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Ref: Listing Code: 500184 BSE Limited Department of Corporate Services P. J. Towers, 25 th Floor, Dalal Street, Mumbai- 400 001	Ref: Listing Code: HSCL National Stock Exchange of India Ltd Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E) Mumbai- 400 051
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Sub: Investor Presentation

We are enclosing herewith Investors presentation on the financial results for the quarter ended 30 June 2023.

We request you to kindly take on record the same.

Thanking You,

Yours faithfully,
For Himadri Speciality Chemical Ltd

(Company Secretary &
Compliance Officer)
ACS: 29322



Sustainable
Business

High Growth
Opportunity

Capital Disciplined
Balance Sheet

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Another quarter of Sustainable Performance..

1

- Strong Performance in Q1FY24 with positive performance outlook for FY24

2

- Strengthening of Balance Sheet

3

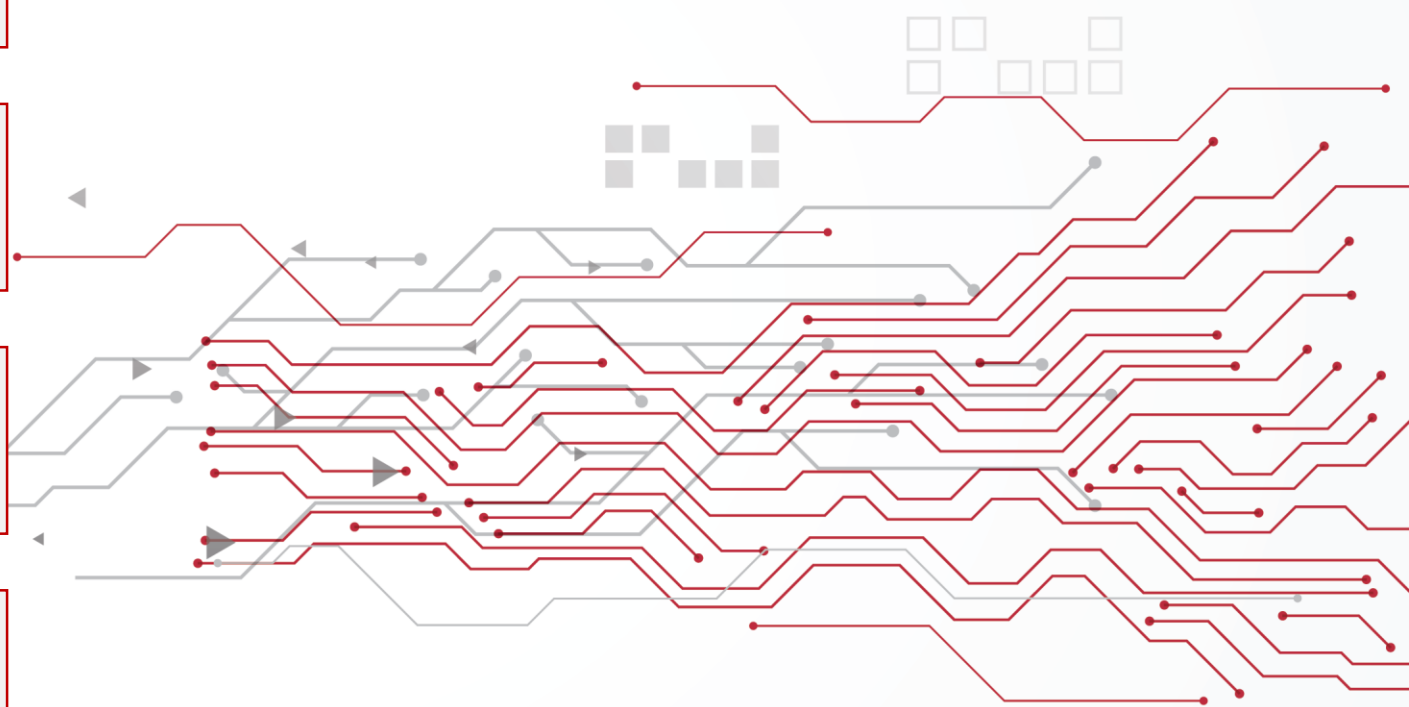
- Future Potential – New Energy Materials & LiB Recycling

4

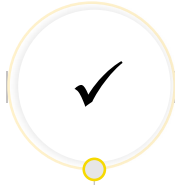
- Investment in Sicona specialising in next gen technology for silicon anode material for Li-ion batteries

5

- ICRA : Rating outlook revised to Positive from Stable



1. Another Quarter of Strong Performance



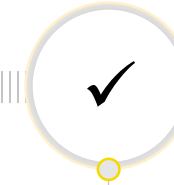
Revenues in Q1FY24

Revenues decreased by 9% to Rs. 951 Crores in Q1FY24



Increase in EBITDA

EBITDA increased by 54% to Rs. 131 Crores in Q1FY24



Increase in PAT

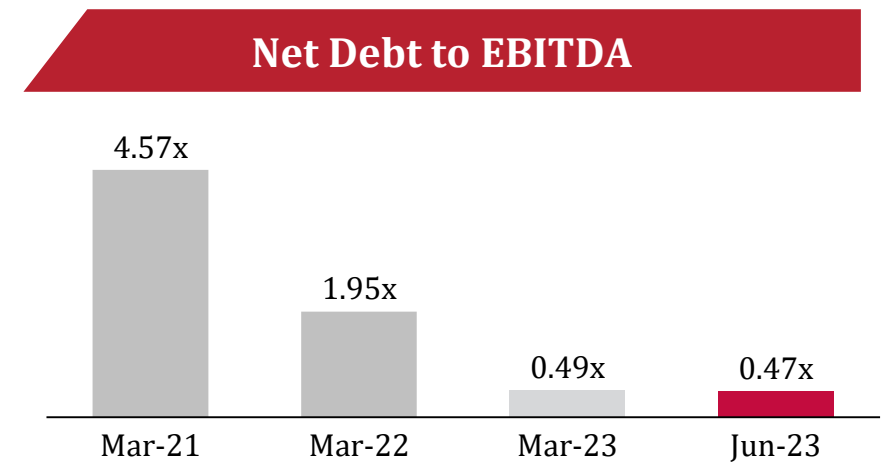
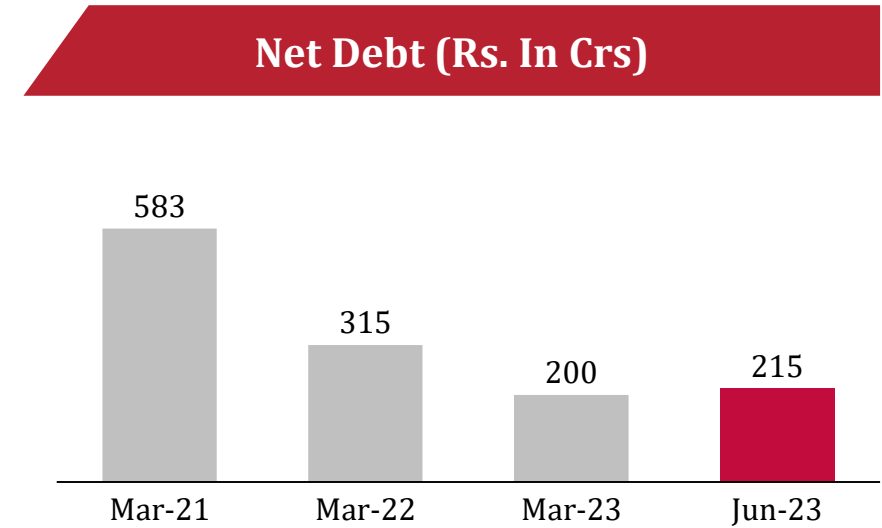
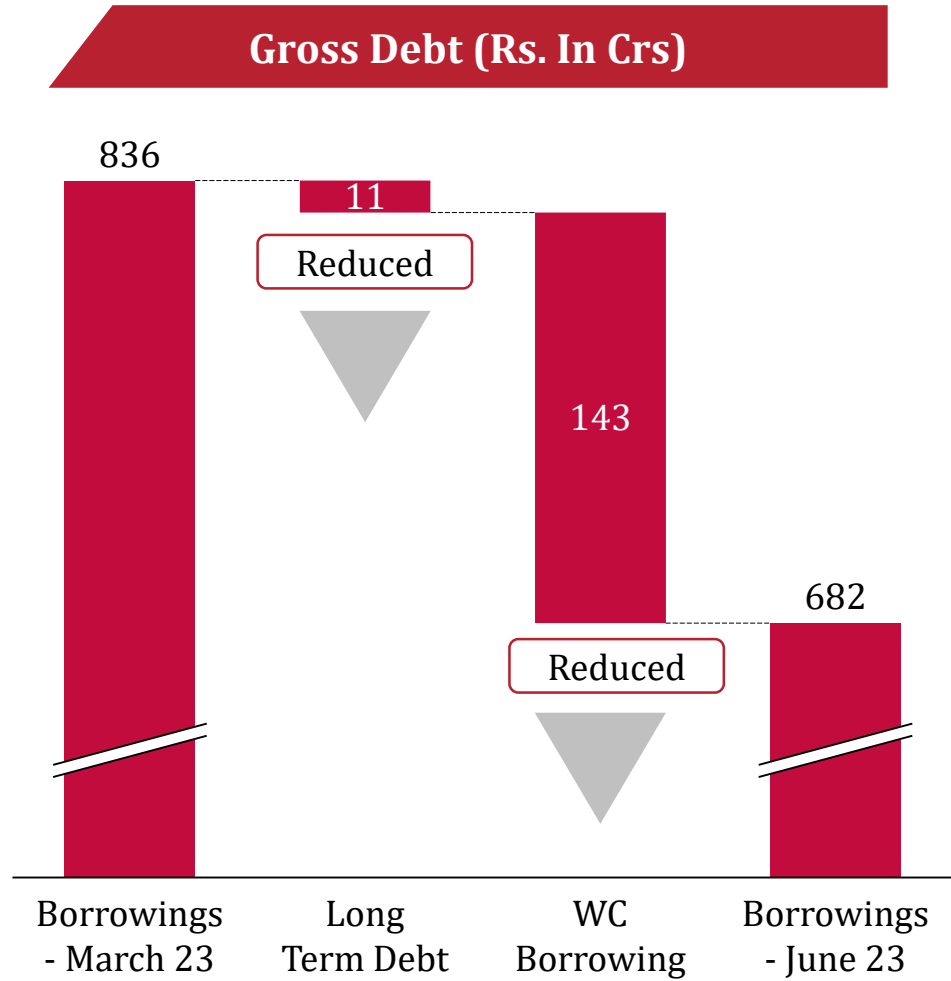
PAT increased by 125% to Rs. 88 Crores in Q1FY24

