



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

10 February 2022

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

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

Dear Sir/Ma'am,

Sub: Investor Presentation of the Company for the Quarter ended 31 December 2021

Ref.: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We wish to inform you that Investor Presentation of the Company for the Quarter ended 31 December 2021 with regard to financial performance, discussion on Business and other updates is attached herewith.

We request you to take the same on record.

Thanking you.

Yours faithfully,
For Shilpa Medicare Limited

V.V. Krishna Chaitanya
Company Secretary & Compliance Officer



Innovating for
affordable healthcare

Shilpa Medicare Limited (SML)

Q3 FY22 Results Presentation

Disclaimer

Certain statements in this document may be forward-looking statements. Such forward looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Shilpa Medicare Limited (SML) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



API Units, Raichur



Company Overview



Table of Contents

Financial Performance.....	05
Discussion on APIs/Formulations/New Segments.....	09/15/19
Other Updates.....	21



Financial Performance

Abridged P&L Statement - Consolidated

(Rs. In Lakhs)

Particulars	Q3 Y22	Q3 FY21	Change (%)	9M FY22	9M FY21	Change (%)
Total Income (I+II)	27,778	19,986	39	81,368	71,634	14
I. Total Revenue from Operations (A+B+C+D)	27,230	19,125	42	80,493	69,305	16
•API (A)	18,195	13,533	34	50,216	46,128	9
•Formulations (B)	7,823	4,071	92	25,715	18,048	42
•Service Revenue / Product License Fees (C)	711	1,185	(40)	2,876	3,018	(5)
•Others (D)	501	337	49	1,686	2,112	(20)
II. Other income	548	861	(36)	875	2,329	(62)
Total Expenditure	22,724	17,028	33	67,487	53,765	26
EBITDA	5,054	2,958	71	13,881	17,869	(22)
<i>EBITDA margin (%)</i>	<i>18%</i>	<i>15%</i>		<i>17%</i>	<i>25%</i>	
Exceptional Income	-	-	-	891	6,084	(85)
PBT	1,996	1,106	81	5,845	18,803	(69)
PAT	1,025	814	26	3,363	13,998	(76)
Share of Profit/(Loss) of Non-Controlling Interest	(73)	(47)	-	(255)	(65)	292
PAT after Share of profit/(loss) of Non controlling interest	956	767	25	3,111	13,936	(78)

Abridged P&L Statement - Standalone

(Rs. In Lakhs)

Particulars	Q3 FY22	Q3 FY21	Change (%)	9M FY22	9M FY21	Change (%)
Total Income (I+II)	28,964	17,990	61	83,476	66,938	25
I. Total Revenue from Operations (A+B+C+D)	27,664	17,129	62	80,284	65,061	23
•API (A)	18,195	12,782	42	50,216	43,998	14
•Formulations (B)	8,276	3,509	136	26,895	16,893	59
•Service Revenue / Product License Fees (C)	383	502	(24)	1,487	2,053	(28)
•Others (D)	810	337	140	1,686	2,118	(20)
II. Other income	1,300	861	51	3,192	1,876	70
Total Expenditure	22,008	14,061	57	64,204	46,095	39
EBITDA	6,956	3,929	77	19,272	20,842	(8)
<i>EBITDA margin</i>	<i>24%</i>	<i>22%</i>		<i>23%</i>	<i>31%</i>	
Exceptional Income	-	-	-	891	5,295	-
PBT	4,835	2,487	94	14,078	22,031	(36)
PAT	3,677	1,687	118	10,554	15,780	(33)

In relation to the import alert issued by the USFDA for the Jadcherla unit, the Company has initiated extensive remedial measures. The incremental costs incurred on account of the USFDA import alert is Rs 474 Lakhs in Q3 FY22 & Rs. 2,760 Lakhs

Commenting on Q3 FY'22 performance, Mr. Vishnukant Bhutada, Managing Director Shilpa Medicare Limited said,

“Momentum in API business continues to improve in line with the measures we have taken, which is heartening. We have a deep pipeline of products that will help us maintain a positive outlook in this segment. In Formulation business, we are making progress in our engagement with the regulator and simultaneously have been carrying out new filings. Our team has been working collaboratively with the external consultants in order to achieve remediation. Meanwhile I am happy to share that we have successfully implemented site transfer for 2 products de-risking our business from single site dependency. We remain committed to normalize our US market operations at the earliest while we continue to enhance our reach in other key geographies.

