



Pharmaceuticals Limited

**Registered & Corporate Office :**  
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Email: info@smspharma.com, www.smspharma.com

Date: 02<sup>nd</sup> June, 2022

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 Q4 & FY 2022 Financial Results**


Please find enclosed the press release on the Financial Results for the fourth quarter and year ended 31<sup>st</sup> March, 2022.

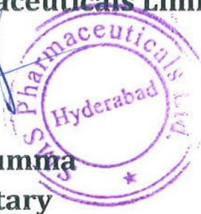
This press release may also be accessed on the website of the Company at [www.smspharma.com](http://www.smspharma.com)

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 its Q4 & FY22 Financial Results**

- ✓ FY22 PAT grew by 11% YoY
- ✓ Gross margin, EBITDA Margin and PAT margin expanded by 777bps, 88bps and 223 bps, respectively for FY22 on a YoY basis

**Hyderabad, June 02, 2022:** 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 and financial year ended 31<sup>st</sup> March 2022.

Particulars (In Rs. Crores)	FY22	FY21	YoY%	Q4 FY22	Q4 FY21	YoY%
<b>Revenue</b>	<b>519.9</b>	<b>563.2</b>	<b>-8%</b>	<b>60.9</b>	<b>171.3</b>	<b>-64%</b>
Gross Profit	249.6	226.6	10%	27.8	77.2	-64%
<b>EBITDA</b>	<b>119.5</b>	<b>24.6</b>	<b>-4%</b>	<b>-4.0</b>	<b>42.4</b>	-
<b>EBITDA Margin %</b>	<b>23.0%</b>	<b>22.1%</b>	<b>88bps</b>	<b>-6.6%</b>	<b>24.7%</b>	-
Profit Before Tax (PBT)	68.5	91.1	-25%	-16.3	34.3	-
<b>Reported Profit After Tax (PAT)</b>	<b>67.9</b>	<b>61.0</b>	<b>11%</b>	<b>8.9</b>	<b>22.2</b>	<b>-60%</b>
PAT Margin %	13.1%	10.8%	223bps	14.6%	13.0%	164bps
EPS (in Rs.)	7.35	7.39	-1%	0.73	2.73	-73%

### Segmental Performance Update

Particulars (In Rs. Crores)	FY22	FY21	YoY%	Q4 FY22	Q4 FY21	YoY%
API	499.5	543.8	-8%	59.8	167.9	-64%
Intermediates & Others	20.3	19.3	5%	1.1	3.4	-67%

### API Segment Highlights

- Q4 & FY22 revenue for the API segment stood at Rs. 59.8 crores and Rs. 499.5 crores, respectively.
- Q4 & FY22 API segment contributed approximately 98% and 96% to the consolidated revenue, respectively.
- Within the API segment, ~18% of the revenues came from the domestic market and ~82% from the export market (including deemed exports) for FY22.
- Within the therapeutic areas, the anti-retroviral therapeutic category contributed ~40%, anti-migraine ~14%, anti-ulcer ~7%, anti-epileptic 8%, anti-erectile dysfunction ~6% and the rest contributed around 25% to the total sales for FY22.

### Non-exclusive license to manufacture and supply of molnupiravir and nirmatrelvir

- A non-exclusive license through the MPP to manufacture molnupiravir and nirmatrelvir, an investigational oral antiviral COVID-19 medicine.
- Will increase broad access of treatment in 105 low- and middle-income countries (LMIC).

- Important milestone and external validation to the company's ability to provide high quality, low-cost products

**Commenting on the results Mr. P. Vamsi Krishna, Executive Director – SMS Pharmaceuticals Limited said,** *“FY22 has been a significant year for SMS Pharmaceuticals in terms of the Ibuprofen capacity going in commercial production, getting multiple licenses for a tactical product line, especially for covid-19 related products and improvement in overall product mix. The company delivered a steady financial performance in FY22 with total revenue of Rs. 519.9 crores. The performance was however impacted in Q4FY22 due to inventory recalibration at the customer's end along with lower than anticipated offtake of ARV products. We believe that Q4FY22 was a one-off quarter in terms of ARV demand and the issues are transient in nature. The ARV demand has already started to pick up and is expected to reach a normalised level by the end of H1FY23. This, along with growing traction for APIs in other key therapies is expected to drive the revenue growth, going forward.*

*The company's relentless focus on R&D, backward integration and leadership in key therapies has worked well. The company hasn't witnessed a significant impact of ongoing recent supply chain issues and higher input costs. The near-term objectives are to scale up the Ibuprofen business, continue to grow sales of our own products supported by the R&D along with growing exports share and augment the manufacturing capabilities. The company has already started taking orders for commercialised Ibuprofen capacity, which is funded through internal accruals and minimal debt. The company is witnessing a robust demand and enquiry overflow for Ibuprofen. This, along with improving pricing of Ibuprofen is expected to drive the revenue growth along with providing operating leverage, going forward.*

*The company will continue to add more tactical products whenever the opportunity comes in addition to the long-term strategy of growing the share of chronic therapies. The company remains well-positioned to leverage the opportunity of upcoming patent expiry drugs, especially for anti-diabetic products.*

*Looking beyond the short-term challenges, we remain sanguine about the opportunities, especially in Ibuprofen, ARV and other chronic therapy products. Various triggers such as prudent capital allocation, proven track record, focus on R&D, longstanding customer relationships and strong pipeline of product launches are expected to drive the 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](https://www.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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