Sales Volume consistent above 95,000 MT in last six quarters

ROCE of 18.84% (excl. investment)

Net Debt to Equity at 0.1x

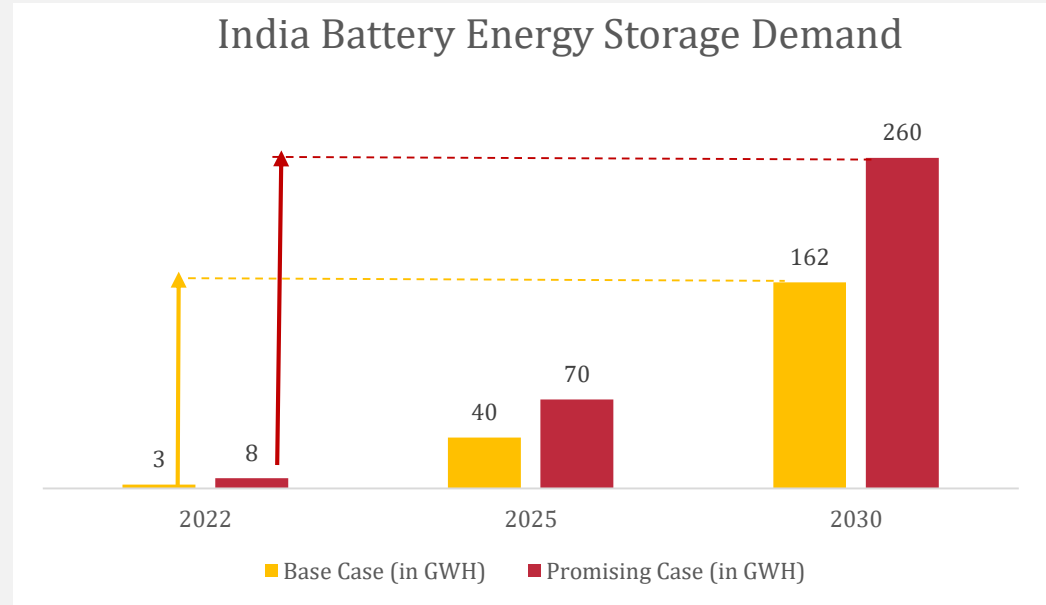
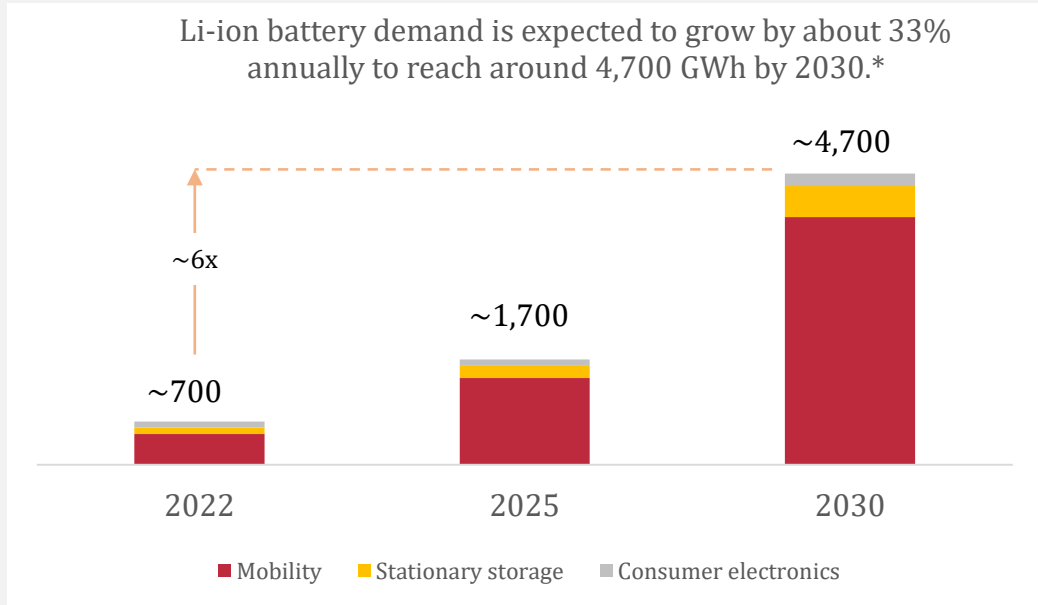
2. Strengthening of Balance Sheet



3. Future Potential – New Energy Materials & LiB Recycling



LiB Growth Potential



Himadri is actively positioning itself to cater to a significant portion of the global demand for LiB raw materials

Anode Material

- Research & Developed Hybrid of Natural & Synthetic Anode Materials for High End EV Applications.
- Anode Material samples has been approved by 3 customers in the last quarter.

(* Source: McKinsey Battery Insights Demand Model)

3. Future Potential – New Energy Materials & LiB Recycling



LiB Recycling

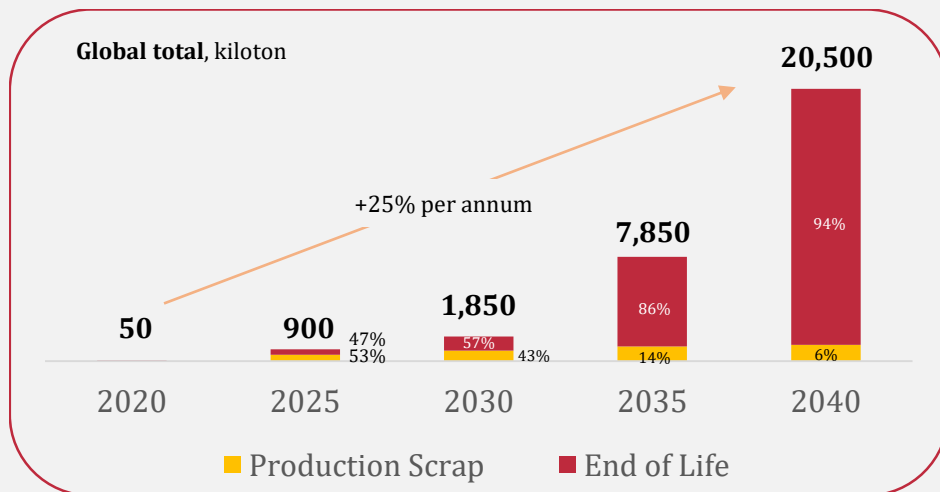
Recycling of Lithium-ion Batteries(LiB) will play a significant role:

