



November 13, 2024

BSE Limited
Department of Corporate Services
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Kala Ghoda, Fort
Mumbai - 400 001
Scrip Code No: 542665

National Stock Exchange of India Limited
Listing Department,
Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051
Company Symbol: NEOGEN

Sub.: Earnings Presentation on the unaudited Financial Results of the Company pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/ Madam,

With reference to the captioned subject, please find enclosed herewith the Earnings Presentation on the unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 2024.

The unaudited Financial Results for the quarter and half year ended September 30, 2024, and the Earnings Presentation are also being uploaded on the Company's website at <https://neogenchem.com/financial-performance/>.

Kindly take the same on your record.

Thanking you,
Yours faithfully,
For Neogen Chemicals Limited

Unnati Kanani
Company Secretary and Compliance Officer
Membership No.: A35131

Encl.: As above

Seizing Opportunities Building a Sustainable Future

Q2 & H1 FY25
Earnings Presentation
November 2024



Safe Harbor

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. Neogen Chemicals Limited 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.

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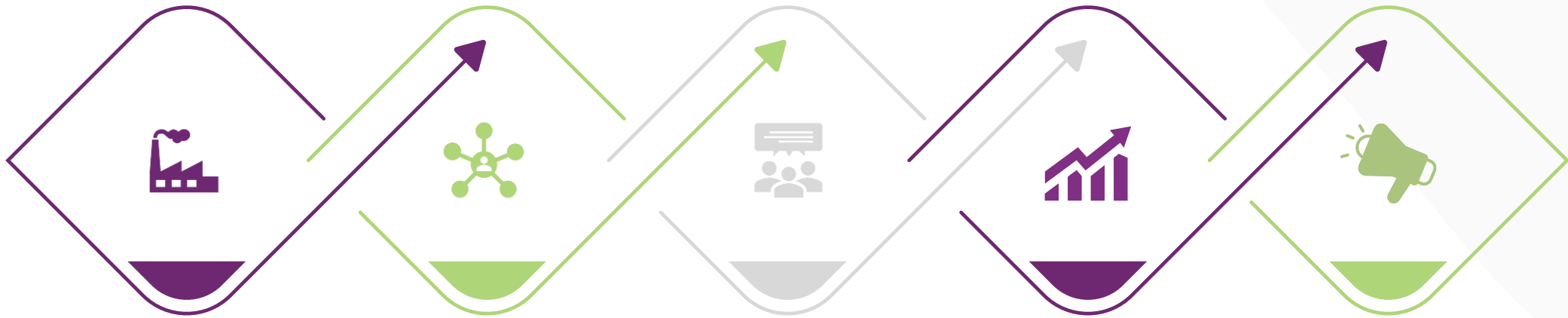


NEOGEN
CHEMICALS LTD.

Introduction to Neogen Chemicals



Neogen Chemicals – At a Glance



Leading manufacturer of Bromine and Lithium-based specialty chemicals, operating since 1991 – Over 30 Years of Strong History

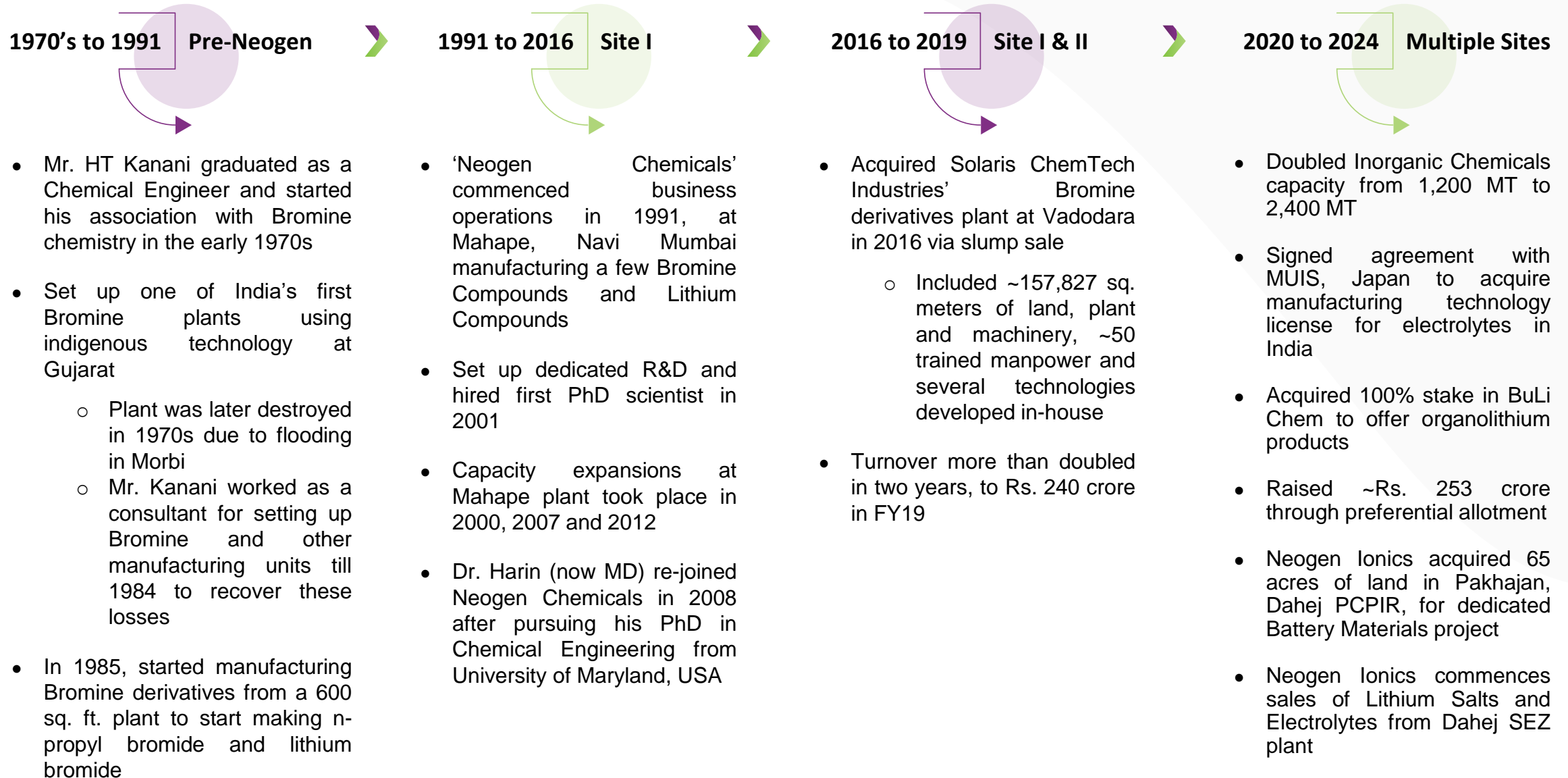
Largest Importer of Lithium Carbonate & Lithium Hydroxide for last 3 decades – Strong Relationship with Global Leading Lithium Miners & Processors

