



Ami Organics Limited

CIN No. : L24100GJ2007PLC051093

Registered Office :- Plot No. 440/4, 5 & 6, Road No. 82/A, G.I.D.C. Sachin, Surat - 394230, Dist. Surat, Gujarat, India.

November 9, 2023

To,
The Listing Department,
BSE LIMITED,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai- 400 001

To,
The Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor, Plot No. C-1,
G-Block, Bandra Kurla Complex,
Mumbai -400051

Scrip Code : 543349

NSE Symbol : AMIORG

Subject: Investor Presentation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

In accordance with Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Investor Presentation on second quarter and half year ended financial results as on September 30, 2023 and other business matters.

This Investor Presentation will also be available on the website of the Company
www.amiorganics.com.

Kindly take the same on record.

Yours faithfully,

For, AMI ORGANICS LIMITED

Digitally signed by
EKTA KUMARI
SRIVASTAVA
Date: 2023.11.09
10:43:26 +05'30'

Ekta Kumari Srivastava
Company Secretary & Compliance Officer



Encl: Presentation



Info@amiorganics.com



www.amiorganics.com



+91 72279 77744 / 75730 15366

Investor Presentation

NOVEMBER 2023

BSE : 543349 | NSE : AMIORG | www.amiorganics.com



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Working towards better
tomorrow



1. Q2 & H1FY24 Results

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- Shareholder Information





Mr. Naresh Patel

Executive Chairman and Managing Director

Management Commentary

"I am pleased to report a 17% YoY growth, with a revenue from operations of Rs. 172 crores for the quarter, despite facing downward pricing pressures. Even as we navigated the low demand landscape and delivered growth, our margins took a hit this quarter driven by high pricing pressure and higher sales of low margin products. Still, our strong order book point to a robust second half of FY24.

On the business front, Advance Pharmaceutical business delivered steady growth of ~8% YoY, even as for one product, a global customer delayed the launch in certain markets impacting our growth for the quarter. Further extending our relationship with Fermion, we have signed one more contract for Advanced Intermediates for their product taking total products under the CDMO contract to 3, enhancing revenue visibility for the coming years.

On the Speciality chemicals side, we delivered strong 72% growth YoY, driven by robust volume. The launch of a new UV Observer product is set to enhance our portfolio, contributing to our financials from Q3 FY24.

In our commitment towards sustainability and operational cost reduction, the board has approved investment in a 16 MW solar power plant which along with already work in progress 5 MW solar power plant will nullify our electricity expense once fully operational.

Deferment in product launch in certain markets by a global customer coupled with pricing pressure due to oversupply from China is expected to have some impact on the numbers and even though we are expecting to deliver robust H2 FY24, overall, we are modifying our growth target from 22-25% for the full year to 18-22% growth for FY24."

Revenue for Q2FY24
(Mn)

Rs. 1,724

↑ 17%

YoY

EBIDTA for Q2FY24
(Mn)

Rs. 248

↓ (12%)

YoY

Adj. PAT for Q2FY24
(Mn)

Rs. 147

↓ (23%)

YoY



Q2FY24 Financial Highlights

- Revenue from operations for Q2FY24 grew by 17.3% YoY to Rs. 1,724 mn
- The Gross margin for the quarter was at 41% as compared to 48% in Q2FY23. Lower gross margins were on account of high price erosion and higher sale of low margin products
- EBITDA for the quarter came at Rs. 248 mn down 11.8% YoY compared to Rs. 281 mn in Q2FY23
- EBITDA margin for the quarter was at 14.4% as compared to 19.1% in Q2FY23, Degrowth of 470bps was on account of gross margins as well as higher employee cost which was driven by annual increments, ESOP and hiring for Ankleshwar unit
- Adjusted PAT for the quarter was Rs. 147 mn, down 22.6% YoY as compared to Q2FY23.
- Board of Directors on recommendation of Audit committee decided to fully impair the existing investment of Company, in the joint venture Ami Oncotheranostics LLC, as it is presumed that revenue generation from Ami Oncotheranostics will take significant time considering the inherent nature of its research activity in terms of longer gestation period and uncertain success rate. The same has been shown as exceptional item in the profit and loss statement for the period April 2023 to September 2023. Since entire investment value is impaired, consolidated results does not include financial numbers of Joint Venture.

Q2FY24 Key Business Highlights

- Export at 54%; domestic business at 46%
- Advance Pharmaceutical Intermediates
 - Fermion contract:
 - Signed a new contract for additional advanced intermediate taking total product under CDMO contract to 3 products
 - On track to start the production from Q4FY24 onwards from Ankleshwar Unit
- Specialty Chemicals
 - Received orders for a UV Observer product used in Paint Industry. Expect commercial production to start from Q3 FY24
- Electrolyte additives update
 - Advanced stages of negotiation of contract with couple of customers.
- Capex Update
 - Machinery installation in progress in block-1 at Ankleshwar unit
 - Started the recruitment process for the new facility. On track to commence the production activity in Q4 FY24
- Baba Fine Chemicals Acquisition Update
 - Completed acquisition of majority partnership stake in Baba Fine Chemicals during the quarter



Q2FY24 Financial Performance – Key Metrics

Revenue from Operations

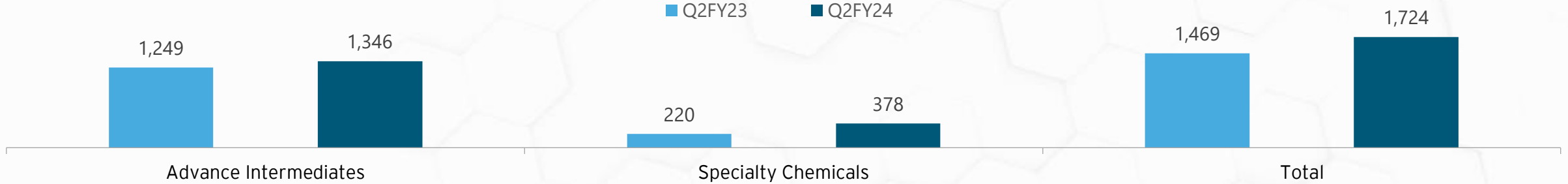
(Rs Mn)

YoY Growth

7.7%

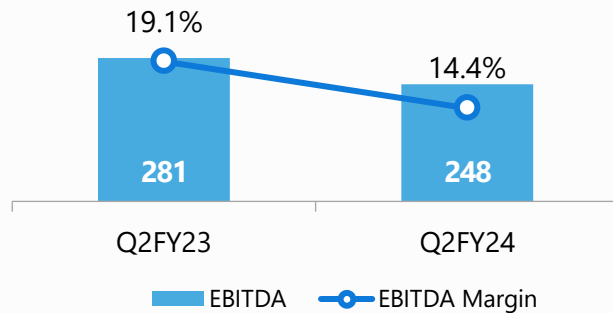
71.4%

17.3%



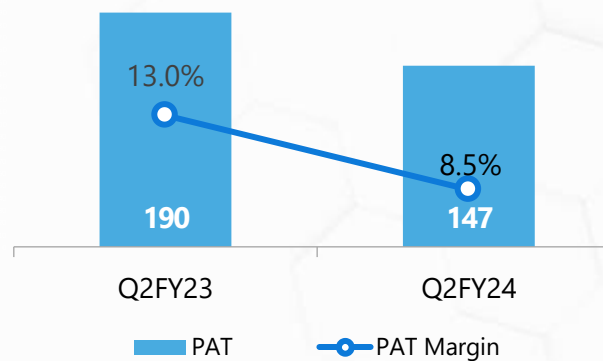
EBITDA & EBITDA Margin

(Rs Mn)

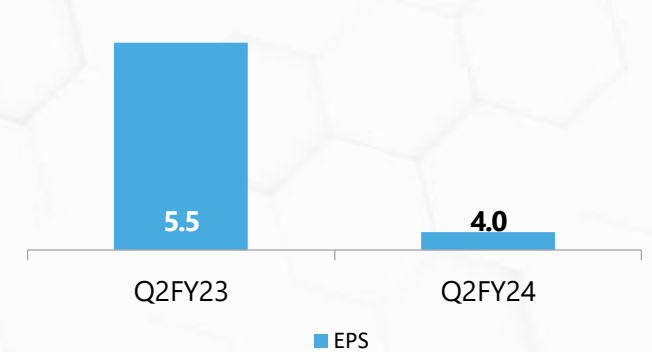


PAT

(Rs Mn)



EPS



Note: PAT, PAT Margin and EPS are adjusted for Exceptional Items. Exceptional item includes full impairment of JV with Ami Oncotheranostics LLC.

H1FY24 Financial Performance – Key Metrics

Revenue from Operations

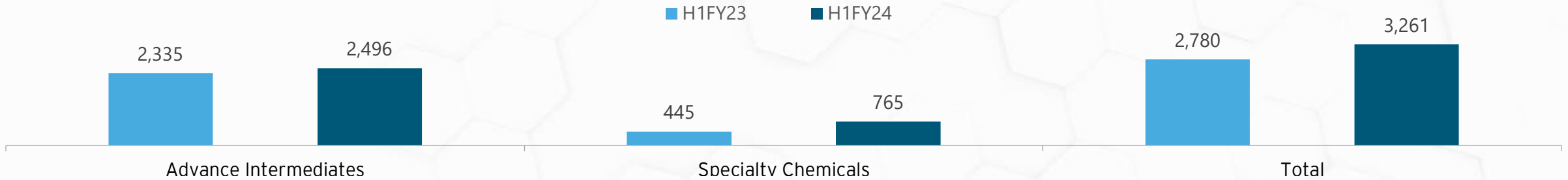
(Rs Mn)

YoY Growth

6.9%

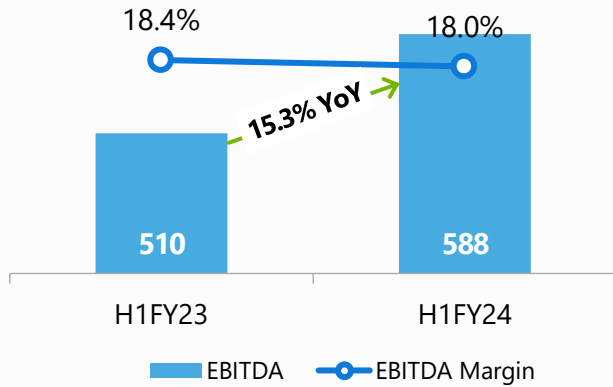
72.0%

17.3%



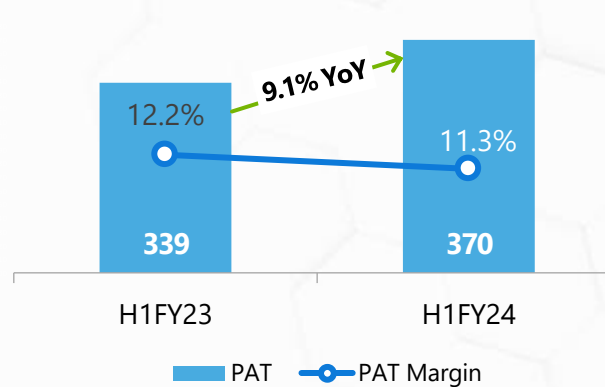
EBITDA & EBITDA Margin

(Rs Mn)

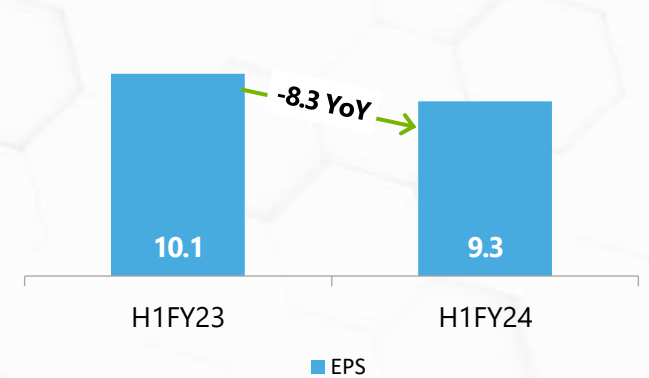


PAT

(Rs Mn)



EPS



Note: PAT, PAT Margin and EPS are adjusted for Exceptional Items. Exceptional item includes full impairment of JV with Ami Oncotheranostics LLC.

