



Pharmaceuticals Limited

Registered & Corporate Office :

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Date: 10th November, 2025

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 second quarter and half year ended 30th September, 2025.

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



November 10, 2025

PAT grows 80% YoY; driven by backward integration and operating leverage

- Revenue grew 23% YoY driven by higher volumes and market share gains
- Gross margin expanded 30% YoY, driven by backward integration
- EBITDA increased 54% YoY, aided by operating leverage
- PAT stood at ₹25.32 crore, up by 80% YoY; Record highest in a quarter
- Operating cash flows remained strong, supporting ongoing capex
- ₹280 crore Capex programme on track for completion by November 2026
- On track to achieve our FY26 outlook

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, has announced its unaudited financial results for the quarter ended September 30, 2025.

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

We concluded Q2FY26 on a strong note with 80% PAT growth YoY. We continued to see strong demand across our diversified portfolio, with market share gains in key APIs driving revenue growth. This quarter marks an inflection point as our backward integration efforts are now driving margin expansion. This has strengthened our value proposition to existing customers and is helping us expand our customer base in regulated markets.

Our R&D has delivered strong outcomes over the past few years, with successful product launches that continue to see a strong demand and an expanding presence in regulated markets. We are strengthening this capability further — with a dedicated team of over 100 scientists today, we plan to double our R&D strength over the next two years. To date, we have filed over 120 DMFs and aim to add around 30 more over the next 24–30 months.

The ₹280 crore capex programme, to be completed by November 2026, will enhance capacity for existing APIs and build capacities for new product pipeline. This includes a ₹30 crore outlay for acquiring land for a greenfield project. Investments have also begun in R&D for the peptide initiative, with commercial operations targeted to begin in FY29. Together, these initiatives provide a clear path for growth over the next 24–30 months.

Our continued focus on product mix optimisation, backward integration, economies of scale and pipeline of new products will enable us to achieve our target of 20% revenue growth and EBITDA margin expansion to 20% in FY26.



Performance review

Revenue from operations in Q2FY26 was ₹242.43 crore, up 23% YoY, supported by strong demand and market share gains across key APIs. Sequentially, revenue from operations was higher by 24%.

In H1FY26, revenue from operations reached ₹438.48 crore, reflecting a 21% YoY growth reflecting our strategic focus on expanding volumes. Our largest therapeutic category accounted for only 24% of revenue from operations, underscoring our focus on maintaining a diversified product portfolio.

Summary of financial performance

(₹ Cr)

Particulars	Q2FY26	Q2FY25	YoY Growth (%)	Q1FY26	QoQ Growth (%)	H1FY26	H1FY25	YoY Growth (%)
Revenue from operations	242.43	196.75	23%	196.05	24%	438.48	361.20	21%
Gross profit	76.88	59.07	30%	65.35	18%	142.22	117.35	21%
Gross profit margin	32%	30%	169bps	33%	-162bps	32%	32%	-5bps
EBITDA	48.38	31.47	54%	39.37	23%	87.73	64.97	35%
EBITDA margin	20%	16%	396bps	20%	-13bps	20%	18%	202bps
PAT	25.32	14.10	80%	20.50	24%	45.80	30.57	50%
PAT margin	10%	7%	328bps	10%	-1bps	10%	8%	198bps
EPS	2.84	1.67	70%	2.31	23%	5.13	3.61	42%

Revenue by therapeutic area

(₹ Cr)

Particulars	H1FY26		H1FY25		YoY Growth (%)
	Revenue	As % of total revenue	Revenue	As % of total revenue	
Anti-diabetic	106.82	24%	97.85	27%	9%
Anti Retro Viral (ARV)	102.15	23%	59.10	16%	73%
Anti-inflammatory	88.37	20%	75.76	21%	17%
Anti-migraine	47.70	11%	42.91	12%	11%
Anti-ulcer	23.33	5%	22.80	6%	2%
Anti-erectile dysfunction	19.93	5%	29.35	8%	-32%
Anti-epileptic	22.28	5%	10.44	3%	113%
Others	27.90	6%	22.99	6%	21%

In Q2FY26, gross margins improved to 31.71%, an increase of 169 bps year-on-year, driven by backward integration, product mix, economies of scale and a stable pricing environment. EBITDA margins for Q2FY26 stood at 19.96%, up 396 bps year-on-year, while PAT margins rose to 10.44%. The benefits of expansion on gross margins will become increasingly visible over the next few quarters.

For H1FY26, gross margin were stable at 32.43%, EBITDA margin rose to 20.01%, and PAT margin improved to 10.45%.

In H1FY26, cash flows from operating activities remained strong at ₹42.32 crore. The final tranche of ₹47.62 crore from warrant proceeds has also been infused in H1 FY26, further strengthening our liquidity and supporting the ongoing capex programme.

Project update

Following the successful commissioning of the backward integration project in Q1 FY26, operations across key intermediates have stabilised, with utilisation levels improving significantly.

The ₹280 crore capacity expansion programme, scheduled for completion by November 2026, is on track with major civil and equipment works underway. These investments will enhance capacity for existing APIs, build capacity for new product pipeline, expand our R&D capabilities and support upcoming initiatives.

Outlook

We are on track to deliver 20% revenue growth in FY26 with EBITDA margins of 20%. This translates into a net asset turnover ratio of ~1.6x — among the best in the industry. Our growth will continue to be driven by the completed backward integration, strong R&D capabilities, advanced plant engineering, diversified product portfolio and price stabilisation in key APIs.

Earnings conference call

The company will hold an earnings conference call on **Tuesday, November 11, at 11:00 am IST**, to discuss Q2 & H1 FY26 results followed by an interactive Q&A session from participants. All participants may join the call by dialling below numbers OR by using Diamond Pass link:

Diamond Pass: Please click [here](#) to pre-register for the call

Universal Numbers	+91 22 6280 1254
	+91 22 7115 8043
Toll Free Numbers	Hong Kong – 800964448
	Singapore – 8001012045
	UK – 08081011573
	US – 18667462133



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
SMS Pharmaceuticals Limited	Eqsponent Partners
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