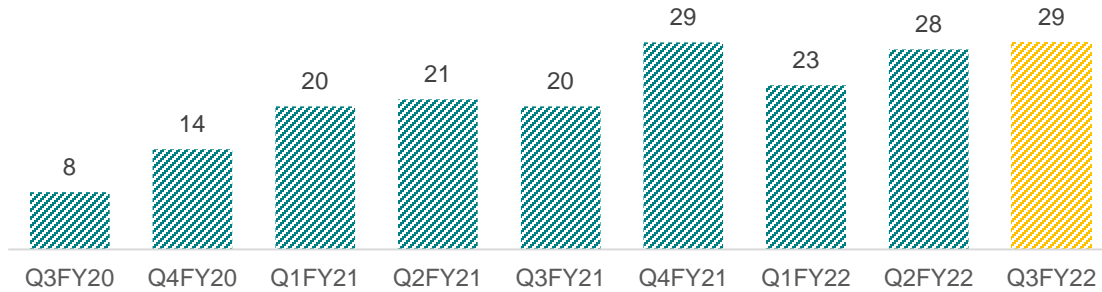
Business Updates

- Revenues from other regulated markets for Q3FY22 stood at ₹2,990m (\$40m), up 6% QoQ
- Other regulated markets represented 37% of consolidated revenues for Q3FY22
- Other regulated markets business delivered a steady performance during the quarter despite key markets witnessing a surge in covid cases owing to Omicron variant
- Continue to witness healthy traction across key frontend markets and partnership business in Europe

Near Term Outlook

- Expect the overall growth momentum to continue for other regulated markets in coming quarters
- Focus on scaling up new markets through portfolio maximization and higher market penetration for Rx and OTC products
- Outlook for the established businesses continues to be robust given a strong order book visibility and product portfolio expansion
- Continued R&D investments in portfolio building to deliver sustainable growth

Emerging Market Revenues - Quarterly Trend (₹/\$M)

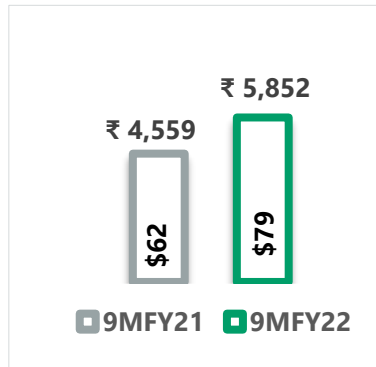
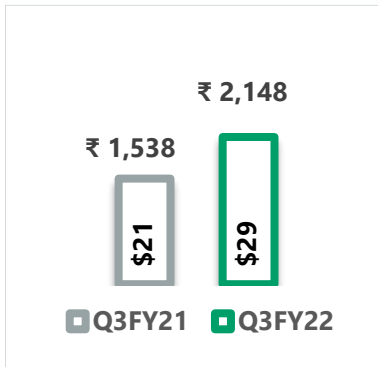
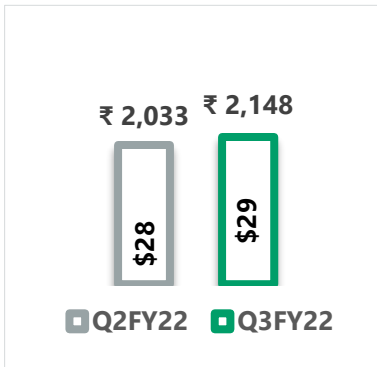


Financial Performance (₹/\$M)

QUARTER ON QUARTER

YEAR ON YEAR

9MFY22 ON 9MFY21



» 6% QoQ

» 41% YoY

» 28% YoY

YoY comparison in INR reported

Business Updates

- Revenues from emerging markets for Q3FY22 stood at ₹2,148m (\$29m), up 6% QoQ and up 41% YoY
- Emerging markets business represented 27% of consolidated revenues for Q2FY22
- Institutional business reported revenues of ₹1,341m in Q3FY22 up 20% QoQ and up 53% YoY led by better offtake from partners
- Growth in institutional business to be driven by new product launches and improved wallet share in the business through cost leadership
- Africa business reported revenues of ₹760m in Q3FY22 down 17% QoQ but up 19% YoY.
- The Africa business during the quarter was impacted with several countries reporting a high covid case load leading to lower doctor visits and prescription generation
- Focus on improving MR productivity to drive growth for the Africa business

Financial Performance



Income statement (₹m)

Particulars	Q3 FY22	Q2 FY22	Q3 FY21	QoQ	YoY	9M FY22	9M FY21	YoY
Revenues	7,968	7,360	8,375	8%	-5%	22,247	24,193	-8%
EBITDA	40	10	1,661			-418	4,895	-109%
EBITDA %	0.5%	0.1%	19.8%			-1.9%	20.2%	
Adj PAT^{1,2}	-870	-847						
Adj EPS^{1,2}	-9.7	-9.4						

Reconciliation of EBITDA (₹m)

As per SEBI results	Q3 FY22	Q2 FY22	Q3 FY21
Profit before exceptional items & tax	-914	-915	866
Less: Interest, Dividend income	77	77	77
Add : Depreciation and Amortization	609	566	525
Add : Finance costs	423	436	347
Consolidated EBITDA as per press note	40	10	1,661

¹. Adj PAT and Adj EPS for Q2 FY22 excludes exceptional items loss of ₹599m, Biotech and CHC share of loss of ₹234m

². Adj PAT and Adj EPS for Q3 FY22 excludes exceptional items loss of ₹154m, Biotech and CHC share of loss of ₹243m


Pharma Net Debt

As at September 2021
₹ 9,301m

As at December 2021
₹ 11,672m

Change over September 2021
+ ₹ 2,371m


Investments in CHC & Biotech

As at September 2021
₹ 6,937m

As at December 2021
₹ 6,937m

Change over September 2021
+ ₹ 0 m


Total Net Debt

As at September 2021
₹ 16,238m

As at December 2021
₹ 18,609m

Change over September 2021
+ ₹ 2,371m

Increase in Net debt due to acquisition of Chestnut ridge site and related working capital

