January 24, 2023

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, 2022

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, 2022, 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 12:45 hrs and concluded at 14:30 hrs.

This is for your information and record.

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

MANJULA RAMAMURTHY
Digitally signed by MANJULA RAMAMURTHY
Date: 2023.01.24 14:34:13 +05'30'

Manjula Ramamurthy
Company Secretary
ICSI Membership No. A30515

Encl. as above

Strides

Press Release

January 24, 2023

Strides reports continued improvement in Q3FY23 Performance led by highest ever regulated markets revenues and margin expansion

- ***Consolidated EBITDA at ₹1,201m, up 100%+ YoY, Consolidated revenues at ₹8,686m, up 9% YoY***
- ***Adjusted PAT at ₹ 198m; Reported PAT impacted by loss from JV and associates on account of inventory write off related to covid portfolio***
- ***Strong performance in regulated markets business driven by growth across all key markets***
- ***Regulated markets business crosses the $100M mark for the first time in quarterly revenues***
- ***US Business reports its best-ever quarterly performance at $63m revenues***
- ***Other Regulated Markets returns to its historical growth trajectory with revenues at $39m***
- ***Cost optimization drives gross margins expansion by ~800bps YoY to 57.7% and EBITDA margins expansion by ~1,330 bps YoY to 13.8%***
- ***Arrow transaction related Deferred consideration received during the quarter***

Bangalore, India, January 24, 2023 - Strides Pharma Science Ltd *(BSE: 532531, NSE: STAR)* today announced its consolidated financial results for the quarter (Q3FY23) and nine months (9MFY23) ended December 31, 2022.

Financial Highlights (In ₹ m)

PARTICULARS	Q3FY23	Q2FY23	Q3FY22	QoQ%	YoY%	9MFY23	9MFY22	YoY%
Revenues	8,686	8,995	7,968	*-3%*	*9%*	27,138	22,247	22%
Gross Margins	5,011	5,125	3,957	*-2%*	*27%*	14,876	11,498	29%
Gross Margin %	57.7%	57.0%	49.7%	*70bps*	*800bps*	54.8%	51.7%	310bps
EBITDA	1,201	1,006	40	*19%*	*100%+*	2,864	-418	100%+
EBITDA %	13.8%	11.2%	0.5%	*260bps*	*1,330bps*	10.6%	-1.9%	1,250bps

Arun Kumar, Founder, Managing Director, and Executive Chairperson, commented on the performance and said, "*We are pleased to report continued momentum in our performance led by strong growth in the regulated markets. Our US operations delivered a strong quarterly performance driven by improved volume for the base products and healthy traction for recently launched products. We have launched ten new products so far during the financial year and expect the new launch velocity to continue in the near term. We continue to focus on a profitable outcome for the business and have, by design, let go of several low-margin businesses.*

The Other Regulated Markets business has bounced back strongly during the quarter, with growth across all *markets. We continue to expand our footprint across key regulated markets outside the US through new customer acquisition and expansion of our product offering. The business continues to have strong order book visibility, and we are confident of the growth trajectory continuing for the Other Regulated Markets.*

Several of our cost initiatives, including R&D cost optimization, Alternate Vendor Development (AVD), Cost Improvement Programs (CIPs) along with a superior supply chain execution, have enabled us to deliver an improved margin performance with gross margins expanding ~800bps YoY to 57.7% and EBITDA margins expanding ~1,330 bps YoY to 13.8%. Adjusted PAT for the quarter was at ₹ 198m; however, reported PAT was impacted by loss from JV and associates on account of inventory write-off related to the covid portfolio.

We have received the Arrow transaction-related deferred consideration towards the end of the quarter. The proceeds will be used to deleverage the balance sheet. We are focused on getting our Net Debt to EBITDA below 3x in the near term."

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 focuses on "difficult to manufacture" products sold in over 100 countries. Additional information is available at the Company's website at www.strides.com.

For further information, please contact:

Strides **Badree Komandur** Executive Director – Finance & Group CFO +91 80 6784 0747 **Investor Relations:** **Sandeep Baid:** +91 80 6784 0791 Email: sandeep.baid@strides.com **Strides Pharma Science Limited** CIN: L24230MH1990PLC057062 Regd. Office: 201, 'Devavrata', Sector - 17, Vashi, Navi Mumbai - 400 703 Corp. Office: Strides House, Bannerghatta Road, Bengaluru – 560076	**Corporate Communication** **Pallavi Panchmatia:** +91 80 6784 0193 Email: pallavi.panchmatia@strides.com **PR Consultancy** Fortuna PR K Srinivas Reddy: +91 90005 27213 srinivas@fortunapr.com Boni Mukherjee: +91 96186 82208 boni@fortunapr.com

Strides

Moving ahead with conviction

Q3FY23 Earnings Update

Strides Pharma Science Limited
January 24, 2023

Strides reports continued improvement in Q3FY23
Performance led by highest ever regulated markets revenues and margin expansion

Strides

Quarterly Performance (₹m)

Particulars	Q3 FY23	Q2 FY23	Q3 FY22	QoQ	YoY
Revenues	8,686	8,995	7,968	-3%	9%
Gross Margin	5,011	5,125	3,957	-2%	27%
Gross Margin %	57.7%	57.0%	49.7%	70bps	800bps
EBITDA	1,201	1,006	40	19%	100%+
EBITDA %	13.8%	11.2%	0.5%	260bps	1,330bps

9M Performance (₹m)

Particulars	9M FY23	9M FY22	YoY
Revenues	27,138	22,247	22%
Gross Margin	14,876	11,498	29%
Gross Margin %	54.8%	51.7%	310bps
EBITDA	2,864	-418	100%+
EBITDA %	10.6%	-1.9%	1,250bps

We are pleased to report continued momentum in our performance led by strong growth in the regulated markets. Our US operations delivered a strong quarterly performance driven by improved volume for the base products and healthy traction for recently launched products. We have launched ten new products so far during the financial year and expect the new launch velocity to continue in the near term. We continue to focus on a profitable outcome for the business and have, by design, let go of several low-margin businesses.

The Other Regulated Markets business has bounced back strongly during the quarter, with growth across all markets. We continue to expand our footprint across key regulated markets outside the US through new customer acquisition and expansion of our product offering. The business continues to have strong order book visibility, and we are confident of the growth trajectory continuing for the Other Regulated Markets.

Several of our cost initiatives, including R&D cost optimization, Alternate Vendor Development (AVD), Cost Improvement Programs (CIPs) along with a superior supply chain execution, have enabled us to deliver an improved margin performance with gross margins expanding ~800bps YoY to 57.7% and EBITDA margins expanding ~1,330 bps YoY to 13.8%. Adjusted PAT for the quarter was at ₹ 198m; however, reported PAT was impacted by loss from JV and associates on account of inventory write-off related to the covid portfolio.

We have received the Arrow transaction-related deferred consideration towards the end of the quarter. The proceeds will be used to deleverage the balance sheet. We are focused on getting our Net Debt to EBITDA below 3x in the near term.

Arun Kumar
Founder, Executive Chairperson & Managing Director

Strong performance in regulated markets business driven by growth across all key markets
Regulated markets business crosses the $100M mark for the first time in quarterly revenues

Strides

Market Wise Performance- Quarter on Quarter (₹m)

Particulars	Q3 FY23	Q2 FY23	Q3 FY22	QoQ	YoY
US	5,072	4,726	2,831	7%	79%
Other Reg Mkt	3,138	2,414	2,990	30%	5%
Total Reg Mkt	**8,210**	**7,140**	**5,821**	**15%**	**41%**
Emerging Mkt	**475**	**1,855**	**2,148**	**-74%**	**-78%**
Total	**8,686**	**8,995**	**7,968**	**-3%**	**9%**

Market Wise Performance – YTD 9M (₹m)

Particulars	9M FY23	9M FY22	YoY
US	13,350	8,349	60%
Other Reg Mkt	8,599	8,047	7%
Total Reg Mkt	**21,949**	**16,396**	**34%**
Emerging Mkt	**5,188**	**5,852**	**-11%**
Total	**27,138**	**22,247**	**22%**

US business reported its highest revenue in a quarter

- US revenues at ₹5,072m ($63m) for Q3FY23, up from ₹4,726m ($60m) in Q2FY23 and ₹2,831m ($38m) in Q3FY22.
- US business contributed 58% of consolidated revenues in Q3FY23.
- This is the highest quarterly revenue for Strides in the US market.
- Continued momentum in the business as the existing products witness improved volume traction and new launches gain market share.

Other regulated markets return to growth territory

- ORM Revenues at ₹3,138m ($39m) for Q3FY23, versus ₹2,414m ($31m) in Q2FY23 and ₹2,990m ($40m) in Q3FY22.
- ORM businesses contributed 36% of consolidated revenues in Q3FY23
- Post a muted performance in Q2FY23, the Other Regulated Markets(ORM) returns to its historical growth trajectory with reported revenues up 30% QoQ Q3FY23.
- Strong performance across all geographies with healthy volume traction and new customer additions

Negligible off-take in Institutional business impacted the emerging markets

- Emerging markets revenues at ₹475m ($6m) for Q3FY23, versus ₹1,855m ($23m) in Q2FY23 and ₹2,148m ($29m) in Q3FY22.
- Emerging markets business contributed 6% of consolidated revenues in Q2FY23.
- The Branded business remained on track and delivered the targeted outcomes for the quarter.
- Institutional business had a lower off-take, given the previously contracted orders were executed in H1FY23. The results of the new long-term awards have been announced and Strides has maintained its volumes share with deliveries to commence from Q1FY24.

