

## ANNUAL DISCLOSURES BY THE BOARD OF DIRECTORS

The disclosure as required under regulation 14 of the Securities and Exchange Board of India (Share- Based Employee Benefits and Sweat Equity Shares), Regulations, 2021 (“**SBEB&SE Regulations**”), and the Companies Act, 2013 (“**the Act**”) in relation to the **Neogen Chemicals Limited Employees Stock Option Scheme 2024** (“**NCL ESOP Scheme 2024 or the Scheme**”) is as under:

The Scheme was implemented as per special resolutions passed by the shareholders in its 35<sup>th</sup> Annual General Meeting held on September 27, 2024. There is no material change to the Scheme during F.Y. 2024-25 and the Scheme is in compliance with the SBEB&SE Regulations. Under the Scheme, the Company would grant upto 2,50,000 Stock Options (“**ESOPs**”) in one or more tranches to Eligible Employees. Each Option when exercised would be converted into 1 (one) equity share of face value of Rs. 10/- (Rupees Ten) each fully paid-up i.e. the total of 2,50,000 Equity Shares representing 0.95% of the total paid up share capital of the Company.

- A. **Relevant disclosure prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:**

Not Applicable as no ESOPs were granted during the F.Y. 2024-25.

- B. **Diluted EPS on the issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time:**

Not Applicable as no ESOPs were granted during the F.Y. 2024-25.

- C. **Details related to ESOPs**

- (i) A description of each ESOPs that existed at any time during the year, including the general terms and conditions of each ESOPs, including -

a) **Date of shareholders' approval:** September 27, 2024

b) **Total number of options approved under the Scheme:** 2,50,000 ESOPs.

c) **Vesting requirements:** The Vesting period for the ESOPs granted to the Eligible Employees (“**Grantee(s)**”) under the Scheme shall commence from the Grant Date, subject to minimum of 1 (One) year from the Grant Date and to a maximum of 5 (Five) years from

the Grant Date, at the discretion of and in the manner prescribed by the Nomination and Remuneration Committee ("**NRC/ the Committee**") and set out in the Grant Letter. The ESOPs shall vest in Grantee(s) subject to continuing employment of the Grantee(s) with the Company / Subsidiary Company(ies) on the date of Vesting and must complete the full vesting period (& is not on notice period) to qualify for ESOPs unless otherwise specified in the ESOP agreement (e.g., in cases of retirement or other pre-approved conditions) and Company EBIDTA Performance or such other criteria's as may be determined by the NRC from time to time. The NRC would determine the said criteria's, detailed terms and conditions relating to such vesting, including the proportion in which ESOPs granted, would vest.

After Vesting, ESOPs can be exercised by the Grantee(s) either wholly or partly, within maximum of 2 (Two) years from the date of respective Vesting or such other lesser time period as determined by the Committee at its sole discretion from time to time and mentioned in the Grant Letter of the Grantee ("**Exercise Period**").

- d) **Exercise price or pricing formula:** Under this NCL ESOP Scheme 2024, the Exercise Price of the ESOPs will be linked with the Market Price as defined under the Scheme, in accordance with applicable law. The Committee has the power to provide suitable discount, as it deems fit, on such price as arrived above. However, in any case the Exercise Price shall not go below the par value of equity share of the Company.

The equity shares to be allotted pursuant to the exercise of the stock options, shall rank pari-passu to the existing Equity Shares in all respects and would not be subject to lock-in.

- e) **Maximum term of options granted:** After Vesting, ESOPs can be exercised by the Grantee(s) either wholly or partly, within maximum of 2 (Two) years from the date of respective Vesting or such other lesser time period as determined by the Committee at its sole discretion from time to time and mentioned in the Grant Letter of the Grantee ("**Exercise Period**"), except for the events of the death of a Grantee(s) and/ or on Permanent Incapacity of Grantee(s) which shall be dealt as per the details mentioned in the Scheme.

- f) **Source of shares (primary, secondary or combination):** Primary, secondary or combination

- g) **Variation in terms of options:** Not Applicable

- (ii) **Method used to account for ESOPs - Intrinsic or fair value:**  
Not Applicable as no ESOPs were granted during the F.Y. 2024-25.

- (iii) **Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed:** Not Applicable

- (iv) **Option movement during the year (For each Scheme):**

Particulars	Details (ESOPs)
Number of options outstanding at the beginning of the period	0
Number of options granted during the year	0
Number of options forfeited/lapsed during the year	0
Number of options vested during the year	0
Number of options exercised during the year	0
Number of shares arising as a result of the exercise of options	0
Money realized by exercise of options (INR), if the scheme is implemented directly by the company	0
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	0
Number of options exercisable at the end of the year	0

- (v) **Weighted-average exercise prices of options granted during the year whose:**

Exercise price equals market price	N.A.
Exercise price is greater than market price	N.A.
Exercise price is less than market price	N.A.

- (vi) **Weighted-average fair value of options granted during the year whose:**

Exercise price equals market price	N.A.
Exercise price is greater than market price	N.A.
Exercise price is less than market price	N.A.

- (vii) **Employee wise details of options granted during F.Y. 2024-25 to:**

- a) **Senior Managerial Personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

Sr. No	Name	Designation	Number of ESOPs granted	Exercise Price per ESOP (INR)
Not Applicable as No ESOPs were granted during the F.Y. 2024-25.				

- b) **any employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year:** Not Applicable as No ESOPs were granted during the F.Y. 2024-25.
- c) **identified employees who were granted an option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant:** Not Applicable as No ESOPs were granted during the F.Y. 2024-25.
- (viii) **A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**  
 Not Applicable as No ESOPs were granted during the F.Y. 2024-25.
- a) **the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;** Not Applicable
- b) **the method used and the assumptions made to incorporate the effects of expected early exercise;** Not Applicable
- c) **how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;** Not Applicable and
- d) **whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition;** Not Applicable

#### **D) Details related to Trust:**

The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed:

##### **(i) General information on all schemes**

NCL ESOP Scheme 2024 is being administered through Neogen Chemicals Limited Employees Welfare Trust.

Sr. No.	Particulars	Details
1	Name of the Trust	Neogen Chemicals Limited Employees Welfare Trust.
2	Details of the Trustee(s)	Mr. Kirit Chauhan Mrs. Rupal Mehta

3	Amount of loan disbursed by Company / any company in the group, during the year	Not Applicable
4	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	
5	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	
6	Any other contribution made to the Trust during the year	

**(ii) Brief details of transactions in shares by the Trust**

Particulars	No. of shares
a) Number of shares held at the beginning of the year;	Not Applicable
b) Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share;	
c) Number of shares transferred to the employees / sold along with the purpose thereof;	
d) Number of shares held at the end of the year	

**(iii) In case of secondary acquisition of shares by the Trust: Not applicable**

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained.
held at the beginning of the year	Not Applicable
acquired during the year	
sold during the year	
Transferred to the employees during the year	
held at the end of the year	