

Date: October 16, 2026

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
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Scrip Code: 541540, 890202

Scrip Code: 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 financial results for the quarter and half year ended September 30, 2026. 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 Friday, October 16, 2026, issued by the Company titled:

Solara's Q2 FY27 revenue grows 33% to INR 4,178 Mn and EBITDA more than doubles to INR 769 Mn, its best quarter in five years

This is for your kind information and records.

Thanking You,

Yours Faithfully,

For Solara Active Pharma Sciences Limited

POOJA JAYA KUMAR
Digitally signed by
POOJA JAYA KUMAR
Date: 2026.10.16
13:39:07 +05'30'

Pooja Jaya Kumar

Company Secretary & Compliance Officer

ICSI Membership No.: A57415

Solara's Q2 FY27 revenue grows 33% to INR 4,178 Mn and EBITDA more than doubles to INR 769 Mn, its best quarter in five years >>

BASE BUSINESS (EX-IBUPROFEN)

REVENUE

INR 3,273 Mn, up 37% YoY and 6% QoQ

EBITDA

INR 771 Mn, up 68% YoY and 7% QoQ

>> **EBITDA margin expanded ~440 bps YoY to 23.6%, despite continued input cost pressures**

IBUPROFEN BUSINESS

REVENUE

INR 905 Mn, up 21% YoY and 18% QoQ

EBITDA

Loss of **INR 2 Mn**, narrowed from INR 87 Mn in Q1'27

>> **Business is now close to breakeven**

OVERALL BUSINESS

REVENUE

INR 4,178 Mn, up 33% YoY and 9% QoQ

EBITDA

INR 769 Mn, up 118% YoY and 21% QoQ

PAT

INR 285 Mn, against a loss of INR 101 Mn in Q2'26

>> **Highest quarterly EBITDA and PAT in the last five years**

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.

BASE BUSINESS REVENUE



INR 3,273 Mn

▲ +37% YoY | +6% QoQ

BASE BUSINESS GROSS MARGIN



INR 1,645 Mn (50.3%)

▲ +29% YoY | +4% QoQ

BASE BUSINESS EBITDA



INR 771 Mn (23.6%)

▲ +68% YoY | +7% QoQ | +440 bps YoY

IBUPROFEN REVENUE



INR 905 Mn

▲ +21% YoY | +18% QoQ

IBUPROFEN GROSS MARGIN



INR 327 Mn (36.1%)

▲ +20% YoY | +47% QoQ

IBUPROFEN EBITDA



INR (2) Mn (-0.2%)

Loss narrowed from INR 87 Mn in Q1'27

OVERALL REVENUE



INR 4,178 Mn

▲ +33% YoY | +9% QoQ

OVERALL GROSS MARGIN



INR 1,972 Mn (47.2%)

▲ +28% YoY | +9% QoQ

OVERALL EBITDA



INR 769 Mn (18.4%)

▲ +118% YoY | +21% QoQ | +720 bps YoY

PAT



INR 285 Mn

▲ +75% QoQ | vs loss of INR 101 Mn in Q2'26

EARNINGS PER SHARE



INR 5.92 per share

▲ +68% QoQ | vs INR (2.36) in Q2'26

NET DEBT (SEP'26)



INR 5,000 Mn

▼ Down 19% (INR 1,141 Mn) vs Mar'26



Sandeep Rao

Managing Director & CEO



“This is our best quarter in five years, and the improvement is coming from every part of the business.”

Our Base business continues to lead our growth. Revenue grew 37% to INR 3,273 Mn, staying above INR 3,000 Mn for the third quarter in a row, and EBITDA grew 68% to INR 771 Mn, with the margin up about 440 bps to 23.6% even as raw material costs rose.

Ibuprofen is turning around. Revenue grew 21% over last year and 18% over last quarter, and the business is now close to breakeven, from a loss margin of 21% just two quarters ago.

As a result, overall revenue grew 33% to INR 4,178 Mn and EBITDA more than doubled, up 118% to INR 769 Mn. We are firmly back in profit, with PAT of INR 285 Mn against a loss of INR 101 Mn a year ago. Net debt to EBITDA is down to about 1.8x from 3.2x at the end of FY26, giving us room to keep investing in growth.

