Innovating for affordable healthcare

Shilpa Medicare Limited
Corporate & Admin Office:
"Shilpa House", # 12-6-214/A-1, Hyderabad Road,
Raichur – 584 135, Karnataka, India
Tel: +91-8532-238704, Fax: +91-8532-238876
Email: info@vbshilpa.com, Web: www.vbshilpa.com
CIN: L85110KA1987PLC008739

Date: 13 November 2024

To,

Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400 001

National Stock Exchange of India Limited
Exchange Plaza, 5" Floor,
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai-400 051

Scrip Code: BSE - 530549/ Stock Symbol: NSE – SHILPAMED

Dear Sir/ Ma'am,

Sub: Investor Presentation of the Company for the quarter ended 30 September 2024
Ref: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, the Investor Presentation for the quarter ended 30 September 2024, on Company Overview, Business highlights, financial performance and other updates is enclosed herewith for your consideration.

This is for your information and necessary records.

For Shilpa Medicare Limited,

Ritu Tiwary
Digitally signed by Ritu Tiwary
Date: 2024.11.13 16:21:20 +05'30'

Ritu Tiwary
Company Secretary & Compliance Officer

Shilpa Medicare Ltd

Q2FY25 Earnings Presentation

13 November 2024

Management Commentary

"Our strategic focus on delivering innovative solutions and driving operational excellence continues to yield strong business performance.

The recent positive developments in our formulations and CDMO businesses are particularly exciting. The recent acceptance of Oxylanthanum Carbonate NDA by USFDA with target action date in June 25 and the recent USFDA approvals of Bortezomib are significant milestones that validate our commitment to quality, innovation, and patient care. These achievements are a testament to the hard work and dedication of our talented team.

As we continue to expand our global footprint and diversify our product portfolio, we are well-positioned to deliver sustainable growth and create value for our stakeholders. We remain committed to leveraging our strong R&D capabilities to develop cutting-edge products and solutions that address unmet medical needs. We believe that long term sustainability and growth is a product of focusing on strategic partnerships, operational efficiencies, and a customer-centric approach, which are the core values of our business philosophy."

***Mr. Vishnukant Bhutada** – Managing Director*

Business Updates

Formulation Business

- Launching first generic of Nilotinib in the EU market (EU Mkt Size US$ 413 mn*) in Q3, in partnership with EU's No.1 generic company
- Approval received for Axitinib for EU market - launch planned upon patent expiry next year
- Launched 1st NDA Product Pemetrexed RTU in US; gaining market share QoQ
- Received approval from USFDA for 2nd NDA product Bortezomib – RTU - Launch expected in Q-4.
  - First RTU approved product with IV & SC route of administration - partnered with Amneal (US Mkt Size – US$ 96 Mn*)

Transdermal Portfolio

- First Transdermal product - Rotigotine patch filed in EU by our partner in Q2 FY25 (EU Mkt Size – US$350 mn*) – likely launch in FY26
  - Currently there are no generic approvals in EU market

Biologicals

- New CDMO project has been signed for manufacturing clinical batch for a NBE product for US market
- Second CDMO project for fill finish has been signed from an existing customer for US market
- Existing Korean client's project delivery is completed in Q2 and expect additional supply order in Q4FY25

CDMO Business

- For OLC, developed for our partner Unicycive Therapeutics, NDA has been accepted by USFDA with target action date of June 28, 2025
  - Currently, the only supplier for both drug substance and drug product for our partner
- Ongoing NDA program for our partner receives fast track designation where we are developing both drug substance and drug product

Recombinant Albumin

- Successful completion of Phase I trials and application is submitted to CDSCO for Phase III clinical study permission
- Excipient grade USDMF is already submitted to agency
- New green field large scale microbial plant is on track

*Source: IQVIA – MAT-Jun24

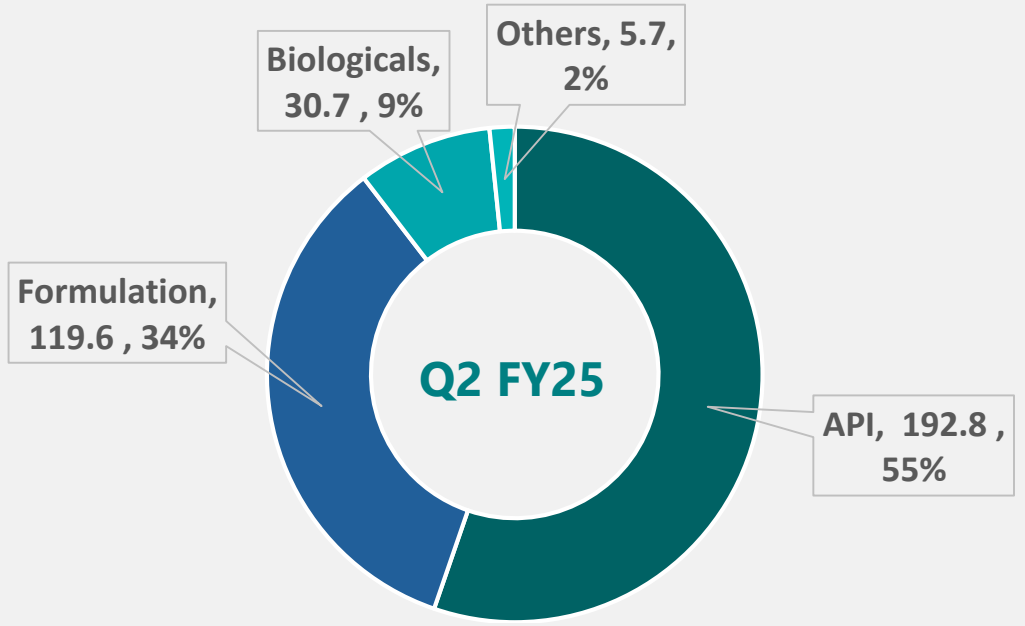
Q2 FY25 - Financial Performance

(INR in Cr.)

