



**“Strides Pharma Science Limited  
Q2 and H1 FY '25 Earnings Conference Call”  
October 24, 2024**

**MANAGEMENT:**

- 1. MR. ARUN KUMAR**  
– FOUNDER & EXECUTIVE CHAIRPERSON
  
- 2. MR. BADREE KOMANDUR**  
– MANAGING DIRECTOR & GROUP CEO
  
- 3. MR. VIKESH KUMAR**  
– GROUP CFO

**INVESTOR RELATIONS CONSULTANT: MR. ABHISHEK SINGHAL**

**Moderator:** Ladies and gentlemen, good day, and welcome to Strides Pharma Science Limited Q2 and H1 FY '25 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Abhishek Singhal. Thank you, and over to you, sir.

**Abhishek Singhal:** Thank you. Very good afternoon and thank you for joining us today for Strides' earnings call for the second quarter and half year ended financial year 2025. Today, we have with us Arun, Founder and Executive Chairman; Badree, Managing Director and Group CEO; and Vikesh Kumar, Group CFO, to share the highlights of the business and financials of the quarter.

I hope you've gone through our results release and the quarterly investor presentations that have been uploaded on our website as well as stock exchange website. The transcript of this call will be available in a week's time on the company's website.

Please note that today's discussion will be forward-looking in nature and must be viewed in relation to the risks pertaining to our business. After the end of this call, in case you have any further questions, please feel free to reach out to Investor Relations team.

I now hand over the call to Arun to make his opening comments.

**Arun Kumar:** Thank you, Abhishek. Good evening, everybody. Thank you for joining our call. I know today is a busy earnings day, so we appreciate your attendance to our call. It's been a good quarter again. We have reported a very strong quarterly performance. We are outbeating each quarter, which is great news, and we are delighted with our performance.

What is critical here to note is that we have moved our revenue growth quite significantly after 4 steady quarters of growth where we had top line stagnation by design, but we had significant gross margin and EBITDA growth as we were cutting out all the inefficiencies in the operation. And having settled on that, we have now activated our growth, and you will now get to see these levels of growth in the next 2 to 3 quarters. Consequently, we are now very comfortable in guiding and confirming that all of our previously guided numbers would now be achieved more trending towards the higher end of our guidance outlook.

Overall, it's been a great quarter, like I mentioned. All our financial metrics and ratios and debt-to-EBITDA ratios have significantly improved and will continue to improve. Pleasing, of course, was our outstanding US performance. We are trending ahead of our run rate. We had \$75 million of revenue this year. A lot of this growth is coming from the fact that we've been able to slowly but steadily relaunch products from the government portfolio that we acquired from Endo and taking significant market share and consequently improving revenues in the US, especially from our manufacturing operations in the US.

EBITDA at INR236 crores is again our highest ever reported EBITDA and while our reported PAT INR93 crores adjusted for the loss pickup of depreciation and interest from OneSource at INR100 crores is again our highest ever reported PAT. I think we are on a very steady footing to grow our business from here on, and we are very confident about the quality of the business and the teams that are leading this business to its stated objectives.

Quickly, taking through the numbers, you will see a tad reduction in our gross margin, which is because of the growth of our access market, which, as everybody knows, is a low gross margin number, but that's not material. Having said that, we are trending very close to the EBITDA range that we have guided.

Historically, for the last 2 decades, those of you who have been following Strides know that typical H2 is in the 55:45 ratio as in H1 being 45% and 55% being H2. That's because we continue to have a steady focus on the acute therapies, which actually have greater sales during winter in most parts of the countries that we operate.

So if we go by specifics, the EBITDA to cash conversion has been very high and my colleague, Vikesh, will speak more in detail about that. I'm breezing through the H1 numbers. Revenues are trending strongly at 17% growth. EBITDA at INR452 crores is almost 45%, 47% of our range, and we're very confident of hitting our stated objective of INR950 crores to INR1,000 crores, including OneSource, and taking off OneSource business, we are very confident of hitting the INR750 crores to INR800 crores EBITDA range. And you will see that the retained business of Strides will continue to grow from that size.

