



Shilpa Medicare Limited

Corporate & Admin Office:

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Email: info@vbshilpa.com, Web: www.vbshilpa.com
CIN: L85110KA1987PLC008739

12 August 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 30 June 2022

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

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

With reference to the captioned subject, the Investor Presentation of the Company for the Quarter ended 30 June 2022 with regard to Business highlights, financial performance and other updates is attached herewith for your consideration.

We request you to take the same on record and disseminate it to stakeholders of the Company.

Thanking you.

Yours faithfully,
For Shilpa Medicare Limited

Ritu Tiwary
Company Secretary & Compliance Officer



Innovating for
affordable healthcare

Shilpa Medicare Limited (SML)

Q1 FY23 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



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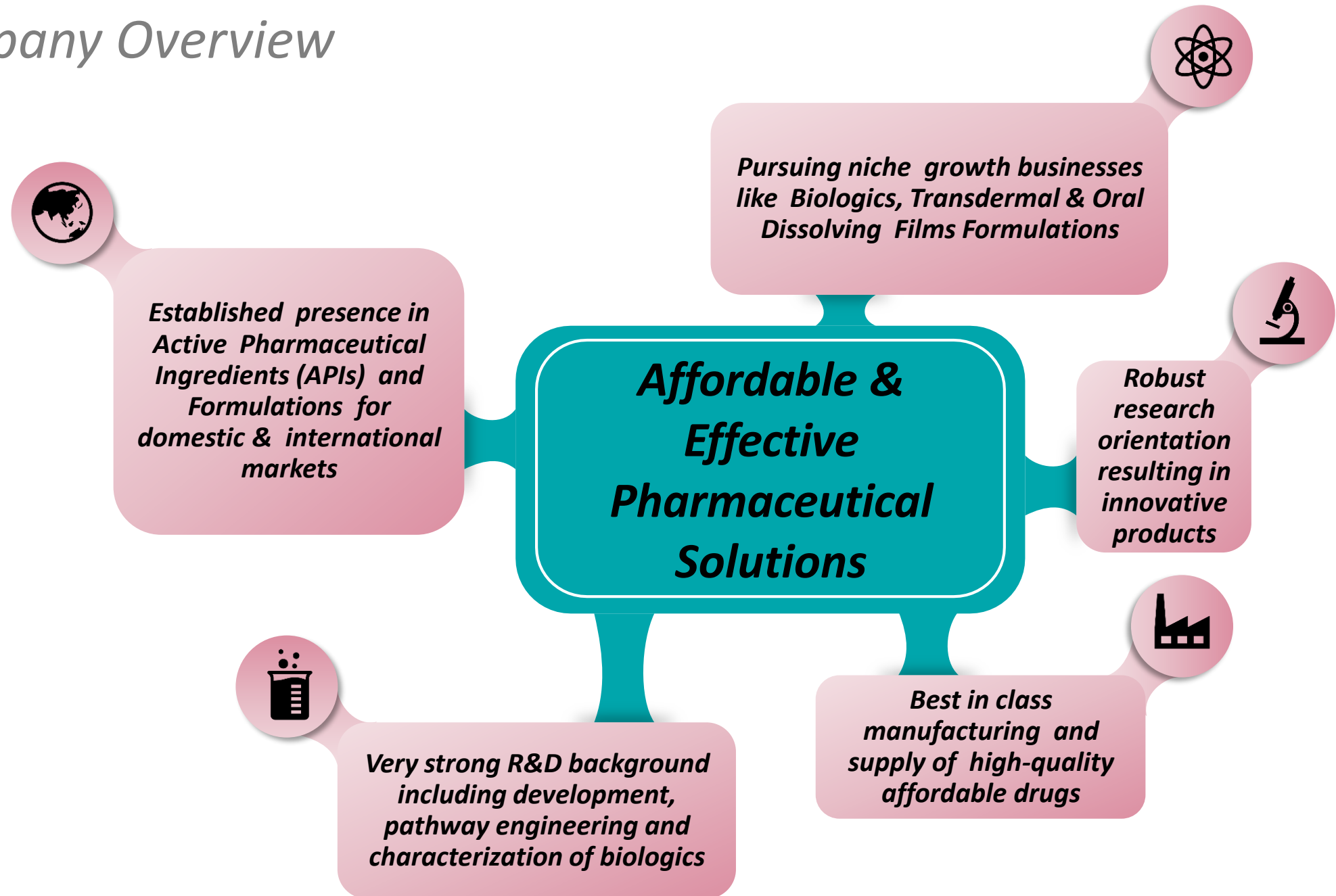
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Company Overview



Commenting on Q1 FY'23 performance, Mr. Vishnukant Bhutada, Managing Director Shilpa Medicare Limited said

“Q1 FY'23 has been a challenging quarter for the company where we saw a down trend in both API and Formulation. The prevailing inflationary trends in the overall macro environment have seen increase in cost and pricing pressure in API and Formulation businesses have had impact on our margin profile. In our endeavor to improve our margin profile, we have already started working on identifying areas in our manufacturing process where efficiencies can be driven and building a strong product portfolio.

We have laid down a clear growth path for the company and as the first step on 30th June 2022, we completed the slump sale of our API business to bring in additional focus to drive growth. We will continue our primary focus to enhance our geographical footprint, introduction of new products and delivering superior value proposition to clients.