P&L Statement

Particulars (Rs. Mn)	Q2FY24	Q2FY23	YoY	Q1FY24	QoQ	H1FY24	H1FY23	YoY
Revenue from Operations	1,724	1,470	17.3%	1,537	12.1%	3,261	2,780	17.3%
COGS	1,016	764		801		1,817	1,435	
Gross Profit	708	706	0.2%	736	(3.9%)	1,444	1,345	7.3%
Gross Margin	41.0%	48.0%		47.9%		44.3%	48.4%	
Employee benefits expenses	158	128		141		299	245	
Other expenses	301	297		255		556	582	
Total Expenses	1475	1,189		1,197		2673	2,262	
EBITDA	248	281	(11.8%)	340	(27.0%)	588	518	15.2%
EBITDA Margin	14.4%	19.1%		22.1%		18.0%	18.6%	
Depreciation and amortization	37	28		37		74	59	
PBIT	211	253	(16.5%)	303	(30.3%)	514	459	13.8%
Finance costs	8	4		5		13	6	
Other Income	15	9		11		27	7	
Exceptional Item	(318)	-		-		-318	-	
PBT	(99)	257	(138.7%)	309	(132.1%)	210	460	(54.4%)
Tax Expense	71	67		87		158	121	
PAT	(170)	190	(189.4%)	222	(176.5%)	52	339	(84.6%)
PAT Margin	-	13.0%		14.5%		1.6%	12.2%	
PAT adjusting for Exceptional Item	147	190	(22.6%)	222	(33.7%)	370	339	9.1%

Note: Exceptional item includes full impairment of JV with Ami Oncotheranostics LLC.

Financial Performance over the years – Key Metrics

Revenue from Operations- Growth Trends

(Rs Mn)

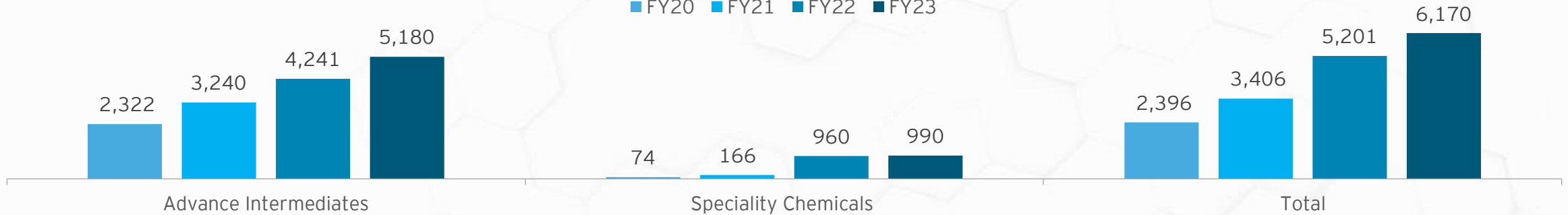
FY20-23 CAGR:

31%

137%

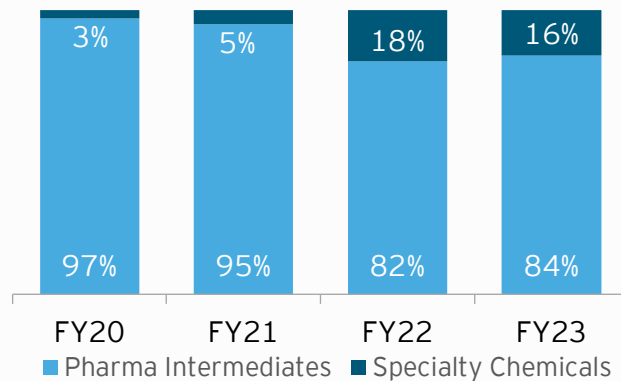
37%

■ FY20 ■ FY21 ■ FY22 ■ FY23



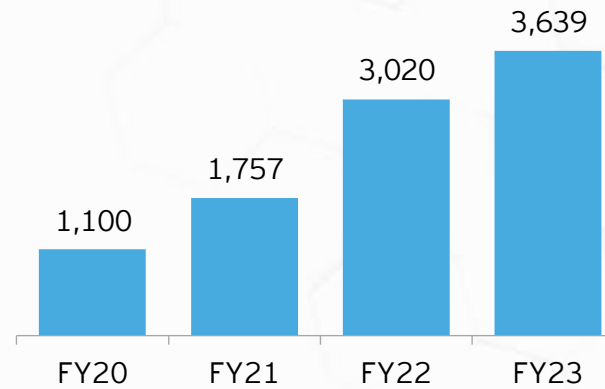
Revenue – by Business Verticals

(Rs Mn)

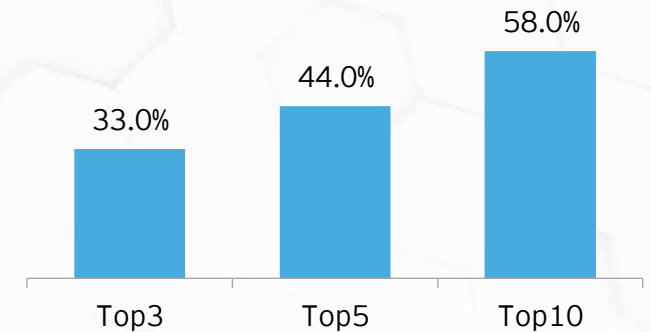


Revenue from exports

(Rs Mn)

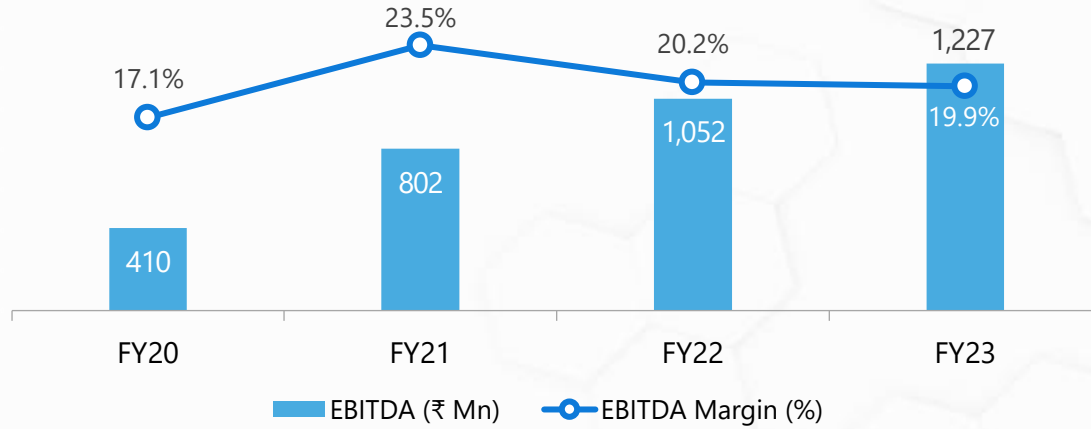


Share of Top 10 Customers - FY23

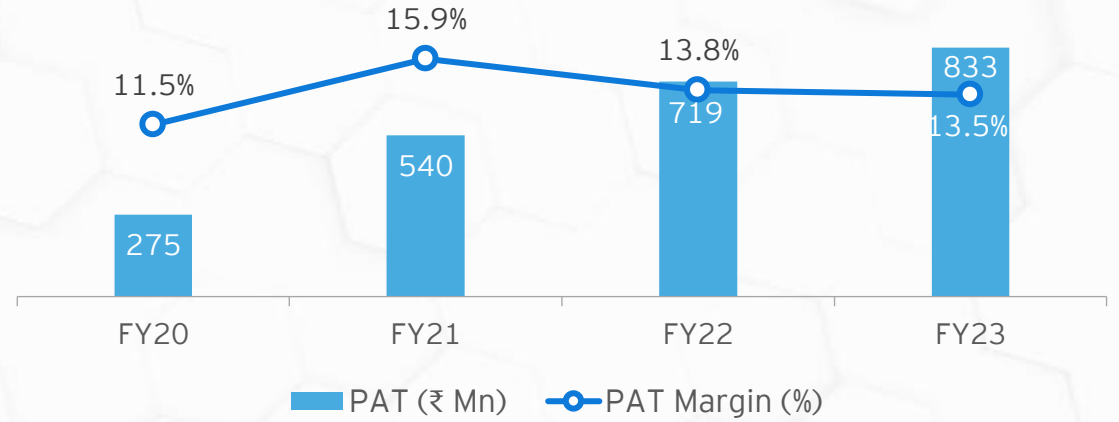


Financial Performance over the years – Key Metrics (cont'd)

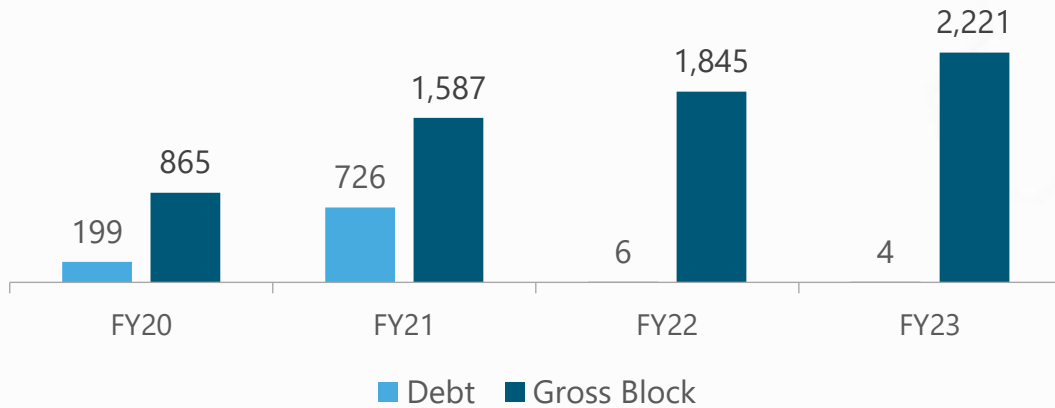
EBITDA and EBITDA Margins (%)