1. Lowering the dependency on mined minerals and providing a circular economy structure
2. Reducing the total CO2 emission

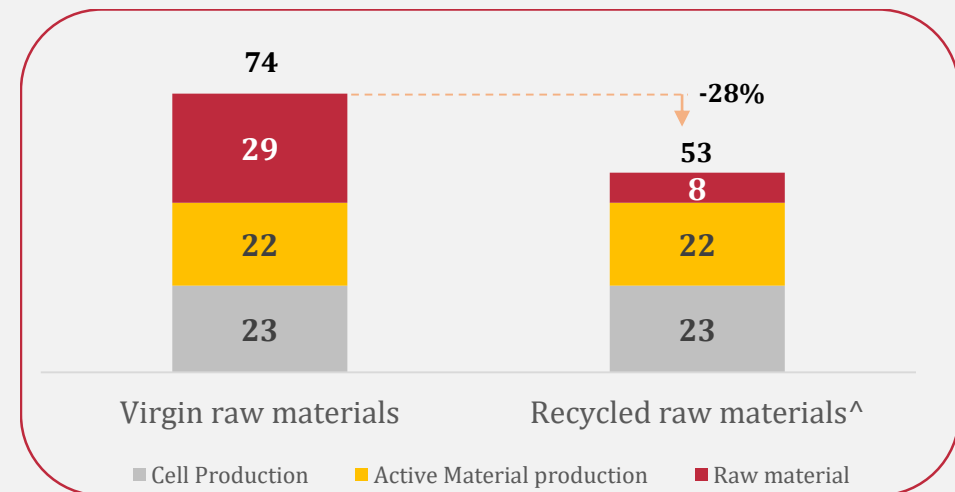
The Global Availability of EV batteries for recycling is expected to increase 25% YoY till 2040 resulting in a huge volume influx.

Himadri is keen to play a significant role in the LiB recycling in India.

The global supply of EV batteries for recycling is steadily increasing, driven primarily by production scrap before 2030 & end-of-life batteries after 2030*



Total CO₂e battery cell production emissions from a nickel-based lithium-ion battery with virgin versus recycled materials, kgCO₂e per kWh*



(* Source: McKinsey Battery Insights, ^ - Assuming mechanical pre-treatment and hydrometallurgical recycling)

4. An initiative in line with long term strategy

Investment

Sicona is an innovative Australian startup specializing in high-capacity silicon anode technology for lithium-ion batteries.

Sicona has developed next-generation battery materials technology used in the anodes(negative electrodes) of lithium-ion (“Li-ion”) batteries that enable electric mobility and storage of renewable energy.

Acquired - 12.79%

Why Sicona

- Sicona’s current generation silicon-composite anode technology delivers 50% to 100% higher capacity than conventional graphite anodes
- Its anode materials can deliver more than 50% higher cell energy density than current Li-ion batteries
- Sicona uses off-the-shelf equipment in a highly scalable and efficient manufacturing process to produce its active anode materials
- Producer of high performance active anode and binder materials into the fast growing global battery market

Synergies

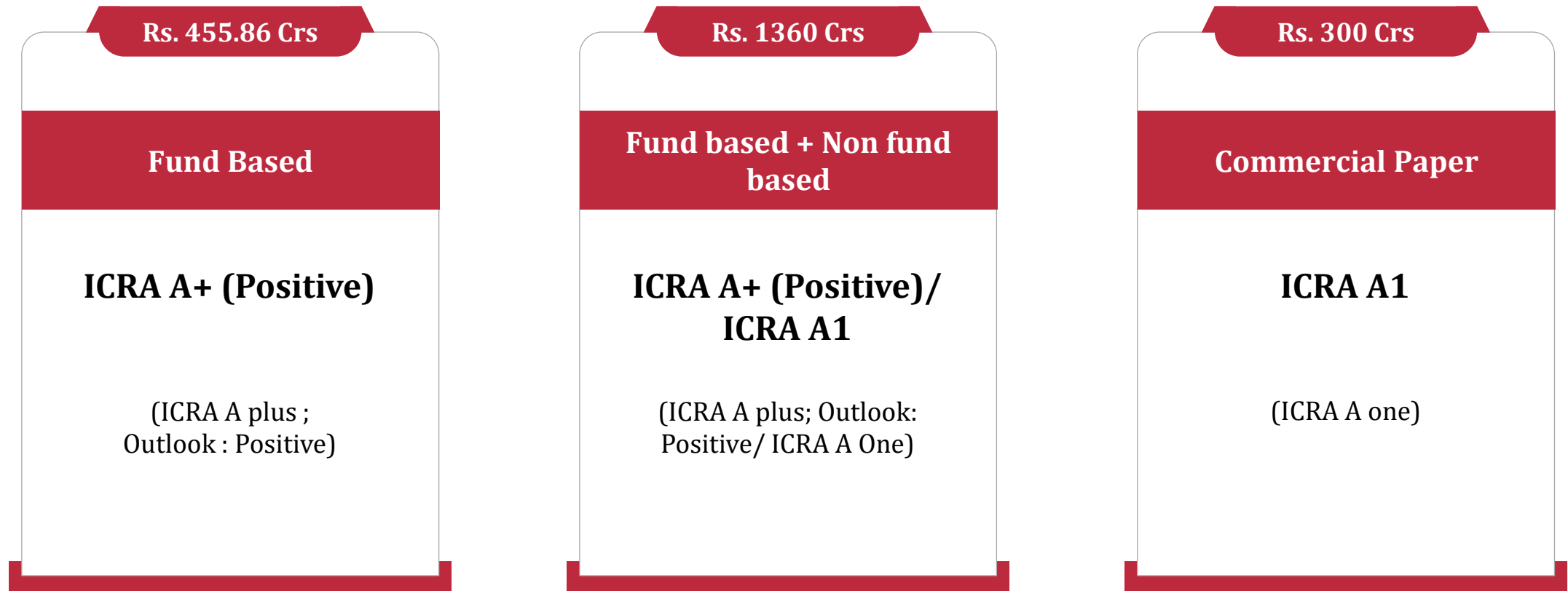


To produce high-quality anode materials and reinforces the company's commitment to exploring innovative technologies in the battery material segment

5. Outcome of strengthening Balance Sheet



Rating outlook revised to Positive from Stable



POWER THE FUTURE

Transformation Unfolds :
From Growing Carbon Value
Chain to Promising Mobility and
Energy Storage Opportunity

We will address substantial part of the critical raw material
requirements of Lithium-Ion Batteries



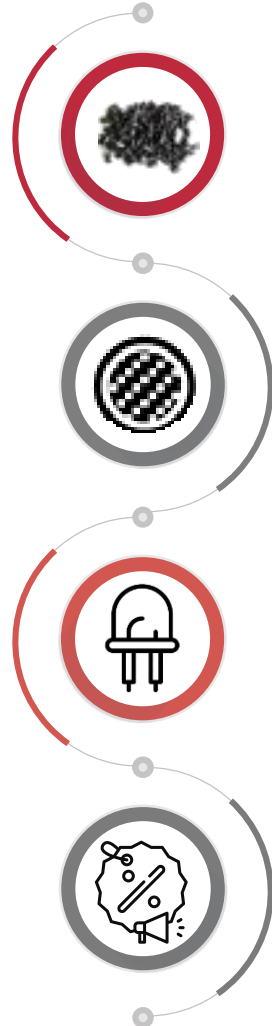
Sustainable Growth in Core Business through Value-added products



Our Core Business will continue to deliver strong growth

Coal Tar Pitch

Developed specialized pitch – one of the very few global manufacturers and Improved life of anodes through continuous process improvements



Battery Material

Developed technology to manufacture critical material for Lithium-ion Batteries and we are one of the few companies globally to have backward integration for this material. R&D towards next generation products is continuously on.

Carbon Black

Launched a series of application-specific speciality blacks with superior performance parameters which finds application in fibres, semicon cables, engineering plastics, inks and several other specialised applications.

SNF & PCE

Developed application-specific SNF for non-construction segment (agrochemicals, gypsum and latex) and next-generation products in PCE.



