



Pharmaceuticals Limited

Registered & Corporate Office :

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

Date: 09th August, 2023

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 first quarter ended 30th June, 2023.

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**

Press Release

SMS Pharmaceuticals Limited reports robust Q1FY24 financial performance

- ✓ Q1FY24 Revenue up by 110% y-o-y at Rs. 135 crore
- ✓ PAT at Rs. 9.4 crore, with PAT Margin at 6.5%
- ✓ Anti-Diabetic segment continues to witness healthy growth
- ✓ Anti-Retroviral (ARV) segment witnessing a slow and steady turnaround

Hyderabad, August 9, 2023: SMS Pharmaceuticals Limited (SMS Pharma) (NSE: SMSPHARMA; BSE:532815), a Hyderabad based diversified and fully integrated pharmaceutical company, with interests in Active Pharmaceutical Ingredients (API) and Intermediates announced its financial results for the quarter ended 30th June 2023.

Particulars (In Rs. Crores)	Q1 FY24	Q1 FY23	YoY%	Q4FY23	QoQ%
Revenue	135.34	64.39	110.2%	149.42	9.4%
Gross Profit	47.46	16.63	185.4%	47.26	0.4%
EBITDA	26.19	-0.78	N.A.	23.23	12.7%
Profit After Tax (PAT)	9.35	-12.74	N.A.	6.21	50.6%

Segmental Performance Update

Particulars (In Rs. Crores)	Q1 FY24	Q1 FY23	Q4 FY23
API	132.40	63.60	146.1
Intermediates & Others	2.94	0.38	3.4

API Segment Highlights

- Q1FY24 revenue for the API segment stood at Rs. 132.4 crores.
- Q1FY24 API segment contributed approximately 97.8% to the consolidated revenue.
- Within the API segment, ~15% of the revenues came from the domestic market and ~85% from the exports market (including deemed exports) for Q1FY24.
- Within the therapeutic areas, anti-retroviral (ARV) contributed ~10%, anti-diabetic contributed ~24%, anti-migraine ~19%, anti-ulcer ~13%, anti-epileptic ~3%, anti-erectile dysfunction ~4%, anti-inflammatory ~18% and the rest contributed around 9% to the total sales for Q1FY24.

Commenting on the results Mr. P. Vamsi Krishna, Executive Director – SMS Pharmaceuticals Limited said, “We are pleased to record a robust financial performance for the first quarter of fiscal year 2024 (Q1FY24) with revenue and profit both growing significantly year-on-year (y-o-y) and staying true to what we had promised in the last quarter. The company's revenue grew by 110% y-o-y to Rs. 135 crores driven by strong growth in the API business which benefited from increased demand for key products. Our operating profit and net profit for Q1FY24 stood at Rs. 26 crore and Rs. 9 crore respectively.

We witnessed an improvement in gross margins in Q1FY24 primarily on account of improved product mix. At the same time, the raw material prices have stayed benign and stabilized. The company's operating margin expansion was driven by a number of factors, including improved product mix, lower raw material costs, and improved operational efficiency. We expect to retain the operating margins going forward. Our strong financial performance was also supported by our focus on innovation and R&D.

The anti-diabetic vertical has exhibited robust performance, with our company successfully solidifying its position as a prominent player within the European market. Ibuprofen (Anti Inflammatory) has demonstrated promising traction in various markets, driven by the receipt of multiple approvals and a consistent month-on-month increase in volumes. The Anti-Retroviral (ARV) vertical is currently experiencing a gradual and consistent turnaround and we have good performance visibility from this segment for upcoming quarters.

The company has also established a strong presence in other segments, like anti-migraine, anti-ulcer, and anti-erectile dysfunction. These segments have proven to be stable and have a loyal customer base. The company's involvement in these segments spans over two decades.

Our products are well-positioned to meet the growing demand for APIs and intermediates in India and overseas. We stay committed to developing new products and technologies, which will enable us to maintain our competitive edge in the long term.

The company has been sequentially delivering improving operating performance since Q2FY23 onwards and we are cautiously optimistic that this positive trend will continue for upcoming quarters as well. We are also expanding our product portfolio and capacity, which will help us to drive future growth.”

About SMS Pharmaceuticals Limited

Established in 1990, SMS Pharma is a global player in API and intermediates manufacturing having strong research and the manufacturing team supported by state-of-the-art facilities. The Company has capabilities in a wide range of APIs / intermediates and has handled varied process reactions and reactor volumes up to 2,000 KL. The company undertakes contract manufacturing of API, Intermediates (advanced and basic) offering a competitive advantage to its clients especially in the late-stage lifecycle of products. The Company has demonstrated its manufacturing excellence over the past 2 decades in a broad portfolio of therapeutic segments by being a trusted partner to a customer base in over 70 countries (including clientele in the top 20 pharma companies). With 2 manufacturing facilities (two USFDA inspected), 2 pilot plants, 1 R&D center and 1 USFDA approved Independent Testing Laboratory, SMS Pharma is an ideal partner for custom synthesis, process development and mass manufacturing of customer's own discovery products.

For more information, please visit smspharma.com

Safe Harbor

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially

from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For more information please contact:



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