Q2 FY25 (Consolidated)

Particulars	Q2 FY25	Q2 FY24	YoY	Q1 FY25	QoQ
Total Revenue	**348.8**	**314.8**	***11%***	**302.0**	***16%***
Gross Profit	226.8	189.0	*20%*	209.1	*8%*
GP Margin	*65%*	*60%*		*69%*	
EBITDA	**91.0**	**62.1**	***46%***	**83.0**	***10%***
EBITDA Margin	*26%*	*20%*		*28%*	
PAT	**18.0**	**1.6**	***1008%***	**14.1**	***28%***
PAT Margin	5%	1%		5%	

Revenue Break-up



***Result commentary:**

- Eight consecutive quarter with sequential improvement in EBITDA
- Biological business is positive at net profit level for the first time

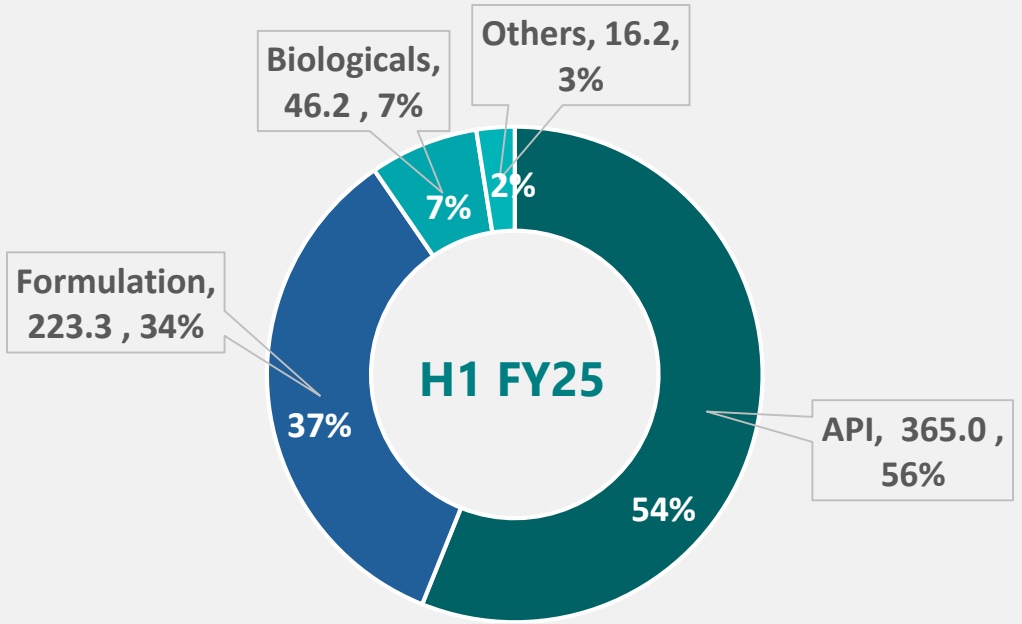
H1 FY25 - Financial Performance

(INR in Cr.)

H1 FY25 (Consolidated)

Particulars (INR cr)	H1FY25	H1FY24	YoY
Total Revenue	**650.7**	**576.9**	***13%***
Gross Profit	435.8	363.0	*20%*
GP Margin	*67%*	*63%*	
EBITDA	**174.0**	**111.9**	***55%***
EBITDA Margin	*27%*	*19%*	
PAT	**32.1**	**2.8**	***1040%***
PAT Margin	5%	0.5%	

Revenue Break-up



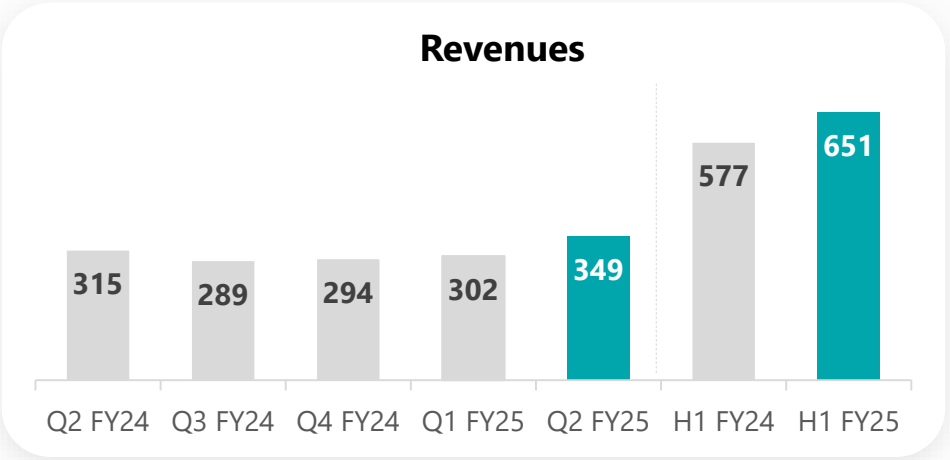
Result commentary:

