



August 23, 2024

Listing Department  
**BSE LIMITED**  
P J Towers, Dalal Street,  
Mumbai-400001

**Code: 532321**

Listing Department  
**NATIONAL STOCK EXCHANGE OF INDIA LIMITED**  
Exchange Plaza, C/1, Block G,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai-400051

**Code: ZYDUSLIFE**

Sub: **Acquisition of equity shares of Sterling Biotech Limited ("the Target Company")**

Ref.: **Disclosure under regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and SEBI Circular dated July 13, 2023 ("the SEBI Circular")**

Dear Sir / Madam,

The Board of Directors ("the **Board**") of Zydus Animal Health and Investments Limited, a wholly owned subsidiary of Zydus Lifesciences Limited, has approved the Share Purchase and Share Subscription Agreement ("**SPSSA**") amongst Zydus Animal Health and Investments Limited ("the **Purchaser**"), Perfect Day Inc., a Temasek portfolio company ("the **Seller**") and Sterling Biotech Limited ("the **Target Company**") to acquire 3,216,730,980 (Three Thousand Two Hundred Sixteen Million Seven Hundred Thirty Thousand Nine Hundred Eighty) equity shares of Re. 1/- (Rupee One only) each fully paid-up ("the **Sale Shares**") of the Target Company, representing 50% of the paid-up share capital, from the Seller as per the terms and conditions as mentioned in the SPSSA.

Pursuant to the acquisition of the Sale Shares, the Target Company shall become a joint venture company of the Purchaser and the Seller.

The Board meeting of the Purchaser commenced at 9.30 p.m. and concluded at 9.50 p.m.

Parties of the SPSSA have executed the SPSSA.

**Zydus Lifesciences Limited**

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website : www.zyduslife.com | CIN : L24230GJ1995PLC025878





Necessary details as stipulated under regulation 30 of the Listing Regulations read with para 1.1 (acquisition of Sale Shares) and para 5 (joint venture) of the SEBI Circular are provided in **Annexure-“1”** and **Annexure-“2”** respectively.

Please find the same in order.

Thanking you,

Yours faithfully,  
For, **Zydus Lifesciences Limited**

**Dhaval N. Soni**  
**Company Secretary**

**Encl.:** As above

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**Annexure-“1” (Acquisition of Sale Shares)**

| Sr. No. | Particulars  | Responses  |
|---------|--|--|
| a)      | name of the target entity, details in brief such as size, turnover etc.  | <p><b>Name of the Target Company:</b> Sterling Biotech Limited *</p> <p><b>Brief details:</b> The Target Company is one of the leading producers of Pharmaceutical Gelatine, Di-Calcium Phosphate and some APIs. The Target Company operates 2 (two) manufacturing facilities in Gujarat.</p> <p><b>Turnover (revenue from operations):</b> Rs. 4,548.98 mio. (Rupees Four Thousand Five Hundred Forty Eight Million Nine Hundred Eighty Thousand only), based on unaudited financial statements for the Financial Year ended on March 31, 2024.</p> <p>* The existing shareholders had acquired the Target Company as a going concern on a clean slate basis through the liquidation process pursuant to the order dated November 11, 2022 passed by the NCLT ("<b>NCLT Order</b>"). The Target Company currently is a public company as per the records of the Ministry of Corporate Affairs ("<b>MCA</b>"). Basis the NCLT Order, the NCLT has approved the conversion of the Company to a private limited company under the name 'Sterling Biotech Private Limited'. As on date, the Target Company has not received a fresh certificate of incorporation in the name of 'Sterling Biotech Private Limited'.</p> |
| b)      | Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length” | <p>The acquisition of the Sale Shares of the Target Company would not fall within related party transaction(s).</p> <p>None of the promoter / promoter group / group companies have any interest in the said acquisition of the Sale Shares.</p>   |

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| Sr. No. | Particulars   | Responses  |
|---------|---|--|
| c)      | Industry to which the entity being acquired belongs   | Pharmaceuticals  |
| d)      | Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity) | <p>The Target Company will establish a state-of-art manufacturing facility to manufacture fermented animal free protein to cater to the global markets and will accelerate the production of high-quality and eco-friendly protein products, reduce environmental impact and cater to the growing consumer demand for fermentation-based and ethically sourced nutrition.</p> <p>Pursuant to the said acquisition, the Purchaser will mark foray into specialised bio-tech products for health and nutrition, specifically catering to consumers who prefer animal-free protein or suffer from lactose intolerance.</p> <p>This partnership marks a significant step forward in the global effort to transform the food industry and promote a healthier planet.</p> <p>With a clear vision of focussing on animal free protein products, the Purchaser and the Seller will also take a strategic view on API and gelatine business.</p> |
| e)      | brief details of any governmental or regulatory approvals required for the acquisition  | Not applicable   |
| f)      | indicative time period for completion of the acquisition  | The acquisition of Sale Shares is expected to be completed within a period of 60 working days from the date of execution of the SPSSA.   |

