

October 31, 2023

Ref. No.: **AIL/SE/70/2023-24**

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001, MH.

Scrip Code: **543534**

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai-400051, MH.

Symbol: **AETHER**

Dear Madam / Sir,

Subject: Presentation on Financial Results

In accordance with Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the presentation on Financial Results of Second Quarter and Half Year ended on September 30, 2023, is enclosed herewith.

We request you to kindly take the information on your records.

Thank you.

For Aether Industries Limited



Chitrarth Rajan Parghi

Company Secretary & Compliance Officer

Mem. No.: F12563



Encl.: As attached

Q2 | H1

FY24
October 31, 2023

HIGHLIGHTS

QIP

Funds raised from QIP, being utilised towards the objects as per the PPD

New Customers

We have started business with 9 new customers during the quarter across all business models

Customer Audits

Successfully concluded 6 customer audits and certification audits in Q2 FY24

Team Members

More than 21 new team members joined Aether in Q2 FY24 across all departments

Pilot Plant Expansion

Ordering of the machines and receipt of the equipment on-going, along with commissioning

Site 3++ Expansion

Ground digging work in progress, GIDC approval in place and applications done for various regulatory approvals

Site 4 Expansion

Ground digging work completed. Structure work going and ordering and receipt of the equipment and machineries on-going

Site 5 Expansion

Wall fencing work in progress, ground levelling work started along with application for various regulatory approvals



SNAPSHOT

Q-o-Q

Q-o-Q is comparison of Q2 FY24 with Q1 FY24

(INR MM)

| | Revenue | EBITDA | PAT |
|--------|---------|--------------------|--------------------|
| Q2FY24 | 1,793 | 612 ^{34%} | 378 ^{21%} |
| | ↑ 9% | ↑ 29% | ↑ 25% |
| Q1FY24 | 1,638 | 474 ^{29%} | 302 ^{18%} |

Y-o-Y

Y-o-Y is comparison of Q2 FY24 with Q2 FY23

| | | | |
|--------|-------|--------------------|--------------------|
| Q2FY24 | 1,793 | 612 ^{34%} | 378 ^{21%} |
| | ↑ 22% | ↑ 41% | ↑ 39% |
| Q2FY23 | 1,466 | 433 ^{30%} | 272 ^{19%} |



SNAPSHOT

HFY-o-HFY

HFY-o-HFY is comparison of 1HFY24 with 1HFY23

(INR MM)

| | Revenue | EBITDA | PAT |
|--------|----------------|-------------------------------|-----------------------------|
| 1HFY24 | 3,431 ↑ 10% | 1,085 ^{32%} ↑ 18% | 680 ^{20%} ↑ 18% |
| 1HFY23 | 3,127 | 919 ^{29%} | 578 ^{18%} |



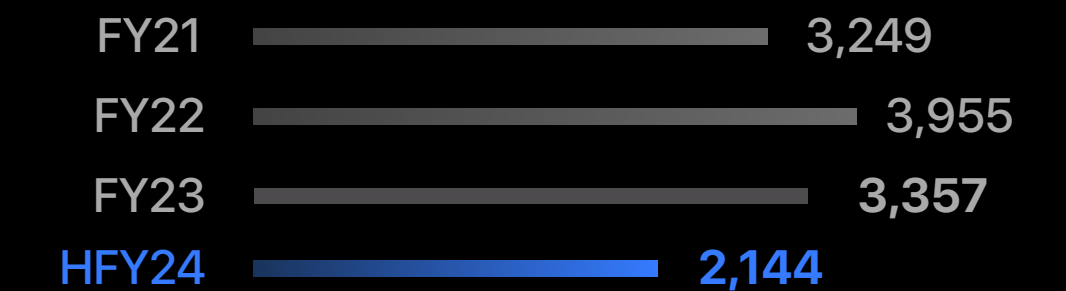
BUSINESS SEGMENTS

66%

Large Scale Manufacturing

Advanced intermediates and speciality chemicals with application across the industry spectrum

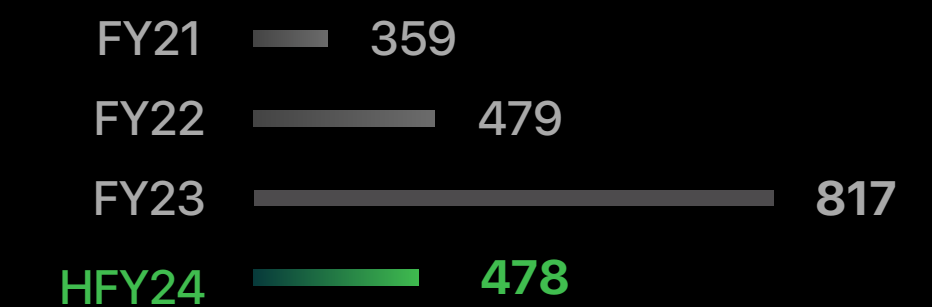
(INR MM)



15%

Contract Research and Manufacturing Services - CRAMS

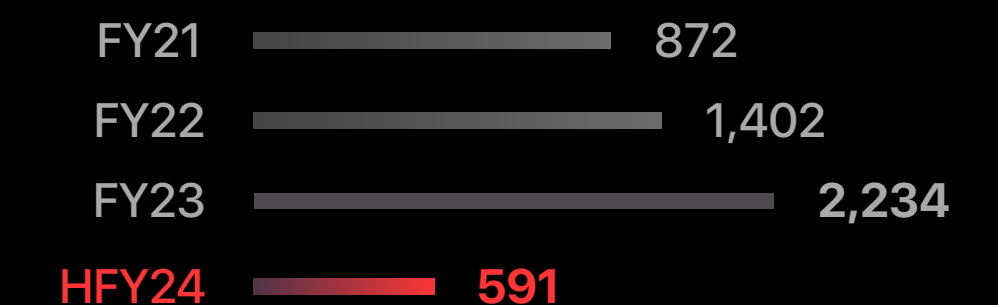
Contract research, scale-up services, technology development, low volume high value contract manufacturing



