

February 06, 2026

The BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001	The National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051
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Scrip Code: 541540, 890202

Symbol: SOLARA, SOLARAPP1

Dear Sir / Madam,

Subject: Press Release

Pursuant to the Regulation 30 of the SEBI Listing Regulations, we are enclosing herewith a copy of the Press Release on unaudited Financial Results for the 3rd Quarter Ended December 31, 2025. The same will also be made available on the website of the Company <https://solara.co.in/investor-relations/investor-update/>

The Press Release (along with Earnings Presentation) for the Board Meeting held on February 06, 2026 issued by the Company titled:

Solara Announces Q3'26 Financial Results

This is for your information and records.

Thanking You,

Yours Faithfully,

For Solara Active Pharma Sciences Limited

Pooja Jayakumar
Company Secretary & Compliance Officer
ICSI Membership No.: A57415

Solara Announces Q3'26 Financial Results

- » Quarterly performance led by momentum in the high-growth APIs, while the commodity Ibuprofen API remains a persistent drag
- » Performance further validates the company's strategic recourse of decoupling from the structural challenges and pricing pressures of the commodity Ibuprofen base APIs
- » The Board is appointing strategic advisors to evaluate options for the Ibuprofen business and re-assess the previously announced scheme for the CRAMS & Polymers business split; a comprehensive roadmap for both initiatives will be shared in the subsequent quarter.

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



Strategically prioritizing Growth APIs is yielding results and a fundamental shift to our value drivers and long-term business sustainability

Solara has been a global leadership in Ibuprofen for over three decades, serving marquee global brands where it commands premium pricing over competitors.

Despite long standing partnerships with leading players, major portions of its capacity face persistent headwinds post Covid-19 due to global oversupply, resulting in lower realizations and depressed profitability.

Previous investments in the Vizag expansion site, including co-investments from a Big Pharma partner, were impacted by these headwinds; consequently, the site was mothballed to mitigate cost drags.

The Company, last year, initiated a strategic decoupling from commodity reliance to focus on high-growth APIs driven by R&D, complex manufacturing, and low competitive intensity.

The decoupling exercise is actively validating our thesis for future growth, with our Growth API margin profile (~55% GM / ~25% EBITDA) now positioned among the top API companies in India.

Recognizing the structural drag of the commodity Ibuprofen base, the Board is engaging strategic advisors to evaluate options for the Ibuprofen business, with a roadmap to be presented next quarter.

With the advisors , the Board will also re-assess the previously announced scheme for the CRAMS business split, with a comprehensive roadmap for both the Ibuprofen and CRAMS initiatives to be presented in the subsequent quarter.



Our growth APIs demonstrate exceptional performance, validating the strategic merit of decoupling it from the commodity-driven Ibuprofen base

Solara Growth API Business

Particulars	Q3'26	9M'26
Revenue	2,466	7,344
Gross margins	1,389	4,167
Gross margins %	56.3%	56.7%
EBITDA	608	1,882
EBITDA Margins %	24.7%	25.6%

Solara Base Ibuprofen API Business

Particulars	Q3'26	9M'26
Revenue	1,024	2,487
Gross margins	236	787
Gross margins %	23.0%	31.6%
EBITDA	-234	-581
EBITDA Margins %	-22.9%	-23.4%

Key Updates

The growth business delivers a gross margin profile exceeding 55%, highlighting the shift toward complex, high-value chemistries.

Operating at a ~25% EBITDA margin (vs. -23% for base), the Growth business will be the primary driver of the company's overall profitability

The growth segment benefits from significant Opex leverage, with infrastructure and overheads supporting higher-margin revenue streams.

By building out the Ex-Ibu portfolio, we are successfully reducing exposure to commodity pricing volatility and global Ibuprofen oversupply.

The margin profile for our Growth APIs (~55% GM / ~25% EBITDA) is now positioned among the top API companies in India.



