



Delivering with **Momentum**

33rd Annual General Meeting | 25th September 2024

Strides Pharma Science Limited



Safe Harbor

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

Strides at Glance - A Pharma Formulation Exports Player



₹40,555_{mn}

Consolidated revenues for FY 24



7

World-class manufacturing facilities spanning four continents



245+

Approved ANDAs



100+

Country of global presence

₹7,477_{mn}

EBITDA for FY24

4

USFDA approved manufacturing facilities

400+

Registrations for other regulated markets

3,050+

Global workforce strength

₹127,642_{mn}

Market capitalization on 17 Sept 2024

Zero

No Outstanding Regulatory Observations

65+

US Commercial Products









225+

R&D team size

Achieved FY24 Outlook Across All Key Parameters

Best Full-Year Performance



FY24 OUTLOOK	FY24 ACHIEVEMENTS	COMMENTS
 CONTINUING BUSINESS REVENUES TO GROW AT 15% YOY	 FY24 REVENUES AT ₹40,555M, GREW BY 14.4% YoY*	<ul style="list-style-type: none">Recorded highest-ever full-year revenue in FY24 driven by growth in the US and Other Regulated MarketsUS Revenue at ₹ 20,632m (\$250m), grew 11.8% YoYOther Regulated Markets Revenue 12750 at \$154m, grew 19.9% YoY
 AIMING FOR AN EBITDA OF ₹7,000M – ₹7,500M	 FY24 EBITDA AT ₹7,477M, ACHIEVING HIGHER END OF THE OUTLOOK	<ul style="list-style-type: none">Stable operating costs led by cost control measures and manufacturing efficiencies enabled superior EBITDA margin expansion
 NET DEBT TO EBITDA < 3x	 NET DEBT TO EBITDA 2.72x AS OF MARCH'24	<ul style="list-style-type: none">Net Debt reduced by ₹ 3,131 m in FY24Net Debt at ₹ 20,350 m as of Mar'24
 EMPHASIS ON MANUFACTURING NETWORK OPTIMIZATION	 NETWORK OPTIMIZATION CONCLUDED	<ul style="list-style-type: none">Right sizing of network optimization achieved across all our manufacturing infrastructure and further augmented by the exit of Singapore facility

* YoY growth on continuing business i.e. excluding UCL

Performance Summary - Gross Margin Returned to Historic Highs

Yearly Financial Performance (INR m)

Particulars	FY23 (Restated)	FY24	Growth
Revenue	35,458	40,555	14.4%
Gross Margin	20,246	24,150	19.3%
Gross Margin %	57.1%	59.5%	245bps
EBITDA	4,210	7,477	77.6%
EBITDA Margin %	11.9%	18.4%	656bps

Market Wise Performance (INR m)

Particulars	FY23 (Restated)	FY24	Growth
US	18,447	20,632	11.8%
Other Regulated Markets	10,632	12,750	19.9%
Growth and Access Markets	6,379	7,173	12.5%
Growth Markets	3,256	4,186	
Access Markets	3,123	2,987	
Total	35,458	40,555	14.4%

* YoY growth on continuing business i.e. excluding UCL

- FY24 was an exceptional year for Strides, marked by the successful completion of our Reset strategy initiated in FY22.
- Strides reported its highest-ever annual sales in the US of \$250m (\$232m in FY23), a 11.8% YoY growth led by sustained market share across the product portfolio.
- Received 9 new product approvals and launched 6 products during the year; total commercialized products at 66 as of Mar'24.
- Other Regulated Markets revenue at ₹12,750m (\$154m), grew 19.9% YoY. Robust demand for key products coupled with new long-term supply contracts, has significantly propelled growth within the EU market
- Gross margins returned to historic highs of ~60%+. Quality of business improved on the back of a superior portfolio mix.
- ESG efforts have started to yield results, with our EcoVadis rating improving from 30 to 44 during the first year of review. The maiden Sustainability Report is to be published soon for FY24.
- Cash to Cash cycle improved from 140 days in FY23 to 129 days in FY24.
- Credit Rating Upgrade to "CARE A, Stable " in Q1FY25 on back of strong FY24 performance.

Q1FY25 Performance Update

Strides Delivers a Strong Q1FY25 with Revenues at ₹10,875m Revenue Growth of 16.7% YoY with an EBITDA Margin of 20%

Net Debt reduced by ₹367m in Q1FY25, Net Debt at ₹19,983m



	Q1FY25	Q1FY24	YoY
Revenues	₹10,875m	₹9,320m	16.7% ↑
Gross Margins	₹6,671m	₹5,470m	21.9% ↑
Gross Margin (%)	₹61.3%	58.7%	264bps ↑
EBITDA	₹2,170m	₹1,686m	28.7% ↑
EBITDA Margin (%)	20.0%	18.1%	187bps ↑
Adj. PAT	₹839m	₹295m	↑
Reported PAT	₹683m	-₹94m	↑
Adj. EPS	₹9.1	₹3.3	↑
Reported EPS	₹7.6	-₹0.8	↑

**Current Net Debt to EBITDA stands at 2.3x –
Tracking ahead of the FY25 outlook of <2x**

Particulars (In ₹m)	Mar'24	Jun'24
Working Capital Loans	15,742	14,938
Long Term Loans	8,403	8,795
Gross Debt	24,145	23,733
Cash and Cash Equivalents*	-3,795	-3,750
Net Debt	20,350	19,983

* Cash and cash equivalents ₹ 3,750m consists of cash balance ₹ 1,798m deferred consideration receivable ₹ 773m and deposits of ₹ 1,180m