18%

Contract / Exclusive Manufacturing

Manufacture under contractual supply agreements with MNCs

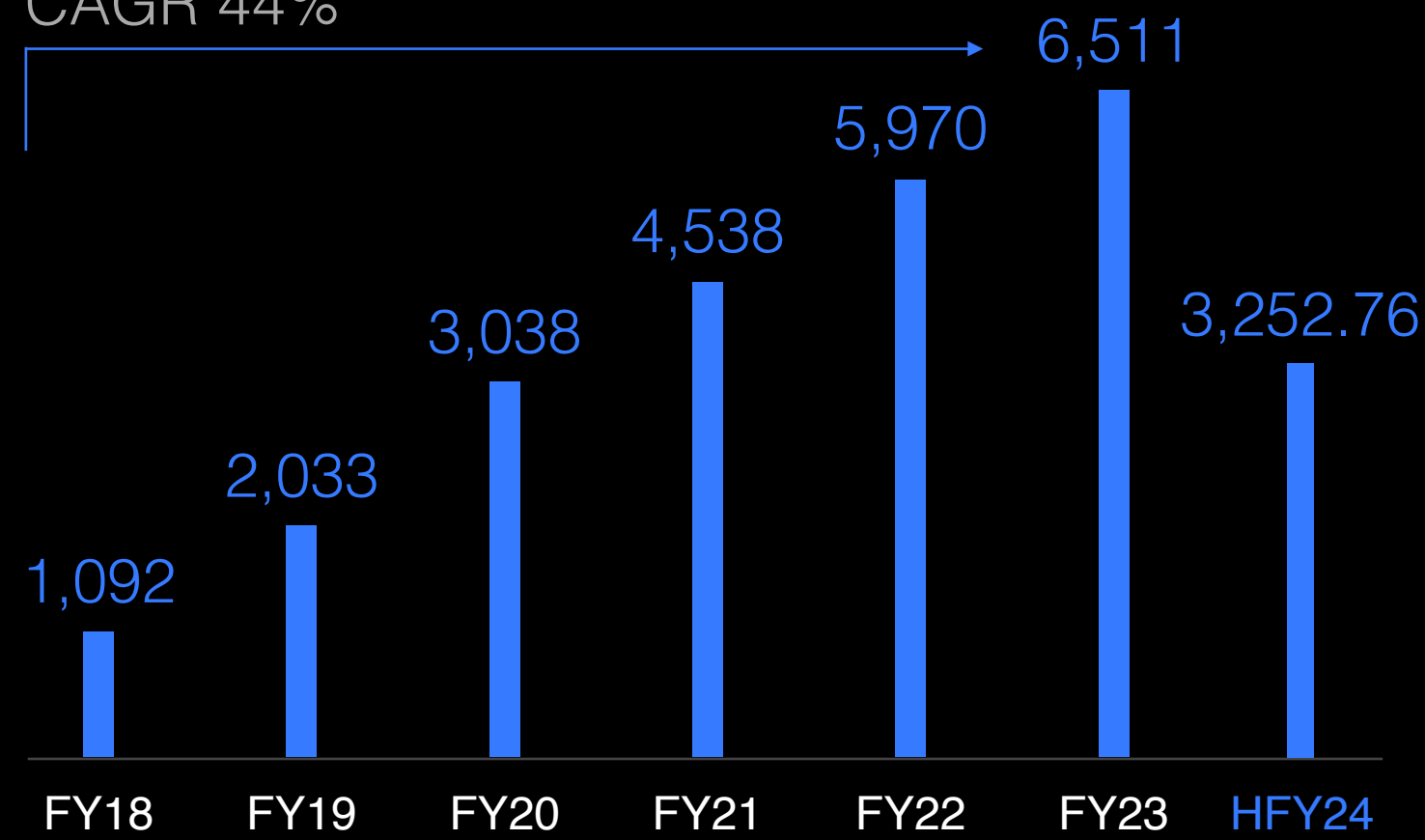


AETHER TODAY