Customers across multiple industries including Pharma, Engineering, Battery Chemicals and Agrochem

Growing contribution from Custom Synthesis and Contract Manufacturing

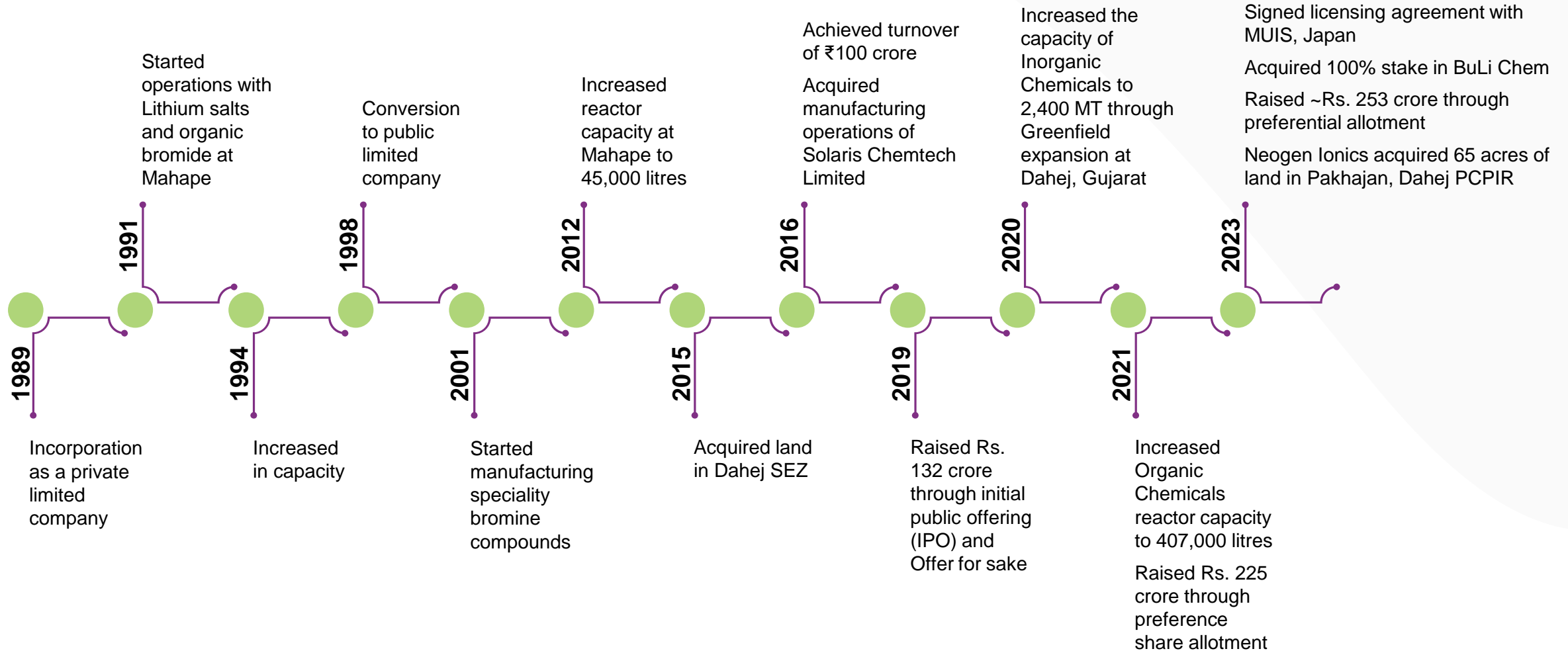
Promoters are technocrats with substantial domain expertise; cumulative experience of more than six decades

Evolution of Neogen Chemicals



Key Milestones

Leading manufacturer of Bromine and Lithium-based specialty chemicals since 1989



Business Overview

Organic Chemicals

Bromine Compounds

Organic compounds containing chlorine, fluorine, iodine-based combinations thereof and others including grignard reagents

Organolithium / Organometallic

N Butyl Lithium and other organolithium products using highly reactive Lithium metal; key reagents for Lithiation reaction

Advanced Intermediates

Combining bromination with other chemistries to create forward-integrated value-added products

Custom Synthesis & Contract Manufacturing

Products developed for specific customers. Process know-how and technical specifications are developed in-house

End User Industries

- Semi conductors
- Flavours
- Aroma Chemicals
- Electronic Chemicals
- Agro chemicals
- Pharma ceuticals

Inorganic Chemicals

The portfolio includes specialty, inorganic lithium-based chemical products which find applications across multiple industries

