



Strides Shasun divests India brand business to Eris Lifesciences

Bangalore & Ahmedabad

November 18th 2017

Strides Shasun Limited (Strides) and Eris Lifesciences Limited (Eris) today announced entering into definitive agreements for sale of Strides' India branded generics business to Eris for an aggregate cash consideration of INR 500 Crores. The transaction is subject to customary closing conditions and parties intend to close the transaction by November 30th, 2017.

Strides' India branded generics business comprise of a portfolio of 130+ brands in the domains of Neurology, Psychiatry, Nutraceuticals, Gastro etc. along with the employees forming part of the business. In terms of the agreement, Eris will acquire the marketing and distribution rights for the said portfolio of products in India while Strides will retain the global rights for these products.

With this acquisition, Eris's fourth—and the largest—in the last 18 months, the Company will be among the top ten companies in the Central Nervous System (CNS) segment. Eris is already among the top 20 companies in the cardiology segment and ranks among the top ten in the diabetology segment.

Since inception in 2007, Eris has focused on the “chronic segments” of cardiology and diabetology. Eris had forayed into the CNS segment only recently. This acquisition cements Eris's position in the top three chronic segments.

Post-acquisition Eris will break into the league of top 25 companies having a market share of more than 1% in the Indian Pharmaceutical Market.

The India branded generics business being divested by Strides had sales of INR 181 Crores in FY 2017.

Commenting on the transaction, Shashank Sinha, Managing Director of Strides stated, “This transaction is the outcome of our portfolio reprioritization, to focus more sharply on larger regulated markets. We retain global rights for the divested portfolio, which have significant sales in Africa and will continue to grow our emerging market business. Net proceeds from this transaction will be used to pay down debt to the tune of INR 400 Crores.”

“The transaction is a good strategic fit for Eris and will strengthen our position in the key segments of CNS and Gastro-Intestinal therapies. We expect to realize cost and revenue

synergies from this transaction given Eris' strong presence in the branded business in India" said Amit Bakshi, Managing Director Eris Lifesciences Limited.

For Strides, MAPE Advisory Group and Tatva Legal acted as the transaction advisor and legal advisor respectively.

EY India was the exclusive M&A advisor and Shardul Amarchand Mangaldas & Co was the legal advisor to Eris Lifesciences on this transaction.

About Strides Shasun

Strides Shasun, listed on the Bombay Stock Exchange Limited (532531) and National Stock Exchange of India Limited (STAR), is a vertically integrated global pharmaceutical Company headquartered in Bangalore. The Company has three business verticals, viz., Regulated Markets, Emerging Markets and Active Pharmaceutical Ingredients.

The Company has global manufacturing foot print with 9 manufacturing facilities spread across three continents including 7 US FDA approved facilities and 2 facilities for the emerging markets. The Company has two dedicated R&D facilities in India with global filing capabilities and a strong commercial footprint across 100 countries. Additional information is available at the Company's website at www.stridesarco.com

About Eris Lifesciences Limited

Eris Lifesciences, listed on the Bombay Stock Exchange Limited (540596) and National Stock Exchange of India Limited (ERIS), was founded by Mr Amit Bakshi and team in 2007 and is one of the fastest growing companies within the chronic and acute categories of the Indian Branded Formulations market such as: cardiovascular; anti-diabetes; vitamins; gastroenterology and gynaecology. Eris has outpaced the Indian Pharmaceutical Market (IPM) growth with a (FY13-FY17) CAGR of 28.9% in Chronic and 12.0% in Acute therapy segment.

Eris' product portfolio is primarily focused on therapeutic areas which are treated by super specialist and specialist doctors such as Diabetologists, Endocrinologists Cardiologists, and Gastroenterologists. Super specialists and specialists contribute to 96.1% of Eris' total prescriptions as compared to 61.6% for the IPM. Eris has a prescriber base of 50,282 doctors for Fiscal 2017 as per IMS medical audit and a team of 2645 employees across India as on 31st March 2017 including a specialty field force of 1501 medical representatives, 696 field managers and 448 employees at the manufacturing facility and corporate office together.

Eris features amongst the Top 30 companies in the Indian Branded Formulations Market.

Additional information is available at the Company's website at www.eris.co.in

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