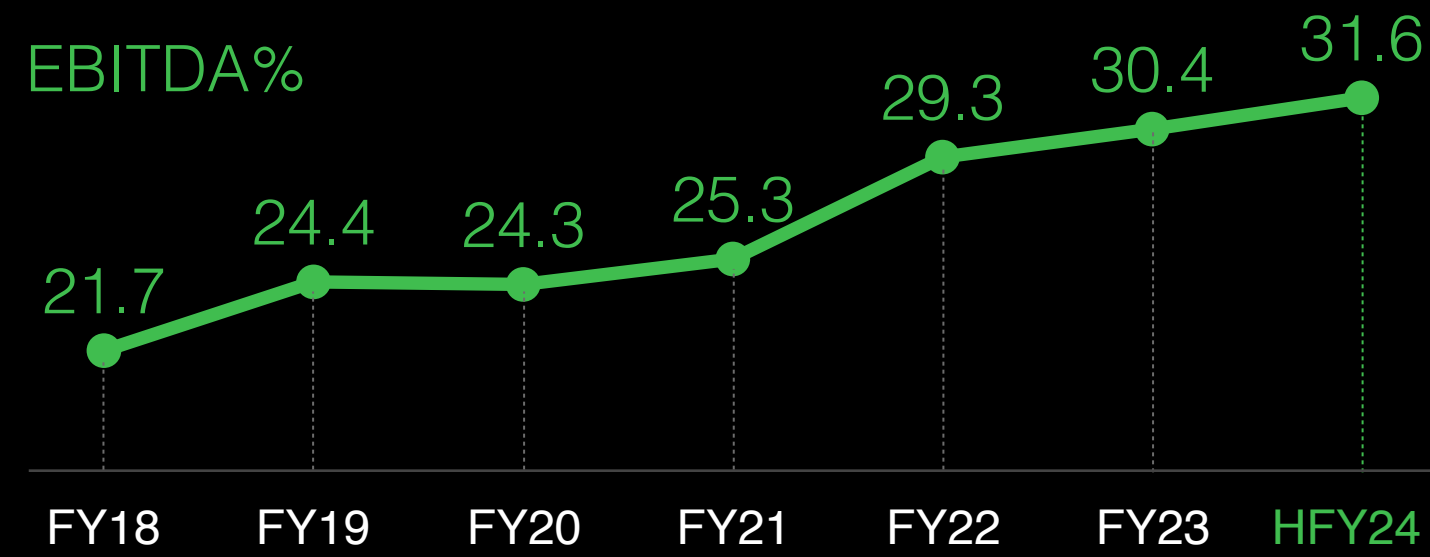
REVENUE FROM OPERATIONS

INR MM

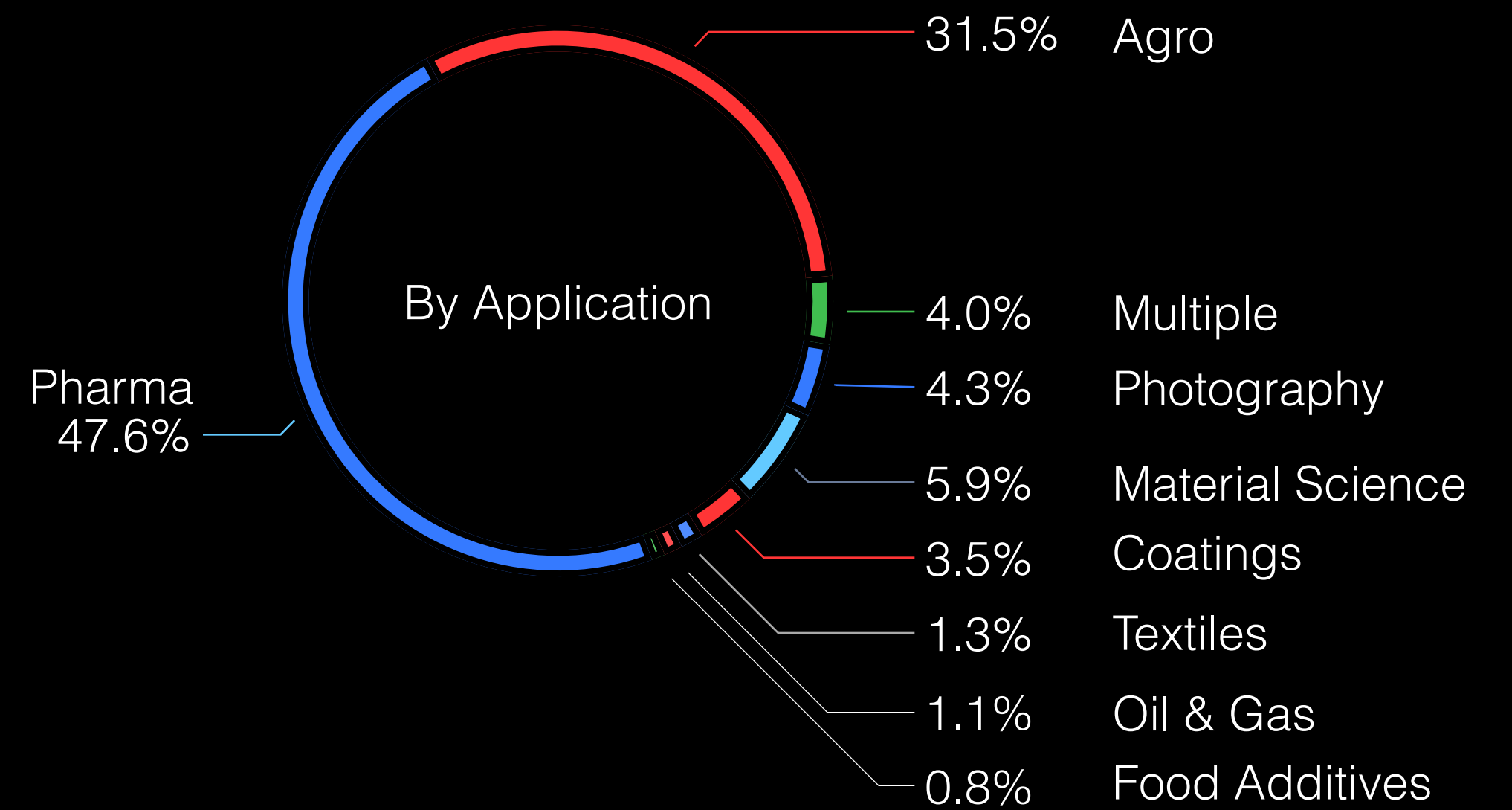
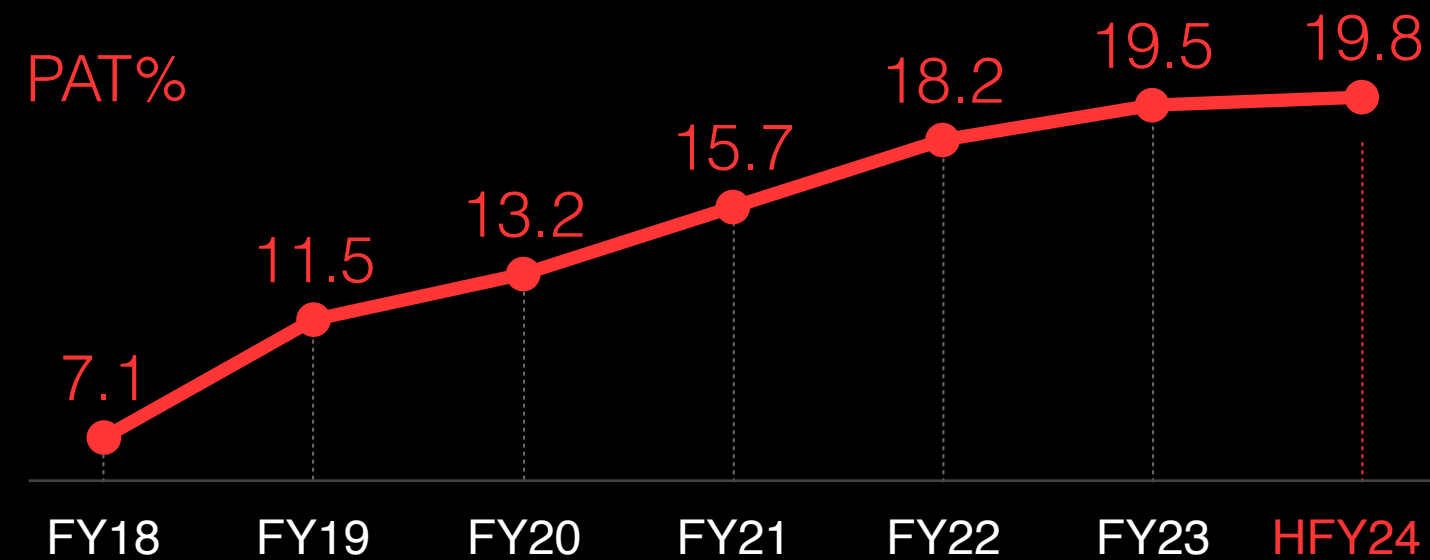
CAGR 44%



