



Pharmaceuticals Limited

Registered & Corporate Office :

Plot No. 72, H. No. 8-2-334/3 & 4, Road No. 5,
Opp. SBI Executive Enclave, Banjara Hills,
Hyderabad - 500 034, Telangana, INDIA.
Tel : +91-40-2525 9999, Fax : +91-40-2525 9889
CIN : L24239TG1987PLC008066
Email: info@smspharma.com, www.smspharma.com

Date: 12th February, 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: Investor Presentation

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing here herewith a copy of investor presentation of the Company for the third quarter ended 31st December, 2024.

This Investor Presentation 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**

Investor Presentation

Q3FY25

February 2025



This presentation and the accompanying slides (the “Presentation”), which have been prepared by SMS Pharmaceuticals Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.

Q3FY25 business and financial highlights

Revenue

- Healthy YoY revenue growth of 7% driven by volume growth across product portfolio

Profitability

- EBITDA grew 15% YoY with EBITDA margin at 19% vs 18% a year ago
- PAT increased by 59% YoY due to lower finance costs

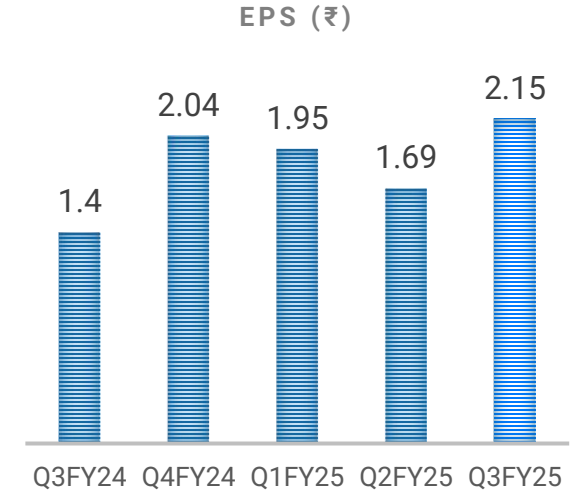
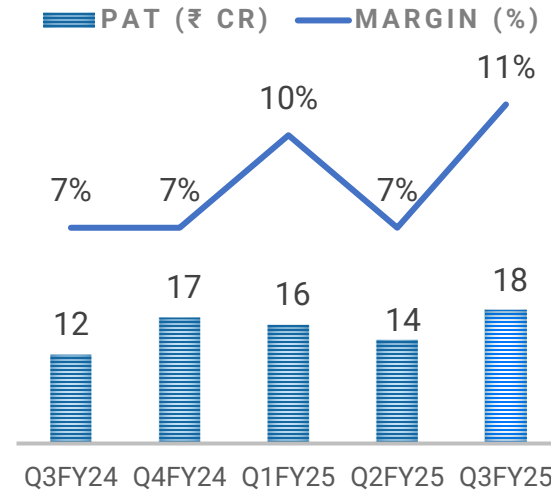
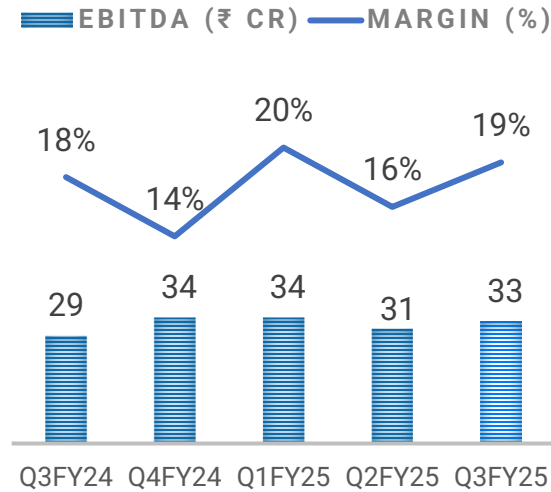
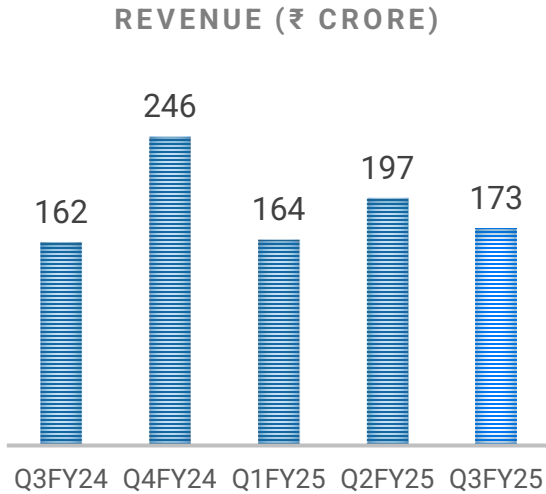
Project update