Cost control measures start yielding results driving improved operating leverage

- Institutionalization of Cost Improvement Programs (CIPs) and softening of freight rates over the last few quarters have started yielding results.
- Gross margin for Q3FY23 at 57.7%, up 800bps YoY, driven by improved business mix and procurement synergies.
- EBITDA margins for the quarter at 13.8%, up 1,330 bps YoY, with optimization of all cost line items across P&L.

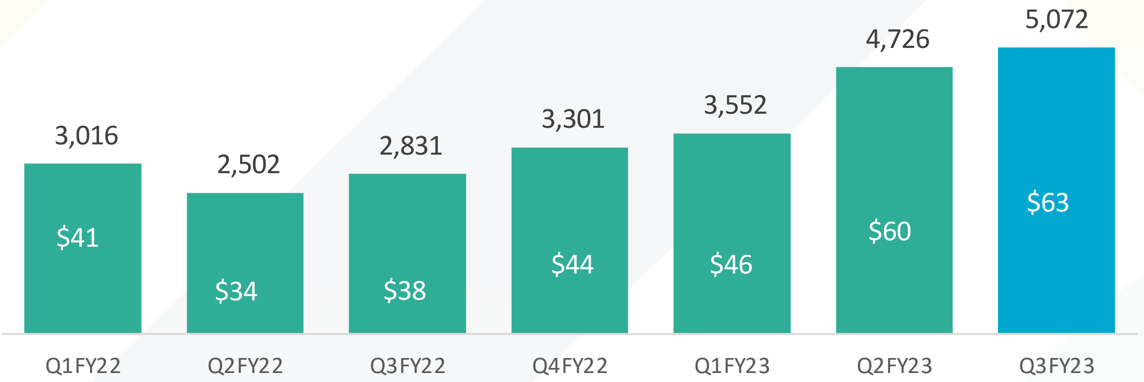
Strides

Market Wise Outlook

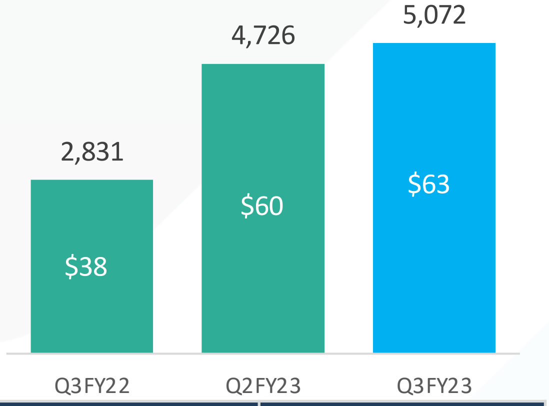
US business continued the growth momentum with $63m revenues in Q3FY23

Strides

US Revenues - Quarterly Trend ($ ₹/m)

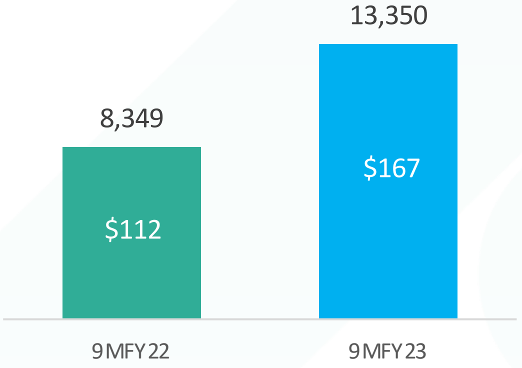


Quarterly Performance ($ ₹/m)



QoQ%	YoY%
7%	79%

Nine Months Performance ($ ₹/m)



YoY%
60%

Quarterly Updates

- Revenues from the US for Q3FY23 stood at ₹5,072m ($63m), up 7% QoQ and 79% YoY.
- US represented 58% of consolidated revenues for Q3FY23.
- Key products continue to maintain a healthy market share with a stable pricing environment
- The base business witnessed improved volumes, with most products returning to peak historical volumes (pre-covid).
- Winter portfolio witnessed healthy traction during the quarter with high incidence of cold and flu in the US.
- Launched ten products in FY 23, with the new launch momentum to further pick up in the coming quarters.

Business Outlook

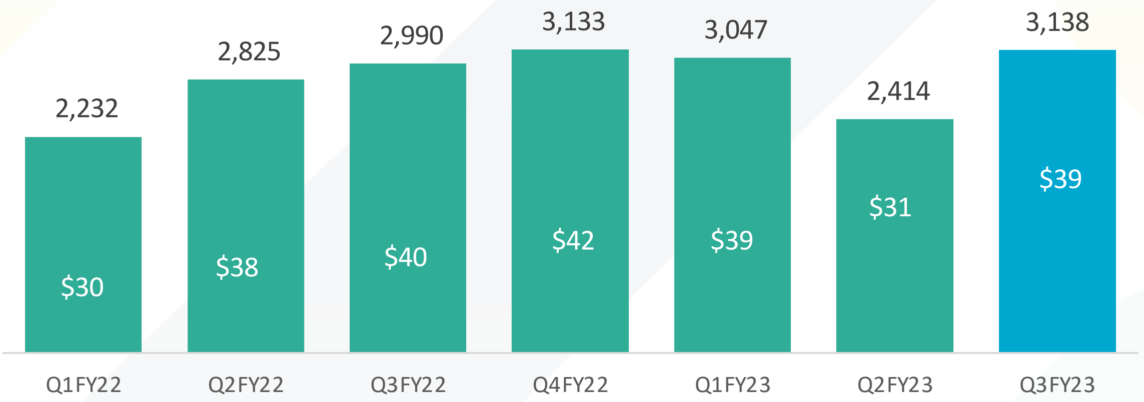
- The US will continue to be a focus market for Strides, with growth driven by portfolio expansion.
- US business has a basket of 280 ANDAs comprising a diverse mix of acute and chronic products, including domains of Controlled Substances, Hormones, and Nasal Sprays.
- A large basket of approved products will ensure lower dependency on new ANDA filings and approvals in the near term
- Portfolio expansion to drive growth with 15-20 new launches each year, US business to have 100+ commercial products over the next two years.
- Focus on customer advocacy and superior supply execution to be a reliable channel partner.

QoQ and YoY growth comparison in ₹ reported

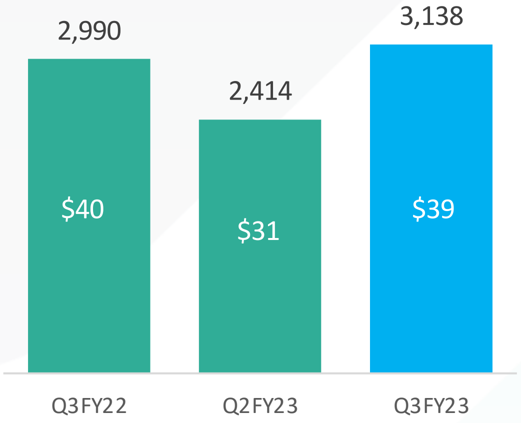
The Other Regulated Markets (ORM) returns to its historical growth trajectory
Strong orderbook visibility to enable continuing growth across all key markets

Strides

ORM Revenues - Quarterly Trend ($ ₹/m)

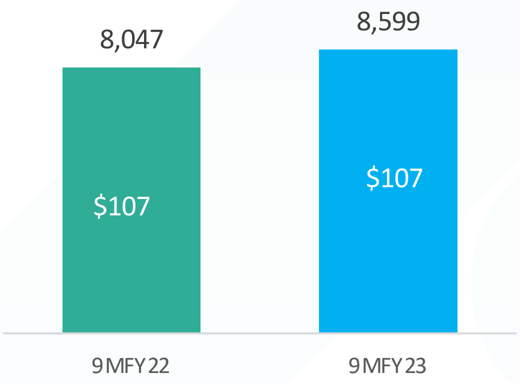


Quarterly Performance ($ ₹/m)



QoQ%	YoY%
30%	5%

Nine Months Performance ($ ₹/m)



YoY%
7%

Quarterly Updates

- Revenues from the ORM for Q3FY23 stood at ₹3,138m ($39m), versus ₹2,414m ($31m) in Q2FY23 and ₹2,990m ($40m) in Q3FY22.
- ORM business contributed 36% of consolidated revenues for Q3FY23.
- Post the strategic exit of certain low-margin P&Ls in Q2FY23, our continuing ORM business reported a strong sequential performance growing by 30% QoQ
- Witnessed healthy growth across all key markets during the quarter with improving volume traction and new customer additions.
- The order book visibility continues to be healthy for mature businesses. The newly seeded businesses have witnessed healthy traction, further strengthening the growth momentum.

Business Outlook

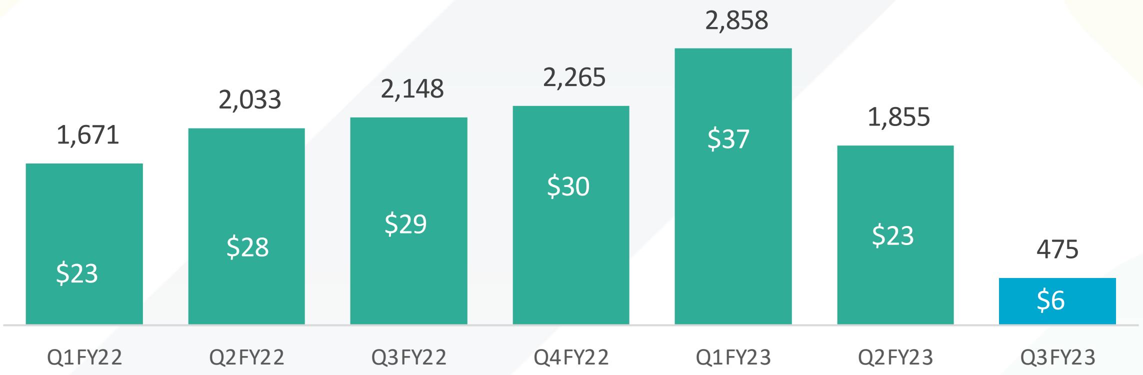
- ORM business is a significant part of our growth strategy driven by our frontend in key markets, and IP-led B2B partnerships in Europe, Australia, and other parts of the world
- Growth in ORM business to be driven through scaling up of partnership business with strategic tie-ups across key regulated markets (ex-US) and enhancing frontend presence through new channel addition and portfolio expansion.
- Expansion of products offerings to new geographies through portfolio maximization to be an important growth pivot in the near term
- Focused R&D investments to strengthen product portfolio for further growth impetus.