In-house R&D team enabled Himadri to forward integrate and regularly launch new specialised products



Transformation Unfolds



Portfolio of Few Products

2010

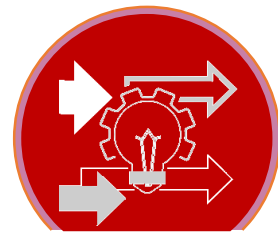
- » Coal tar pitch – Binder grade
- » Coal tar pitch – Impregnating
- » Carbon Black
- » Advanced Carbon Material
- » Naphthalene
- » SNF
- » C. B. Oil



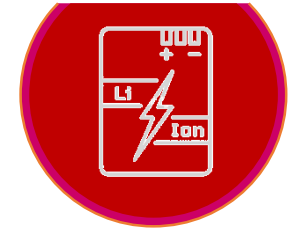
From Growing Carbon Value Chain to Promising Mobility and Energy Storage Opportunity

2011 to 2021

- | | |
|---|---|
| <ul style="list-style-type: none"> » Aluminium Grade Pitch » Graphite Grade Binder Pitch » Graphite Grade Zero QI (Quinolene Insoluble) coal tar impregnated pitch » Advance Carbon Material for Lithium- ion Batteries » Special Pitch » Naphthalene » Refined Naphthalene » Light Creosote Oils | <ul style="list-style-type: none"> » Heavy Creosote Oils » Anthracene Oil/Carbon Black Oil/ CT Oil » SNF » PCE » Carbon Black » Speciality Carbon Black » Himcoat enamel » Himcoat Primer-B » Himtape » Himwrap |
|---|---|



Introduction of Value-Added Products



Promising Growth Opportunity

- » Products forming the critical raw materials for Lithium-Ion Batteries to be included in the portfolio



2022 onwards

Sustainable business model powered by in-house R&D

Addressing the need for a green, long-term EV and renewable energy solution by providing critical raw material



More than 90% of the power requirement being met by inhouse generated clean and green power



Zero Liquid Discharge from Plants

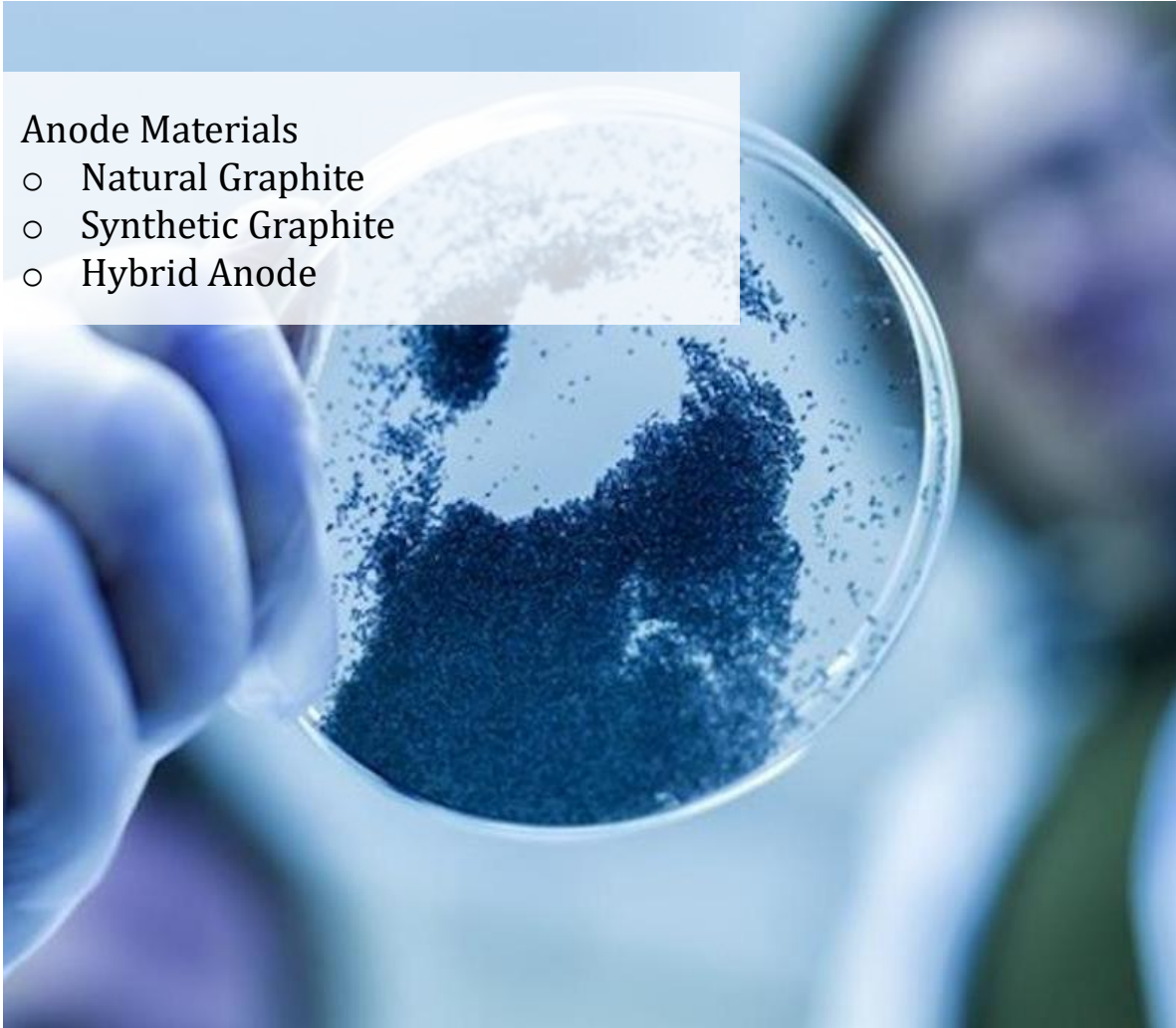


Energy Conservation through Waste Heat Recovery System, Energy savings through Water Conservation & Process Re-engineering