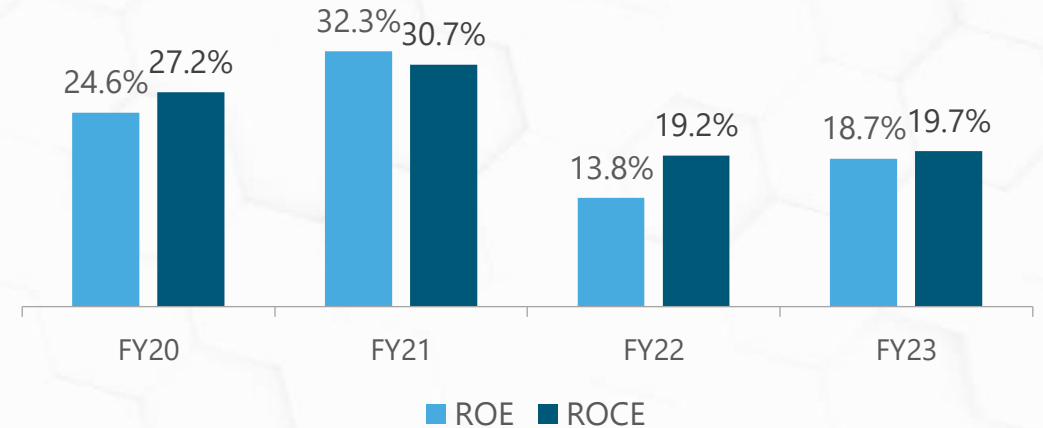
PAT and PAT Margins (%)



Long term Borrowings and Gross Block



Returns Profile



Financials for the last three years

Restated Summary Statement of Profit and Loss

Particulars (Rs. Mn)	FY21	FY22	FY23	H1FY24
Revenue from Operations	3,406	5,201	6,167	3,261
Other Income	14	28	43	27
Total Revenue	3,420	5,229	6,211	3,288
Cost of Materials consumed	1,747	2,728	3,309	1,817
Employee benefits expenses	210	414	488	299
Finance costs	56	64	24	13
Depreciation and amortization	42	101	123	74
Other expenses	599	1,008	1,143	556
Total Expenses	2,703	4,314	5,088	2673
PBT	717	915	1,122	210
Tax Expense	177	195	289	158
PAT	540	719	833	52
Adjusted PAT*	540	719	833	370

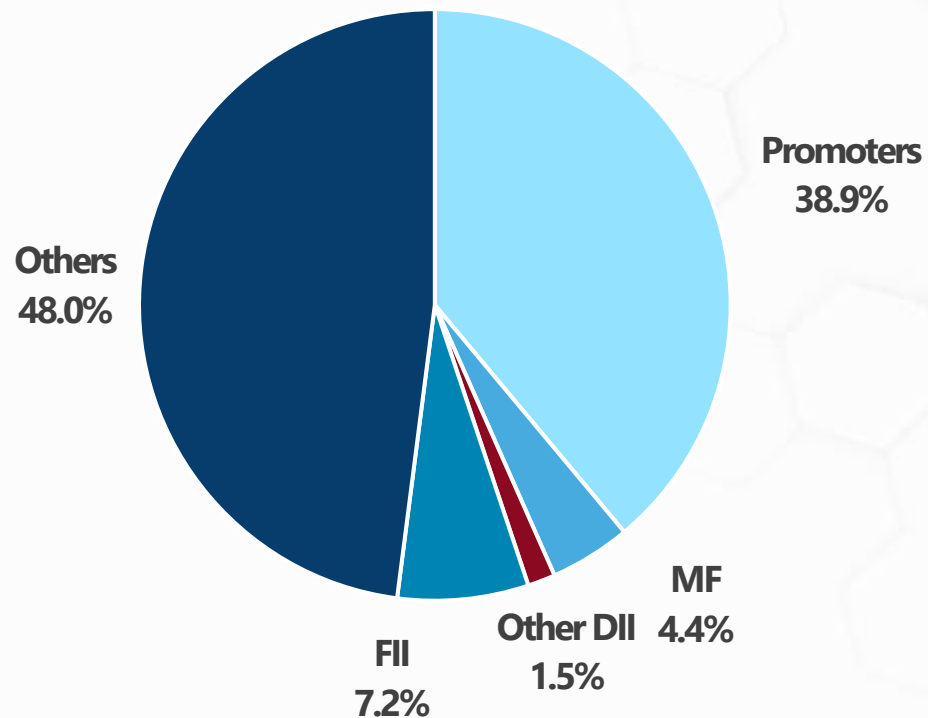
Restated Summary Statement of Asset and Liabilities

Particulars (Rs. Mn)	FY21	FY22	FY23	H1FY24
I. Assets				
Property, plant and equipment	1,608	1,808	2,519	3,884
Other non-current assets	362	490	399	82
Total non-current assets	1,970	2,297	2,918	3,966
Inventories	604	1,122	1,192	1,642
Trade receivables	1,207	1,637	2,303	2,060
Cash and cash equivalents	27	996	586	1,044
Other current assets	325	537	596	969
Total current assets	2,162	4,291	4,677	5,714
Total assets	4,133	6,589	7,595	9,680
II. Equity and liabilities				
Total equity	1,669	5,223	5,868	6,451
Borrowings	726	6	4	430
Other non-current liabilities	77	67	95	108
Total non-current liabilities	803	73	99	537
Current borrowings	445	3	30	583
Trade payables	844	1,184	1,420	1,726
Other current liabilities	372	106	178	383
Total current liabilities	1,660	1,293	1,628	2,691
Total liabilities	2,463	1,366	1,727	3,229
Total equity and liabilities	4,133	6,589	7,595	9,680

* PAT is adjusted for the Exceptional Items. Exceptional item includes full impairment of JV with Ami Oncotheranostics LLC.

Shareholder Information

Shareholding as on 30th September 2023



Share Information as on 30th September 2023

NSE Ticker	AMIORG
BSE Ticker	543349
Market Cap (Rs. Cr)	4,542
Shares Outstanding	3,68,80,562
3M ADTV (Shares)*	1,36,687
3M ADTV (Rs. cr)*	17.32
Industry	Specialty Chemicals

*Source: NSE & BSE

2. Company Overview

- Company Overview
- Our Journey
- Our Products
- Strong and Long-term relations with Diversified Customers across Geographies
- Our Manufacturing Facilities
- Superior R&D Capabilities
- Our Founders
- Our Leadership
- What makes us different



Company Overview

AMI Organics (AMI) is a research and development driven manufacturer of specialty chemicals with varied end usage and is focused on the development and manufacturing of advanced pharmaceutical intermediates ("Pharma Intermediates") for regulated and generic active pharmaceutical ingredients ("APIs") and New Chemical Entities ("NCE") and key starting material for agrochemical and fine chemicals.

6,211
FY23 Total Revenue
(INR mn)

1,227
FY23 EBITDA
(INR mn)

500+
Customers
Added ~60 new customers in FY23

~50
Countries
(Customer locations)

833
FY23 PAT
(INR mn)

59%
Export (%)
(FY23)