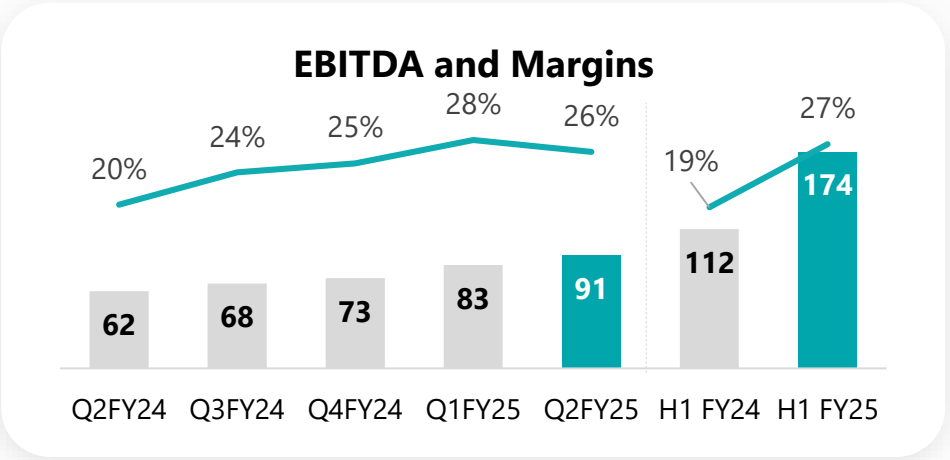
- Revenue growth majorly driven by healthy growth in emerging markets as well as licensing in Formulation segment and Biological business

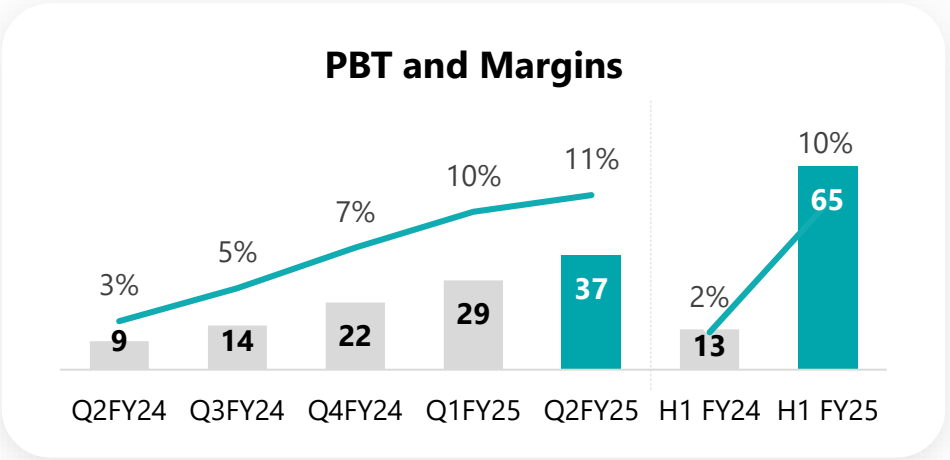
Innovating for affordable healthcare

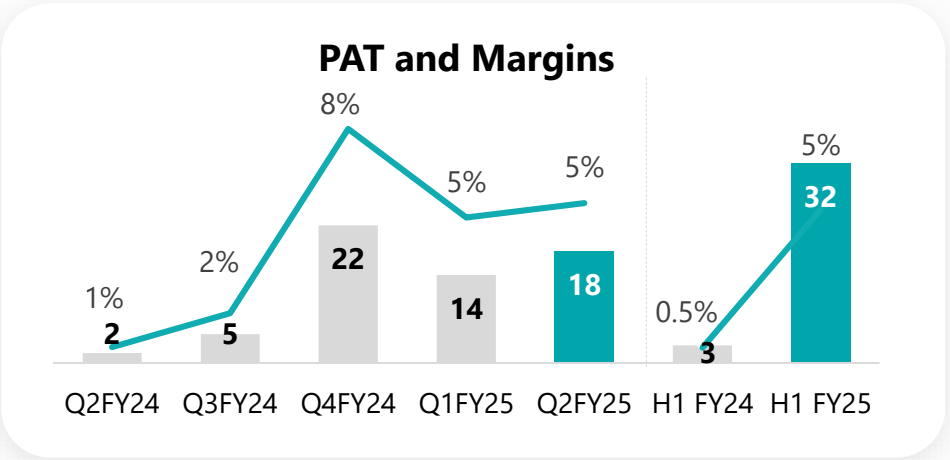
Consolidated Performance

(INR in Cr.)



