

Haleos Labs Limited

(Previously known as SMS Lifesciences India Limited)

19th Annual General Meeting Held on Tuesday, September 30, 2025 at 3.00 pm

PARTICIPANTS:

Sl No.	Name	Designation	Mode of Attending
Directors			
1.	Mr. TVSN Murthy	Managing Director & Chairman	Physically present at the venue and participated through VC.
2.	Mrs. Sudeepthi Gopineedi	Whole-time Director	
3.	Mr. P. Sarath Kumar	Independent Director	
4.	Mr. TV Praveen	Executive Director	Participated through VC from respective remote location
5.	Mr. (Dr.) Mannam Malakondaiah	Independent Director	
6.	Mr. (Dr.) Srinivas Samavedam	Independent Director	
7.	Mrs. Sundaramma Patibandla	Independent Director	
In attendance			
8.	Mr. N. Rajendra Prasad	Chief Financial officer	Physically present at the venue and participated through VC.
9.	Mr. Trupti Ranjan Mohanty	Company Secretary	
Auditors and Scrutinizer			
10.	Mr. GVL Prasad	Statutory Auditors	Physically present at the venue and participated through VC.
11.	Mr. C Sudhir Babu	Secretarial Auditors and Scrutinizers	
12.	Mr. A. Venkateswara Rao	Internal Auditors	Participated through VC from respective remote location

AGM TRANSCRIPT:

Mr. Trupti Ranjan Mohanty ⇒ Good Afternoon to one and all!
[Company Secretary]

I am Trupti Ranjan Mohanty, Company Secretary & Compliance Officer of your Company, I, on behalf of all the team members heartily welcome you all to the 19th Annual General Meeting of Haleos Labs Limited (previously known as "SMS Lifesciences India Limited") being conducted through video conference pursuant to various circulars issued by SEBI and MCA.

First of all, I take this opportunity to wish you and your family peace, prosperity and divine blessings on this auspicious of Maha Ashtami and I am also thankful to all the investors and appreciate your interest in being with us today.

Before the official commencement of this AGM, I would like to read out few procedural points, regarding the participation in this meeting. So, I would like to update that

- Shareholders have been provided with the facility to join the meeting through video conference. Your Company has appointed CDSL, to provide the facility of e-voting and for participating in this AGM.
- The access to join this meeting is provided 30 minutes prior to the scheduled time and will be kept open throughout the meeting.
- Members who have not yet casted their votes through remote e-voting and are now participating in this meeting, have an opportunity to cast their votes during the meeting.
- Register of Directors and KMP / Details of Related Party Transactions and various other statutory documents have been made available electronically for inspection, for members during this AGM, on the website of the Company.
- Notice of this AGM along with the Annual Report for the year 2024-25 have been uploaded on the website of the Company, Stock Exchanges and CDSL portal.
- The Registered Office of your Company situated at Hyderabad, shall be deemed venue for this AGM to transact the businesses as mentioned in the AGM notice.

- As the AGM is being conducted through video conference, the facility for appointment of proxies by members is not applicable. Hence, no proxy register for inspection has been made available.
- To avoid any background noise and to ensure smooth conduct of the meeting, all the Members who have joined this meeting will be placed on mute mode by the host.
- Your Company has received requests from few members to register them as a speaker at this meeting. Accordingly, once the question and answers session start, we will request moderator to announce the names of the shareholders who have registered as "speaker shareholder".
- The speaker on his turn will be unmuted by the moderator.
- The speaker shareholders are advised to put video on, while speaking.
- If there is any connectivity problem at speaker's end, we would ask other speaker to join.
- During the proceedings of AGM, if a member faces any issue, he may contact the help line number mentioned in the notice of the AGM.
- This meeting is being recorded as a statutory requirement.

We would further like to inform you that in accordance with the Articles of Association of your Company and with the consent of all the Board members, Mr. TVSN Murthy, Managing Director of the Company has been elected as the Chairman of this meeting and shall now conduct the proceedings of the meeting.

Now I request Murthy sir to officially commence the proceedings of the meeting.

Mr. TVVSN Murthy
[AGM Chairman
& Managing Director]

⇒ Dear Shareholders,

Good afternoon! It is a pleasure to welcome you all to the 19th Annual General Meeting of your Company.

I Mr. TVVSN Murthy, Managing Director of the Company, Chairman of the CSR Committee and member of the Audit Committee, on behalf of my fellow Board members, would like to express our sincere appreciation for your continued trust and support.

