WAY2WEALTH Research Desk

Sector – Pharmaceutical

Sai Life Sciences Limited

12th August 2026 | Close* – ₹1,444/- | View – **Hold**

Q1FY27 Performance

Revenue grew 12% YoY to ₹554crs, driven by growth across both businesses, with CRO revenue growing 26% YoY and CDMO revenue increasing 6% YoY. CRO segment performance was supported by continued scaling of Discovery Chemistry, conversion of pilot engagements into larger long-term partnerships and increasing integrated service offerings. EBITDA increased 22% YoY/declined 16%QoQ to ₹148 crs, with EBITDA margin improving to 27% from 24%, aided by better gross margins. PAT increased 21% YoY to ₹73crs, with PAT margin improving to 13% from 12%.

Concall highlights

- CDMO contributed around 60% of revenue and CRO 40%.
- Discovery remains a key growth engine, growing 26% YoY. Integrated services now cover 65% of customers and Sai is focusing on expanding these services to more large pharma customers, which can support growth and improve customer relationships.
- CMC pipeline visibility remains strong, with production already commencing for 3 of the 4 molecules added to the pipeline last year. The expansion of a top-tier pharma relationship from a smaller engagement into an end-to-end discovery-to-commercial partnership highlights the potential of Sai's integrated CRDMO model. FTE engagements are also beginning to contribute late phase assets, which should strengthen the commercial pipeline over the medium term.
- The company's key strategic priorities are to build an integrated peptide platform from discovery to manufacturing, enabling Sai to participate in the growing peptide opportunity beyond just discovery services. The planned Drug Product facility will complement the company's API development capabilities and allow it to offer a more integrated solution to customers.
- The company has added six late-phase molecules over the last 15 months, of which five came through large-pharma FTE relationships. Sai currently has 43 active commercial molecules and 14 late-phase molecules. Management highlighted that FTE engagements can begin at an early stage and progress into late-stage development and commercial manufacturing, increasing the opportunity to capture a larger share of the molecule lifecycle.
- Capacity expansion on track: Management confirmed that the planned capacity expansion remains broadly on schedule. A new discovery facility became operational in Q1 and was already sold out. At Bidar, the first 225 KL production block is expected to become operational around Q3/H2FY27, with the overall planned addition of two blocks amounting to 450 KL. The company remains on track with its capacity target of around 1,150 KL by FY27. FY27 capex guidance remains at ₹1,100–1,300crs, while FY28 capex guidance has not yet been provided.
- Peptides are a key focus area for Sai, with opportunities beyond GLP-1s, including macrocyclic peptides and peptide-drug conjugates. The company is working with several pharma and biotech customers and is developing peptide capabilities from discovery to clinical supplies. A commercial peptide manufacturing facility is planned in Hyderabad by 2028, with total peptide investment expected to be below ₹300crs.
- Sai is entering small molecule oral formulation, mainly for Phase 1/2 clinical supplies. The company is seeing good interest from large pharma customers and aims to support their China+1 strategy through its existing development relationships.

Important Statistics

Nifty	24,472
Sensex	78,154
Close* (₹)	1,444
M.CAP (₹ tn)	97,640.38
52 Week H/L (₹)	1,474 / 784
NSE Code	SAILIFE
BSE Code	544306
Bloomberg Code	SAILIFE:IN

Close as on 11th August 2026*

Shareholding Pattern

	Dec-25	Mar-26	Jun-26
Promoter	34.70%	34.60%	34.50%
FII	21.40%	21.20%	19.70%
DII	31.40%	31.50%	32.70%
Public	12.50%	12.70%	13.10%

Financials

(₹ crs)

Particulars	FY25	FY26	FY27E	FY28E
Revenue	1695	2192	2450	2740
Growth %	16%	29%	12%	12%
EBITDA	406	631	686	794
EBITDA margins %	24%	29%	28%	29%
PAT	170	355	387	467
PAT margins %	10%	16%	16%	17%
EPS	8.16	17.02	18.54	22.37
ROE %	8%	14%	14%	14%
P/E Ratio	180	86	79	66
EV/EBITDA (x)	76	50	46	39
Debt/ Equity	0.06	0.06	0.06	0.05