Proposed Fund raising at Strides



- The Board of Directors at the meeting held today, approved a proposal for **fund raising by issue of convertible warrants** through preferential issue on a private placement basis to the family office of the Promoters
 - The Board of Directors have approved **issue of up to 4 million convertible warrants at a price of Rs 485 per warrant, aggregating up to ~INR 1,940m fund raise**
 - With the recent request for re-classification from some promoters, the promoter shareholding will drop to 26.4%. **With this new additional investment, the promoter holding in the company will increase back to 29.5%**
-
- The fund raise will **augment Strides capital resources to accelerate its growth across key markets** and will help further **strengthen company's balance sheet**
 - The fund raise is **subject to such regulatory or statutory approvals** as may be required and the **approval of the shareholders of the Company**
 - The Company proposes to convene an **Extraordinary General Meeting** to seek Members' approval for the said proposal



invites you to interact with the senior management on Q3 and 9MFY22



Thursday, 10th February, 2022

3:00pm IST / 09:30am GMT / 04:30am EST / 05:30pm HKT

Speakers:



Arun Kumar

Founder & Non - Executive Chairman



Dr. R. Ananthanarayanan

Managing Director & CEO



Badree Komandur

Executive Director & Group CFO

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USA	18667462133	Singapore	8001012045
UK	08081011573	Hongkong	800964448

24-hour playback after the call



+91 22 71945757	+91 22 66635757
Playback Code: 70821	

Thank You



Strides Pharma Science Limited

CIN: L24230MH1990PLC057062

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Limited Review Report on unaudited consolidated financial results of Strides Pharma Science Limited for the quarter ended 31 December 2021 and year to date results for the period from 01 April 2021 to 31 December 2021 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Strides Pharma Science Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Strides Pharma Science Limited ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net loss after tax and total comprehensive loss of its associates and joint venture for the quarter ended 31 December 2021 and year to date results for the period from 01 April 2021 to 31 December 2021 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I of this limited review report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Registered Office:

B S R & Co. LLP

6. We did not review the financial information of 5 Subsidiaries included in the Statement, whose financial information reflect total revenues of Rs. 3,642 million and Rs. 14,256 million, total net loss after tax of Rs. 1,522 million and Rs. 3,687 million and total comprehensive loss of Rs. 1,522 million and Rs. 3,687 million, for the quarter ended 31 December 2021 and for the period from 01 April 2021 to 31 December 2021 respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net loss after tax of Rs. 211 million and Rs. 581 million and total comprehensive loss of Rs. 211 million and Rs. 581 million, for the quarter ended 31 December 2021 and for the period from 01 April 2021 to 31 December 2021 respectively as considered in the Statement, in respect of 3 associates, whose financial information have not been reviewed by us. These financial information have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

7. The Statement includes the financial information of 34 Subsidiaries which have not been reviewed, whose financial information reflect total revenues of Rs. 760 million and Rs. 2,745 million, total net loss after tax of Rs. 294 million and Rs. 690 million and total comprehensive loss of Rs. 308 million and Rs. 704 million, for the quarter ended 31 December 2021 and for the period from 01 April 2021 to 31 December 2021 respectively, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 31 million and Rs. 90 million and total comprehensive loss of Rs. 31 million and Rs. 90 million, for the quarter ended 31 December 2021 and for the period from 01 April 2021 to 31 December 2021 respectively as considered in the unaudited consolidated financial results, in respect of 7 associates and a joint venture, based on their financial information which have not been reviewed. According to the information and explanations given to us by the Parent's management, these financial information are not material to the Group.

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

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guhathakurta

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Sampad Guha Thakurta
Partner

Membership No.: 060573
UDIN:22060573ABCQSU2281

Bengaluru
10 February 2022

Annexure I to the limited review report

Sl. No. Entity and the country of incorporation

- 1 Altima Innovations Inc., United States
- 2 Apollo Life Sciences Holding Proprietary Limited, South Africa
- 3 Aponia Laboratories Inc, United States
- 4 Arrow Life Sciences (Malaysia) SDN BHD, Malaysia
- 5 Arrow Pharma (Private) Limited, Sri Lanka
- 6 Arrow Pharma Life Inc., Philippines
- 7 Arrow Pharma Pte Limited, Singapore
- 8 Beltapharm SPA, Italy
- 9 ERIS Pharma GmbH, Germany
- 10 Fairmed Healthcare AG, Switzerland
- 11 Fair-Med Healthcare GmbH, Germany
- 12 Generic Partners (Canada) Inc, Canada (merged with Strides Pharma Canada Inc.)
- 13 Generic Partners (International) Pte Limited, Singapore (merged with Strides Pharma Global Pte Limited)
- 14 Generic Partners (R&D) Pte Ltd., Singapore (merged with Strides Pharma Global Pte Limited)
- 15 Generic Partners UK Limited, United Kingdom
- 16 Regional Bio Equivalence Centre S.C, Ethiopia
- 17 Shasun Pharma Solutions Inc., United States
- 18 Stabilis Pharma Inc., United States
- 19 Stelis Biopharma (Malaysia) SDN. BHD., Malaysia
- 20 Stelis Biopharma Limited, India
- 21 Strides Arcolab International Limited, United Kingdom
- 22 Strides CIS Limited, Cyprus
- 23 Strides Consumer Private Limited, India
- 24 Strides Foundation Trust, India
- 25 Strides Global Consumer Healthcare Limited, United Kingdom
- 26 Strides Life Sciences Limited, Nigeria
- 27 Strides Pharma (Cyprus) Limited, Cyprus
- 28 Strides Pharma (SA) Pty Limited, South Africa
- 29 Strides Pharma Asia Pte Limited, Singapore
- 30 Strides Pharma Canada Inc, Canada
- 31 Strides Pharma Global (UK) Limited, United Kingdom
- 32 Strides Pharma Global Pte Limited, Singapore
- 33 Strides Pharma Inc., United States
- 34 Strides Pharma International Limited, Cyprus
- 35 Strides Pharma Science Limited, India
- 36 Strides Pharma Science Pty Limited, Australia
- 37 Strides Pharma UK Limited, United Kingdom
- 38 Strides Pharma Latina, SA de CV, Mexico
- 39 Strides Vivimed Pte Limited, Singapore (merged with Strides Pharma Global Pte Limited)
- 40 SVADS Holdings SA, Switzerland
- 41 Trinity Pharma Proprietary Limited, South Africa
- 42 Universal Corporation Limited, Kenya
- 43 Vivimed Life Sciences Private Limited, India
- 44 Arco Lab Private Limited, India
- 45 Strides Consumer LLC., USA
- 46 Stelis Pte Ltd, Singapore
- 47 Vensun Pharmaceuticals Inc, USA
- 48 Pharmapar Inc, Canada
- 49 Juno OTC Inc., Canada
- 50 Strides Netherlands BV, Netherlands
- 51 Sihuan Strides (HK) Limited, HK
- 52 Stelis Biopharma LLC, USA
- 53 Strides Nordic ApS, Nordic