In this tough quarter for business, we had some success on regulatory side where we saw some approvals coming in from US FDA, UK MHRA and Russia GMP across businesses which will help us to create a base to build our future growth.

Investments in Biologics was made to tap a very attractive segment in the market, with limited competition and good potential to grow including manufacturing of vaccines. Whilst our initiative for manufacture of COVID-19 vaccines for our partners hit certain hurdles, we have progressed 3 of our own products to various clinical phase stages.

We had a tough quarter but as mentioned above we have identified the pain points and the growth drivers and we have already started working on it which should help us to deliver better in the coming quarters.”



Financial Performance

Reported Standalone Statement of Profit and Loss

| <i>Particulars</i> | <i>Q1 FY23</i> | <i>Q4 FY22</i> | <i>% change</i> | <i>Q1 FY21</i> | <i>% change</i> |
|------------------------------------|----------------|----------------|-----------------|----------------|-----------------|
| Revenues | 73.5 | 83.2 | (11.7) | 114.9 | (36.1) |
| Gross Margin | 63.9 | 72.6 | (12.0) | 82.6 | (22.6) |
| Gross Margin % | 87% | 87% | 1.0 | 72% | 21.1 |
| Employee Cost | 27.9 | 30.1 | (7.0) | 24.3 | 15.0 |
| Other Expenses | 18.9 | 33.8 | (44.2) | 36.1 | (47.7) |
| EBITDA | 17.1 | 8.8 | 94.9 | 22.2 | (22.9) |
| EBITDA % | 23% | 11% | (8.1) | 19% | 20.5 |
| Finance Cost | 2.7 | 1.7 | 53.5 | 2.5 | 6.8 |
| Depreciation | 10.4 | 10.3 | 1.3 | 7.1 | 46.6 |
| PBT | 4.1 | (3.2) | (225.3) | 12.6 | (67.9) |
| PAT | 3.8 | (2.9) | (227.5) | 6.2 | (39.6) |
| PBT - discontinued Business | 81.5* | 55.4 | 47.0 | 18.8 | 332.7 |
| PAT - discontinued Business | 104.2* | 38.4 | 171.4 | 18.8 | 453.5 |
| PAT | 109.5* | 32.6 | 235.7 | 26.7 | 309.8 |

*Includes profit on slump sale of INR 62.9cr.

Reported Consolidated Profit and loss account

| <i>Particulars</i> | <i>Q1 FY23</i> | <i>Q4 FY22</i> | <i>% change</i> | <i>Q1 FY21</i> | <i>% change</i> |
|--------------------|----------------|----------------|-----------------|----------------|-----------------|
| Revenues | 269.3 | 346.1 | (22.2) | 239.3 | 12.5 |
| Gross Margin | 165.3 | 232.5 | (28.9) | 163.4 | 1.2 |
| Gross Margin % | 61% | 67% | | 68% | (10.1) |
| Employee Cost | 72.9 | 73.4 | (0.8) | 57.9 | 25.9 |
| Other Expenses | 63.8 | 79.9 | (20.2) | 71.7 | (11.0) |
| EBITDA | 28.7 | 79.2 | (63.8) | 33.9 | (15.4) |
| EBITDA % | 11% | 23% | (53.5) | 0.1 | (24.8) |
| Finance Cost | 9.6 | 9.3 | 2.6 | 10.3 | (7.1) |
| Depreciation | 22.4 | 22.3 | 0.3 | 17.6 | 27.1 |
| PBT | (4.1) | 46.5 | (108.7) | 5.2 | (178.7) |
| PAT | 2.3 | 26.7 | (91.4) | 3.1 | (26.7) |



Business Highlights



Slump sale transaction was completed on 30th June 2022 and all identified assets and liabilities are now in the books of Shilpa Pharma Lifescience Limited.



Regulatory Achievements:

US FDA

- ✓ Initiation of US Audit for Analytical Service Division in Unit VII based in Nacharam Hyderabad
- ✓ Concluded Remote Record Review by US FDA of Unit III Advanced Analytical Characterisation Laboratory situated at Dabaspeta Bengaluru
- ✓ Completed full scientific review of DMF for Tranexamic acid and found it to be adequate