3
Manufacturing Facilities
(Gujarat)

1
R&D Facility
State of art In-house R&D facility recognized by DSIR in India.

Business Segments

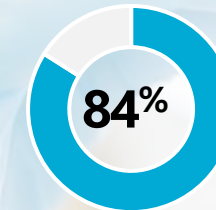


Pharma Intermediates

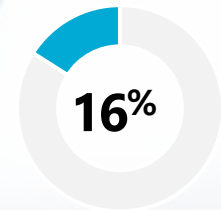


Specialty Chemicals

FY23 Total Revenue – Rs. 6,211mn



Advance Intermediates
for Pharmaceutical API and NCE

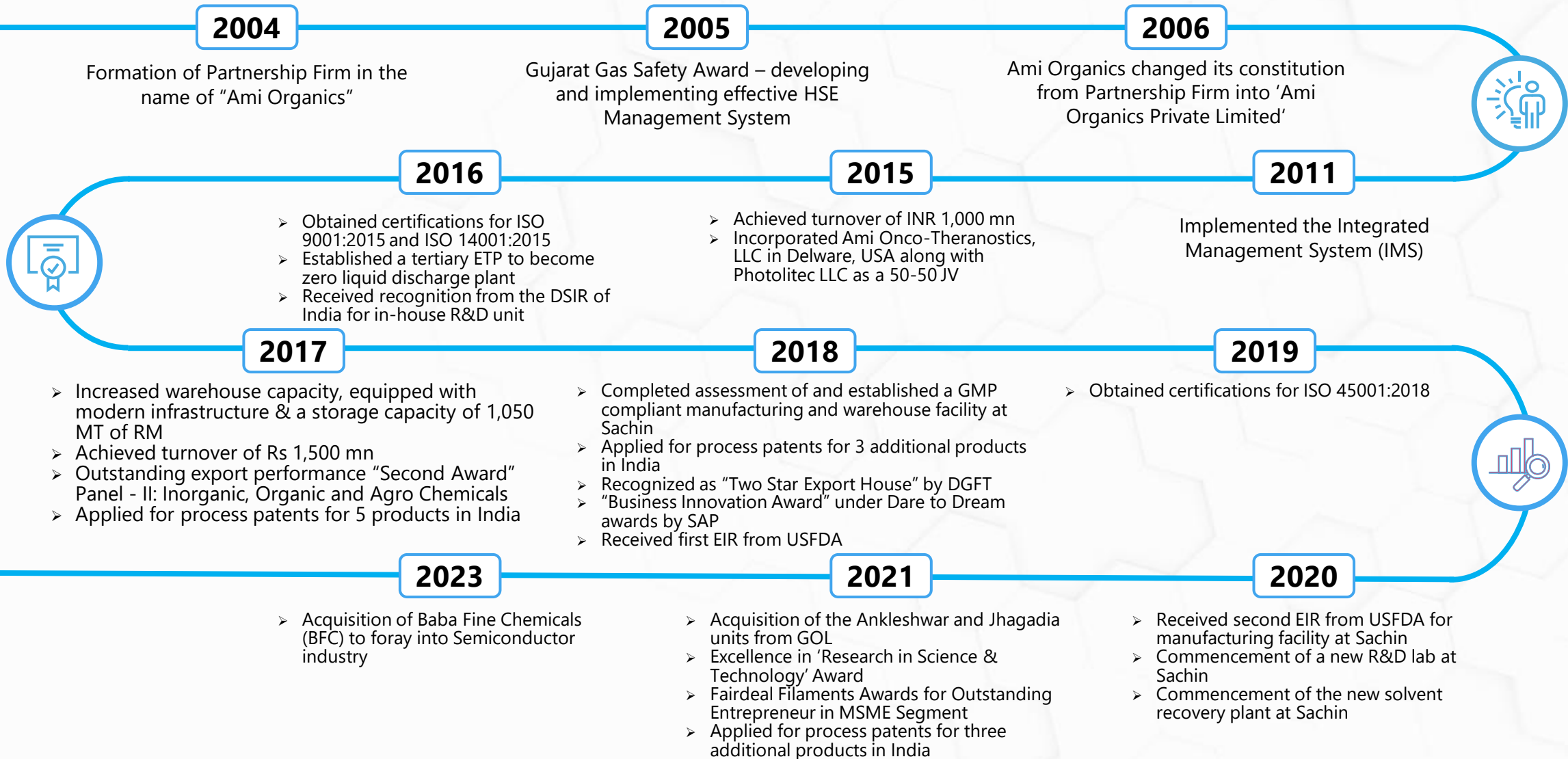


Specialty Chemicals
KSM, Parabens, Salicylic acid and other specialty chemicals

520+ Products

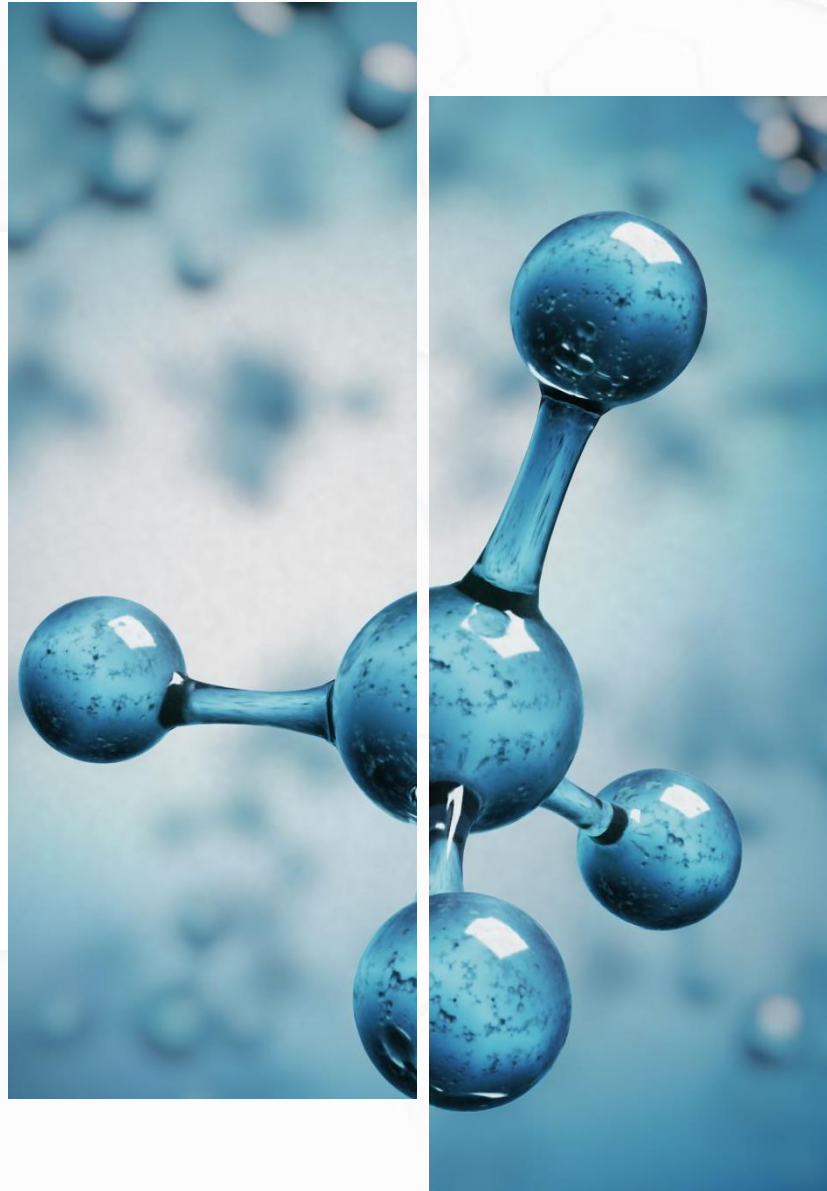
Added ~70 new products in FY23

Our Journey



Advance Intermediates for Pharmaceuticals

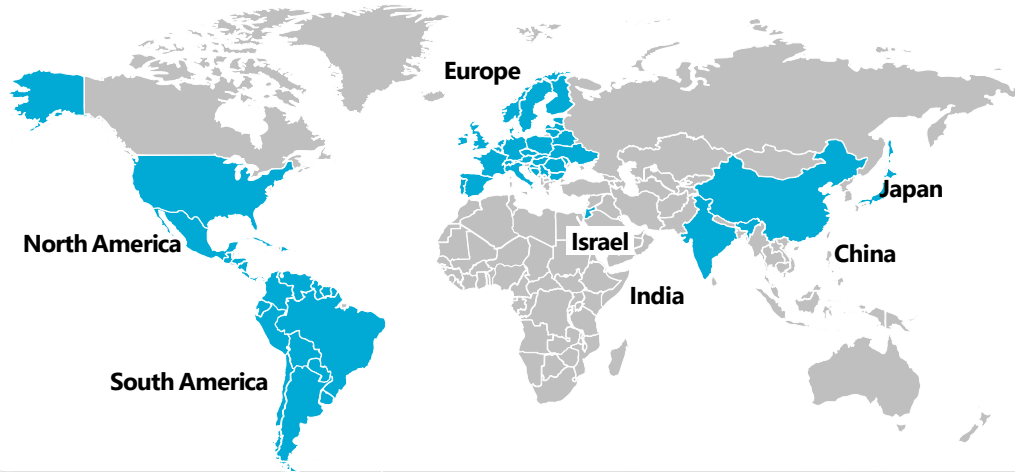
- Advanced Intermediates:
 - 185+ Products
 - Intermediates across 17 therapeutic areas
 - Chronic Therapy focus: ~90%
 - Majorly backward integrated to Basic Chemical level
 - 50-90% global market share key molecules



Specialty Chemicals

- Niche KSM for Agrochem and Finechem companies
- Parabens & paraben formulations, Salicylic Acid and other specialty chemicals that find end-use in cosmetics, dyes, polymers and agrochemical industries, animal foods, and personal care industries
- New segment - Electrolyte used in manufacturing cells for energy storage devices.

Strong and Long-term relations with Diversified Customers across Geographies



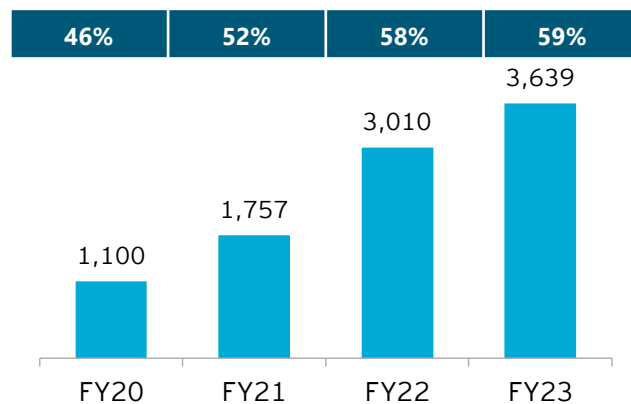
58%
of revenue from Top 10 customers in FY23

13
customers associated since last 10 years

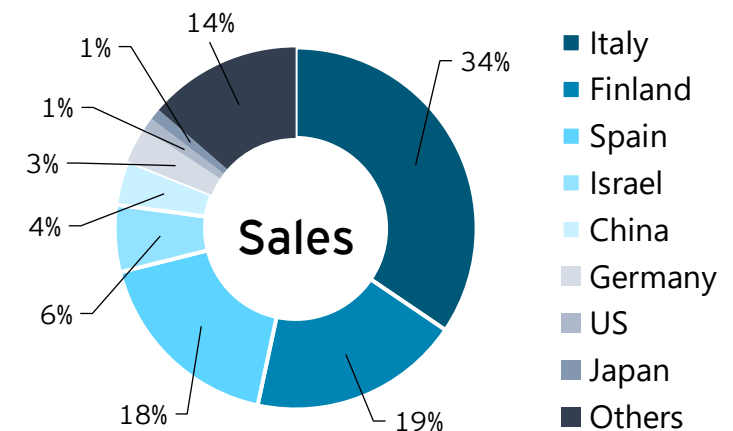
50
customers associated since last 5 years

- Well established and long-term relations with domestic and MNCs across large and fast-growing markets globally
- Diversified customer base
- Long term supply contract with key customers
- Prolonged adherence to stringent client requirements leads to new business from existing customer base as well as from new clients

Exports Revenue as % of Revenue from Operations (Rs mn)



Key Exports Destinations (FY23)



Strong and Long-term relations with Diversified Customers across Geographies (cont'd)

Advanced
Pharma
Intermediates
(Top Clients)

	 ORGANIKE	Cipla	 AUROBINDO	 HETERO	 Midas® Pharma	Dr.Reddy's 
Generic	 LUPIN	 FIS Fabbrica Italiana Sintetici	 SUN PHARMA	Zydus dedicated to life	 medichem	 LAURUS Labs Knowledge. Innovation. Excellence
Innovators	 BAYER	 Angelini Pharma	 Boehringer Ingelheim	fermion		

Specialty
Chemicals
(Top Clients)

Cosphatec	 Himalaya SINCE 1930	 BAYER	 SHARON LABORATORIES	Lianhetech
 TMC TRANSMARE CHEMIE	 سابك sabie	 Reliance Industries Limited	 HUNTSMAN Enriching lives through innovation	 LBB Specialties
				Charkit

Our Manufacturing Facilities



Manufacturing Facilities Total

Total Land Area (sq mtrs)

75,892

Installed Capacity (MTPA)

6,060



Land Areas
(sq mtrs)

Installed Capacity
(MTPA)

8,250

2,460

- ❑ Multipurpose facility equipped for production of Pharma Intermediates
- ❑ Two blocks with 13 separate product lines, 40 reactors, 17 dryers, zero-liquid discharge based ETP and SBT system

Land Areas
(sq mtrs)

Installed Capacity
(MTPA)

10,644

NA

- ❑ The Chemicals production from the Ankleshwar site is successfully transferred to the Jhagadia unit without any loss of revenue
- ❑ Currently, the Ankleshwar site has been demolished
- ❑ The new plant will be set up at Ankleshwar site to cater to growing demand of Advance Pharmaceutical Intermediates

Land Areas
(sq mtrs)

Installed Capacity
(MTPA)

56,998

3,600

- ❑ Multipurpose facility for production of parabens, PHBA and other specialty chemicals.
- ❑ Consists of 26 stainless steel and glass reactors with fully dedicated lines for paraben, PHBA production
- ❑ Equipped with state of art ETP with zero liquid discharge solutions
- ❑ Unused 15,830 sq mtrs land available to explore brownfield expansion opportunities

Land Areas
(sq mtrs)

Installed Capacity
(MTPA)

2,812

1,050

- ❑ Facility built in vicinity of the Sachin facility



Superior R&D Capabilities

1 R&D Lab

23,681 sq. ft.
DSIR approved in-use R&D facility at Sachin supported by an ADL

2 Technology

ADL fully supported by analytical instruments (LCMASS, GCMASS, UV spectrophotometer, ultrasonic bath, photo stability & stability chambers, etc.)

3 State-of-the-art equipment

Modern fume hood system, autoclave, high vacuum distillation assembly, glass reactor assembly, etc.