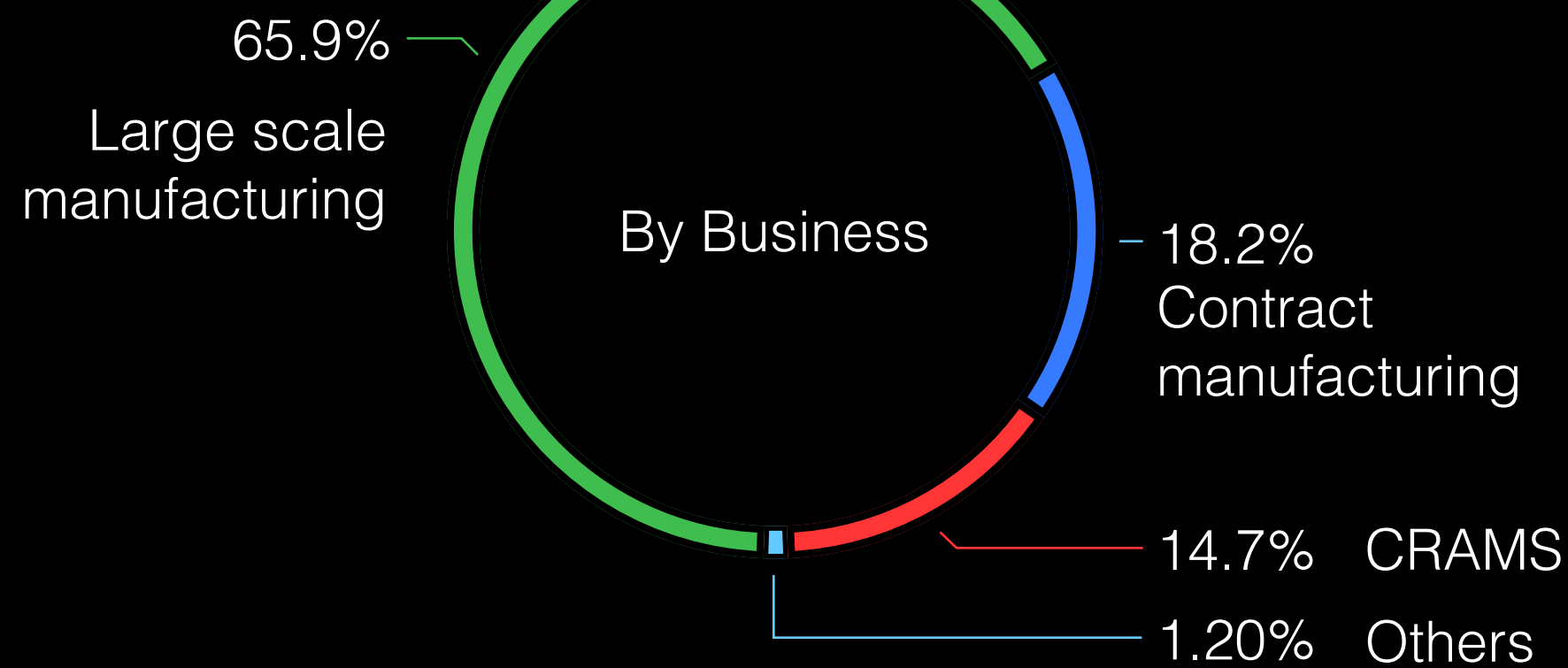
EBITDA%



PAT%



HFY24



includes deemed exports and SEZ Sales



RESEARCH AND DEVELOPMENT

R&D has been critical to success and a differentiating factor vis-à-vis competitors