- 2nd phase of backward integration project is complete; Trial runs ongoing and commercial production set for March 2025
- Capacity expansion project remains on track for FY26 completion

Strategic update

- VKT Pharma, our associate company, successfully completed the USFDA regulatory audit with only minor observation

Q3FY25 financial highlights

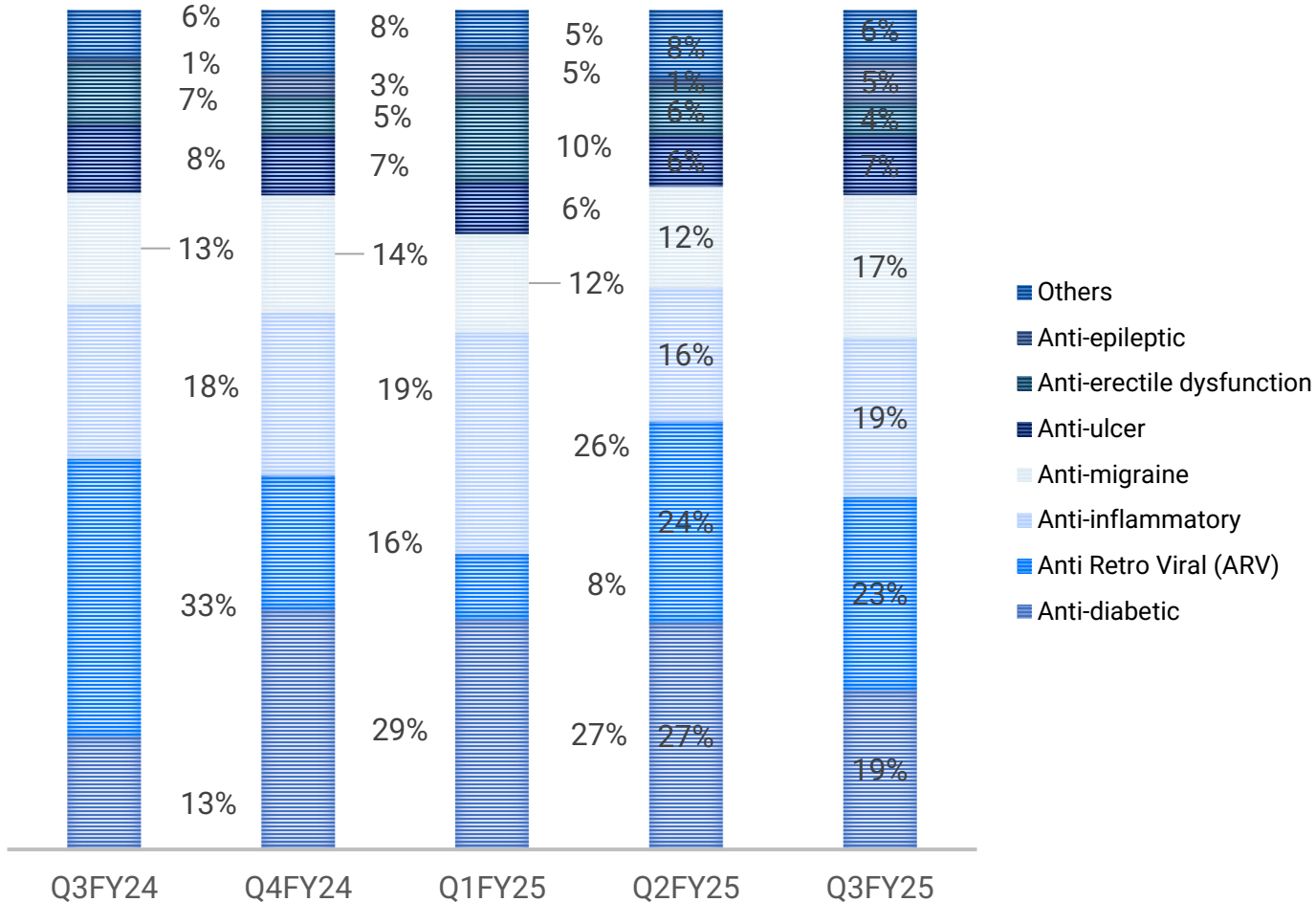


- Revenue from operations at ₹173.35 crore (up 7% YoY)
- EBITDA at ₹33.21 crore (up 15% YoY)
- EBITDA Margin at 19%
- PAT at ₹18.24 crore (up 59% YoY)

