



Pharmaceuticals Limited

Registered & Corporate Office :

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

Date: 06th August, 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 June, 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**



August 6, 2024

Healthy performance led by revenue growth and margin expansion

- Higher volume drives 22% YoY revenue growth
- EBITDA increased by 28% YoY (EBITDA margin of 20%) due to optimal product mix, lower raw material prices and operating leverage
- Sustained performance in anti-diabetic and Ibuprofen segments
- On track to complete backward integration project by H1FY25

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, announced its unaudited financial results for the quarter ended June 30, 2024.

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

“We have begun the financial year on a strong note, achieving strong revenue growth YoY along with improved margins, which are now at pre-COVID level. Our diversified portfolio of high-volume and high-value products is performing well. We are progressively ramping up production of ibuprofen and gaining market share in our key APIs. Our strategic focus on backward integration is progressing as planned and ongoing Capex is expected to enhance our capabilities further. Overall, the demand outlook for the industry is healthy, and we are on track to achieve revenue growth of 20% and EBITDA margin of 20% for FY25.”

Summary of financial performance

(₹ Cr)

Particulars	Q1FY25	Q1FY24	YoY Growth (%)	Q4FY24	QoQ Growth (%)
Revenue from operations	164.45	135.34	22%	245.80	-33%
Revenue by business segment					
API	159.68	132.79	20%	242.05	-34%
Intermediates & others	4.77	2.55	87%	3.75	27%
Gross profit	58.29	47.45	23%	63.26	-8%
Gross profit margin (%)	35%	35%	39bps	26%	971bps
EBITDA	33.51	26.18	28%	33.63	0%
EBITDA margin (%)	20%	19%	104bps	14%	670bps
PAT	16.48	9.34	76%	17.28	-5%
PAT margin (%)	10%	7%	312bps	7%	299bps
EPS (₹/per share)	1.95	1.10	77%	2.04	-4%



Performance review

Revenue from operations in Q1FY24 was ₹164.45 crore, up 22% YoY, due to robust growth in anti-diabetic and ibuprofen segments. Sequentially, revenue from operations was lower by 33% on account of seasonality.

Revenue by therapeutic area

(₹ Cr)

Particulars	Q1FY25	Q1FY24	YoY Growth (%)	Q4FY24	QoQ Growth (%)
Anti-diabetic	45.05	32.60	38%	70.32	-36%
Anti Retro Viral (ARV)	12.86	13.51	-5%	39.26	-67%
Anti-inflammatory	43.43	24.02	81%	47.72	-9%
Anti-migraine	19.31	25.62	-25%	34.35	-44%
Anti-ulcer	10.15	17.55	-42%	17.58	-42%
Anti-erectile dysfunction	17.04	5.87	190%	11.26	51%
Anti-epileptic	8.89	4.37	103%	6.85	30%
Others	7.72	11.80	-35%	18.46	-58%

Gross margins improved to 35% in Q1FY24, up 39bps YoY and 971bps sequentially, primarily due to lower raw material prices and improved product mix. The EBITDA margin expanded by 104bps YoY and 670bps QoQ to reach 20%, driven by higher gross margins and operational efficiency. EBITDA for Q1FY24 rose by 28% YoY to reach ₹33.51 crore. PAT was ₹16.48 crore, up 76% YoY primarily due to lower finance costs. The PAT margin improved to 10% in Q1FY25 vs. 7% in Q1FY24.

Project update

As part of the ₹150 crore capex plan, the Company is scheduled to complete the backward integration of key intermediates by H1FY25 and increase production capacity by the end of Q4FY25.

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.



About SMS Pharmaceuticals Limited

Established in 1990, SMS Pharmaceuticals Limited is a diversified and integrated pharmaceutical company specialising in API and intermediates. The Company operates two state-of-the-art manufacturing facilities in Hyderabad and Vizag, with capacities of 200 KL and 3,000 KL respectively. Supported by strong in-house R&D capabilities, the Company has a proven track record of delivering quality products across a diversified portfolio of therapeutic segments, serving as a trusted partner to a global customer base in over 70 countries.

DISCLAIMER

Certain statements that are made in the Press Release may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in the economic environment in India and overseas, tax laws, inflation, litigation, etc. Actual results might differ substantially from those expressed or implied. SMS Pharmaceuticals Limited will not be in any way responsible for any action taken based on such statements and discussions; undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

For any further information, please contact:

Company	Investor relations
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