Experts at helm of R&D / CRAMS

JUNE-23

262

Highly qualified employees,
including

130

Scientists with
PhD / M. Sc and B. Sc

132

Engineers

SEPTEMBER-23

270

Highly qualified employees,
including

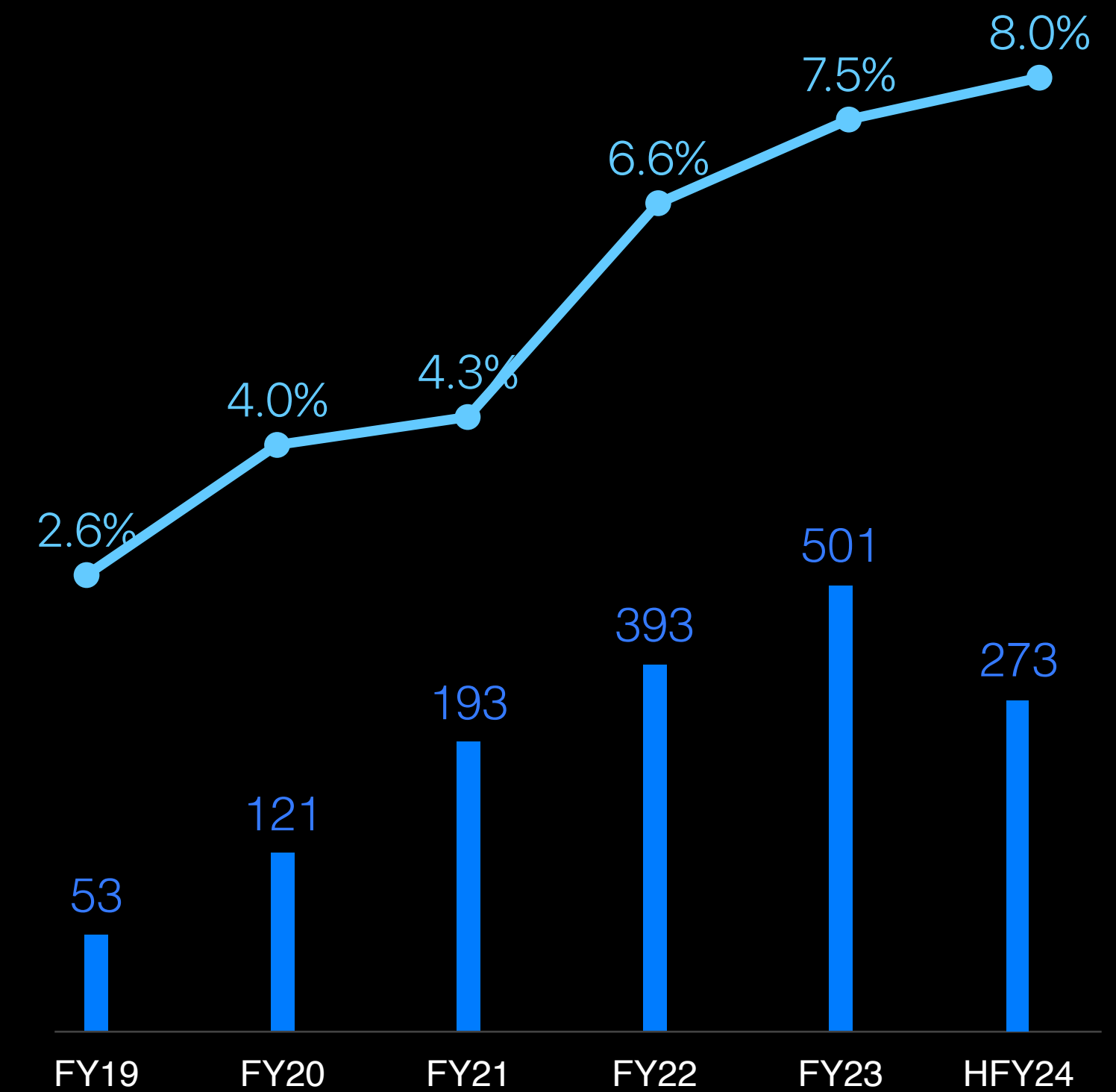
132

Scientists with
PhD / M. Sc and B. Sc

138

Engineers

Consistently rising R&D expenditure



QIP FUND UTILISATION

1. Capital expenditure towards expansion of Site 3++
2. Capital expenditure towards first phase of Site 5
3. Working Capital requirements due to new facility which has come up at Site 3
4. General Corporate Purpose funds utilised for various expansions in R&D, Pilot Plant and Site 4 (under Aether Speciality Chemicals Limited, a 100% wholly owned subsidiary of Aether Industries Limited) and other normal business expenses, including working capital.

(INR MM)

| Objects of issue | Amount as per the Offer Document (A) | Amount Withdrawn from Monitoring Bank (B) | % Amount Withdrawn (C) | Amount Pending to be withdrawn from Monitoring Bank (D = A - B) |
|---|--------------------------------------|---|------------------------|---|
| Funding capital expenditure requirements for the proposed Greenfield Project - Site 3++ | 1,830 | 7.65 | 0.42% | 1,822.35 |
| Funding capital expenditure requirements for the proposed Greenfield Project - Site 5 (first phase) | 3,300 | 2.69 | 0.08% | 3,297.31 |
| Working Capital requirements | 450 | 348.94 | 77.54% | 101.06 |
| General Corporate Purposes (increase of INR 1.14 million) | 1,706.14 | 799.21 | 46.84% | 906.93 |
| Total | 7,286.14 | 1,158.49 | 15.90% | 6,127.65 |

Note: Unutilised QIP Funds of INR 6,130 million are parked in FDs



STANDALONE FINANCIAL RESULTS FOR Q2 AND HFY24

INR MM

| Particulars | Q2FY24 | Q1FY24 | Q2FY23 | HFY24 | HFY23 | FY23 |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| Revenue from operations | 1,642 | 1,611 | 1,402 | 3,253 | 3,002 | 6,511 |
| Other income | 152 | 26 | 64 | 178 | 126 | 165 |
| Total income | 1,794 | 1,637 | 1,466 | 3,431 | 3,128 | 6,676 |
| Cost of goods sold # | 760 | 769 | 682 | 1,529 | 1,512 | 3,173 |
| Employee benefits expense | 115 | 85 | 89 | 201 | 161 | 345 |
| Other expenses | 307 | 309 | 262 | 616 | 535 | 1,130 |
| EBITDA | 612 | 474 | 433 | 1,085 | 920 | 2,028 |
| Depreciation & amortization | 97 | 92 | 54 | 189 | 100 | 232 |
| EBIT | 515 | 382 | 378 | 896 | 820 | 1,796 |
| Finance cost | 16 | 12 | 6 | 28 | 35 | 51 |
| Profit before tax | 499 | 370 | 372 | 868 | 785 | 1,745 |
| Tax expenses (Current + Deferred) | 121 | 68 | 100 | 188 | 206 | 441 |
| Profit after tax | 378 | 302 | 272 | 680 | 578 | 1,304 |



Cost of goods sold = Cost of materials consumed in operation and incidental cost + Changes in inventories of finished goods and work-in-progress



STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS ON SEPTEMBER 30, 2023

| INR MM | HFY24 | FY23 | INR MM | HFY24 | FY23 |
|--------------------------------------|---------------|---------------|--------------------------------------|---------------|---------------|
| ASSETS | | | EQUITY AND LIABILITIES | | |
| Non-Current Assets | | | Equity | | |
| Property, plant and equipment | 5,819 | 5,334 | Equity share capital | 1,325 | 1,245 |
| Capital work-in-progress | 870 | 371 | Other equity | 19,135 | 11,201 |
| Investments + Other Financial Assets | 5,040 | 30 | Total equity | 20,460 | 12,446 |
| Intangible Assets | 5 | 6 | Non-current Liabilities | | |
| Right-of-Use Assets | 1,345 | 1,122 | Borrowings | 0 | 0 |
| Other non-current assets | 25 | 184 | Lease liabilities | 138 | 145 |
| Total non-current assets | 13,104 | 7,047 | Deferred tax liabilities (net) | 287 | 268 |
| CURRENT ASSETS | | | Total non-current liabilities | 425 | 413 |
| Inventories | 3,252 | 2,488 | Current Liabilities | | |
| Investments | 120 | 10 | Borrowings | 20 | 1 |
| Trade receivables | 2,525 | 2,590 | Lease liabilities | 13 | 11 |
| Cash and bank balances | 1,864 | 1,022 | Trade payables | 1,121 | 815 |
| Loans + Other Financial Assets | 745 | 15 | Other current liabilities# | 196 | 113 |
| Other current assets | 625 | 627 | Total current liabilities | 1,350 | 940 |
| Total current assets | 9,131 | 6,752 | Total equity and liabilities | 22,235 | 13,799 |
| Total Assets | 22,235 | 13,799 | | | |

includes Other Financial Liabilities, Other Current Liabilities, Provisions and Current Tax Liabilities (Net)



STANDALONE STATEMENT OF CASH FLOW AS ON SEPTEMBER 30, 2023

INR MM

Cash generated from operations

Net cash from operating activities

Net cash (used in) investing activities

Net cash used in financing activities

Net increase / (decrease) in cash and cash equivalents

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

HFY24

FY23

282

252

142

(66)

(1,671)

(3,484)

7,361

4,392

5,832

842

1,022

180

6,854

1,022

Figures in () represent negative numbers



WHY AETHER?

The True Story

[8 x 8] Matrix of chemistry/technology competencies developed in-house, from scratch, which caters to various segments of chemical industry

Rich Infrastructure

Extensively expanded R&D, pilot plant, and manufacturing (2 new greenfield projects, 1 brownfield project all fully DCS automated) capabilities

R&D Driven Approach

Specialised R&D team comprising 270 highly qualified people including 132 scientists (with PhDs or M. Sc. / B. Sc. degrees) and 138 engineers (SEP-23)

Experienced Team

Career Technocrat promoter group, expert global technology and business development team, average age of 970+ staff is 31 years (SEP-23)

Growth Engines

Successfully launched 3 business models in 5 years into commercialisation:

1. Large scale manufacturing
2. CRAMS
3. Contract / Exclusive manufacturing

Marquee Customers

290+ multinational, global, regional and local companies across industry spectrum, spread over 22 countries

1st Time In India

Most of our advanced intermediates and specialty chemicals manufactured for the first time in India

Fastest Growing

We are one of the fastest growing specialty chemical companies in India, growing at a CAGR of nearly 44% between Fiscal 2018 and Fiscal 2023



SITE 3++

Located diagonally opposite to the current Manufacturing Facility 2 in GIDC, Sachin, Surat, Gujarat, India



July 2023

project initiation

August 2023

Regulatory approvals applied for

Production of 3 to 5 Products

upon commercialisation of the project



Additional 3500 MT

capacities approximately per annum will be added on commercialisation of the project

September 2023

Placing of orders for equipment and machineries started



SITE 4

Located within 200 meters of the current Manufacturing Facility 2 in GIDC, Sachin, Surat, Gujarat, India



July 2023
project initiation

September 2023
Equipment and machineries ordered

Dedicated to CEM
upon commercialisation of the project



**Aether Speciality
Chemicals Limited**
100% wholly owned subsidiary

Q4FY24
Expected to be commercialised



SITE 5

S5 - Panoli

21° 32' 19.302" N, 73° 0' 11.34" E

125,874.64 sq. mtrs. / 31 acres

(approximate)

