

INVESTOR PRESENTATION

July 2015

Strategy
to delivery

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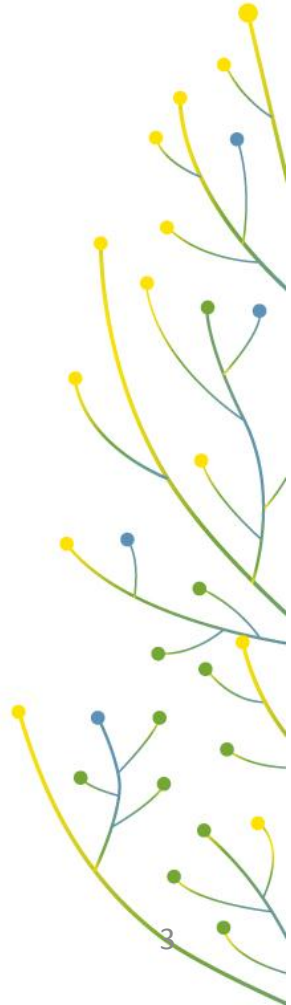
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HISTORY & BUSINESS OVERVIEW



Over 25 Years of Investment in Pharma

1990-94

Creation

- Founded in 1990 as a finished dosage formulation company focused on Africa

1994-03

Specialised manufacturing

- Commenced manufacturing of steriles, soft gelatin capsules and anti-retroviral and tuberculosis
- Bolt-on acquisitions of manufacturing capacity
- Listed on the BSE and NSE

2004-08

Front-end acquisitions and R&D pipeline

- Acquisition and integration of front-end platforms in Southeast Asia (DHA), Australia (Ascent) and India (Grandix)
- Significant investment in building R&D pipeline for regulated markets (Pharma and Steriles)

2008-12

Regulated markets

- Restructured into Pharma and Specialties
- Commercial partnerships with global pharma for regulated markets
- Launched its first product in the US market
- Foray into the biologics space

2012-13

Monetizing significant value creation

- Sale of Ascent Pharma, its generic pharmaceutical operations in Australia and Southeast Asia to Watson Pharmaceuticals for A\$375 million
- Sale of Agila Specialties entities, its global injectable business to Mylan Inc. for an aggregate enterprise value of up to US\$ 1.75 billion

2013-15

Dividend Distribution

- Distributed dividends of INR 500 per share on 10th Dec '13 and INR 105 per share on 7th Oct '14, total pay-out of USD 655 Mn (INR 605 per share)
- Announced merger of Strides & Shasun through an approved Scheme of Arrangement
- GMS holdings to invest USD 21.9 Mn for a 25.1% stake in Stelis Biopharma
- Signed definitive agreements with Aspen for the acquisition of generic Pharma business in Australia and related assets for A\$380 mn

After monetizing the significant value created at Ascent Pharmahealth and Agila Specialties, Strides will focus on maximizing value of the combined businesses of Strides, Shasun and Arrow Pharmaceuticals

Segments – Overview and Key Growth Drivers

% Contribution to FY15 Revenue

Pharma Generics

- Leading generics platform focused on the regulated markets with strong partnerships and front-ending presence
- Two state-of-the-art manufacturing facilities approved by key global regulatory authorities including US FDA
- Strong R&D capabilities with pipeline focused on high entry barriers products

Branded Generics

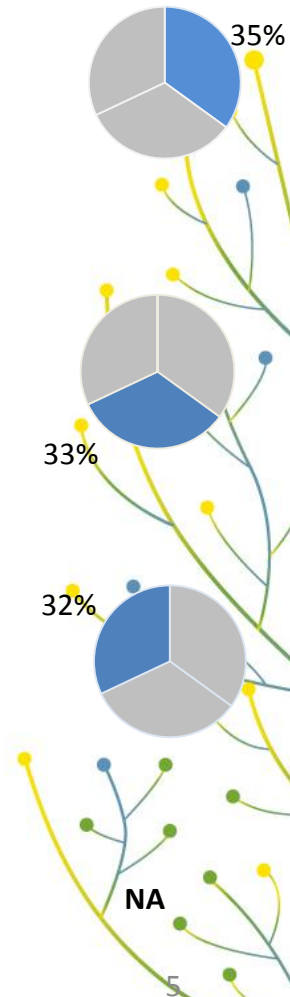
- Africa – Regional player with manufacturing, sales and marketing platform for branded generic pharmaceuticals and OTC medicines
- India – Integrated the field force of Raricap business, leading to pan-India presence
- “Renerve” is the flagship brand with leading market position

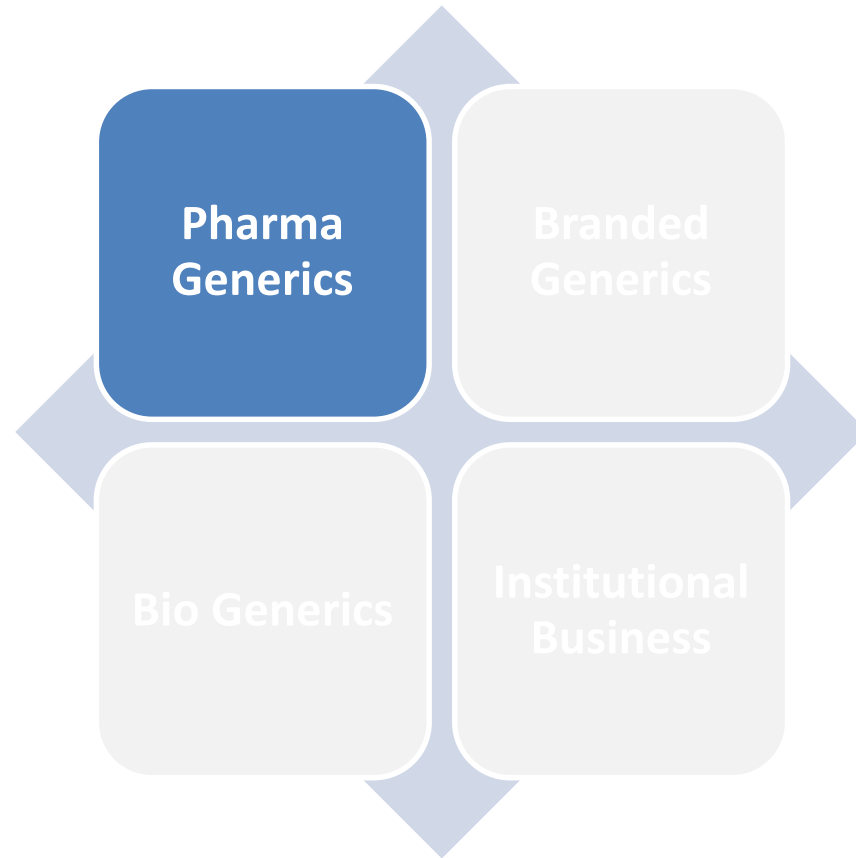
Institutional Business

- Sales of antiretroviral and anti-Malaria medicines to African govt. programmes backed by large donor agencies providing highly visible and reliable funding
- Key supplier to programs funded by UNITAID, PEPFAR and the Global Fund via public tenders

Bio Generics

- STELIS Biopharma marks the foray of Strides Arcolab into the biologics space
- Planned investments for setting up a next-generation biologics facility in Johor, Malaysia, and a 22,000 sq. ft. state-of-the-art R&D facility in Bangalore





Business Overview - Pharma Generics



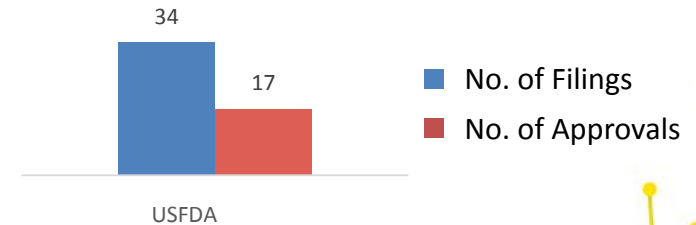
- Growing global footprint in IP led generics with efficient formulation development, complex manufacturing capabilities and operational flexibility
- Diversified portfolio comprises of 300+ products including nutraceuticals, Rx soft gelatin capsules, sachets, high potency drugs like immunosuppressants and oral solids in wide ranging therapies
- Two state-of-the-art US FDA approved manufacturing facilities in Bangalore, India and Milan, Italy
- Strong regulatory and registration capabilities for regulated markets of US, Europe, Australia, and South Africa
 - Strong track record with 34 ANDA filings and over 200 filings across other established markets
- Long term business partnerships with global pharmaceutical companies such as Aspen, Alvogen, Chanelle and Ascent Pharma, among others provide a stable revenue stream across geographies
- Front-ending through Strides Pharma Inc. in the US with focus on providing quality health care products with the Strides label



Overview

- Capabilities in difficult-to-develop products in varied dosage formats including combipacks, bilayered tablets, modified release dosage forms, sachets and soft gels
- Topicals and Oral solution Capabilities to deliver next level of growth
- Focus on difficult to develop innovative / differentiated products including capabilities for
 - Developing non-infringing formulations for early entry into the regulated markets
 - Creating own patentable technologies for lifecycle management for out-licensing to innovators
- Exhaustive pipeline of generics across varied formats and domains

Strong Track Record of Filings and Approvals



- 34 USFDA filings and 17 approvals received
- 14 ANDAs have already been commercialized in the US
- Over 200 filings and approvals in other regulated markets

- Strong R&D capabilities with a focus on development of IP-led, high-value complex generics
- Proficient regulatory framework capable of developing and filing products in major regulated markets

Regulated Market Business in FY'15

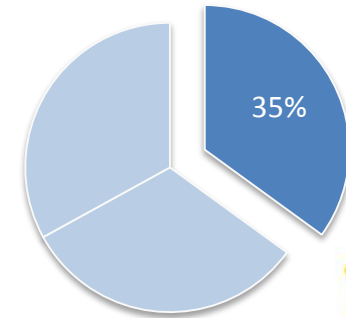
Regulated Markets

- Represents 35% of FY15 Group Revenues
- Revenues at INR 4,255 Mn, grew by 7% over last year
- First full year of Front End operations, North America revenues grew by 28% to INR 1,092 Mn
- Successfully launched 5 new products in the US - Calcitriol , Buspirone, Tacrolimus , Imiquimod Cream and Methoxsalen
- Vancomycin market share increased significantly to 53%

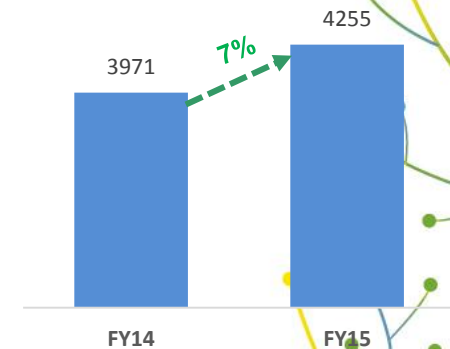
R&D

- R&D spend for FY15 at INR 329 Mn versus INR 203 Mn in the previous year
- 6 new product filings made with USFDA during the year including 2 FTF filings
- New dedicated Global R&D Centre at ODF Facility, Bangalore went on-stream
- 34 cumulative ANDA filings with 17 ANDA's pending approval from USFDA (Non- PEPFAR)

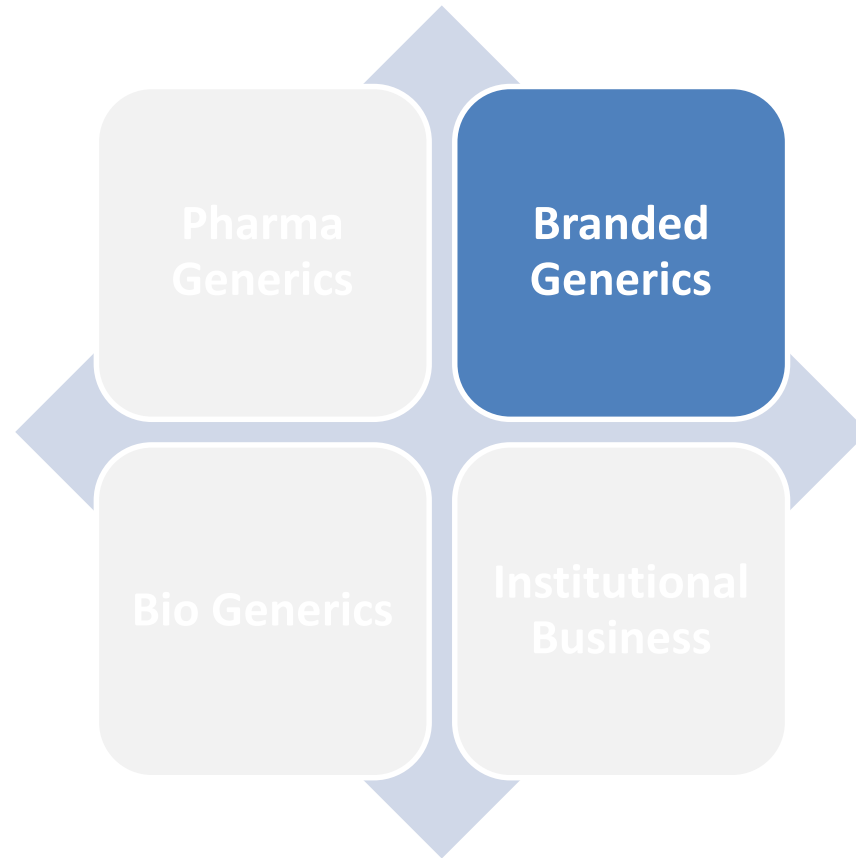
35% FY15 Revenues from Regulated Markets



7% Growth over Previous Year



FY14 - Comparable 12 months (Apr'13 to Mar'14)



Evolution of the African Business

1990-2007

First Steps

- Strides set foot in the African continent with trading activities in Nigeria, Ghana & Sudan.
- Expanded into Francophone markets through generics business in Cameroon

2008

Consolidation of the Generic Business

- Commissioned its first manufacturing site in Africa (Nigeria)
- Initiated the East Africa operations in the generic space with a portfolio of 60 registered products

Foray into Brands business

- Initiated brand marketing business in Francophone countries with a portfolio of 12 products
- Appointed a strategic distributor in France to cater to brands business

2009-2011

Scale up of Brands business

- Operated brands business in Nigeria & 10 French African Countries with 50 medical Reps

Expansion in New Markets

- Entry strategy into MENA region through Iraq with over 40 products.

