



October 27, 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 Madam/ Sir,

Sub: Press Release

Please find attached Press Release issued by the Company titled:

“Strides announces sale of manufacturing facility in Singapore for a consideration of \$15m”

Requisite details in accordance with SEBI Circular No. SEBI/ HO/ CFD/ CFD-PoD-1/ P/ CIR/ 2023/ 123 dated July 13, 2023 are enclosed herewith as Annexure 1.

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

Manjula Ramamurthy
Company Secretary
ICSI Membership No. A30515

Encl. As above

Strides Pharma Science Limited

CIN: L24230MH1990PLC057062

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Strides announces sale of manufacturing facility in Singapore for a consideration of \$15m

- *As part of manufacturing network cost optimization, Strides had last year mothballed the Singapore manufacturing operations*
- *With the acquisition and successful integration of Chestnut Ridge site in US, the Singapore site has been made redundant in the Strides network*
- *Transaction to be EPS accretive immediately with reduction of ~\$9m (~₹750m) in annual costs with no impact on Revenues*
- *Transaction closure expected in Q3FY24, proceeds to be used for Debt Reduction*

Bangalore, India, Oct 27, 2023 - Strides Pharma Science Limited (Strides) today announced that its step-down wholly owned subsidiary, Strides Pharma Global Pte. Limited, Singapore, has entered into binding agreement with Rxilient Biohub Pte. Ltd. (Rxilient Biohub) for the sale of its manufacturing facility including licenses, equipment, vendor contracts, etc. for a total cash consideration of \$15m. As part of the transaction, Rxilient Biohub will also take over the long term lease obligation of the manufacturing site from Strides.

The manufacturing site was mothballed last year as part of the manufacturing network optimization and cost reduction programs announced as part of FY23 reset strategy. Efforts were focused in integrating the US and the products that were supplied for US government procurement have been transferred to the Chestnut Ridge, US manufacturing site. This transaction is the culmination of the manufacturing network optimization efforts as we continue to focus on driving profitability and operational efficiency. This sale will help further reduce annual costs by ~\$9m (~ ₹750m), of which ~\$2m (~₹180m) reduction in operating expenses (EBITDA accretive) and ~\$7m (~₹570m) in Depreciation and operating lease expenses, thereby being immediately accretive to EPS (annualized ~ ₹ 7/share).

The transaction is expected to close in Q3FY24 on receipt of necessary approvals and completion of customary & other closing conditions. Proceeds from the transaction will be utilized for debt reduction.

About Rxilient Biohub

Rxilient Biohub, incorporated in Singapore, is mainly engaged in manufacture of pharmaceutical products and preparations for human use and manufacture of vaccines for human use. Rxilient Biohub plans to start CDMO business in Singapore.

About Strides

Strides, a global pharmaceutical company headquartered in Bengaluru, India, is listed on the BSE Limited (532531) and National Stock Exchange of India Limited (STAR). The Company mainly operates in the regulated markets and has an “in Africa for Africa” strategy and 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:

<p><u>Strides</u> Badree Komandur Executive Director – Finance & Group CFO +91 80 6784 0747</p> <p><u>Strides Pharma Science Limited</u> CIN: L24230MH1990PLC057062</p> <p>Regd. Office: 201, 'Devavrata', Sector - 17, Vashi, Navi Mumbai - 400 703</p> <p>Corp. Office: Strides House, Bannerghatta Road, Bengaluru – 560076</p>	<p><u>Corporate Communication</u> Pallavi Panchmatia: +91 80 6784 0193 Email: pallavi.panchmatia@strides.com</p> <p><u>PR Consultancy</u> Fortuna PR K Srinivas Reddy: +91 90005 27213 srinivas@fortunapr.com Boni Mukherjee: +91 96186 82208 boni@fortunapr.com</p>
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Annexure 1

Disclosure as per Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/ CIR/ 2023/ 123 dated July 13, 2023.

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#	Particulars
1)	Details and Reasons for Restructuring
	<p>Strides Pharma Global Pte. Limited (SPG), a step-down wholly owned subsidiary of the Company proposes to sell its manufacturing facility in Singapore including licenses, equipment, vendor contracts and lease to Rxilient Biohub Pte. Ltd., Singapore (Rxilient Biohub) for a total cash consideration of \$15m.</p> <p>This transaction is the culmination of manufacturing network optimization efforts as the Group continue to focus on driving profitability and operational efficiency.</p> <p>Rxilient Biohub, incorporated in Singapore, is mainly engaged in manufacture of pharmaceutical products and preparations for human use and manufacture of vaccines for human use. Rxilient Biohub plans to start CDMO business in Singapore.</p>
2)	Quantitative and/ or Qualitative effect of restructuring
	<p>The transaction is expected to be closed by December 31, 2023 (Closing Date) upon receipt of requisite approvals.</p> <p>The proposed transaction would assist in reducing annual costs by ~\$9m (~ ₹750m), of which ~\$2m (~₹180m) reduction in operating expenses (EBITDA accretive) and ~\$7m (~₹570m) in Depreciation and operating lease expenses, thereby being immediately accretive to EPS (annualized ~ ₹ 7/share).</p> <p>Proceeds from the transaction shall be utilized for debt reduction.</p>
3)	Details of benefit, if any, to the Promoter/ Promoter Group/ Group Companies from such proposed restructuring
	<p>The proposed transaction is with an unrelated party.</p> <p>Accordingly, Promoter/ Promoter Group/ Group Companies shall not derive any benefit.</p>
4)	Brief details of changes in shareholding pattern (if any) of all the entities
	<p>Shareholding Pattern of SPG will not be impacted by the above restructuring.</p>