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| Sr. No. | Particulars  | Responses   |
|---------|--|---|
| g)      | consideration-whether cash consideration or share swap or any other form and details of the same   | Cash consideration  |
| h)      | cost of acquisition and/or the price at which the shares are acquired  | Rs. 5,500 mio. (Rupees Five Thousand Five Hundred Million only) subject to certain adjustments with respect to cash and debt (including debt like items) as mentioned in the SPSSA.   |
| i)      | percentage of shareholding / control acquired and / or number of shares acquired   | 50% (Fifty percent)   |
| j)      | brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief) | <p><b>Brief background of the Target Company:</b><br/>The Target Company is one of the leading producers of Pharmaceutical Gelatine, Di-Calcium Phosphate and some APIs. The Target Company operates 2 (two) manufacturing facilities in Gujarat.</p> <p><b>Date of incorporation of the Target Company:</b> March 23, 1985</p> <p><b>Presence of the Target Company:</b> mainly in India.</p> <p><b>Turnover:</b> turnover (revenue from operations) of the Target Company for the last 3 (three) financial years is as under:</p> <p><b>March 31, 2024:</b> Rs. 4,548.98 mio. (based on unaudited financial statements)</p> <p><b>March 31, 2023:</b> Rs. 4,333.38 mio. (based on audited financial statements)</p> <p><b>March 31, 2022:</b> Rs. 4,098.85 mio. (based on audited financial statements)</p> |

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**Annexure-“2” (Joint Venture)**

| Sr. No. | Particulars   | Responses   |
|---------|---|---|
| a)      | name(s) of parties with whom the agreement is entered   | The SPSSA is entered into between Perfect Day Inc. (the Seller), Zydus Animal Health and Investments Limited (the Purchaser) and Sterling Biotech Limited (the Target Company).   |
| b)      | purpose of entering into the agreement  | The purpose of entering into SPSSA is to acquire the Sale Shares, representing 50% equity shares of the Target Company by the Purchaser from the Seller.  |
| c)      | shareholding, if any, in the entity with whom the agreement is executed   | <p>Before the execution of the SPSSA, the Purchaser was not holding any shares of the Target Company.</p> <p>Upon signing the SPSSA, the Purchaser will acquire the Sale Shares, representing 50% of the paid-up share capital of the Target Company, from the Seller.</p>  |
| d)      | significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc. | <p><b>Right to appoint directors:</b> The Board of the Target Company shall comprise of 6 (six) directors. 3 (three) directors each representing the Seller and the Purchaser.</p> <p>Nominee director representing the Seller will be the Chairman of the Target Company for an initial period of 2 (two) years.</p> <p><b>Right to restrict any change in capital structure:</b> The capital structure of the Target Company can be amended with the approval of both, the Purchaser as well as the Seller.</p> |

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| Sr. No. | Particulars  | Responses   |
|---------|--|---|
| e)      | whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship  | None of the parties are related to promoter / promoter group / group company in any manner.   |
| f)      | whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"   | The transaction of acquisition of the Sale Shares is not a related party transaction.   |
| g)      | in case of issuance of shares to the parties, details of issue price, class of shares issued   | Not applicable.   |
| h)      | any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc. | <p>The Board of the Target Company shall comprise of 6 (six) directors. 3 (three) directors each representing the Seller and the Purchaser.</p> <p>Nominee director representing the Seller will be the Chairman of the Target Company for an initial period of 2 (two) years.</p> <p>There is no potential conflict of interest arising out of the acquisition of the Sale Shares of the Target Company.</p> |
| i)      | in case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s)   | Not applicable  |
| I       | name of parties to the agreement   | Not applicable  |
| II      | nature of the agreement  | Not applicable  |

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| Sr. No. | Particulars   | Responses      |
|---------|---|----------------|
| III     | date of execution of the agreement  | Not applicable |
| IV      | details of amendment and impact thereof or reasons of termination and impact thereof. | Not applicable |

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