Anode Materials

- Natural Graphite
- Synthetic Graphite
- Hybrid Anode

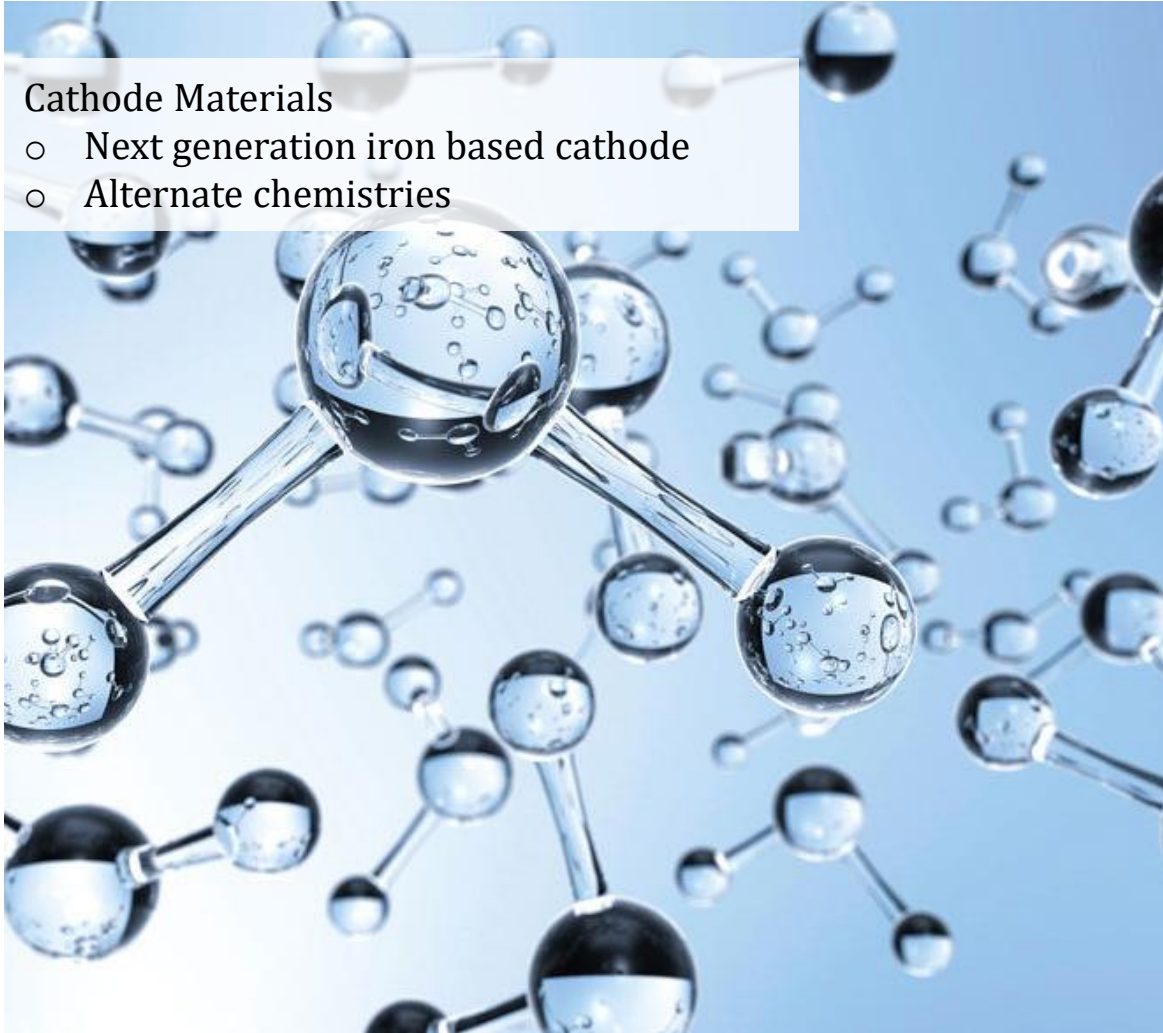


Silicon-based Anode Materials



Cathode Materials

- Next generation iron based cathode
- Alternate chemistries

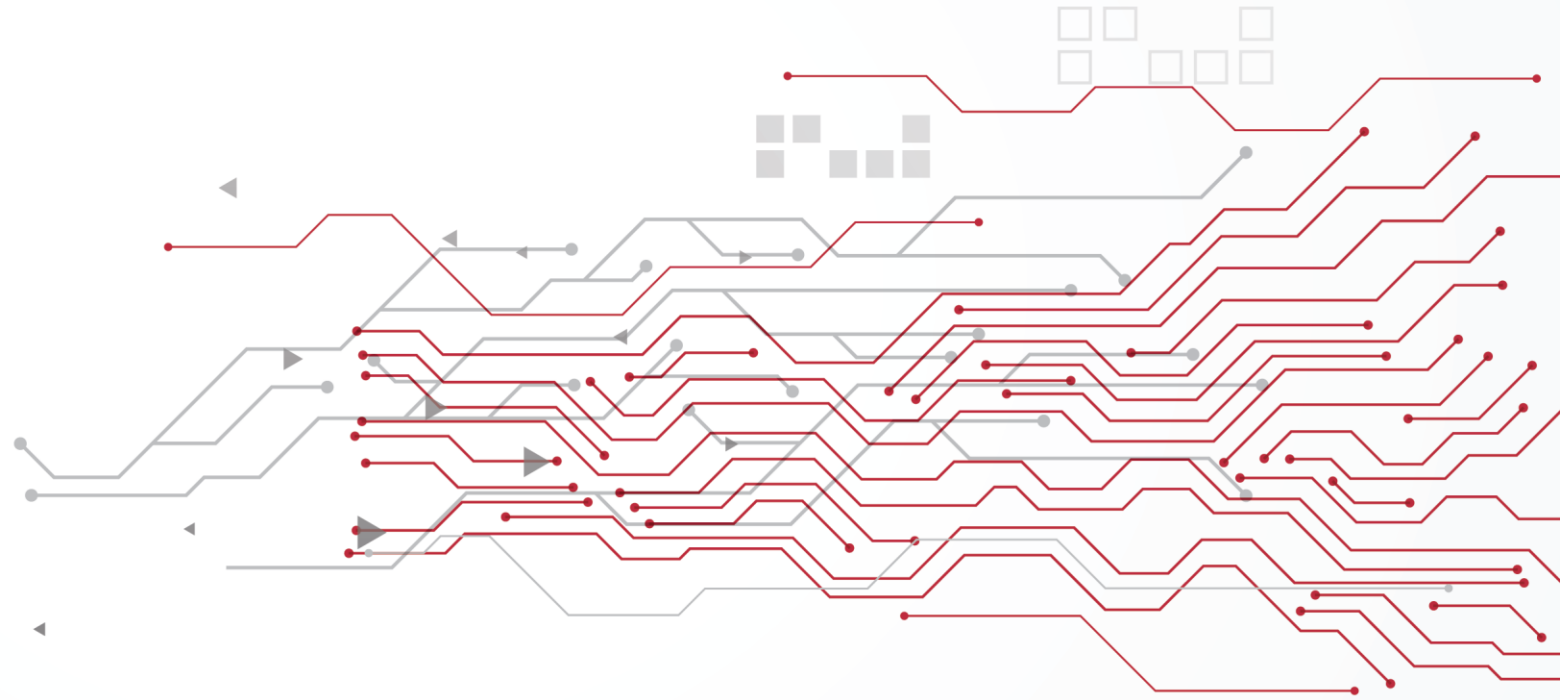


Graphene - Next generation product



Financial Performance

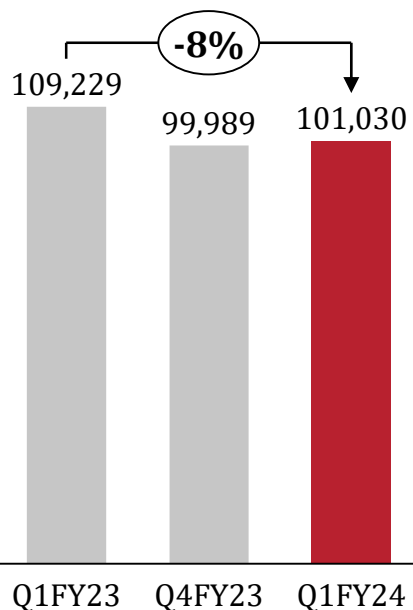
Q1FY24 & FY23



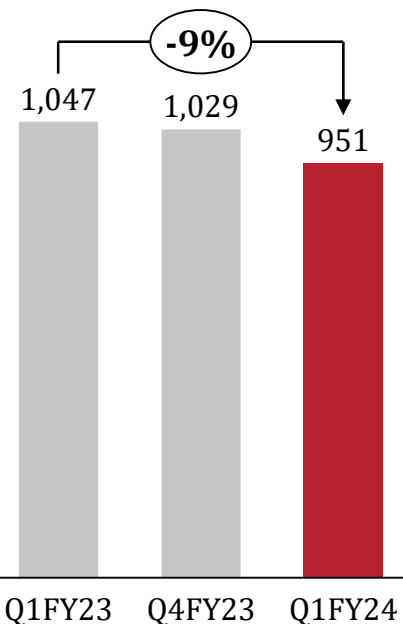
Performance Trajectory Continues



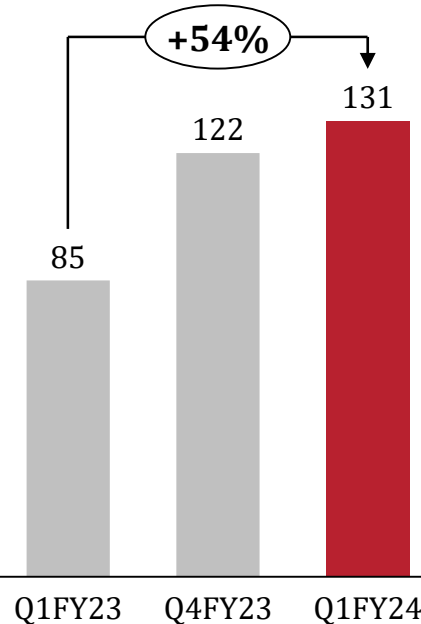
Sales Volume (MT)



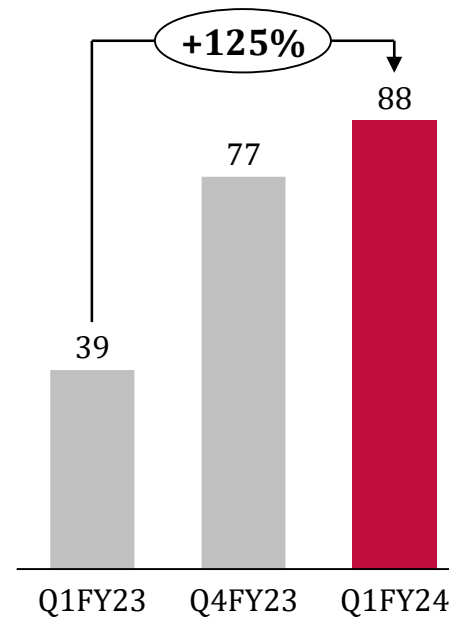
Revenue (Rs. In Crs)