UK MHRA

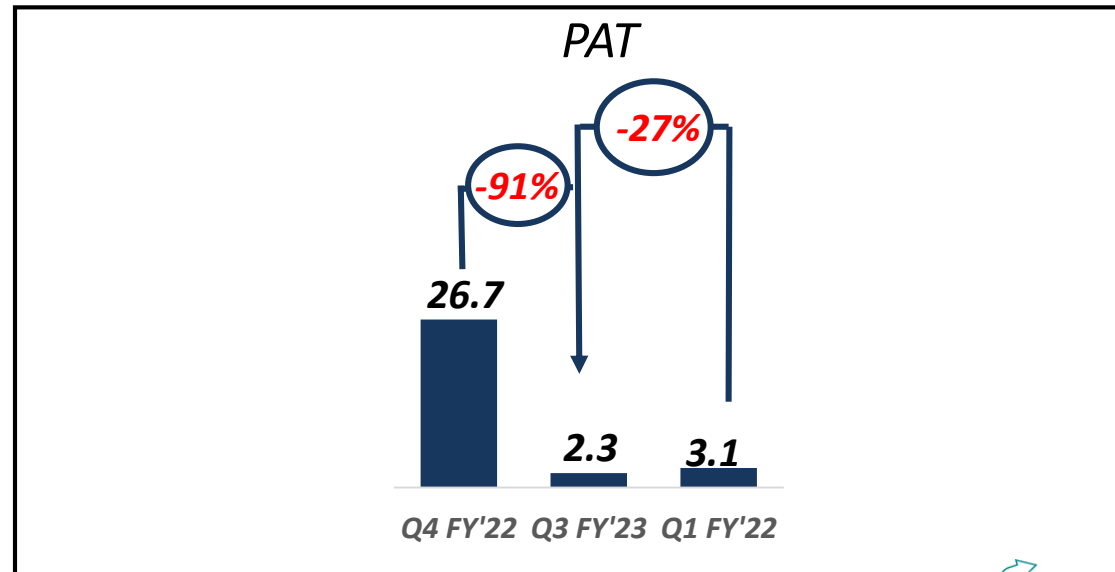
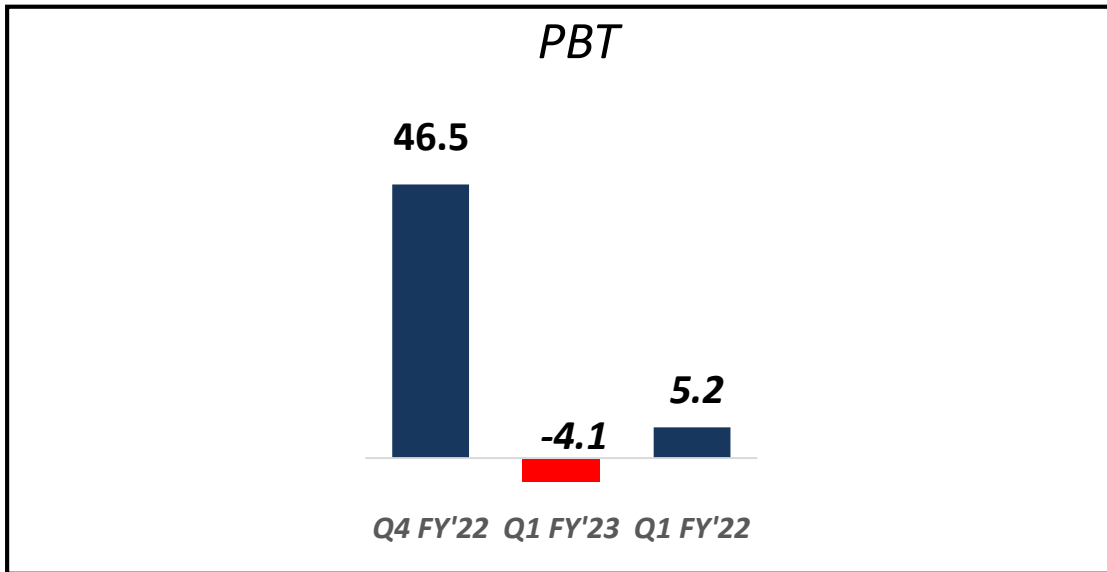
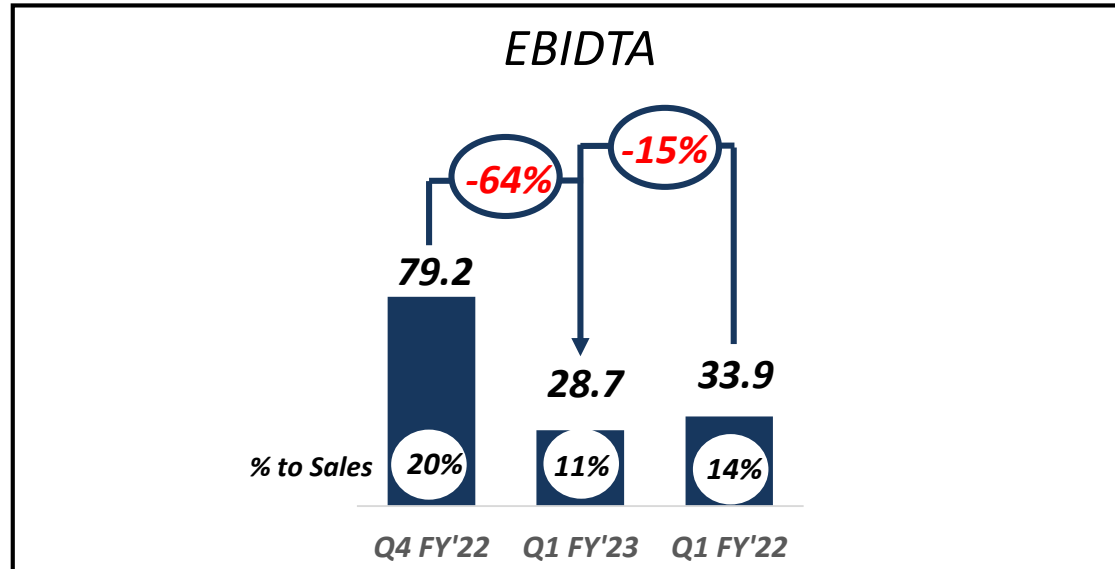
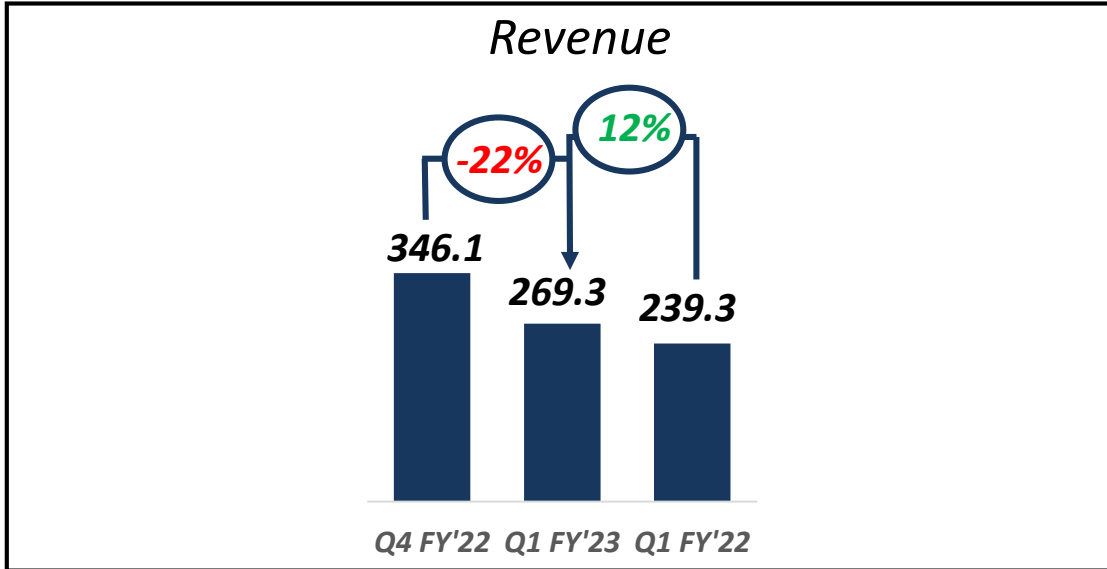
Approval received for newly commissioned facility for manufacturing and testing of Oro-dispersible films and Transdermal systems at Dabaspeta Bengaluru

