



February 1, 2025

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.: Press Release 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 Press Release on the unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2024.

The Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2024 and the Press Release 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

Q3 FY25 PRESS RELEASE
February 01, 2025

Neogen Chemicals delivers healthy performance in Q3 FY25
Revenue up by 22%; EBITDA higher by 71%; PAT grew by 844%

Neogen Chemicals Limited (Neogen) reported a strong financial performance for the quarter ended 31st December, 2024.

In Q3 FY25, revenue was higher by 22% to Rs. 201 crore boosted by volume growth in the base business and a healthy contribution from BuLi Chem, which is now a part of Neogen Chemicals standalone. This was achieved despite challenging pricing conditions, highlighting the resilience of the core operations and the increasing strategic importance of BuLi Chem. The battery chemicals arm (Neogen Ionics) has commenced lithium salt exports, contributing to the topline. Neogen Ionics is positioned for substantial growth from next financial year driven by new capacities.

EBITDA came in at Rs. 34.6 crore, an increase of 71%. Strong EBITDA growth was a result of increased plant utilization, operational efficiencies and lower employee costs. Operating leverage kicked in due to higher volume achieved on an optimized cost structure. Cost intensity in Neogen Ionics reduced during the quarter following the commencement of export sales. Margins remained strong at 17.2% despite weak pricing. Absolute EBITDA on per kilo basis remained stable.

Profit after tax stood at Rs. 10.0 crore, higher by 844%. Robust PAT growth was achieved through a combination of solid operating performance and a favorable base effect resulting from one-time expenses recognized in Q3 of the prior year. Continued high CAPEX in Neogen Ionics resulted in increased depreciation and interest expense on consolidated basis.

Earnings per share (EPS) for Q3 FY25 stood at Rs. 3.80 per share (Rs. 0.41 per share in Q3 FY24).

Performance at a Glance

	Q3 FY25	YoY Growth
Revenues	Rs. 201.4 crore	📈22%
EBITDA	Rs. 34.6 crore	📈71%
Profit Before Tax	Rs. 15.3 crore	📈263%
Profit After Tax	Rs. 10.0 crore	📈844%

Notes:

1. **Growth for Q3 FY25 is compared with Q3 FY24**
2. **All figures are consolidated**
3. **EBITDA excluding other income**

Commenting on the Q3 FY25 performance, Mr. Haridas Kanani, Chairman & Managing Director, Neogen Chemicals said:

“Our Q3 FY25 results demonstrate a robust recovery, with revenue up 22% and EBITDA up 71%. This growth is attributed to strong ramp-up in BuLi Chem and sustained growth in the base business volumes. Higher topline was achieved despite lower RM prices and resultant realizations across several product categories. New product launches and the pursuit of export opportunities drove the robust recovery. To mitigate the persistent slowdown in agrochemicals, we have strategically created additional end-use sectors such as semiconductors, flavors & fragrances and select industrial CSM opportunities. This highlights the adaptability of our agile business model, enabling us to meet evolving market needs and capitalize on emerging opportunities.

Neogen Ionics is rapidly advancing its Lithium Salts and Electrolyte projects. A major ACC battery manufacturer has already started trial production plant in India, with several others preparing to do so within the next two years. This will drive their demand for local procurement of both Electrolyte and Lithium Salt. Meanwhile, we are supplying products from our initial capacity to potential manufacturers, aiming to establish long-term customer partnerships. We are on schedule to commission our greenfield Battery Materials facility in the second half of FY26. This facility, using MUIS technology, is taking shape with majority of erection and engineering works now complete. The modular construction process is proceeding with equipment assembly and installation.

Overall, we are confident of achieving FY26 revenue guidance of Rs. 950-1,000 crore in the standalone business. Beyond FY26, the rapid scale up in Neogen Ionics will drive consolidated performance. We maintain a long-term growth strategy, undeterred by short-term setbacks. Neogen Chemicals remains committed to capitalizing on emerging opportunities to generate sustained value for all stakeholders.”

UPDATE ON EXPANSION INITIATIVES

Details of expansion projects announced:	Current project updates:
Battery Chemicals Business	
New capacity of 400 MTPA for manufacturing Lithium Electrolyte Salts and Additives	<ul style="list-style-type: none"> 200 MTPA commissioned; first approval material shipped to the customers For remaining 200 MTPA, trial production has commenced
Plant for manufacturing 2,000 MT of Electrolyte at Dahej facility	<ul style="list-style-type: none"> 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):

- **Full financial closure achieved for greenfield CAPEX**
 - To be funded mainly by project finance debt; long-term tenure of 10 years, includes a moratorium component
 - Out of Rs. 1,500 crore CAPEX, Rs. 419 crore already been deployed till Q3 FY25
 - On track to hit commercial production in FY26
- **Greenfield facility construction update**
 - Civil work is progressing rapidly; Over 70% of erection and engineering work complete
 - Plant development proceeding on a modular basis. Equipment being assembled and installed
 - Expect key equipment and machinery to be shipped by MUIS by H2 CY2025 – plant installation will be accelerated thereafter
- **Discussing long term contracts with Battery manufacturers for Electrolyte supply**
- **Strategic hirings in Battery Chemicals' division in progress**
- **Strong demand for Indian supply of Lithium Salts and Electrolytes continues; Geographical de-risking, compliance of international government policies being the chief objective**
- **Exemption of custom duties on minerals such as lithium aim to reduce battery costs**

Update on Neogen Chemicals

- **Hon'ble National Company Law Tribunal has approved the amalgamation of Buli Chemicals India Private Limited with Neogen Chemicals**
 - With this, BuLi Chem stands merged with Neogen Chemicals effective 31st January, 2025
 - This is expected to streamline operations, reduce costs, and enhance Neogen's market position in pharma and agrochemicals
- **Update on BuLi Chem**
 - Introduced new Lithium Products, further enhancing the product profile
 - Started exporting to EU, Korea and Japan
 - Received EC for brownfield expansion
- **CRISIL has reaffirmed its long term credit rating at A/ STABLE and short term credit rating at A1**
- **Strategically, the Company has enhanced its focus on the Pharma and CSM opportunities, given the growing demand for high-quality, cost-effective products.**
 - This helps mitigate the impact of slowdown in other end-use sectors, such as agrochemicals

-ENDS-

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 more information, please visit www.neogenchem.com OR contact:

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***Disclaimer:** Certain statements in this press release may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, 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 discussions and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*