Created sizeable generic business

- Portfolio of 5 products in the \$ 1 Mn club

2012-13

Regional Expansion

- Set up owned distribution operations in Cameroon, Burkina, Congo.
- Initiated setting up of manufacturing facilities at Bangalore, Namibia, Botswana, Sudan & Cameroon.
- Proparco participated in 20% Equity of Africa business
- Diversified the Brands business portfolio by adding products for treatment of niche therapeutic segments, particularly, Anti Diabetic & Anti hypertensive.

2014

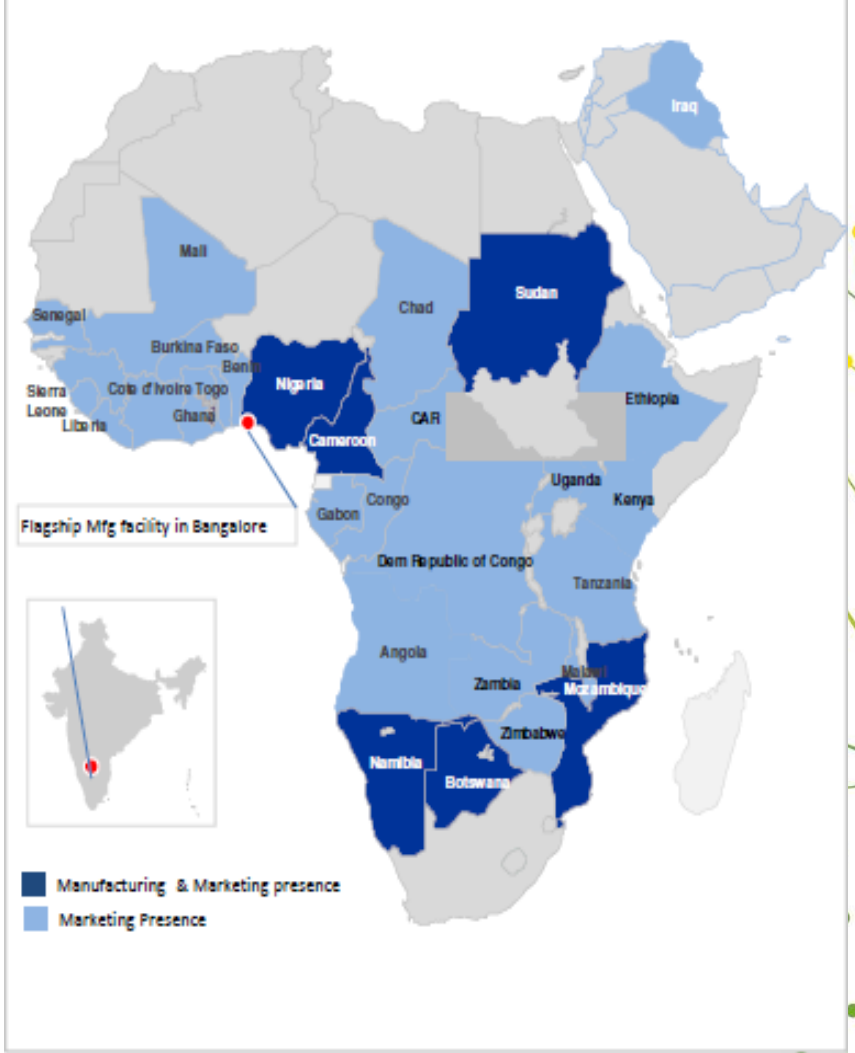
Towards Leadership position

- Commissioned manufacturing facilities at Bangalore, Namibia, Botswana, Sudan & started construction of plant at Cameroon and Mozambique
- Acquired Proparco's 20% stake.
- Strengthened the brands business with more than 200 MR's in Africa.

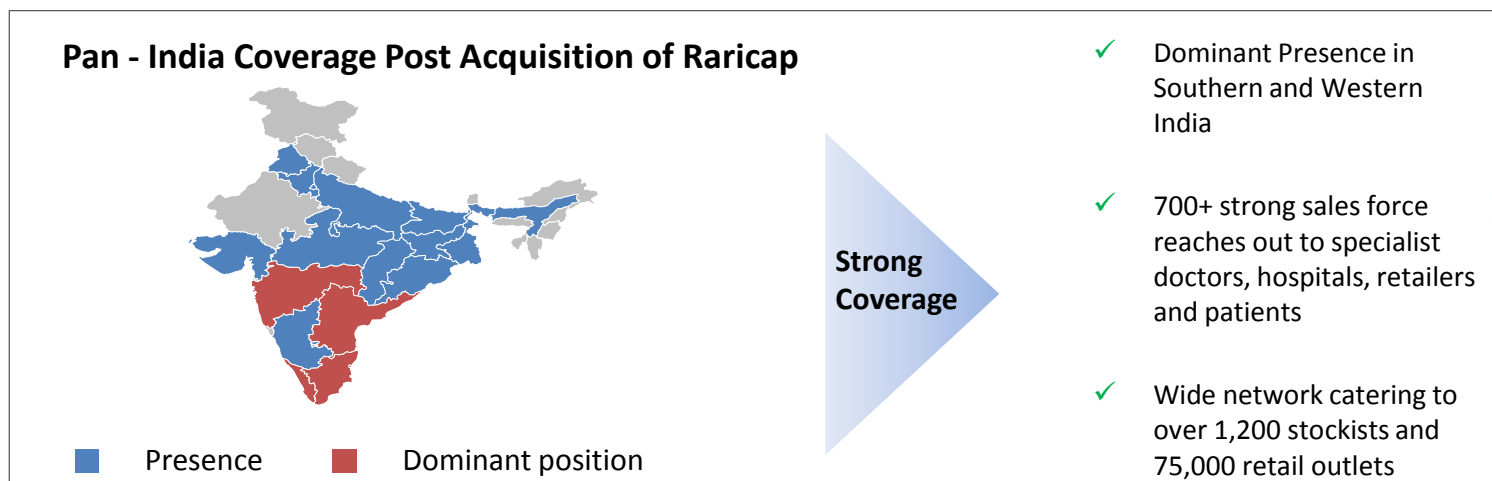
Business description

- Strides Africa is a branded generic pharmaceutical and OTC product company focused on the manufacture , sales and marketing of doctor prescribed & pharmacy dispensed products.
- Footprint across 27 Sub-Saharan African countries & Emerging markets like Iraq.
- Comprehensive portfolio of over 900 product registrations across these markets and a robust pipeline of 300 + that will be launched over 2014–2018
- Employs 450 people in manufacturing, scientific affairs, Sales and marketing , & back office support.
- 35% of the revenue is derived from highly profitable Rx business and the balance from the manufacturing driven business.
- Functionally, the business has three regions –
 - West Africa –Nigeria, Ghana ,
 - French Africa – French speaking countries (10)
 - Other Africa – Other African countries & EM like Iraq.
- The French African business which is a mix of branded ,Generic & opportunistic business is the fastest growing and most profitable .

Regional footprint



- Pan-India presence with the recent acquisition of Raricap with a dominant position in Southern India
- Caters to multiple therapeutic categories such as CNS care, Diabetes care, Cardiovascular care, Women's health, and Pain management
 - Flagship brand, “ReNerve”, a vitamin B12 supplement in soft gelatin capsules and injection forms, is among the fastest growing brands in India
 - “Renerve Plus”, as per IMS ORG is the largest selling brand by value in Vitamin B1-B6-B12 category with 50%+ market share
 - Raricap is the 8th largest in Oral Haematinic segment in India with 8 SKU's in Oral and liquid forms



Emerging Market Business in FY'15

Emerging Markets

- Represents 33% of FY15 Group Revenues, increased from 25% last year
- FY15 Revenues at INR 4,070 Mn, growth of 41% over last year, despite adverse currency movements
- Reserve brand clocked global Revenues of INR 750 Mn

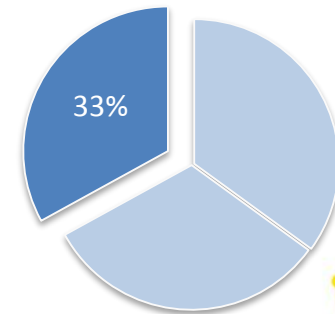
In Africa, For Africa

- Continued strong performance in French Africa through significant Investments in sales force, headcount up 60% over last year and sales from newly commissioned manufacturing facilities
- Initiated E-detailing through I pads to doctors in Africa, one of the very few companies to do so in Africa
- Continued pipeline, registration and launches - Reserve achieves critical size
- Entry into new countries - Angola, Namibia

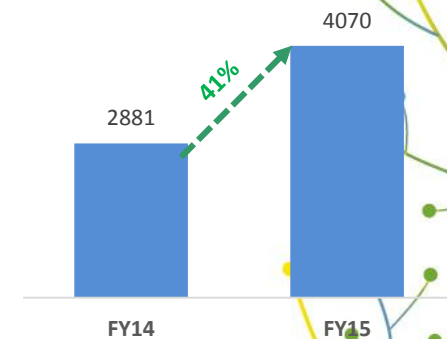
India gaining traction

- EM-India crossed the INR 1 Bn Revenue mark (only 6 months of Raricap)
- ReNerve maintained the market leader position in South India.
- Acquired the global rights of Raricap strengthening the women's health portfolio
- Integrated the field force of Raricap business, leading to pan-India presence

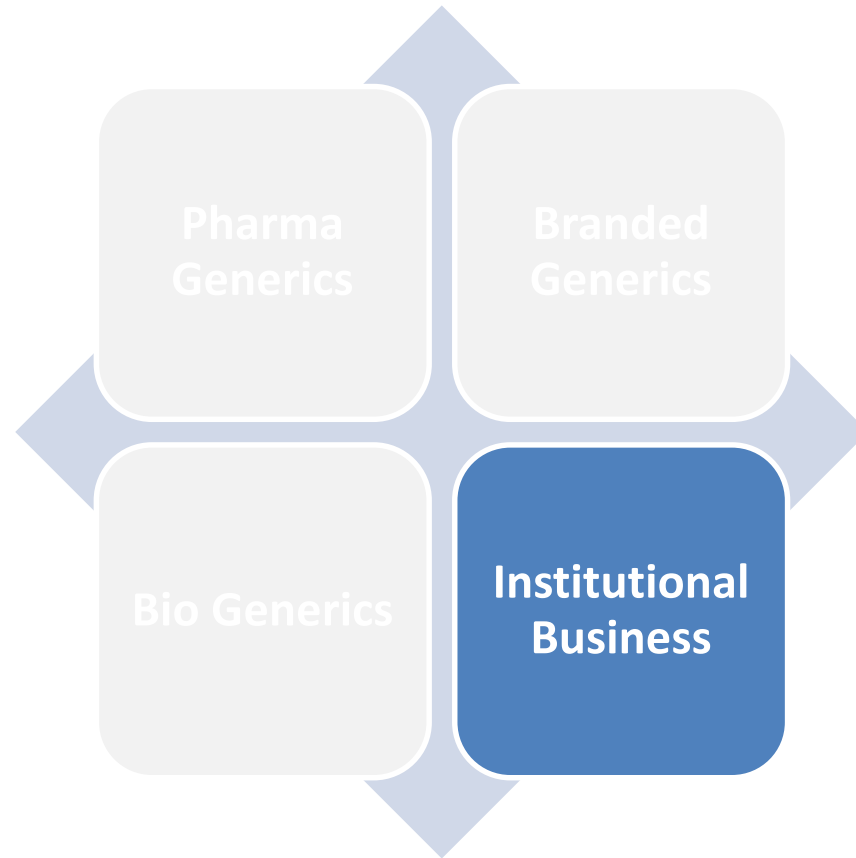
33% FY15 Revenues from Emerging Markets



41% Growth over Previous Year



FY14 - Comparable 12 months (Apr'13 to Mar'14)



- Develops and manufactures antiretroviral and anti-malaria medicines
- Approved supplier to Institutionally-funded aid projects and Global Procurement Agencies like UNITAID, Global Drug Facility, PEPFAR and Clinton Foundation
- 18 PEPFAR filings with 17 tentative approvals
- Partners include leading procurement agencies like PFSCM, IDA, UNICEF, WHO, AMFm, GIZ, PAHO and MSF
- Filed over 555 dossiers globally, with 360 product registrations in more than 50 countries in Africa, LATAM and Asia
- Oral dosage facility in India – pre-qualified by WHO for the manufacture of anti-retroviral drugs and anti-malarial drugs, and also qualified by US FDA for antiretrovirals under the PEPFAR program