4 R&D Strategy

R&D Team – Focused on product Pipeline, NCE product, New product development, CDMO Process improvement – innovating new ways / improving processes to manufacture products

5 Team

Specialized team of 120+
16 members hold Ph. Ds
~30 Engineers
~74 holds Masters' and Bachelors degree

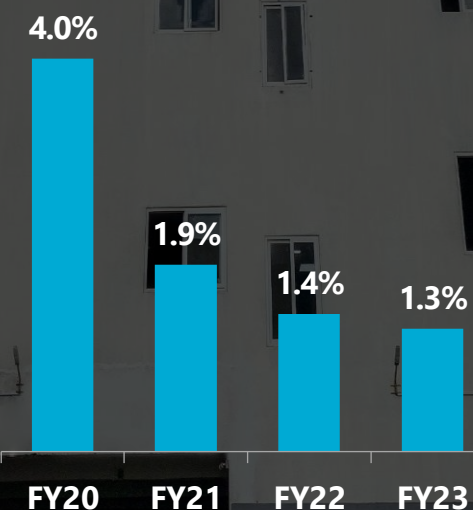
6 Patent

14 Process Patents filed out of which:
4 Patent granted
2 Patents under publication
8 Patents applied

R&D Expenditures (Rs. mn)

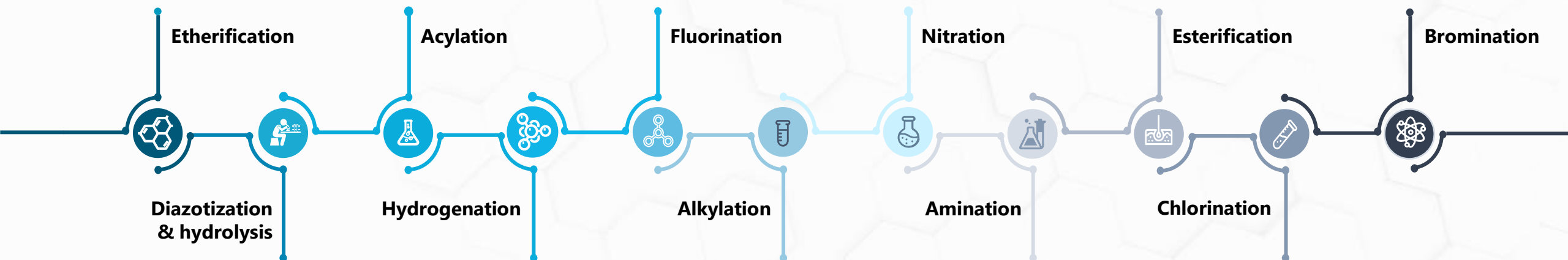
86	65	70	77
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R&D expenditure as % of Revenue from Operations



Superior R&D Capabilities (Cont'd)

Our Capabilities in Key Chemistry

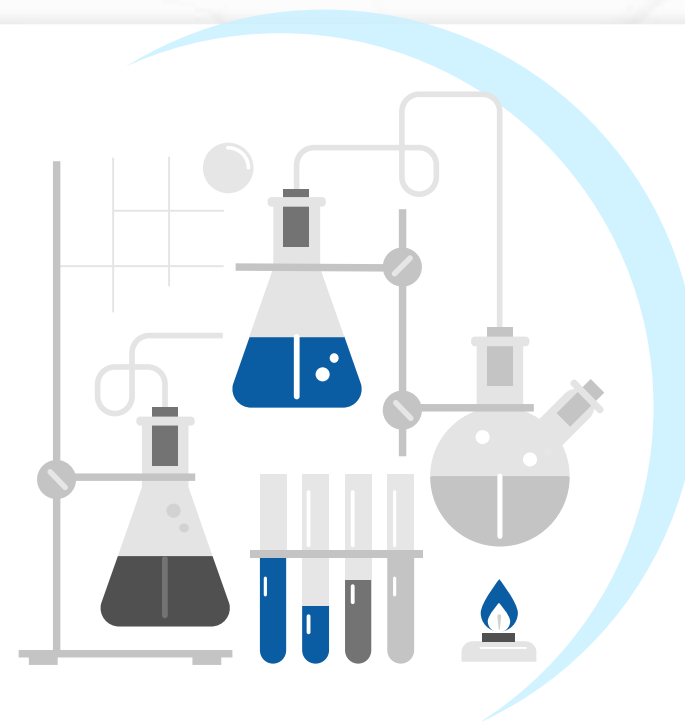


**AMI Organics R&D
Centre in Surat**



Continuous Flow Reactor

- Continuous flow reactors are **more efficient, and sustainable** when compared to manufacturing products using traditional reactors.
- AMI has successfully developed capabilities in **Plug Flow, Catalytic fixed-bed flow, Tubular flow** kind of reactors
- This technology **reduces the cycle time to manufacture** a product which leads to **lower utilization of utilities**
- The space required to fit a flow reactor is considerably lower than the traditional reactors.
- AMI Organics has successfully developed and **commercialized Chlorination, Nitration, Etherification, Ammoxidation, Diazotization and Oxidation in flow reactor**
- AMI Organics successfully **commissioned Photo Chlorination and Grignard in pilot flow reactor**



Our Founders

The visionaries who built this company



- Mr. Nareshkumar Patel is founder of the Company.
- He has been associated with the Company since its inception and has extensive experience in the global generic pharma business.
- Nareshkumar is responsible for handling the Chemical Engineering and Product Implementation divisions of the Company.
- He holds a Bachelors Degree in Engineering from Gujarat University.

Nareshkumar Patel

Executive Chairman, MD

- Mr. Chetankumar Vaghasia is one of the co-founders of the Company.
- He has been associated with the Company since its inception and has deep experience in the chemicals industry.
- Chetankumar is responsible for handling the Procurement and Administration divisions of the Company.
- He holds a Diploma from Surat, Gujarat.



Chetankumar Vaghasia

Whole-time Director

Our Leadership

Board of Directors



Virendra Mishra

Whole-time Director

- Holds Master of Science degree
- Previously associated with K.A. Malle Pharmaceuticals Ltd and Surya Organics & Chemicals



Girikrishna Maniar

Non-executive, Independent Director

- Holds a Bachelor of Science degree and is a fellow member of the Institute of Cost Accountants of India



Richa Goyal

Non-executive, Independent Director

- Holds Bachelor of Commerce degree and an LLB degree; fellow member of the Institute of Company Secretaries of India
- Currently associated with "Richa Goyal and Associates"



Hetal Gandhi

Non-executive Independent Director

- 34+ years of experience in the financial services industry
- Holds Bachelors of Commerce degree; an Associate Member of the ICAI
- Co-founder and MD of Tano India Advisors



Dr. Anita Bandyopadhyay

Independent Director

- Acclaimed HR consultant with extensive expertise in Leadership Development and Talent Management,
- Holds a Doctorate in Applied Psychology from Kolkata University
- She has experience in Pharma, FMCG, Retail, and B2B business sectors.



Mr. Ram Mohan Lokhande

Whole-time Director

- 20+ years of vast experience with leading pharmaceutical and chemical manufacturing companies in India.
- Worked with prestigious pharmaceuticals companies like Glenmark Pharmaceuticals Ltd., Macleod's, Dr. Reddy Laboratories Ltd

Senior Management Personnel

Bhavin Shah

Chief Financial Office

- Holds Bachelor of Commerce and a qualified Chartered Accountant from ICAI
- Previously associated with Sun Pharma Group, Deloitte Haskins & sells

Ajit Kumar Choubey

President – Technical

- Holds Doctor of Philosophy degree in Chemistry
- Previously associated with IPCA Laboratories

Sanjay Vasoya

AVP – R&D

- Holds Ph.D. and M.Sc in Organic Chemistry
- Previously associated with Teva Pharmaceuticals, Alembic and Rubamin Pharma

Gaurav Bhandari

Senior Manager- Marketing

- Holds Bachelor of Technology (Bioinformatics) and PGDM degree
- Previously associated with Go Zoop Online Pvt Ltd and Social PR Outsourcing Pvt Ltd

What makes us different



Niche Product Portfolio with a strong market share

- Niche products with limited competition focused on the Chronic disease market
- Our key products hold more than 50% market share globally



High entry barriers

- A long gestation period to be enlisted as a supplier
- The involvement of complex chemistries
- Regulatory requirements creating hurdles for new entrants



Diversified products to support our growth in future

- Our long tail of 500+ products includes products which are in development or testing phase for our clients some of which has potential to support our growth in coming years



Diversified customer base across geography

- Successful track record of working with innovators with sticky customers across products
- Trusted and reliable supplier of intermediates globally
- "Preferred Supplier" status for key molecules



The reputation for innovative product launches, supported by robust R&D

- First to Market in most of the products
- For a single intermediate, capability to provide product from N-1 to N-8 stage with different routes of synthesis

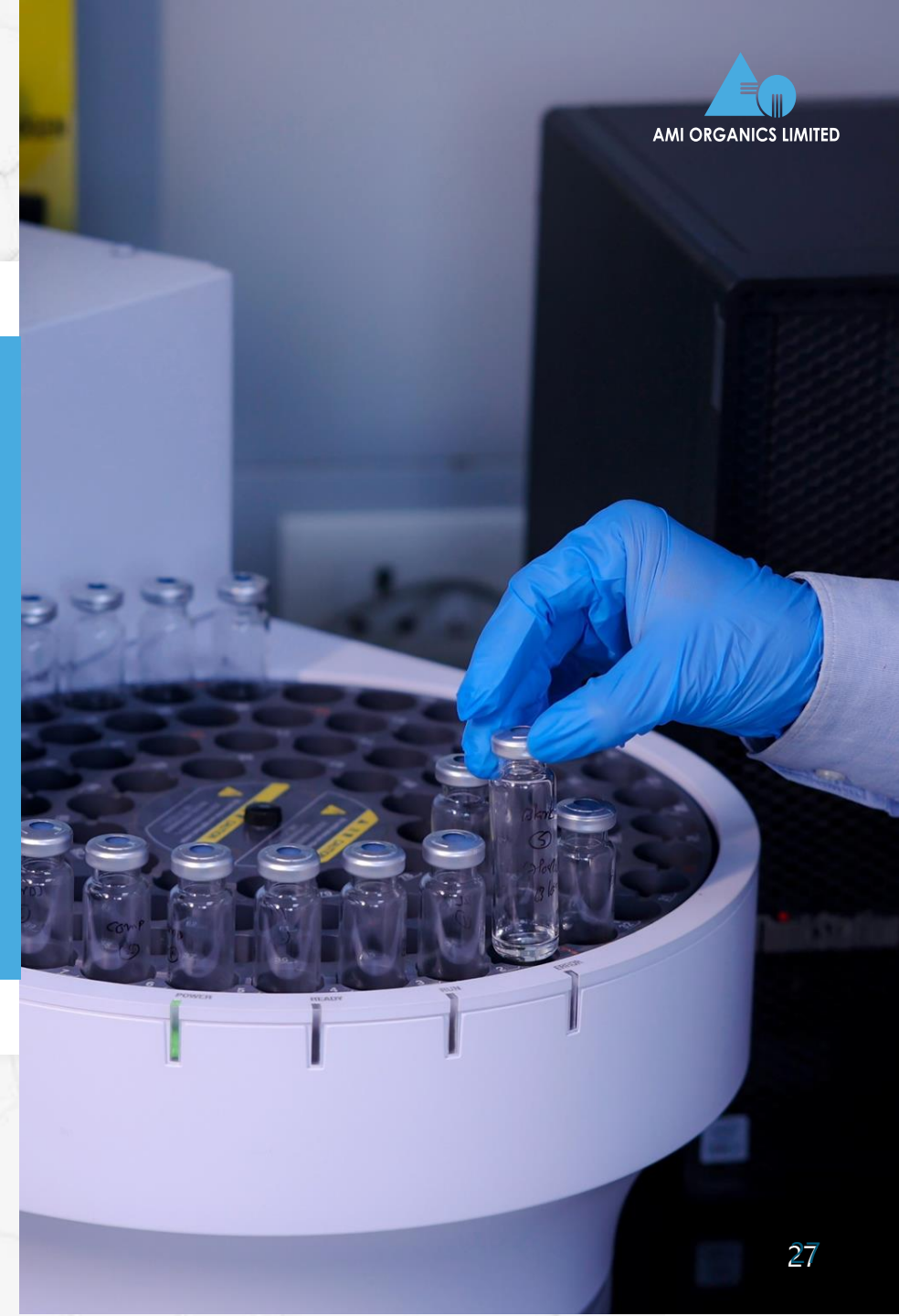


Robust cost management / Process Improvements

- ~73%* of our raw material is outsourced from domestic vendors with products developed by AMI and outsourced to toll manufacturer leading to better management of input cost
- Continuous focus on process optimization and improvement has led to cost leadership in the industry with high quality products