Russian GMP

Approval received for Unit II situated in Raichur Karnataka

Q1 FY'23 Consolidated Performance

(INR in Cr.)



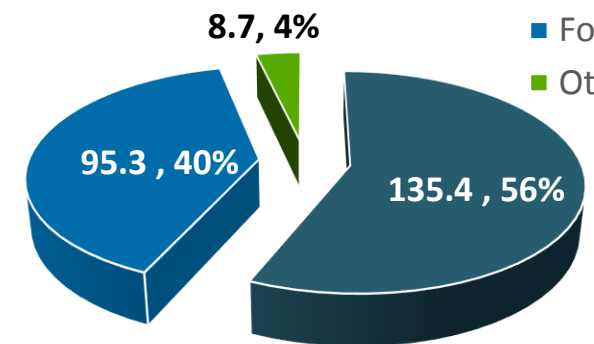
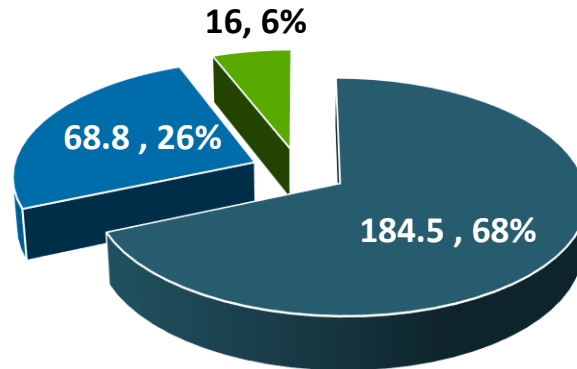
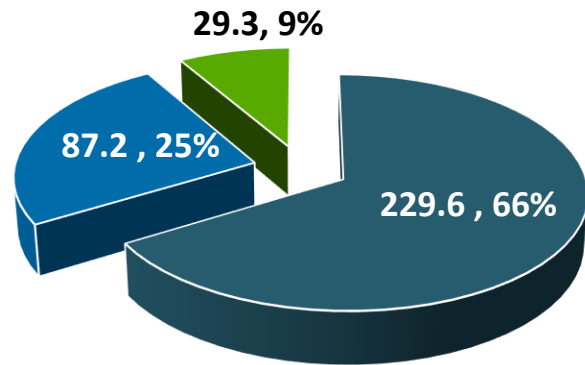
Consolidated Revenue Break-up – Q1 FY'23

(INR in Cr.)

Q4 FY'22
INR 346.1cr.

Q1 FY'23
INR 269.3cr.

Q1 FY'22
INR 239.3cr.