Products distributed in more than 65 countries

Anti-retrovirals



Focus on production and supply of newer anti-retroviral drugs that are difficult to manufacture

Anti-Malaria



Supplies WHO Pre-Qualified Artemether + Lumifantrine (AL) tablets and Artemether inj

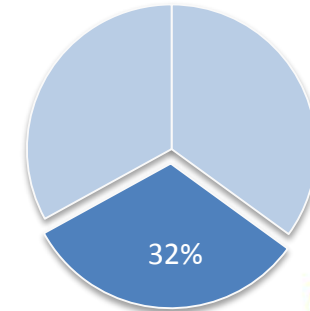
Institutional Business

- Represents 32% of FY15 Group Revenues
- Revenues at INR 3,865 Mn, growth of 16% over last year
- Anti-Retroviral business delivered a flat performance
- Growth driven by first full year of Anti-Malarial business despite delay in orders due to change in procurement mechanism

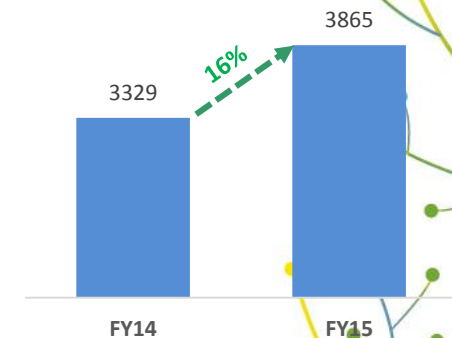
Key collaborations

- Agreement with Gilead Sciences, Inc. to bring generic Sofosbuvir (Sovaldi®) and Harvoni to 91 developing countries and expanded to include Investigational Pan-Genotypic Agent
- Agreement with Gilead Sciences, Inc. to manufacture and distribute Tenofovir Alafenamide (TAF) based HIV treatments in 112 developing countries
- Collaborated with Medicines for Malaria Venture (MMV) for the development of rectal artesunate for pre-referral treatment of children with severe malaria

32% FY15 Revenues from Institutional Business



16% Growth over Previous Year



FY14 - Comparable 12 months (Apr'13 to Mar'14)

Regulated Markets Facilities

Bangalore, India



Milan, Italy



Approval	US FDA, MHRA, THA, ANVISA, MCC, WHO, Uganda and Kenya
Products	Tablets, hard gelatin capsules, soft gelatin capsules, sachets, potent drugs, Semisolids ointments, creams

Emerging Market facilities

Bangalore, India



Nigeria, Africa



Bangalore

Dosage	Annual Capacity
Tablets	1000million
Capsules	400 million

Nigeria

Dosage	Annual Capacity
Tablets	240 million
Capsules	240 million
Ointments	4 million

Sudan, Africa



Namibia, Africa



Sudan

Dosage	Annual Capacity
Tablets	480 million
Capsules	100 million
Caps - BLD	240 Million
Dry Sy - BLD	3 Million

Namibia

Dosage	Annual Capacity
Packaging	600 Mn Units

Botswana, Africa

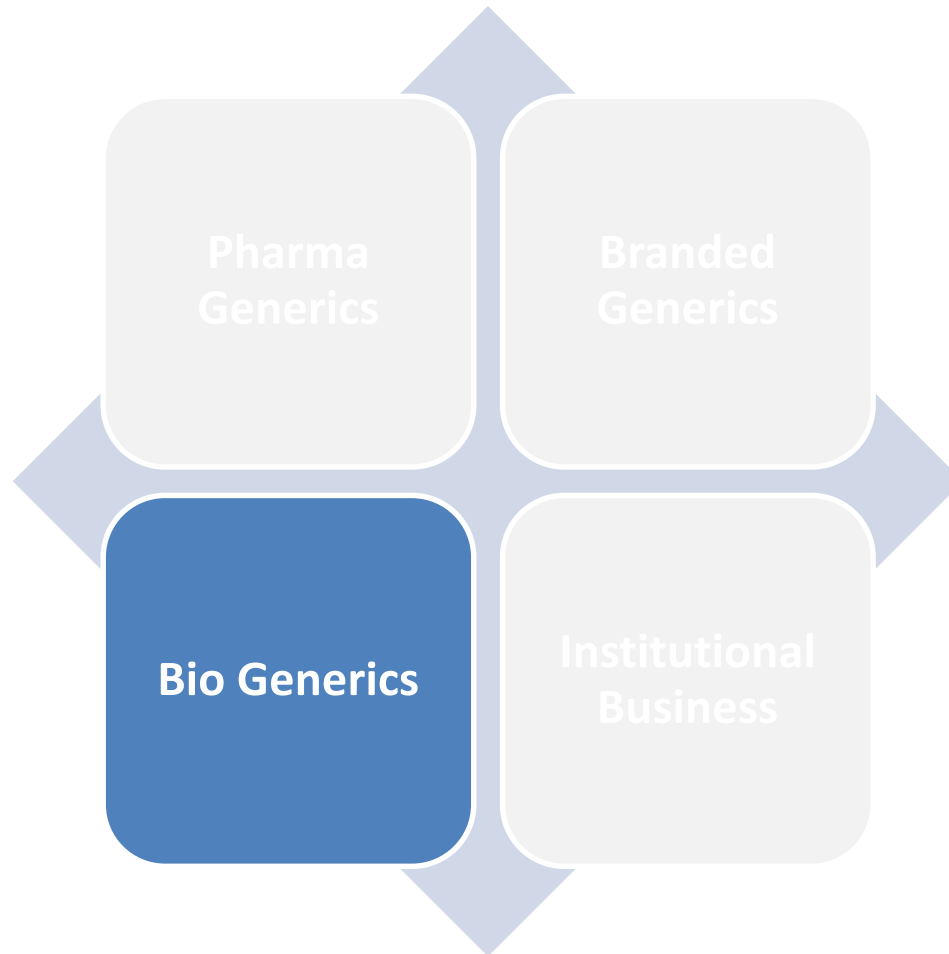


Cameroon, Africa

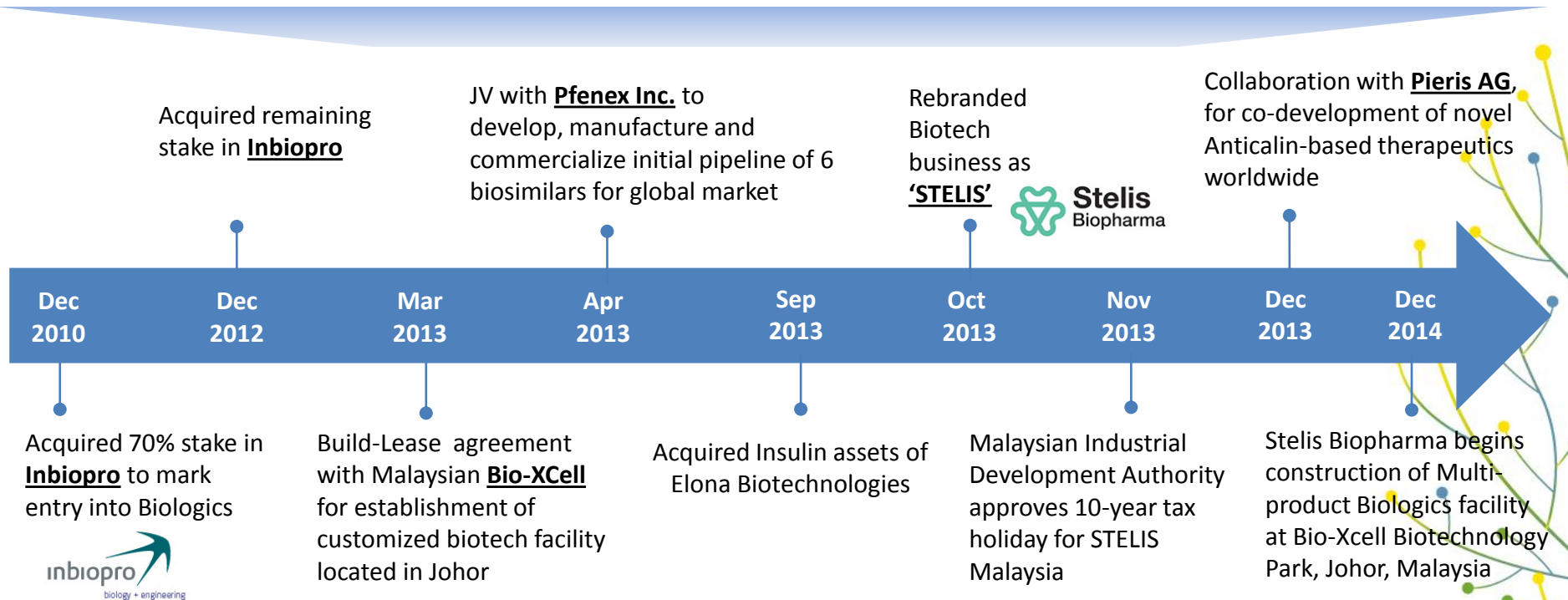
Mozambique, Africa

Botswana

Dosage	Annual Capacity
Packaging	600 Mn Units



- Stelis Biopharma set up in 2013 is the fully-owned subsidiary of Strides Arcolab
- Business model spans full value chain from Development to Manufacturing and Commercialization



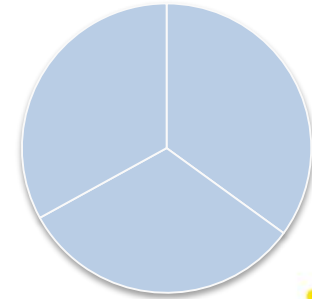
Recent Developments

- Partnering with GMS holdings for the emerging Biotech business
- GMS holdings to Invest USD 21.90 Mn for a 25.1% stake in Stelis
- Transaction is at a 50% premium to Strides Current Investment of USD 16.9 Mn
- Strides and GMS together will invest USD 53.4 Mn over the next 2 years and with credit line of USD 40 Mn, the biotech business is fully funded

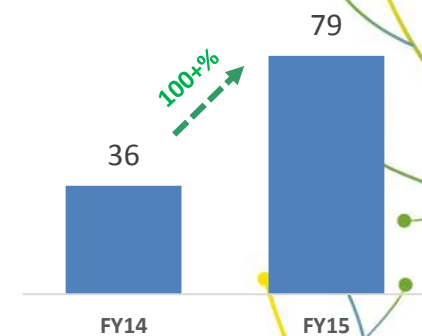
Biotech (Stelis Biopharma) in FY'15

- Biotech business brought under one umbrella – Stelis Biopharma
- Commenced R&D activities in its new centre in Bangalore
- Further delays in setting up manufacturing facility in Malaysia
- 2 products have reached the Animal Toxicity Study stage
- Strategic investment by GMS Holdings of USD 21.90 Mn for a 25.1% stake in Stelis Biopharma - Awaiting FIPB approval

No FY15 Revenues from Biotech Business



R&D Expenses increased by 100+%



FY14 - Comparable 12 months (Apr'13 to Mar'14)

Upcoming Manufacturing Facility Johor, Malaysia



- Partnered with Malaysian Bio-XCell Sdn. Bhd., to set up an advanced bio-therapeutic manufacturing facility
 - It will have capability to produce simple and complex bio-therapeutics using microbial and mammalian systems and fill-finish capability in a variety of formats

R&D facility Bangalore, India



- State-of-the art R&D facility in Bangalore dedicated to bio-pharmaceuticals, catering to an internal pipeline as well as partnering activities
 - Advanced facility will house 60 scientists
 - It will incorporate the latest bio-process engineering and bio-analytical techniques and support process development in both microbial and mammalian expression systems

FY'15 - Strong Platform For Critical Scale & Size

Quality of Business

Switched to a Front-End business model with a niche portfolio

Achieved a higher Brands to Generics Mix

Optimized working capital with strong cash conversions

Profitability

EBITDA expanded by ~400bps YoY

EBITDA margin expansion across businesses

High EBITDA to PAT (Adj.) conversion at 64%

Consistency

Delivered consistent revenue and EBITDA across quarters

Consistent growth in EBITDA Margins

Accelerated EBITDA run rate - grew by 40% from INR 540 Mn in Q1 to INR 740 Mn in Q4

Size and Scale

Acquired global rights of Raricap

Announced merger with Shasun to create a fully integrated pharmaceutical company

Announced re-entry into Australian market in a leadership position

Investments

Expansion of mfg facility at KRSG - new block for creams and ointments

Global R&D Centre in Bangalore went on-stream

Significant footprint in Africa including dedicated facility in India

Ramp up in sales force and IT automations

Compliance & Risk Mitigation

Continued USFDA approval status post recent re-inspections at both Regulated Market facilities

Industry leading IT enablement process led by Cognizant, Emerson, Agile PM, UL

Key Collaboration

Gilead - Sofosbvir, Harvoni, and TAF for developing countries.
Virso - Generic Sofosbvir launched in India

MMV - Development of rectal artesunate

Shareholder Value

Dividend of INR 108 (including INR 3 proposed by the Board)

Capital appreciation - Market Capitalization triples from USD 370 Mn (Mar'14) to USD 1.1 Bn (Mar'15)