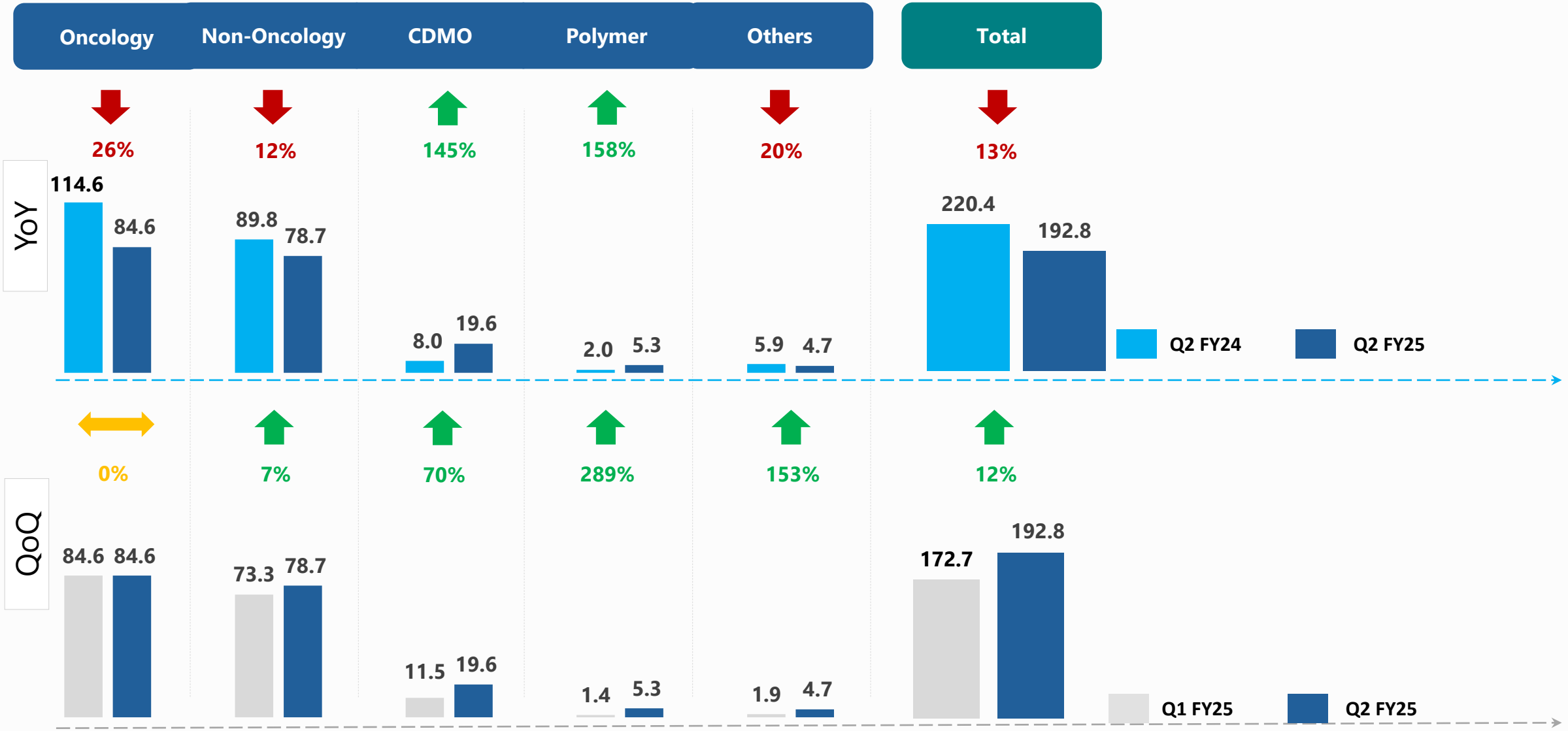






API Business – Q2FY25 Highlights

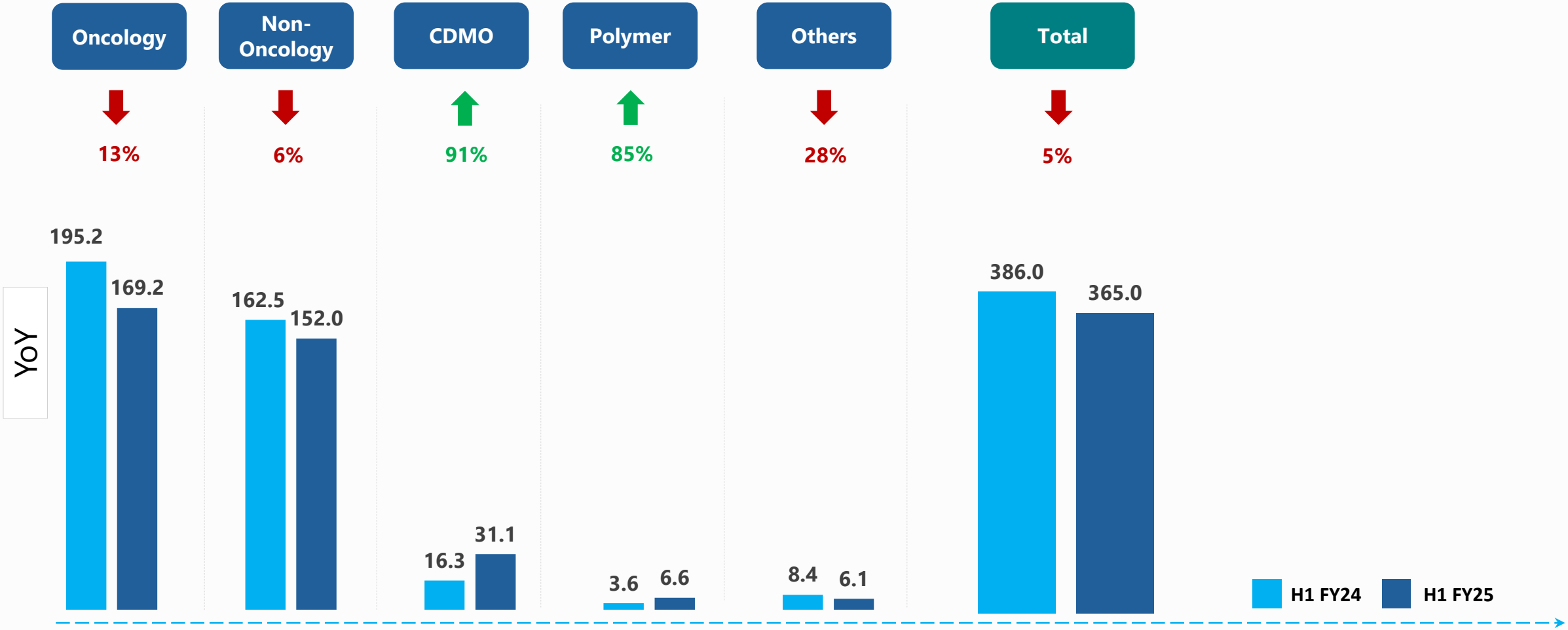
(INR in Cr.)



