

## Strides announces improved Q4 FY22 performance with a pickup in revenues and EBITDA

- All businesses return to growth with visible green shoots
- Guides for an encouraging FY23 with focus on growth, higher cashflows & reduction in debt
- Q4 Revenues at ₹ 8,699m up 9% and EBITDA at ₹ 461m up 100%+ over previous quarter

Bengaluru, India, May 24, 2022 - Strides Pharma Science Ltd (BSE: 532531, NSE: STAR) today announced its consolidated financial results for the quarter (Q4FY22) and the financial year (FY22)

### Financial Highlights (In ₹ m)

PARTICULARS	Q4FY22	Q3FY22	Q4FY21	QoQ%	YoY%	FY22	FY21	YoY%
Revenues	₹8,699	₹7,968m	₹9,115	9% ▲	-5% ▼	₹30,946	₹33,308	-7% ▼
Gross Margins	₹4,425	₹3,957m	₹5,400	12% ▲	-18% ▼	₹15,923	₹19,980	-20% ▼
Gross Margin %	50.9%	49.7%	59.2%	120bps ▲	- 830bps ▼	51.5%	60.0%	- 850bps ▼
EBITDA	₹461	₹40m	₹1,602	100%+ ▲	-71% ▼	₹43	₹6,497	-99% ▼
EBITDA %	5.3%	0.5%	17.6%			0.1%	19.5%	

Commenting on the performance, **Arun Kumar, Founder, Executive Chairperson & Managing Director** remarked, "FY22 has been a challenging year for the pharma industry and, particularly for Strides, given the significant headwinds. We have witnessed unusual price erosion and volume drops in the US, leading to significant compression in our gross margins. The other regulated markets delivered a tepid growth as the business was impacted in H1FY22 due to covid led disruptions.

In light of the evolving business environment, we have made several changes to our businesses with a focus on growth, better cash flows and a significant debt reduction. Our growth across the market will be driven by portfolio expansion leveraging our approved portfolio and new customer acquisition for our IP- led B2B businesses. We will aggressively focus on the cost reduction, while one of the key actions planned for the year is to reduce our gross debt by over ₹10b in FY23, which will bring our Net Debt to EBITDA below 3x.

While the operating environment continues to evolve and is ambiguous, we stay confident of a bounce-back in FY23 to deliver significant value for our stakeholders in the coming years."

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](http://www.strides.com)

## For further information, please contact:

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