



Pharmaceuticals Limited

Registered & Corporate Office :

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

Date: 09th February, 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 third quarter and nine months ended 31st December, 2022.

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 its Q3FY23 Financial Results

- ✓ EBITDA margins expanded 504 bps sequentially
- ✓ Anti-Diabetic segment continues to witness healthy growth

Hyderabad, February 09, 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 31st December 2022.

Particulars (In Rs. Crores)	Q3 FY23	Q2 FY23	QoQ%	Q3FY22	YoY%	9M FY23	9M FY22	YoY%
Revenue	148.8	159.4	-7%	121.2	23%	372.6	459.0	-19%
Gross Profit	53.6	44.1	22%	62.0	-13%	127.4	221.6	-43%
EBITDA	20.7	14.2	46%	29.2	-29%	35.3	123.3	-71%
Profit After Tax (PAT)	5.2	0.7	623%	10.3	-49%	-3.7	58.8	-106%

Segmental Performance Update

Particulars (In Rs. Crores)	Q3 FY23	Q2 FY23	Q3FY22	9M FY23	9M FY22
API	146.2	158.9	114.9	368.7	439.8
Intermediates & Others	2.6	0.5	6.4	3.9	19.2

API Segment Highlights

- Q3 & 9M FY23 revenue for the API segment stood at Rs. 146.2 crores and Rs. 368.7 crores, respectively.
- Q3 & 9M FY23 API segment contributed approximately 98.2% and 99.0% to the consolidated revenue, respectively.
- Within the API segment, ~15% of the revenues came from the domestic market and ~85% from the exports market (including deemed exports) for Q3FY23.
- Within the therapeutic areas, anti-diabetic contributed ~41%, ARV therapeutic category contributed ~1%, anti-migraine ~14%, anti-ulcer ~5%, anti-epileptic ~7%, anti-erectile dysfunction ~7%, and the rest contributed around 26% to the total sales for Q3FY23.

Commenting on the results Mr. P. Vamsi Krishna, Executive Director – SMS Pharmaceuticals Limited said, *“The company registered a robust financial and operational growth with a healthy recovery in profitability. After a slightly sluggish last quarter due to fall in demand for the ARV segment, the company turned PAT positive with Profit after tax at Rs. 5.3 Crores. Margins also witnessed expansion with EBITDA margins coming in at 13.9% for the quarter. We expect this growth trajectory to continue with input prices stabilizing and the demand scenario improving.*

Operations remained sturdy on the back of new product launches, increasing share of higher value products and healthy demand in the non-ARV segments. The demand in the anti-diabetic segment has

been strong with several gliptins going off-patent. The anti-diabetic therapy scaled up quickly contributing close to 41% to the total revenue from operations.

Ibuprofen, which was recently commercialized at the Vizag facility, is attracting good demand and the company is exploring various avenues for growth in the same. Further, the recent CEP approval for Ibuprofen has opened up opportunities in the newer and regulated European markets.

Despite the temporary setback in operations due to changing market scenarios in the ARV segment, the company could efficiently switch to the more profitable therapies and has now completely replaced the ARV segment while maintaining the top line. The company remains well positioned to leverage untapped market opportunities and is committed to delivering long term value for all its stakeholders through operational resilience and core competencies”.

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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SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

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