QoQ and YoY growth comparison in ₹ reported

Brands business in Africa delivers steady performance
Access markets business impacted due to lower offtake by donor funded agencies

Strides

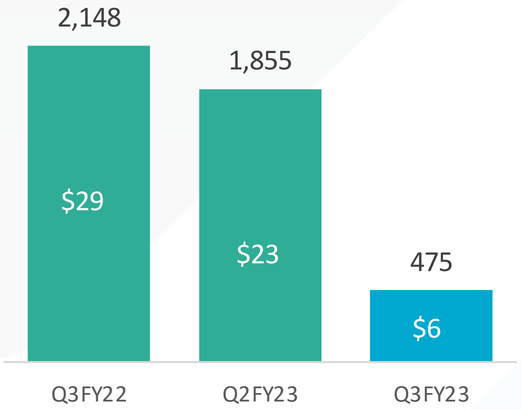
EM Revenues - Quarterly Trend ($ ₹/m)



Quarterly Updates

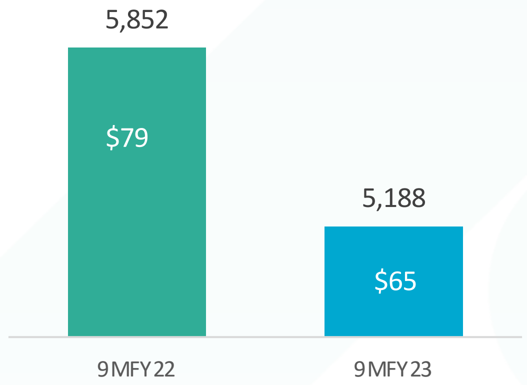
- Revenues from the Emerging and Access Markets for Q3FY23 stood at ₹475m ($6m), versus ₹1,855m ($23m) in Q2FY23 and ₹2,148m ($29m) in Q3FY22.
- Emerging markets business contributed 6% of consolidated revenues for Q3FY23.
- Branded business in Africa is tracking to plan with healthy primary and secondary sales trend.
- Institutional business had a lower off-take, given the previously contracted orders were executed in H1FY23.
- The results of the new long-term awards have been announced and Strides has maintained its volumes share with deliveries to commence from Q1FY24

Quarterly Performance ($ ₹/m)



QoQ%	YoY%
-74%	-78%

Nine Months Performance ($ ₹/m)



YoY%
-11%

Business Outlook

- An improved market footprint and portfolio expansion in key countries will drive growth in African business.
- Focus on field force productivity and effectiveness to enable better operating leverage.
- Focus on cost competitiveness for an improved wallet share in the access market business.

QoQ and YoY growth comparison in ₹ reported

Financial Performance

Key P&L Highlights – Q3 FY23

Strides

Income statement (₹m)					
Particulars	**Q3 FY23**	**Q2 FY23**	**Q3 FY22**	**QoQ**	**YoY**
Revenues	8,686	8,995	7,968	-3 %	9%
EBITDA	1,201	1,006	40	19 %	100%+
EBITDA %	13.8 %	11.2 %	0.5%	260bps	1,330bps

Reconciliation of EBITDA (₹m)			
As per SEBI results	**Q3 FY23**	**Q2 FY23**	**Q3 FY22**
Profit before exceptional items & tax	**239**	**-78**	**-914**
Less: Interest, Dividend income	*225*	*210*	*77*
Add : Depreciation and Amortization	*602*	*617*	*609*
Add : Finance costs	*584*	*676*	*423*
Consolidated EBITDA as per press note	**1,201**	**1,006**	**40**

Arrow transaction-related deferred consideration received during quarter end
Proceeds to be used for debt reduction

Strides

- Strides had guided for a target Gross Debt reduction of ~ ₹10bn in FY23 (Constant currency basis)
- Adjusting for Arrow deferred consideration (~ ₹5,193m) and Currency impact (~1,586m), Gross Debt at the end of 9MFY23 at ₹22,054, lower by ~5,867m from ₹27,921m at the end of FY22
- Working Capital efficiencies prevented debt increase despite significant scale up in high working capital intensive US business which grew from $38M in Q3FY22 to $63M in Q3FY23 ($100m annualized increase)
- Network optimization and corporate actions planned in FY23 will now be concluded by Q1FY24 aiding further deleveraging of balance sheet
- **Focus on reducing the Net Debt to EBITDA ratio <3x in near term**

Particulars	Dec'22 ₹m*	Mar'22 ₹m
Term Loans	**13,707**	**12,997**
Less: Cash and Cash Equivalents	*-5,621*	*-1,886*
Less: Deferred Consideration	*-585*	*-5,763*
Net Term Loans	**7,501**	**5,348**
- Long Term – Revolver (US)	3,954	3,304
- Other Net Term Loan	3,547	2,043
Short Term Loans	**15,126**	**14,924**
Reported Net Debt	**22,627**	**20,271**
Forex Impact for 9MFY23	*-1,586*	
Constant Currency Net Debt	**21,041**	**20,271**

** Currency impact on Net debt during the 9MFY23 at ₹ 1,586m due to adverse movement in INR / USD and AUD /USD pair.*
 # Long Term Loans with the original tenor of >1 year

Earnings Call Details

Strides

invites you to interact with the senior management on Q3FY23

2023 JAN

January 24 , 2023

4:30pm IST / 11:00am GMT / 6:00am EST / 7:00pm HKT

Arun Kumar

Founder,
Executive Chairperson &
Managing Director

Badree Komandur

Executive Director - Finance
& Group CFO

Click on the icon above to pre-register and join without the operator

Join through an operator using dial in numbers

India Primary	+91 22 6280 1434 / +91 22 7115 8838		
USA	18667462133	Singapore	8001012045
UK	08081011573	Hongkong	800964448

Thank You

Strides Pharma Science Limited
CIN: L24230MH1990PLC057062

REGISTERED OFFICE
201, Devavrata, Sector 17,
Vashi, Navi Mumbai – 400 703, India
Tel: +91 22 2789 2924/ 2789 3199
Fax: +91 22 2789 2942
Email: corpcomm@strides.com
Website: www.strides.com

CORPORATE OFFICE
Strides House, Bilekahalli, Bannerghatta Road,
Bangalore – 560076, India
Tel: +91 80 6784 0000 / 6784 0738

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 consolidated financial results of Strides Pharma Science Limited for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 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 (hereinafter referred to as "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 ventures for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 ("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 to the Statement:

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 the other auditors referred to in paragraph 8 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.

6. We draw attention to Note 4 of the consolidated financial results which states that the ability of Stelis Biopharma Limited ('the Associate') to continue as a going concern is dependent on the mitigation factors detailed in the said note which could have a consequential impact on the carrying amount of investment of Rs. 3,458.32 million million in the Associate as at 31 December 2022. Further, the auditors of the Associate have, without modifying their opinion, reported a Material Uncertainty Related to Going Concern vide their report dated 24 January 2022 on the financial information of the Associate for the period ended 31 December 2022.

Our conclusion is not modified in respect of this matter.

7. We refer to Note 13 of the consolidated financial results which more fully explains the decision of the Holding Company's Board of Directors to recover the excess remuneration paid to the Holding Company's erstwhile Managing Director and Chief Executive Officer in the previous year. Accordingly, the Group continues to have a recoverable of Rs. 141.90 million as at 31 December 2022 in accordance with the requirements of Section 197(9) of the Companies Act, 2013.

Our conclusion is not modified in respect of this matter.

8. We did not review the financial information of 5 Subsidiaries included in the Statement, whose financial information reflects Company's share of total revenues of Rs. 4,757 million and Rs. 16,041 million, Company's share of total net loss after tax of Rs. 175 million and Rs. 1,126 million and Company's share of total comprehensive loss of Rs. 175 million and Rs. 1,126 million, for the quarter ended 31 December 2022 and for the period from 01 April 2022 to 31 December 2022 respectively, as considered in the Statement. The Statement also include the Group's share of net loss after tax of Rs. 1,427 million and Rs. 2,351 million and total comprehensive loss of Rs. 1,427 million and Rs. 2,351 million, for the quarter ended 31 December 2022 and for the period from 01 April 2022 to 31 December 2022 respectively as considered in the Statement, in respect of 1 associate, 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.