I am pleased to share that we are working with Mylab Discovery Solutions Pvt Ltd to manufacture ‘Sputnik Light Drug Substance’ for them. Along with this we have initiated our manufacturing arrangements for the manufacture of ZyCoV-D. Additionally, we have made healthy progress on our own portfolio of products with very robust results in our clinical & animal trials for Adalimumab & Aflibercept respectively.

In a another significant development during the quarter, we have successfully raised Rs. 297 cr. through private placement of our shares to marquee investors. This fund raise has helped us in correcting the leverage position of the company while continuing with our growth impetus.”



Discussion of API Segment

Key strengths of the business

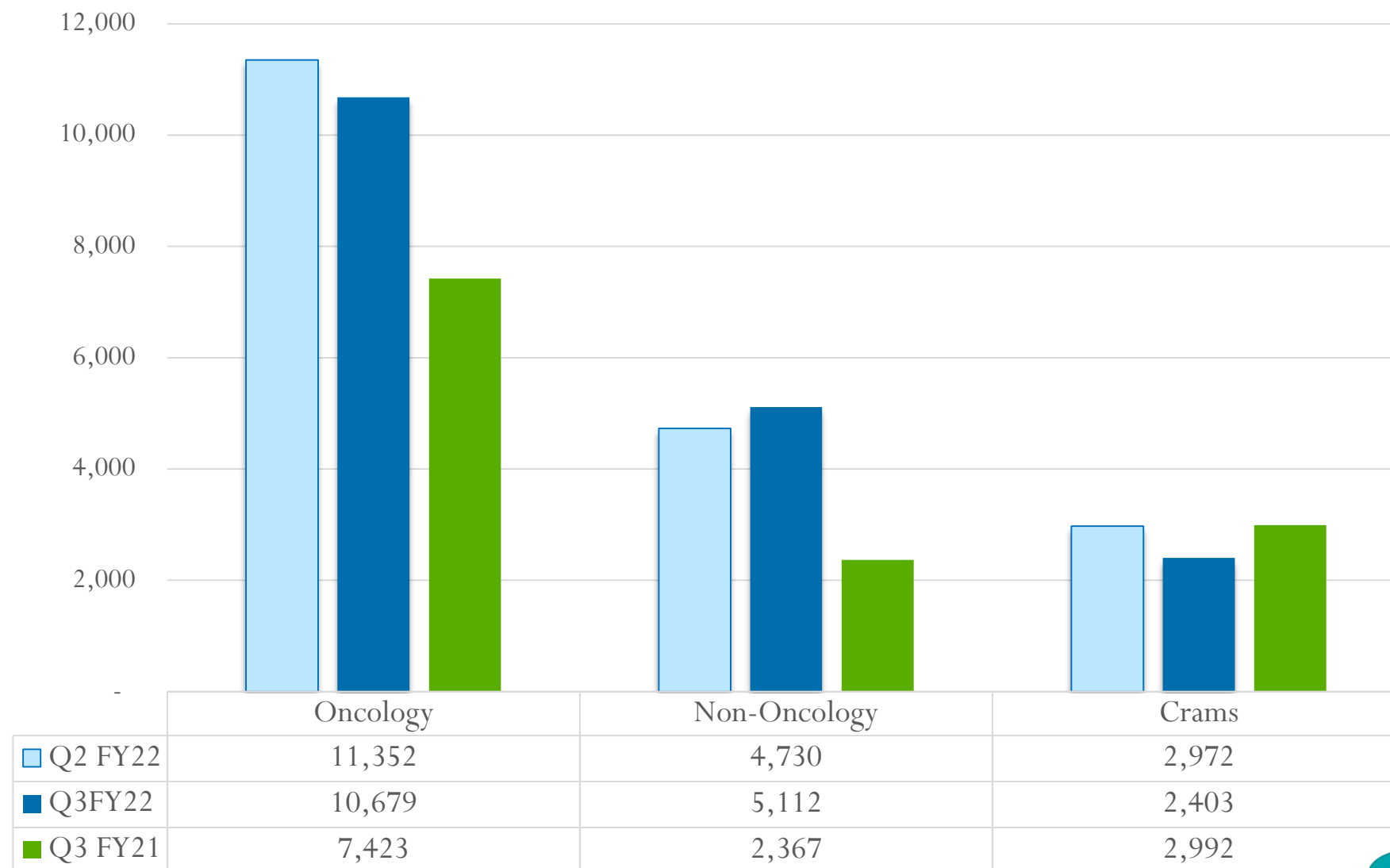
- Wide range of Oncology & Non oncology niche product portfolio
- Building capacity & capability to improve efficiency & reach
- Continuous improvement in process, operation & development to improve the yield , quality & compliance to maintain leadership position in key molecules
- Positioned business development teams in all the regions globally
- Strong R&D with focus on difficult to synthesize products including development of newer business segments

