

09.11.2024

To,
National Stock Exchange of India Limited
“Exchange Plaza”,
Bandra-Kurla Complex,
Bandra (East) Mumbai 400 051

BSE Limited
Floor- 25, P J Tower,
Dalal Street,
Mumbai 400 001

SYMBOL:- EPIGRAL

Scrip Code: 543332

Dear Sirs,

Sub.: Press Release for Un-Audited Financial Results – Q2 FY2025

Ref.: Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Press Release for Un-Audited Financial Results – Q2 FY2025.

The said Press Release is also available at www.epigral.com in the Investor Relations section.

This is for information and records.

Thanking you,

Yours faithfully,

For Epigral Limited
(formerly known as ‘Meghmani Finechem Limited’)

Gaurang Trivedi
Company Secretary & Compliance Officer
M. No. 22307



Epigral Limited

(formerly known as **Meghmani Finechem Limited**)

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Press Release

Epigral Limited's Q2FY25 PAT jumps 111% to ₹ 81 Crore

CPVC capacity will be expanded to world's largest facility at 1,50,000 TPA, and Epichlorohydrin will be country's largest facility at 1,00,000 TPA

November 9, 2024: Epigral Limited (Epigral), India's leading integrated chemical manufacturer, today announced its financial results for the quarter ended September 30, 2024. The company posted a robust growth in PAT for Q2FY25 at ₹ 81 Crore, a jump of 111% as compared to ₹ 38 Crore in Q2FY24. The company's quarterly revenue rose by 32% to ₹ 632 Crore as against ₹ 479 Crore recorded in Q2FY24.

Capex / Expansion

Epigral's board has approved the expansion project of CPVC and Epichlorohydrin (ECH). CPVC resin capacity will be expanded to 1,50,000 TPA (Tonnes Per Annum) by adding another 75,000 TPA capacity and Epichlorohydrin (ECH) capacity will be enhanced to 1,00,000 TPA by adding another 50,000 TPA capacity, at the company's Dahej facility in Gujarat.

With this expansion, Epigral's total CPVC resin capacity will be elevated as the largest resin facility in the world and Epichlorohydrin will be the largest facility in India.

CPVC and ECH expansions will meet the growing demand of these products in India. The organization's move to further expand into CPVC resin and ECH production is consistent with the Government of India's initiatives like Atmanirbhar Bharat and Make in India initiatives, which aim to make India more self-reliant.

With focus towards sustainability and environment, Epigral will be investing in Pure.rBrine™ technology for the recycling and reuse of by-product to use it as a raw material for other products. This will help in saving on waste discharge and reducing GHG emission from the overall supply chain. Further, the company will benefit from cost rationalization on account of strengthening integrated complex by consuming by-product as a raw material.

Commenting on the results Mr Maulik Patel; Chairman and Managing Director – Epigral said: *"Epigral witnessed the topline growth of 37% in H1FY25, on account of 17% sales volume growth coming from high value products of Derivatives and Specialty business, despite marginal drop in realizations for all the products. Revenue contribution from Derivative and Specialty business has reached to 59% in Q2FY25 vs 46% in Q2FY24"*.

"At Epigral we are focused on continuous growth and entering products which are 1st time in India. In line with that, we had entered into CPVC and ECH, import substitute products. Considering the acceptance of our product, market size and growing demand for both the products, we are excited to further expand in both the products and double it from our existing capacity. The additional capacities are expected to get commissioned by H1 of FY2027 and these projects are expected to contribute FY2027 onwards. Our strategy to diversify into value added products, strengthening our integrated complex and sustained investment in capex will help us efficiency of scale and create value for our shareholders," Mr Patel added.

The key performance highlights:

Strategic Update for H1FY25:

- Epigral spent ₹ 79 Crore on capex in H1FY25
- Epigral's board has approved to double its CPVC Resin and Epichlorohydrin (ECH) Capacity

- CPVC Resin capacity will reach to 1,50,000 TPA, by adding additional 75,000 TPA
- Epichlorohydrin capacity will reach to 1,00,000 TPA, by adding additional 50,000 TPA
- Epigral successfully raised ₹ 333 Crore through QIP. The funds will be helpful to support the growth plans of the company
- In April 2024, Epigral commissioned 45,000 TPA of additional capacity of CPVC Resin. Total capacity reached to 75,000 TPA
- In June 2024, Epigral commissioned CPVC compound facility

Q2FY25 Operational Highlights:

- Sales volume grew 6% YoY, it majorly comes from Derivatives and Specialty business
- Capacity utilization stood at 83% in Q2FY25 vs 77% in Q2FY24
- YoY realizations dropped for all the products in range of 1% to 7%, except for Chloromethanes
- Caustic Soda realization dropped by 9% QoQ. Realization marginally improved for value added products

Q2FY25 Financial Highlights:

- Revenue stood at ₹ 632 Crore, growth of 32% YoY on account of volume growth from Derivative products
- Revenue contribution from Derivatives & Specialty business increased to 59% in Q2FY25 vs 46% in Q2FY24
- EBITDA stood at ₹ 178 Crore vs ₹ 108 Crore in Q2FY24, grew by 65% YoY
- EBITDA margin stood at 29% in Q2FY25 vs 23% in Q2FY24 on account of increase in utilization and volume contribution from new projects commissioned
- PAT grew by 111% to ₹ 81 Crore. PAT margin grew to 13% vs 8% in Q2FY24
- ROCE grew to 24% as on 30th September 2024 vs 21% as on 30th September 2023
- Net Debt / EBITDA reduced to 1.4x as on 30th September 2024 vs 1.8x as on 30th September 2023

H1FY25 Operational Highlights:

- Sales volume grew 17% YoY, it majorly comes from Derivatives and Specialty business
- Capacity utilization stood at 83% in H1FY25 vs 74% in H1FY24
- Realizations dropped for all the products in H1FY25 vs H1FY24

H1FY25 Financial Highlights:

- Revenue stood at ₹ 1,285 Crore, growth of 37% on account of volume growth from Derivative products
- Revenue contribution from Derivatives & Specialty business increased to 56% in H1FY25 vs 42% in H1FY24
- EBITDA stood at ₹ 355 Crore vs ₹ 203 Crore in H1FY24, grew by 75%
- EBITDA margin stood at 28% in H1FY25 vs 22% in H1FY24 on account of increase in utilization and volume contribution from new projects commissioned
- PAT grew by 139% to ₹ 166 Crore. PAT margin grew to 13% vs 7% in H1FY24

About Epigral Limited

Epigral Limited (Epigral), formerly known as Meghmani Finechem Ltd, incorporated in 2007, is a leading integrated manufacturer of chemicals in India. Epigral's Dahej facility is a backward and forward integrated and automated complex with a well-planned infrastructure. In India, Epigral is the first to set up an Epichlorohydrin plant and largest capacity plant of CPVC. Epigral is also a leading manufacturer of Caustic Soda, Caustic Potash, Chloromethanes, Hydrogen Peroxide, Chlorine and Hydrogen.

Epigral is strengthening its position in the specialty chemical segment by enhancing its capacity in CPVC, venturing into the Chlorotoluenes value chain and dedicated R&D centre. The company is focused on sustainable value creation for all its stakeholders and has been awarded with the Responsible Care certificate.

Through integral collaborations and exceptional solutions, Epigral strives to enhance value and exceed expectations, leaving an indelible mark on stakeholders and the industry.