End User Industries

Eco-friendly VAM for cooling air/water/process equipment

Pharmaceuticals

Specialty Polymers

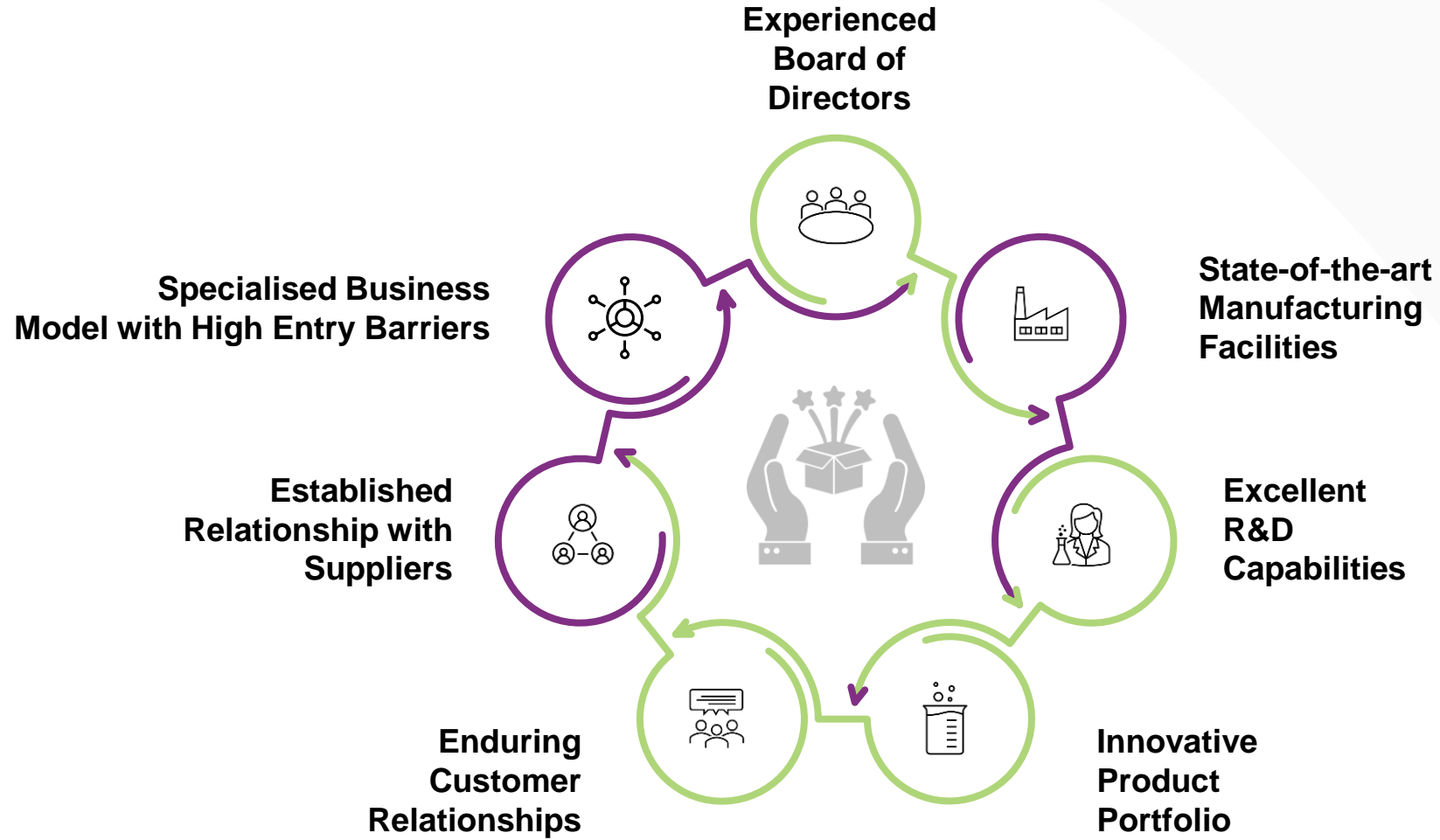
Battery Chemicals

Construction Chemicals

Select Clientele



Unique value-proposition



Experienced Leadership Team



Mr. Haridas Kanani, B.TECH (CHEM) M.I.I.Ch.E. Chairman & Managing Director

- Holds a bachelor's degree in chemical engineering from the Indian Institute of Technology (IIT), Bombay
- Set up one of India's first Bromine plants using indigenous technology at Gujarat which was later destroyed due to a flood
- Subsequently, set up the firm Chem Ocean Consultant which provided consultancy, technology and engineering technologies to set up Bromine plants for other companies
- Then later established NCL in 1989 and has been on the Board since then
- Has previously worked with Excel Industries Ltd. In 1968-1970
- Oversees the manufacturing, research and development and general operation and management of the Company's manufacturing units



Dr. Harin Kanani, PhD Managing Director

- Holds a bachelor's degree in chemical engineering from IIT, Bombay and a Master's degree and a doctorate in chemical engineering from the University of Maryland
- Served as a research fellow at the University of Maryland, where he has published 4 first author manuscripts in the field of chemical engineering
- Presented various talks and presentations at national and international conferences
- Also participated in the Small and Medium Enterprises Programme from IIM Ahmedabad
- Joined NCL in 2008 and is on the Board since 2017
- Has previously worked with companies such as Asian Paints India Ltd. and as a senior research scientist at Pioneer Hi-Bred International Inc. (DuPont Subsidiary) in the United States
- Heads various business divisions of the Company including research and development, business development, quality control, purchase, marketing and finance

Mr. Anurag Surana

Non-Executive Director

- Holds a bachelor's degree in commerce with Honours from the University of Delhi
- Experience of more than 20 years in Contract Manufacturing business
- A well-known personality in the Agrochemical and specialty chemical industry in India, Europe and Japan

Mr. Shyamsunder Upadhyay

Whole time Director

- Holds a master's degree in science from Vikram University, Ujjain
- 41 years of work experience in the field of chemicals
- Oversees maintenance, projects, logistics, administration and engineering store in the company

Mr. Gopikrishnan Sarathy

Chief Financial Officer

- Associate member of the Institute of Chartered Accountants of India, and Diploma in IFRS from ACCA UK
- Over 25 years of diverse experience in the field of Finance & Accounts, Strategic Planning and Budgeting, M&A and Investor relations among others

Mr. TCN Sai Krishna

Executive Director

- Holds MBA degree with Chemical engineering
- 33 years of experience in Manufacturing, Projects, Procurement & Supply Chain with specialty chemicals, petrochemicals, paints, inks & FMCG industries

Mr. B P Pant

Senior Vice President

- Holds M Sc degree in Organic Chemistry from the Department of Chemistry at Pune University
- Over 2 decades of extensive work experience in the chemical industry, with focus on business development

Mr. Kirit Chauhan

Senior Vice President – HR

- Holds a degree in M.L.W., PGDHRM with a focus on Labour Laws from South Gujarat University
- Extensive experience in human resources and administration

Large Manufacturing Infrastructure – Neogen Chemicals

Strong Manufacturing Infrastructure



Factory	Land Area	Land Utilisation	Capacity		Certifications of Manufacturing Facilities
			Organic Chemicals (Reactor capacity)	Inorganic Chemicals (Tonnage)	
Mahape (Since 1991)	4,045 m ²	100%	69 m ³	9 m ³	ISO 9001:2015 from Bureau Veritas Certification Holding SAS
Vadodara (Since 2017)	161,874 m ²	20%	111 m ³	-	ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications from Bureau Veritas Certification Holding SAS
Dahej (Since 2020)	43,374 m ²	50%	258 m ³	30 m ³	ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications from Bureau Veritas Certification Holding SAS. Also, GMP (Good Manufacturing Practices) certified by SGS
Hyderabad (May 2023)	16,187 m ²	50%	25 m ³	-	
Total	226,622 m²		463 m³	39 m³	

Quality Control and Quality Assurance



- Dedicated QC and QA team in place monitoring the entire manufacturing process at all stages right from initial testing stage to the final product
- Implemented current good manufacturing practice (cGMP) prescribed by the US FDA as applicable for intermediates