EBITDA (Rs. In Crs)



PAT (Rs. In Crs)



Increase in profitability due to consistent move towards value added products

Standalone Profit & Loss Statement – Q1FY24



Particulars (In Rs. Crs)	Q1FY24	Q1FY23	Y-o-Y	Q4FY23	Q-o-Q	FY23	FY22	Y-o-Y
Net Revenue From Operations	950.91	1046.64	-9.15%	1028.90	-7.58%	4,171.84	2,791.31	49.46%
Cost of Materials Consumed	700.42	831.66		782.05		3,267.14	2,250.02	
Gross Profit	250.49	214.98	16.52%	246.85	1.47%	904.70	541.29	67.14%
Employee Benefits Expense	25.65	22.81		21.40		90.95	80.16	
Other Expenses	93.95	107.17		103.90		405.58	299.54	
EBITDA	130.89	85.00	53.99%	121.55	7.68%	408.17	161.59	152.60%
Other Income	10.12	1.56		10.55		27.97	7.22	
Foreign Exchange Fluctuation (Loss)/Gain	4.11	-13.63		3.54		-19.80	-7.67	
Depreciation and Amortization Expense	11.57	12.06		11.77		48.66	46.63	
EBIT	133.55	60.87	119.40%	123.87	7.81%	367.68	114.51	221.09%
Finance Costs	13.11	12.60		13.16		65.87	35.04	
Exceptional Items	0.00	0.00		0.00		-30.00	0.00	
Profit / (Loss) Before Tax	120.44	48.27	149.51%	110.71	8.79%	271.81	79.47	242.03%
Tax Expenses	32.78	9.34		33.99		64.00	14.41	
Profit / (Loss) for the year	87.66	38.93	125.17%	76.72	14.26%	207.81	65.06	219.41%
Other Comprehensive Income	50.45	-16.07		-14.75		14.77	36.42	
Total Comprehensive Income for the year	138.11	22.86	504.16%	61.97	122.87%	222.58	101.48	119.33%

Consolidated Profit & Loss Statement – Q1FY24

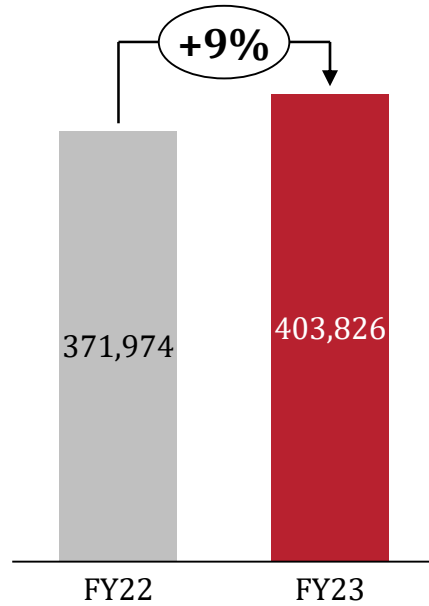


Particulars (In Rs. Crs)	Q1FY24	Q1FY23	Y-o-Y	Q4FY23	Q-o-Q	FY23	FY22	Y-o-Y
Net Revenue From Operations	950.91	1046.64	-9.15%	1028.90	-7.58%	4,171.84	2,791.32	49.46%
Cost of Materials Consumed	700.86	831.02		781.04		3,254.40	2,244.86	
Gross Profit	250.05	215.62	15.97%	247.86	0.88%	917.44	546.46	67.89%
Employee Benefits Expense	25.78	22.95		21.53		91.51	80.77	
Other Expenses	94.37	107.44		104.31		406.93	302.81	
EBITDA	129.90	85.23	52.41%	122.02	6.46%	419.00	162.88	157.24%
Other Income	10.12	1.56		10.55		27.97	7.22	
Foreign Exchange Fluctuation (Loss)/Gain	4.11	-13.63		3.54		-19.80	-6.81	
Depreciation and Amortization Expense	12.10	12.61		12.32		50.85	49.55	
EBIT	132.03	60.55	118.05%	123.79	6.66%	376.32	113.74	230.86%
Finance Costs	13.15	12.65		13.20		66.07	35.62	
Exceptional Items	0.00	0.00		0.00		-30.00	-24.65	
Profit / (Loss) Before Tax	118.88	47.90	148.18%	110.59	7.50%	280.25	53.47	424.13%
Tax Expenses	32.78	9.34		34.38		64.39	14.42	
Profit / (Loss) for the year	86.10	38.56	123.29%	76.21	12.98%	215.86	39.05	452.78%
Other Comprehensive Income	48.59	-15.89		-14.89		7.65	39.65	
Total Comprehensive Income for the year	134.69	22.67	494.13%	61.32	119.65%	223.51	78.70	184.00%

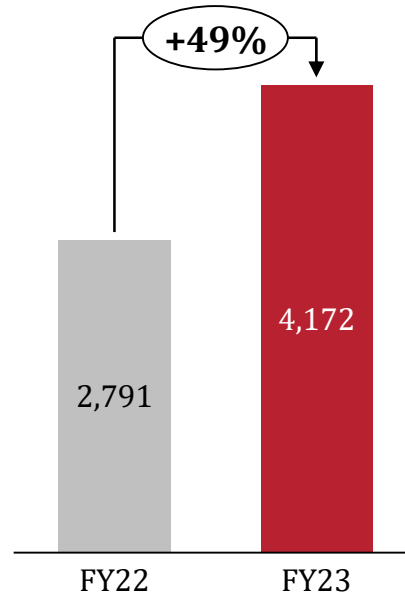
Highest ever revenue recorded in FY23



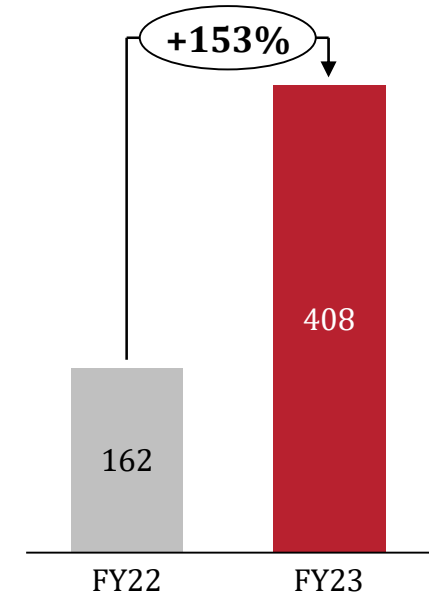
Sales Volume (MT)



Sales (Rs. In Crs)



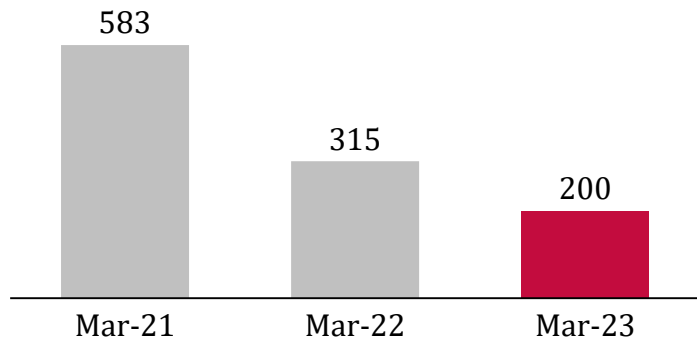
EBITDA (Rs. In Crs)