Source: Company, Way2Wealth Research

Relative Performance

	1 yr	3yr	5yr
Sai lifescience	65%	209%	109%
Nifty pharma	23%	177%	89%
Nifty 50	1%	127%	48%

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W2W Lighthouse - A Quick Perspective

- The company continues to invest in advanced scientific capabilities, including ADC bioconjugation, characterization, flow chemistry and continuous downstream operations. Sai has also developed capabilities in payloads, linkers and conjugation across antibodies, peptides, PROTACs and oligonucleotides. Management believes these capabilities will become increasingly important as the complexity of molecules entering development and manufacturing pipelines increases.
- Management expects a stronger H2FY27, supported by planned capacity additions coming on stream in Q2/Q3. The company retained its medium-term 15–20% revenue growth guidance and 28-30% EBITDA margin guidance.

Valuation & Outlook

Sai Life Sciences is well positioned to deliver sustainable growth, supported by its integrated CRDMO platform, expanding commercial molecule portfolio, increasing outsourcing from global pharma companies, and ongoing capacity expansion. Revenue is expected to grow at a healthy 12% CAGR over FY26–FY28E, reaching ₹2,740crs, while EBITDA and PAT are projected to grow at 12% CAGR and 15% CAGR, respectively. Profitability is expected to remain robust, with EBITDA margins sustaining at 28–29% and PAT margins improving to 17% by FY28E, driven by operating leverage, higher contribution from commercial-stage molecules, and increasing scale benefits. The ongoing ₹1,100–1,300crs capex program, expansion of manufacturing capacity to ~1,150 KL, growing presence in high-growth modalities such as peptides and ADCs, and deeper engagement with large pharma clients provide strong long-term growth visibility. Management expects a stronger performance in 2HFY27 as new capacities gradually come online.

At the current market price, the stock trades at 66x FY28E P/E and 39x FY28E EV/EBITDA, broadly in line with its three-year average valuations of 65x P/E and 36x EV/EBITDA. We believe the valuation is reasonable attractive given Sai's integrated CRDMO platform, strong relationships with 19 of the top 25 global pharma companies, healthy commercial molecule pipeline and ongoing capacity expansion. Improving return ratios, a healthy balance sheet and strong long-term outsourcing opportunities provide further support. **Therefore, we maintain our HOLD recommendation and suggest adding on corrections.**

Consolidated Quarterly Performance

(₹ crs)

Particulars	Q1FY27	Q1FY26	YoY %	Q4FY26	QoQ %
Revenue (net)	554	496	12%	602	-8%
Cost of Good sold	145	141	3%	162	-10%
% of Revenue	26%	28%	-8%	27%	-3%
Gross Profit	409	355	15%	440	-7%
% Margin	74%	72%	3%	73%	1%
Employees exp	180	161	12%	187	-4%
% of Revenue	32%	32%	0%	31%	5%
Other Expenses	81	74	10%	77	5%
TOTAL OPER EXPENDITURE	406	375	8%	426	-5%
% of Revenue	73%	76%	-3%	71%	4%
EBITDA	148	121	22%	177	-16%
% Margin	27%	24%	10%	29%	-9%
Depreciation	46	38	22%	45	1%
Operating Profit	102	83	23%	131	-22%
% Margin	18%	17%	10%	22%	-16%
Other Income	4	10	-64%	16	-77%
EBIT	106	93	13%	147	-28%
Finance Cost	8	12	-38%	8	-2%
EBT	98	81	21%	139	-29%
Total Tax Expense / (Credit)	25	20	22%	35	-29%
PAT (Reported)	73	60	21%	104	-30%
% Margin	13%	12%	9%	17%	-24%
PAT (Adjusted)	73	60	21%	104	-30%
% Margin	13%	12%	9%	17%	-23%
Share Capital (₹. cr)	21	21	0%	21	0%
Face Value (₹. Per share)	1	1	0%	1	0%
No. of Shares	21	21	0%	21	0%
EPS - Reported	3.5	2.9	21%	5.0	-30%

