

Rating: Neutral

Issue Offer

Offer for Sale of 5,95,61,404 equity shares amounting to INR 33,590 Mn.

Issue Summary

Price Band (INR)	540-570
Face Value (INR)	2
Implied Market Cap (INR mn)	320,117.7
Market Lot	26
Issue Opens on	July 14, 2025
Issue Close on	July 16, 2025
No. of share pre-issue	55,90,77,100
No. of share post issue	55,90,77,100
Listing	NSE / BSE

Issue Break-up (%)

QIB Portion	≤50
NIB Portion	≥15
Retail Portion	≤35

Book Running Lead Managers

JM Financial Ltd

Registrar

Kfin Technologies Ltd

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	77.23%	66.27%
Public & Others	22.39%	33.73%

Objects of the issue

The company will not receive any proceeds from the offer and all the offer proceeds will be received by the selling shareholders after deduction of offer related expenses and relevant taxes thereon to be borne by the respective selling shareholders.

Abhishek Jain

abhishek.jain@arihantcapital.com

022-67114871

Heli Shah

heli.shah@arihantcapital.com

022-67114873

Anthem Biosciences is an innovation-led, technology-focused CRDMO providing end-to-end services from drug discovery to development and commercial manufacturing capabilities for both chemical and biological entities. As a one-stop service provider, it caters to emerging biotech companies and large pharmaceutical firms worldwide, manufacturing specialized fermentation-based APIs such as probiotics, enzymes, peptides, nutritional actives, vitamin analogues and biosimilars. By March 2024, the company had served over 150 customers globally and employed around 600 professionals, including chemists, microbiologists, molecular biologists, biochemists and chemical engineers.

Investment Rationale

Diverse Service and Product Portfolio: Anthem Biosciences offers an integrated range of services covering contract research, development, and manufacturing as well as specialty ingredients like enzymes, probiotics and nutritional actives. This diversity across segments helps reduce reliance on any single revenue stream and positions the company to capture opportunities across multiple growth areas in life sciences.

Modern Manufacturing and R&D Infrastructure: The company has developed advanced, automated production facilities with a strong focus on compliance with global regulatory standards. This robust infrastructure allows them to cater to demanding biotech and pharmaceutical clients ensuring quality and consistency in production which is critical for retaining global contracts.

Growing Export Opportunities: Anthem is well-positioned to benefit from increasing global outsourcing trends and the shift towards “China +1” sourcing strategies. Its export potential can help diversify revenue beyond domestic markets and access higher-margin opportunities.

Long-Standing Customer Relationships: Company works with a broad mix of biotech startups, large pharma companies and mid-sized players. This loyal and diversified customer base supports steady repeat business, reduces customer acquisition costs and strengthens its reputation through positive referrals.

Valuation & Outlook: Anthem Biosciences is positioned to tap into the steady growth of the global contract research, development and manufacturing (CRDMO) market supported by increased outsourcing by pharma and biotech companies and demand for specialized fermentation-based ingredients. Its integrated services, modern facilities, and established global customer relationships offer a solid base for future expansion. However, the competitive landscape and the need for continuous investment in technology, capacity, and compliance mean execution will remain key. Near-term results will depend on how effectively the company scale-up operations and meets evolving regulatory requirements. At the upper band of INR 570, the issue is valued at a P/E ratio of 70.94x, based on annualized PAT of FY25 EPS of INR 8.0. The offer for sale consists of 5,95,61,404 equity shares amounting to INR 33,590 Mn. We are recommending a “Neutral” rating for this issue.

Financial Information:

Particulars (INR Mn)	FY23	FY24	FY25
Revenue	1,133	14,830	19,302
<i>Growth (% YoY)</i>		31%	30%
EBITDA	446	5,199	6,837
<i>Margins</i>	41%	35%	35%
PAT	385	3,673	4,512
<i>Margins</i>	23%	25%	23%
Debt	1,250	2,325	1,089
<i>ROCE</i>	32%	26%	27%
<i>ROE</i>	25%	20%	21%

Arihant Research Desk

Email: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park Building No. 10, 1 st Floor Andheri Ghatkopar Link Road Chakala, Andheri (E) Mumbai – 400093 Tel: (91-22) 42254800 Fax: (91-22) 42254880	Arihant House E-5 Ratlam Kothi Indore - 452003, (M.P.) Tel: (91-731) 3016100 Fax: (91-731) 3016199

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	SMS: 'Arihant' to 56677	www.arihantcapital.com	instresearch@arihantcapital.com

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Arihant Capital Markets Ltd.
1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800 Fax. 022-42254880

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