9. The Statement includes the financial information of 28 Subsidiaries which have not been reviewed, whose financial information reflects Company's share of total revenues of Rs. 1,007 million and Rs. 2,723 million, Company's share of total net loss after tax of Rs. 47 million and Rs. 81 million and Company's share of total comprehensive loss of Rs. 51 million and Rs. 101 million, for the quarter ended 31 December 2022 and for the period from 01 April 2022 to 31 December 2022 respectively, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 8 million and Rs. 96 million and total comprehensive loss of Rs. 8 million and Rs. 96 million, for the quarter ended 31 December 2022 and for the period from 01 April 2022 to 31 December 2022 respectively as considered in the Statement, in respect of 10 associates and a joint venture, based on their interim financial statements /financial information/ financial results 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

sampad guhathakurta

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Sampad Guha Thakurta

Partner

Bengaluru | Membership No.: 060573

24 January 2023 | UDIN:23060573BGYNCA9889

Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship
1	Altima Innovations Inc., United States	Subsidiary
2	Apollo Life Sciences Holdings Proprietary Limited, South Africa	Subsidiary
3	Aponia Laboratories Inc., United States	Associates
4	Arco Lab Private Limited, India	Subsidiary
5	Arrow Life Sciences (Malaysia) SDN. BHD., Malaysia	Subsidiary
6	Arrow Pharma Pte Ltd., Singapore	Subsidiary
7	Beltapharm S.P.A., Italy	Subsidiary
8	Biolexis Private Limited, India	Associates
9	ERIS Pharma GmbH, Germany	Subsidiary
10	Fairmed Healthcare AG, Switzerland	Subsidiary
11	Fair-Med Healthcare GmbH, Germany	Subsidiary
12	Generic Partners UK Ltd, United Kingdom	Subsidiary
13	Pharmapar Inc., Canada	Subsidiary
14	Regional Bio Equivalence Centre S.C, Ethiopia	Associates
15	Sihuan Strides (HK) Ltd., Hong Kong	Joint venture
16	Stabilis Pharma Inc., United States	Subsidiary
17	Stelis Biopharma (Malaysia) SDN. BHD., Malaysia	Subsidiary
18	Stelis Biopharma Limited, India (formerly, Stelis Biopharma Private Limited, India)	Associates
19	Biolexis Pte. Ltd., Singapore (formely, Stelis Pte Ltd.,	Associates

	Singapore)	
20	Strides Arcolab International Ltd., United Kingdom	Subsidiary
21	Strides CIS Limited, Cyprus	Subsidiary
22	Strides Consumer LLC, United States	Associates (upto 8th August 2022, also refer Note 5)
23	Strides Consumer Private Limited, India	Associates (upto 8th August 2022, also refer Note 5)
24	Strides Foundation Trust, India	Trust
25	Strides Global Consumer Healthcare Limited, United Kingdom	Associates (upto 8th August 2022, also refer Note 5)
26	Strides Life Sciences Limited, Nigeria	Subsidiary
27	Strides Netherlands B.V., Netherlands	Subsidiary
28	Strides Nordic ApS, Denmark	Subsidiary
29	Strides Pharma (Cyprus) Limited, Cyrpus	Subsidiary
30	Strides Pharma (SA) Pty Ltd., South Africa	Subsidiary
31	Strides Pharma Asia Pte. Ltd., Singapore	Subsidiary
32	Strides Pharma Canada Inc, Canada	Subsidiary
33	Strides Pharma Global (UK) Limited, United Kingdom	Subsidiary
34	Strides Pharma Global Pte. Limited, Singapore	Subsidiary
35	Strides Pharma Inc., United States	Subsidiary
36	Strides Pharma International Limited, Cyprus	Subsidiary
37	Strides Pharma Science Limited, India	Holding

38	Strides Pharma Science Pty Ltd, Australia	Subsidiary
39	Strides Pharma UK Ltd, United Kingdom	Subsidiary
40	Strides Shasun Latina, SA de CV, Mexico	Subsidiary
41	SVADS Holdings SA, Switzerland	Subsidiary
42	Trinity Pharma (Pty) Limited, South Africa	Subsidiary
43	Universal Corporation Limited, Kenya	Associates (Subsidiary upto 30th September 2022) Also refer Note 11
44	Vensun Pharmaeuticals, Inc., United States	Subsidiary
45	Vivimed Life Sciences Private Limited, India	Subsidiary
46	Strides Pharma Services Private Limited, India	Subsidiary
47	Neviton Softech Private Limited, India	Associates (Refer Note 15)
48	Stelis Biopharma UK Private Limited, UK	Associates

Strides

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Rs. in Million

Sl. No.	Particulars	3 Months ended December 31, 2022	Preceding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the pervious period ended December 31, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
	Continuing operations						
I	Revenue from operations	8,648.46	8,970.97	7,943.93	27,020.17	22,042.32	30,702.50
II	Other income	262.00	234.59	101.89	632.07	459.31	1,319.88
III	**Total income (I + II)**	**8,910.46**	**9,205.56**	**8,045.82**	**27,652.24**	**22,501.63**	**32,022.38**
IV	**Expenses**						
	(a) Cost of materials consumed	3,078.95	3,726.86	3,175.91	11,732.76	9,217.50	10,909.32
	(b) Purchases of stock-in-trade	476.63	123.06	539.13	1,192.83	1,987.09	3,161.06
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	119.39	20.95	295.95	(663.73)	(456.21)	952.79
	(d) Employee benefits expense	1,810.11	1,916.91	1,799.43	5,563.62	4,896.55	6,469.09
	(e) Finance costs	584.44	676.40	422.52	1,806.25	1,272.61	1,767.44
	(f) Depreciation and amortisation expense	602.21	617.02	608.96	1,823.23	1,723.38	2,330.14
	(g) Other expenses	1,999.96	2,201.90	2,118.21	6,448.45	7,020.09	9,411.30
	Total expenses (IV)	**8,671.69**	**9,283.10**	**8,960.11**	**27,903.41**	**25,661.01**	**35,001.14**
V	**Profit/ (loss) before exceptional items and tax (III - IV)**	**238.77**	**(77.54)**	**(914.29)**	**(251.17)**	**(3,159.38)**	**(2,978.76)**
VI	Exceptional items - net gain / (loss) (Refer note 9)	415.60	145.20	(154.32)	(96.93)	(1,668.79)	(2,438.25)
VII	**Profit / (loss) before tax (V + VI)**	**654.37**	**67.66**	**(1,068.61)**	**(348.10)**	**(4,828.17)**	**(5,417.01)**
VIII	Share of loss of joint venture and associates	(1,434.53)	(448.38)	(242.75)	(2,446.82)	(671.74)	(1,108.12)
IX	**Profit/ (loss) before tax (VII + VIII)**	**(780.16)**	**(380.72)**	**(1,311.36)**	**(2,794.92)**	**(5,499.91)**	**(6,525.13)**
X	**Tax expense / (benefit)**						
	- Current tax (Refer note 8)	(20.76)	(181.15)	(18.70)	(160.32)	40.78	(1,504.40)
	- Deferred tax	61.66	(202.89)	(26.08)	(463.56)	(508.60)	(278.23)
	Total tax expense / (benefit) (X)	**40.90**	**(384.04)**	**(44.78)**	**(623.88)**	**(467.82)**	**(1,782.63)**
XI	**Profit/(loss) after tax from continuing operations (IX - X)**	**(821.06)**	**3.32**	**(1,266.58)**	**(2,171.04)**	**(5,032.09)**	**(4,742.50)**
XII	**Discontinued operations**						
	- Profit / (loss) from discontinued operations	-	-	-	-	-	-
	- Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)(Refer note 16)	-	185.69	-	185.69	-	-
	- Tax expense of discontinued operations	-	-	-	-	-	-
XIII	**Profit/(loss) after tax from discontinued operations**	**-**	**185.69**	**-**	**185.69**	**-**	**-**
XIV	**Profit / (loss) for the period (XI + XIII)**	**(821.06)**	**189.01**	**(1,266.58)**	**(1,985.35)**	**(5,032.09)**	**(4,742.50)**

Strides

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Rs. in Milion

Sl. No.	Particulars	3 Months ended December 31, 2022	Preceding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the pervious period ended December 31, 2021	Previous year ended March 31, 2022
		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	(5.70)	(14.00)	(22.91)	(35.35)	(100.91)	(86.64)
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	3.71	2.16	2.15	7.05	19.62	18.96
B	(i) Items that may be reclassified to statement of profit and loss	100.75	197.13	52.83	563.98	290.12	560.86
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	31.48	26.85	14.77	50.65	(5.54)	(3.19)
	Total other comprehensive income for the period (XV)	**130.24**	**212.14**	**46.84**	**586.33**	**203.29**	**489.99**
XVI	**Total comprehensive income for the period (XIV + XV)**	**(690.82)**	**401.15**	**(1,219.74)**	**(1,399.02)**	**(4,828.80)**	**(4,252.51)**
	Profit for the period attributable to:						
	- Owners of the Company	(800.26)	228.25	(1,216.71)	(1,930.93)	(4,894.30)	(4,602.11)
	- Non-controlling interests	(20.80)	(39.24)	(49.87)	(54.42)	(137.79)	(140.39)
		(821.06)	**189.01**	**(1,266.58)**	**(1,985.35)**	**(5,032.09)**	**(4,742.50)**
	Other comprehensive income for the period						
	- Owners of the Company	187.51	206.84	43.21	636.06	196.84	477.04
	- Non-controlling interests	(57.27)	5.30	3.63	(49.73)	6.45	12.95
		130.24	**212.14**	**46.84**	**586.33**	**203.29**	**489.99**
	Total comprehensive income for the period						
	- Owners of the Company	(612.75)	435.09	(1,173.50)	(1,294.87)	(4,697.46)	(4,125.07)
	- Non-controlling interests	(78.07)	(33.94)	(46.24)	(104.15)	(131.34)	(127.44)
		(690.82)	**401.15**	**(1,219.74)**	**(1,399.02)**	**(4,828.80)**	**(4,252.51)**
	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.)	(8.86)	0.47	(13.55)	(23.52)	(54.54)	(51.28)
	(2) Diluted (in Rs.)	(8.86)	0.47	(13.55)	(23.52)	(54.54)	(51.28)
	Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)						
	(1) Basic (in Rs.)	-	2.07	-	2.07	-	-
	(2) Diluted (in Rs.)	-	2.07	-	2.07	-	-
	Earnings per equity share (face value of Rs. 10/- each) (for total operations)						
	(1) Basic (in Rs.)	(8.86)	2.54	(13.55)	(21.45)	(54.54)	(51.28)
	(2) Diluted (in Rs.)	(8.86)	2.54	(13.55)	(21.45)	(54.54)	(51.28)
	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, 2022

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 consolidated results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 24, 2023 . The statutory auditors have reviewed the results for the quarter and nine months ended December 31, 2022 and have issued an unmodified opinion.