Innovating for affordable healthcare

API Business – H1FY25 Highlights

(INR in Cr.)



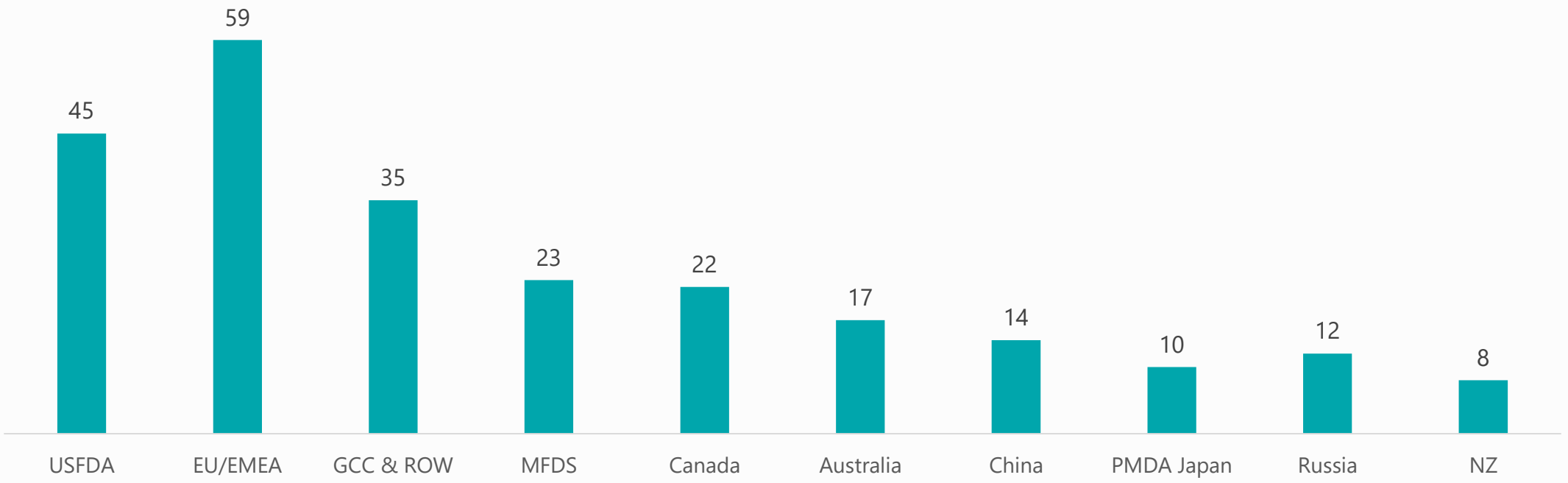
Innovating for affordable healthcare

API – Ongoing Developments

API Molecules	▸ Plant validation for two new molecules Mycophenolate Mofetil and Mycophenolate Sodium expected in Q4 FY25 ▸ Palbociclib validation is ongoing and expected to complete in Q3 FY25 ▸ Olaparib validation is expected to complete in Q4 FY25 ▸ Tranxemic Acid expansion is on track and expected to start plant validation in Q3 FY25 and commercial production to start in Q4 FY25
CDMO	▸ Addition of three new clients ▸ Dedicated block creation project is initiated for Unicycive therapeutics for OLC commercial supply and expected to complete next year ▸ Our ongoing NDA program, in which we serve as our partner's CDMO, has been given fast track classification
Polymer and Peptide	▸ First supply order for big pharma for polymer use in ADC completed ▸ Semaglutide development is completed at lab scale and expected to start plant validation in Q4 FY25