We now have one additional product where we are market leaders during the quarter in the US, and we now have -- we have increased our commercialized products to 71, two new products approved and one new product approved and three from our dormant product list that we have identified 60 products that meet our criteria, and obviously, the success of those launches are flowing through, are beyond generics, beyond \$400 million. So our \$400 million strategy for FY '27-'28 is reaffirmed. We are very confident we can get there with the kind of margin profile and price discipline that we are known for.

We continue to be the best performing provider of generics in the industry with almost zero failure to supply. This is the hallmark of the company, and we're building on that relationship for better pricing, better share of the wallet, which we're successfully achieving month-on-month.

On the Other Regulated Markets, to be candid, we are not extremely delighted with the growth the other regulated markets have delivered, save for our strong performance in Australia and the UK. The market -- the rest of the markets have been a little tepid for us, and that is mainly in Continental Europe. We have had several products approved, but our partners are very significant, the top 5 generic players in Europe. And typically, we're signing to a partnership to actual launch. It's taking a lot longer than what we have hoped for and anticipated. So we just think that growth is there. Our partnerships are very solid. We probably will see more accelerated growth early next year. But having said that, the other regulated markets continues to be a key focus area for us, and we probably are 3% or 4% short of our target rate -- growth

rate in the other regulated markets. Having said that, the overall guidance would be easily met with outperformance in UK, Australia and also in the US.

The new markets that we have been focusing on is growing steadily. And this is a new -- these are new markets that we have seeded and includes the African region where we have a branded strategy, the access markets and new regions of APAC and MENA. They continue to grow. They are always lumpy because it's a subscale, suboptimal size scale now. But for the efforts and the teams that we have in place, we believe that this will be the star -- these markets will be the star-performing markets for us in the years to come. Much better margin profile in these markets, but we are currently seeding them with investments of portfolio and foot soldiers. So obviously, you will see benefits coming through in the next several years.

And I'm going to leave matters related to debt and balance sheet to my colleagues, support of Badree and Vikesh.

I just want -- I'm sure that many of you would be interested in the updates on OneSource. So you will notice that we have updated our -- sorry. On 26th September, we updated an investor deck prior to our capital raise. We have guided -- we're now guiding for \$160 million to \$180 million with a 34% EBITDA margin. Please understand that this H1 from Stelis has been EBITDA positive, but it's still a PAT loss. That would change significantly in Q3 and Q4 as we start commercializing our GLPs. We are now very comfortable guiding, trending more towards the higher end of our guidance. In our investor meets, we have guided for \$59 million to \$60 million of EBITDA with an exit quarter EBITDA of \$20 million. We are very comfortable staying -- reaffirming those numbers in today's call. We are very excited about the opportunities that we have signed up in OneSource.

We continue to receive very significant RFPs and contract signing. We currently are fully sold out with our capacities. We are commercializing the liraglutide GLP starting from Q4. And we are backordered as some of our customers have forecasted significantly lower volumes. But having said that, we're trying to do everything to debottleneck and take in as much business as we can. So we are reaffirming higher end of the guidance closer to the \$59 million - \$60 million guidance exit run rate of \$20 million per quarter and a very strong order book where you will see growth at the annualized exit run rate of \$80 million in the business.

We've had a great response for our capital raise and we've got, we're very delighted to have marquee investors on our cap table at OneSource. This has also led in releasing close to about \$700 million to Strides shareholders, and we are grateful for your patience while we build Stelis through its difficulties. And I think the investment -- the \$100 million investment and the soft gelatine business has resulted in a significant outcome to Strides' shareholders, and we're delighted with that.