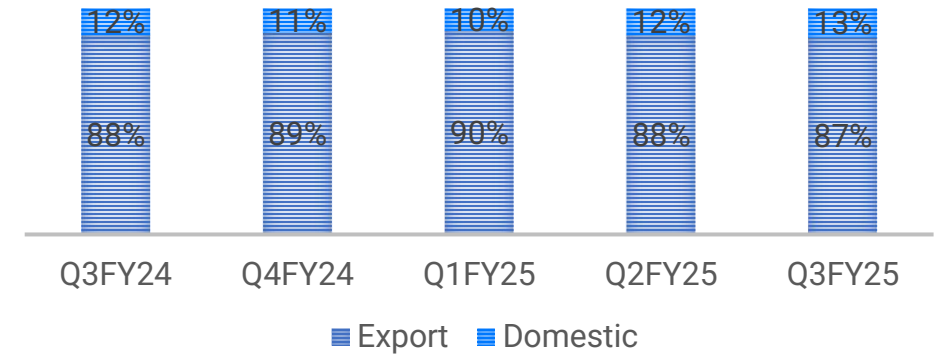
Key operating metrics Q3FY25



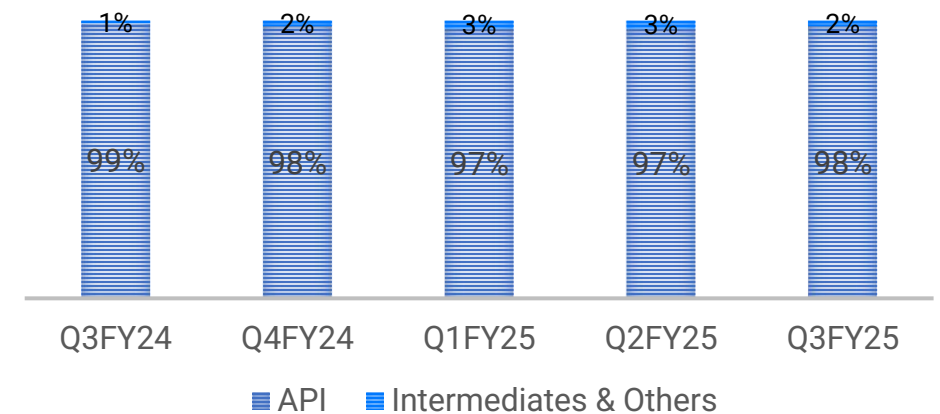
REVENUE BY THERAPEUTIC AREA (%)



REVENUE BY GEOGRAPHY-WISE (%)



REVENUE BY SEGMENT-WISE (%)



*Exports includes revenue from direct exports, deemed exports etc.

Company Overview



Building a sustainable global business

From a single unit-product facility to becoming a diversified API player with a global presence, we have...

- **Global and domestic leadership** in key APIs
- An **integrated business model** with accredited facilities
- Strong presence in **regulatory markets**
- Focus on **R&D**