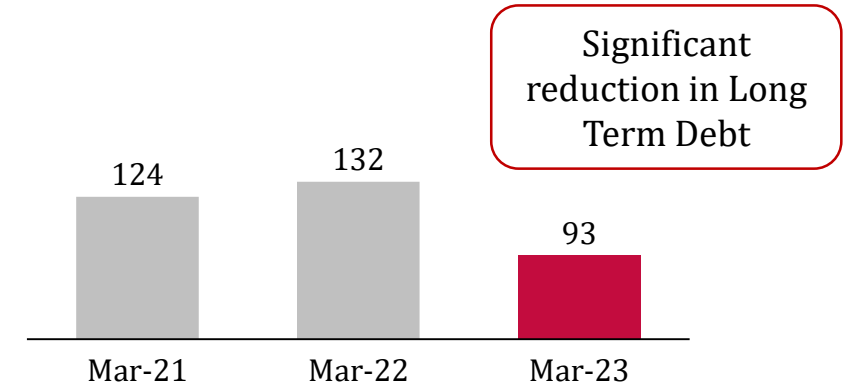
Capital Disciplined Balance Sheet



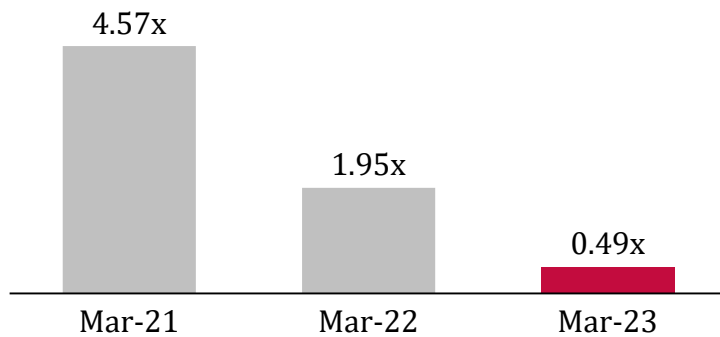
Net Debt (Rs. In Crs)



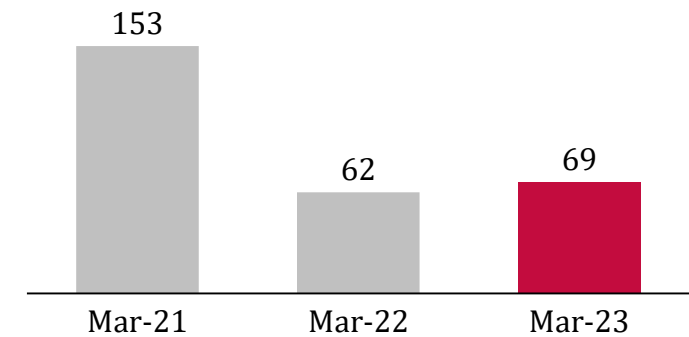
Long Term Borrowings (Rs. In Crs)



Net Debt to EBITDA



Net Working Capital Days



Standalone Balance Sheet



Particulars (in Rs. Crs.)	Mar' 23	Mar'22
ASSETS		
Non-Current Assets	1,729.97	1,720.50
Property, Plant and Equipment	1431.78	1456.38
Capital work-in-progress	93.53	76.55
Right of use Assets	19.64	23.28
Intangible Assets	0.66	0.67
Financial Assets		
(i) Investments	131.91	113.32
(ii) Trade Receivables	10.08	10.04
(iii) Loans	1.00	1.00
(iv) Other Financial Assets	21.77	19.22
Non-Current Tax Assets (net)	7.37	7.37
Other Non-Current Assets	12.23	12.67
Current Assets	1876.94	1662.88
Inventories	545.24	772.40
Financial Assets		
(i) Trade Receivables	504.89	505.03
(ii) Cash and Cash Equivalents	206.05	171.29
(iii) Bank Balances other than	417.00	91.63
(iv) Loans	1.53	1.71
(v) Other Financial Assets	24.76	12.57
Other Current Assets	177.47	108.25
TOTAL	3606.91	3383.38

Particulars (in Rs. Crs.)	Mar' 23	Mar'22
EQUITY AND LIABILITIES		
EQUITY	2,215.60	1,803.78
Equity Share Capital	43.27	41.90
Other Equity	2,172.33	1,761.88
Non-current liabilities	149.64	172.52
Financial Liabilities		
(i) Borrowings	48.31	93.17
(ii) Lease Liabilities	1.22	1.60
(iii) Other Financial Liabilities	0.26	0.26
Provisions	5.89	4.33
Deferred Tax Liabilities (net)	93.96	73.16
Current liabilities	1,241.67	1,407.08
Financial liabilities		
(i) Borrowings	787.89	485.21
(ii) Trade Payables	341.04	774.28
(iii) Lease Liabilities	0.57	1.89
(iv) Derivatives	0.11	11.30
(v) Other Financial Liabilities	29.32	63.05
Other Current Liabilities	82.57	69.74
Provisions	0.13	1.61
Current tax liabilities (net)	0.04	-
TOTAL	3,606.91	3,383.38

Consolidated Balance Sheet



Particulars (in Rs. Crs.)	Mar 23	Mar'22
ASSETS		
Non-Current Assets	1,793.04	1,785.70
Property, Plant and Equipment	1,488.13	1514.04
Capital work-in-progress	93.53	76.55
Right of use Assets	26.36	30.82
Intangible Assets	0.66	0.67
Financial Assets		
(i) Investments	131.91	113.32
(ii) Trade Receivables	10.08	10.04
(iii) Loans	1.00	1.00
(iv) Other Financial Assets	21.77	19.22
Non-Current Tax Assets (net)	7.37	7.37
Other Non-Current Assets	12.23	12.67
Current Assets	1,885.09	1,668.13
Inventories	544.22	771.51
Financial Assets		
(i) Trade Receivables	504.89	505.03
(ii) Cash and Cash Equivalents	207.80	173.38
(iii) Bank Balances other than (iii) above	417.00	91.63
(iv) Loans	1.66	2.26
(v) Other Financial Assets	24.76	12.57
Other Current Assets	184.76	111.75
TOTAL	3,678.13	3,453.83

Particulars (in Rs. Crs.)	Mar'23	Mar'22
EQUITY AND LIABILITIES		
EQUITY	2,277.69	1,864.95
Equity Share Capital	43.27	41.90
Other Equity	2,237.23	1,825.74
Total Equity attributable to the equity holders of the Co.	2,280.50	1,867.64
Non-Controlling Interest	-2.81	-2.69
Non-current liabilities	152.84	176.51
Financial Liabilities		
(i) Borrowings	48.31	93.17
(ii) Lease Liabilities	4.42	5.59
(iii) Other Financial Liabilities	0.26	0.26
Provisions	5.89	4.33
Deferred Tax Liabilities (net)	93.96	73.16
Current liabilities	1,247.60	1,412.37
Financial liabilities		
(i) Borrowings	787.89	485.21
(ii) Trade Payables	345.58	778.59
(iii) Lease Liabilities	1.51	2.82
(iv) Derivatives	0.11	11.30
(v) Other Financial Liabilities	29.37	63.09
Other Current Liabilities	82.57	69.74
Provisions	0.13	1.61
Current Tax Liabilities	0.44	0.01
TOTAL	3,678.13	3,453.83