Way forward

- Separate business under a separate subsidiary to provide focused approach resulting in better operating efficiency with fund raising opportunity in the segregated business either from strategic investors through private placement or from investors at large through public issue
- Greater impetus to specialty areas of CDMO, Peptides, Polymers & intermediate with early success signs
- Continuous efforts on process optimization & efficiency improvement

Rs. In Lakhs

API REVENUE HIGHLIGHTS



Product wise DMF filings as on December 31, 2021

Name of the API	US FDA	EU/ EMEA	TPD-Canada	PMDA Japan	TGA & Medsafe-NZ	EDQM	KFDA Korea	GCC & ROW	WHO Market
Ambroxol HCl				✓		✓	✓	✓	
Azacitidine	✓	✓	✓	✓			✓	✓	
Bicalutamide	✓	✓	✓	✓			✓	✓	
Bendamustine HCl	✓	✓	✓		✓		✓	✓	
Bortezomib	✓	✓	✓				✓	✓	
Busulfan	✓		✓	✓	✓	✓	✓	✓	
Capecitabine	✓	✓	✓	✓	✓	✓	✓	✓	
Decitabine	✓		✓				✓	✓	
Erlotinib HCl	✓	✓			✓		✓	✓	
Fingolimod HCl	✓	✓	✓		✓	✓		✓	
Gemcitabine HCl	✓		✓	✓	✓	✓	✓	✓	
Imatinib Mesylate	✓	✓			✓	✓	✓	✓	
Letrozole	✓			✓		✓			
Irinotecan HCl	✓	✓	✓		✓	✓	✓	✓	
Irinotecan HCl (Process-2)						✓	✓		
Melphalan HCl	✓	✓	✓					✓	
Oxaliplatin	✓		✓		✓	✓	✓	✓	
Pemetrexed Disodium	✓	✓	✓		✓		✓	✓	
Temozolomide	✓	✓	✓	✓	✓	✓	✓	✓	
Zoledronic Acid	✓	✓				✓			
Pemetrexed Dipotassium (Nonahydrate)	✓	✓			✓				
Anastrozole	✓							✓	

Product wise DMF filings as on December 31, 2021

Name of the API	US FDA	EU/ EMEA	TPD-Canada	PMDA Japan	TGA & Medsafe-NZ	EDQM	KFDA Korea	GCC & ROW	WHO Market
Clofarabine	✓	✓						✓	
Dimethyl Fumarate	✓				✓			✓	
Axitinib	✓								
Enzalutamide	✓								
Pirfenidone	✓			✓		✓		✓	
Gemcitabine Hydrochloride (Process-2)	✓	✓	✓			✓			
Ibrutinib	✓							✓	
Teriflunomide	✓	✓			✓			✓	
Pomalidomide	✓		✓					✓	
Tranexamic Acid	✓		✓		✓	✓	✓	✓	
Thalidomide	✓	✓						✓	
Sunitinib Malate	✓	✓							
Lenvatinib Mesylate	✓							✓	
Tenofovir Alafenamide Fumarate	✓								
Praziquantel						✓			✓
Tenofovir Disoproxil Fumarate									✓
Cyclophosphonamide	✓					✓		✓	
Prucalopride succinate	✓	✓	✓				✓	✓	
Lenalidomide	✓								
Acebrophylline							✓	✓	
Sorafenib (Base)							✓		
Sunitinib (Base)	✓	✓							

Product wise DMF filings as on December 31, 2021

Name of the API	US FDA	EU/ EMEA	TPD-Canada	PMDA Japan	TGA & Medsafe-NZ	EDQM	KFDA Korea	GCC & ROW	WHO Market
Nifedipine	✓								
Phenylephrine hydrochloride	✓								
Nilotinib	✓								
Varenicline tartrate	✓	✓							
Cabazitaxel	✓	✓							
Glycopyrronium bromide						✓			



