



Pharmaceuticals Limited

Registered & Corporate Office :

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CIN : L24239TG1987PLC008066
Email: info@smspharma.com, www.smspharma.com

Date: 12th November, 2024

To,
The Manager,
Corporate Filings Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

The Manager,
Listing Compliance Department,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.

Security Code: 532815

Symbol: SMSPHARMA

Dear Sir/Madam,

Sub: Press release on Financial Results

Please find enclosed the press release on the Financial Results for the quarter ended 30th September, 2024.

This press release may also be accessed on the website of the Company at www.smspharma.com

Kindly take the same on record and disseminate on your website.

Thanking you
Yours Faithfully

For SMS Pharmaceuticals Limited

**Thirumalesh Tumma
Company Secretary**



November 12, 2024

Healthy revenue growth with stable EBITDA margins

- Higher volume drives 18% YoY revenue growth
- EBITDA grew 13% YoY with EBITDA margin at 16%, stable YoY
- PAT increased by 20% YoY due to lower finance costs
- Capex investments are progressing as planned to support long-term growth

SMS Pharmaceuticals Limited (SMS Pharma) (NSE: SMSPHARMA; BSE:532815), a diversified and integrated pharmaceutical company specialising in Active Pharmaceutical Ingredients (API) and complex Intermediates for global customers, has announced its unaudited financial results for the quarter ended September 30, 2024.

Commenting on the performance, Mr. P. Vamsi Krishna, Executive Director, stated:

“We continued to see robust demand across our product portfolio, reaffirming our volume expansion strategy in key APIs. I am glad to report that our backward integration project is progressing as planned, with commercialisation expected in Q4FY25. This development and growing market opportunities position us for a better H2 performance. We remain on track to achieve our outlook for FY25.”

Summary of financial performance

(₹ Cr)

| Particulars | Q2FY25 | Q2FY24 | YoY Growth (%) | Q1FY25 | QoQ Growth (%) | H1FY25 | H1FY24 | YoY Growth (%) |
|-----------------------------|--------|--------|----------------|--------|----------------|--------|--------|----------------|
| Revenue from operations | 196.75 | 166.64 | 18% | 164.45 | 20% | 361.20 | 301.98 | 20% |
| Revenue by business segment | | | | | | | | |
| API | 191.50 | 163.31 | 17% | 159.68 | 20% | 351.18 | 295.64 | 19% |
| Intermediates & others | 5.25 | 3.33 | 58% | 4.77 | 10% | 10.02 | 6.34 | 58% |
| Gross profit | 59.07 | 50.14 | 18% | 58.29 | 1% | 117.35 | 97.6 | 20% |
| Gross profit margin | 30% | 30% | -6.5bps | 35% | -542bps | 32% | 32% | 16.8bps |
| EBITDA | 31.47 | 27.82 | 13% | 33.51 | -6% | 64.97 | 54.00 | 20% |
| EBITDA margin | 16% | 17% | -69.9bps | 20% | -438bps | 18% | 18% | 10.5bps |
| PAT | 14.1 | 11.73 | 20% | 16.48 | -14% | 30.81 | 21.06 | 46% |
| PAT margin | 7% | 7% | 13bps | 10% | -285bps | 8.5% | 7% | 156bps |
| EPS | 1.67 | 1.39 | 20% | 1.95 | -14% | 3.61 | 2.49 | 45% |



Performance review

Revenue from operations in Q2FY24 was ₹196.75 crore, up 18% YoY, due to healthy demand for our products, especially in the anti-inflammatory and Anti Retro Viral (ARV) segment. Sequentially, revenue from operations was higher by 20%. In H1FY25, revenue from operations reached ₹361.20 crore, reflecting a 20% YoY growth and our strategic focus on expanding volumes in key APIs.

Revenue by therapeutic area

(₹ Cr)

| Particulars | H1FY25 | | H1FY24 | | YoY Growth (%) |
|---------------------------|--------|-----------------|--------|-----------------|----------------|
| | Amount | As % of revenue | Amount | As % of revenue | |
| Anti-diabetic | 97.85 | 27% | 88.18 | 29% | 11% |
| Anti Retro Viral (ARV) | 59.10 | 16% | 49.06 | 16% | 20% |
| Anti-inflammatory | 75.76 | 21% | 45.78 | 15% | 65% |
| Anti-migraine | 42.91 | 12% | 43.97 | 15% | -2% |
| Anti-ulcer | 22.80 | 6% | 35.46 | 12% | -36% |
| Anti-erectile dysfunction | 29.35 | 8% | 18.61 | 6% | 58% |
| Anti-epileptic | 10.44 | 3% | 5.37 | 2% | 94% |
| Others | 22.99 | 6% | 15.55 | 5% | 48% |

In Q2 FY25, gross margins stood at 30%, down 6.59bps YoY and 542.71bps sequentially, primarily impacted by rising raw material costs amid geopolitical tensions. Consequently, EBITDA margin held steady at 16%, down 69.98 bps YoY and 438.21 bps sequentially, even as our focus on operational efficiency provided some cushioning. Despite these challenges, PAT rose to ₹14.10 crore, up 20% YoY, with PAT margin at the same level as last year at 7%.

In H1FY25, gross margins remained stable at 32%, up 16.89bps YoY. Consequently, the EBITDA margin was at 18%, up by 10.53bps, supported by our ongoing efforts to enhance operational efficiency. PAT was ₹30.81 crore, up 46% YoY primarily due to lower finance costs. Our PAT margin improved to 8.5% in H1FY25 vs. 7% in H1FY24.

Project update

As part of the ₹150 crore capex plan, our backward integration project is progressing well, with commercialisation expected in Q4 FY25.

Outlook

Looking ahead, SMS Pharma remains committed to enhancing its product portfolio and meeting the evolving needs of its customers. The company reiterates its guidance of achieving revenue growth of 20% and EBITDA margin of 20% in FY25.