Use of funds of this \$95-odd million would be to reduce our debt, including paying bridge loans that we have taken in anticipation of this process. We expect to be net cash by '27. This assumes a capex of approximately \$100 million that will be required for -- required that will be a combination of customer advances, the \$50 million that we will invest and also the free cash that the business will generate once the merger is completed.

We are sitting on an extremely strong order book, and therefore, we are very comfortable to also guide the \$350 million - \$400 million revenues over the next 3 to 4 years. Adjusted for the H1, we already are running a 30%, 30-odd percent EBITDA business for the rest of the businesses. And we expect with the exit quarter run rate of \$20 million to already reflect an EBITDA very close to 40%. So the 40% is more likely our exit quarter run rate as early as this financial year.

Overall, we are superbly excited with the number of RFPs that we have been issuing, especially post the Biosecurity Act, and we have very pleasing response to our drug substance capabilities. And we are actively closing out opportunities and businesses that we are very, very confident of winning. Our win ratio now is about 40%, which is quite a good number for a new CDMO player. And that is a pleasing number for us to share with you today.

And I'm also excited by the fact that we have completed our soft gelatine capsule capacity expansion. And all of the excess -- all of this additional capacity is now sold out, and we should be shortly increasing our capacity by another 1 billion units for the next year to meet continuously increasing demand for softgels.

Overall, good product approvals in our injectables space, Health Canada approvals between the two facilities, and overall, it's been a strong comeback for the group, especially a great outcome for OneSource and what the future looks like.

On the NCLT process, we are on track. We hope to have the NCLT a positive outcome, obviously, subject to regulatory approvals and the compliances that are required for us to get an NCLT order in place. We expect news -- positive news before the end of this calendar year. And typically, the 60 days from that is when the -- is the outer limit when we expect the stock to be listed.

So yes, that's -- I'm now going to request Vikesh to speak about the financials, the ratios and our debt. And one -- just one last point on the debt. Obviously, we have a close to INR300 crores pushdown once OneSource happens. And consequently, we would be having -- we would have brought down debt in the last 3 years from a high of INR3,000 crores to INR1,500 crores just through internal operations -- I mean, operational efficiencies, which is also a testament to our teamwork here, our great focus on efficiencies and compliance.

Thank you, and over to you, Vikesh, and then we'll open the house for questions.

**Vikesh Kumar:**

Thank you, Arun. Good morning, Good afternoon, and Good Evening to all of you. I'm very pleased we are reporting another quarter of solid all-round performance. Our focus on delivering this momentum is visible across our metrics of profitability, efficiency and growth. Arun covered on the EBITDA and PAT performance, a very strong performance that we've had both quarter and this first half.

On the efficiency metrics, we have seen further improvement in our cash to cash cycle, which is now at 126 days. This has significantly helped us generate operating cash despite a very significant degrowth that we had during this quarter. On an H1 EBITDA of INR453 crores, we

have generated cash flow from operations of INR418 crores. And this has also helped continue our investment in growth capex, our capex spend of INR92 crores in H1.

With this strong operating cash generation, our debt is also reduced. Our net debt at INR1,902 crores is a reduction of INR133 crores in H1. With this reduction, our Net Debt-to-EBITDA ratio is at 2.1x. And I'm very happy that we are tracking ahead of our net debt to EBITDA guidance of less than two for FY '25.

Our all-round performance is also reflecting in the ROCE metric, has now improved to 17.2% from 12.8% that we ended in FY '24. Covering some of the specific cost line items, our expense for the quarter have remained steady on an increased revenue base. That has led to an improvement in our operating cost to revenue ratio. Our net interest costs for the quarter are lower at INR54 crores, and this has been aided by an interest income on tax refunds that we have recorded during this quarter.

With the reduction in cost of debt, we also expect our cost -- interest cost to raise in H2 and going forward. Our effective tax rate at 17% is in line with our estimates, and we expect it to remain in this range of 17% to 20% for '25. It has been a very remarkable and comprehensive performance in the first half, and we remain focused on achieving our outlook for the rest of the year.

