

16th Nov, 2024

VCL/SE/70/2024-25

To
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Scrip Code: 516072
Through: BSE Listing Centre

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East), Mumbai 400 051
Symbol: VISHNU
Through: NEAPS

Sub: Q2FY25 and H1FY25 Earnings Release - Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sir,

Further to outcome of Board Meeting held on 11th November, 2024, Earnings Release with regard to Un-Audited Standalone & Consolidated Financial Results for the second quarter ended 30th September, 2024 is enclosed.

A copy of this disclosure is uploaded on the website of the Company www.vishnuchemicals.com

Kindly take the same on record and disseminate on your website.

Thanking You.

Yours faithfully,

For Vishnu Chemicals Limited

Vibha Shinde
Company Secretary & Compliance Officer



Q2FY25 and H1FY25 Earnings Update

Saturday, November 16, 2024

Milestone Inorganic Expansions Announced in Current Fiscal Cash Rich Balance Sheet and Low Leverage Driving Enterprise Growth

Vishnu Chemicals Limited (BSE: 516072, NSE: VISHNU), a leading global player in the manufacturing of speciality chemicals, reported its unaudited financial results on Monday, November 11, 2024 for the half year and quarter ended Sep 30, 2024.

CONSOLIDATED HIGHLIGHTS

In Rs Cr	Q2FY25	Q2FY24	Y-o-Y change	H1FY25	H1FY24	Y-o-Y change	FY24
Revenues from Operations	343.8	307.9	12%	682.7	608.6	12%	1212.6
Gross Profit	147.0	139.0	6%	298.8	278.2	7%	583.9
Gross Margin	42.8%	45.2%		43.7%	45.7%		48.2%
EBITDA	45.1	45.9	-2%	100.8	97.0	4%	201.5
EBITDA Margin	13.1%	14.9%		14.8%	15.9%		16.6%
PAT	22.8	23.9	-5%	53.3	52.6	1%	101.1
PAT Margin	6.6%	7.8%		7.8%	8.6%		8.3%

HIGHLIGHTS

- **Revenue Growth:** Consolidated revenues grew by 12.2% y-o-y in H1FY25 and 11.6% y-o-y in Q2FY25. Consolidated EBITDA Margin stood at 13.1% in Q2FY25 compared to 14.9% in Q2FY24.
- **Domestic Sales:** On a consolidated basis, the Domestic to Exports Sales mix was 57:43 driven by stronger demand environment in the domestic market. The company remains cautiously optimistic about the recovery in the export market, which continues to face challenges due to geo-political and inflationary pressures.
- **Profitability:** Consolidated PAT decreased by 5% y-o-y, and Standalone PAT declined by 28.7% y-o-y, primarily due to the rising input and freight costs along with one-time administrative expenses associated with acquisition of Jayanshree Pharma made during the quarter.

- **Cost Challenges:** The company took 22 days of maintenance during the quarter in its Vizag unit. Freight rates surged nearly 70% in Q2FY25, reflecting global shipping disruptions, sustained demand, and capacity constraints, contributing to higher costs and impacting export demand.
- **Strong Balance Sheet:** Fundamentally, the balance sheet remains strong, with consolidated Debt-to-Equity ratio at 0.45 and Current ratio at 1.58. The Consolidated Net Debt to Equity ratio stands at 0.32 times, with Cash & Cash equivalents at Rs 100.1 crore as on 30 Sep 2024.
- **Receivable days** remained at 65, reflecting robust demand and the company’s relationships with credible customers in a challenging environment.
- **Barium Business Performance:** Highest PAT in last 12 quarters achieved in the Barium business, driven by process improvements, diversified product mix and operating leverage.
- **Acquisitions:**
 - In Q2FY25, the Company entered into a definitive agreement to acquire Jayansree Pharma Private Limited for an Enterprise value of Rs 51.99 crore, expanding the company’s presence in Visakhapatnam and supporting its growth and market expansion strategy.
 - In November 2024, the Company signed a definitive agreement to acquire a Chrome Mining Complex in South Africa through its wholly owned subsidiary. The transaction will be executed on a ***debt-free, cash-free, and liability-free basis***.
- **Strategic Benefits of Acquisitions:**
 - Both acquisitions—Jayansree Pharma and the Chrome Mining Complex—are expected to provide significant strategic and financial benefits in the long term.

MANAGEMENT COMMENTS

Mr. Krishna Murthy Ch., CMD, Vishnu Chemicals Limited said, “In FY25, we have entered into two definitive agreements to acquire businesses that align well with our portfolio, enhancing both our operational capabilities and resilience to external pressures. Our strong, cash-rich balance sheet, coupled with a low-debt profile, continues to provide us with the flexibility to invest strategically in assets that drive long-term value for our shareholders.”

“We are pleased with the progress we have made in executing our enterprise strategy in a tough business environment. We continue to balance our long-term growth objectives with the realities of the current market conditions, positioning ourselves for sustained success as we navigate through these uncertain times.” **said Mr. Siddartha Ch., JMD, Vishnu Chemicals Limited.**

Q2FY25 Earnings call:

Please join us on the conference call to discuss the earnings.

- **Date & Time:** Monday, November 18, 2024 at 4:30 pm IST
- Participants can pre-register on:
<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=1702298&linkSecurityString=b88baa712>
- Dial in details as follows:

Universal Dial in	+91 22 6280 1143 / +91 22 7115 8044
International Number:	
USA	+ 1 866 746 2133
UK	+44 808 101 1573
Singapore	+65 800 101 2045

About Vishnu Chemicals Limited

Vishnu Chemicals Limited epitomises manufacturing of high-performance speciality chemicals, with strong market leadership and an intelligent symphony of forward and backward integration to produce world-class Chromium and Barium chemicals that are focused on diverse needs and aspirations of its customers across 50+ countries.

For further information, please connect with us on investors@vishnuchemicals.com

Safe harbour

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. The conditions caused by the multiple local and global factors including and not limited to COVID-19 pandemic could decrease customer's spending, affecting demand for our services, delaying prospective customer's purchasing decisions, and impact of pandemic on health of people; all of which could adversely affect our future revenue, margin and overall financial performance. Our operations may also be negatively affected by a range of external factors that are not within our control. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.