World-class operational practices



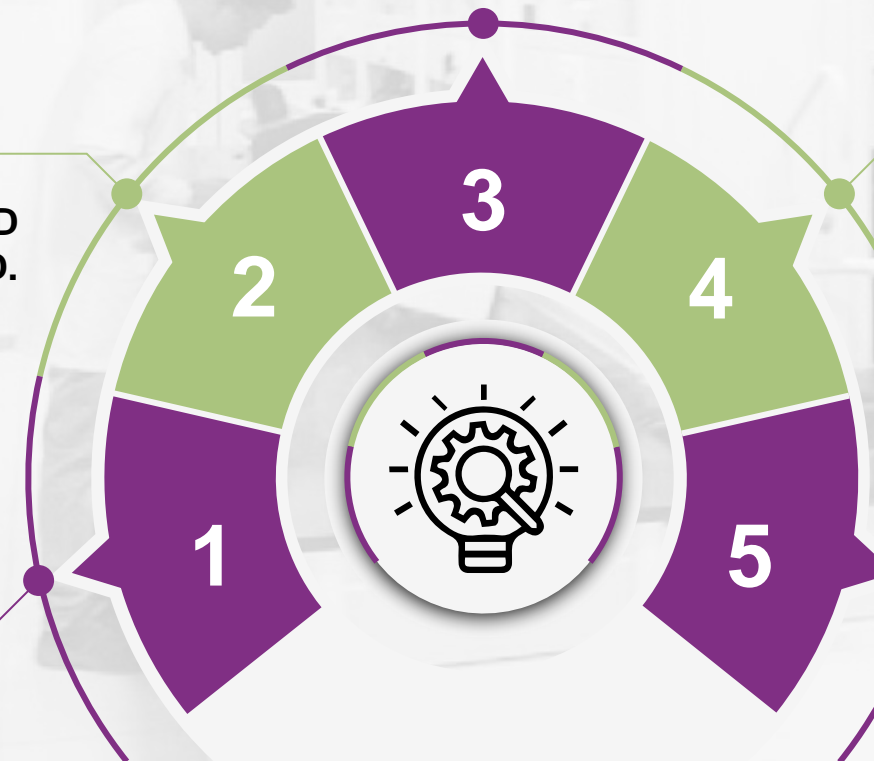
- Zero Liquid Discharge, significantly reducing water usage
- Focus on compliance with stringent quality and EHS norms

Driving Innovation Through R&D

Focus on R&D to drive sustained growth; to continue to deploy resources

90-member dedicated R&D team, including 10 Ph. D.

Established two R&D units



CMD and MD actively involved and spend significant time overseeing the functioning of both R&D divisions

Post commissioning of dedicated R&D units in 2001, the **product portfolio has grown from 20 products in 2001 to 246 products in Q2 FY25**

Key Export Geographies



Export sales of **27%** in FY24



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CHEMICALS LTD.

Update on Expansion Initiatives



Update on various expansion initiatives

Neogen Ionics Proposed Manufacturing Setup



Manufacturing locations	Land Area	Year	Planned Capacities	
			Electrolyte	Lithium Electrolyte Salts & Additives
Dahej SEZ (transferred from Neogen Chemicals)	6,455 m ²	FY24	-	400 MT
		FY25	2,000 MT	To be increased to 2,500 MT
Pakhajan, Dahej PCPIR (New site)	264,285 m ²	FY26	30,000 MT	3,000 MT
Total	270,240 m²		32,000 MT	5,500 MT

The aggregate CAPEX stands at Rs. 1,500 crore, with peak revenue potential ranging from Rs. 2,500 to Rs. 2,950 crore, depending on lithium prices.

Battery Chemicals Business

Lithium Electrolyte Salts



Details of expansion projects announced

New capacity of 400 MTPA for manufacturing Lithium Electrolyte Salts and additives



- 200 MTPA commissioned; first approval material shipped to the customers
- For remaining 200 MTPA, trial production has commenced

Electrolytes



Plant for manufacturing 2,000 MT of Electrolyte at Dahej facility



- 200 MT commissioned; trial supply from commercial plant given to 4 customers

Several domestic and international customers visited and approved the facility of Battery Materials; now awaiting approval of commercial products manufactured from the site.



Update on Battery Chemicals (Neogen Ionics)

- **Achieved financial closure for majority of CAPEX in Neogen Ionics**

- To be funded mainly by project finance debt; long-term tenure of 10 years, includes a moratorium component
- Construction work commenced at the greenfield facility (MUIS); on track to hit commercial production in FY26, strategically aligned with upcoming Battery capacities in India

- **Discussing long term contracts with Battery manufacturers for Electrolyte supply**

- Two large battery manufacturers expected to commence operations later this year; few more players to begin operations in the next 1-2 years. Positive progress in approval process

- **Strategic hirings in Battery Chemicals' division nearly complete**

- ~70-80 employees dedicatedly working on executing the Battery chemicals project as well as ongoing production in phase 1





- **Strong demand for non-Chinese supply of Lithium Salts and Electrolyte continues; de-risking, compliance of international government policies being the chief objective**

- IRA (Inflation Reduction Act) FCOC (Foreign Countries of Concern) to accelerate this momentum
- Ongoing discussions/ MOUs/ pricing agreements (PPA) entered into with international customers

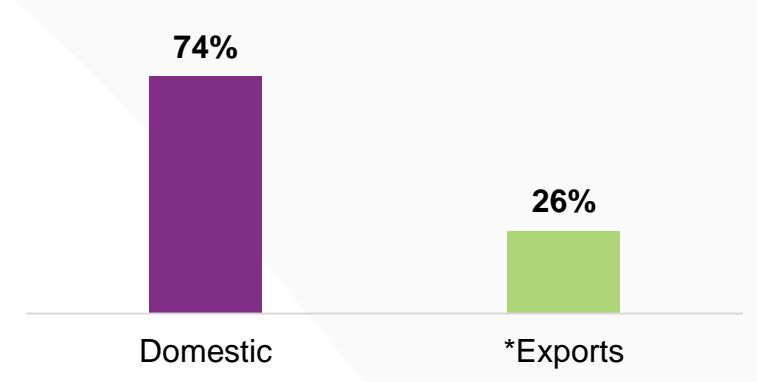


Q2 FY25 Financial Performance

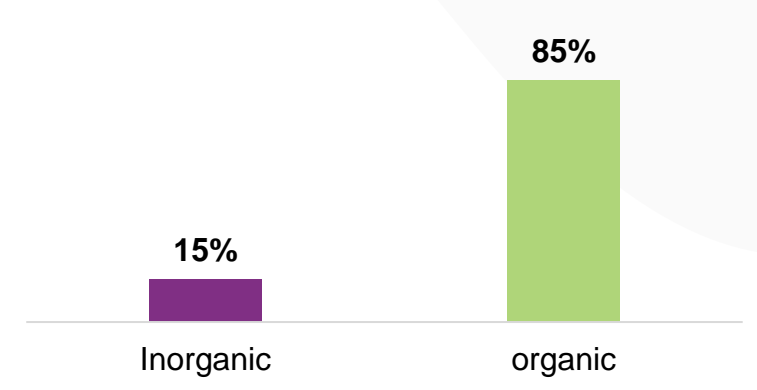
Key Performance Highlights – Q2 FY25 (Consolidated & Standalone)