Snapshot – Strategy & Growth Drivers

Pharma Generics

- Focus on high-quality manufacturing
- IP-Led business model to maximize returns from regulated markets
- Front-end operations in US and UK better positioned to seize new opportunities
- Achieve significant share from niche products with high value, low volume and high profitability

Branded Generics

- Leverage niche product portfolio and branding to expand further in existing and new states
- Product portfolio maximisation by identifying unmet needs and providing product solutions
- Maximize prescription through high level of employee engagement
- Create additional brands around the “ReNerve” flagship product

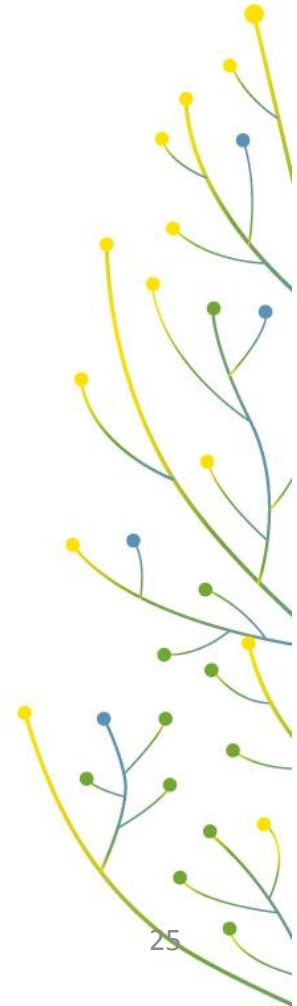
Institutional Business

- Move towards efficient sourcing and focus on value added markets of “Voluntary Licenses”
- Selective participation in tenders resulting in improved margins and timely collections
- Constantly adding newer molecules and fixed-dose combinations to the therapeutic range of products

Bio Generics

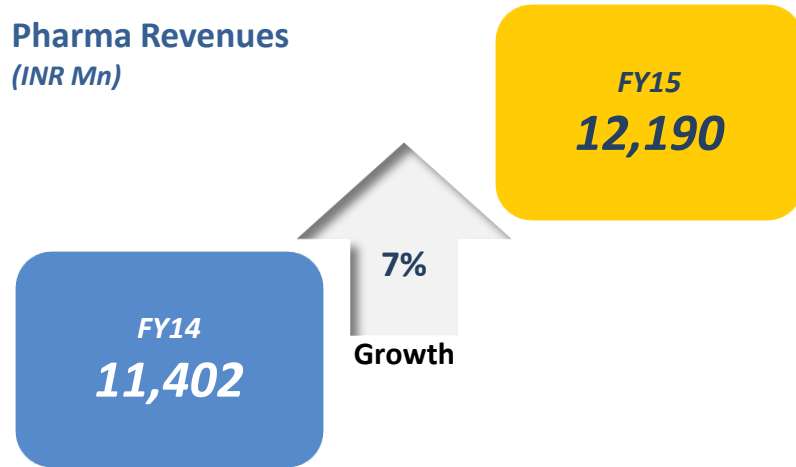
- Develop both ‘biosimilars’ and ‘novel biotherapeutics’ to a regulated market (US/EU) standard for global markets
- Offer high-quality bio-pharmaceuticals at affordable prices in high-growth emerging markets
- Develop an internal pipeline of biosimilars, utilizing the latest bacterial and mammalian expression systems

FINANCIAL SNAPSHOT

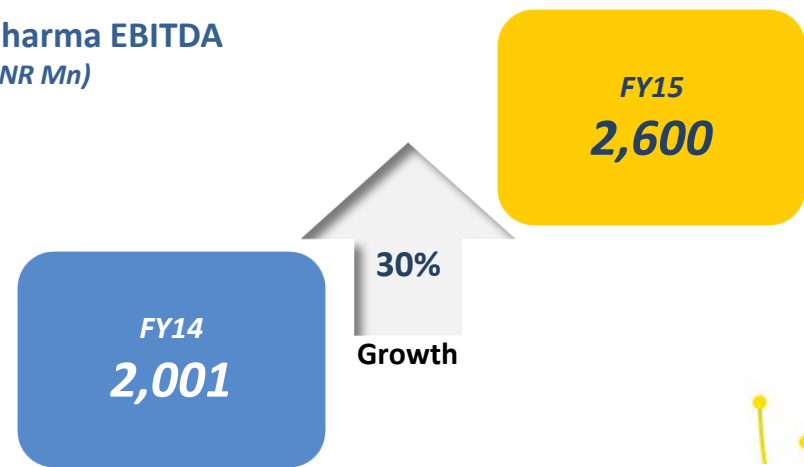


FY15 - Profitability focused Performance

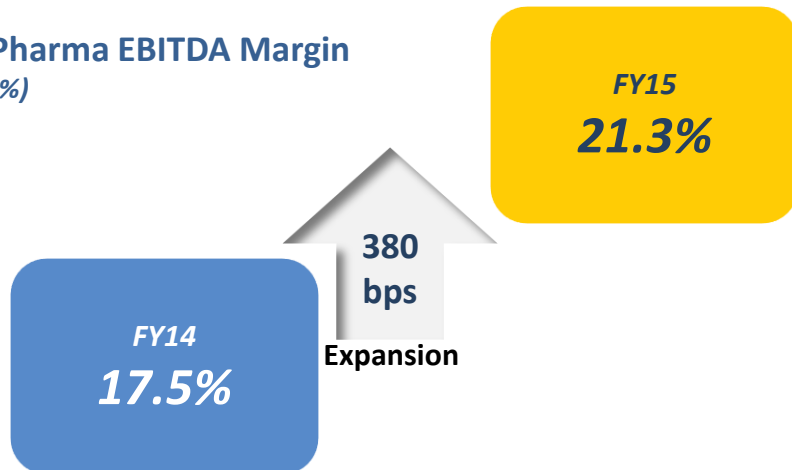
Pharma Revenues
(INR Mn)



Pharma EBITDA
(INR Mn)

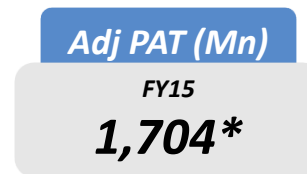


Pharma EBITDA Margin
(%)

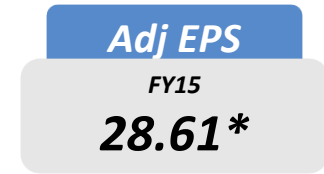


INR

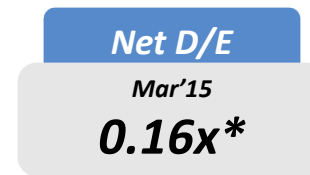
Adj PAT (Mn)



Adj EPS



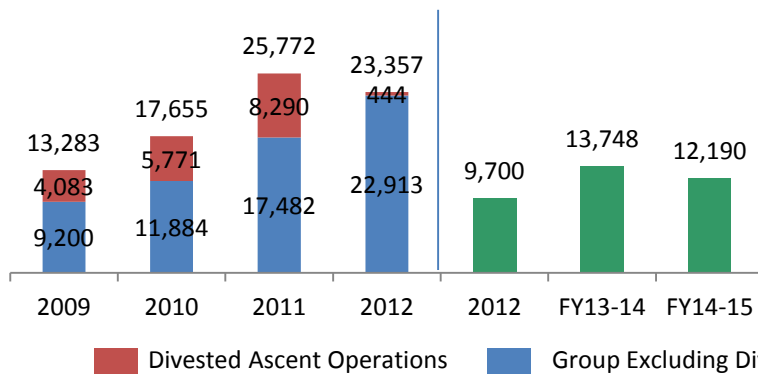
Net D/E



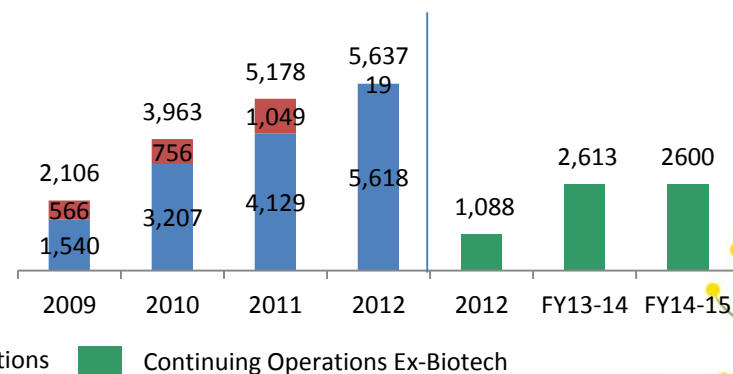
*Consolidated adjusted numbers excluding Biotech
FY14 - Comparable 12 months (Apr'13 to Mar'14)