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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Rs. in Million

Sl. No.	Particulars	3 Months ended	Preceding 3 Months ended	Corresponding 3	Year to date figures	Year to date figures	Previous year ended
		December 31, 2021	September 30, 2021	Months ended in the previous year December 31, 2020	for the current period ended December 31, 2021	for the previous period ended December 31, 2020	March 31, 2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
	Continuing operations						
I	Revenue from operations	7,943.93	7,214.73	8,320.22	22,042.32	24,073.77	33,158.70
II	Other income	101.89	222.10	132.03	459.31	383.79	514.27
III	Total income (I + II)	8,045.82	7,436.83	8,452.25	22,501.63	24,457.56	33,672.97
IV	Expenses						
	(a) Cost of materials consumed	3,175.91	2,872.31	3,894.32	9,217.50	9,876.58	13,904.23
	(b) Purchases of stock-in-trade	539.13	840.16	743.12	1,987.09	1,803.18	2,960.76
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	295.95	(465.82)	(1,131.69)	(456.21)	(2,066.98)	(3,537.06)
	(d) Employee benefits expense	1,799.43	1,483.55	1,283.50	4,896.55	3,964.47	5,501.47
	(e) Finance costs	422.52	435.55	346.81	1,272.61	1,084.57	1,500.65
	(f) Depreciation and amortisation expense	608.96	565.59	525.09	1,723.38	1,544.31	2,062.87
	(g) Other expenses	2,087.46	2,495.31	1,936.91	6,915.63	5,820.26	8,061.17
	(h) Foreign exchange (gain) / loss - net	30.75	124.88	(11.93)	104.46	(99.69)	(80.17)
	Total expenses (IV)	8,960.11	8,351.53	7,586.13	25,661.01	21,926.70	30,373.92
V	Profit/ (loss) before exceptional items and tax (III - IV)	(914.29)	(914.70)	866.12	(3,159.38)	2,530.86	3,299.05
VI	Exceptional items - net gain / (loss) (Refer note 6)	(154.32)	(599.03)	(137.66)	(1,668.79)	442.85	433.53
VII	Profit / (loss) before tax (V + VI)	(1,068.61)	(1,513.73)	728.46	(4,828.17)	2,973.71	3,732.58
VIII	Share of loss of joint ventures and associates	(242.75)	(233.73)	(269.15)	(671.74)	(779.97)	(978.19)
IX	Profit/ (loss) before tax (VII + VIII)	(1,311.36)	(1,747.46)	459.31	(5,499.91)	2,193.74	2,754.39
X	Tax expense						
	- Current tax	(18.70)	18.54	68.49	40.78	213.32	214.48
	- Deferred tax	(26.08)	(86.18)	39.25	(508.60)	(11.71)	102.03
	Total tax expense (X)	(44.78)	(67.64)	107.74	(467.82)	201.61	316.51
XI	Profit/(loss) after tax from continuing operations (IX - X)	(1,266.58)	(1,679.82)	351.57	(5,032.09)	1,992.13	2,437.88
XII	Discontinued operations						
	- Profit / (loss) from discontinued operations	-	-	-	-	-	-
	- Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)	-	-	-	-	147.72	139.41
	- Tax expense of discontinued operations	-	-	-	-	-	-
XIII	Profit/(loss) after tax from discontinued operations	-	-	-	-	147.72	139.41
XIV	Profit / (loss) for the period (XI + XIII)	(1,266.58)	(1,679.82)	351.57	(5,032.09)	2,139.85	2,577.29



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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Rs. in Million

Sl. No.	Particulars	3 Months ended December 31, 2021	Preceding 3 Months ended September 30, 2021	Corresponding 3 Months ended in the previous year December 31, 2020	Year to date figures for the current period ended December 31, 2021	Year to date figures for the previous period ended December 31, 2020	Previous year ended March 31, 2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
XV	Other comprehensive income						
A	(i) Items that will not be reclassified to statement of profit and loss	(22.91)	(50.20)	(8.34)	(100.91)	115.89	104.46
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	2.15	10.56	3.77	19.62	(24.07)	(14.08)
B	(i) Items that may be reclassified to statement of profit and loss	52.83	(15.75)	55.19	290.12	245.01	212.09
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	14.77	(27.44)	(23.07)	(5.54)	(144.05)	(136.92)
	Total other comprehensive income for the period (XV)	46.84	(82.83)	27.55	203.29	192.78	165.55
XVI	Total comprehensive income for the period (XIV + XV)	(1,219.74)	(1,762.65)	379.12	(4,828.80)	2,332.63	2,742.84
	Profit for the period attributable to:						
	- Owners of the Company	(1,216.71)	(1,625.59)	378.47	(4,894.30)	2,223.56	2,684.42
	- Non-controlling interests	(49.87)	(54.23)	(26.90)	(137.79)	(83.71)	(107.13)
		(1,266.58)	(1,679.82)	351.57	(5,032.09)	2,139.85	2,577.29
	Other comprehensive income for the period						
	- Owners of the Company	43.21	(90.22)	27.07	196.84	194.41	159.97
	- Non-controlling interests	3.63	7.39	0.48	6.45	(1.63)	5.58
		46.84	(82.83)	27.55	203.29	192.78	165.55
	Total comprehensive income for the period						
	- Owners of the Company	(1,173.50)	(1,715.81)	405.54	(4,697.46)	2,417.97	2,844.39
	- Non-controlling interests	(46.24)	(46.84)	(26.42)	(131.34)	(85.34)	(101.55)
		(1,219.74)	(1,762.65)	379.12	(4,828.80)	2,332.63	2,742.84
	Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(1) Basic (in Rs.)	(13.55)	(18.12)	4.22	(54.54)	23.17	28.40
	(2) Diluted (in Rs.)	(13.55)	(18.12)	4.22	(54.54)	23.14	28.37
	Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)						
	(1) Basic (in Rs.)	-	-	-	-	1.65	1.56
	(2) Diluted (in Rs.)	-	-	-	-	1.65	1.55
	Earnings per equity share (face value of Rs. 10/- each) (for total operations)						
	(1) Basic (in Rs.)	(13.55)	(18.12)	4.22	(54.54)	24.82	29.96
	(2) Diluted (in Rs.)	(13.55)	(18.12)	4.22	(54.54)	24.79	29.92
	See accompanying notes to the Financial Results						