	Q2 FY25 (Consolidated)	Q2 FY25 (Standalone)
 Revenues	↑ 20% Rs. 193.4 crore	↑ 4% Rs. 174.5 crore
 EBITDA	↑ 33% Rs. 34.6 crore	↑ 26% Rs. 32.9 crore
 Profit Before Tax	↑ 41% Rs. 15.5 crore	↑ 40% Rs. 17.4 crore
 Profit After Tax	↑ 38% Rs. 11.0 crore	↑ 43% Rs. 13.0 crore

Q2 FY25 Revenue break-up**



*Including deemed exports



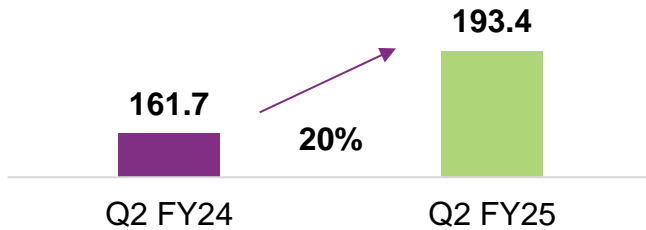
**Consolidated figures

Note: 1. Growth for Q2 FY25 is compared to Q2 FY24
2. EBITDA excluding other income



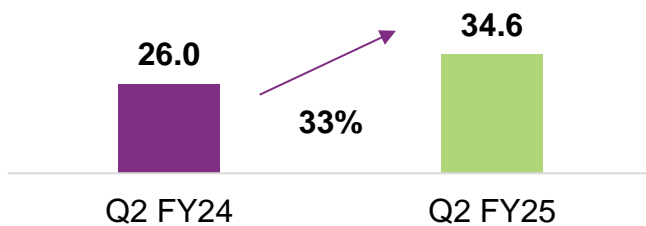
Financial Summary – Q2 FY25 (consolidated)

REVENUE



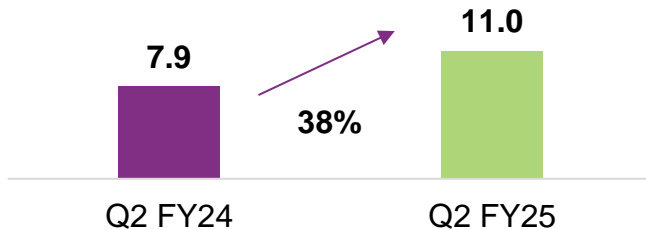
- Revenue growth was fueled by increased volumes in the core business, coupled with incremental contribution from BuLi Chem. This was achieved in a challenging operating environment characterized by weak pricing
- Softness in agchem was partially mitigated by positive demand trend for other end-use applications
- Neogen Ionics (Battery Chemicals) recorded initial commercial sales of Lithium Salts and Electrolytes, garnering strong initial customer response; Well poised to drive substantial growth from the next financial year

EBITDA



- EBITDA improvement was a function of higher plant throughput as well as better operational efficiencies. Focus now shifts to sustaining profitability.
- Margins remained healthy at 17.9% even in a weak pricing environment and startup related cost at Neogen Ionics

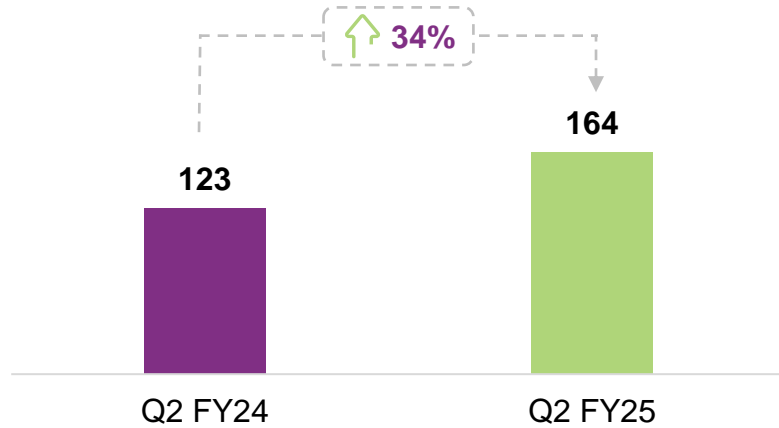
PAT



- Strong operating performance drove robust PAT growth
- Increased CAPEX intensity in Battery Chemicals going ahead is expected to drive higher depreciation and interest costs

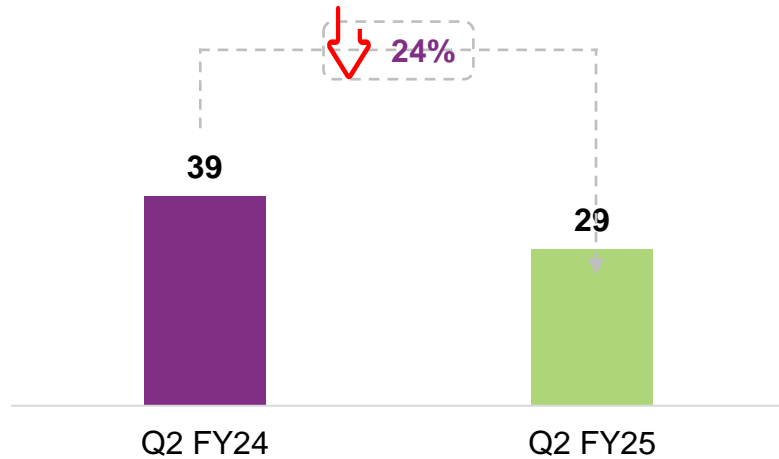
Rs. in crore

Revenue break-up – Q2 FY25 (consolidated)



Organic
Chemicals

Lower Bromine prices Y-o-Y and lower Lithium metal price impacted the revenue trajectory. Had they remained stable, Organic Revenue for Q2 FY25 would have been higher, to ~Rs. 186 crore.



Inorganic
Chemicals

Lithium prices declined on a Y-o-Y basis during the quarter under review. Adjusting for this decrease, Inorganic Revenue would have been higher, to ~Rs. 55 crore in Q2 FY25.