Discussion of Formulations Segment

Key strengths of the business

- Vertically integrated backed by in-house R&D and innovative APIs with sharp cost competencies
- Range includes liquid and lyophilized injectable, sterile dry powder injections and oral solids in onco & adjuvant therapies
- Strong portfolio of NDDS/value added product pipeline
- Targeted sales of complex products in key regulated/RoW markets

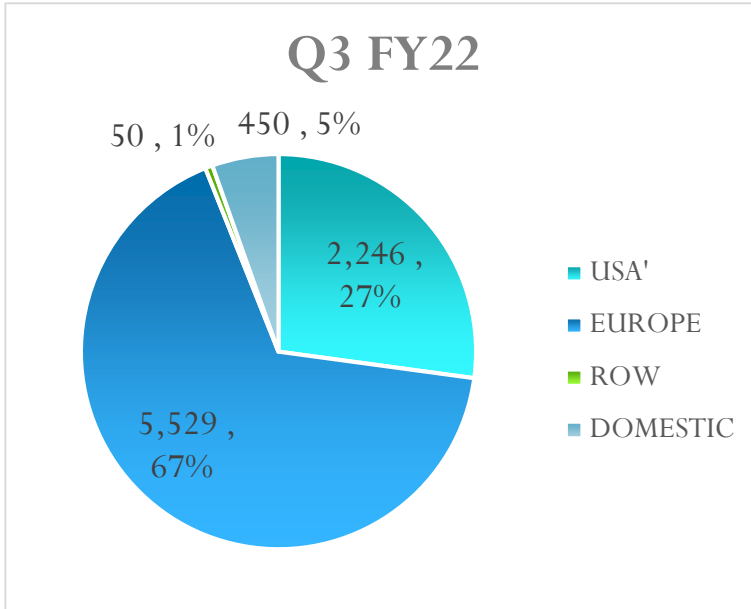
Way forward

- Partial remediation towards USFDA import alert complete
 - Submission of MCAP (Compliance Plan) to FDA in Q4
- Continue the hedging strategy to de-risk against single site operations
- Continue focus on niche and value-added products portfolio development
 - Strong strategic partnership model to enhance reach