Growth of **13%** vs Q1 FY'22

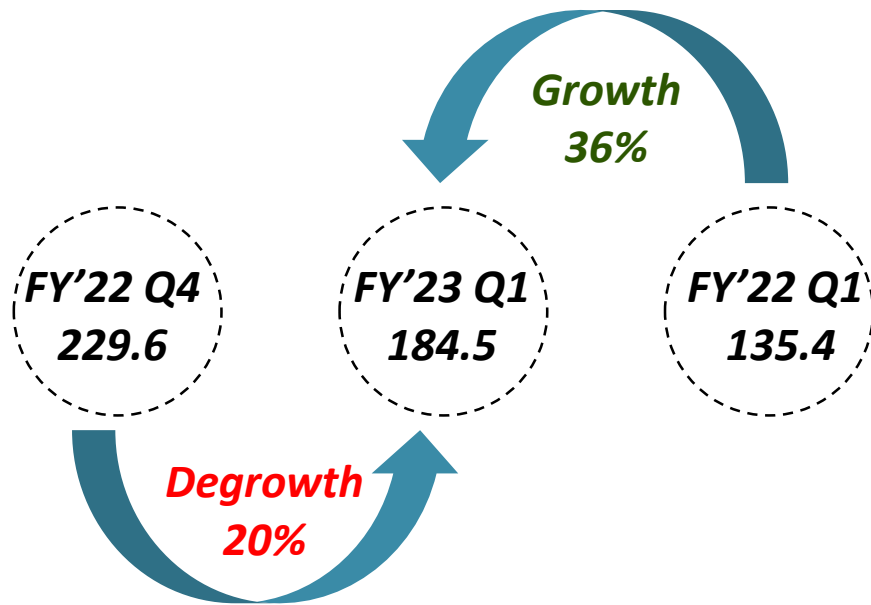
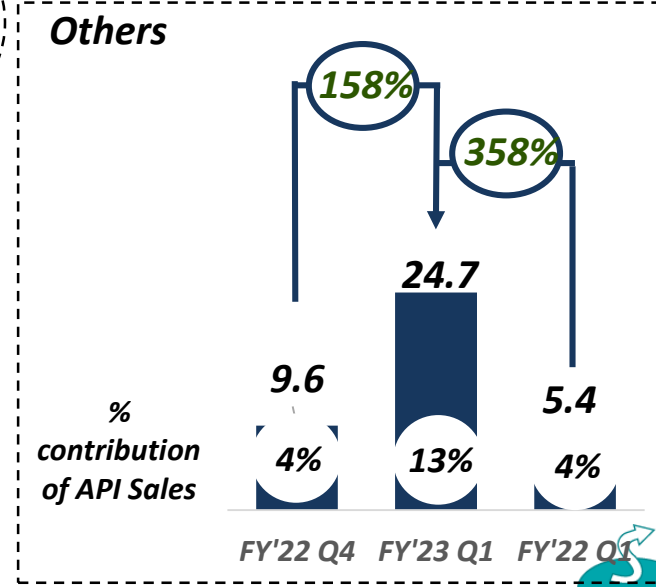
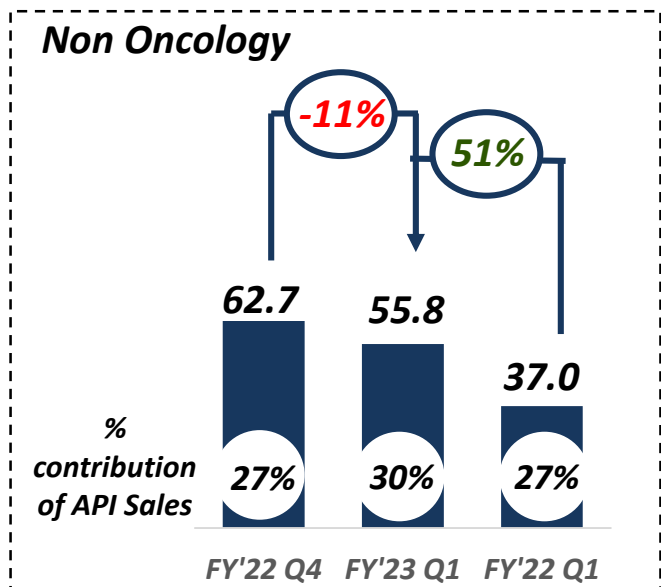
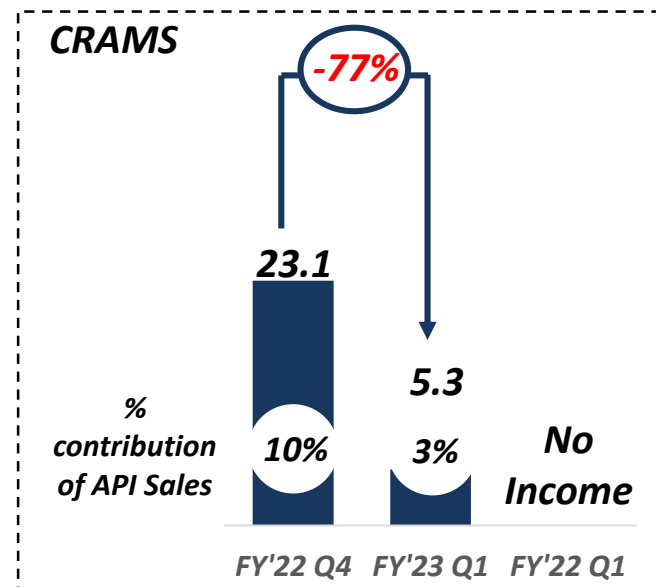
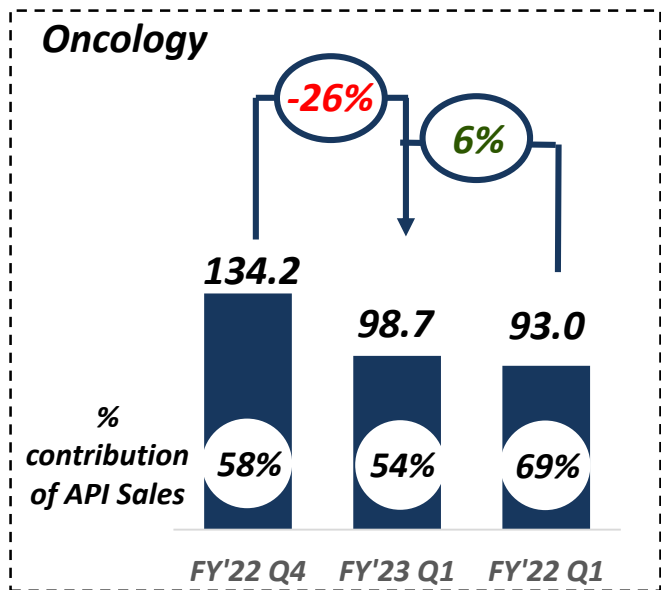
Degrowth of **22%** vs Q4 FY'22