Thank you. I'm happy to take any questions that you may have.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Mr. Rupesh Tatiya from Intelsense Capital. Please go ahead.

**Rupesh Tatiya:** Thank you for the opportunity. Congratulations on the fantastic performance. My first question, sir, is teriparatide launch. Can give you some update on this now? Do we have all the approvals are in place? And when can we expect commercial launch of this product?

**Arun Kumar:** All approvals for Europe are in place, and we expect the launch to happen within this financial year.

**Rupesh Tatiya:** But Q3, Q4, sir?

**Arun Kumar:** Q4.

**Rupesh Tatiya:** Another question, sir, is this contract project we have won in animal health for a biologic with innovator. When can we see some commercial revenue from this project? Is it like 2 - 3 years away or it's not that far? And then do we need to do some capex for this project?

**Arun Kumar:** So we do not discuss specific phases in which we are with the product. We believe you're right. This is more like a 3-to5 year product commercialization, but we will have a very meaty R&D income in that time frame. We will probably need some more capex to do that, but we believe strongly that within the USD100 million range that we have indicated as capex to get to the USD400 million revenues, all of this will fit in.

- Rupesh Tatiya:** Okay. And then, sir, in the presentation we gave for OneSource, not this one but last one, you said you're also working on 10 non-GLP drug device combination projects. So maybe qualitatively, can you give some idea about these are biosimilars, biologics or these are some other products, some qualitative understanding of this?
- Arun Kumar:** It's a combination of both biologics and non-peptide drug device combinations, long-acting injections and stuff like that. I mean, please try and understand we are a CDMO. We are bound by confidentiality. Our primary responsibility is to protect our clients' IP and protect the relationships. So we can't get into specifics, but yes, it is a combination of biologics and non-biologics.
- Rupesh Tatiya:** And sir, these are also long-term commercialization or we can see maybe 2, 3 commercialization next year?
- Arun Kumar:** We have one product approved this quarter and we expect commercialization to happen in Q1.
- Rupesh Tatiya:** Thank you
- Moderator:** The next question is from the line of Naman from Nine Rivers Capital. Please go ahead.
- Naman:** I have two questions. First is on the gross margin side. So any one-offs during the quarter leading to the sequential decline? And what would be the steady-state gross margins we are aiming at? And second is on the last participant's follow-up. And then on the novel biologics projects, what could be the potential scale for us in the project?
- Arun Kumar:** So what do you mean by scale?
- Naman:** In terms of our revenue potential.
- Arun Kumar:** We will not be able to give you specifics. What is important is that we have won our first NB for a large company. And it's a full program, which is in late stage development and commercialization. Your question on gross margin, we are in that 59%, 60%, that is our target range. Like we said, we had a slightly elevated access market business and a lower European sale. That's why we had a tad 75 bps reduction this quarter. But for your modelling purposes, you should look at more like 59% to 60%.
- Moderator:** And the next question is from the line of Nitin Agarwal from DAM Capital.
- Nitin Agarwal:** Congratulations on a pretty solid share of numbers. Arun, on the OneSource business, I just want to quickly check on the softgel part of the business. I mean you talked about significant improvement in momentum in the business. Any particular reasons, which are driving this improvement -- I mean, this pickup in momentum?
- Arun Kumar:** So Nitin, we have been in soft gelatins for 20-odd years as you cover us well for so many years, but we've never offered soft gelatin as a CDMO opportunity at all. And given the disruption globally with capacities and there has been a very significant intake of capacity requests and RFPs that we are currently servicing, we have already onboarded one of the world's largest consumers of soft gelatins as our first customer and with commercial shipments

starting from this year. And you'll see a full blast volume increase with this 1 single customer getting to closer to 1 billion units in the next 2.5 to 3 years.