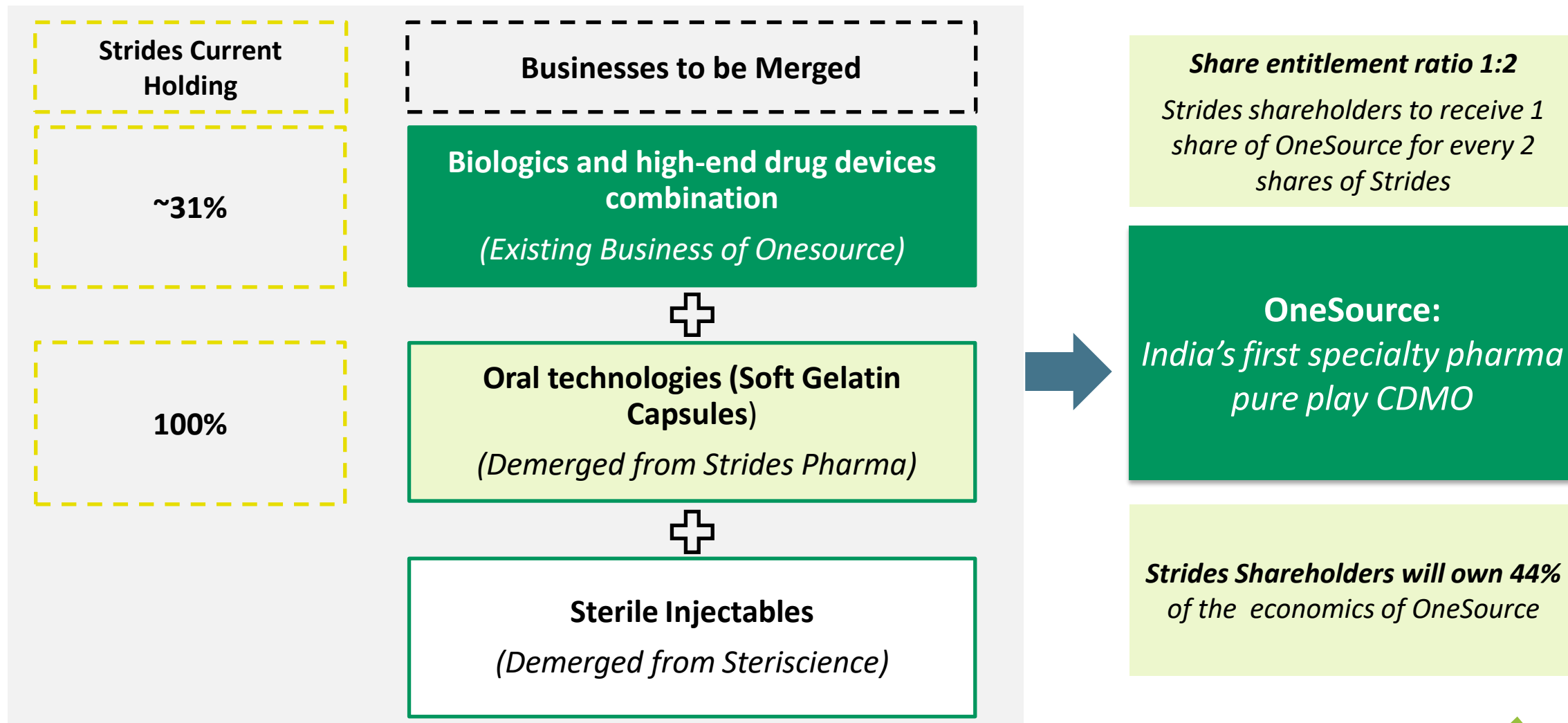
Finance cost (In ₹m)	FY24	Q1FY25
Interest Cost on Borrowings (A)	2,544	647
Other Finance Charges (B)	601	157
Finance Income (C)	353	127
Net Finance Cost (A+B-C)	2,791	677



OneSource Specialty Pharma

(formerly known as Stelis BioPharma)

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



OneSource – Q1FY25 Key Business Updates



OneSource (erstwhile Stelis) – Biologics and Drug-Device Combinations Business

- Biologics division (Stelis) achieved revenue at \$9.4m in Q1FY25, which is ~45% of FY24 total revenue
- Recorded an adjusted EBITDA of \$1.2m, second consecutive quarter of being EBITDA positive
- Strong H2 with commercial supplies for GLPs to commence



Steriscience – Complex and Specialty injectables (CMO+CDMO)

- Complex and Specialty injectables (CMO+CDMO) business on track to achieve targeted EBITDA



Soft Gelatin Capsules (Strides Business Moving to OneSource)

- On track to achieve targeted EBITDA

OneSource – FY25 Outlook

- ▶ Aiming for Revenue in range of \$175-190m
- ▶ Aiming for EBITDA in range of \$60-65m

Update on OneSource Listing

Received “No objection”* from Stock Exchanges (NSE and BSE)
Received approval from Equity shareholders and Secured Creditors for the Scheme of Arrangement in the meeting convened under the guidance NCLT



Company to seek final approval for the Scheme from NCLT, Mumbai Bench for creation of OneSource

*Received “No objection” from NSE and “No adverse observations” from BSE

AGM Agenda

Agenda for AGM

Category	Agenda
Ordinary Business	Item 1: Adoption of Audited Financial Statements for the Financial Year ended March 31, 2024
	Item 2: Declaration of Final Dividend for the Financial Year ended March 31, 2024
	Item 3: Re-appointment of Mr. Badree Komandur, retiring Director
Special Business	Item 4: Remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditors of the Company for the Financial Year ended March 31, 2024
	Item 5: Remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditors of the Company for the Financial Year ended March 31, 2025



Thank You !

Strides Pharma Science Limited

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