- API
- Formulation
- Others

API Business

API Business-Highlights Q1 FY'23

(INR in Cr.)

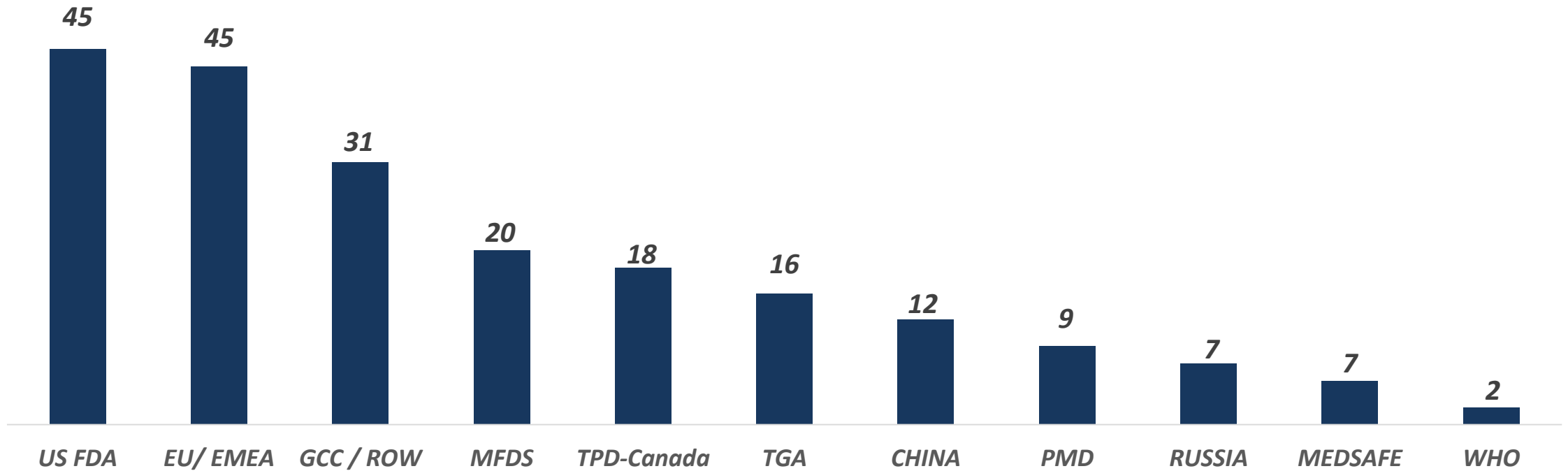


*Numbers are excluding captive consumptions



DMF Filing update

New product introduction and increase in geographical coverage replicated with **212** number of **DMF filings** done with major regulatory authorities

