VALOREM ADVISORS

INVESTOR RELATIONS MANAGEMENT SERVICES

AARTI PHARMALABS

1 Aarti Pharmalabs Ltd.

Aarti Pharmalabs Limited (APL), part of the Aarti Group (FY26 turnover: INR 150+ bn), is a globally recognized manufacturer of generic APIs and xanthine derivatives, and a leading CDMO/CMO player. The company specializes in developing cost-efficient, scalable processes and operates USFDA, EU GMP, EDQM, KFDA, and COFEPRIS approved facilities. Strategically located in western India, APL benefits from strong export connectivity and access to regulated global markets.

2 Business Segments (Q1-FY27)

Xanthine & Allied (57%) - India's largest manufacturer of xanthine derivatives catering to beverages, nutraceuticals, and pharmaceuticals. Fully backward integrated and non-China dependent, the segment operates 6,000 MTPA capacity across two plants, expanding to 9,000+ MTPA by Q1 FY27 to increase global market share from 15-20% to 20-25%.

API & Intermediates (30%) - Backward integrated API business with 1,500+kL multipurpose reactor capacity and 14 finished API lines. Supported by USFDA-approved facilities and dedicated approvals for the US, EU, and Japan, with strong regulatory documentation and IPR capabilities driving presence in regulated markets.

CDMO & CMO (7%) – End to end CDMO partner for small-molecule NCEs, offering KSMs, RSMs, intermediates, and GMP APIs from early clinical phases to commercialization. Backed by three R&D centers, complex chemistry expertise, and 54 active projects (35 commercial, 19 underdevelopment) across 21 global customers.

Others (6%) - Scrap sales & other trading activity.

3 Key Strengths

- Strong financial profile with an AA- credit rating, reflecting stability and prudent capital management.
- Largest manufacturer of Xanthine derivatives in India with 15-20% global market share.
- Robust regulatory platform with 60 US DMFs and 44 CEP approvals across regulated markets.
- Innovation-driven operations with 63 API patents filed (29 granted) and expertise in novel chemistries.
- One of the leading small-molecule CDMO/CMO companies in India with regulatory-focused operations.
- Global presence with 7 manufacturing units (including 3 USFDA-approved facilities) and exports to 50+ countries.

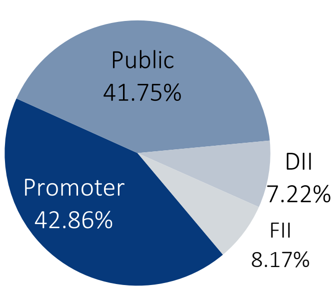
4 Key Growth Drivers

- Expand Xanthine capacity to 9,000+ MTPA to increase global market share and margins.
- Commission the Atali Greenfield project (450+ kL) to scale intermediates and CDMO/CMO.
- Target 40-50% YoY growth in the CDMO business in FY27.
- Increased total reactor capacity to 1,500+ kL to support commercialization.
- Strengthen API & Intermediates pipeline with focus on complex chemistries.
- Invest in renewable power projects to lower costs and reduce carbon footprint.

Key Financials	FY24	FY25	FY26	Q1-FY27
Revenue from Operations (INR Mn)	*18,526*	*21,151*	*18,194*	*5,358*
Sales Growth (Y-O-Y)	(4.76)%	14.17%	*(14.0)%*	*NA*
EBITDA (INR Mn)	*3,860*	*4,644*	*4,024*	*1,327*
EBITDA Margins (%)	20.84%	21.96%	22.12%	24.82%
Net Profit (INR Mn)	*2,169*	*2,724*	*1,747*	*713*
Net Profit Margins (%)	11.71%	12.88%	9.60%	13.34%
Diluted EPS (INR)	*23.93*	*30.04*	*19.25*	*7.86*
Diluted EPS Growth (Y-O-Y)	*12.08%*	*25.53%*	*(35.9)%*	*NA*

Key Financial Ratios	FY26
Net Debt to Equity	0.32x
Fixed Asset Turnover	1.50x
Interest Coverage Ratio	5.86x
Return on Equity	8.2%
Return on Capital Employed	9.8%
Debtor Days	116
Inventory Days	268
Working Capital Days	92

Shareholding Pattern



Capital Structure

Share Price as on 30th June, 2026	681.15
Number of Shares o/s (Mn)	90.66
Market Capitalisation (INR Mn)	61,751
Add: Debt (INR Mn)	6,856
Less: Cash & Equivalents (INR Mn)	96
Enterprise Value (INR Mn)	68,511
Networth (INR Mn)	21,246

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