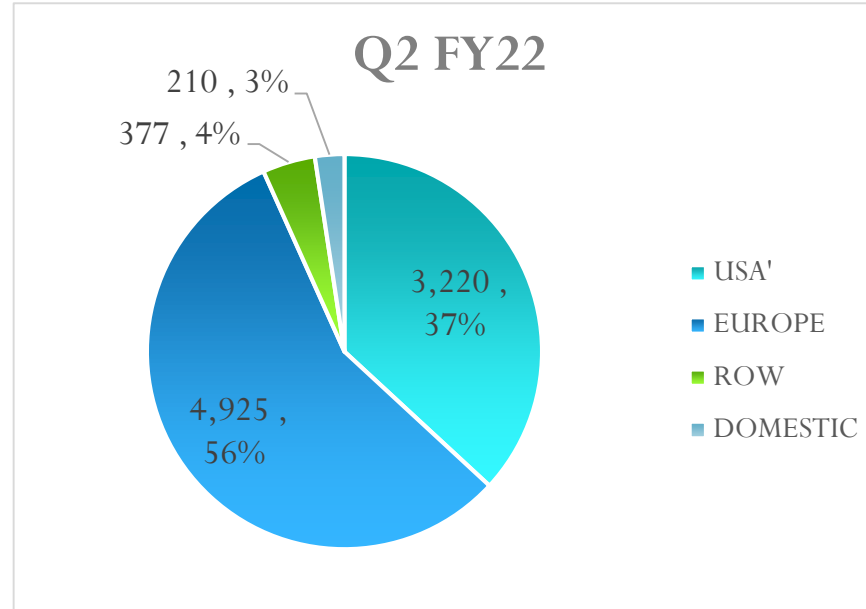
Formulation - Highlights

Revenue Split

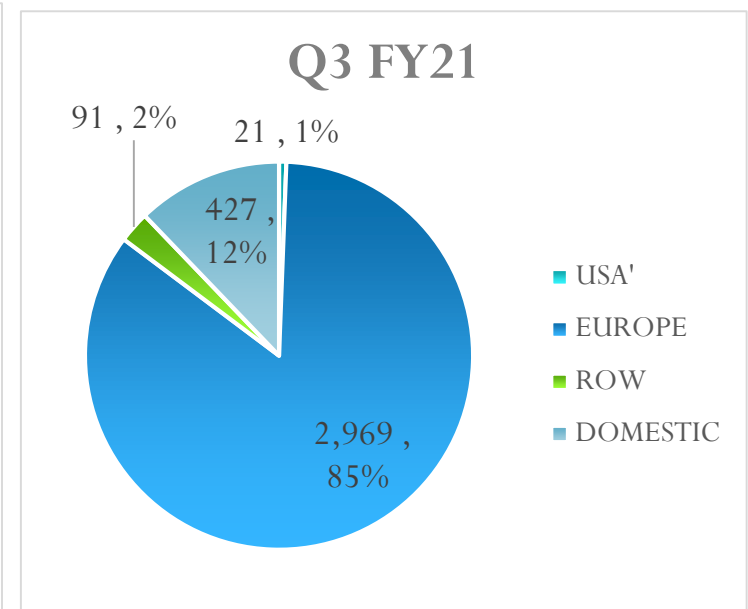
(Rs. In Lakhs)



Rs. 8,276



Rs. 8,732



Rs. 3,509

- Completed 2 site transfer projects
- Won 2 year tender for supply of Dimethyl Fumurate in Saudi Arabia through partner
- Received approval for Pemetrexed RTU for the EU market
- Remote record review by USFDA of QC Lab at Bangalore successfully completed without any observations

Formulation Product Pipeline as on December 31, 2021

Regulatory Submissions	Filings	Approved (Including Tentative)	Pending
- US ANDA: SML	26	13	13
- US NDA: SML	03	01	02
- US ANDA: Customers	18	13	05
TOTAL (In US)	47	27	20
- EU Filing	25	19	06
- Row Filing	279	95	184
TOTAL (In EU & ROW)	304	114	190
GRANDTOTAL	351	141	210



Discussion of Biologicals

Key strengths of the business

- Strong R&D with focus on difficult products
- World class manufacturing facility
- Development of 1 NBE and 6 biosimilars in limited competition space with significant cost advantage
- 2 products in human clinical & 1 in animal clinicals
- Strategic partnerships in vaccine manufacturing

Way forward

- First product launch in India expected in Q3/Q4 of FY22-23
- Strategic tie-ups for the international market
- Capture low hanging fruits exploring additional vaccine / MABs manufacturing tie-ups



Other Updates

Patents Status as on December 31, 2021

Patents	Filings	Granted	Pending
- API	208	45	163
- Formulation*	182	35	147
- Films Topical & Transdermal	61	6	55
- Biologicals	12	5	7
- Others	22	5	17
TOTAL	485	96	389

* Formulation numbers includes the Patents of FTF Pharma Pvt Ltd Ahmedabad, a wholly owned subsidiary of Shilpa Medicare Ltd

Manufacturing Excellence

Dharwad



- Biologicals Manufacturing plant & R&D Facility

Jadcherla Unit



- Formulations (Onco & Adjuvant Therapy)
- of Onco – Injectable & Oral)

Bengaluru Unit



- TDS & ODF Manufacturing Facility & Formulation R&D

Hyderabad



- Formulations (Oral Dissolving Films)
- Bio Analytical Lab, Pharmacovigilance Lab & Quality control lab

Raichur Unit I & II



- API (Oncology – Non-Oncology)
- API (Oncology – Non-Oncology) and R&D API
- CRAMS
- Peptide
- Polymer

Ahmedabad



- CRO & CDMO
- R&D Formulation

About Shilpa Medicare Ltd.

Shilpa Medicare Limited (SML) started its operations as API manufacturer way back in 1989 at Raichur, Karnataka- India. Today Shilpa Medicare Limited is a global brand in manufacturing and supplying of affordable API and Formulation globally in different regulated markets.

Shilpa Medicare has been on path of expansion ever since its inception. With a regulatory recognized manufacturing set up and excellent scientific expert team in place, Shilpa Medicare has since been on a steady growth path. Currently they are one of the leaders in the Oncology market and offer a complete range of products in this segment spanning across APIs, formulations both in terms of R&D and manufacturing capabilities. Further to consolidate in field of Oncology, API and formulations, they are striving to put in efforts in field of novel drug delivery systems and biotech products along with widening their focus to other therapy areas. Where Shilpa Medicare Ltd is today is the result of their constant endeavors for more than three decades.



Siddharth Rangnekar
Karl H Kolah



CDR India



+91 22 6645 1209 / 1220



siddharth@cdr-india.com
karl@cdr-india.com



Thank You