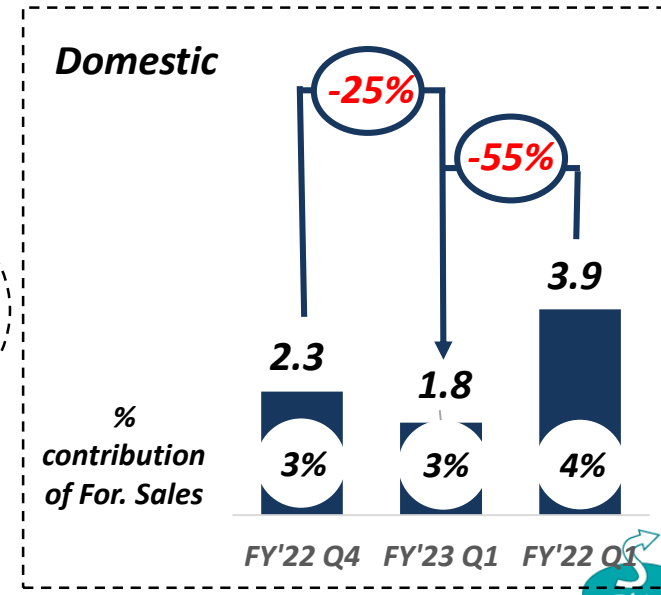
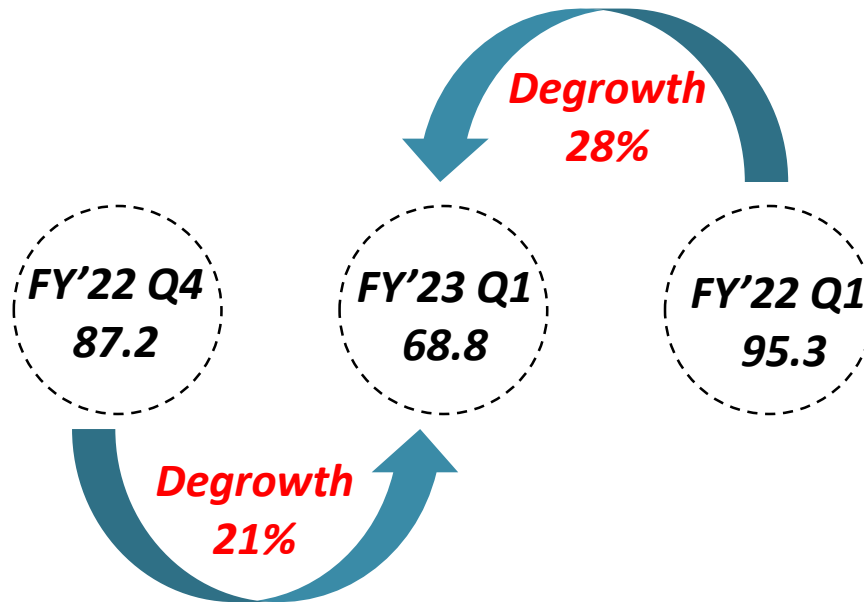
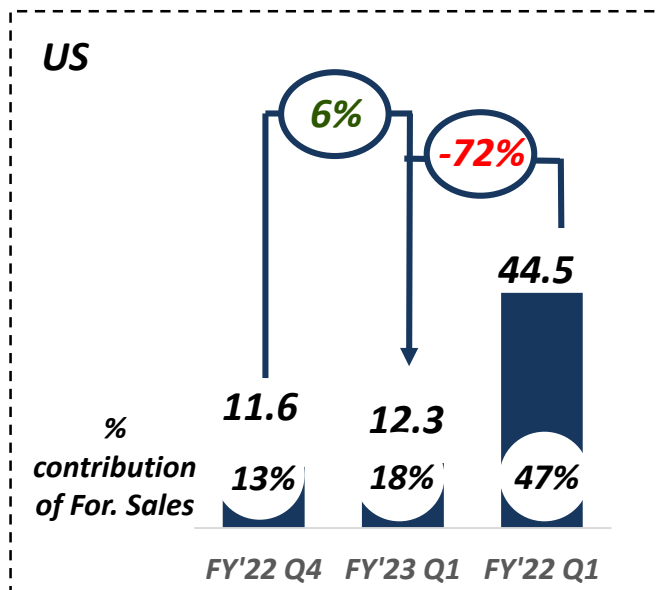
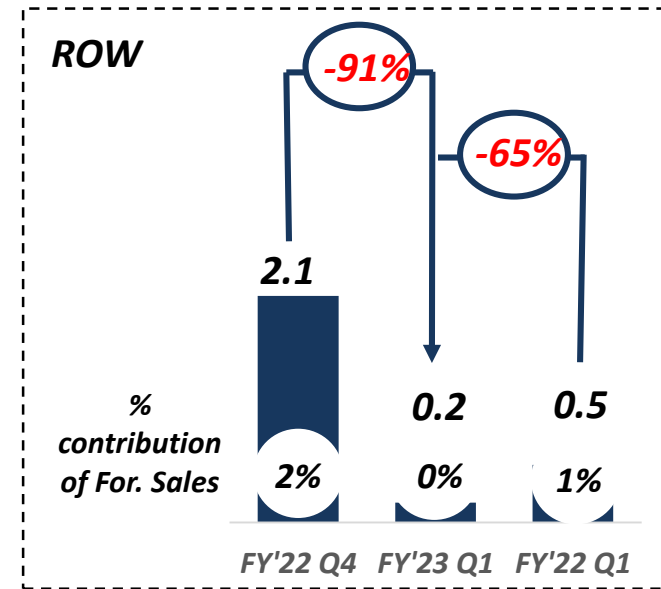
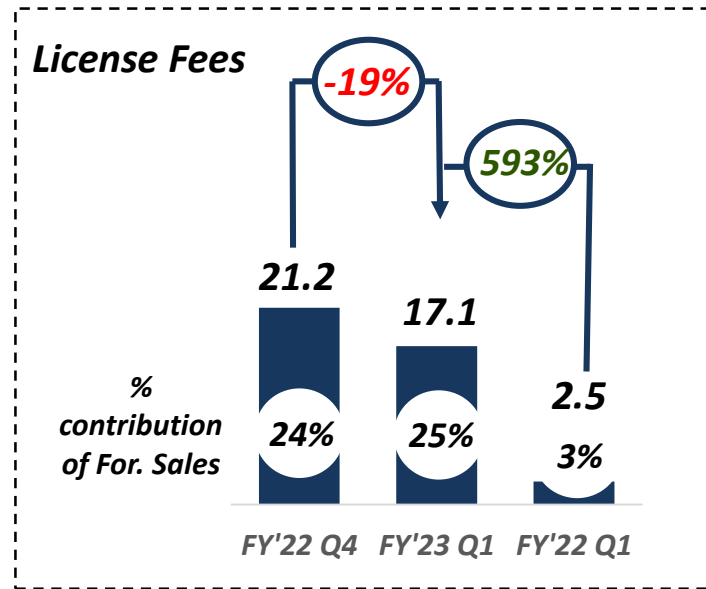
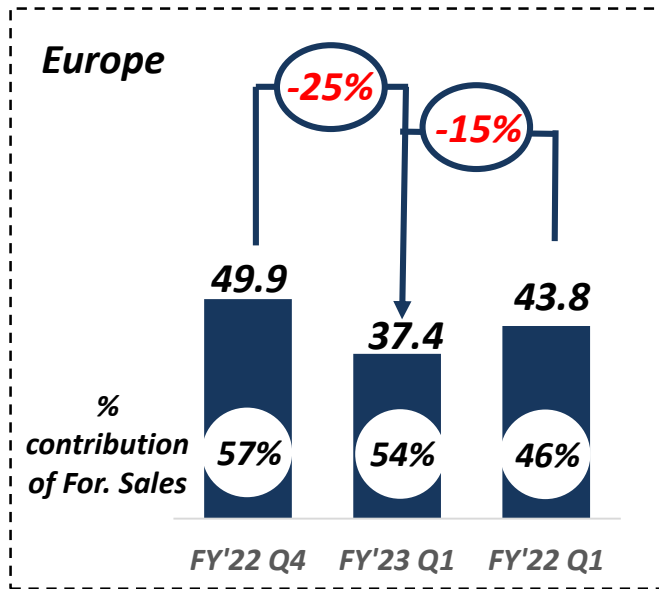