Further, in terms of Clause 55 of the Articles of Association of the Company, I shall be acting as Chairman of this Meeting.

Before we commence to the formal proceedings of the Annual General Meeting, I am pleased to share an important update.

The proposal for change of name of your Company has been approved by the Ministry of Corporate Affairs with effect from August 21, 2025. Accordingly, the new name of your Company is HALEOS LABS LIMITED.

This new name has been carefully chosen to precisely reflect the nature of our business while strengthening and repositioning the brand identity of your Company.

- The word “HALE” signifies Good Health.
- The word “LEOS” represents Strength.

Together, the name “HALEOS LABS LIMITED” embodies our commitment to the Chemistry of Good Health.

We firmly believe that this change aligns with the long-term vision and objectives of your Company, and will help us reinforce our brand in the marketplace.

Now, let's move to the proceedings of this meeting.

Dear all please note that the Scrutinizers have confirmed that the requisite quorum is present in the meeting.

Accordingly, I hereby call the meeting to order.

As part of the statutory requirements, I would like to share that this Annual General Meeting is being held through video conference, in line with the circulars issued by the Ministry of Corporate Affairs and SEBI.

Last week, MCA has also perpetually permitted companies to conduct AGMs through video conference, until any order is issued to revoke this facility.

While we all value connect and interaction of physical meetings, the virtual format has given us the opportunity to come together seamlessly, no matter where we are located. It ensures that more of shareholders can actively participate in the proceedings of AGM of your Company.

Once again, I thank all the stakeholders for attending and participating in the meeting.

The Annual Report for the year 2024-25 has already been circulated to all shareholders through email on 6th September, 2025. The Report is also available on the Company's website as well as on the websites of NSE and BSE for your easy reference.

This Annual Report not only provides a comprehensive overview of your Company's business performance during the year but also shares insights into its future outlook.

Before we move ahead with the financial aspects, it gives me great pleasure to introduce my esteemed colleagues who are present with us today. You can see them on your screen.

I request each Board member to kindly acknowledge their introduction as I mention their names.

Mr. TV Praveen, Executive Director, is attending this meeting from office of Mahi Drugs (subsidiary company) located in Vizag, Andhra Pradesh.

And following Directors are present at the Registered Office of the Company.

Mrs. Sudeepthi Gopineedi, Whole-time Director.

Mr. P Sarath Kumar, Independent Director and Chairman of Audit Committee and Stakeholders Relationship Committee.

Dr. Mannam Malakondaiah, Independent Director and Chairman of Nomination & Remuneration committee and Dr. Srinivas Samavedam, Independent Director are attending this meeting from their remote location in Guntur & Hyderabad respectively.

Let me also take this opportunity to introduce Mrs. Sundaramma Patibandla, who was inducted as a Woman Independent Director on the Board of your Company during the year. She is joining us though VC from her office in Hyderabad.

She is a Chartered Accountant, a proven entrepreneur, mentor and a multifaceted professional, with over a decade of rich experience in delivering diverse advisory and audit services to clients across different geographies.

The induction of such accomplished personalities on our Board is a step towards further strengthening the standards of Corporate Governance in your Company and will undoubtedly bring immense value to the Board and to all stakeholders.

I would also like to inform that:

- Mr. N Rajendra Prasad, CFO
- CA GVL Prasad, Partner, Rambabu & Co, Statutory Auditors,
- CA Venkateswara Rao, Internal Auditor, and
- Mr. C Sudhir Babu, Secretarial Auditor and Scrutinizer for the 19th AGM are physically present at the registered office of the Company.

Once again, I warmly welcome all of you and extend my sincere thanks to the shareholders, Board members, invitees and office bearers for joining us today and for contributing to the success of this meeting.

Now, let us move on to the performance of your Company. I am pleased to share that the year gone by has been one of progress and noteworthy achievements.

During the year, your Company recorded revenue from operations of ₹333 crores, as against ₹300 crores in the previous year, reflecting an overall growth of more than 11%.

The EBITDA stood at ₹48 crores, compared to ₹38 crores in the previous year, registering growth of almost 26%.

However, I would also like to mention that your Company has prudently created a provision of ₹5.06 crores towards doubtful debts against outstanding trade receivables, which has had a corresponding impact on the reported EBITDA.

Despite this, I am glad to share that the PAT has grown registering an increase of about 64% over the last year.

I am also pleased to share that during the year, Mahi Drugs, our subsidiary, recorded increase of 41% in revenue from operations for the year 2024-25, as compared to the previous year.