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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Notes:

- These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The above consolidated results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 10, 2022. The statutory auditors have reviewed the results for the quarter and nine months ended December 31, 2021 and have issued an unmodified opinion.
- On December 4, 2013, the Company and its wholly owned subsidiary, Strides Pharma Asia Pte Limited ("the Singapore Subsidiary"), completed the sale of investments in Agila Specialties Private Limited and Agila Specialties Global Pte Limited (together, "Agila") to Mylan Laboratories Limited and Mylan Institutional Inc. (together, "Mylan") pursuant to separate agreements, each dated as of February 27, 2013 (the "SPAs"). Under the terms of SPA, the Group is entitled to the benefit of any refund of taxes in respect of any period ending on or before the completion date.

During the previous year, Mylan has received certain tax refund with respect to the period on or before the completion date, which has been remitted to the Group. The Group has recorded such receipt of Rs. 147.72 million and corresponding expenses of Rs.8.31 million under discontinued operations.

Sl. No.	Particulars	Rs. in Million					
		3 Months ended December 31, 2021	Preceding 3 Months ended September 30, 2021	Corresponding 3 Months ended in the previous year December 31, 2020	Year to date figures for the current period ended December 31, 2021	Year to date figures for the previous period ended December 31, 2020	Previous year ended March 31, 2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
I	Total Revenue	-	-	-	-	-	-
II	Total Expenses	-	-	-	-	-	-
III	Profit/(loss) before exceptional items and tax (I - II)	-	-	-	-	-	-
IV	Exceptional items	-	-	-	-	-	-
V	Profit/(loss) before tax (III + IV)	-	-	-	-	-	-
VI	Share of profit / (loss) of joint ventures and associates	-	-	-	-	-	-
VII	Profit/(loss) before tax (V + VI)	-	-	-	-	-	-
VIII	Gain on disposals of assets (net)	-	-	-	-	147.72	139.41
IX	Tax expense / (benefit)	-	-	-	-	-	-
X	Profit/(loss) from discontinued operations (VII+ VIII - IX)	-	-	-	-	147.72	139.41

- During the previous year, the Group gained controlling interest in Fairmed Healthcare AG, Switzerland, thereby making it a subsidiary of the group. Pursuant to the acquisition of controlling interest in Fairmed, in accordance with Ind AS 103 "Business Combinations", the group recorded a gain of Rs. 25.30 Million, being the difference in the fair value of non-controlling interest held and carrying value of equity in Fairmed.



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5 On March 31, 2020, US Food and Drug Administration (USFDA or the Agency) issued letters to all manufacturers of Ranitidine across dosage forms requesting withdrawal of all prescription(Rx) and over-the-counter (OTC) ranitidine drugs from the market immediately. This step was based on their ongoing investigation of the N-Nitrosodimethylamine (NDMA) impurity in ranitidine medications. As a result, effective 1 April 2020, the Group has ceased further distribution of the product and is currently in the process of withdrawing the product from the market.

During the current period, the group has continued to receive returns from its customers with the corresponding value being deducted on their payments to the Group. As at December 31, 2021, the Group is carrying sufficient provision for sales return and has recorded an amount of Rs. 161.16 million towards other expenses related to its product withdrawal. Furthermore, the expenses recorded also includes legal fees incurred by the Group in respect of its ongoing litigations relating to Ranitidine. These amounts, in line with earlier periods, have been recorded as an expense within Exceptional items in the statement of profit and loss during the period.

6 **Exceptional Item gain/ (loss) (net):**

Rs. in Million

Particulars	3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended in	Year to date figures	Year to date figures	Previous year ended
	December 31, 2021	September 30, 2021	the previous year December 31, 2020	for the current period ended December 31, 2021	for the previous period ended December 31, 2020	March 31, 2021
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
- Exchange gain/ (loss) on long-term foreign currency loans, derivatives, deferred consideration and intra-group loans	(5.42)	(221.20)	360.85	(273.77)	1,063.69	1,027.73
- Sales returns, write down of inventory and other expenses on account of Ranitidine withdrawal (refer note 5)	(17.20)	(44.68)	(475.78)	(161.16)	(560.61)	(750.50)
- Impairment and cost associated with disposal of facility (refer note 7)	(44.04)	(252.18)	-	(1,695.96)	-	-
- Impairment of investment in associates	-	-	-	-	-	(81.99)
- Gain on dilution of investment in associates	-	-	-	529.26	-	323.00
- Fair valuation gain on acquisition of controlling shares in Fairmed Healthcare (Refer note 4)	-	-	-	-	25.30	25.30
- Business combination and restructuring expenses	(66.64)	(62.08)	-	(128.83)	(19.77)	(23.61)
- Unwinding/ cancellation of gross obligations and contingent consideration	(21.01)	(20.51)	(22.73)	32.27	(65.76)	(86.40)
- Gain on sale of Investment in associate, Juno OTC, Canada	-	-	-	27.79	-	-
- Gain on divestment of subsidiaries	(0.01)	1.62	-	1.61	-	-
Total	(154.32)	(599.03)	(137.66)	(1,668.79)	442.85	433.53

7 On Aug 4, 2021, the Group through its wholly owned subsidiaries entered into definitive agreements with subsidiaries of Endo international Plc to acquire a portfolio of generic products along with the US manufacturing site at Chestnut Ridge, New York. Pursuant to such acquisition, the management decided to consolidate its existing West Palm Beach (Florida facility) operations with the acquired facility at Chestnut Ridge, New York to optimise future operating costs.