3 The Group has incurred loss of Rs. 821 million and Rs. 2,171 million during the quarter and nine months period ended December 31, 2022 respectively on account of significant losses incurred by Stelis Biopharma Limited ('the Associate'). Further, as of December 31, 2022, the Parent Company has provided guarantees/securities aggregating to Rs. 11,800 million in relation to the borrowings of the Associate, for which there is a material uncertainty to continue as a going concern. The Board, subject to shareholders approval has proposed to issue further guarantees of INR 7,000 million to enable its Associate to refinance certain loans. These new guarantees are planned to replace the existing guarantees issued against the loans being refinanced. Post the completion of the planned refinancing arrangement the outstanding guarantees/securities towards borrowings of the Associate is expected to be around Rs. 11,000 million. The Associate had requested for temporary relaxations for compliance with the financial covenants for March 31, 2022 from the lenders as these were not met, which are yet to be received. Management based on the forecasts received from its Associate believe that it will not be required to fund additional amounts in the Associate beyond its current commitments as they are expected to raise further financing to enable it to meet its obligations as they fall due. Also refer Note 4 of these financial results.

The Group during the current year has raised long- term and other financing facilities amounting to Rs. 1,750 million during the current nine month period and had issued equity warrants to the entity which is part of the Promoter group that is expected to provide additional equity of Rs. 884 million by March 31, 2023. Out of this commitment, the Group has already received Rs. 370 million towards exercise of such warrants. The Group has cash and cash equivalents of Rs. 5,415 million as of December 31, 2022 and also undrawn borrowing facilities available from certain lenders. The Group for the current nine month period has generated positive operating cash flows and has been consistently recording growth in revenues and have also returned to positive EBITDA generation. It expects to continue to improve operating profits through growth across its businesses and from several cost reduction initiatives. Accordingly, based on the fact that the Group had generated positive operating cash flows in the earlier years and started to generate positive operating cash flows from the current period, temporary relaxations from lenders for compliance with financial covenants related to borrowings, its ability to raise new financing facilities, full utilisation of existing facilities, expected equity infusion in the year ending March 31, 2023 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.

4 During the quarter and nine month period ended December 31, 2022, Stelis Biopharma Limited ('the Associate') has incurred loss of Rs. 4,263 million and Rs. 6,716 million and has a net negative working capital position amounting to Rs. 6,311 million, which includes the current maturities of non-current borrowings of Rs. 3,567 million as at December 31, 2022. The significant loss for the quarter has been on account of continuing operating losses, impairment of certain intangibles under development, provisions recorded for write down of certain inventories and advances.

During the previous quarter, the Associate had inventories relating to Sputnik V, which remains unsold due to geopolitical situation between Russia and Ukraine and sanctions on Russia and Russian Direct Investment Fund (RDIF). The Associate had received the Government of India's No Objection Certificate (NOC) to export the said inventories. However, it continues to face challenges in liquidating these inventories on account of the ongoing situation. During the current quarter, as the Associate could not liquidate certain vaccine inventories by the period and on account of remaining short shelf life, the Associate has recorded a provision for these inventories towards obsolescence. The management of the Associate is confident of utilising the remaining inventories of raw materials within the shelf life in the normal course of business. The Associate also in this context has received certain claims from certain other vendors for damages for commitments which have been disputed by the Associate. Based on the assessment of the Associate, it believes that possibility of any cash outflows on this matter for potential damages / claims is remote. In connection with its vaccine program, the Associate during the current quarter has issued a notice to its partners as claims for unsold inventories and other costs and damages because of the current ongoing geopolitical situation.

The Associate is expected to grow the business of Contract Development and Manufacturing Operations (CDMO) further during the coming years. During the current financial year, Associate's facility in Bengaluru has successfully completed inspection by several regulators including EMA and USFDA and one of its customer has also recently received approval from USFDA for a product filed from the site. The Associate has also signed several Manufacturing Services Agreements (MSA) for it CDMO business which will convert into Commercial supplies under a Commercial Sales Agreement (CSA) on approval for the customer in future. However given the long gestation nature of the business, the Associate's net profitability continues to be impacted by high un-utilized facility costs of the new facility which was commissioned during the previous year and is yet to start contributing meaningful revenues.

The debt service obligations for the Company is Rs. 3,268 million and Rs. 3,585 million for the quarter ending 31 March 2023 and for the year ending 31 March 2024 respectively. The Associate has requested for temporary relaxations for compliance with the financial covenants from the lenders as these have not been met as of the date of these financial results. Also, the shareholders of the Associate have committed to extend the necessary financial support against the monies outstanding on the partly paid shares. During the nine month period ended December 31, 2022, the shareholders have infused Rs. 4,738 million by subscribing towards call against the partly paid-up shares and rights issues. The Associate will be required to repay some parts of its working capital loans for its vaccine business. The Associate is also exploring various fund raising options including refinancing of debts and currently has received certain term sheets from investors / lenders which are being negotiated. The Associate has also sought support from the Company through issuance of guarantees to secure some of these new fund raises, which have been approved by the Company's Board and is currently pending shareholder approval. The Associate management believes it will be able to finalise these arrangements by the next quarter to enable it to repay the working capital facilities due and meet all its other obligations as they fall due.

Given the mitigating factors discussed above, while there is a reasonable expectation that the Associate will be able to generate/raise adequate resources to continue operating for the foreseeable future and that the going concern basis for the preparation of its financial statements remains appropriate, there exists a material uncertainty in respect of the Associate's going concern. This also required the Group to undertake the Impairment assessment of the Group's investment in the Associate. The Group estimated the recoverable amount based on the value in use of the underlying businesses. The computation used cash flow forecasts based on the most recently approved financial budgets and strategic forecasts. The Group also considered the valuation at which funds were raised by the associate during the previous year and significant increase in its revenues and contracting during the previous year. Accordingly, based on the above assessment, the Group has concluded that no impairment provision is required in the consolidated financial results.

5 a. The Group to enable its associate, Consumer Healthcare (CHC) Business, to raise additional capital from other investors to fund its growth, decided to dilute its equity holding. Consequently, in accordance with the revised agreement with other investors the Group reduced its equity holding to 19%. Pursuant to the such amended agreement the Group has no longer any representation on the board of CHC. These changes required the Group to re-evaluate its accounting for investment in CHC. Pursuant to these amendments, the Group concluded that the Group no longer has any significant influence over the CHC business and will only retain its investment as a passive shareholder. Accordingly, the Group discontinued its equity method associate accounting for CHC and will hereafter only account for its investments at fair value through other comprehensive income. Accordingly, gain on loss of significant influence amounting of Rs. 464.73 million has been recorded during the previous quarter ended 30 September 2022.

b. During the current quarter, one of the associates of the Group, raised additional equity investments. Consequently, the Group's shareholding has reduced. As per Ind AS 28 'Investment in associates and Joint ventures', the group recorded gain on dilution of shareholding of Rs. 230 million (previous year Rs. 529.26 million).

6 During the previous year, the Group completed the sale of business of its subsidiary (Pharmapar Inc., Canada) for consideration of CAD 0.63 million. The net loss of Rs. 154.37 million arising from the transaction was recorded as exceptional items in the statement of profit and loss for the year ended March 31, 2022.

7 a. 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.

b. During the previous year, USFDA issued a letter to the Group to test for the presence of Azide impurity(s) in Losartan. The Azide impurities are API process impurity(s), with the API supplier also receiving a similar letter from USFDA. The results confirmed the presence of Azide impurity(s) in the batches tested. As a result, the group proposed to initiate recall of specific batches which had the Azide impurity(s).

During the previous year, the Group had estimated the impact of the aforesaid recall and recorded a sales return provision for potential refunds on return of the product. The Group has also estimated the costs of such recall and have provided for all inventory of Losartan with the Azide impurity(s) as of 31 March 2022, amounting to Rs. 353.47 million. Subsequently the API process from the API supplier was optimized to address this issue and the product was relaunched.

During the nine months ended December 31, 2022, with respect to the above mentioned recalls, the Group is carrying sufficient provision for sales return and has recorded an amount of Rs. 195.44 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 with respect to these recalled products. 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.

8 During the current quarter and nine months ended December 31, 2022, the Company has received tax refund on completion of assessments amounting to Rs. 670.74 million and Rs. 1,023.74 million pertaining to certain tax credits for earlier years. The interest income amounting to Rs. 195.53 million and Rs. 305.53 million for the quarter and nine months ended December 31, 2022 on the said refund has been recorded under Other income in these financial results respectively.

