



Meghmani Finechem Limited

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To,

National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (East) <u>Mumbai 400 051</u>	BSE Limited Floor- 25, P J Tower, Dalal Street, <u>Mumbai 400 001</u>
SCRIP CODE: MFL	SCRIP CODE: 53332

Dear Sir/s

Sub: - Q2FY23 Press Release

With reference to Regulation 30 and Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the **Q2FY23 Press Release.**

This is for information and records.

Thanking you.

Yours faithfully,

For Meghmani Finechem Limited

K. D. Mehta
Company Secretary & Compliance Officer
Membership No. FCS 2051



Press Release

Meghmani Finechem's Revenue up 64% to ₹ 556 Cr and PAT up 95% to ₹ 92 Cr in Q2FY23

Highlights: YoY comparison

₹ Cr

Particular	Q2FY22	Q2FY23	Growth	H1FY22	H1FY23	Growth
Revenue from operations	340	556	64%	630	1,088	73%
EBITDA	101	180	79%	193	368	91%
PAT	47	92	95%	84	199	137%

The company has delivered a strong operating and financial performance in line with its commitment of growth. The key performance highlights are:

Operational Highlights:

- Capacity utilization for Chlor-Alkali stood at 85%, CMS stood at 104% and H₂O₂ was at its highest at 97%
- Caustic Soda & Caustic Potash ECU realization was up 77% & 120% respectively
- CMS sales realization was down 16% and H₂O₂ sales realization was up 14%

Q2FY2023 Financial Highlights (YoY):

- Revenue grew 64% to ₹ 556 Cr on account of high realizations from Chlor-alkali and Hydrogen Peroxide. Chlor-alkali grew by 65% and Derivatives grew by 59%
- EBITDA increased 79% to ₹ 180 Cr while maintaining EBITDA margin of 32% vs 30% in Q2FY22
- PAT increased 95% to ₹ 92 Cr and PAT margin improved by 267 bps for Q2FY23

H1FY2023 Financial Highlights (YoY):

- Revenue grew 73% to ₹ 1,088 Cr on account of 3% volume growth and high realizations from all the products vs H1FY22
- EBITDA grew 91% to ₹ 368 Cr and margin improved to 34% on account of higher realizations vs 31% in H1FY22
- ROCE and ROE improved to 37% and 50% respectively on account of higher realization from all the products

Strategic Update for H1FY2023:

- In H1FY23, MFL commissioned Epichlorohydrin on 1st June, CPVC on 18th July and additional capacity of Caustic Soda on 30th September. All 3 projects were completed within committed timelines and within capex limit.
- Expansion project of Chlorotoluene & its value chain and for R&D Centre is moving as per schedule
- MFL acquired 2.89,844.41 sq. m. land in Dahej (close to current complex) for future growth plans
- MFL entered in JV to set up 18.34 MW Hybrid Power Plant to meet energy requirement at the plant

Commenting on the results Mr Maulik Patel; Chairman and Managing Director – MFL said: *“We achieved highest-ever revenue in Q2FY23. The performance of the quarter is on account of high realizations from majority of our products.*

H1FY2023 was an exciting period as we commissioned all our planned expansion projects, namely- India's first Epichlorohydrin plant, India's largest CPVC resin plant and additional capacity of Caustic Soda. Our team is working towards maximizing contribution from the new projects. However, we expect substantial revenue impact from these projects by Q3FY23 onwards.

Our vision is to become a fully integrated complex catering to diversified industries, hence we will be further adding downstream chemistries where Chlorine, Hydrogen and other chemicals will be used as a raw material. Our focus is to identify molecules and chemistries which will provide us high margins and are extension of our existing product portfolio."

About Meghmani Finechem Limited

Meghmani Finechem Limited ("MFL"), incorporated in 2007, is a leading integrated manufacturer of chemicals in India. The company has state of the art manufacturing facilities in Gujarat, Dahej – a leading PCPIR region in the country. MFL's Dahej facility is a backward and forward integrated and automated complex with a well-established infrastructure and Captive Power Plants. The company is India's 4th largest manufacturer of Caustic Soda, Chlorine and Hydrogen and a leading manufacturer of Caustic Potash, Chloromethanes and Hydrogen Peroxide. MFL is the 1st to set up an Epichlorohydrin plant and largest capacity plant of CPVC resin, in India.

MFL is further expanding into Chlorotoluene & its value chain to strengthen its position in the Specialty Chemical segment. The company is focused on sustainable value creation for all its stakeholders and has been awarded with the Responsible Care certificate.