Filings – API

API – DMF Filings



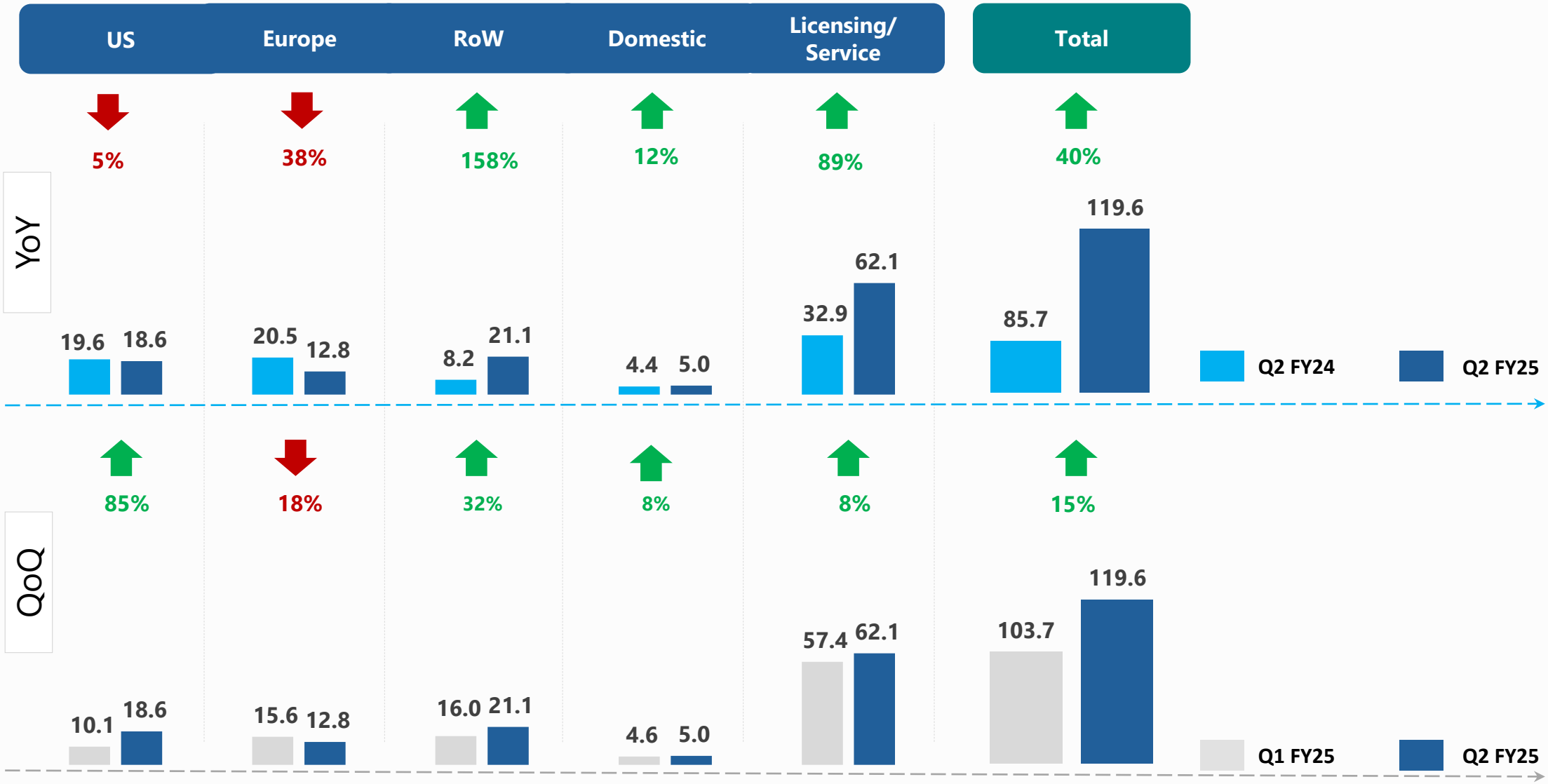
New product introduction and increase in geographical coverage replicated with **245 DMF filings** with major regulatory authorities