#1

Largest single-block
Ibuprofen plant in Asia

87%

Revenue contribution of
regulatory markets

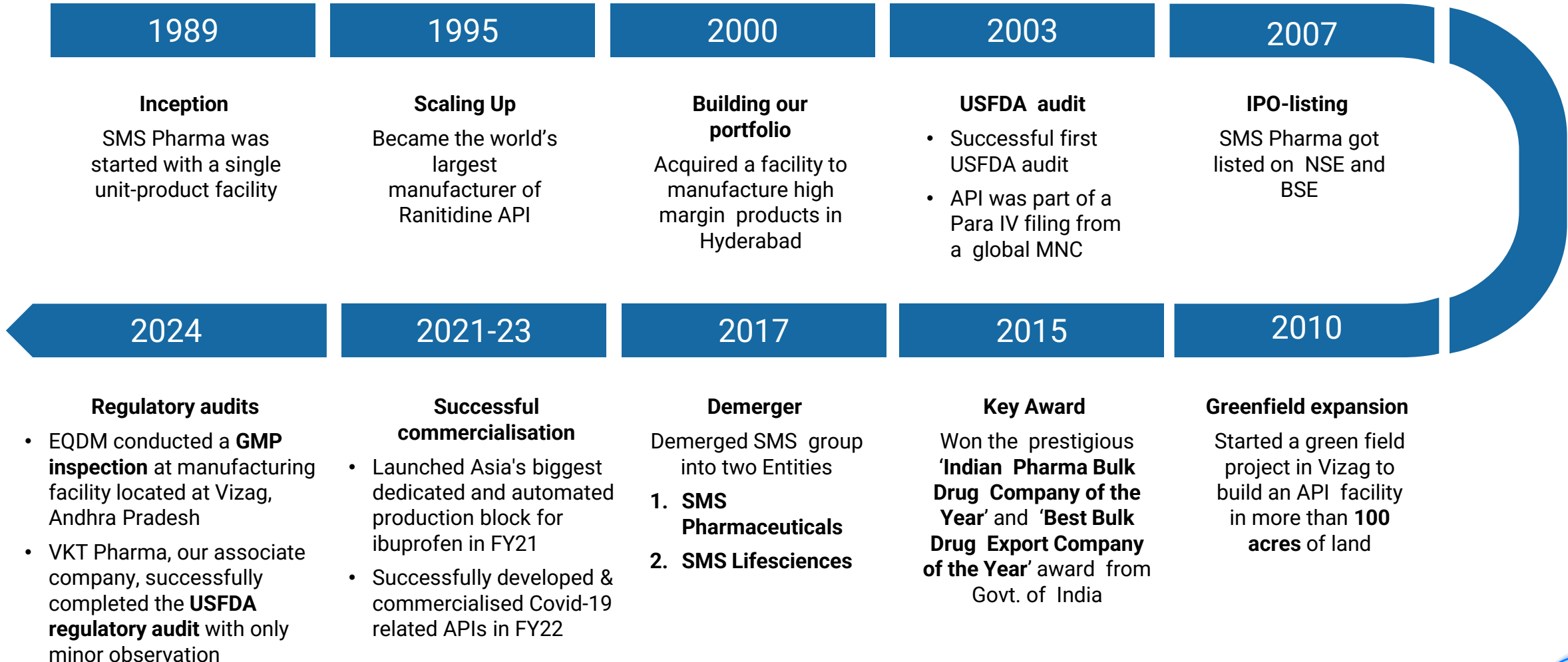
₹709 Cr

Revenue in FY24

₹49 Cr

PAT in FY24

35+ history of delivering value



State-of-the-art, accredited manufacturing facilities



Hyderabad

Manufacturing capacity: 120 KL for niche small-volume molecules

.....

Regulatory approvals: USFDA, EUGMP, KFDA, CDSCO, PMDA

Five times approved by the USFDA

.....

Total area: 48,158 m²



Vizag

Manufacturing capacity: 3,000 KL for niche large-volume molecules

.....

Regulatory approvals: USFDA, KFDA, CDSCO, PMDA

Three times approved by the USFDA

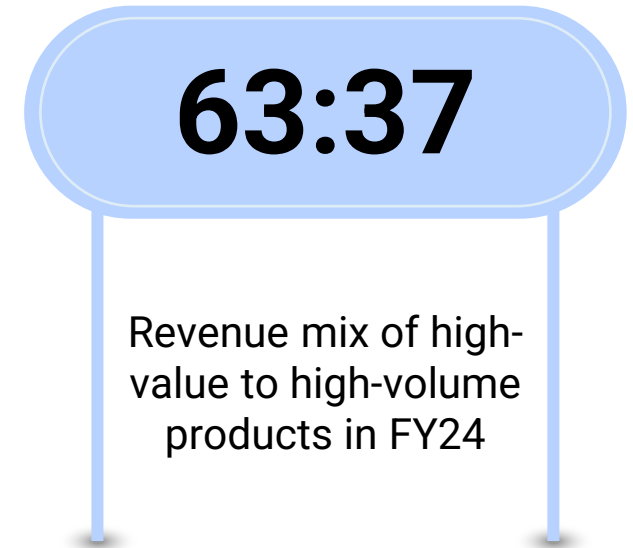
.....