Financial Table – Profit & Loss Statement (Consolidated)

Particulars (Rs. In crore)	Q2 FY25	Q2 FY24	Growth (%)	H1 FY25	H1 FY24	Growth (%)
Revenue	193.4	161.7	20%	373.3	326.6	14%
Expenditure	158.9	135.8	17%	308.0	272.6	13%
EBITDA	34.6	26.0	33%	65.4	54.1	21%
EBITDA Margins	17.9%	16.1%	181 bps	17.5%	16.5%	96 bps
Depreciation	7.1	5.8	23%	13.9	11.3	24%
EBIT (inc. Other Income)	28.2	22.1	28%	53.8	46.5	16%
Interest	12.7	11.1	15%	22.6	21.9	3%
Other Income	0.8	1.9	-58%	2.4	3.7	-36%
Profit Before Tax (including share of profit)	15.5	11.0	41%	31.2	24.6	27%
PBT Margins	8.0%	6.8%	121 bps	8.4%	7.5%	83 bps
Tax Expense	4.5	3.1	48%	8.8	6.9	27%
Profit After Tax	11.0	7.9	38%	22.4	17.7	27%
PAT Margins	5.7%	4.9%	77 bps	6.0%	5.4%	59bps
Earnings Per Share (Rs.)	4.15	3.17	31%	8.5	7.09	20%

Financial Table – Profit & Loss Statement (Standalone)

Particulars (Rs. In crore)	Q2 FY25	Q2 FY24	Growth (%)	H1 FY25	H1 FY24	Growth (%)
Revenue	174.5	168.2	4%	341.2	338.4	1%
Expenditure	141.5	142.0	0%	279.9	283.1	-1%
EBITDA	32.9	26.2	26%	61.3	55.7	10%
EBITDA Margins	18.9%	15.6%	328 bps	18.0%	16.5%	151 bps
Depreciation	5.9	4.9	19%	11.5	9.9	17%
EBIT (inc. Other Income)	29.2	23.2	26%	54.8	49.2	11%
Interest	11.7	10.8	9%	20.7	21.4	-3%
Other Income	2.1	1.9	11%	5.0	3.7	35%
Profit Before Tax	17.4	12.4	40%	34.1	28.2	21%
PBT Margins	10.0%	7.4%	261 bps	10.0%	8.3%	165 bps
Tax Expense	4.4	3.3	34%	8.6	7.6	13%
Profit After Tax	13.0	9.1	43%	25.4	20.6	24%
PAT Margins	7.5%	5.4%	203 bps	7.5%	6.1%	138 bps
Earnings Per Share (Rs.)	4.94	3.66	32%	9.54	8.24	17%

Seasonal Variance Factors



- Neogen's business has some seasonal drivers, due to which the company tends to deliver stronger financial performance in the second half of the financial year (October to March). Seasonal variance is driven by strong demand from Europe as orders tend to scale up in October-November and further accelerate from January after the holiday season
- Demand for Lithium-based chemicals tends to be strong in Q4 as demand from the HVAC segment, a key usage area, is linked to capital expenditure that enjoys 100% depreciation benefits for air-conditioning/cooling machines
- Demand from the agrochemicals segment is linked to the crop cycle and is stronger during H2
- Consequently, investors are urged to compare financial performance of each quarter only with that of the corresponding quarter previous year to evaluate business progress on a like-to-like basis



**Mr. Haridas
Kanani**

**Chairman &
Managing Director**

Commenting on the Q2 FY25 performance, Mr. Haridas Kanani, Chairman & Managing Director, at Neogen Chemicals said:

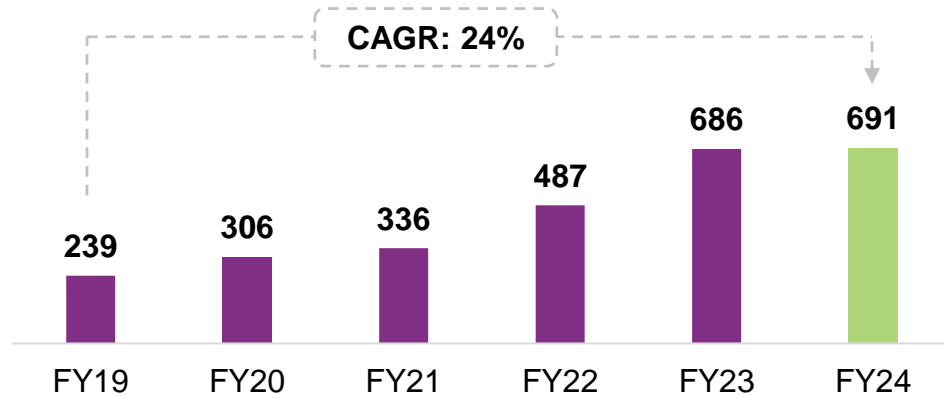
“We have delivered a strong performance during the period under review amid a challenging backdrop of events marked by soft demand, oversupply situation, geopolitical tensions and inflationary pressures, which have eroded industry’s pricing power and profitability. Our 20% revenue improvement and 38% PAT growth in Q2 FY25 is a testament to our team's unwavering dedication, adaptability, and ability to navigate challenging market conditions. Volume gains in the base business as well as contributions from BuLi Chem and Neogen Ionics fostered consolidated performance.

Through Neogen Ionics, we are making deep inroads in the Battery Materials business. Through our collaborative efforts, we have developed and exchanged multiple recipes of Electrolyte & Lithium Salt combinations with our customers. While doing so, we have gained valuable insights into the technological capabilities and market expertise. Our pilot production lines are currently manufacturing and shipping commercial trial lots, while the initial commercial production facilities are operational and fulfilling early market demand. Stringent quality standards are being maintained through strict adherence to safety protocols. The construction of our dedicated greenfield Battery Materials plant in Dahej using MUIS technology license is advancing steadily & remains on expected timelines. We are strategically phasing the commissioning process aligning with Battery capacities coming in India.

