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Strides acquires strategic stake in Fairmed Healthcare AG

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Infused CHF 2.2 Million into the entity in lieu of the equity stake



Bengaluru based Strides Pharma Science Limited (Strides) has announced that its step down subsidiary Strides Pharma Global Pte Ltd (SPG) has acquired a majority stake in Fairmed Healthcare AG (Fairmed), a Switzerland based company with a portfolio of highâ?•quality generic products encompassing prescription and overâ?•theâ?•counter drugs across several therapeutic segments.

Strategic Rationale

- The Other Regulated market for Strides comprises of its businesses in UK, EU, South Africa, Canada and the supplies to Australia.
- It is the fastest growing market for Strides led by a hybrid R&D strategy based on portfolio maximization across multiple markets, leveraging its established regulated market portfolio. This market contributed 26% to FY19 revenues, growing 30% + YoY primarily on portfolio expansion and enhanced marketing footprint across key regulated markets outside of the US.
- Fairmed has built a strong franchise of supplying highâ?•quality Rx and OTC products in key European markets and the acquisition will augment Strides' footprint in continental Europe with a direct presence in the German speaking markets of Germany, Austria and Switzerland collectively called as DACH region.
- Strides' vast international product portfolio and Fairmed's market access in the DACH region is a highly complementary combination to pivot an extensive growth in the coming years
- Fairmed had a net sales of Euro 5.8 million in CY 18 driven mainly by its frontend presence and a portfolio of 30+ products.
- The business will incrementally have access to Strides' already approved product portfolio for the markets Fairmed operates in with supplies from several of its EU approved facilities.

Transaction terms and structure

Under the terms of the agreement, SPG will hold 70% of the issued capital of Fairmed. Strides has infused CHF 2.2 Million into the entity in lieu of the equity stake.