Total area: 3,45,007 m²

Healthy product mix of high-value and high-volume products



Therapeutic areas	Key products	Category
High growth products		
Anti-inflammatory	Ibuprofen	High-volume
Anti Retro Viral (ARV)	Tenofovir	High-volume
Anti-diabetic	Sitagliptin, Empagliflozin, Dapagliflozin, Vildagliptin	High-value
Stable growth products		
Anti-migraine	Sumatriptan, Rizatriptan, Eletriptan	High-value
Anti-ulcer	Famotidine, Pantoprazole	High-volume
Anti-erectile dysfunction	Tadalafil, Sildenafil, Vardenafil	High-value
Anti-epileptic	Levetiracetam, Perampanel, Lamotrigine	High-value
Anti-anginal	Ranolazine	High-value



Strong thrust on R&D

New product development

Added 18 new products

Consistent investment in R&D

Allocation of 1.5-2% of sales to R&D

Strong partnerships

JV with Spanish pharma giant Chemo Iberica S.A.

Large technical team

60+ scientists

Focus on commercialisation

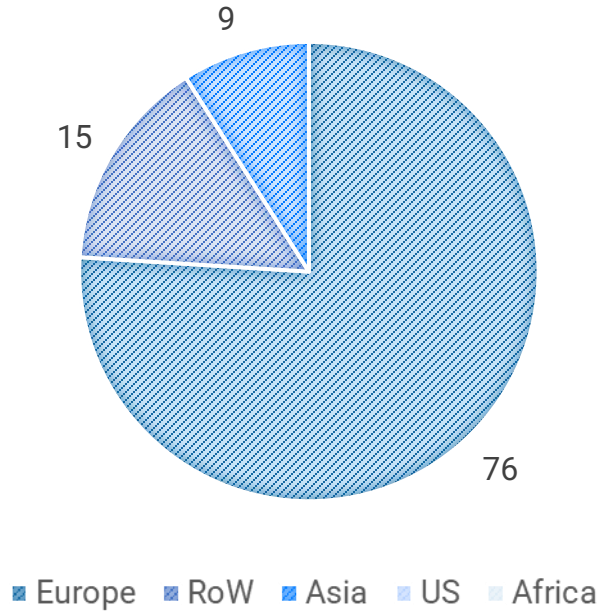
20+ DMFs filed



Diversified to mitigate risk and optimise growth

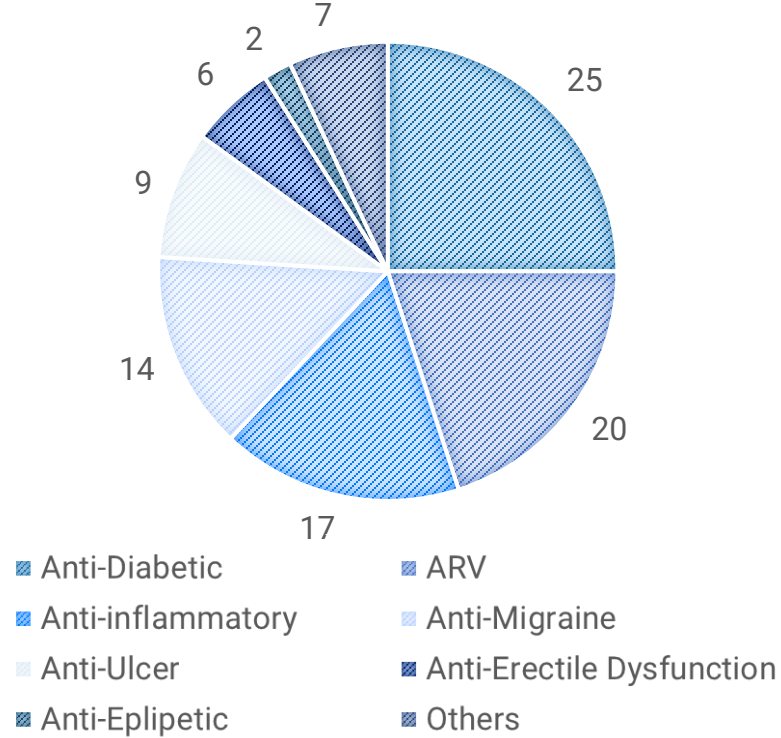


GEOGRAPHY



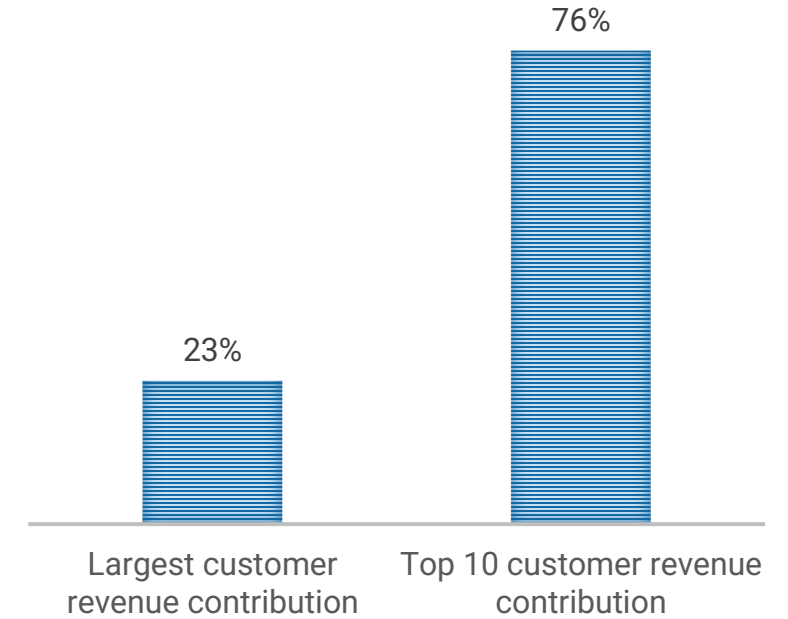
87% contribution from regulated markets in FY24
 (Export*: Domestic mix at 87%:13%)

THERAPEUTIC AREAS



Top five therapies contributed ~86% of sales in FY24

CUSTOMERS



Largest customer contributed ~23% of revenue in FY24

*Exports includes revenue from direct exports, deemed exports etc.