As at December 31, 2021 the Group divested the Florida facility. Accordingly the Group recorded for impairment loss (including associated costs) amounting to Rs. 1,695.96 million which has been disclosed under exceptional items.



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8 Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Group's performance based on an analysis of various performance indicators. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

Effective previous year, the Group pursuant to its assessment that the business has now evolved from its incubation stage and to align to the decision to demerge certain parts of its business, implemented operational changes in how its CODM evaluates its businesses, including resource allocation and performance assessment. As a result of the aforesaid change, the Group has two operating segments, representing the individual businesses that are managed separately. The Group's reportable segment are as follows: "Pharmaceutical" & "Bio-pharmaceutical".

Rs. in Million

	Particulars	3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended in the previous year	Year to date figures for the current period ended	Year to date figures for the previous period ended	Previous year ended
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	Segment Revenue						
	a) Pharmaceutical business	7,943.93	7,214.73	8,320.22	22,042.32	24,073.77	33,158.70
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	Revenue from operations	7,943.93	7,214.73	8,320.22	22,042.32	24,073.77	33,158.70
2	Segment results						
	(i) Profit/ (loss) before exceptional items and tax						
	a) Pharmaceutical business	(914.29)	(914.70)	866.12	(3,159.38)	2,530.86	3,299.05
	b) Bio-pharmaceutical business	-	-	-	-	-	-
		(914.29)	(914.70)	866.12	(3,159.38)	2,530.86	3,299.05
	(ii) Exceptional items - net gain / (loss)						
	a) Pharmaceutical business	(154.32)	(599.03)	(137.66)	(2,198.05)	442.85	110.53
	b) Bio-pharmaceutical business	-	-	-	529.26	-	323.00
		(154.32)	(599.03)	(137.66)	(1,668.79)	442.85	433.53
	(iii) Share of loss of joint ventures and associates						
	a) Pharmaceutical business	(101.41)	(25.07)	(110.75)	(214.52)	(315.99)	(399.42)
	b) Bio-pharmaceutical business	(141.34)	(208.66)	(158.40)	(457.22)	(463.98)	(578.77)
		(242.75)	(233.73)	(269.15)	(671.74)	(779.97)	(978.19)
	(iv) Profit/ (loss) before tax						
	a) Pharmaceutical business	(1,170.02)	(1,538.80)	617.71	(5,571.95)	2,657.72	3,010.16
	b) Bio-pharmaceutical business	(141.34)	(208.66)	(158.40)	72.04	(463.98)	(255.77)
	Profit/ (loss) before tax [(i)+(ii)+(iii)]	(1,311.36)	(1,747.46)	459.31	(5,499.91)	2,193.74	2,754.39
	Tax expense	(44.78)	(67.64)	107.74	(467.82)	201.61	316.51
	(v) Profit/(loss) after tax from continuing operations	(1,266.58)	(1,679.82)	351.57	(5,032.09)	1,992.13	2,437.88



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**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
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							Rs. in Million
	Particulars	3 Months ended	Preceding 3 Months ended	Corresponding 3	Year to date figures	Year to date figures	Previous year
		December 31, 2021	September 30, 2021	Months ended in the previous year December 31, 2020	for the current period ended December 31, 2021	for the previous period ended December 31, 2020	ended March 31, 2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	Segment Assets						
	a) Pharmaceutical business	66,228.20	63,264.71	63,233.89	66,228.20	63,233.89	65,175.14
	b) Bio-pharmaceutical business	5,020.45	5,170.25	4,428.71	5,020.45	4,428.71	4,975.06
	Total Segment Assets	71,248.65	68,434.96	67,662.60	71,248.65	67,662.60	70,150.20
2	Segment Liabilities						
	a) Pharmaceutical business	46,086.64	44,090.21	39,868.36	46,086.64	39,868.36	42,002.87
	b) Bio-pharmaceutical business	-	7.42	-	-	-	7.31
	Total Segment Liabilities	46,086.64	44,097.63	39,868.36	46,086.64	39,868.36	42,010.18

9 In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Group has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Group has considered available internal and external information while finalizing various estimates in relation to its financial results upto the date of approval of the financial results by the Board of Directors. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID -19 situation evolves in India and globally. The Group will continue to closely monitor any material changes to future economic conditions.

The Group has recognised loss amounting to Rs. 5,032 million and has negative operating cash flows amounting to Rs. 1,955 million for the period ended December 31, 2021 on account of continuing pricing pressure in some of its key geographies consequent to effects of COVID. Further as of December 31, 2021 the Group's current liabilities exceed its current assets by Rs. 1,472 million and additionally it has provided certain guarantees in relation to the borrowings of its Associate.

Considering the decline in the business performance of the Group for the nine months ended 31 December 2021, owing to COVID related headwinds, the Parent Company and a subsidiary is likely to face challenges with respect to compliance with certain financial covenants relating to some of its borrowings as at and for the year ending 31 March 2022 with consequential impact on its cash position. To address the situation, the Company's Board has, subject to shareholders and other regulatory approvals, approved on 10 February 2022 a plan to raise additional equity through issue of warrants to its Promoters. Additionally, the management has also initiated discussions with its lenders seeking certain temporary relaxations for compliance with financial covenants related to its borrowings and has also initiated a plan to refinance a portion of such borrowings through another lender without any significant additional financial covenants to be complied with as at 31 March 2022. The Group is in advanced stages of discussion with a new lender. Additionally management is also in discussion with Arrotex to collect the deferred consideration of Rs. 5,347 million by 31 March 2022. Further, the Group has cash and cash equivalents, deposits and liquid investments of Rs. 2,993 million as at 31 December 2021 and also undrawn borrowing lines available from certain lenders. The Group has also successfully raised long term and other financing facilities amounting to Rs. 3,896 million during the period ended December 31, 2021.