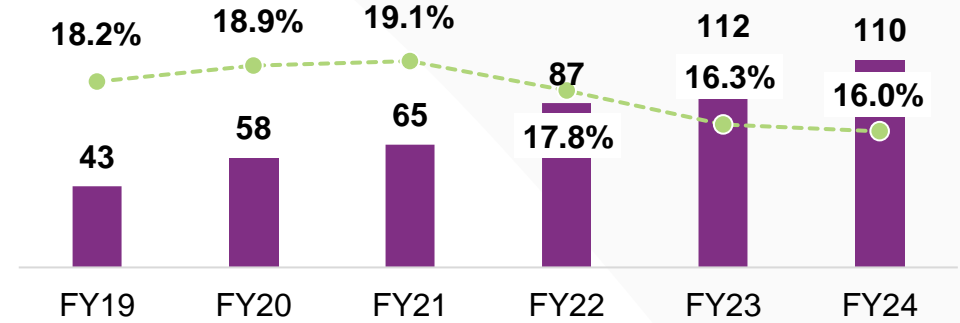
While we anticipate a potential demand recovery later in FY25, we are committed to investing in our long-term growth strategy to secure our future. In the face of global economic uncertainty, we at Neogen Chemicals are adapting to changing conditions, and remain steadfast in our commitment to growth, innovation, and delivering value to our stakeholders.”

Historical Financial Trends

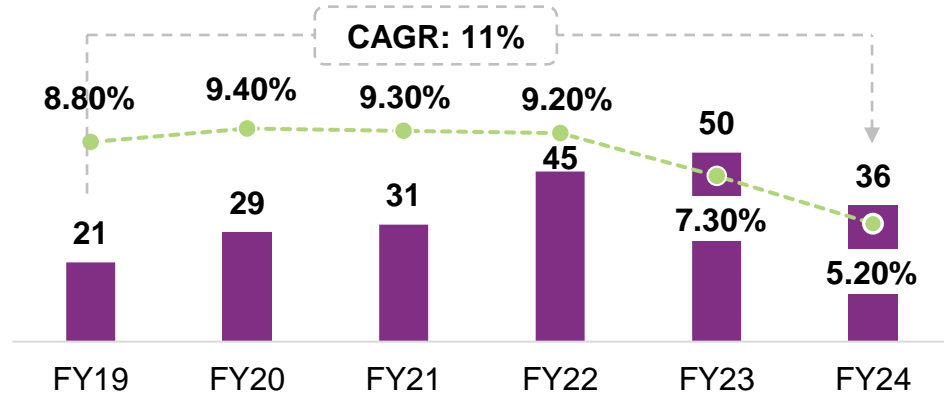
Net Revenue from Operations** (INR crore)



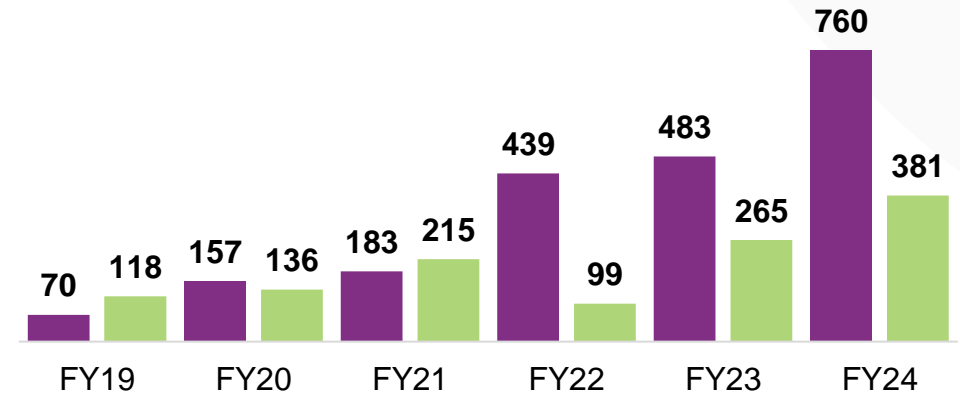
EBITDA (INR crore) Margin (%)



PAT (INR crore) Margin (%)



Networth (INR crore) Net Debt* (INR crore)





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Industry Overview Lithium-ion Batteries

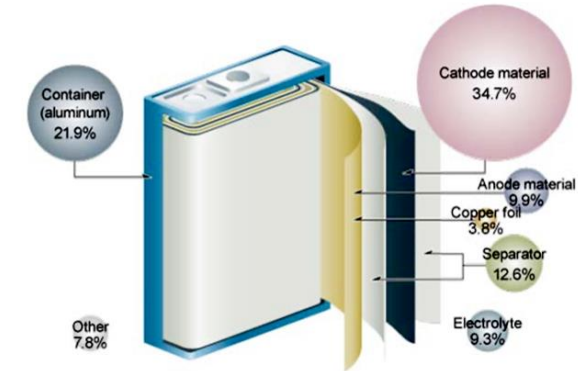


Strong Opportunities in India's Lithium Battery sector

- Government's PLI scheme for batteries is expected to catalyse the growth of India's EV ecosystem
 - Target Incentive Outlay of Rs. 18,100 crore
 - Manufacturing capacity of 50 Gwh of ACC
 - 60% of Battery Material to be Indigenous
- Commercial production of battery cells under the PLI is anticipated to begin soon
- Direct investment of around Rs. 45,000 crore in ACC Battery storage manufacturing projects

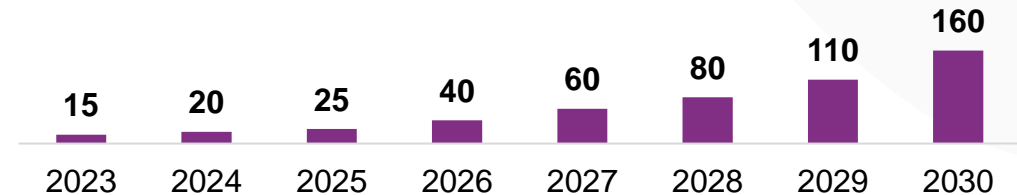
Lithium-ion battery (3.7v)

Approximate Cost Component Break up*



Demand Estimates for the Indian Market

Lithium Cells (GWh) ACC WINDOW (2024-28)

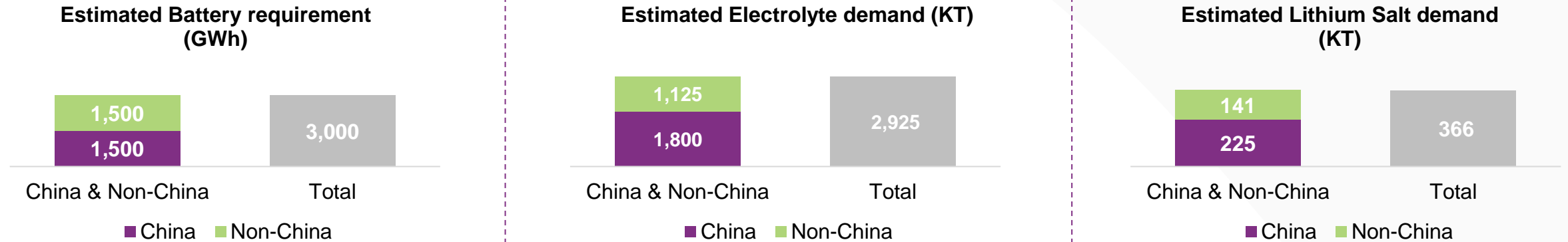


Source: India Energy Storage Alliance

This will translate into Electrolyte demand of >150,000 MT by 2030 as per Company estimates. Based on this, Lithium Electrolyte Salt demand will be 15,000 to 22,500 MT given that Electrolyte comprises of 10% to 15% of Lithium Electrolyte Salts