Our Strengths

Marquee customer base



teva



SUN
PHARMA



Zydus
dedicated to life



Cipla



ALKEM



ScieGen
Pharmaceuticals Inc.



GRANULES



SANOFI



Johnson & Johnson



Dr.Reddy's



Mylan®



LAURUS Labs
Knowledge . Innovation . Excellence



glenmark
A new way for a new world



CHEMO
Global Affinity in Healthcare



AUROBINDO

Experienced BoD to deliver on strategy



Sri. Ramesh Babu Potluri
Chairman & Managing Director



Sri. Vamsi Krishna Potluri
Executive Director



Sri. Shravan Kudravallii
Independent Director



Sri. Sarvepalli Srinivas
Director



**Sri. Dr. Suresh Kumar
Gangavarapu**
Independent Director



**Sri. Sunkara Venkata
Satya Shiva Prasad**
Non-Executive Non
Independent Director



Smt. Shanti Sree Bolleni
Independent Director



**Sri. Trilok Potluri Non-
Executive Non
Independent Director**

Strategies for growth

Achieve global scale in ibuprofen

- Aim to achieve a production target of 1,000 MT per month

Leveraging diversified portfolio for growth

- Strong presence in both key high-margin and high-volume products

Backward integration to drive profitability

- Vertical integration of select products

New Product Development for additional growth options

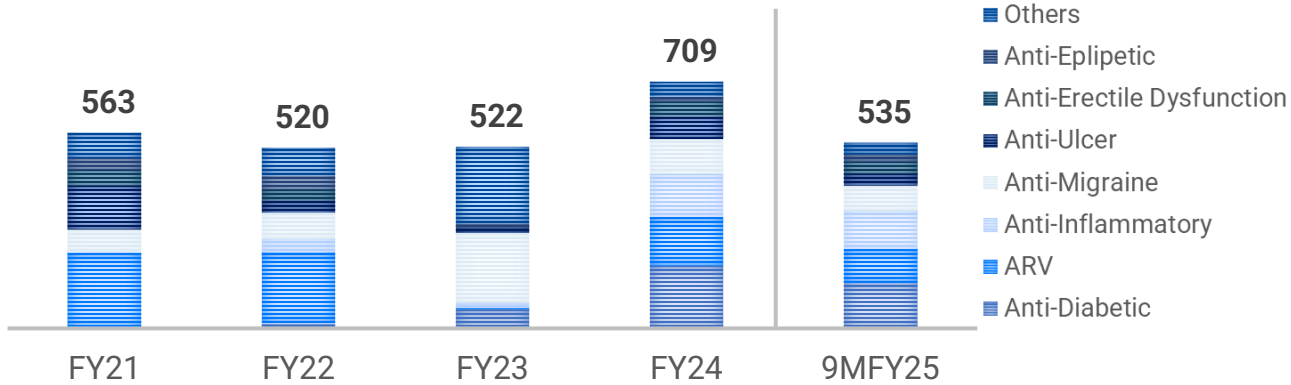
- Aim to add 8-10 products in the next 12-18 months in existing and new therapeutic areas