Accordingly, based on the fact that the Group had generated positive operating cash flows in the previous year/ periods and expects to generate positive operating cash flows in future periods, its ability to raise new financing facilities / replace existing facilities and the steps undertaken by management as noted above, management believes that the Group will be able to continue to generate sufficient cash in the foreseeable future to meet its obligations as they fall due.

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS**FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021**

10 The Board of Directors of the Company at its meeting held on February 10, 2022 has approved the issuance of upto 4 Million Equity Warrants at an Issue Price of Rs. 485/- per warrant, which is higher than the floor price as stipulated in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, to Karuna Business Solutions LLP, a promoter group entity, with a right to apply for and get allotted, within a period of 18 (Eighteen) months from the date of allotment of Warrants, 1 (one) Equity Share of face value of Rs 10/- (Rupee Ten Only) each for each Warrant, for cash. The issue is subject to shareholders, stock exchanges and other regulatory approvals.

11 Information on Standalone Results :-

Rs. in Million

Particulars	3 Months ended December 31, 2021	Preceding 3 Months ended September 30, 2021	Corresponding 3 Months ended in the previous year December 31, 2020	Year to date figures for the current period ended December 31, 2021	Year to date figures for the previous period ended December 31, 2020	Previous year ended March 31, 2021
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
Total Income from continuing operations	4,470.57	5,974.07	4,373.14	15,620.02	12,896.57	19,465.62
Profit/ (loss) before tax from continuing operations	(316.90)	242.82	273.64	(351.99)	429.40	1,116.35
Profit/ (loss) after tax from continuing operations	(176.03)	185.18	204.89	(203.16)	301.65	782.40
Profit/(loss) before tax from discontinued operations	-	-	-	-	-	-
Profit/(loss) after tax from discontinued operations	-	-	-	-	-	-

12 Previous period figures have been regrouped to conform with the classification adopted in these financial results.

For and on behalf of the BoardRAGHUNATHAN
ANANTHANARAYA
NANDigitally signed by
RAGHUNATHAN
ANANTHANARAYANAN
Date: 2022.02.10 12:54:09
+05'30'**Dr. R Ananthnarayanan**
Managing Director and CEO

Bengaluru, February 10, 2022

B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park,
Pebble Beach, B Block, 3rd Floor, No. 13/2,
Off Intermediate Ring Road,
Bengaluru-560 071 India

Telephone: + 91 80 4682 3000
Fax: + 91 80 4682 3999

Limited Review Report on unaudited standalone financial results of Strides Pharma Science Limited for the quarter ended 31 December 2021 and year-to-date results for the period from 01 April 2021 to 31 December 2021 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Strides Pharma Science Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Strides Pharma Science Limited ("the Company") for the quarter ended 31 December 2021 and year-to-date results for the period from 01 April 2021 to 31 December 2021 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

sampad
guhathakurta

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sampad guhathakurta
Date: 2022.02.10
13:05:25 +05'30'

Sampad Guha Thakurta

Partner

Membership No.: 060573

UDIN:22060573ABCQUO2530

Bengaluru
10 February 2022

Registered Office:



STRIDES PHARMA SCIENCE LIMITED
CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.
Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Rs. in Million

Sl. No.	Particulars	3 Months ended December 31, 2021	Preceding 3 Months ended September 30, 2021	Corresponding 3 Months ended in the previous year December 31, 2020	Year to date figures for the current period ended December 31, 2021	Year to date figures for the previous period ended December 31, 2020	Previous year ended March 31, 2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
	Income						
I	Revenue from operations	4,395.59	5,749.97	4,210.85	15,233.46	12,239.67	18,575.66
II	Other income	74.98	224.10	162.29	386.56	656.90	889.96
III	Total income (I + II)	4,470.57	5,974.07	4,373.14	15,620.02	12,896.57	19,465.62
	IV Expenses						
	(a) Cost of materials consumed	2,323.17	2,162.96	2,658.40	6,920.36	6,690.79	10,500.98
	(b) Purchases of stock-in-trade	6.84	174.80	156.08	327.41	481.23	563.07
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	391.99	556.83	(755.45)	1,108.61	(492.63)	(1,175.34)
	(d) Employee benefits expense	676.00	716.43	640.32	2,186.81	1,990.88	2,727.24
	(e) Finance costs	166.00	180.03	171.32	526.94	474.32	653.39
	(f) Depreciation and amortisation expense	262.32	270.89	251.53	799.57	746.15	993.42
	(g) Other expenses	978.38	1,545.70	1,076.91	4,025.31	2,869.73	4,367.40
	(h) Foreign exchange (gain)/ Loss- net	(17.23)	123.61	(99.61)	77.00	(293.30)	(280.89)
	Total expenses (IV)	4,787.47	5,731.25	4,099.50	15,972.01	12,467.17	18,349.27
V	(Loss) / Profit before exceptional items and tax (III - IV)	(316.90)	242.82	273.64	(351.99)	429.40	1,116.35
VI	Exceptional Item (loss)/ profit (net)	-	-	-	-	-	-
VII	(Loss) / Profit before tax (V + VI)	(316.90)	242.82	273.64	(351.99)	429.40	1,116.35
VIII	Tax expense						
	- Current tax (benefit) / expense	-	-	30.87	-	75.36	210.18
	- Deferred tax (benefit) / expense	(140.87)	57.64	37.88	(148.83)	52.39	123.77
	Total tax (benefit) / expense (VIII)	(140.87)	57.64	68.75	(148.83)	127.75	333.95
IX	(Loss) / Profit for the period (VII - VIII)	(176.03)	185.18	204.89	(203.16)	301.65	782.40