Sandeep Rao, Managing Director & CEO

Q2'27 Base Business performance (₹ Million)

Particulars	Q2'27	Q1'27	QoQ%	Q2'26	YoY%	H1'27	H1'26	YoY%
Revenue	3,273	3,077	6% ▲	2,391	37% ▲	6,350	4,878	30% ▲
Gross margins*	1,645	1,580	4% ▲	1,273	29% ▲	3,225	2,719	19% ▲
Gross margins %	50.3%	51.3%		53.2%		50.8%	55.7%	
EBITDA	771	722	7% ▲	459	68% ▲	1,493	1,130	32% ▲
EBITDA Margins %	23.6%	23.5%		19.2%		23.5%	23.2%	

BASE REVENUE



INR 3,273 Mn

▲ 37% YoY | 6% QoQ

BASE EBITDA



INR 771 Mn

▲ 68% YoY | 7% QoQ

EBITDA MARGIN



23.6%

▲ +440 bps YoY

Key Updates

01

The Base business continued its growth momentum, delivering Revenue, Gross margin and EBITDA growth of 37%, 29% and 68% YoY respectively in Q2'27; sequentially, Revenue, Gross margin and EBITDA grew by 6%, 4% and 7% respectively.

02

EBITDA growth outpaced revenue growth both YoY and QoQ, expanding EBITDA margin to 23.6% (vs 19.2% in Q2'26, +440 bps) reflecting improved business and operational efficiency.

03

Gross margin stood at 50.3% (vs 53.2% in Q2'26), amid continued inflationary pressure on select raw materials and solvents linked to the West Asia crisis.

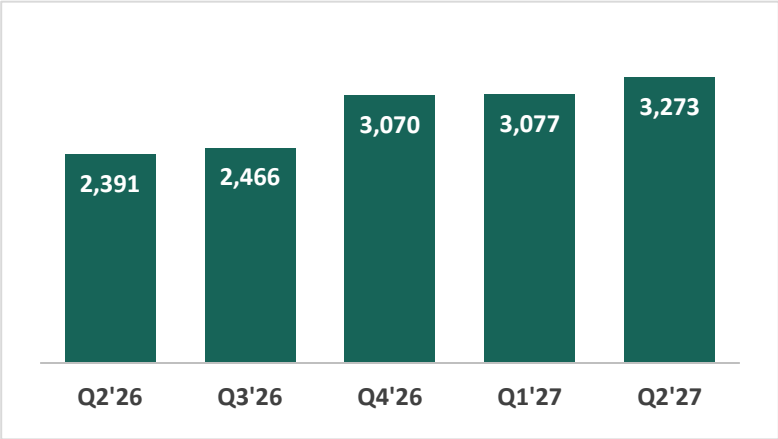
04

Regulated markets continue to contribute ~78% of revenues on account of healthy product mix.

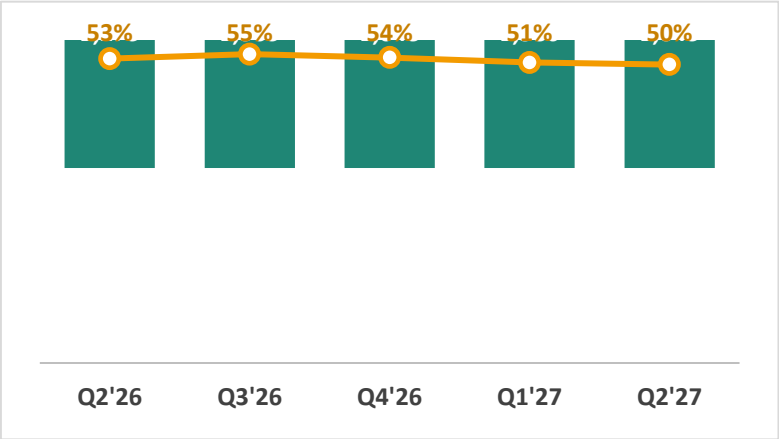
*Gross margins are calculated after S&D cost.
Base business excludes commodity Ibuprofen business

Base business growth is consistent: revenue up 37% and EBITDA up 68% in a year, while net debt to EBITDA falls to 1.8x