Key Performance Indicators

Revenue from operations

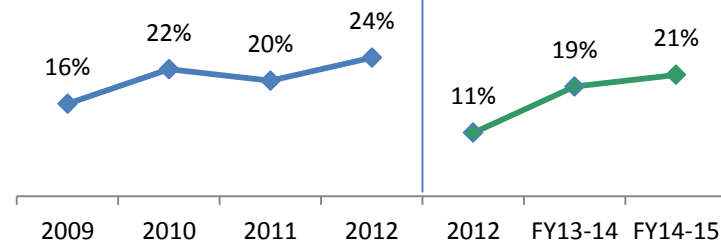


Operational EBITDA

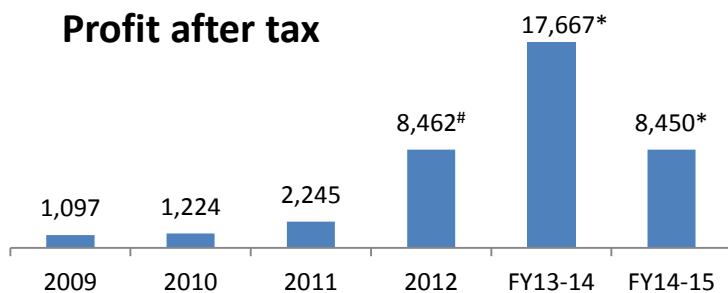


INR million

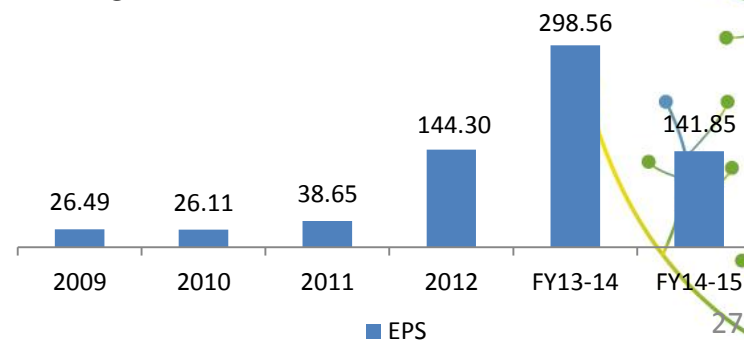
EBITDA trend



Profit after tax



EPS

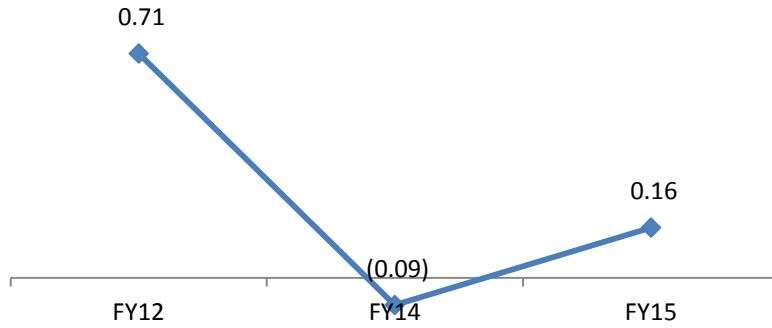


* Includes Profit from Discontinued operations

Includes Profit on sale of Ascent Australasia operations

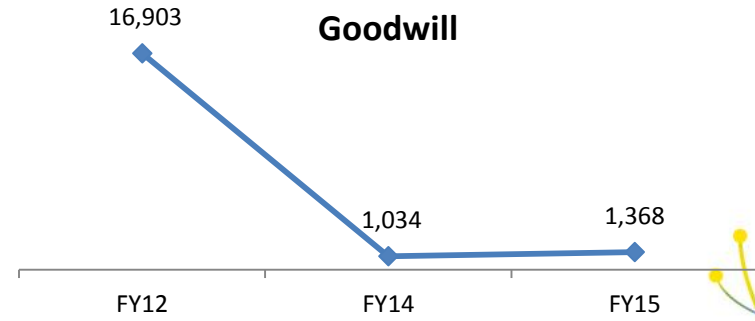
Strengthened Balance Sheet

Net Debt/Equity

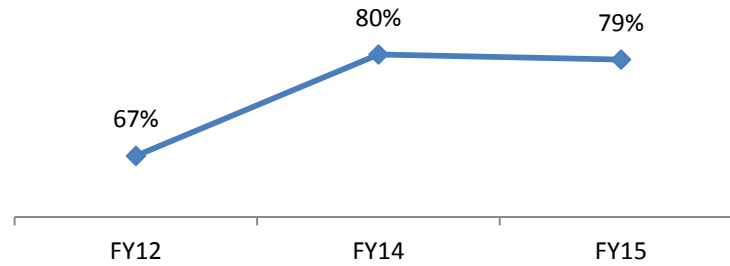


INR Million

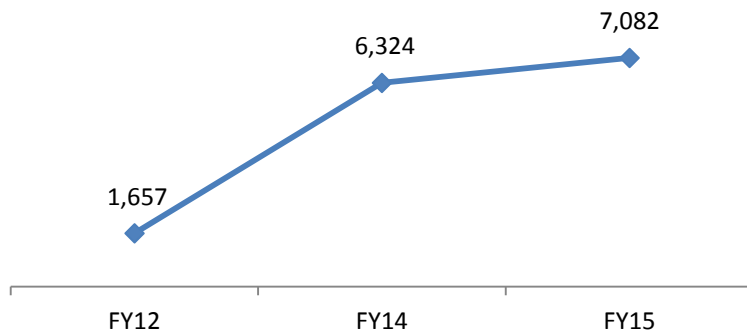
Goodwill



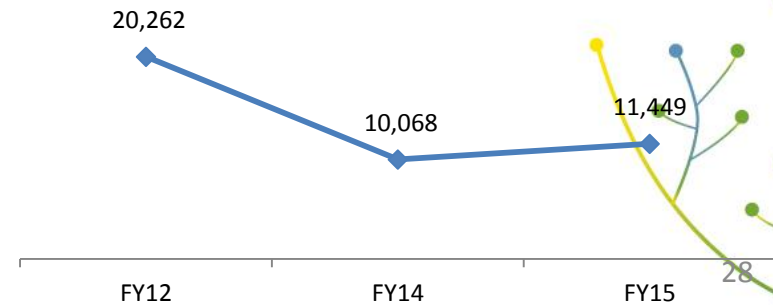
Tangible to Total Assets



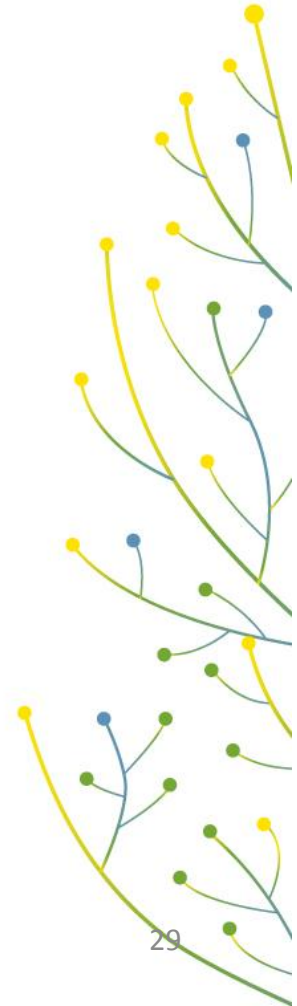
Cash



Equity



Corporate Actions



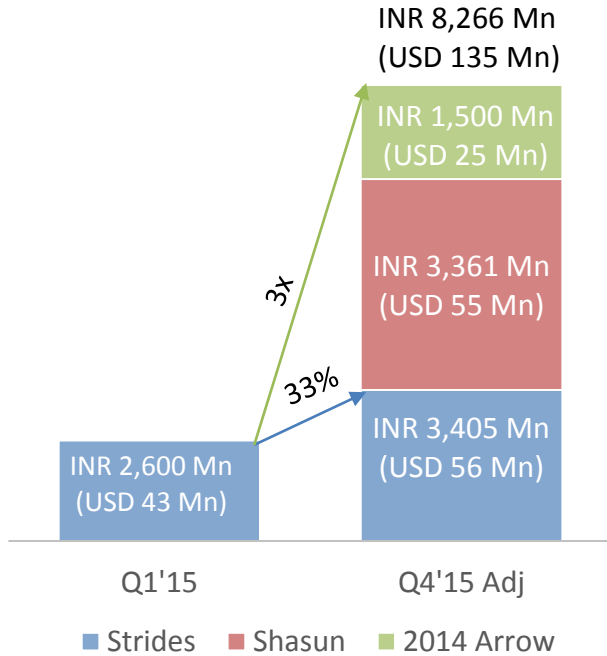
Recent Key Events

- Announced a special dividend of INR 105 per share on 7th October 2014, from the USD 150 Mn received from Mylan, resulting in a total dividend of INR 605 per share including the INR 500 per share declared on 10th December 2013. Total payout amounted to USD 655 Mn
- Merger of Strides & Shasun through an approved Scheme of Arrangement
- GMS holdings to invest USD 21.9 Mn for a 25.1% stake in Stelis Biopharma
- Acquired Proparco's 20% stake in African business for USD 17 Mn
- Acquired 74% of the India Branded Generic business of Bafna Pharmaceuticals for INR 481 Mn
- Strategic Investment in Oncobiologics
- Signed definitive agreements with Aspen for the acquisition of generic Pharma business in Australia and related assets for A\$380 mn



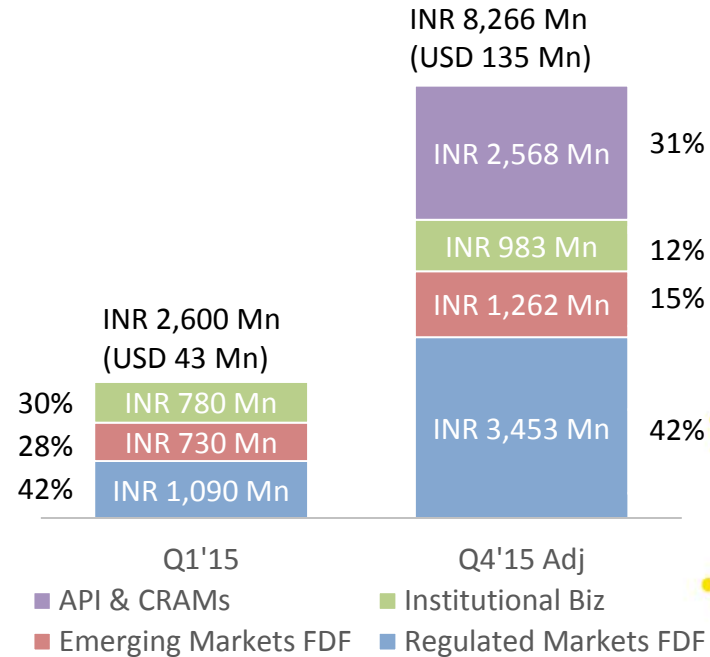
Corporate Actions to enable achieve Critical Size

To accelerate Quarterly Revenue Run Rate to 3x In Less Than 12 Months



- Strides Quarterly Revenues Run Rate grew by 33% to INR 3,405 Mn in less than 12 months
- Quarterly Revenues to triple with Corporate Actions

Combined Entity to have diversified business segments

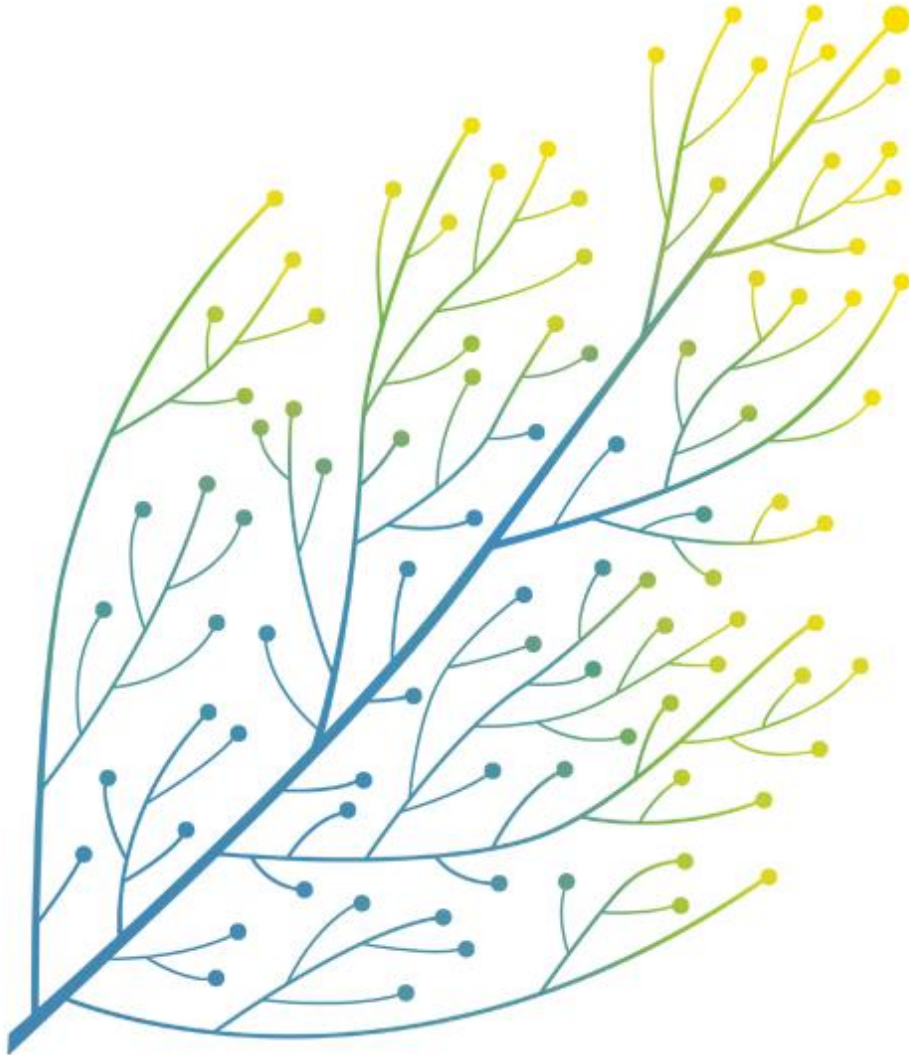


- Significant shift on Base Revenues
- Regulated Markets on a 3x base will continue to contribute 42%
- API & CRAMs at 31% to enable backward integration

Leading to a Fully Integrated Global Pharmaceutical player with Scale and Scope

Source : Data from Public Sources & Press Releases of respective companies

*2014 Arrow based on LTM 2014 numbers by 4



Strides and Shasun Combining to Accelerate Strategy and Growth

Transaction Overview

- On Monday, 29 September 2014, the boards of Strides Arcolab Limited (“Strides”) and Shasun Pharmaceuticals Limited (“Shasun”) approved the Scheme of Arrangement (“Scheme of Arrangement”) for the merger of the two Companies
- Combination to create a vertically integrated pharma company of scale with strong presence in regulated market Finished Dosage Formulations (“FDF”), emerging markets branded generics, institutional business, Active Pharmaceutical Ingredients (“APIs”), Contract Research and Manufacturing Services (“CRAMS”) and a nascent Biotech Business
- Pursuant to the Scheme of Arrangement, each equity shareholder of Shasun will be entitled to receive 5 equity shares of Strides for every 16 equity shares held by it in Shasun (the “Share Exchange Ratio”)
- Creates a top 15 listed Indian pharma company by revenues, with increased scale and visibility to drive future growth of the group
- The promoters of Strides and Shasun have agreed to vote in favour of the scheme in the court convened meeting
- Existing Promoter Group of both the Companies will be classified as Promoter Group of the Merged entity; Shasun Promoter Group to have board representation in the Merged Entity

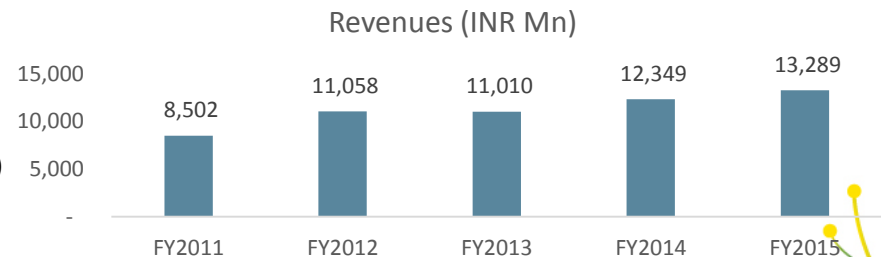
Proposed Transaction Terms

Surviving Entity:	<ul style="list-style-type: none"> • Strides Arcolab Limited (“Strides”, the “ Company”)
Structure:	<ul style="list-style-type: none"> • Scheme of arrangement pursuant to the Companies Act 1956 and the Companies Act 2013
Consideration:	<ul style="list-style-type: none"> • 100% share for share exchange; merger via scheme of arrangement pursuant to the Companies Act 1956 and the Companies Act 2013
Fixed Exchange Ratio:	<ul style="list-style-type: none"> • 5 equity shares of Strides for every 16 equity shares of Shasun • Warrants of Strides will be issued for outstanding warrants of Shasun and the number of equity shares of the Company into which such warrants can be converted upon exercise will be determined in accordance with the Share Exchange Ratio
Pro forma Ownership Split Post Merger:	<ul style="list-style-type: none"> • 74.0% Strides Shareholders / 26.0% Shasun Shareholders
Expected Closing:	<ul style="list-style-type: none"> • Q2 2016
Approvals In place	<ul style="list-style-type: none"> • Majority Public Shareholder Approval from both Strides and Shasun • Competition Commission of India (CCI) Approval • Creditors Approval
Certain Closing Conditions:	<ul style="list-style-type: none"> • Regulatory Approvals • Foreign Investment Promotion Board (FIPB) • RBI Approval