As on 30th June 2022

Formulation Business

Formulation Business-Highlights Q1 FY'23

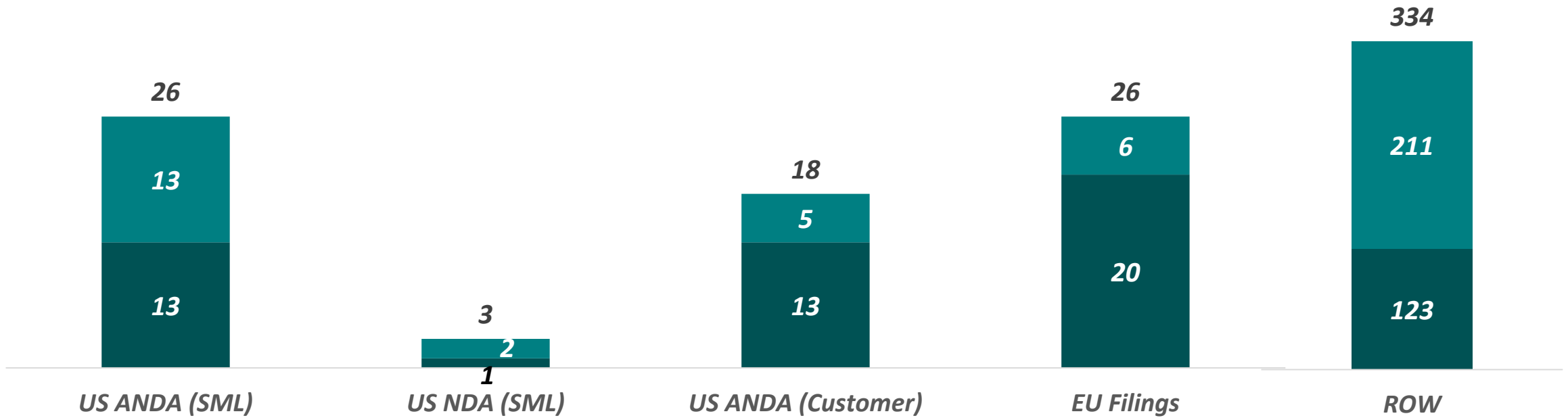
(INR in Cr.)



Regulatory Filings

Robust regulatory filings to strength the base for growth in the formulation segment

■ Approved ■ Pending



As on 30th June 2022



Annexures

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

Giving back to society

Shilpa Medicare Limited works with Shilpa Foundation to carry out various CSR activities below are few of the many activities carried out in Q1 FY'23



Donated Tractor and 5,000 Liters water tank to green Raichur organization for watering the plants



1. Conducted Health camp for TB patients and donated the nutrition powder to 100 needy TB patients
2. Donated Ambulance to Chandra health, Education Empowerment Research Organization for providing services for patients



1. Donated 75 desks to Govt. Degree College which helps 500 students out of which 236 boys and 264 girls
2. Donated 92 desks to 4 government schools which helps 1008 students out of which 506 boys and 502 girls

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.



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Thank You