



**NEOGEN**  
CHEMICALS LTD.

January 30, 2022

BSE Limited Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Kala Ghoda, Fort Mumbai 400 001 <b>Scrip Code No: 542665</b>	National Stock Exchange of India Limited Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 <b>Company Symbol: NEOGEN</b>
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**Sub.: Press Release on the Unaudited Financial Results of the Company under 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, 2021.

The Unaudited Financial Results for the quarter and nine months ended December 31, 2021 and the Press Release are also being uploaded on the Company's website at [www.neogenchem.com](http://www.neogenchem.com).

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



Press  
Release

Jan 29, 2022

## Neogen Chemicals delivers robust all-round performance with highest quarterly growth

Neogen Chemicals Limited (Neogen) reported strong performance during the quarter and nine months ended 31st December, 2021. Revenues in Q3 FY22 increased by 56% to Rs. 132.6 crore, as compared to Rs. 85.2 crore in the corresponding quarter last year. The strong performance was driven by higher contribution from the recently commissioned phase I & II expansions at Neogen's Dahej site. Both demand and realisation stood favourable, led by higher product off-take across key end user industries.

Profit after tax (PAT) stood at Rs. 10.5 crore during the quarter as compared to Rs. 8.5 crore in Q3 FY21. PAT growth was muted due to higher finance costs and depreciation, in-line with new capacities added during the year. This will improve once the new plants operate at optimal utilisation levels. Earnings per share for the quarter stood at Rs. 4.49 per share (Rs. 3.66 per share in Q3 FY21).

### Performance at a Glance

	Q3 FY22	
<b>Revenues</b>	Rs. 132.6 crore	📈 56%
<b>EBITDA</b>	Rs. 23.8 crore	📈 41%
<b>Profit Before Tax</b>	Rs. 13.8 crore	📈 15%
<b>Profit After Tax</b>	Rs. 10.5 crore	📈 23%

Notes:

1. Growth for Q3 FY22 is compared with Q3 FY21
2. All figures are consolidated

**Commenting on the Q3 & 9M FY22 performance, Mr. Haridas Kanani, Chairman & Managing Director, Neogen Chemicals said:**

*"I am delighted to share that we have demonstrated robust all-round performance during the quarter under review steered by incremental gains from recently commissioned Phase I & II greenfield expansions at SEZ Dahej, Gujarat. Our revenue growth stood at 56%, translating into highest-ever quarterly revenue run rate of Rs. 133 crore. I am particularly happy that we*

*reported a strong performance despite a challenging macro environment mirrored by sudden spike in utility costs, combined with onset of Omicron variant.*

*I am also happy to share another key development. We successfully raised Rs. 225 crore equity on preferential allotment basis to support our growth initiatives in advanced intermediates, custom synthesis and contract manufacturing, and lithium-ion battery materials space. The idea is to be future ready and gain first mover advantage in some of these high potential opportunities, while retaining our balance sheet strength.*

*Post commercialisation of Phase I & II projects, we are now running our Mahape and Vadodara plants at high utilisation levels, while Dahej SEZ plant is ramping up. As envisaged, we are now focusing on niche and value-added products that require expertise in complex chemistries with multi-stage processes. Our pilot plant initiative of electrolyte manufacturing for lithium-ion batteries is progressing well and we remain on track to commission that by H1 of FY23. All these initiatives will significantly improve our revenue trajectory over the next few years.*

*The road ahead appears equally exciting for us, and we remain vigilant of growing opportunities in the chemicals and lithium-ion battery materials for EV (electric vehicles) space. We will continue to use our expertise and capabilities to deliver sustainable and profitable performance.”*

## **Key developments & updates**

- Raised Rs. 225 crore through the issuance of up to 16,04,710 equity shares on preferential allotment basis at an issue price of Rs. 1,402.12 per equity share:
  - Some of the high-quality, marquee institutional investors that participated include SBI MF, Axis MF, Plutus Wealth Management LLP and White Oak Capital
  - Objective of the fund raise is to support company's growth momentum and capitalise on the upcoming high-potential opportunities across advanced intermediates, custom synthesis and contract manufacturing and lithium-ion battery materials space
- New CAPEX of Rs. 35 crore that was announced in Q2 FY22 is progressing well. This is being entailed at the Vadodara facility to:
  - Manufacture 250 MT of electrolyte for lithium-ion batteries advanced chemistry cells
  - Streamline processes in the facility
  - Speed up process development and commercialisation of specialty chemicals
  - Undertake overall site development

**-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 comprise Organic as well as Inorganic chemicals. Its products are used in pharmaceutical and agrochemical intermediates, engineering fluids, electronic chemicals, polymer additives, water treatment, construction and aroma chemicals, flavours and fragrances, specialty polymers, Chemicals and Vapour Absorption Chillers – original-equipment manufacturers with new upcoming usage in lithium-ion battery materials for energy storage and 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 233 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.

Further, 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 to manufacture electrolytes and lithium salts needed for electrolytes. This plant will come on-stream in FY23 with further capex planned in the coming years.

The Company operates out of its three manufacturing facilities located in Mahape, Navi Mumbai in Maharashtra, Dahej SEZ, Bharuch and Karakhadi, Vadodara in Gujarat.

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**For more information, please visit [www.neogenchem.com](http://www.neogenchem.com) OR contact:**

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### **Unnati Kanani**

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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.*