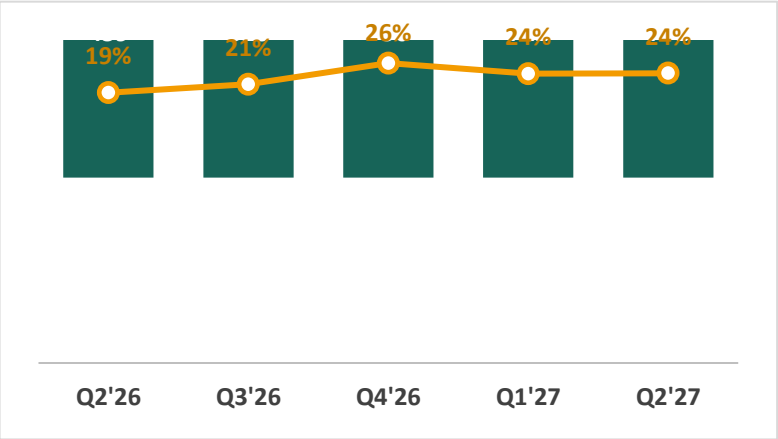
Revenue (INR Mn) | ▲ 37% YoY



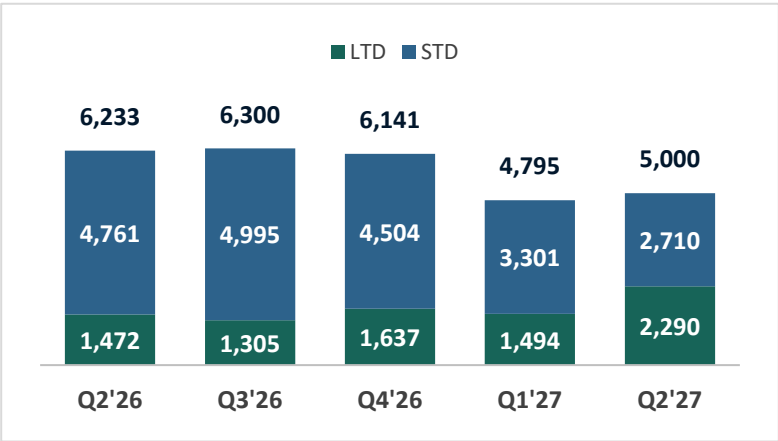
Gross margins (INR Mn & %) | ▲ 29% YoY



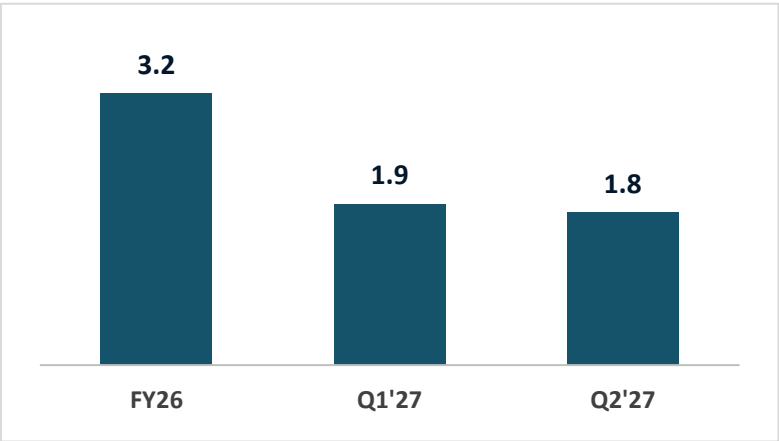
EBITDA (INR Mn & %) | ▲ 68% YoY



Net Debt * (INR Mn) | ▼ 20% YoY



Net Debt to EBITDA# (x) | 3.2x to 1.8x



Base business delivered YoY growth of 37% in Revenue and 68% in EBITDA, with sequential growth in Revenue, Gross margin and EBITDA.

Healthy profitability: ~50% gross margin and 23.6% EBITDA margin in Q2'27.

Net debt reduced by INR 1,141 Mn in H1'27 to INR 5,000 Mn; Net debt to EBITDA improved to ~1.8x (from 3.2x in FY26), strengthening the balance sheet.

* represents the consolidated Net debt for the company
 # Net debt to consolidated EBITDA; FY26 on full-year EBITDA (INR 1,917 Mn), Q1'27 on annualised Q1'27 EBITDA, Q2'27 on annualised H1'27 EBITDA
 STD – Short term debt & LTD – Long term debt

Ibuprofen revenue up 21% YoY and 18% QoQ, with the EBITDA loss cut to INR 2 Mn from INR 87 Mn last quarter

Q2'27 Ibuprofen Business performance (₹ Million)

Particulars	Q2'27	Q1'27	QoQ%	Q2'26	YoY%	H1'27	H1'26	YoY%
Revenue	905	765	18% ▲	748	21% ▲	1,670	1,463	14% ▲
Gross margins*	327	222	47% ▲	273	20% ▲	549	501	10% ▲
Gross margins %	36.1%	29.0%		36.5%		32.9%	34.2%	
EBITDA	-2	-87	96% ▲	-106	97% ▲	-89	-201	55% ▲
EBITDA Margins %	-0.2%	-11.4%		-14.2%		-5.4%	-13.7%	

IBUPROFEN REVENUE



INR 905 Mn

▲ 18% QoQ | 21% YoY

IBUPROFEN EBITDA



INR (2) Mn

from INR (87) Mn in Q1'27

GROSS MARGIN



36.1%

▲ from 29.0% in Q1'27

Key Updates

01

The commodity Ibuprofen business has delivered ~36% Gross margin and an EBITDA margin of -0.2% in Q2'27 driven by changing market conditions (vs -11.4% in Q1'27), although the business continues to operate in a challenging environment.