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STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Rs. in Million

Sl. No.	Particulars	3 Months ended December 31, 2021	Preceding 3 Months ended September 30, 2021	Corresponding 3 Months ended in the previous year December 31, 2020	Year to date figures for the current period ended December 31, 2021	Year to date figures for the previous period ended December 31, 2020	Previous year ended March 31, 2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
X	Other comprehensive income						
A	(i) Items that will not be reclassified to statement of profit and loss	-	-	-	-	-	(23.35)
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	-	-	-	-	-	8.16
B	(i) Items that may be reclassified to statement of profit and loss	(50.28)	60.12	65.63	(9.66)	444.15	391.10
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	17.57	(21.00)	(22.93)	3.38	(155.20)	(136.66)
	Total other comprehensive income for the period (X)	(32.71)	39.12	42.70	(6.28)	288.95	239.25
XI	Total comprehensive income for the period (IX + X)	(208.74)	224.30	247.59	(209.44)	590.60	1,021.65
	Earnings per equity share (face value of Rs. 10/- each)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (Rs.)	(1.96)	2.06	2.29	(2.26)	3.37	8.73
	(b) Diluted (Rs.)	(1.96)	2.06	2.28	(2.26)	3.36	8.72
	See accompanying notes to the Financial Results						



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**STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021**

Notes:

1 These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 10, 2022. The statutory auditor has reviewed the results for the quarter and nine months December 31, 2021 and have issued an unmodified opinion.

3 In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Company has considered available internal and external information while finalizing various estimates in relation to its financial results upto the date of approval of the financial results by the Board of Directors. The Company will continue to closely monitor any material changes to future economic conditions.

The Company has recognised loss amounting to Rs. 203 million for the period ended December 31, 2021 on account of continuing pricing pressure in some of its key geographies consequent to effects of COVID. Additionally it has provided certain guarantees in relation to the borrowings of its subsidiaries and associates.

Considering the decline in the business performance of the Group for the nine months ended 31 December 2021, owing to COVID related headwinds, the Company is likely to face challenges with respect to compliance with certain financial covenants relating to some of its borrowings as at and for the year ending 31 March 2022 with consequential impact on its cash position. To address the situation, the Company's Board has, subject to shareholders and other regulatory approvals, approved on 10 February 2022 a plan to raise additional equity through issue of warrants to its Promoters. Additionally, the management has also initiated discussions with its lenders seeking certain temporary relaxations for compliance with financial covenants related to its borrowings and has also initiated a plan to refinance a portion of such borrowings through another lender without any significant additional financial covenants to be complied with as at 31 March 2022. The Group is in advanced stages of discussion with a new lender. Additionally management is also in discussion with Arrotex to collect the deferred consideration of Rs 5,347 million by 31 March 2022. Further, the Group has cash and cash equivalents, deposits and liquid investments of Rs 2,993 million as at 31 December 2021 and the Company has also undrawn borrowing lines available from certain lenders. The Company has also successfully raised long term and other financing facilities amounting to Rs. 295 million during the period ended December 31, 2021.

Accordingly, based on the fact that the Company had generated positive operating cash flows in the previous year and expects to generate positive operating cash flows in future periods, its ability to raise new financing facilities / replace existing facilities and the steps undertaken by management as noted above, management believes that the Company will be able to continue to generate sufficient cash in the foreseeable future to meet its obligations as they fall due.

4 The Board of Directors of the Company at its meeting held on February 10, 2022 has approved the issuance of upto 4 Million Equity Warrants at an Issue Price of Rs. 485/- per warrant, which is higher than the floor price as stipulated in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, to Karuna Business Solutions LLP, a promoter group entity, with a right to apply for and get allotted, within a period of 18 (Eighteen) months from the date of allotment of Warrants, 1 (one) Equity Share of face value of Rs 10/- (Rupee Ten Only) each for each Warrant, for cash. The issue is subject to shareholders, stock exchanges and other regulatory approvals.



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STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

5 Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Company's performance based on an analysis of various performance indicators. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

Effective quarter ended March 31, 2021, the Company pursuant to its assessment that the business has now evolved from its incubation stage and to align to the decision to demerge certain parts of its business, implemented operational changes in how its CODM evaluates its businesses, including resource allocation and performance assessment. As a result of the aforesaid change, the Company now has two operating segments, representing the individual businesses that are managed separately. The Company's new reportable segment are as follows: "Pharmaceutical" and "Bio-pharmaceutical". The Company has restated segment information for the historical periods presented herein to conform to the current presentation. This change in segments had no impact on the Company's historical standalone statements of profit and loss, balance sheets.

Sl. No.	Particulars	Rs. in Million					
		3 Months ended December 31, 2021	Preceding 3 Months ended September 30, 2021	Corresponding 3 Months ended in the previous year December 31, 2020	Year to date figures for the current period ended December 31, 2021	Year to date figures for the previous period ended December 31, 2020	Previous year ended March 31, 2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	Segment Revenue						
	a) Pharmaceutical business	4,395.59	5,749.97	4,210.85	15,233.46	12,239.67	18,575.66
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	Revenue from operations	4,395.59	5,749.97	4,210.85	15,233.46	12,239.67	18,575.66
2	Segment results						
	a) Pharmaceutical business	(316.90)	242.82	273.64	(351.99)	429.40	1,116.35
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	(Loss) / Profit before tax (I)	(316.90)	242.82	273.64	(351.99)	429.40	1,116.35
	Tax (benefit) / expense (II)	(140.87)	57.64	68.75	(148.83)	127.75	333.95
	(Loss) / Profit for the period (I-II)	(176.03)	185.18	204.89	(203.16)	301.65	782.40

