

April 9, 2021

The BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001

The National Stock Exchange of India Limited  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (E), Mumbai – 400 051

**Scrip Code: 541540**

**Scrip Code: SOLARA**

Dear Sir / Madam,

**Sub:** Announcement under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

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Please find attached press release issued by the Company titled:

***"Solara Active Pharma (Solara) and Aurore Life Sciences Limited (Aurore) combine to create one of the largest Pure Play API / CRAMs companies"***

Thanking you,

Yours faithfully,  
**For Solara Active Pharma Sciences Limited**



**S. Murali Krishna**  
**Company Secretary**

Encl:- as above

## **Solara Active Pharma (Solara) and Aurore Life Sciences Limited (Aurore) combine to create second largest Pure Play API / CRAMs company in India**

- » **Aurore to merge with Solara in an all-stock transaction**
- » **Aurore Shareholders shall have 27% Equity holding in Solara Merged entity**
- » **Merger is EPS accretive from FY22 and enhances key financial ratios**

**Mumbai, India – April 9, 2021:** The Board of Directors of Solara Active Pharma Sciences Limited (“Solara”) today accepted the recommendations of the Committee of Independent Directors and Audit Committee and approved the amalgamation of Aurore, Empyrean and Hydra with Solara. The combination creates a pure play API company of scale with strong presence in Regulated Markets, Emerging Markets, a broad product portfolio, robust operations infrastructure, excellent R&D capabilities and clear synergies to further accelerate growth for the combined entity.

The merger is EPS accretive to Solara and will enhance other important financial ratios for Solara. The merger is in line with Solara’s strategy of accelerating growth via appropriate inorganic actions. The combined entity will have the scale of market presence and product portfolio combined with robust manufacturing and R&D infrastructure to grow into a leading global pure play API and CRAMS company.

### **Strategic Rationale of the Merger:**

- The combination significantly enhances the product portfolio of the combined entity
- Addition of 2 sites (one of them USFDA approved) will enable creation of additional sourcing locations for key products for our customers, further underlining reliability of supply
- Merged entity will leverage the strong R&D investments bringing more products to market with improved time to market
- The merger will add scale and capabilities to the existing CRAMS business of Solara and will aid in accelerated growth of this business
- The merger will lead to significant synergistic opportunities in operations and cost savings through economies of scale
- The merger creates a leading pure play API player with a global market presence, diverse product portfolio and strong customer relationships

Commenting on the performance, **Bharath Sesha**, the MD & CEO of the Solara stated

*“As Solara continues its journey towards accelerated growth, the combination with Aurore is a significant boost. The two entities complement each other on product portfolio, geographical presence and customers while amplifying the strengths on world class quality systems, strong R&D capabilities and robust manufacturing infrastructure. The combination will provide a compelling value proposition for both our generic API s and CRAMS customers and exciting opportunities for the talented teams to grow with the company. I am excited to leverage the entrepreneurial growth mindset that Raj and his team bring to further add to the significant strengths that Solara has. I welcome the entire Aurore team and look forward to working together to create a customer focused organization with passionate and engaged employees”.*

Commenting on the performance, **Rajender Rao Juvvadi**, the MD of Aurore, stated

*“In a very short span of time Aurore has reached critical size and an inflection point and needs additional capacity and capital to grow to the next level being an important API player. The merger with Solara creates an opportunity to meet these aspirations and helps in achieving the desire of being one of the most dominant API players. The merged entity provides a platform to combine the advantages of scale with a lean and cost-efficient unique product development ability. Aurore’s R&D ability and speed of validations, filings and continuing product portfolio creation would enable the merged entity substantially scale up and underpin its pure play presence. The merger will enhance customer confidence in the ability of the combined entity to deliver the product range under backing of quality infrastructure and enable a broader global customer footprint. The combined impact on aggregation of strengths would significantly enhance shareholder value”.*

### **Merger Scheme details**

- Shareholders of Aurore Life Sciences Private Limited and Hydra Active Pharma Sciences Private Limited shall be issued 1,32,94,800 equity shares of Solara Active Pharma Sciences Limited. Pursuant to which, the shareholders of the Transferor Companies would have 27% stake in Solara Active Pharma Sciences Limited.
- With this merger, Aurore Life Science Private Limited, Emphyrean Lifesciences Private Limited and Hydra Active Pharma Sciences Private Limited shall be merged into Solara Active Pharma Sciences Limited and post-merger, Solara will hold 67% stake in Aurore Pharmaceuticals Private Limited.
- Post-Merger, Promoter group holding shall be 44.18% and Public holding shall be 55.82%.
- The Appointed Date for the merger would be 1<sup>st</sup> April, 2021 and the merger process is expected to be completed in Q4 FY 2021-22.
- The merger is subject to certain conditions including approvals from stock exchanges, SEBI, shareholders, creditors, jurisdictional National Company Law Tribunal and other applicable statutory authorities.

### **Advisors for the proposed Transaction**

Project Manager and Transaction Advisor - Transaction Square LLP, Share Exchange Ratio Report - Niranjana Kumar, Registered Valuer – Financial Securities or Assets (affiliate of Transaction Square LLP)

Fairness Opinion on the Share Exchange Ratio Report – ICICI Securities Limited Legal Advisors – DSK Legal and Anagram Partners Finance Due Diligence - Ernst and Young Tax Due Diligence - Transaction Square LLP Legal Due Diligence - J Sagar Associates

Solara and Aurore will be hosting an investor / analyst meet at **9.00 A.M. on Monday April 12, 2021** to discuss the transaction. Investor presentation shall be uploaded in company website before the call.

## About Solara Active Pharma Sciences Limited:

Solara Active Pharma Sciences is a young, dynamic, entrepreneurial and customer-oriented API manufacturer. It has a legacy of over three decades and trace its origins to the API expertise of Strides Shasun Ltd. and the technical know-how of human API business from Sequent Scientific Ltd.

It aims at delivering value-based products while maintaining focus on customer needs. It has 140+ scientists working at two R&D centers and 6 API manufacturing facilities armed with global approvals and 2 dedicated R&D facilities. It stands by its vision to respect our partners by maintaining Integrity and operational transparency, which we intend to achieve through developing utmost efficiency across the organization.

## About Aurore Life Science Private Limited:

Aurore Life Science is a private limited company incorporated on 26th September 2016 with Corporate Identification Number: U74999TG2016PTC112170. Aurore Life Science is engaged in the business of developing wide range of generic pharmaceutical products. It has one R&D center and 2 API manufacturing facilities. Aurore Life Science Pvt Ltd holds 100% of share capital of Emphyrean Life Sciences Pvt Ltd and also hold 67% stake in Aurore Pharmaceuticals Private Limited which also develops and manufactures wide range of generic pharmaceutical products.

## About Emphyrean Lifesciences Private Limited:

Emphyrean is a private limited company incorporated on 19th June 2014 with Corporate Identification Number: U24232TG2014PTC094543. Emphyrean is a wholly owned subsidiary of Aurore Life Science and is engaged in the pharmaceutical business. Emphyrean is also engaged in the research and development of pharmaceutical products.

## About Hydra Active Pharma Sciences Private Limited:

Hydra is a private limited company incorporated on 6th December 2016 with Corporate Identification Number: U74999KA2016PTC098276. Hydra is engaged in pharmaceutical business through its subsidiary company Aurore Life Science Pvt Ltd where in it holds 61.65% stake.

### Investor / Analyst contact

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### Statutory and corporate affairs

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