Capacity expansion

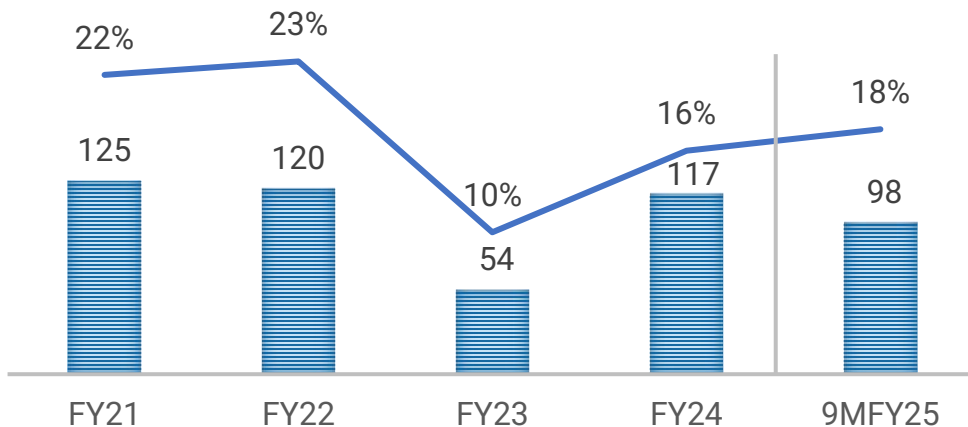
- Ongoing capex of ₹150 crore on backward integration and capacity expansion

Robust growth is expected in revenue and profitability

REVENUE (₹ CR)



EBITDA (₹ CR) — MARGIN (%)



Key Drivers:

Portfolio approach to drive revenue

Cost optimisation and enhanced operational efficiency

Improved profitability through backward integration

Traction in CMO business




Consolidated P&L statement

Particulars (₹ Cr)	Q3FY25	Q3FY24	YoY Growth (%)	Q2FY25	QoQ Growth (%)	9MFY25	9MFY24	YoY Growth (%)
Revenue from Operations	173.35	161.48	7%	196.75	-12%	534.55	463.47	15%
COGS	106.24	110.74	-4%	137.69	-23%	350.08	315.16	11%
Gross Profit	67.11	50.74	32%	59.06	14%	184.47	148.31	24%
Gross Margin (%)	39%	31%	729bps	30%	870bps	35%	32%	251bps
EBITDA	33.21	29.00	15%	31.47	6%	98.20	83.00	18%
EBITDA Margin (%)	19%	18%	120bps	16%	316bps	18%	18%	46bps
Other Income	2.13	1.49	43%	1.30	64%	4.80	2.80	71%
Finance Costs	4.20	5.95	-29%	4.61	-9%	13.48	17.85	-24%
Depreciation	8.70	8.01	9%	8.62	1%	25.70	23.60	9%
PBT	22.44	16.53	36%	19.54	15%	63.82	44.36	44%
Taxes	5.36	4.24	27%	5.68	-6%	16.50	11.22	47%
Reported PAT	17.08	12.29	39%	13.86	23%	47.32	33.14	43%
Add: Share of associate profit/loss	1.16	0.81	-	0.24	383%	1.50	-0.60	-
PAT after MI & Assoc	18.24	11.48	59%	14.10	29%	48.82	32.54	50%
PAT Margin (%)	11%	7%	341bps	7%	336bps	9%	7%	211bps
Earnings Per Share (EPS)	2.15	1.36	58%	1.67	29%	5.77	3.84	50%

Strong volume growth across product portfolio

Margin expansion aided by backward integration and favorable product mix



 **Mr. Thirumalesh Tumma**
 **SMS Pharmaceuticals Ltd**
 complianceofficer@smspharma.com

 **Aditya Dutta**
 **EQSPONENT Partners LLP**
 smspharma.ir@eqsponent.com

Thank You