So we are building -- and as we move away from the current suppliers, it takes time because onboarding private labelers in softgels is a long-run process. But I'm delighted to say that we have secured our largest business there in a multiyear contract. And that will get to full blast volumes in about 2 years, but we are starting commercial supplies in about a few months -- few weeks rather. And it took us ever since we announced that we have become a CDMO to onboard them. So that's the time it takes to onboard a customer of that size and scale. But now that we are in the shipment phase, we're quite excited about the opportunity.

**Nitin Agarwal:**

And secondly, on the GLP-1 business, I mean, what is the feedback that you're getting from the clients in terms of their demand outlook for both Lira and the Sema in the emerging markets over the next 3, 4 years? There are concerns around the fact that there could be significant pricing erosion, which may come through in these products. I mean does it have any implications for our business for fill/finish?

**Arun Kumar:**

So see, obviously, we have to be practical with -- currently estimating demand for GLP is hard. On Lira, we are seeing a surprisingly increased volume demand for 2 reasons. One is that the dose requirement of pens is double. So from a CDMO perspective, be agnostic if we are making semaglutide or liraglutide, right? From that perspective, it's a good uptake.

We are also saying that considering that Ozempic, Wegovy and the -- of each main GLP is a back order. We are seeing a kind of revenge pickup on volume for Lira. So I think some of our customers have forecasted volumes wrongly, and they're seeing more demand than that originally is planned. So we are seeing interesting volumes, but we have really such limited capacity at this place allotted for Lira. And we are disciplined with our approach for capacity because customers -- our customers have also started booking capacities for Sema launch at risk starting as early as August of next year. So we are balancing our capacity between these 2 acts. But yes, we are in a good place now to say that it looks like we'll be able to sell most of our 40 million units probably 6 to 8 months ahead of schedule.

**Nitin Agarwal:**

And again, that's probably prompted you to go for the capacity expansion from 40 to 140. And what kind of visibility do you have on probably in terms of utilization of this incremental capacity also?

**Arun Kumar:**

Nitin, our incremental capacity is now being funded through take or pays. So everybody is throwing big volumes at us, and we're telling customers that you have to participate in the capex to have capacity result. And we are able to get that today, in today's circumstances, the GLPs we are because we have -- we are as ambiguous as you on how big this business could be, right, how disruptive it could be positively or negatively.

So we are cautiously optimistic and we're telling partners to take equal risk, and we are today in a position to seek and receive capacity reservations and -- so the 150 million units, I think we have fairly good visibility.



**Nitin Agarwal:** And if you can squeeze in a last, Arun. On the continuing business for Strides, how should we think about this business? Obviously, we are on track to deliver this year's number. But qualitatively, we've got the \$400 million milestone for the U.S. over the next 3 years. I mean what else -- what are the other sort of broad milestones that you sort of leave us with in terms of to visualize this business on its own over the next 2, 3 years?

**Arun Pillai:** I think you'll see the sedate business of Europe, the other reg markets to have, I won't say a hockey stick growth but a significantly different level of growth in the next year onwards. So we already told you that we'll be filing -- we have a nice range of controlled substance nasal sprays. We should file our first key product in March of this year. And we have 3 programs and very, very solid opportunities because the controlled substances can be produced only in the US, requires a very specific device, which we have manufacturing capabilities. So we're quite excited about that entire niche. We believe the nasal spray niche will completely replace the loss of the soft gelatin volume and EBITDA.

**Moderator:** The next question is from the line of Abdulkader Puranwala from ICICI Securities.

**Abdulkader Puranwala:** Sir, just a couple of questions on the GLP-1 and the non-GLP-1 opportunity under OneSource. Sir, we have talked a lot about the GLP-1 opportunity. But how should we look at the capacity at OneSource, which is not GLP focused? How is the kind of ramp-up you expect there? Where in the past, you've talked about certain biologics, and you're now talking about doing some novel biologic work as well. So any color you could provide on that front would be helpful.