Strong Opportunities in Global Lithium Battery sector

Demand Estimates for the Global Market (By 2030)



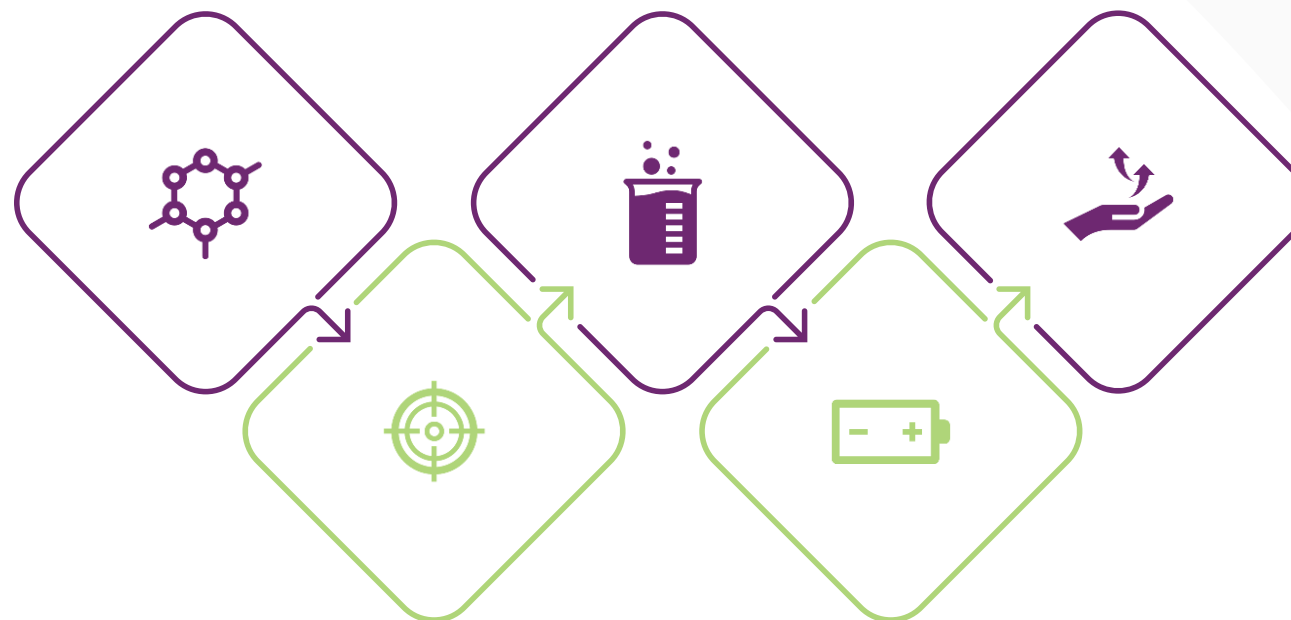
- **Inflation Reduction Act (IRA)** expected to be implemented by 2025 in US, will necessitate the shift of critical materials required to manufacture EVs away from China, and will thereby, help other countries (including India) to gain access to the US market
- Demand for non-Chinese Electrolyte and Lithium Salts is projected to increase substantially by 2030
- Manufacturing of Lithium-Ion battery cells ramping up in India. Project implementation by major battery manufacturers on schedule. This will support demand for Electrolyte and in-house consumption of Lithium Salts

Way Forward

Augment the capacities of Organic and Inorganic Chemicals

Expand capabilities in **adjacent high-end complex chemistries**

Leverage strong R&D expertise to introduce **innovative offerings**



Enhance **focus on CSM & Advanced Intermediates** through portfolio expansion

Deep inroads in the **Battery Materials** segment

Focus areas in CSR

**Healthcare,
sanitation and
nutrition**



**Rural
development**

**Conservation and
management of
natural resources**



Education

**Environment
sustainability**



About Neogen Chemicals Limited

Incorporated in 1989, Neogen Chemicals Ltd. (NSE Code: NEOGEN; BSE Code: 542665) is India's one of the leading manufacturers of Bromine-based and Lithium-based specialty chemicals. Its specialty chemicals product offerings comprises of Organic as well as Inorganic chemicals. Its products are used in pharmaceutical and agrochemical intermediates, engineering fluids, electronic chemicals, polymer additives, water treatment, construction chemicals, and aroma chemicals, flavours and fragrances, specialty polymers, Chemicals and Vapour Absorption Chillers – original-equipment manufacturers and with new upcoming usage in lithium-ion battery materials for energy storage and Electric Vehicles (EV) application. Over the years, Neogen has expanded its range of products and at present, manufactures an extensive range of specialty chemicals which find application across various industries in India and the world. It has a product portfolio of over 246 products.

In addition to manufacturing specialty chemicals, Neogen also undertakes custom synthesis and contract manufacturing where the product is developed and customised primarily for a specific customer, but process know-how and technical specifications are developed in-house.

The Company has recently announced plans to utilise its three decades of experience in Lithium Chemistry to manufacture Lithium-Ion battery materials with an initial investment plan of manufacturing electrolytes and Lithium electrolyte salts.

The Company operates out of its three manufacturing facilities located in Mahape, Navi Mumbai in Maharashtra and, Dahej SEZ, Bharuch as well as Karakhadi, Vadodara in Gujarat. In May 2023, the Company acquired 100% stake in BuLi Chem, which operates out of one manufacturing unit located in Hyderabad and has now become a wholly owned subsidiary of Neogen Chemicals Limited.

In December 2023, Neogen Ionics, a wholly owned subsidiary of Neogen Chemicals Limited acquired 65 acres of land in Pakhajan, Dahej PCPIR, Gujarat dedicated for projects related to battery materials and new future business opportunities.

For further information, please contact:

Mr. Gopikrishnan Sarathy
Neogen Chemicals Ltd.

Email: gopi.sarathy@neogenchem.com

Nishid Solanki
CDR India

Email: nishid@cdr-india.com

A photograph of industrial workers in a factory setting, overlaid with a purple and green gradient. The workers are wearing blue protective suits and hard hats. The background shows large industrial machinery and pipes. The text "Thank You" is centered in white.

Thank You