9 Exceptional Item gain/ (loss) (net):

Rs. in Million

Particulars	3 Months ended December 31, 2022	Preceding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the pervious period ended December 31, 2021	Previous year ended March 31, 2022
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
- Exchange gain/ (loss) on long-term foreign currency loans, deferred consideration and intra-group loans	246.16	(462.62)	(5.42)	(714.68)	(273.77)	(109.24)
- Sales returns, write down of inventory and other expenses on account of product withdrawal and recall (Refer note 7)	(38.65)	(134.91)	(17.20)	(195.44)	(161.16)	(552.34)
- Impairment and cost associated with disposal of facility (Refer note 10)	-	-	(44.04)	-	(1,695.96)	(1,727.16)
- Impairment/Write down of assets	(0.67)	(16.27)	-	(48.02)	-	(46.76)
- Gain on dilution of investment in associates (Refer note 5)	230.15	464.73	-	694.88	529.26	529.26
- Business combination and restructuring expenses	-	-	(66.64)	(0.88)	(128.83)	(211.27)
- Employee Severance and retrenchment expense (Refer note 10)	(2.23)	(5.84)	-	(92.00)	-	(207.00)
- Unwinding/ cancellation of gross obligations and contingent consideration	(19.16)	151.00	(21.01)	110.10	32.27	11.27
- Gain on sale of Investment in associate	-	-	-	-	27.79	27.79
- Gain on divestment / deconsolidation of subsidiaries (Refer note 11)	-	149.11	(0.01)	149.11	1.61	1.57
- Loss on sale of business units (Refer note 6)	-	-	-	-	-	(154.37)
Total	**415.60**	**145.20**	**(154.32)**	**(96.93)**	**(1,668.79)**	**(2,438.25)**

10 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 operations with the acquired facility at Chestnut Ridge, New York to optimise future operating costs.

During the previous year, the Group has divested the Florida facility. Accordingly the Group recorded an impairment loss (including associated costs) amounting to Rs. 1,727.16 million which has been disclosed under exceptional items.

Additionally, the Group as part of cost improvement measures globally and capacity optimization at various manufacturing locations, resulting in one time severance expense aggregating to Rs. 92 million (previous year Rs. 207 million), which has been disclosed under exceptional items.

11 Universal Corporation, Kenya (UCL) would have a favorable opportunity to participate and win certain local tenders if the company is a local Kenyan company, i.e Kenyan shareholders own at-least 51% ownership in the company. In order to maximize the opportunities for UCL, the shareholders have jointly agreed to take the necessary steps that enables the company to be eligible and win such businesses enabling its future growth.

During the previous quarter, to enable Universal Corporation, Kenya (UCL) to compete in local tender businesses in Africa which promotes local companies, the Group decided to reduce its equity shareholding below majority in UCL. Consequently, the Group also ceded away the control over the board of UCL in favour of the other existing shareholders. However, it continues to have board representation to exercise significant influence. Pursuant to above amendments, the Group concluded that it no longer exercises control over UCL and hence will account for its investment as an equity method associate. As per Ind AS 110 - Consolidated Financial Statements, the resulting gain of Rs. 149 million, on loss of control has been disclosed under exceptional items. As on December 31, 2022, the fair value of investment in UCL has been disclosed under investment in associates and joint ventures.

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12 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 December 31, 2022	Preceding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the pervious period ended December 31, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	**Segment Revenue**						
	a) Pharmaceutical business	8,648.46	8,970.97	7,943.93	27,020.17	22,042.32	30,702.50
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	Revenue from operations	**8,648.46**	**8,970.97**	**7,943.93**	**27,020.17**	**22,042.32**	**30,702.50**
2	**Segment results**						
	(i) Profit/ (loss) before exceptional items and tax						
	a) Pharmaceutical business	238.77	(77.54)	(914.29)	(251.17)	(3,159.38)	(2,978.76)
	b) Bio-pharmaceutical business	-	-	-	-	-	-
		238.77	**(77.54)**	**(914.29)**	**(251.17)**	**(3,159.38)**	**(2,978.76)**
	(ii) Exceptional items - net gain / (loss)						
	a) Pharmaceutical business	185.60	145.20	(154.32)	(326.93)	(2,198.05)	(2,967.51)
	b) Bio-pharmaceutical business	230.00	-	-	230.00	529.26	529.26
		415.60	**145.20**	**(154.32)**	**(96.93)**	**(1,668.79)**	**(2,438.25)**
	(iii) Share of loss of joint ventures and associates						
	a) Pharmaceutical business	(7.52)	(22.84)	(101.41)	(95.41)	(214.52)	(250.62)
	b) Bio-pharmaceutical business	(1,427.01)	(425.54)	(141.34)	(2,351.41)	(457.22)	(857.50)
		(1,434.53)	**(448.38)**	**(242.75)**	**(2,446.82)**	**(671.74)**	**(1,108.12)**
	(iv) Profit/ (loss) before tax						
	a) Pharmaceutical business	416.85	44.82	(1,170.02)	(673.51)	(5,571.95)	(6,196.89)
	b) Bio-pharmaceutical business	(1,197.01)	(425.54)	(141.34)	(2,121.41)	72.04	(328.24)
	Profit/ (loss) before tax [i+ii+iii]	**(780.16)**	**(380.72)**	**(1,311.36)**	**(2,794.92)**	**(5,499.91)**	**(6,525.13)**
	Tax expense	40.90	(384.04)	(44.78)	(623.88)	(467.82)	(1,782.63)
	(v) Profit/(loss) after tax from continuing operations	**(821.06)**	**3.32**	**(1,266.58)**	**(2,171.04)**	**(5,032.09)**	**(4,742.50)**

STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Rs. in Million

	Particulars	3 Months ended December 31, 2022	Preceding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the pervious period ended December 31, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	**Segment Assets**						
	a) Pharmaceutical business	64,439.25	64,206.20	66,228.20	64,439.25	66,228.20	65,139.56
	b) Bio-pharmaceutical business	3,464.48	4,242.37	5,020.45	3,464.48	5,020.45	4,619.06
	Total Segment Assets	**67,903.73**	**68,448.57**	**71,248.65**	**67,903.73**	**71,248.65**	**69,758.62**
2	**Segment Liabilities**						
	a) Pharmaceutical business	45,541.77	45,430.58	46,086.64	45,541.77	46,086.64	45,925.46
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	Total Segment Liabilities	**45,541.77**	**45,430.58**	**46,086.64**	**45,541.77**	**46,086.64**	**45,925.46**

13 The Company's erstwhile Managing Director and Chief Executive Officer tendered resignation on March 29, 2022, which has been accepted by the Board of Directors (Board). As part of the terms of his remuneration, as approved in the Annual General Meeting dated August 20, 2020, he was entitled to a joining bonus of Rs. 141.90 million which had been paid in full by the Company in earlier periods. However, the employment terms contain a provision to claw back the joining bonus in full if he were to leave the Company before completing 36 months from the date of such payment. The Board has decided to recover the joining bonus in accordance with the terms of employment. Accordingly, in line with the requirements of Section 197(9), the Company has shown an amount of Rs. 141.90 million as a recoverable balance which is disclosed under current financial assets.

14 Board of Directors of the Company on March 14, 2022 approved the issuance of upto 2,000,000 Equity Warrants at a price of Rs 442/- per warrant, which is higher than the floor price arrived at 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 was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on April 7,2022 and has also received requisite listing approvals.
As on December 31, 2022, the Company has received amount of Rs. 370 million and allotted 452,490 equity shares against equivalent number of share warrants. Equity warrants of 1,547,510 are pending to be allotted as on December 31, 2022.

15 During the nine months ended December 31, 2022, the Group through its subsidiary, Arcolab Private Limited acquired 25% equity interest in Neviton Softech Private Limited (Neviton), for a consideration of Rs. 91 million (EUR 1.13 million). Neviton is in the business of providing IoT and engineering solutions to a wide range of businesses. It has expertise in building machine interfaces through internet of things (IoT) devices and live feeding data into real-time applications. The Group expects to derive benefits on its internal group wise digitisation process through this investment.

Strides

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

16 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 quarter, 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. 185.69 million as a gain under discontinued operations.

Sl. No.	Particulars	3 Months ended December 31, 2022	Preceding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the pervious period ended December 31, 2021	Previous year ended March 31, 2022
		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)	-	185.69	-	185.69	-	-
IX	Tax expense / (benefit)	-	-	-	-	-	-
X	**Profit/(loss) from discontinued operations (VII+ VIII - IX)**	**-**	**185.69**	**-**	**185.69**	**-**	**-**

17 **Information on Standalone Results : -**

Rs. in Million

	Particulars	3 Months ended December 31, 2022	Preceding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the pervious period ended December 31, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
	Total Income from continuing operations	4,162.66	5,017.06	4,470.57	13,486.27	15,620.02	21,024.88
	Profit/ (loss) before tax from continuing operations	179.91	(440.71)	(316.90)	(1,299.60)	(351.99)	215.08
	Profit/ (loss) after tax from continuing operations	125.36	(39.97)	(176.03)	(577.15)	(203.16)	1,801.88
	Profit/(loss) before tax from discontinued operations	-	-	-	-	-	-
	Profit/(loss) after tax from discontinued operations	-	-	-	-	-	-

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

For and on behalf of the Board

ARUN KUMAR PILLAI

Digitally signed by ARUN KUMAR PILLAI
Date: 2023.01.24 14:07:49 +05'30'

Arun Kumar

Executive Chairperson and Managing Director

Bangalore, January 24, 2023

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 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 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 standalone financial results of Strides Pharma Science Limited (hereinafter referred to as "the Company") for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by its 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. 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.

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 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 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.

5. We draw attention to Note 7 of the standalone financial results which states that the ability of Stelis Biopharma Limited ('the Associate') to continue as a going concern is dependent on the mitigation factors detailed in the said note which could have a consequential impact on the carrying amount of investment of Rs. 5,308.55. million in the Associate as at 31 December 2022. Further, the auditors of the Associate have, without modifying their opinion, reported a Material Uncertainty Related to Going Concern vide their report dated 24 January 2023 on the financial information of the Associate for the period ended 31 December 2022.

Our opinion is not modified in respect of this matter.