3. Advanced Pharma Intermediate

- A leading Advanced Intermediate Manufacturer from India
- Our Business Model
- CAPEX – Expansion of Pharma Intermediate Business
- Our Strategy and Outlook
- Industry Overview



A leading Advanced Intermediate Manufacturer from India

(Rs. mn)



5,180

FY23
Revenue

(INR mn)



50-90%

Market Share in
Key Molecules



185+

Customers

Added ~40 new
customers in FY23



30

New Products
Launched in
FY23



14

Process Patents

(2 Patent under publication; 4
patents granted and 8
patents applied)

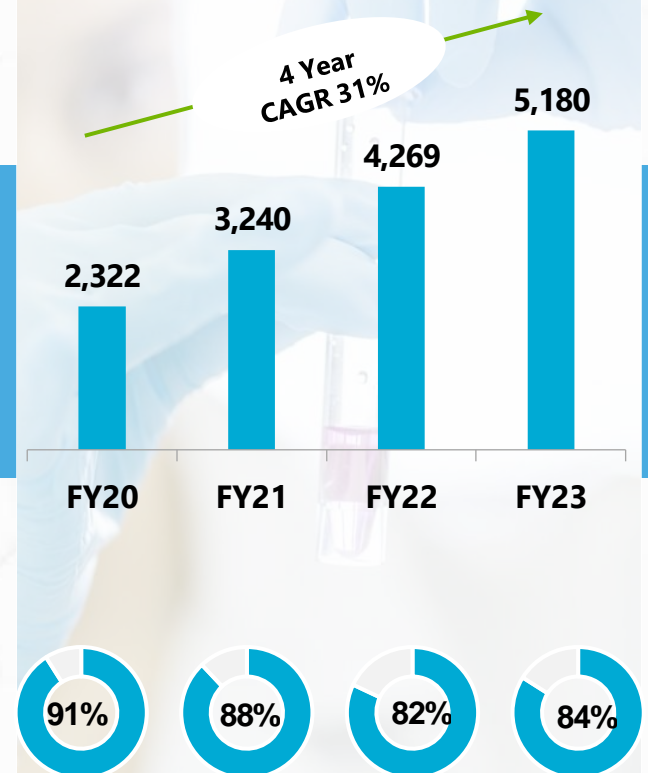


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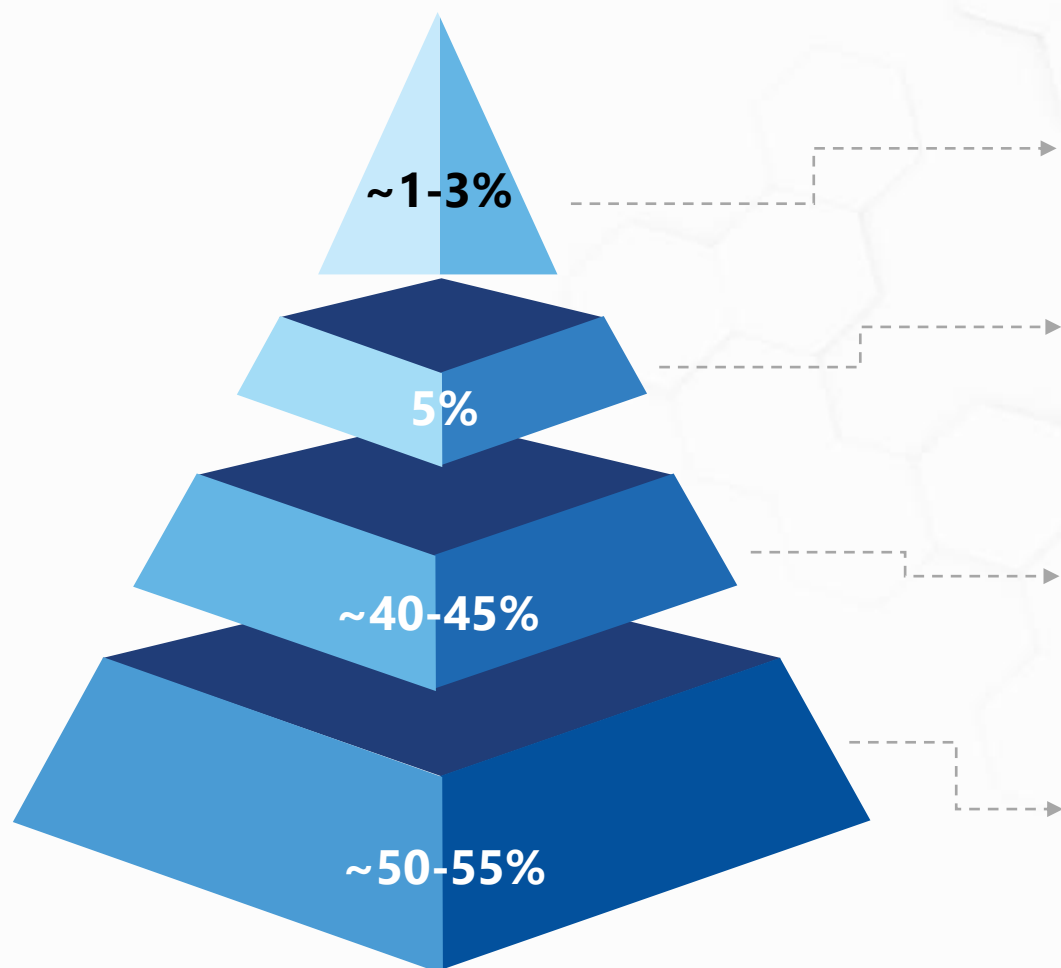
Manufacturing
Facilities

Surat and Ankleshwar, Gujarat.
(Ankleshwar plant is under
development)

Historical Business Performance



Our Business Model – Advanced Intermediates for Pharmaceuticals



Import Substitute

- Supplying import substitute intermediates to domestic pharma companies



CDMO

- Contract Manufacturing for big pharma companies
- Exclusive long term supply contracts



Regulatory market business

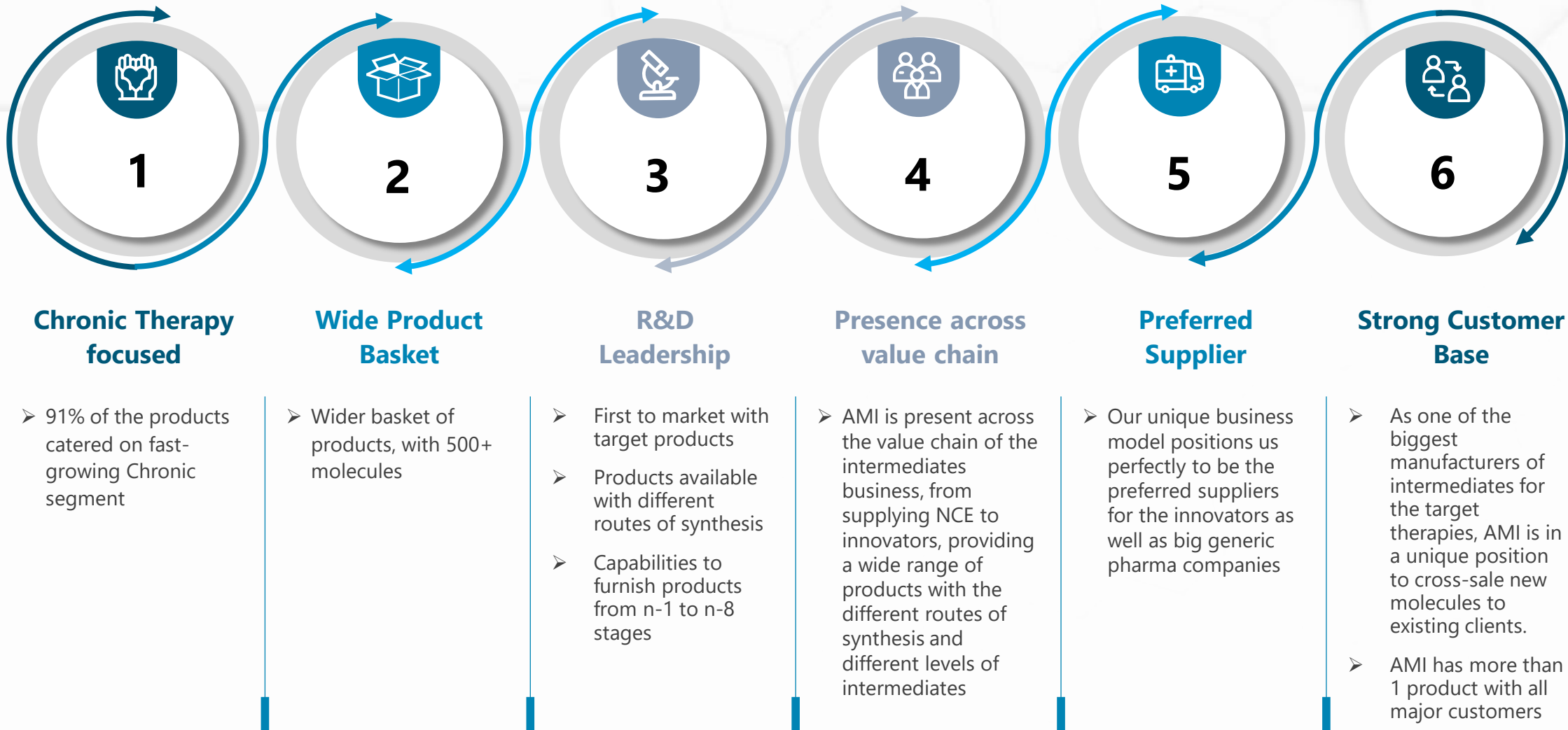
- Supplying NCE molecules to the pharma innovator companies
- Supplying intermediates to the innovator pharma companies for the products under patent
- Supplying intermediates to the innovator pharma companies for the off-patent products



Emerging market business

- Supplying intermediates to the generic API manufacturer
- First mover advantage
- Sustaining market through Cost efficiency

Uniqueness of our business model



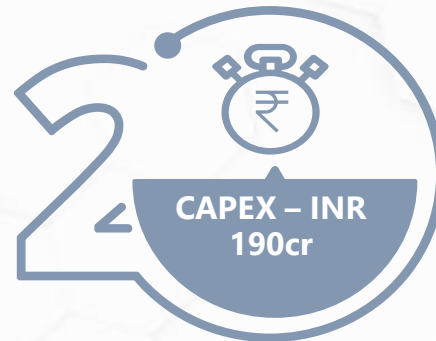
CAPEX – Expansion of Pharma Intermediate Business



Capacity & Approvals

The Ankleshwar site has received the necessary environmental clearance and the new facility will have ~90 reactors taking the total reactor capacity to 436KL.

The current capacity utilisation at the Sachin unit in Surat, Gujarat which manufactures the majority of the pharmaceutical intermediates is at ~65%.



