



November 13, 2024

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 half year ended September 30, 2024.

The Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 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

Q2 FY25 PRESS RELEASE
November 13, 2024

Neogen Chemicals delivers healthy performance in Q2 FY25
Revenue up by 20%; EBITDA higher by 33%; PAT grew by 38%

Neogen Chemicals Limited (Neogen) reported a strong financial performance for the quarter ended 30th September, 2024.

In Q2 FY25, revenue was higher by 20% to Rs. 193 crore fueled by increased volumes in the core business, coupled with incremental contribution from BuLi Chem. This was achieved in a challenging operating environment characterized by weak pricing. Softness in agchem was partially mitigated by positive demand trend for other end-use applications. Neogen Ionics (Battery Chemicals) recorded initial commercial sales of Lithium Salts and Electrolytes, garnering strong initial customer response. It is well poised to drive substantial growth from the next financial year.

EBITDA stood at Rs. 35 crore, an increase of 33% Y-o-Y. This improvement was a function of higher plant throughput as well as better operational efficiencies. Focus now shifts to sustaining profitability. Margins remained healthy at 17.9% even in a weak pricing environment & start up related cost at Neogen Ionics Limited.

Profit after Tax (PAT) grew by 38% to Rs. 11 crore. Strong operating performance drove robust PAT growth. Increased CAPEX intensity in Battery Chemicals going ahead is expected to drive higher depreciation and interest costs.

Earnings per share (EPS) for Q2 FY25 stood at Rs. 4.15 per share (Rs. 3.17 per share in Q2 FY24).

Performance at a Glance

	Q2 FY25	YoY Growth
Revenues	Rs. 193 crore	📈20%
EBITDA	Rs. 35 crore	📈33%
Profit Before Tax	Rs. 15 crore	📈41%
Profit After Tax	Rs. 11 crore	📈38%

Notes:

1. *Growth for Q2 FY25 is compared with Q2 FY24*
2. *All figures are consolidated*
3. *EBITDA excluding other income*

Commenting on the Q2 FY25 performance, Mr. Haridas Kanani, Chairman & Managing Director, Neogen Chemicals said:

“We have delivered a strong performance during the period under review amid a challenging backdrop of events marked by soft demand, oversupply situation, geopolitical tensions and inflationary pressures, which have eroded industry’s pricing power and profitability. Our 20% revenue improvement and 38% PAT growth in Q2 FY25 is a testament to our team’s unwavering dedication, adaptability, and ability to navigate challenging market conditions. Volume gains in the base business as well as contributions from BuLi Chem and Neogen Ionics fostered consolidated performance.

Through Neogen Ionics, we are making deep inroads in the Battery Materials business. Through our collaborative efforts, we have developed and exchanged multiple recipes of Electrolyte & Lithium Salt combinations with our customers. While doing so, we have gained valuable insights into the technological capabilities and market expertise. Our pilot production lines are currently manufacturing and shipping commercial trial lots, while the initial commercial production facilities are operational and fulfilling early market demand. Stringent quality standards are being maintained through strict adherence to safety protocols. The construction of our dedicated greenfield Battery Materials plant in Dahej using MUIS technology license is advancing steadily & remains on expected timelines. We are strategically phasing the commissioning process aligning with Battery capacities coming in India.

While we anticipate a potential demand recovery later in FY25, we are committed to investing in our long-term growth strategy to secure our future. In the face of global economic uncertainty, we at Neogen Chemicals are adapting to changing conditions, and remain steadfast in our commitment to growth, innovation, and delivering value to our stakeholders.”

Update on Battery Chemicals (Neogen Ionics):

- **Achieved financial closure for majority of CAPEX in Neogen Ionics**
- **Discussing long term contracts with Battery manufacturers for Electrolyte supply**
- **Strategic hirings in Battery Chemicals’ division nearly complete**
- **Strong demand for non-Chinese supply of Lithium Salts and Electrolytes continues; de-risking, compliance of international government policies being the chief objective**

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

- 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.

-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.*