



NEOGEN
CHEMICALS LTD.

May 2, 2024

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| 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 |
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Sub.: Press Release on the audited 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 audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 31, 2024.

The Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 31, 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

Neogen Chemicals delivers profitable performance in Q4 FY24
EBITDA higher by 10% to Rs. 36 crore; PAT grew by 18% to Rs. 17 crore

Neogen Chemicals Limited (Neogen) reported its financial performance for the quarter and full year ended 31st March, 2024.

For FY24, revenue was maintained at Rs. 691 crore despite a significant decrease in the prices of raw materials, particularly bromine and lithium. The Company managed to sustain/increase its base volumes by adding new customers and cost improvement initiatives. Neogen Ionics (Battery Materials arm) generated initial revenues in Q4 by supplying Lithium Electrolyte Salts to major customers in Japan and South Korea.

EBITDA stood at Rs. 110 crore in FY24. On a consolidated basis, employee costs increased due to the acquisition of BuLi Chem and the new company set up. Despite this, operating EBITDA was maintained, translating into EBITDA Margin of 16% in FY24.

Profit after Tax (PAT) stood at Rs. 36 crore in FY24. PAT performance was muted due to higher depreciation and interest expenses during the year, because of ongoing CAPEX in the Battery Materials division. The Company has deployed the proceeds from preferential allotment in Neogen Ionics and to improve working capital and reduce high-cost debt.

Earnings per share (EPS) for Q4 FY24 stood at Rs. 6.42 per share (Rs. 5.74 per share in Q4 FY23).

Performance at a Glance

| | Q4 FY24 | | FY24 | |
|--------------------------|---------------|-------|---------------|--------|
| Revenues | Rs. 200 crore | ↔ -2% | Rs. 691 crore | ↕ 1% |
| EBITDA | Rs. 36 crore | ↕ 10% | Rs. 110 crore | ↔ -1% |
| Profit Before Tax | Rs. 22 crore | ↕ 8% | Rs. 53 crore | ↔ -26% |
| Profit After Tax | Rs. 17 crore | ↕ 18% | Rs. 36 crore | ↔ -29% |

Notes:

1. **Growth for Q4 FY24 is compared with Q4 FY23**
2. **Growth for FY24 is compared with FY23**
3. **All figures are consolidated**
4. **EBITDA excluding other income**

Commenting on the Q4 FY24 performance, Mr. Haridas Kanani, Chairman & Managing Director, Neogen Chemicals said:

“Financial Year 2024 marked a significant milestone for Neogen Chemicals as we embarked on an accelerated growth trajectory, establishing a robust foundation to fuel India’s growing EV ecosystem. Strategic initiatives undertaken during the year such as acquisition of BuLi Chem, licensing agreement with MUIS, equity raise through preferential route and land acquisition by Neogen Ionics, were all aligned to position us for the future and accelerate our growth agenda. I want to express my appreciation to the entire Neogen family for their commitment and dedicated efforts to our shared goal and being part of this dynamic journey.

Our performance during the year mirrors the persistent global challenges experienced by industry, which had a detrimental effect on demand. This includes cheap dumping in India, inventory adjustments, military escalations, and logistical crisis, among others. Our adaptable business model and manufacturing prowess enabled us to navigate through these obstacles and deliver a resilient performance.

We are making considerable progress in establishing our greenfield Battery Materials project. The plant design using MUIS, Japan technology has already been finalised and we have started issuing the PO’s. Construction work is expected to commence shortly, as we stay on track to commission this facility by H2 of FY2026. Once operational, it will position us as an important partner for EV battery manufacturers in the country. In the interim, we are building initial commercial capacities for both Electrolytes and Lithium Electrolyte Salts for immediate needs of the customers. I am happy to share that we have started shipping small batches of Lithium Electrolyte Salts to global customers and Electrolytes to local customers, and the feedback regarding quality and efficacy is awaited.

Despite several macro challenges in the previous year, we foresee the present year to be more promising, considering the current pace of recovery. Our overarching goal is to capitalize on our fundamental strengths across multiple chemistries to consistently enhance value for all our stakeholders.”

Strategic Development in Q4 FY24

- **Acquisition of 100% stake in BuLi Chem**
- **MUIS-Neogen Electrolyte Manufacturing License Agreement**
- **Completion of preferential allotment, securing ~Rs. 253 crore**
- **Land Acquisition by Neogen Ionics admeasuring 264,285 Sq. Meters in Pakhajan, Dahej PCPIR, Gujarat**

UPDATE ON EXPANSION INITIATIVES

| Details of expansion projects announced: | Current project updates: |
|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Existing Business | |
| Expansion of specialty organic chemicals capacity by 60m³ | <ul style="list-style-type: none"> • 29m³ will be commissioned by FY25; 31m³ commissioned in Q4 FY23 |
| Expansion of inorganic chemicals capacity from 1,200 MT (15m³) to 2,400 (30m³) in existing Inorganic MPP | <ul style="list-style-type: none"> • Capacity increased to 30m³ till March 2023 |
| 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 Electrolyte at Dahej facility | <ul style="list-style-type: none"> • Mechanical completion has been achieved • Trial production has already commenced |

Several domestic and international customers have visited and approved the facility of Battery Materials, and are now awaiting approval of commercial products manufactured from the site.

Expansion plans in FY25 and FY26:

- Lithium Electrolyte Salts & Additives capacity will increase to 2,500 MT to be operational by Q4 FY25
- Greenfield expansion of Electrolyte and Lithium Electrolyte Salts & Additives at Pakhajan, Dahej PCPIR for dedicated battery materials
- This includes additional 30,000 MT of Electrolyte capacity using MUIS, Japan Technology License, and additional 3,000 MT of Lithium Electrolyte Salts & Additives based on Neogen's in-house technology – to be operational by H2 FY26.

-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.*