Innovating for affordable healthcare

As on 30th September 2024

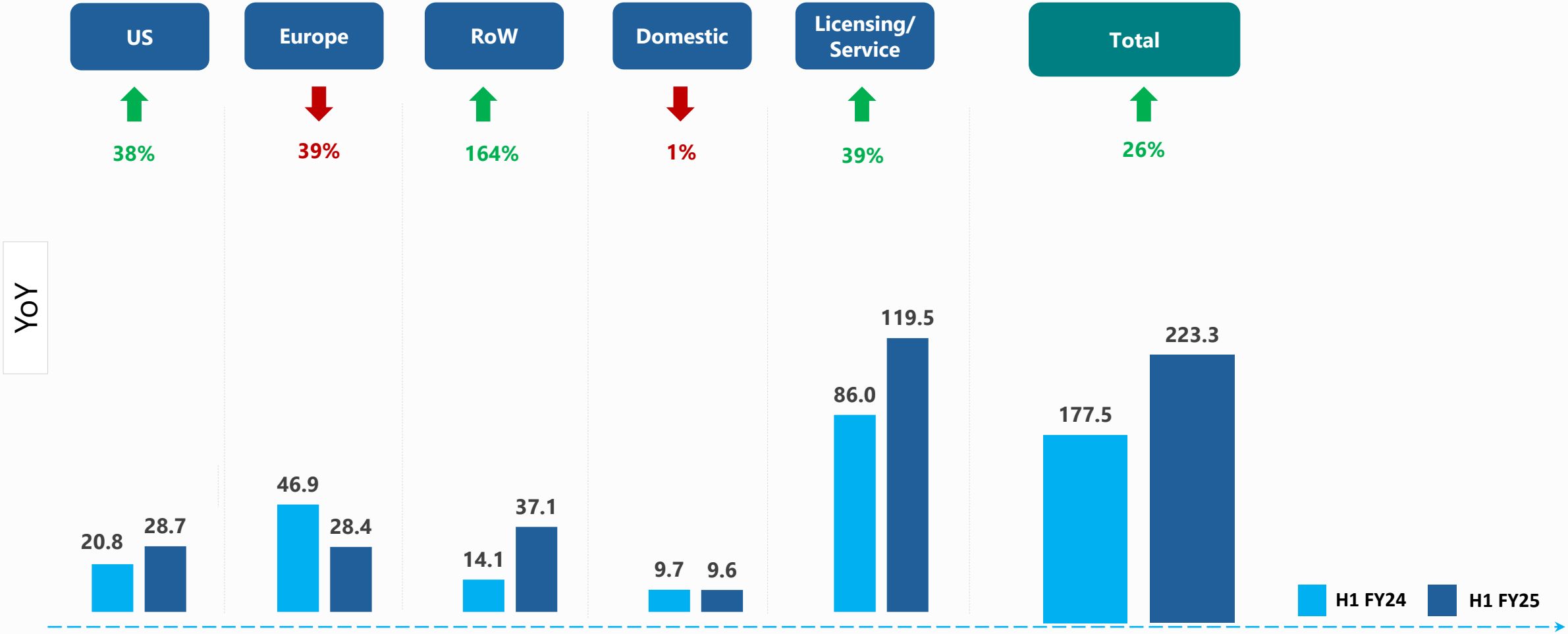
Formulations Business – Q2FY25 Highlights

(INR in Cr.)



Formulations Business – H1FY25 Highlights

(INR in Cr.)