Sequential growth and continued demand in our growth APIs validate our transformation journey despite persistent commodity API pricing pressures

Q3'26 Performance (₹ Million)

Particulars	Q3'26	Q2'26	QoQ%	Q3'25	YoY%	9M'26	9M'25	YoY%
Revenue	3,490	3,140	10%	3,018	15%	9,831	10,139	-3%
Gross margins	1,625	1,599	2%	1,673	-3%	4,954	5,084	-3%
Gross margins %	46.6%	51.0%	(440 bps)	55.4%	(880 bps)	50.4%	49.8%	60 bps
EBITDA	374	352	6%	591	-37%	1,301	1,627	-20%
EBITDA Margins %	10.7%	11.3%	(60 bps)	19.6%	(890 bps)	13.2%	16.1%	(290 bps)
Exceptional items**	67	-		-		67	-	
Depreciation	256	245		253		736	749	
Finance costs	225	208		283		668	853	
PAT	(174)	(101)		81		(170)	25	
EPS (INR per share)	(3.98)	(2.36)		2.03		(3.88)	1.07	

*Growth API business is excluding Ibuprofen base APIs business

** Exceptional items represents Gratuity and Compensated absences past service cost impact under new labour codes



Sandeep Rao

Managing Director & CEO



Our performance for Q3'26 reflects a modest sequential growth, as the build out in our growth business continues to gain momentum while the Ibuprofen base business continues to experience challenges and pricing pressure.

Notably, the Growth API business is already demonstrating superior profitability, operating at a ~25% EBITDA margin with gross margins of ~55% which reinforces the objective we established at the start of the year to pivot the business from a phase of reset to one defined by sustainable, and reliable growth.

The underlying fundamentals of the business remain strong, supported by a resilient operating model and a healthy product mix across regulated markets.

Given the persistent headwinds and the commodity-driven nature of the Ibuprofen base APIs, we are currently evaluating strategic options for this business to ensure optimal long-term value creation and capital allocation.



Revenue increased by 15% YoY led by resilient build-out of Growth APIs , partly offset by structural challenges in the Ibuprofen base

Q3'26 Performance (₹ Million)

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Revenue	3,490	3,140	10%	3,018	15%
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Gross margins %	46.6%	51.0%	(440 bps)	55.4%	(880 bps)
EBITDA	374	352	6%	591	-37%
EBITDA Margins %	10.7%	11.3%	(60 bps)	19.6%	(890 bps)

9M'26 Performance (₹ Million)

Particulars	9M'26	9M'25	YoY%
Revenue	9,831	10,139	-3%
Gross margins	4,954	5,084	-3%
Gross margins %	50.4%	49.8%	60 bps
EBITDA	1,301	1,627	-20%
EBITDA Margins %	13.2%	16.1%	(290 bps)

Key Updates

Sequential growth of 10% QoQ and 15% YoY, reflecting the scaling and continued build-out of the growth business

Margins remained flattish during the quarter; while positively influenced by the growth business, the overall profile was pulled down by persistent Ibuprofen challenges.

Disciplined Opex reduction continues to enhance overall operational leverage, though impacted by routine cyclical spends.

R&D initiatives are being brought back on track to fuel the future growth pipeline and support specialized APIs

Regulated markets continue to be a cornerstone, contributing ~75% of revenues.

Performance remained resilient with underlying fundamentals in the growth segment remain strong.

Sources of funds (₹ Million)

Particulars	Mar'25	Dec'25
Shareholders' funds	10,969	12,499
Less: Goodwill	-3,649	-3,649
Net worth	7,320	8,850
Term Loan	2,031	1,305
Working capital Loan	5,729	4,995
Gross Debt	7,760	6,300
Total	15,080	15,150

Use of funds (₹ Million)

Particulars	Mar'25	Dec'25
Net Tangible Fixed Assets	10,787	10,705
Net Non-current Assets	(175)	(285)
Net Current Assets	4,468	4,730
Total	15,080	15,150

Gross Debt movement (₹ Million)

Particulars	Amount
Gross Debt as on Mar'25	7,760
Less: Repayment from Rights issue application money	(1,125)
Less: Other repayments	(550)
Less: Additional loan	215
Gross Debt as on Dec'25*	6,300
Less: Post realization of second call money of the Rights issue in Q1'27 in which 75% will be used for debt repayment	(1,011)
Less: Repayment from Operating Cash Flows	(290)
Expected Gross Debt by May'26	4,999

- Continued focus on reducing Gross Debt through accelerated term loan repayment and improved internal accruals.
- After adjusting for the uncalled Rights Issue money in which 75% will be used for debt repayment (INR 1,011 Mn) and repayment during FY26, our adjusted net debt by May'26 expected at ~INR 4,999 Mn (Net Debt to EBITDA ~2.9 times)

*Gross debt as on Dec'25 on constant currency basis is INR 6,235 Mn

Solara Leadership Participants



Arun Kumar
Founder & Non-Executive Director



Sandeep Rao
Managing Director & CEO



Sarat Kumar
Chief Financial Officer



15:30 hrs | IST



Friday, February 6



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diamond pass*

Thank you