CAPEX – INR 190cr

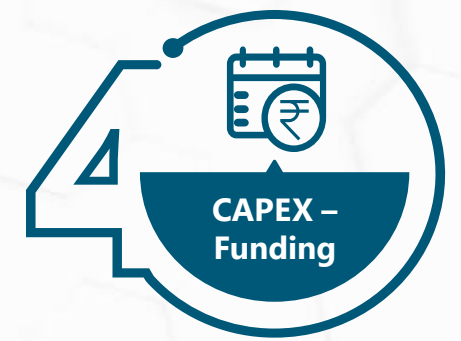
On 29th April, BOD approved the Capex plan of INR 190cr to build a brownfield plant in Ankleshwar, Gujarat, to support the future business growth in the company's advanced pharmaceutical intermediates segment.



Timeline & Other details

The plant is expected to start commercial operations from Q4FY24.

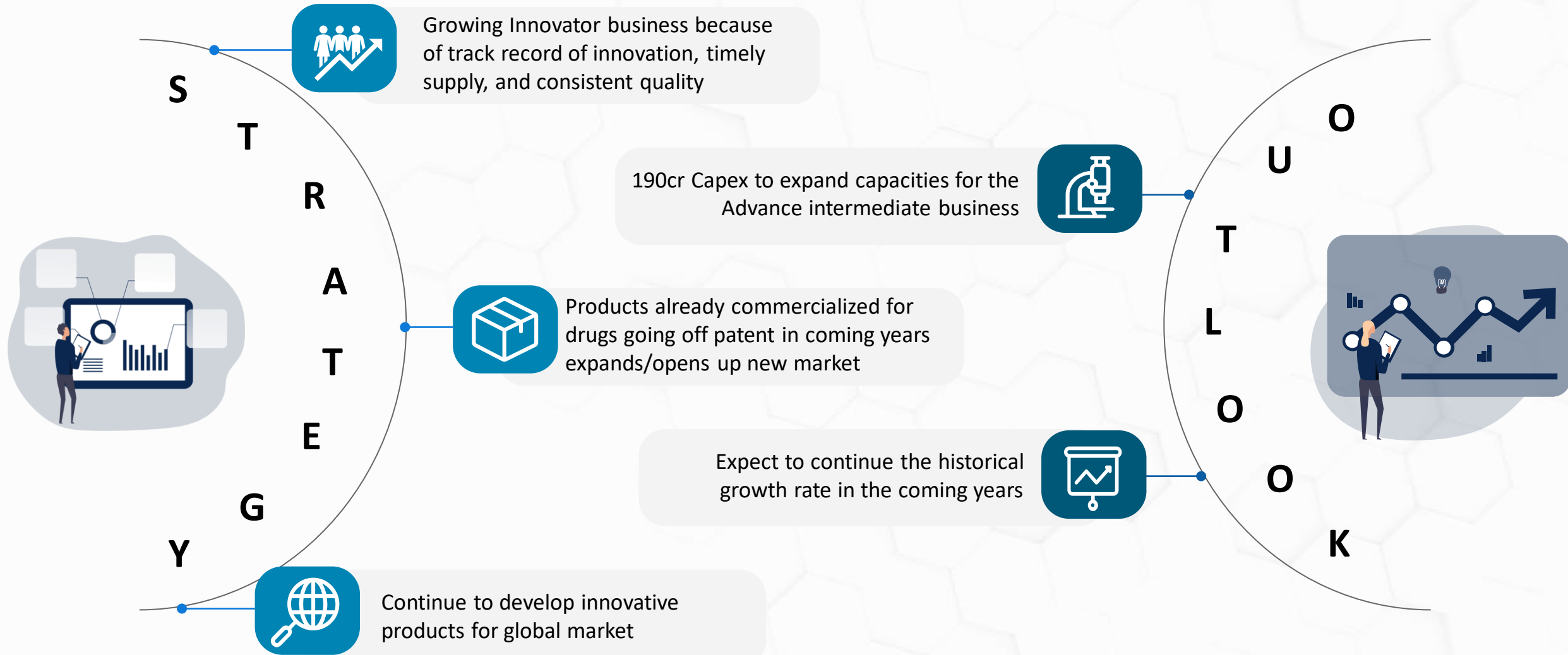
The production at the Ankleshwar unit was successfully transferred to the Jhagadia unit during the last quarter without losing any revenue. Currently, the old plant at Ankleshwar is being demolished and the new plant will be built on this site.



CAPEX – Funding

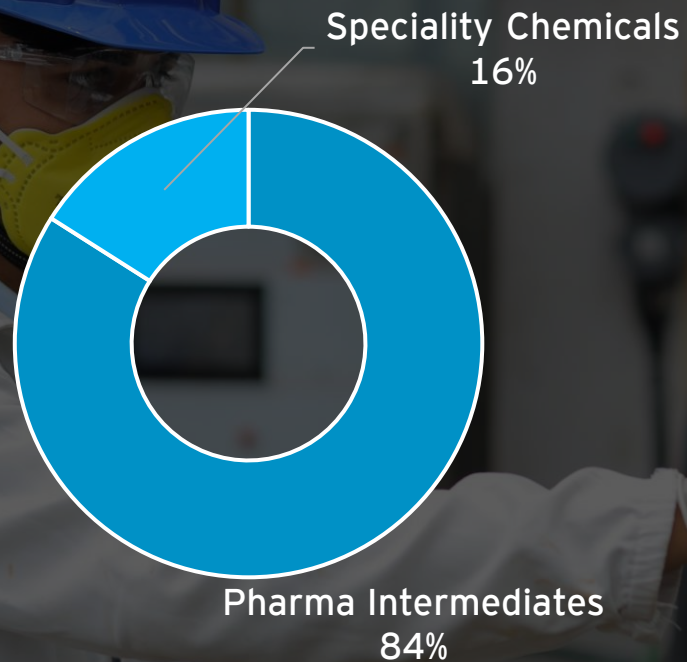
The Capex will be funded through a mix of General Corporate funds of IPO proceeds, internal accruals, and debt. Currently, the company does not have long-term debt on the books other than a short-term working capital loan.

Our Strategy and Outlook

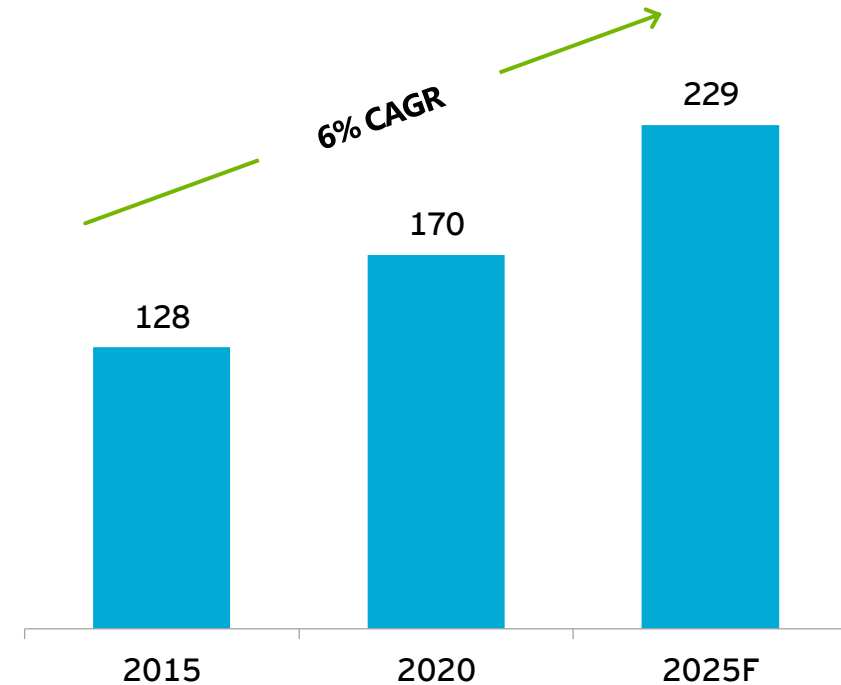


Industry Overview

Revenue (FY23)



Currently ~85% of our revenue come from products used in Pharmaceutical industry specifically for manufacturing of APIs...



...with Global API industry estimated to grow by 6%; witnessing shift in production activity from developed markets to Asia

Source: RHP and F&S Report

4. Specialty Chemicals

- Speciality Chemicals - Overview
- New Product developed – Electrolyte Additive
- Acquisition of Baba Fine Chemicals (BFC)
- Our Strategy and Outlook
- Industry Overview



Speciality Chemicals - Overview



990

FY23
Revenue
(INR mn)



300+

Customers
across the globe
Added ~20 new customers
in FY23



30+

Countries
(Customer locations)



3

New Products
Launched in
FY23



50+

Products
KSM for Agro and Fine chem;
Parabens;
Salicylic Acid;
Other Speciality Chemicals

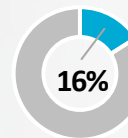
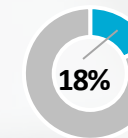
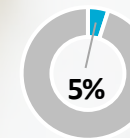
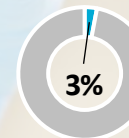
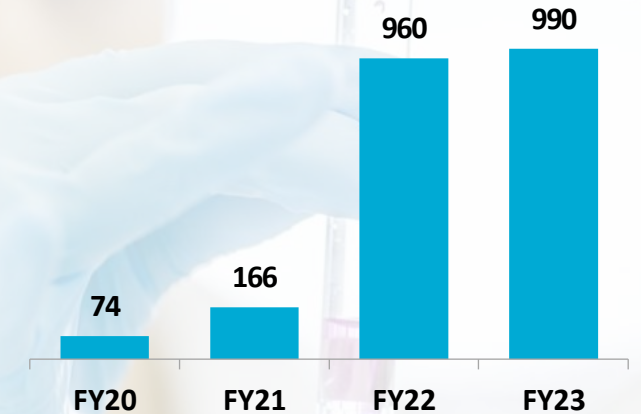


1

Manufacturing
Facilities
Jhagadia, Gujarat

Historical Business Performance

(Rs. mn)



New Product developed – Electrolyte Additive



Electrolyte Additives

- AMI Organics has successfully developed a **core electrolyte additive for cells used in energy storage devices.**
- **First Indian and global company outside China** to develop this product.
- Electrolyte additive **sample approved** at plant scale from **6 customers**



Product Pipeline

- Developed two new products: One Liquid electrolyte additive to increase electrocapacity of Li batteries and one for Solid battery.