02

Profitability improved sequentially during the quarter, supported by better price realisations and higher volumes.

03

Currently, the business is primarily focused on servicing large brands and marquee customers with whom we maintain long-term strategic relationships.

04

The strategic review of the Ibuprofen business, run with the Board's advisors, has **reached an advanced stage**; we expect to share **further updates with shareholders within the next 12 weeks**.

*Gross margins are calculated after S&D cost. Previous quarter numbers have been restated for comparative purposes

Overall revenue up 33% and EBITDA up 118% to INR 769 Mn, as PAT swings to INR 285 Mn from an INR 101 Mn loss

Overall Performance (₹ Million)

Particulars	Q2'27	Q1'27	QoQ%	Q2'26	YoY%	H1'27	H1'26	YoY%
Revenue	4,178	3,843	9% ▲	3,139	33% ▲	8,021	6,341	26% ▲
Gross margins*	1,972	1,802	9% ▲	1,546	28% ▲	3,774	3,220	17% ▲
Gross margins %	47.2%	46.9%		49.3%		47.1%	50.8%	
EBITDA	769	635	21% ▲	353	118% ▲	1,404	929	51% ▲
EBITDA Margins %	18.4%	16.5%		11.2%		17.5%	14.7%	
Exceptional items	45	-		-		45	-	
Depreciation	266	267		245		533	481	
Finance costs (net)	173	205		209		378	447	
PAT	285	163		(101)		448	1	
EPS (INR per share)	5.92	3.52		(2.36)		9.49	0.10	

Key Updates

01

The quarter marked the highest EBITDA reported over the last 5 years, reflecting strong operating performance and continued diligent execution.

02

The overall business delivered Revenue, Gross margin and EBITDA growth of 33%, 28% and 118% YoY respectively in Q2'27; sequentially, Revenue, Gross margin and EBITDA grew by 9%, 9% and 21% respectively.

03

EBITDA margin expanded to ~18.4% (vs ~11.2% in Q2'26), driven by growth in the Base business and narrowing losses in the Ibuprofen business; Gross margin stood at ~47.2%.

04

Q2'27 PAT of INR 285 Mn vs a loss of INR 101 Mn in Q2'26 (H1'27 PAT: INR 448 Mn), supported by higher operating profitability and 17% lower finance costs YoY.

*Gross margins are calculated after S&D cost.
Exceptional items of INR 45 Mn relate to loss on sale of unusable plant and equipment at our Vizag facility .

Net debt down 19% in six months to INR 5,000 Mn, with net debt to EBITDA now at 1.8x from 3.2x at the end of FY26

Sources of funds (₹ Million)

Particulars	Mar'26	Sep'26
Shareholders' funds	12,529	14,362
Less: Goodwill	(3,649)	(3,649)
Net worth	8,880	10,713
Term Loan	1,637	2,290
Working capital Loan	5,007	3,410
Less: Cash & Bank	(503)	(700)
Net Debt	6,141	5,000
Total	15,021	15,713

Use of funds (₹ Million)

Particulars	Mar'26	Sep'26
Net Tangible Fixed Assets	10,552	10,281
Net Non-current Assets	(210)	(224)
Net Current Assets	4,679	5,656
Total	15,021	15,713

Net Debt movement (₹ Million)

Particulars	Amount
Net Debt as on Mar'26	6,141
Less: Net debt reduction during H1'27	1,141
Net Debt as on Sep'26	5,000

01

Gross debt reduced by INR 944 Mn in H1'27 to INR 5,700 Mn, led by an INR 1,597 Mn reduction in working capital loans; term loans increased by INR 653 Mn for funding Growth & Maintenance Capex requirements.

02

Net debt reduced by INR 1,141 Mn during H1'27 (INR 1,000 Mn from Rights issue proceeds and INR 141 Mn from operating cash flows).

03

Net debt to EBITDA improved to ~1.8x on H1'27 annualised EBITDA, from 3.2x at the end of FY26, strengthening the balance sheet.

Background

The company began decoupling from this commodity exposure to focus on its higher-margin Base (growth API) business, built on R&D, complex chemistry and lower competitive intensity.

In February 2026 the Board appointed strategic advisors to evaluate options for the Ibuprofen business, and the company said it would set out a clear path on its business strategy with the Q2 FY27 results.

01

The review, run with the Board’s strategic advisors, has **reached an advanced stage**.

02

We expect to share **further updates with the shareholders within the next 12 weeks**.

03

The update would set out a clear path on our **future business strategy and value creation outcomes**.



DATE

October 16, 2026



TIME

16:00 hrs | IST



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Solara Leadership Participants



Sandeep Rao
Managing Director & CEO



Sarat Kumar
Chief Financial Officer



Pre-register here for diamond pass*

Register →

Thank You



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