Overview of Shasun – to be updated

Overview of Shasun

- Founded in 1976, Shasun is headquartered in Chennai, India and listed on the Bombay Stock Exchange and the National Stock Exchange of India
- Develops, manufactures and sells API and FDF primarily for the regulated markets
- Offers CRAMS services to customers globally from its facility in Dudley (UK)
- Reported consolidated revenues of INR 13,289 million and EBITDA of INR 1,405 million for the period ended March 31st, 2015



APIs & CRAMS (78.4%)

API

- Primarily focused in the area of pain management, amongst the global leaders in Ibuprofen and key suppliers of Ranitidine and Gabapentin
- Caters to marquee global customers
- Portfolio of 46 Drug Master Files (“DMFs”) filed and pipeline of 23 DMFs under development
- 2 FDA approved facilities

CRAMS

- Caters to global clients from its UK facility located in Dudley
- FDA, PMDA and MHRA approved facility
- Portfolio of 29 launched products
- Caters to NCE segment, currently has 9 products in Phase 3

Formulations (21.1%)

- US focused business
- Historically adopted a partnership approach with Shasun undertaking the development work and front end partner’s and undertaking commercial operations
- Current portfolio consists of **3** commercialised ANDAs and **11** filed ANDAs in the **niche and complex domain** of modified release products
- Pipeline of 36 products
- FDA approved facility

Biotech (0.5%)

- Nascent biotech business focusing on Indian markets

Strategic Rationale of the Merger

1

Creates a vertically integrated pharma company of scale with strong presence in front ended regulated market FDF, emerging markets branded generics, institutional business, APIs and CRAMS

2

Significantly enhanced regulated market FDF portfolio in Rx and OTC in niche and complex segments

3

Significant strengthening of the institutional business via vertical integration benefits

4

De-risked business model with significantly enhanced operational infrastructure of scale

5

Catapults Merged Entity to amongst the top 15 listed Indian pharma companies by revenue

6

Significant scope for synergies leading to value creation for all stakeholders

1 Vertically Integrated Merged Entity with Diversified Revenue Streams across Geographies

Merged Entity had Pharma sales of INR 24,645 million and reported EBITDA of INR 4,004 million for FY 2015

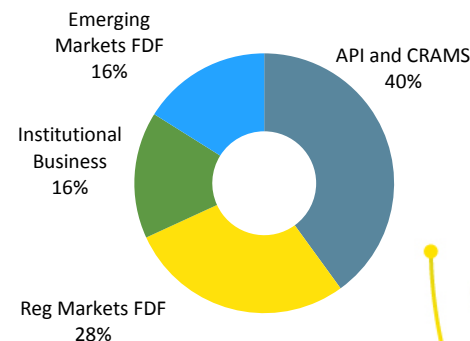
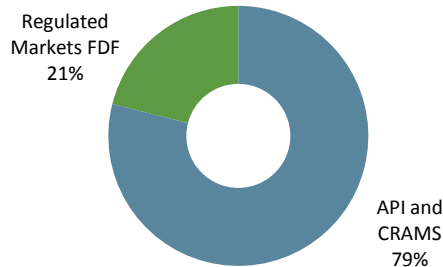
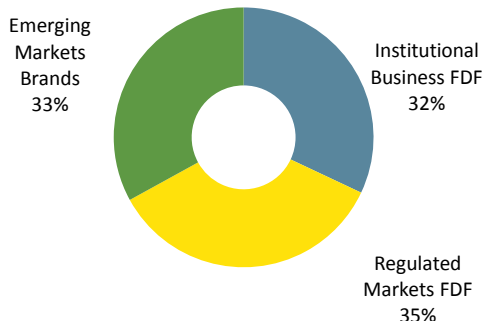
LTM Revenue
(Mar 2015)

Strides – INR 12,190 million

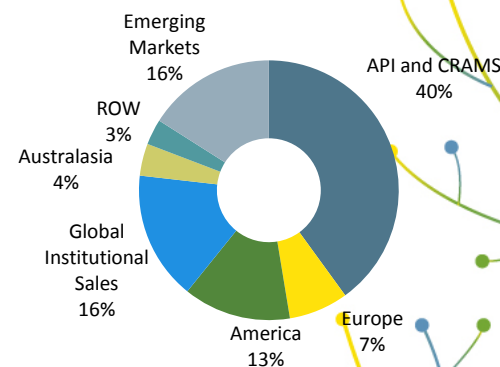
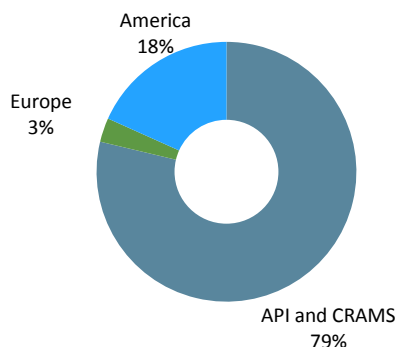
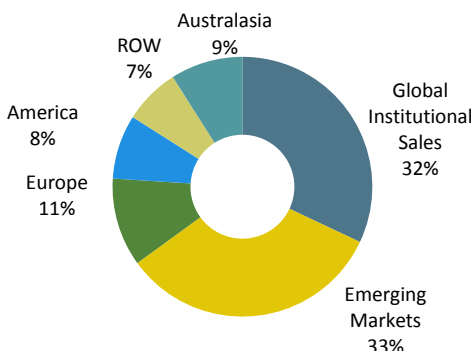
Shasun – INR 12,455 million

Merged Entity – INR 24,645 million

Derisked
business
stream across
verticals



Geographically
diversified
revenue stream



Front ending presence in US, Australia , Africa, UK and India

2 Enhanced Regulated Market FDF Portfolio in Niche and Complex Segments

Enhanced Regulated Market FDF Portfolio and Access to Pipeline of Complex Extended Release Products

USFDA	Approved	Filed	Pipeline	Total	Filing 2015	Launched	Partnered
SGC	2	5	1	8	-	2	-
Extended Release	-	2	32	34	1	-	13
Creams and Ointments	1	1	8	10	2	1	-
Suspension	-	-	6	6	-	-	-
OTC	3	3	7	13	2	3	-
505 (b(2))	-	-	1	1	-	-	-
FTF	-	1	1	2	1	-	-
Other	11	17	58	80	11	8	7
Total	17	29	114	160	17	14	20
PEPFAR	16	2	-	18	-	-	-









3 Strengthened Institutional Business via Vertical Integration Benefits

Strides Current Positioning

- Develops and manufactures antiretroviral and anti-malaria medicines
- Approved supplier to Institutionally-funded aid projects and Global Procurement Agencies like UNITAID, Global Drug Facility, PEPFAR and Clinton Foundation
- Currently perceived as a fringe player in the institutional business on account of limited FDF capacity and outside dependence on APIs

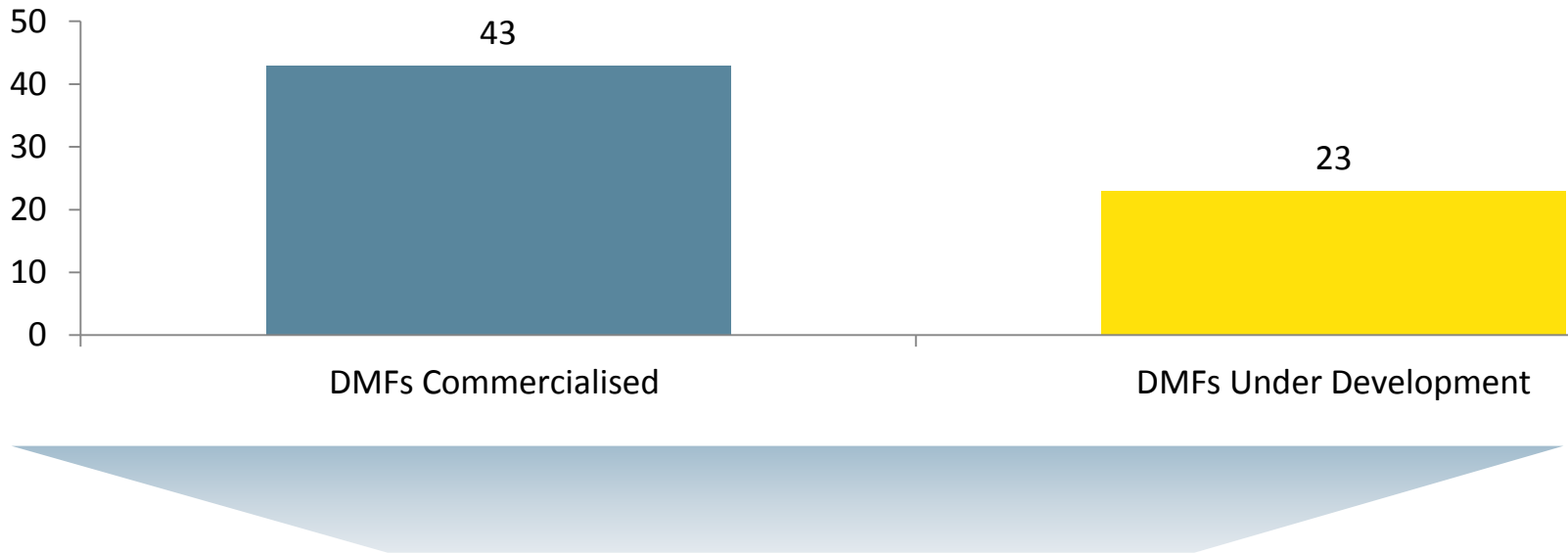
Shasun Strengthens the Group's Position

- World Health Organisation ("WHO") and US FDA approved FDF facilities with spare capacity and API facilities
- Technology available in-house to accelerate filings of DMF for the API required for institutional business
 - DMF filed for Tenofovir
 - Cycloscrine already commercialised

Company	Scale	Vertical Integration
 AUROBINDO <small>Committed to healthier life!</small>	✓✓	✓✓
 aspen	✓✓	✗
 Cipla	✓✓	✓✓
 HETERO	✓✓	✓✓
 Mylan	✓✓	✓✓
 Strides <small>ARCOLAB LIMITED</small>	✓	✗
 Strides ARCOLAB LIMITED  Shasun <small>For Life - Science Works</small>	✓✓	✓✓

3 Leverage In-house API Capabilities

Overview of DMF Filings



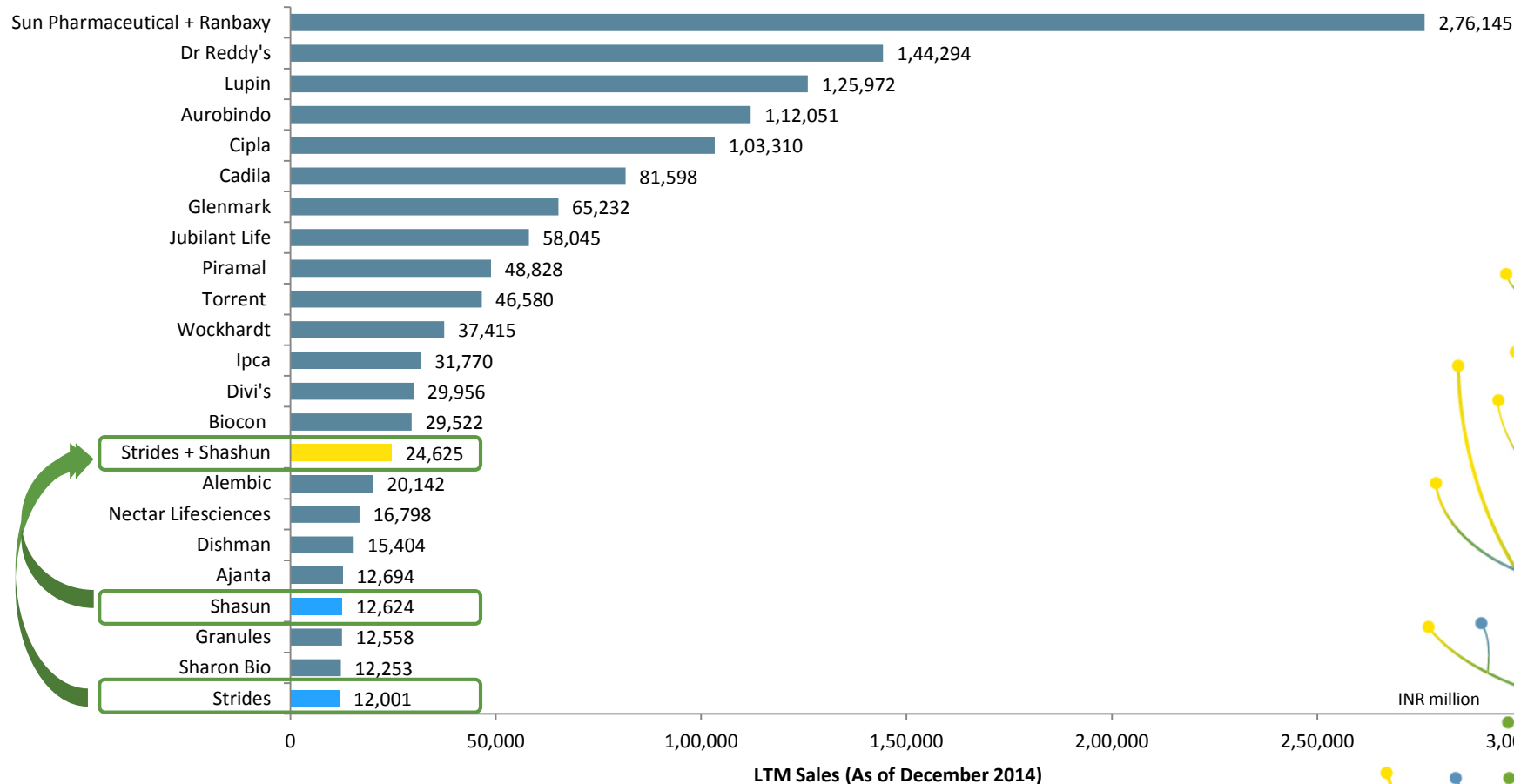
- Portfolio of 43 commercialised DMFs and an additional 23 DMFs under development
- Merged entity to leverage Shasun's best in class API manufacturing capacities and align focus with FDF portfolio and pipeline