Sl. No.	Particulars	Rs. in Million					
		3 Months ended December 31, 2021	Preceding 3 Months ended September 30, 2021	Corresponding 3 Months ended in the previous year December 31, 2020	Year to date figures for the current period ended December 31, 2021	Year to date figures for the previous period ended December 31, 2020	Previous year ended March 31, 2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	Segment Assets						
	a) Pharmaceutical business	47,710.30	47,594.90	44,401.48	47,710.30	44,401.48	46,816.40
	b) Bio-pharmaceutical business	5,396.93	5,396.93	5,036.87	5,396.93	5,036.87	5,396.93
	Total Segment Assets	53,107.23	52,991.83	49,438.35	53,107.23	49,438.35	52,213.33
2	Segment Liabilities						
	a) Pharmaceutical business	21,020.72	20,693.89	17,404.79	21,020.72	17,404.79	19,568.88
	b) Bio-pharmaceutical business	-	7.44	-	-	-	73.87
	Total Segment Liabilities	21,020.72	20,701.33	17,404.79	21,020.72	17,404.79	19,642.75



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**STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021**

- 6 The Board of Directors of the Company on February 10, 2022 have approved the Scheme of Amalgamation u/s 230 to 232 of the Companies Act, 2013, between Strides Pharma Science Limited and Vivimed Lifesciences Private Limited with an appointed date of April 1, 2022. The Scheme of Amalgamation is yet to be filed with National Company Law Tribunal(NCLT) for approval. The Scheme was originally approved by the Board of Directors at their meeting held on October 29, 2020. However, the Company did not proceed with the Scheme at that time and the current Scheme supersedes the original Scheme.
- 7 Previous period figures have been regrouped to conform with the classification adopted in these financial results.

For and on behalf of the Board

RAGHUNATHAN
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RAGHUNATHAN
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**Dr R Ananthanarayanan
Managing Director and CEO**

Bengaluru, February 10, 2022



Stelis achieves its first ever operational breakeven in Q3FY22

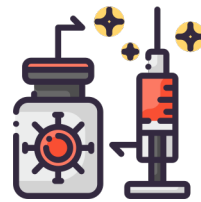
Stelis Biopharma Limited | Quarterly Update | **February 2022**





Global CDMO Services

End to end service provider including process development, scale up and manufacturing services for biologics **(operating as Stelis)**



Full Services Vaccines

A full services vaccines CDMO player with dedicated and integrated facility to cater to multiple vaccine types **(operating as Stelis)**



Biosimilars and Peptides

Building a portfolio of advanced biosimilars, peptides, and other leading products with our in-house development capabilities. **(operating as Biolexis)**



Q3FY22 Financial Performance

- CDMO business achieves a **significant milestone** as it **breaks even in Q3FY22 for the first time**.
- The business delivered a standalone operating revenue of **INR 618 million** delivering an EBITDA of 8% at **INR 50 million**. Stelis, however, reported a loss of **INR 365 million** after interest and depreciation



Business updates

- The CDMO business delivered an **exceptional outcome** for two of its partners by securing them an NCE-1 filings for a very large product.
- During the year, the Company has onboarded **5 new customers** which have a strong **commercial business value** that will start **translating into revenues** from **FY23**



Regulatory approval and facility expansion

- **Partnered filings triggered inspections** have a target action date (TAD) from global regulatory authorities including the EU/EMA and USFDA. However, there has been no **new development on regulatory inspections** as **Covid-19-led travel restrictions** continue to delay the facility audits
- **Ongoing project work** on mammalian block installation on track, block to be mechanically **completed in FY23** (8000L Reactor capacity)



Update on Sputnik Light Vaccine

- Our new vaccine manufacturing facility **successfully completed the CDSCO inspection** for drug substance and drug product
- Received an **Initial Export No Objection Certificate(NOC)** for **50 million doses** of Sputnik Light
- Successfully manufactured **Sputnik Light vaccine** at **2000L commercial scale**
- Stelis expects to **launch the vaccine within Q4FY22**
- Sputnik Light continues to get approved in various countries and has recently received an **Emergency Use Authorization (EUA)** for **India**



In its **commitment to fight against Covid-19**, Stelis rose to the challenge and planned its foray into vaccines in March 2021



Stelis has **invested over \$100m** to **build a dedicated facility** to produce vaccines with **integrated capabilities**



Despite Covid, **Stelis' vaccine facility** was built in a **record time of less than 200 days** with a best-in-class design and modularity to cater to several vaccine formats



The site can **offer flexible technologies to manufacture lentivirus, adenovirus and retrovirus products/vaccines** along with adherent and suspension-based processes



It is equipped with a **40,000L Drug Substance bioreactor capacity** at a **2,000L scale**, using Single-Use Bioreactors, providing **optimum flexibility and cost-effectiveness for any demand**



Our product division had major success with STLG001 being filed with the USFDA as a first to file product



Molecule	Indication	Development Stage	Latest Update
STLP001 (Rh- Teriparatide)	Osteoporosis	Filed in EU/ Phase 1 ready for US	<ul style="list-style-type: none"> EMA has given positive comments on our filing, approval expected post GMP inspection (delayed due to Covid related travel restrictions) Partnership signed up for 18 countries, active discussions to sign up as many countries in next 2 quarters.
STLI001 (Glargine)	Diabetes	Clinical	<ul style="list-style-type: none"> Phase-1 clinical trial for India completed and studies have been concluded Global filings for several markets starting FY23 Strategic partnership under discussion to meet cost and demand
STLI002 (Aspart)	Diabetes	Pre-clinical	<ul style="list-style-type: none"> Scale up to 50L initiated
STLI003 (Lispro)	Diabetes	Pre-clinical	<ul style="list-style-type: none"> Scale up to 50L initiated
STLG001 (Un-disclosed)	Diabetes	Scale-up	<ul style="list-style-type: none"> Filing completed via ANDA route as a first to file product
STLG002 (Un-disclosed)	Diabetes	Scale-up	<ul style="list-style-type: none"> Development initiated, on track for filing in FY24
STLS001 (Un-disclosed)	Anti- hemorrhoid	Pre-clinical	<ul style="list-style-type: none"> Pre-clinical stage , post FY24 opportunities



Thank you

For details, please visit www.stelisbiosource.com

Stelis Biopharma Limited

(Formerly Stelis Biopharma Private Limited)
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ankit@stelis.com*