Acquired land in GIDC **auction** for **future expansions**

12 times the land bank of the current land at Site-2

Easy proximity to **NH8**

54 Kms drive from current locations in Surat

Plot nos. 14 + 15, Panoli GIDC, Gujarat

Regulatory approvals applied for in July 2023

Ground digging work started in August 2023

Ordering of equipment and machineries started in September 2023



EXPANSION OF WORLD'S LARGEST PILOT PLANT



As of 03.08.23

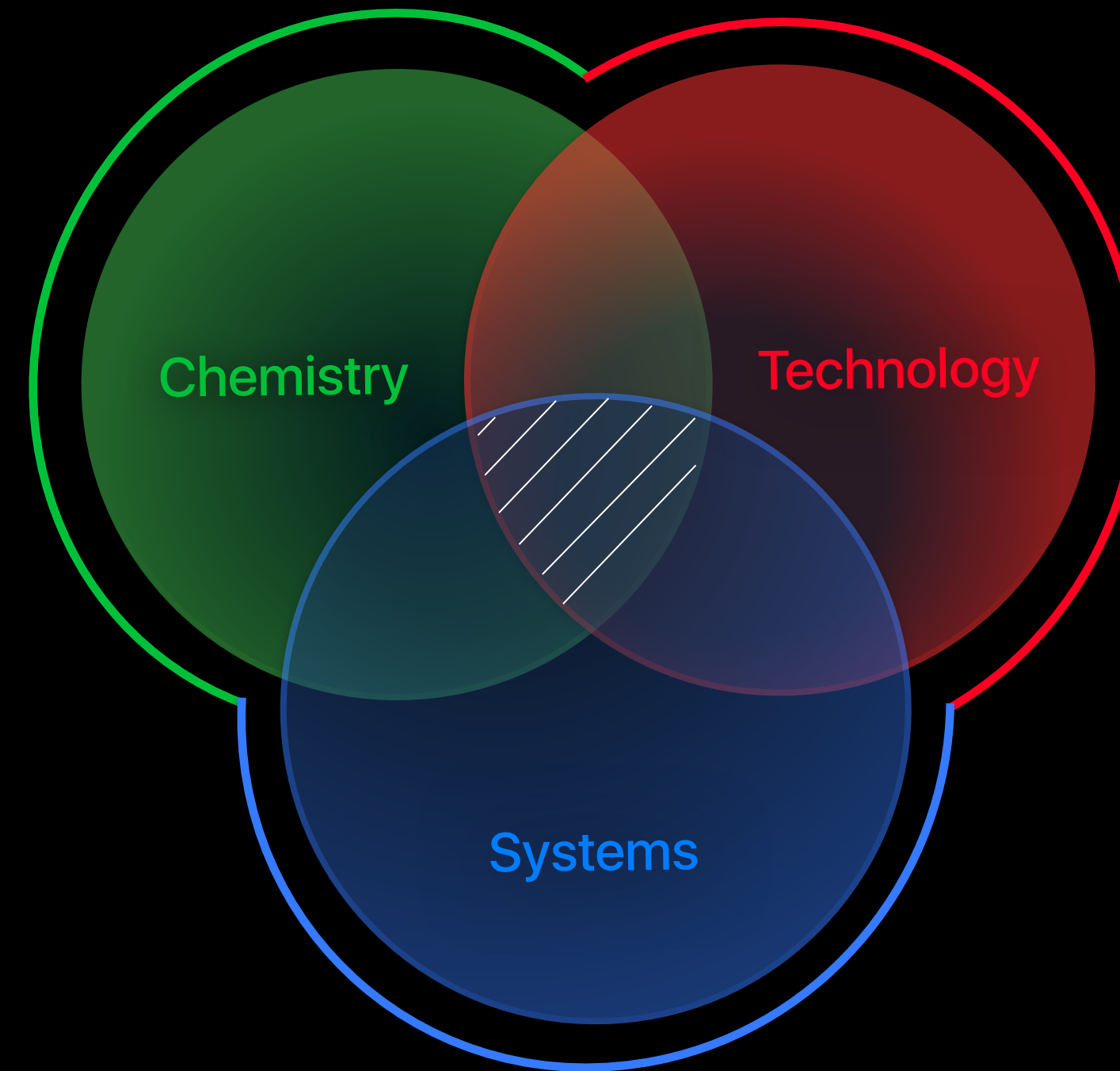
56 reactors | SS-316, GLR, Hast-C, Ti / PFA coated | 500 to 6000 L | full vac. to 30 bar | -20 to 300 °C
10 batch / cont. distillation columns | SS-316, GLR, Hast-C | full vac. to 10 bar | 150 to 800 mm diam. | 24-100 stages
Wiped film evaporator / dryer | SS-316, Hast-C | 1, 2, 5 m²
25 filters / dryers | SS-316, ETFE coated | Centrifuges (24-48") | ANFD (2-5 KL) | RVPD | VTD | Drum flaker
Total pilot plant equipment : 204

CORE COMPETENCIES

8x8 Matrix

Chemistry

Grignards and Organolithiations
Ethylene Oxide Chemistry
- Tandem Grignard / Ethylene Oxide
Isobutylene Chemistry
Hydrogenation
- Asymmetric Hydrogenation
Heterogeneous Catalysis
Exothermic Chemistry
Cross Coupling Chemistry
Olefin Metathesis / Polymerisation



Technology

Continuous Reaction
Batch Reaction
High Pressure Reaction
Fixed Bed Reaction
Cryogenic Reaction
High Vacuum Distillation
Wiped Film Distillation
Process Automation