Source: Company, Way2Wealth Research

W2W Lighthouse - A Quick Perspective

Financials

(₹ crs)

Particulars	FY25	FY26	FY27E	FY28E
Revenue (net)	1695	2192	2450	2740
growth %	16%	29%	12%	12%
TOTAL INCOME	1695	2192	2450	2740
Total Material Cost	466	571	637	712
% of Revenue	27%	26%	26%	26%
Gross Profit	1229	1622	1813	2027
% Margin	73%	74%	74%	74%
Employees exp	549	683	759	849
% of Revenue	32%	31%	31%	31%
Other Expenses	274	307	367	384
TOTAL OPER EXPENDITURE	1289	1561	1764	1945
% of Revenue	76%	71%	72%	71%
EBITDA	406	631	686	794
% Margin	24%	29%	28%	29%
Depreciation	139	167	171	173
Operating Profit	267	464	515	621
% Margin	16%	21%	21%	23%
Other Income	37	49	40	40
EBIT	304	513	555	661
Finance Cost	76	39	39	39
EBT	228	474	516	622
Exceptional	0	-8	0	0
EBT after exceptional	0	466	0	0
Total Tax Expense / (Credit)	58	117	129	156
PAT (Reported)	170	349	387	467
% Margin	10%	16%	16%	17%
	0	0	0	0
PAT (Adjusted)	170	355	387	467
% Margin	10%	16%	16%	17%
EPS - Reported	8.2	16.7	18.5	22.4
EPS - Adjusted	8.2	17.0	18.5	22.4

Source: Company, Way2Wealth Research

(₹ crs)

Balance sheet	FY25	FY26	FY27E	FY28E
Total Fixed Assets	1655	2143	2443	2266
Non-current Investment	0	4	4	4
Non-current assets	0	56	56	56
Net Deferred Tax	-111	-115	-115	-115
Net working capital				
Current Assets				
Cash / Bank Balance	464	111	157	551
Inventories	119	151	175	215
Receivables	355	374	436	510
Investment	0	47	47	47
Other Current Assets	567	728	857	1014
Total CA	1505	1411	1672	2337
Current Liabilities				
Payables	323	285	305	332
Short Term Borrowings	129	75	300	300
Other Current Liabilities & provisions	222	408	367	356
Lease liab	59	66	49	55
Total CL	732	834	1022	1043
Net working capital	772	577	650	1294
Total Assets	2316	2664	3038	3504
Equity & Liabilities				
Equity Capital	21	21	21	21
Reserves & Surplus	2108	2463	2820	3287
Shareholders' Funds	2128	2484	2841	3308
Long Term Borrowings	0	21	21	21
Lease liabilities	165	128	146	146
Provision	23	32	30	30
other financial liabilities	0	0	0	0
Total Liabilities	2316	2664	3038	3504

Source: Company, Way2Wealth Research

Key ratio	FY25	FY26	FY27E	FY28E
P/E Ratio	118	56	52	43
EV/Net sales (x)	12	9	8	7
EV/EBITDA (x)	49	32	30	25
Debt/equity	0.06	0.06	0.06	0.05
RoE (%)	8%	14%	14%	14%
RoCE (%)	13%	19%	18%	19%

Source: Company, Way2Wealth Research

Cashflow statement	FY25	FY26	FY27E	FY28E
CFO	314.05	509.10	320.40	389.33
CFI	-536.67	-395.42	-300.00	176.95
CFF	301.43	-123.73	186.38	-39.00

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Disclosure of Interest Statement Sai Life Science Ltd. as on 12th August 2026

Name of the Security	Sai Life Science Ltd.
Name of the analyst	Rupali Singh
Analysts' ownership of any stock related to the information contained Financial Interest Analyst : Analyst's Relative : Yes / No Analyst's Associate/Firm : Yes/No	NIL No No No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

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