Industry Analysis

Barriers to Entry
Complex product with a high barriers to entry. Ami is the first global company outside China to develop this electrolyte additive

Competition
Limited (7-8) players in the market and all are from China

Substitutes
Best performing product amongst the available options making this product less vulnerable to substitutes

Power of buyers
Capacities are expected to chase the demand for the product leading to product being less prone to price erosion



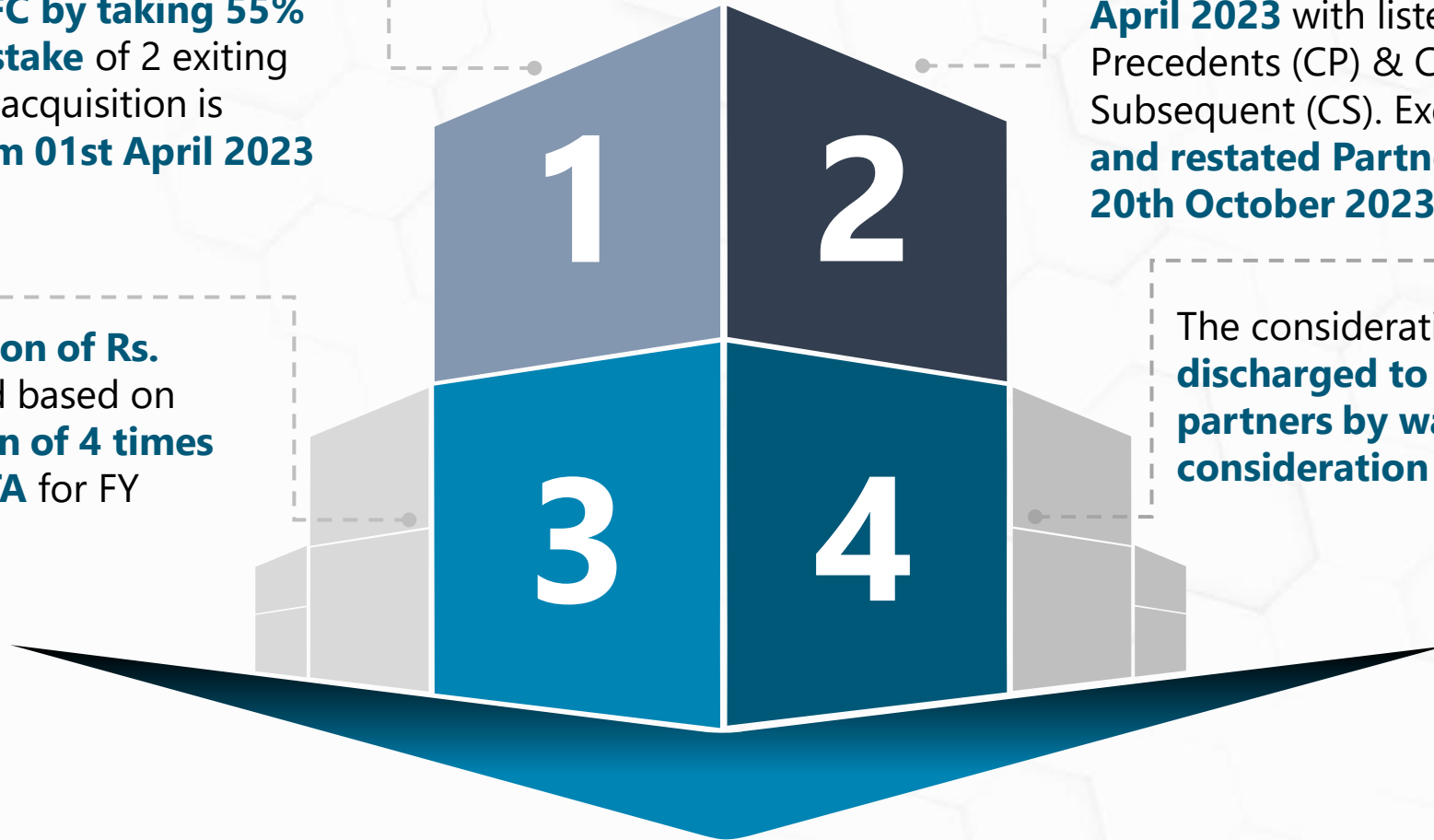
Acquisition of Baba Fine Chemicals (BFC)

AOL **acquired Partnership interest in BFC by taking 55% partnership stake** of 2 exiting partners. The acquisition is **effective from 01st April 2023**

Purchase Agreement **signed on 22nd April 2023** with listed Condition Precedents (CP) & Condition Subsequent (CS). Executed **amended and restated Partnership Deed on 20th October 2023**

The consideration of **Rs. 68.2cr** is derived based on agreed **valuation of 4 times Adjusted EBDITA** for FY 2022-23

The consideration is **fully discharged to the retiring partners by way of cash consideration**



Our Strategy and Outlook

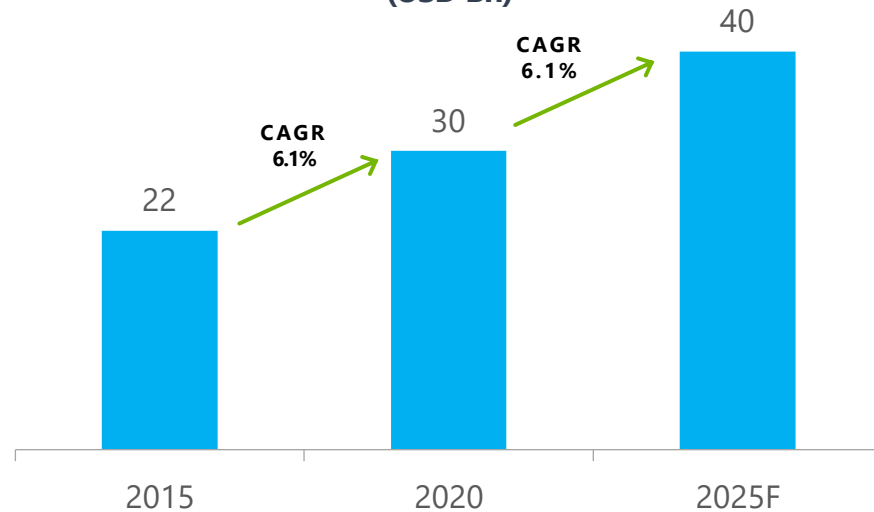


Industry Overview

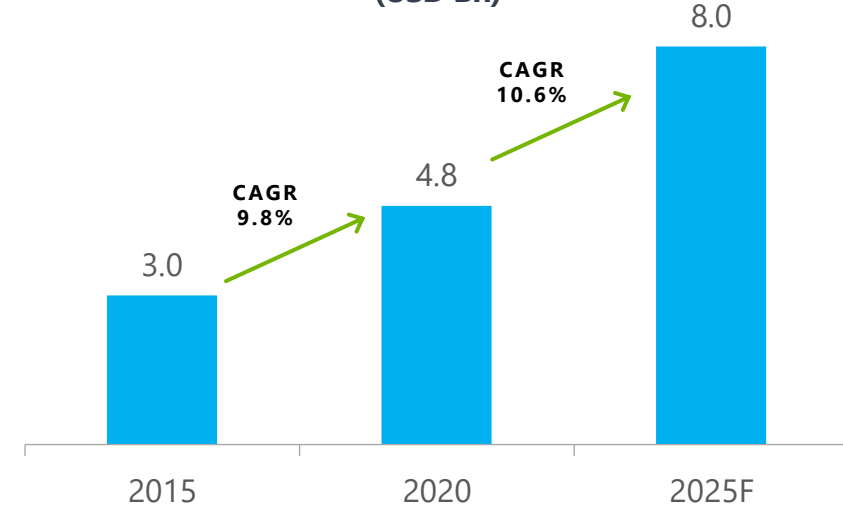
Our existing Chemicals segment supplies KSMs to Agrochemicals and Fine Chemicals company ...

KSMs

Global KSM Market – Size and Growth
(USD Bn)



India KSM Market – Size and Growth
(USD Bn)



Why is India favourably placed?

- Govt's proposition to support local manufacturing
- Shift in investments from regulated markets to developing countries
- Global end users looking for alternative to China rapidly
- India's significant experience in handling regulatory requirements, strong process know how, superior R&D and low costs

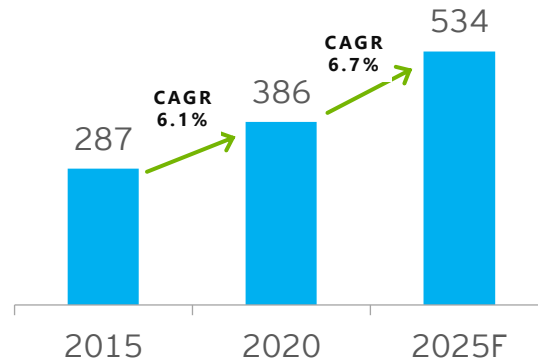
Industry Overview

... whereas our new acquired units manufactures preservatives along with some specialty chemicals such as salicylic acid

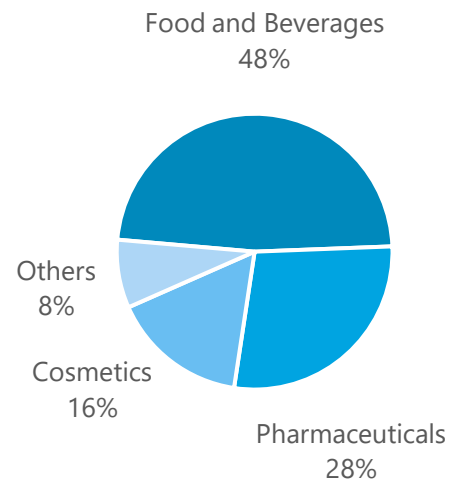
(Rs. mn)

Parabens

Global Paraben Acid Market – Size and Growth (USD Mn)

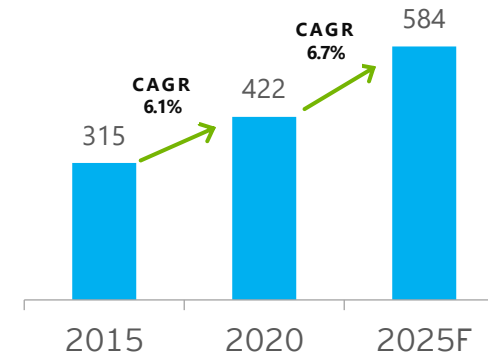


Global Paraben Market – Split by Applications (2020)

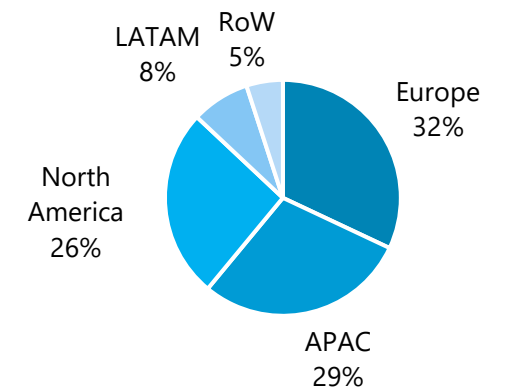


Salicylic Acid

Global Salicylic Acid Market – Size and Growth (USD Mn)



Global Salicylic Acid Market – Geographic Split (2020)



Key Trends

- Increasing use of salicylic acid based drugs for treatment of skin disorders, cardiovascular diseases and Hughes syndrome
- Increased consumption of Aspirin owing to superior pain-relieving action and easy availability to bolster demand
- Growing use as preservatives to prolong shelf life of F&B products; derivatives used to prevent spoilage and in fermentation
- High demand for facial creams, acne reduction preparations and hair treatment products

5. Working towards better tomorrow





Environment

- Zero Liquid Discharge based in-house effluent plant at Sachin Unit
- 80% of wastewater recycled
- Developing greenbelt in GIDC
- All the manufacturing units are ISO 9001:2015, ISO 14001:2015 certified



Social

- Company's Sachin Facility is SA 8000:2014 certified
- The SA8000® Standard is the leading social certification standard for factories and organizations across the globe**
- Occupational health and safety management system at Sachin Facility has been certified to be in compliance with ISO 45001:2018 standards by the Bureau Veritas Certification Holding SAS – UK Branch



Governance

- 50% of the board constitutes of independent directors
- Audit and NRC are headed by independent directors

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