6. We refer to Note 8 of the standalone financial results which more fully explains the decision of the Board of Directors to recover the excess remuneration paid to the Company's erstwhile Managing Director and Chief Executive Officer in the previous year. Accordingly, the Company continues to have a recoverable of Rs. 141.90 million as at 31 December 2022 in accordance with the requirements of Section 197(9) of the Companies Act, 2013.

Our opinion is not modified in respect of this matter.

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

Chartered Accountants

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

sampad guhathakurta

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Date: 2023.01.24 14:20:07 +05'30'

Sampad Guha Thakurta

Partner

Membership No.: 060573

UDIN:23060573BGYNCB3275

Bengaluru

24 January 2023

Strides

STRIDES PHARMA SCIENCE LIMITED
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STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Rs. in Million

Sl. No.	Particulars	3 Months ended December 31, 2022	Preceeding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the previous period ended December 31, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
	Income						
I	Revenue from operations	3,865.14	4,812.35	4,395.59	12,909.39	15,233.46	19,790.03
II	Other income	297.52	204.71	74.98	576.88	386.56	1,234.85
III	**Total income (I + II)**	**4,162.66**	**5,017.06**	**4,470.57**	**13,486.27**	**15,620.02**	**21,024.88**
IV	**Expenses**						
	(a) Cost of materials consumed	2,375.67	2,858.07	2,323.17	8,165.50	6,920.36	9,354.24
	(b) Purchases of stock-in-trade	36.82	96.94	6.84	193.44	327.41	518.32
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(260.17)	148.40	391.99	(257.20)	1,108.61	1,142.56
	(d) Employee benefits expense	649.45	700.79	676.00	2,024.81	2,186.81	2,720.91
	(e) Finance costs	351.04	346.60	166.00	957.81	526.94	742.41
	(f) Depreciation and amortisation expense	222.62	243.51	262.32	709.09	799.57	1,043.66
	(g) Other expenses	607.32	1,063.46	961.15	2,992.42	4,102.31	5,287.70
	Total expenses (IV)	**3,982.75**	**5,457.77**	**4,787.47**	**14,785.87**	**15,972.01**	**20,809.80**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**	**179.91**	**(440.71)**	**(316.90)**	**(1,299.60)**	**(351.99)**	**215.08**
VI	Exceptional Item	-	-	-	-	-	-
VII	**Profit / (Loss) before tax (V + VI)**	**179.91**	**(440.71)**	**(316.90)**	**(1,299.60)**	**(351.99)**	**215.08**
VIII	**Tax expense / (benefit)**						
	- Current tax benefit (Refer note 9)	(73.53)	(194.81)	-	(268.34)	-	(1,584.71)
	- Deferred tax expense / (benefit)	128.08	(205.93)	(140.87)	(454.11)	(148.83)	(2.09)
	Total tax (benefit) / expense (VIII)	**54.55**	**(400.74)**	**(140.87)**	**(722.45)**	**(148.83)**	**(1,586.80)**
IX	**Profit / (Loss) for the period (VII -VIII)**	**125.36**	**(39.97)**	**(176.03)**	**(577.15)**	**(203.16)**	**1,801.88**

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STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Rs. in Million

Sl. No.	Particulars	3 Months ended December 31, 2022	Preceeding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the previous period ended December 31, 2021	Previous year ended March 31, 2022
		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	-	-	-	-	-	(2.51)
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	-	-	-	-	-	0.88
B	(i) Items that may be reclassified to statement of profit and loss	(60.83)	(118.63)	(50.28)	(169.15)	(9.66)	(59.30)
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	21.26	41.45	17.57	59.11	3.38	20.72
	Total other comprehensive income for the period (X)	**(39.57)**	**(77.18)**	**(32.71)**	**(110.04)**	**(6.28)**	**(40.21)**
XI	**Total comprehensive income for the period (IX + X)**	**85.79**	**(117.15)**	**(208.74)**	**(687.19)**	**(209.44)**	**1,761.67**
	Earnings per equity share (face value of Rs. 10/- each)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (Rs.)	1.39	(0.44)	(1.96)	(6.41)	(2.26)	20.08
	(b) Diluted (Rs.)	1.39	(0.44)	(1.96)	(6.41)	(2.26)	20.07
	See accompanying notes to the Financial Results						

Strides

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STATEMENT OF STANDALONE UNAUDITED RESULTS

FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

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 January 24, 2023. The statutory auditor has reviewed the results for the quarter and nine months ended December 31, 2022 and have issued an unmodified opinion.

3 The Company has recorded profit of Rs. 125 million and has incurred loss of Rs. 577 million during the quarter and nine months period ended December 31, 2022 respectively. Further, as of December 31, 2022, the Company has provided guarantees/ securities aggregating to Rs. 11,800 million in relation to the borrowings of Stelis Biopharma Limited ("the Associate"), for which there is a material uncertainty to continue as a going concern. The Board, subject to shareholders approval has proposed to issue further guarantees of INR 7,000 million to enable its Associate to refinance certain loans. These new guarantees are planned to replace the existing guarantees issued against the loans being refinanced. Post the completion of the planned refinancing arrangement the outstanding guarantees/securities towards borrowings of the Associate is expected to be around Rs. 11,000 million. The Associate had requested for temporary relaxations for compliance with the financial covenants for March 31, 2022 from the lenders as these were not met, which are yet to be received. Management based on the forecasts received from its Associate believe that it will not be required to fund additional amounts in the Associate beyond its current commitments as they are expected to raise further financing to enable it to meet its obligations as they fall due. Also refer note 7 of these financial results.

The Company during the current year has raised long- term and other financing facilities amounting to Rs. 1,750 million during the current nine month period and had issued equity warrants to the entity which is part of the Promoter group that is expected to provide additional equity of Rs. 884 million by March 31, 2023. Out of this commitment, the Company has already received Rs. 370 million towards exercise of such warrants. The Company has cash and cash equivalents of Rs. 769 million as of December 31, 2022 and also undrawn borrowing facilities available from certain lenders. The Company for the current nine month period has generated positive operating cash flows and has been consistently recording growth in revenues and have also returned to positive EBITDA generation. It expects to continue to improve operating profits through growth across its businesses and from several cost reduction initiatives. Accordingly, based on the fact that the Company had generated positive operating cash flows in the earlier years and started to generate positive operating cash flows from the current period, temporary relaxations from lenders for compliance with financial covenants related to borrowings, its ability to raise new financing facilities, full utilisation of existing facilities, expected equity infusion in the year ending March 31, 2023 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.

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STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

4 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 had 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.

Rs. in Million

Sl. No.	Particulars	3 Months ended December 31, 2022	Preceeding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the previous period ended December 31, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	**Segment Revenue**						
	a) Pharmaceutical business	3,865.14	4,812.35	4,395.59	12,909.39	15,233.46	19,790.03
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	Revenue from operations	**3,865.14**	**4,812.35**	**4,395.59**	**12,909.39**	**15,233.46**	**19,790.03**
2	**Segment results**						
	a) Pharmaceutical business	179.91	(440.71)	(316.90)	(1,299.60)	(351.99)	215.08
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	Profit / (loss) before tax (I)	**179.91**	**(440.71)**	**(316.90)**	**(1,299.60)**	**(351.99)**	**215.08**
	Tax expense /(benefit) (II)	54.55	(400.74)	(140.87)	(722.45)	(148.83)	(1,586.80)
	Profit / (loss) for the period (I-II)	**125.36**	**(39.97)**	**(176.03)**	**(577.15)**	**(203.16)**	**1,801.88**

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STATEMENT OF STANDALONE UNAUDITED RESULTS
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Rs. in Million

Sl. No.	Particulars	3 Months ended December 31, 2022	Preceeding 3 Months ended September 30, 2022	Corresponding 3 Months ended in the previous year December 31, 2021	Year to date figures for the current period ended December 31, 2022	Year to date figures for the previous period ended December 31, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	**Segment Assets**						
	a) Pharmaceutical business	51,095.34	51,230.54	47,710.30	51,095.34	47,710.30	49,020.47
	b) Bio-pharmaceutical business	5,314.71	5,315.85	5,396.93	5,314.71	5,396.93	5,318.11
	Total Segment Assets	**56,410.05**	**56,546.39**	**53,107.23**	**56,410.05**	**53,107.23**	**54,338.58**
2	**Segment Liabilities**						
	a) Pharmaceutical business	22,636.02	22,865.14	21,020.72	22,636.02	21,020.72	20,271.75
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	Total Segment Liabilities	**22,636.02**	**22,865.14**	**21,020.72**	**22,636.02**	**21,020.72**	**20,271.75**

5 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.

6 Board of Directors of the Company on March 14, 2022 approved the issuance of upto 2,000,000 Equity Warrants at a price of Rs 442/- per warrant, which is higher than the floor price arrived at 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 was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on April 7,2022 and has also received requisite listing approvals.

As on December 31, 2022, the Company has received an amount of Rs. 370 million and allotted 452,490 equity shares against equivalent number of share warrants. Equity warrants of 1,547,510 are pending to be allotted as on December 31, 2022.

7 During the quarter and nine month period ended December 31, 2022, Stelis Biopharma Limited ('the Associate') has incurred loss of Rs. 4,263 million and Rs. 6,716 million and has a net negative working capital position amounting to Rs. 6,311 million, which includes the current maturities of non-current borrowings of Rs. 3,567 million as at December 31, 2022. The significant loss for the quarter has been on account of continuing operating losses, impairment of certain intangibles under development, provisions recorded for write down of certain inventories and advances.