4 De-risked Business Model with Significantly Enhanced Operational Infrastructure of Scale

	Strides	Shasun	Merged Entity
Formulation Development R&D Scientists	110	106	216
Process Chemistry R&D Scientists	-	187	187
Manufacturing and Other Employees	c.2,100	c.2,100	c.4,200
FDF Facilities – US FDA Approved	2	1	3
API Facilities – US FDA Approved	-	2	2
CRAMS Facilities - US FDA Approved	-	1	1
Emerging Market Facilities	6	-	6

Significant impetus to R&D with over 400 scientists in the merged entity

5 Catapults Merged Entity to Amongst the Top 15 Listed Indian Pharma Companies by Sales



- Merged Entity to have sales of INR 24,625 million as of LTM ending December 2014
- Revenues exclude potential synergies expected from the merger

6 Significant Scope for Synergies Leading to Value Creation for All Stakeholders

Revenue Synergies

- Merged Entity to cross-leverage the existing relationships across API and regulated markets formulations business
- Benefit from large scale and wider geographic reach

Cost Synergies

- Synergies to be realised through workforce optimization across business function
- Benefit from cost savings in corporate expenses, operational expenses and R&D expenses
- Benefit from sharing of the facilities thereby reducing capital expenditure

Other Potential Areas of Synergies

- Complementary R&D capabilities - More than 100 products under development with only one overlapping product
- Other potential synergies expected on account of reduced taxes for the joint entity would lead to further value creation for the Company

Key Next Steps

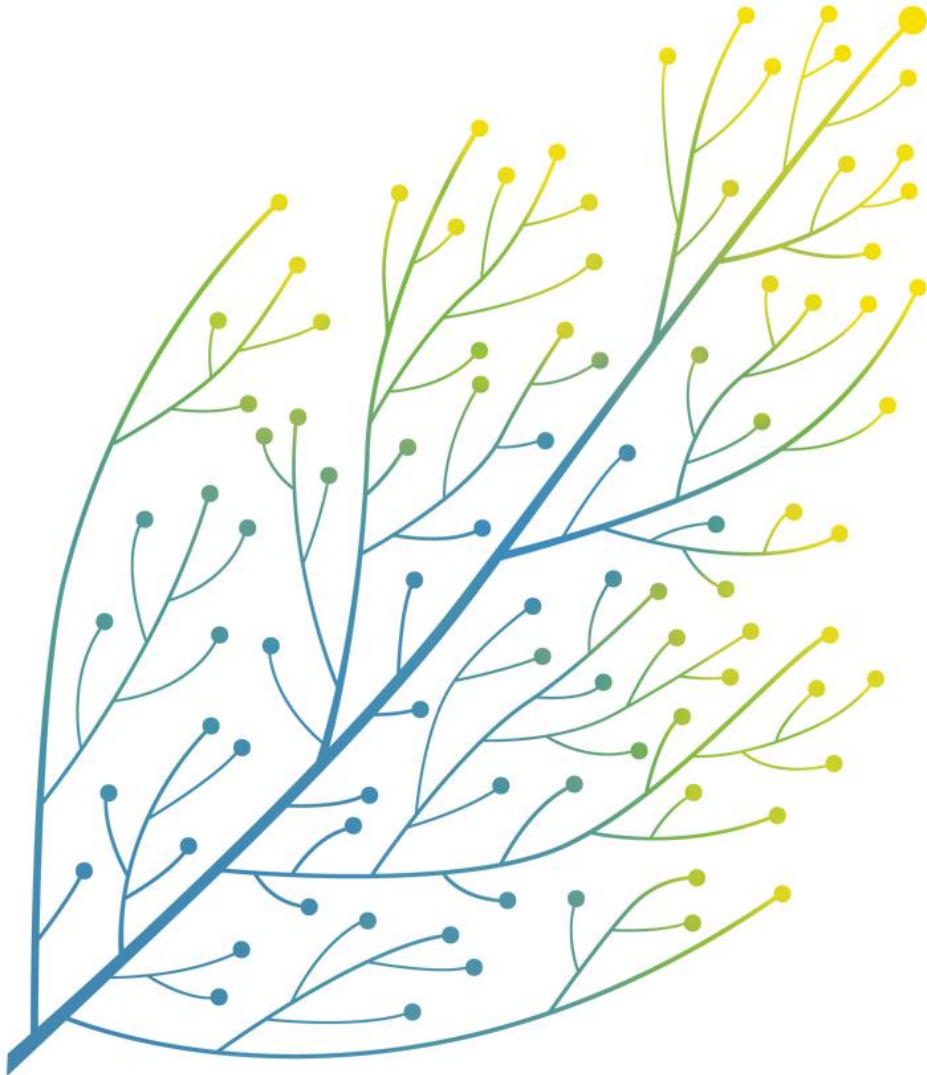
Approvals received till June, 2015

- CCI Approval
- Shareholder approval from Shasun
- Approval from SEBI and Stock Exchange
- Shareholder approval for Strides

Approvals pending as on June, 2015

- Court approval for Scheme of Arrangement
- FIPB Approval
- RBI Approval

Closing: Anticipated by Q2 FY 2016



**Acquisition of generic
Pharma business in Australia
and related assets for Aspen**

Successful Australian Stint

- Strides' previous business in the Australian generic pharmaceutical market, Ascent Pharmahealth Ltd, had a successful 5-year investment and growth strategy
- In Jan'12, Ascent was sold to Actavis for USD 393 Mn, at an industry leading EBITDA multiple

Re-entering Australia in a leadership position

- On May 21, 2015, Strides signed definitive agreements to acquire from Aspen, a generic pharmaceutical business in Australia together with certain branded pharmaceutical assets for ~USD 300 Mn
- The business had Revenues of ~AUD 120 Mn (YE Jun'14) with an EBITDA of ~AUD 37 Mn (USD 31 Mn)

Impact on Group financials

- The acquisition to be immediately EPS accretive with EBITDA margins substantially greater than current group EBITDA margins
- The transaction will be funded through internal accruals and Debt financing

Management team with a proven track record

- The new Arrow Pharmaceuticals business will be led by Dennis Bastas, the previous founder and CEO of Ascent
- Andrew Burgess, ex-CFO of Ascent will be the CFO of the new business

Arrow Highlights



- 2nd largest generic drug product range in Australia
- 3rd largest market share of Australian generic drug sales



- Established & proven management team



- Strong customer brand recognition / heritage



- Multiple growth opportunities & strong product pipeline



- Material upside benefits with Strides integration



Australian Market Overview

- There are 5,240 Pharmacies to service 23 million people
- 3 Wholesalers supply all PBS drugs to pharmacies in Australia
- 5 generic pharmaceutical companies supply 90% of all generic drugs sold in Australia
- Well priced stable generic drug market – Average dispensing price for a generic drug is 250% higher than UK ¹
- PBS Pricing Reforms do not directly impact generic drug pricing

Source: 1. NHS and PBS data



Critical Success Factors in Australia

- **RANGE**

- Arrow has the 2nd largest range of generic drugs offered in Australia with 149 molecules
- Pipeline of 51 new generic molecules

- **RELATIONSHIPS**

- Arrow has the 3rd largest market share by value & number of pharmacy customers
- Arrow is the preferred generic drug partner to Sigma Company (the largest pharmacy wholesaler by market share in Australia)

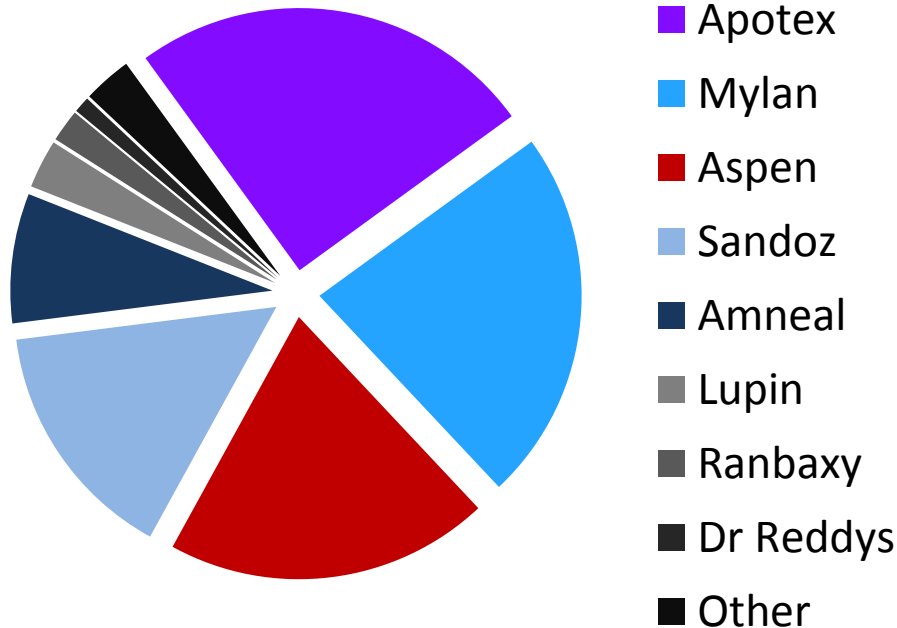
- **PRICING**

- Arrow has well priced supply channels and is able to deliver one of the strongest EBITDA margins in the Australian generic pharmaceutical industry
- Strides integration will deliver significant supply cost reductions and increase Arrow's competitiveness along with new product pipeline

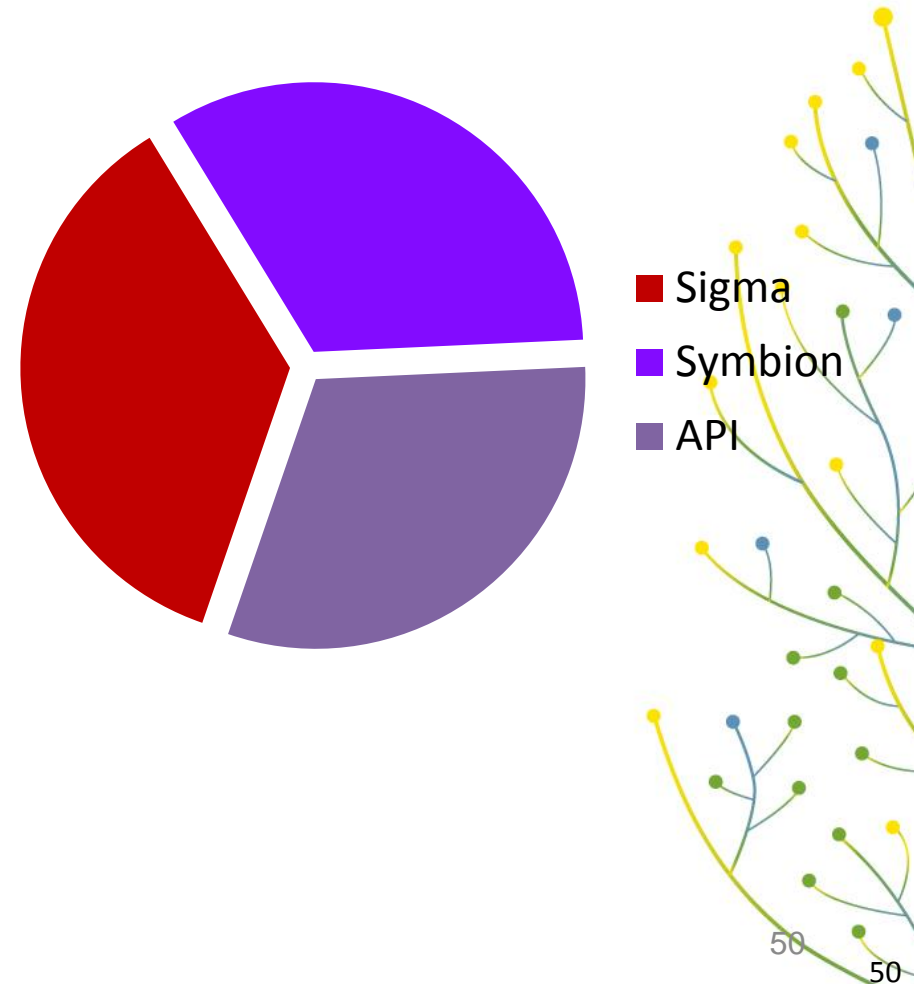


Generic Company & Wholesaler Alignment

Generic Market Share



Wholesaler Market Share



Source: Market Share Estimates

Arrow Pharmaceuticals Business Overview

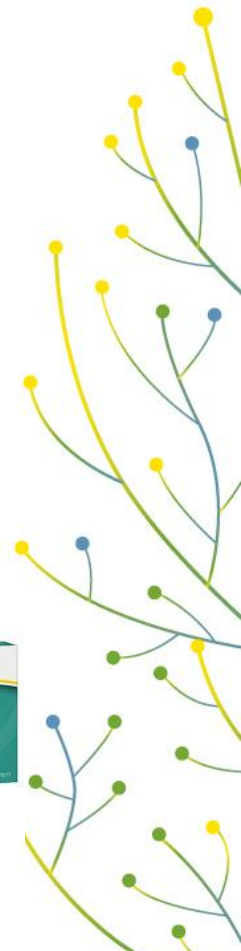
- Arrow brand has a strong legacy having been a market leading generic pharmaceutical brand since 1999
- Experienced management team with national pharmacy sales and marketing field force
- Full product range ensures single supply relationship with pharmacy
- Tail range of products provides sustainable profitability due to low competition
- Arrow will provide Strides with I.P. ownership over products that account for 70% of the revenue generated
 - The Australian regulatory agency (TGA) processes manufacturing site changes in 6 months
- Reporting technology that improves generic substitution to maximise store profits