Despite this revenue growth, the subsidiary reported a net loss of ₹344 lakhs during the year as against loss of ₹691 lakhs in previous year. However, there is no cash loss during the period under review. It is encouraging to note that the loss has reduced by 50%, which clearly reflects the improvement in operational performance. With this momentum, we are optimistic of achieving the ₹150 crore topline for Mahi Drugs in the next 3-4 years.

Mahi Drugs has successfully completed its USFDA inspection in January, 2025 at its manufacturing facility in Vizag, Andhra Pradesh with zero observation.

This will create revenue stream for few of the USDMF filings and also see traction for new API/intermediate cooperation. With existing capacity of 200 KI + for intermediates and 2 API lines, Mahi drugs is positioned to show continuous growth in revenues and margins with a focus in regulated markets.

Moving forward, I am glad to share that your Company also has successfully completed the USFDA Audit in May, 2025.

This USFDA certification will also facilitate your Company and its subsidiary to commercialize products in the EU under mutual recognition agreements.

These back-to-back positive outcomes further strengthen the compliance credentials of your Company and significantly enhance our ability to tap growth opportunities in regulated markets.

In continuation of these achievements, your Company successfully completed the Brazil ANVISA inspection just two days ago. This clearance will serve as a significant gateway for expanding the Company's presence in Brazil and other Latin American markets, thereby further diversifying our geographic footprint beyond the existing regions. Turning to the manufacturing front, I am pleased to inform that your Company is well equipped for high volume API production lines. This facility will not only enhance capacity and efficiency for existing products but will also be utilized for the validation of new products, thereby contributing to the Company's medium-term growth prospects.

The expansion is fully aligned with our strategy of scaling operations to meet the global demand for APIs.

As part of our commitment to diversifying the product portfolio, we are planning to add new APIs each year.

In this regard, I am pleased to share that during the last year and up to the date of this meeting, your Company has filed 6 new DMFs and CEPs. In addition, 3 new DMFs and CEPs were also filed through our subsidiary.

Our focus remains products primarily in high-value, niche category APIs and intermediates, offering healthy margins. Currently, we are placing greater emphasis on bottom-line growth, while the top line is expected to grow annually in the range of 10-15%.

I would also add that revenues from our core products like Ranitidine and Famotidine have generally stabilized and we are also constantly monitoring the market dynamics to ensure sustained performance. Let me candidly add that the current global supply chain environment remains uncertain, making it difficult to foresee the future with clarity. In the start of the year, the United States issued Executive Order imposing a 26% tariff on multiple Indian imports, which was later increased to 50%.

At that time, there were concerns that pharmaceutical exports could be impacted; however, later, pharma products were formally granted an exemption.

Just a couple of days ago, it was notified that, from October onwards, the U.S. will impose 100% tariff on all branded and patented pharmaceutical products, while this development will have no direct repercussions on your Company, this keeps us cautious and curious about the evolving trade dynamics.

Anyhow, In line with our growth ambitions, your Company is also undertaking capacity expansion and renovation of a major production block, a move that will significantly enhance manufacturing capabilities and operational efficiencies. This block will come into production in the next financial year.

At the same time, we remain deeply committed to our environmental and sustainability responsibilities.

Your Company has invested in environmental infrastructure by enhancing effluent treatment capacities, thereby underscoring our dedication to sustainability and compliance with regulatory standards in environmental safety.

On the innovation side, your Company continues to increase its investment in Research and Development.

During the year, we spent ₹633 lakhs, compared to ₹600 lakhs in the previous year, reaffirming our focus on building a strong pipeline and supporting future growth.

Further, as a testimony to your Company's performance and commitment to good corporate governance, I hereby inform that the Board of Directors has recommended a dividend of 15% for the year 2024–25, subject to applicable TDS.

If approved by the members, this would involve a cash outlay of ₹45.35 lakhs, representing a dividend payout ratio of 2.12% for the year ended 31st March, 2025. The dividend shall be paid within the statutory timelines.

Additionally, as per MCA notification, your Company has initiated a 100-day campaign of "Saksham Niveshak", which aims at supporting shareholders who have unclaimed dividends, pending KYC updates or any concerns related to unclaimed dividends and shares.

Shareholders are encouraged to write to the Company's RTA for necessary assistance. Non-compliance in this regard may result in constraint in receiving dividends and other corporate benefits from the Company.