During the previous quarter, the Associate had inventories relating to Sputnik V, which remains unsold due to geopolitical situation between Russia and Ukraine and sanctions on Russia and Russian Direct Investment Fund (RDIF). The Associate had received the Government of India's No Objection Certificate (NOC) to export the said inventories. However, it continues to face challenges in liquidating these inventories on account of the ongoing situation. During the current quarter, as the Associate could not liquidate certain vaccine inventories by the period and on account of remaining short shelf life, the Associate has recorded a provision for these inventories towards obsolescence. The management of the Associate is confident of utilising the remaining inventories of raw materials within the shelf life in the normal course of business. The Associate also in this context has received certain claims from certain other vendors for damages for commitments which have been disputed by the Associate. Based on the assessment of the Associate, it believes that possibility of any cash outflows on this matter for potential damages / claims is remote. In connection with its vaccine program, the Associate during the current quarter has issued a notice to its partners as claims for unsold inventories and other costs and damages because of the current ongoing geopolitical situation.

The Associate is expected to grow the business of Contract Development and Manufacturing Operations (CDMO) further during the coming years. During the current financial year, Associate's facility in Bengaluru has successfully completed inspection by several regulators including EMA and USFDA and one of its customer has also recently received approval from USFDA for a product filed from the site. The Associate has also signed several Manufacturing Services Agreements (MSA) for it CDMO business which will convert into Commercial supplies under a Commercial Sales Agreement (CSA) on approval for the customer in future. However given the long gestation nature of the business, the Associate's net profitability continues to be impacted by high un-utilized facility costs of the new facility which was commissioned during the previous year and is yet to start contributing meaningful revenues.

The debt service obligations for the Company is Rs. 3,268 million and Rs.3,585 million for the quarter ending 31 March 2023 and for the year ending 31 March 2024 respectively. The Associate has requested for temporary relaxations for compliance with the financial covenants from the lenders as these have not been met as of the date of these financial results. Also, the shareholders of the Associate have committed to extend the necessary financial support against the monies outstanding on the partly paid shares. During the nine month period ended December 31, 2022, the shareholders have infused Rs. 4,738 million by subscribing towards call against the partly paid-up shares and rights issues. The Associate will be required to repay some parts of its working capital loans for its vaccine business. The Associate is also exploring various fund raising options including refinancing of debts and currently has received certain term sheets from investors / lenders which are being negotiated. The Associate has also sought support from the Company through issuance of guarantees to secure some of these new fund raises, which have been approved by the Company's Board and is currently pending shareholder approval. The Associate management believes it will be able to finalise these arrangements by the next quarter to enable it to repay the working capital facilities due and meet all its other obligations as they fall due.

Given the mitigating factors discussed above, while there is a reasonable expectation that the Associate will be able to generate/raise adequate resources to continue operating for the foreseeable future and that the going concern basis for the preparation of its financial statements remains appropriate, there exists a material uncertainty in respect of the Associate's going concern. This also required the Company to undertake the Impairment assessment of the Company's investment in the Associate. The Company estimated the recoverable amount based on the value in use of the underlying businesses. The computation used cash flow forecasts based on the most recently approved financial budgets and strategic forecasts. The Company also considered the valuation at which funds were raised by the associate during the previous year and significant increase in its revenues and contracting during the previous year. Accordingly, based on the above assessment, the Company has concluded that no impairment provision is required in the standalone financial results.

Strides

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, 2022

8 The Company's erstwhile Managing Director and Chief Executive Officer tendered resignation on March 29, 2022, which has been accepted by the Board of Directors (Board). As part of the terms of his remuneration, as approved in the Annual General Meeting dated August 20, 2020, he was entitled to a joining bonus of Rs. 141.9 million which had been paid in full by the Company in earlier periods. However, the employment terms contain a provision to claw back the joining bonus in full if he were to leave the Company before completing 36 months from the date of such payment. The Board has decided to recover the joining bonus in accordance with the terms of employment. Accordingly, in line with the requirements of Section 197(9), the Company has shown an amount of Rs. 141.9 million as a recoverable balance which is disclosed under current financial assets.

9 During the current quarter and nine months ended December 31, 2022, the Company has received tax refund on completion of assessments amounting to Rs. 670.74 million and Rs. 1,023.74 million pertaining to certain tax credits for earlier years. The interest income amounting to Rs. 195.53 million and Rs. 305.53 million for the quarter and nine months ended December 31, 2022 on the said refund has been recorded under Other income in these financial results respectively.

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

For and on behalf of the Board

ARUN KUMAR PILLAI
Digitally signed by ARUN KUMAR PILLAI
Date: 2023.01.24 14:08:52 +05'30'

Arun Kumar
Executive Chairperson and Managing Director

Bangalore, January 24, 2023

Stelis
Biopharma

Stelis Biopharma Limited

Investor Update | Q3FY23

Stelis provides for Covid-19 related vaccine inventory and certain intangibles; Investors and Promoters commit ~₹6,451M investment to meet its operational losses, debt obligations and Covid & product portfolio related provisions, of which ~₹4,738 M is received; Stelis converts itself into a pure-play CDMO and guides for a positive EBITDA outcome in FY24

- Stelis inventories relating to the Covid-19 vaccines **remain unsold due to the geopolitical situation between Russia and Ukraine and sanctions on Russia and Russian Direct Investment Fund (RDIF).** Stelis had received the **Government of India's No Objection Certificate (NOC)** to export the said inventories. However, it continued to face challenges in liquidating these inventories because of the **ongoing situation apart from subdued Covid vaccine demand.**

- During Q3'23 and 9M'23, Stelis Biopharma Limited (Stelis or Company) incurred a **loss of Rs. 4,263 million* and Rs. 6,716 million*, respectively.** The significant loss for the quarter has been on account of **provisions recorded for the write-down of all Covid-19-related inventories, operating loss, and impairment of certain intangibles related to its products division, given the strategic shift to be a pure-play CDMO company.** The covid portfolio-related provision recorded is on a **prudent basis despite the inventories having an effective shelf life.**

- **Stelis base CDMO and product business are on track to achieve desired outcomes**. During the year, **Stelis's flagship facility in Bengaluru has successfully completed inspection by several regulators**, including EMA and USFDA. One of its partners recently received approval from USFDA for a product filed from the site. Stelis**' first biosimilar also received approval from the EMA in November 2022.**

- Stelis' total debt stood at **~Rs. 11,700 million** and ~**Rs. 9,098 million**, respectively, as at the end of **March 31, 2022, and December 31, 2022**. The debt book expected to be under ~**Rs. 7,000 million by the end of March 2023.**

- Promoters and other Investors of Stelis are committed to investing up to ~**Rs. 6,451 million in Stelis to meet its obligations**. Stelis has already received ~**Rs. 4,738 million of capital until December 2022.** The remaining amounts will help the company to meet **near term obligations while the operations turn EBITDA positive in the next two quarters.**

- Stelis is poised to build a robust business with high margins & promising returns, delivering **significant value for the shareholders of Strides**. With the pick-up in revenues and operating profits (**expected to be EBITDA positive in FY24),** Stelis would have **generated sufficient cash from operations to meet its business and financing requirements (free cashflow generation from FY25).**

- **The Board of Stelis in Q3'23** had appointed a **global banker to evaluate several strategic options for Stelis. The exercise is underway, and the Company will have more updates with our FY23 results.**

**Strides ownership in Stelis is currently at ~33.6%. Consequently, Strides' share of losses in Q3FY23 and 9MFY23 is Rs. 1,427m and 2,351m, respectively*

While we had a challenging year due to geopolitical issues, several milestones enabling success for the future were achieved; Stelis is expected to generate its maiden EBITDA in FY24

Stelis Biopharma

Lowlights due to unprecedented situation

- The geopolitical issues between Russia and Ukraine led to our inability to liquidate Sputnik Light inventory, equivalent to ~$68 million in revenues.
- This, consequently, led to a severe mismatch in the cashflows as our repayments for the bank lines were linked to the Sputnik program ~$92m of debt book was linked to the Sputnik program.
- Certain delays related to the client programs resulted in the spillover of the revenues for the year.
- Stelis has not lost any business, but it is largely an issue of timing linked to the execution.

Key Highlights during the year

CDMO Business

- Stelis Flagship facility received Establishment Inspection Report (EIR) from USFDA for commercializing the drug-device combination products. The flagship facility, in September 2022, received EIR from USFDA based on on-site Pre-Approval Inspection (PAI), leading to the first US product approval for one of its key customers in December 2022.
- Stelis continues to onboard new partners for its integrated capabilities offered through three manufacturing facilities. During the year, Stelis has already contracted business with three new partners, four long-term contracts have reached the definitive agreement stage, and manufacturing services agreements will be executed in due course.
- As of the first nine months, the manufacturing services agreement (MSA) concluded by Stelis translated into a cumulative commercial sales agreement(CSA) value of $200m+ over the next three-four years. With the USFDA approval in place, including for drug devices, the CSA revenues will start from FY24 and grow significantly in FY25.
- The new business would result in operating inflow; however, the revenue recognition will follow the operational milestones and remain steady only after the cumulative CSAs exceed the MSAs.

Product Business

- The company's first biosimilar (Rh-Teriparatide or PTH) received approval from the European Medicine Agency(EMA). The product has already been licensed in 20 countries. Stelis recently concluded a term sheet with a large European player to license this asset in 7 EU countries, capturing 70% of the market opportunity. The definitive agreements are likely to be concluded in Q4'23.
- One of the Company's diabetes assets, GLP-1, was licensed to a leading pharmaceutical company for marketing rights in the Middle East and North Africa (MENA) region.

Stelis Biopharma

Thank You

For details, please visit www.stelis.com

Stelis Biopharma Limited

(Formerly Stelis Biopharma Private Limited)
Star 1 Building, Opp. IIM Bangalore, Bilekahalli,
Banngerghatta Road, Bangalore – 560 076, India
Tel: +91 80 6784 0738
CIN: U74140KA2007PLC043095

For investor queries, please write to ankit@stelis.com