Chemists' Own Brand

- Launched in 1995 as a quality, pharmacy-only, OTC product range
- Large product range with 51 products and 95 SKU's
- Chemists' Own is now requested specifically by name by consumers in pharmacy
- Provides complementary offer to generic pharmaceutical range
- Key brand's marketing of "Quality medication at affordable prices"
- Preferred OTC range in 20% of pharmacies in Australia

Chemists' Own[®]
Your trusted brand in pharmacy



ANNEXURES



2012: Ascent Sale Unlocked Significant Value for the Group

Transaction Overview

- On 24 January 2012, Strides Arcolab sold Ascent Pharmahealth, its generic pharmaceutical operations in Australia and Southeast Asia, to Watson Pharmaceuticals
- All-cash transaction valuing Ascent at an enterprise value of AU\$375 million
- Simultaneous signing and closing of the transaction fully de-risked the transaction
- Achieved valuation at the top end of the very best transactions in the industry

Company Overview

- **Australia**
 - Top 5 generic pharmaceutical company with the second largest pharmacy field force
 - Robust portfolio of marketed and pipeline products across generics, OTC, skin care and dermatology as well as established off-patent brands on behalf of global innovator companies
- **Southeast Asia**
 - Leading generic pharmaceutical company in Singapore (Drug Houses of Australia) with local manufacturing
 - Scalable platform across Malaysia, Hong Kong, Vietnam, Thailand, Myanmar and Brunei

- Strides had created significant value addition to Ascent since its initial investment in 2008
- Proceeds used to reduce debt, thus significantly improving capital structure
 - Improvement in Net Debt / Equity ratio from 1.68 as of December-2011 to 0.63 as of March-2012
- Significantly improved the EBITDA margins of the remaining pharma business

2013: Crystallizing Significant Value Created at Agila

Creation of a global leader in generic injectables

Building knowledge base 1996-2000

- Opened first sterile facility
- Focus on contract manufacturing

Investment in infrastructure 2001-2007

- Defocused contract manufacturing
- Target regulated markets
- Strong investments in R&D
- Joint ventures

Accelerated filings and approvals 2008-2011

- Large value niche sterile and oncology products
- Market-leading track record of filings and approvals
- US FDA facility approvals
- Big Pharma partnerships

Growth and profitability 2012-onwards

- Stable cash flows
- Amongst the largest generic injectables pipelines
- Best-in-class infrastructure providing platform for future growth

Value Crystallisation

Strides Arcolab Limited Enterprise Value⁽¹⁾

US\$1,142
Million

(1) As at 5 December, 2013

Enterprise value for Agila Specialties⁽²⁾

US\$1,750
million

(2) Includes holdback of US\$250 million

- Proceeds used to reduce debt and incur costs related to the satisfaction of certain contingent conditions
- Proceeds used to pay out a special dividend of INR 500 per share, resulting in a pre-tax distribution of US\$525 million, thus returning 88% of the free cash available with the company
- Retained US\$75 million for growth capital. US\$50 million of long term debt in its continuing pharma business

Governance @ Strides

- Four out of Eight Board Members are Independent
- Empowered Business Management team with end to end accountability
- Integrated Management Review from Operations to External Reporting
- Annual Report received consecutive recognitions for disclosure and presentation of financials

Board of Directors



Deepak Vaidya
Chairman of the Board



Arun Kumar
Founder & Group CEO



S. Sridhar
*Chairman of the
Audit Committee*



P.M Thampi
*Independent
Director*



A.K Nair
*Independent
Director*



Sangita Reddy
*Independent
Director*



M.R Umarji
*Non – Executive
Director*



Bharat D Shah
*Non – Executive
Director*

Experienced Management Team



Arun Kumar
Founder & Group CEO

*Founder & Group CEO
Over 24 years of experience*



Joe Thomas
*Chief Corp.
Development
Officer*

*Joined Strides in Jan-2012
Over 31 years of experience*



Sebi Chacko
*Chief Human
Resources Officer*

*Joined Strides in Dec-2013
Over 20 years of experience*



**Badree
Komandur**
*CFO & Company
Secretary*

*Joined Strides in Mar-2010
Over 20 years of experience*



Mohan Kumar
CEO – Pharma

*Joined Strides in May-2013
Over 33 years of experience*



**Dr. Sunil
Nadkarni**
*Chief Technical
Services Officer*

*Joined Strides in Jan-2015
Over 27 years of experience*



**Sinhue
Noronha**
*CEO - Africa
Operations*

*Joined Strides in Apr-2010
Over 34 years of experience*



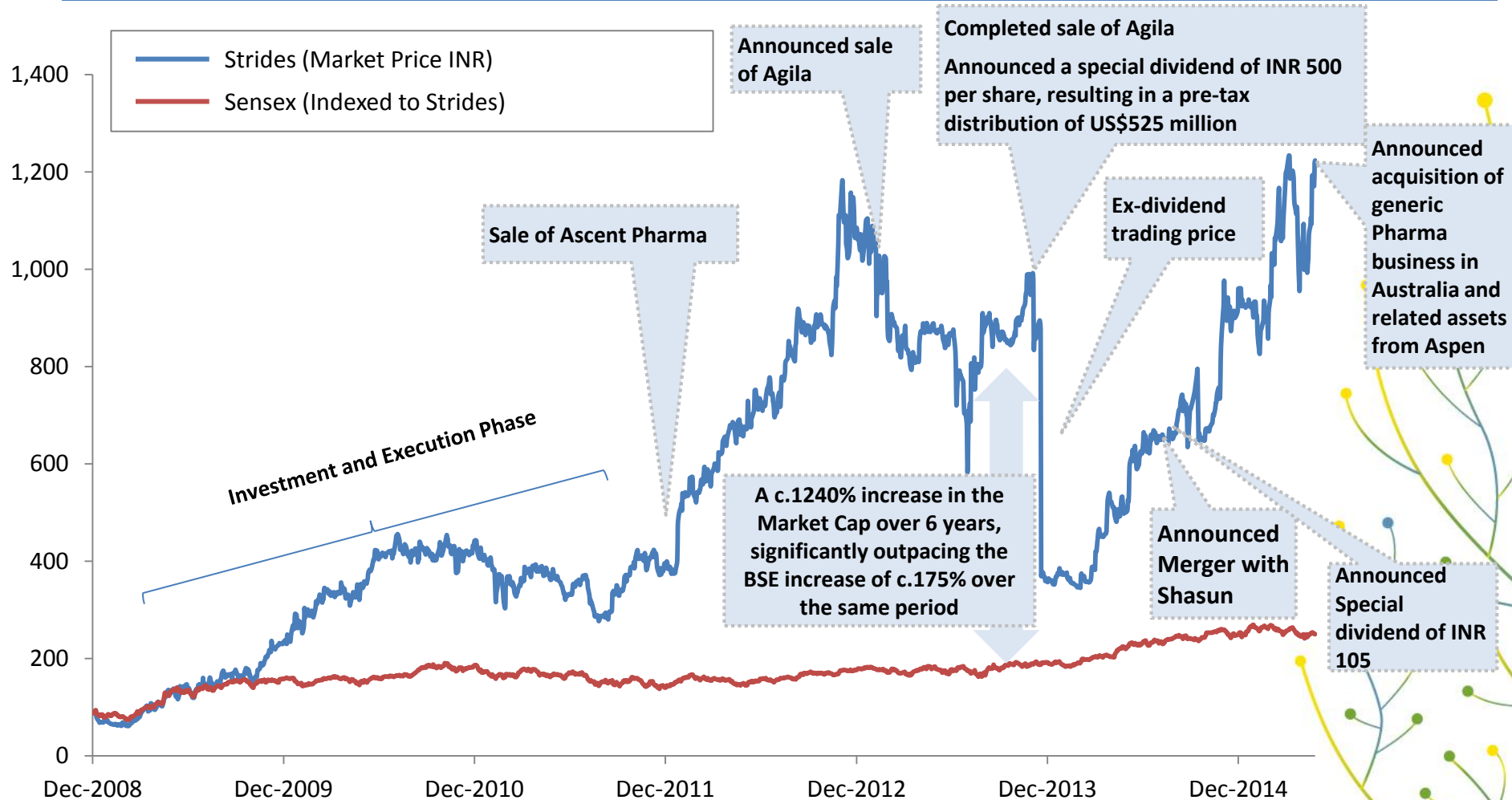
**Subroto
Banerjee**
*President –
Brands India*

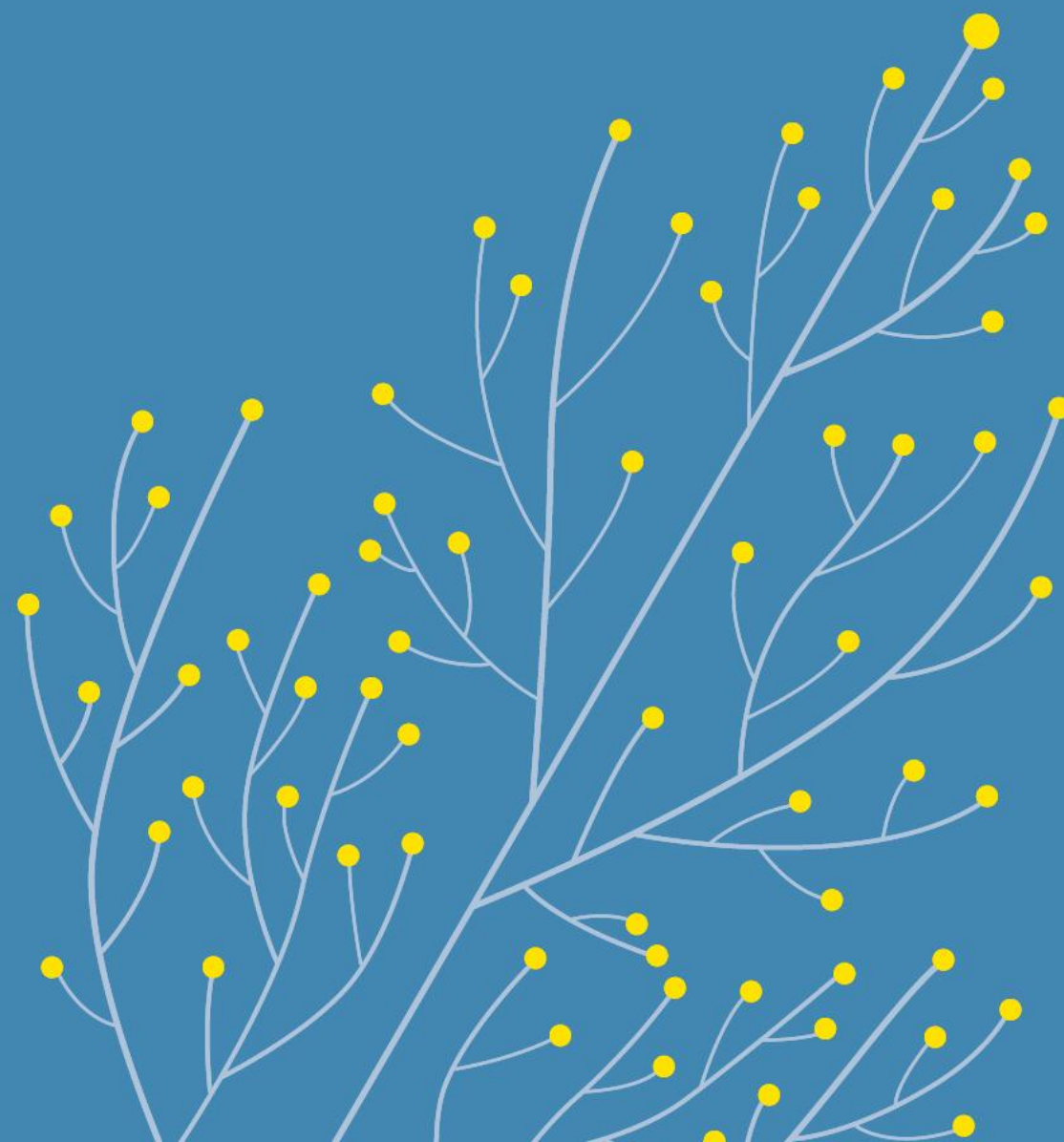
*Joined Strides in Mar-2012
Over 28 years of experience*



Delivered Attractive Return for its Shareholders

Value creation for the shareholders by returning 88% of the free cash available by way of a special dividend





THANK YOU