**Arun Kumar:** Yes. So we do have -- I mean OneSource is a combination of complex and specialty injections, GLPs, but it also has lot of other parts of the business, right, like penicillin, where we are one of the largest penicillin manufacturers and other standard injectables, where we are partnered with. We see interest in all of our businesses growing. I think the Street is talking only about the GLPs, but we are excited about several subparts of our business, which is growing nicely.

Of course, the GLPs take the limelight in terms of capital allocation capacities and the fact that we are first to file, it's now in the public domain that we and our partners have licensed the product to Viatrix. And they have settled with the innovator. We are first to file. We do have a profit share, which we split with our partner, Natco, in this. So it's all in the public domain. Obviously, there's a lot of excitement around it. But we are equally excited about the other parts of the business. You should look at us being completely full up on our approximately taking 7,000 to 8,000 liter mammalian and microbial capacity of increasing the microbial capacity to 4,000 liters to be fully sold out within the next 12 months. And then we have to probably look at this conversation later. So we are adding a lot of customers, the specialty products that are already approved.

With the Chinese angle, we're already securing our first major European contract, which we should be in a position to give more granularity soon. But yes, we're winning businesses, and we will add capacities and like I told earlier colleague of yours that there would be participation of our partners in the investment program. And we are now positioning ourselves as a global CDMO.

For pricing, we are offering it a -- the pricing has a price. We are not leading contract winning by price but by service and therefore our pricing is not necessarily low. But we -- there is kind of interest that we didn't expect earlier until the Biosecurity Act came into play or is in play, of the nature of customers and RFPs that we are currently selling in and a number of RFPs. So I think, overall, you should strongly believe that all engines are on fire and yes this is a good space to be. And I think we are all very excited about every small bit of our business in OneSource.

- Abdulkader Puranwala:** Got it. Wish you all the best and I will get back in the queue. Thank you.
- Moderator:** Thank you. The next question is from the line of Aman Vij from Astute Investment Management. Please go ahead.
- Aman Vij:** Good evening sir. Three questions. First on OneSource GLP-1. So you have talked about one commercialization in Q4 one CSA. So how many CSA do we expect in say FY '26 to get commercialized?
- Arun Kumar:** In the GLPs?
- Aman Vij:** Yes.
- Arun Kumar:** Between 5 and 7.
- Aman Vij:** 5 and 7.
- Arun Kumar:** Yes.
- Aman Vij:** And is it safe to assume given there will be the Semaglutide expiries happening for the Indian market, for non US, non Europe market, so can some of these -- these are also getting launched in next year FY '26?
- Arun Kumar:** It is possible. We can't be specific. Canada is the first market going off patent in January 26.
- Aman Vij:** Yes. Sorry, you mentioned January what, January?
- Arun Kumar:** January of '26 is the first the patent goes off in Canada, in March of '26 in other countries.
- Aman Vij:** Sure. And normally what is the lag between say a CDMO player supplying versus the actual launch date? So if patent expiry is happening in say Jan 2026. Can we expect the 6 months before these...
- Arun Kumar:** Yes. We can't give you specifics because there are confidential information around this product and the pattern regime. But it always has to be much before the launch date. So it depends upon customers and their risk appetite and production at risk and their launch capabilities, but yes you can see 5 to 7 unique customers, GLPs, commercial supplies from OneSource in the next financial year.