Moving on to our journey beyond business of giving back to society, Company's CSR activities are overseen by the CSR Committee, which approves the CSR budget and monitors its implementation in accordance with the CSR Policy of your Company.

During the year, our CSR initiatives primarily focused on Rural Development, Promotion of Education and Healthcare Infrastructure in the vicinity area. The detailed activities are available for your reference in the Annual Report.

Prior to the AGM, your Company had received questionnaires, suggestions and feedback from various shareholders, which were duly and adequately acknowledged and responded to by the management.

Please note that your Company publishes all such responses on the website of the Company, in line with our commitment to Good Corporate Governance and principles of accessibility of information on a non-discriminatory basis.

Before I conclude, I would like to take this opportunity to sincerely thank our shareholders for their continued trust and enduring association with the Company and our customers and suppliers for their unwavering support and confidence in us.

I would also like to extend my heartfelt gratitude to all our employees for their dedication, hard work and continued commitment.

Looking ahead, I am confident that your Company will continue to grow on a strong foundation, guided by collective vision and deep commitment to good health.

Thank you very much.

Mr. Trupti Ranjan Mohanty
[Company Secretary]

⇒ Thank you Sir,

I would like to update that the notice of the 19th AGM along with the Audited Financial Statements, Reports of the Board, Statutory Auditors and Secretarial Auditors were circulated through email to all the shareholders as per the MCA and SEBI guidelines.

The Statutory Auditors and the Secretarial Auditors have expressed unqualified opinion in respect of audit reports for the year 2024-25. There were no qualifications, observations or adverse comments which may have any material bearing on the functioning of your Company.

Coming back to the AGM notice.

We have 3 (three) routine ordinary business which are --

1. Approval of Financial Statements for the year 2024-25 along with Report of Board and Auditors,
2. Declaration of dividend for the year 2024-25 and
3. Reappointment of Mrs. Sudeepthi Gopineedi as Director retiring by rotation.

And further 2 (two) Special business which needs to be passed by ordinary resolution:

4. Approval of appointment of Secretarial Auditor for a further period of 5 years.
5. Ratification of remuneration payable to Cost Auditors.

The text of the resolutions along with explanatory statements is provided in the notice circulated to the Members.

With the permission of the Chairman and all the members, I hereby take the notice of the AGM, Directors Report and Statutory Auditors Report, along with all annexures, as Read.

Further, as part of statutory requirement, I would quickly brief about E-voting process.

Please note that pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company has provided the facility to members to exercise their right to vote by electronic means through remote e-voting and voting during the AGM through CDSL.

Remote E- Voting facility was provided from 27th September 2025 (9 am) to 29th September 2025 (5 pm).

I would also like to inform that the Company has appointed Mr. C Sudhir Babu, Practicing Company Secretary to act as Scrutinizer for the AGM.

Kindly note that the results of the remote e-voting and voting during the AGM, shall be submitted within 2 working days of the conclusion of the AGM.

The results along with the report of the Scrutinizer, shall be placed on the website of the Company and on the website of CDSL immediately after declaration of the results and shall be submitted to stock exchanges.

Now, the Members who have registered as speakers and desire to ask any follow up questions may do so.

Please note that the questionaries' received by the Company has already been addressed and same are available on the website of the Company, hence in the interest of time, kindly refrain from repeating the questions. Also members are requested to keep their questions brief and specific.

The moderator will facilitate the questions.

Answers to all the questions will be provided towards the end.

I request the moderator to announce the name and unmute the speaker shareholder. Over to CDSL team.

THEREAFTER, THE MODERATOR UNMUTED THE SPEAKERS REGISTERED WITH TO COMPANY TO SHARE THEIR VIEWS. QUERY WAS RESPONDED BY THE PANELIST TO THE SATISFACTION OF THE MEMBERS.

**Trupti Ranjan Mohanty
[Company Secretary]**

⇒ Since there is no other business to be transacted, I request the MD sir to propose the vote of thanks. Thankyou from my side.

**TVVSN Murthy
[AGM Chairman & Managing Director]**

⇒ I think we have answered all the questions that were asked if anything else is left, please get in touch with our Secretarial team. Further, I hereby authorise Company Secretary to receive and declare the voting results of the AGM. Now with the permission of members, we would like to close the meeting. I thank all my colleagues on the Board & shareholders for attending this meeting.

Please note that voting portal is open for next 15 minutes.

Thank you all very much.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting

AGM RECORDING LINK: <https://youtu.be/FzOHeKXUWAg>