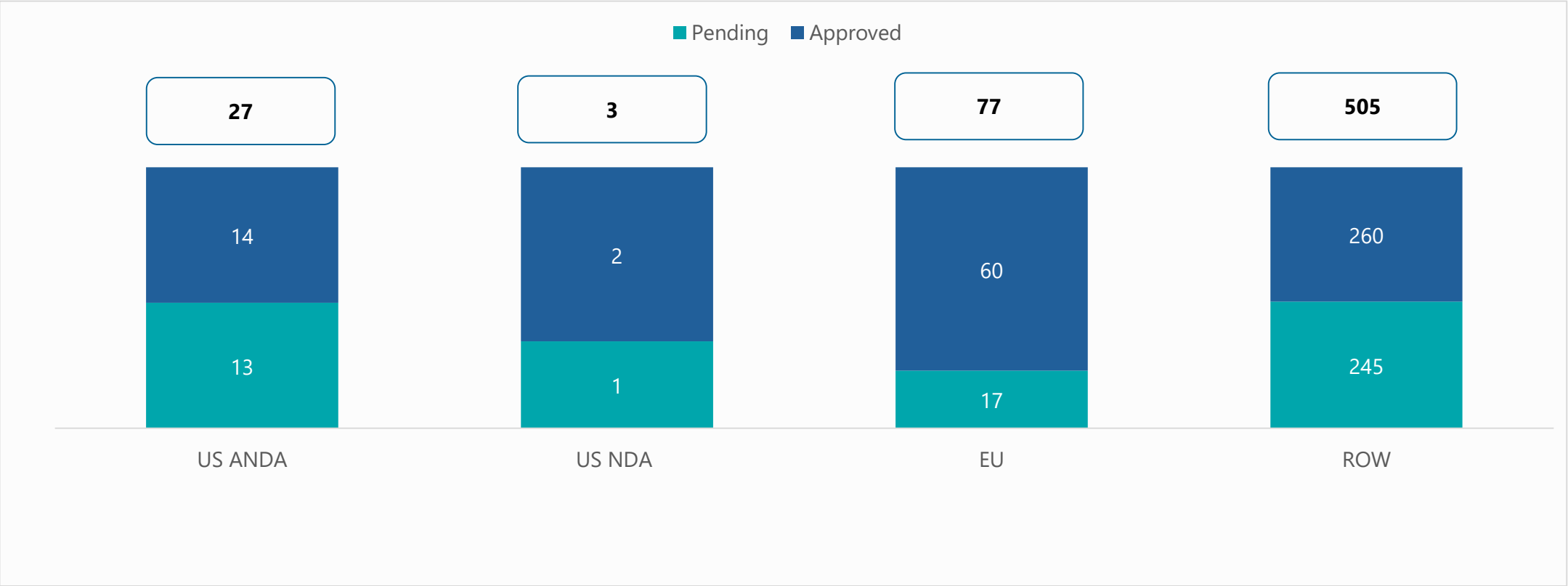
Formulations – Ongoing Developments

NOR - UDCA SMLNUD07	➢ Phase III Studies for NAFLD completed and dossier submitted to Indian regulatory body ➢ Launch expected in next fiscal year
ROTIGOTINE SMLTDP08	➢ Transdermal Patch for treatment of Parkinson's disease ➢ US Study planned to initiate in Q3 FY25 ➢ Europe submission completed in Q2 FY25 by our partner
SMLTOP09	➢ Topical lotion for treatment of Androgenic Alopecia ➢ Phase II completed and submitted to Indian regulatory body; Phase III study to start post approval
SMLODF010	➢ Pivotal completed for European market and submission planned in Q3 FY25
SMLINJ011	➢ Injection for prevention of nausea and vomiting associated with initial and repeat courses of emetogenic cancer chemotherapy, radiotherapy and other associated medication. Market Size is ~$931 mn* (Global) ➢ Phase I study completed and awaiting clearance for Phase III Study ➢ EU Scientific advise filed; US Pre-IND filed and expect response in Q3 FY25
ODF & TDS	➢ Two other transdermal patch products' development ongoing for EU partner ➢ Tadalafil ODF filed in EU market and expected to launch in FY26 ➢ Pregabalin ODF & Ondansetron ODF planned for filling in EU market

*Source: IQVIA – MAT-Jun24

Filings – Formulations

Formulations – Regulatory Filings



Robust regulatory filings to strengthen the base for growth in the formulation segment

Biosimilars – Ongoing Developments

Adalimumab

- Received additional indications (Crohn's disease and Ulcerative colitis in adults) from Indian agency
  - Likely to help in gaining more market share

Aflibercept

- Used to treat Neovascular (Wet) Age-Related Macular Degeneration, Macular Edema (Diabetic and Retinal Vein Occlusion), Diabetic Retinopathy and Retinopathy of prematurity - Market Size is ~$9.2 bn* (Global)
- Phase III clinical trial is initiated for India and ROW market with tentative completion in next fiscal year
- Currently no generic and launch on approval - licensed to large Indian company under semi exclusive license

CDMO

- First CDMO project for microbial fermentation with Korean client supply completed
- Second CDMO contract completed successfully for US Client and expected to start the scaleup project in Q4 FY25
- Third CDMO project Tech transfer is ongoing for its NBE Project for US market, expected to complete by Q3 FY25
- 2 New projects signed in Q2FY25

Additional product

- Pembrolizumab (Keytruda®) one of the largest selling biologics in the world (global market size US$ 29.8 bn*) – product advances from lab scale development to scale-up stage & pre-clinical studies have started

Albumin

- Successfully completed the Phase I clinical trial - a significant milestone and applied for permission to start Phase III study
- DMF filed in US market for excipient grade

*Source: IQVIA – MAT-Jun24

Financials

P&L Consolidated

(INR in Cr.)

Particulars	Q2 FY25	Q1 FY25	% change	Q2 FY24	% change	YTD Sep 24	YTD Sep 23	% change
Revenues	348.8	302.0	16%	314.8	11%	650.7	576.9	13%
Gross Margin	226.8	209.1	8%	189.1	20%	435.8	363.0	20%
Gross Margin %	65%	69%		60%		67%	63%	
Employee Cost	76.2	72.1	6%	73.1	4%	148.3	145.9	2%
Other Expenses	59.6	54.0	11%	53.8	11%	113.6	105.1	8%
EBITDA	91.0	83.0	10%	62.1	47%	174.0	111.9	55%
EBITDA %	26%	28%		20%		27%	19%	
Finance Cost	25.6	23.7	8%	23.2	10%	49.3	41.4	19%
Depreciation	28.3	27.1	4%	27.8	2%	55.4	54.5	2%
PBT*	36.8	28.7		9.2		65.4	12.5	425%
PAT	18.0	14.1	28%	1.6	1008%	32.1	2.8	1040%

* Considered before exceptional items.

Balance Sheet Consolidated

(INR in Cr.)

Particulars	30-Sep-24	30-Jun-24	30-Sep-23
Fixed Assets	1,362.8	1,369.7	1,360.9
Tangible Assets	1,168.1	1,181.6	1,160.0
Intangible Assets	194.7	188.0	201.0
Capital WIP	785.3	744.4	681.2
Tangible Assets	455.3	420.5	389.1
Intangible Assets	330.0	323.8	292.1
Other Non-current Assets	107.8	120.4	136.7
Net Working Capital	589.5	933.0	501.2
Current Assets	841.9	836.2	795.9
Cash and cash equivalents	17.2	316.4	28.2
Current Liabilities	-269.5	-219.6	-322.9
Total Assets (Net)	2,845.4	3,167.5	2,680.1
Equity	2,319.2	2,304.4	1,774.6
Borrowings (Current & Non-current)	489.0	830.0	863.5
Other Non-Current Liabilities	37.2	33.0	42.0
Total Liabilities	2,845.4	3,167.5	2,680.1

Thank You

Shilpa Medicare:

Dilip Kankani
Contact: +91 8532 238704
Email: dilipkankani@vbshilpa.com

Ernst & Young IR :

Runjhun Jain/ Sneha Salian
Contact: +91 98207 20993 / +91 98194 30437
Email: runjhun.jain1@in.ey.com / sneha2.salian@in.ey.com