- Aman Vij:** Sure, sir. That's helpful. On the softgel side sir, we have expanded the capacity a lot and we are again talking about more expansion. So can you give roughly what is the revenue we are getting from Strides itself versus what the revenue is roughly from outside customers, non-Strides for softgel?
- Arun Kumar:** We have guided earlier. It's about half and half and we stay with that, but there's no incremental growth coming from Strides. All new contracts are only with third parties.
- Aman Vij:** Okay. So even the incremental 1 million you're talking about and you've talked about one customer who is scaling quite fast, that is also all outside Strides?
- Arun Kumar:** Yes. But we also announced when we did this deal that outside of the businesses that are already contracted which Strides will only be the logistics partner. The economics stays with OneSource. We will not add any new products to avoid any related party issues going forward.
- Aman Vij:** Makes sense sir. My final question is given Teri launch, Lira launch and you've talked about 5 to 7 launches CSA launches in FY '26, softgel expansion, SteriScience growth, can we expect maybe like the 300 million kind of number for OneSource in FY '26?
- Arun Kumar:** No.
- Aman Vij:** It's lower or higher?
- Arun Kumar:** We have guided numbers for this year. We've given an exit run rate of growth over the exit run rate of 80 million on the EBITDA. Focus on EBITDA. This is a business that is very focused on margin expansion. We are not -- and we have given you a view that in 3 to 4 years, we'll be \$350 million to \$400 million. We are on track for all that.
- Aman Vij:** Okay. So in spite of all these positives five, seven projects and all these new things you think revenue might be lower, but will cover up in say EBITDA growth and all these things?
- Arun Kumar:** You'll have a significantly different EBITDA profile for FY '26 if I may say?
- Aman Vij:** Okay sir. That helps. I will get back in the queue. Thank you.
- Moderator:** Thank you. The next question is from the line of Ritesh Oswal from NRO Invest. Please go ahead.
- Ritesh Oswal:** Congratulations for good numbers. On Slide 19, you mentioned about Tirzepatide. When will - when supply will be start for Tirzepatide?
- Arun Kumar:** We mentioned this earlier, Q4 of this year.
- Ritesh Oswal:** Q4. And it's for innovator?
- Arun Kumar:** No, sorry, my mistake. So I got confused between PTH and Tirzepatide. What we are saying here is that we have signed our first CDMO contract to develop this drug. Product patent goes off only in 2036.

- Ritesh Oswal:** So supply will start after 2036?
- Arun Kumar:** It depends upon, again, like in semaglutide, the patent regime is different from various countries. All we are announcing is that out of the 8 GLPs, commercially, we now have 7 contracted GLPs.
- Ritesh Oswal:** Okay. Thank you very much.
- Moderator:** Thank you. The next question is from the line of Darshil Jhaveri from Crown Capital. Please go ahead.
- Darshil Jhaveri:** All my questions have already been answered. So just wanted to get a sense, like, I think on our investor deck, we've said revenues might grow at 12% to 15%, and you're seeing that they'll be reeled on the higher side. But we've already, I think, grown at 17%, right? So are you being more conservative or just wanted to pick your brain a bit like in terms of FY '25 and FY '26, what outlook could we assume, sir?
- Arun Kumar:** So the outlook is there. We said we will grow 15%. We are currently at 17%. It's a marginal increase of what we said on the higher end. Yes. And I think sometimes it's good to see at the side of caution. Obviously, when you launch a new product, especially in the U.S., you do not anticipate the level of success you achieve.
- And we can -- we have always been trending -- like, today, I already alluded that we will be trending to the higher end of all the parameters on the outlook. So that already means that we are upping our guidance towards the higher end of margin, right?
- Darshil Jhaveri:** Okay. Fair enough, sir. And sir, any guidance you would like to give for FY '26, sir?
- Arun Kumar:** Not yet.
- Darshil Jhaveri:** Okay. Fair enough. All the best. That's it from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Raaj from Arjav Partners. Please go ahead.
- Raaj:** When are we going to commercialize Ozempic?
- Arun Kumar:** So technically, you can commercialize Ozempic in some countries starting from January to March '26.
- Raaj:** Sorry, I didn't get your answer. Can you repeat it again?
- Arun Kumar:** I think you're on a speakerphone, and that is why you can't hear me.
- Moderator:** Thank you. As there are no further questions, I would now like to hand over the conference over to the management for closing comments.

**Arun Kumar:**

Thank you all. Appreciate your time today. And as always, if you have more questions, please write to us at our investor deck or please feel free to talk to either of us -- anyone of us rather. Thank you, and much appreciate your time today.

**Moderator:**

On behalf of Strides Pharma Science Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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