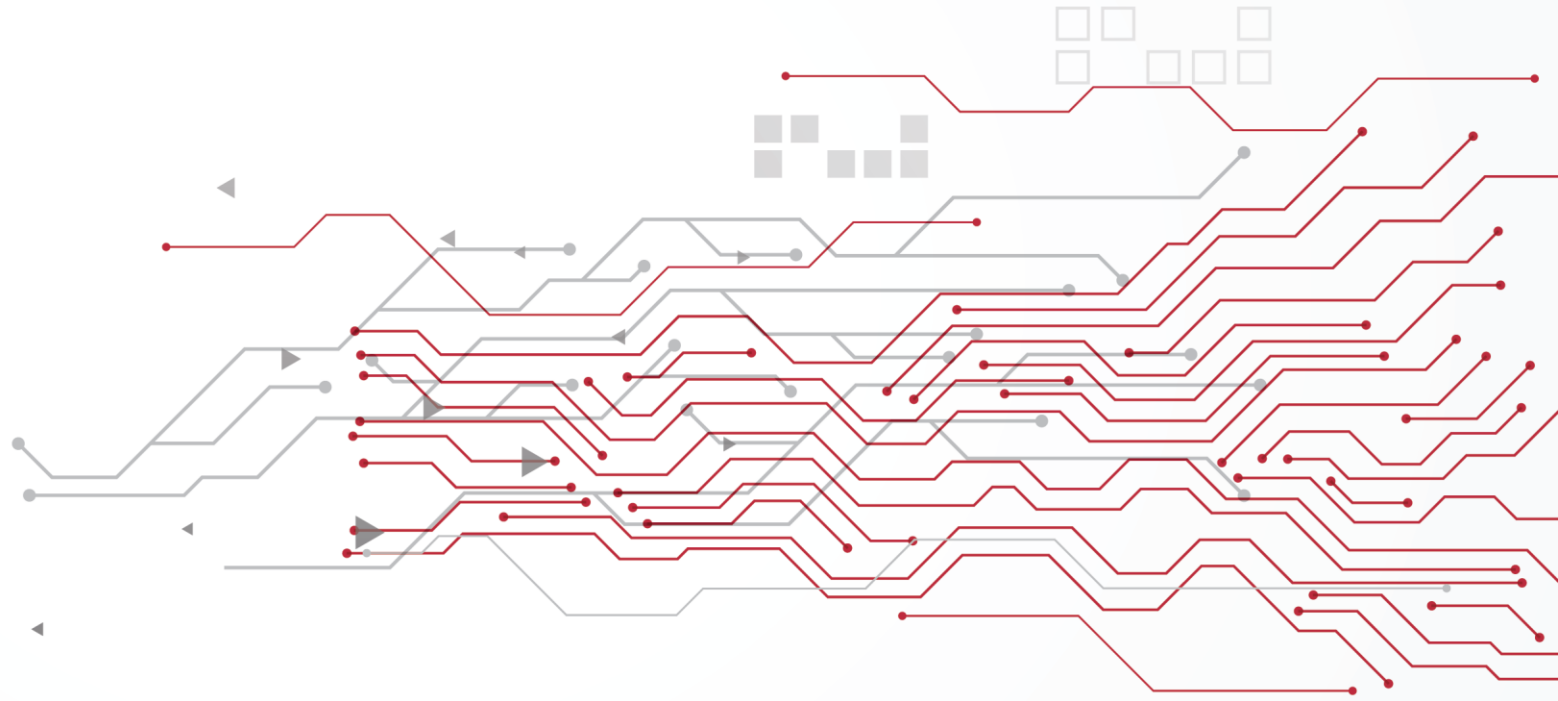
Cash Flow Statement



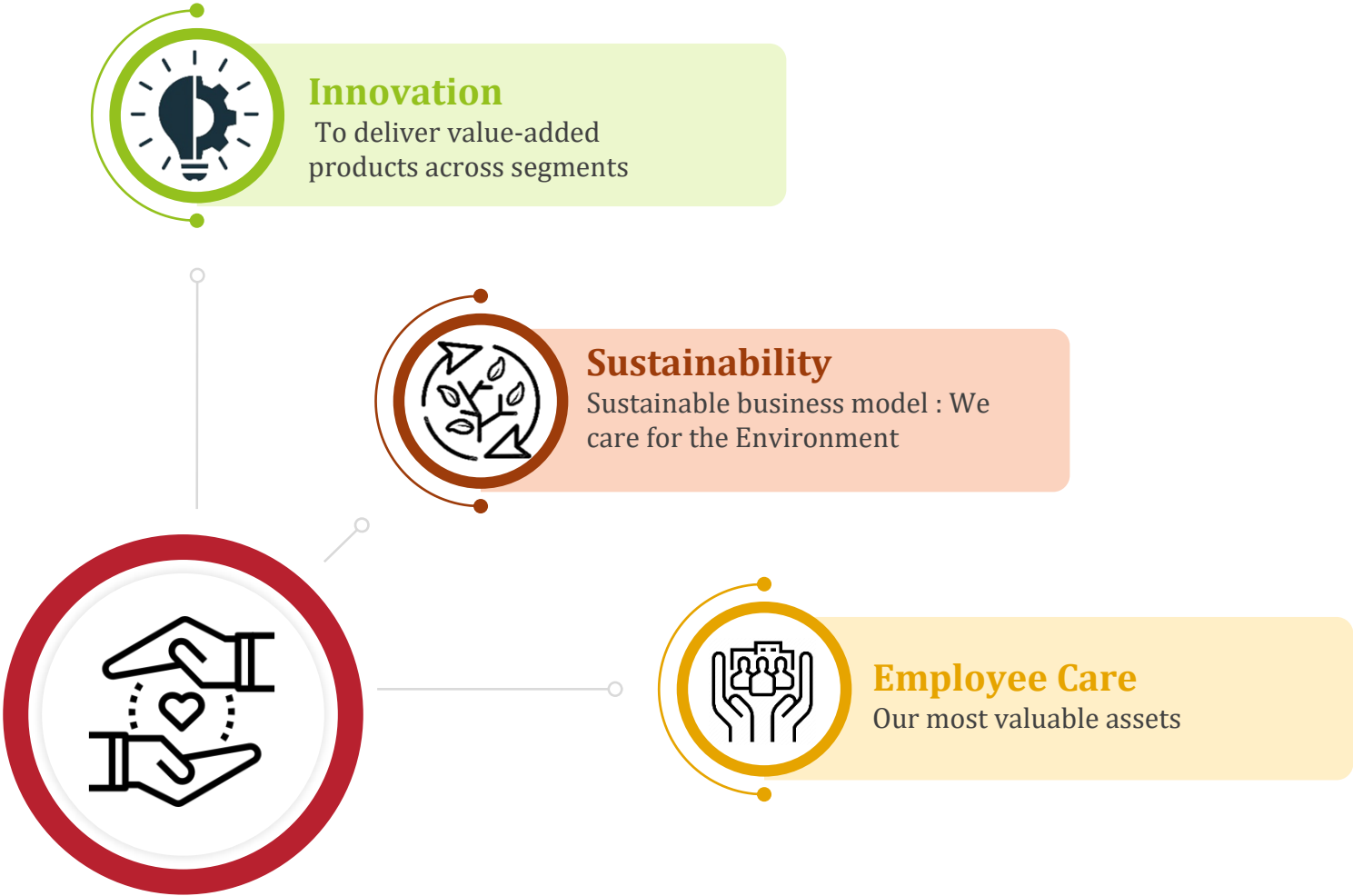
Particulars (Rs. Crs.)	Standalone		Consolidated	
	Mar-23	Mar-22	Mar-23	Mar-22
Profit Before Tax	271.81	79.47	280.25	53.47
Adjustments for: Non-Cash Items / Other Investment or Financial Items	103.69	98.8	98.96	124.86
Operating profit before working capital changes	375.5	178.27	379.21	178.33
Changes in working capital	-274.82	168.89	-277.83	169.8
Cash generated from/ (used in) Operations	100.68	347.16	101.38	348.13
Direct taxes paid (net of refund)	-47.41	-17.26	-47.41	-17.26
Net Cash generated from/ (used in) operating activities (A)	53.27	329.9	53.97	330.87
Net Cash generated from/ (used in) Investing Activities (B)	-396.61	-28.23	-396.67	-28.23
Net Cash generated from/ (used in) financing activities(C)	378.09	-180.66	377.11	-181.98
Net Increase in Cash and Cash equivalents	34.75	121.01	34.41	120.66

Business Overview

Integrated Business Model



Our Ethos - “ We Care, We Innovate”



Strong Research & Development



01 World Class Laboratory

02 An Innovation Mindset

03 Continuous R&D

04 Techno-Commercial Team

05 Global Knowledge Bank

New brands introduced with multiple grades catering to different application segments of Speciality Carbon Black

Continuous working on reducing energy consumption in certain processes

Focusing on new product development and innovation especially in lithium-ion battery material space

Current Product Portfolio



Coal Tar Pitch

Largest Indian player



Carbon Black

3rd Largest player in India



Speciality Carbon Black

Largest Indian Player



Refined Naphthalene

Largest Indian Player



Battery Material

Largest Indian player



SNF

Dominant player in India



Speciality Oils

Niche segments in India and internationally



Power

Green Power from In-house process gas



Applications across Industries



Paints, Plastic & Fibre



Graphite Electrodes



Anti Corrosive Material



Defence



Construction Chemical



Aluminium



Lithium - Ion Batteries



Infrastructure



Rubber Industries



Wood Preservative Oils



Power



Specialized Products

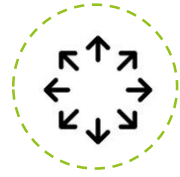
Marquee Clients across Industries



Unparalleled access to growth opportunities



High Value
Product
Pipeline



Right Capacity



Strong
Clientele



Product
Leadership



Strong R&D



Strategic
Location



Diversified
End Markets



Global
Management
Team



Cutting Edge
Technologies

Transformation Unfolds

Addressing the needs of critical raw material requirements of Lithium-Ion Batteries



Thank You

Company :

Himadri Speciality Chemical Ltd

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