Systems

SAP
Multiple Certifications
(DCS) Automation



PRODUCT SELECTION

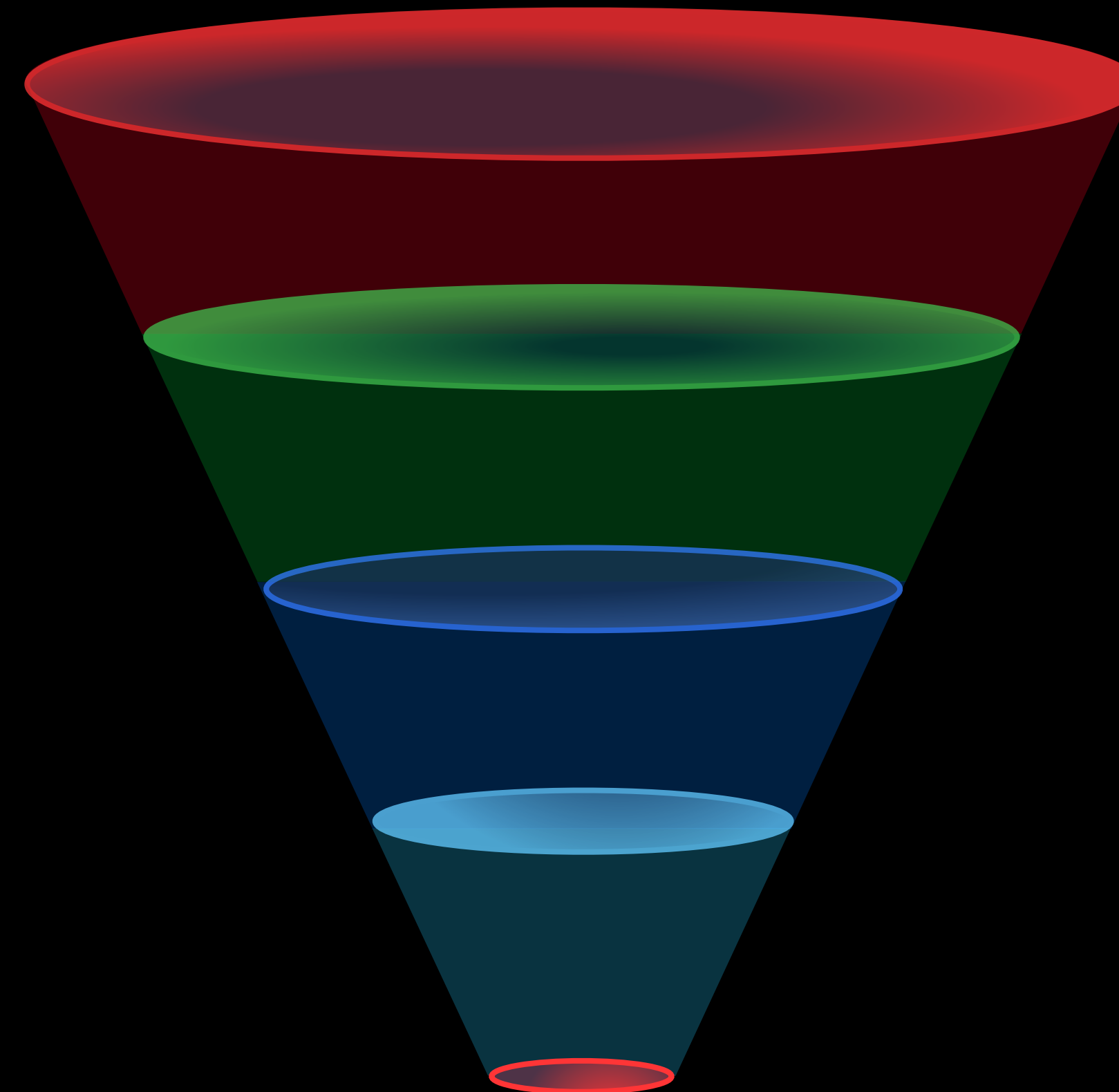
Core competencies of chemistry, technology and systems

No active manufacturer in India, made for 1st time in India

Minimum 4 step sequences of manufacturing and infrastructure oriented

Generate adequate revenue at maturity

Market leading position at product maturity

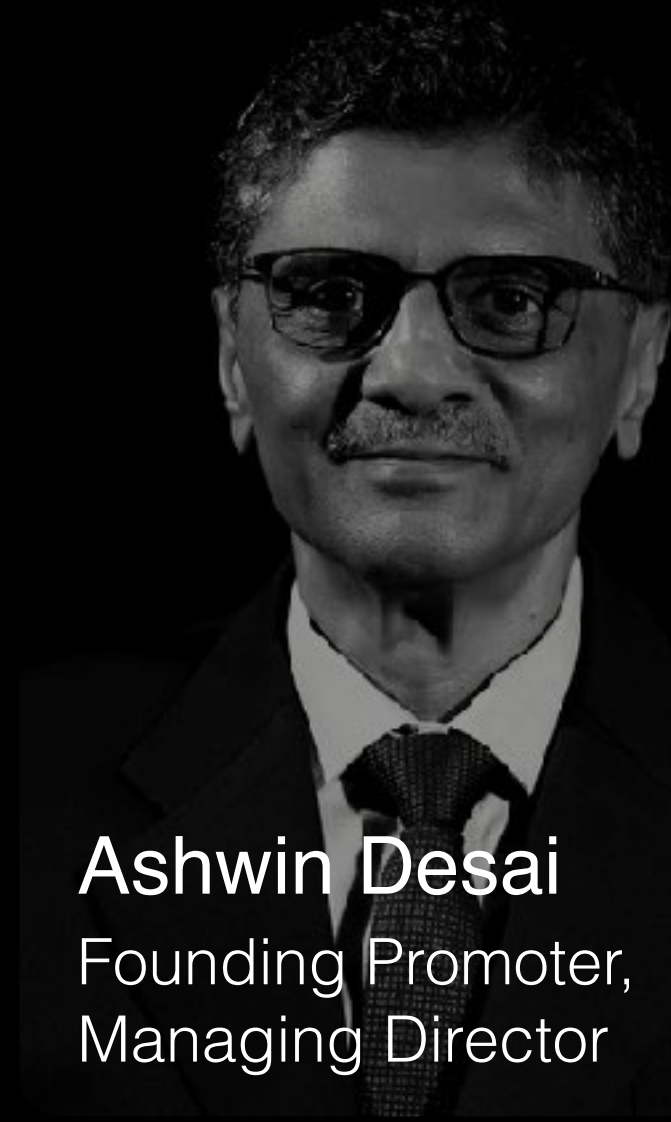


Sweet Spot

Product selection leading to differentiated portfolio



KEY PILLARS



Ashwin Desai
Founding Promoter,
Managing Director

- Bachelor of Chemical Engineering from Institute of Chemical Technology (UDCT, 1974)
- Distinguished Alumni Award by UDCT (2010)
- Prior to Aether, Founder / Chairman / MD of Anupam Rasayan (India) Limited (till 2013)
- Spearheading the continuous (flow) technology core competency
- Aether's visionary, multiple decades of experience in speciality chemicals



Dr. Aman Desai
Promoter,
Whole Time Director

- Bachelor of Chemical Technology - ICT (UDCT, 2005), PhD in Organic Chemistry from Michigan State University (USA, 2010)
- Prior to Aether, project leader in Process Development group in Core R&D HQ of The Dow Chemical Company (USA, 2010-2012)
- Co-author of 25 publications, 4 patents in USA and published worldwide
- Distinguished Alumni Award by UDCT (2018)
- 10+ years of experience in speciality chemicals



Rohan Desai
Promoter,
Whole Time Director

- Bachelor of Commerce from VNSG University of Commerce, Surat
- Prior to Aether, Director at Anupam Rasayan (India) Limited (till 2013)
- Handles commercial portfolio including sales, finance, strategic procurement, human resources and systems
- Extensive experience in speciality chemicals

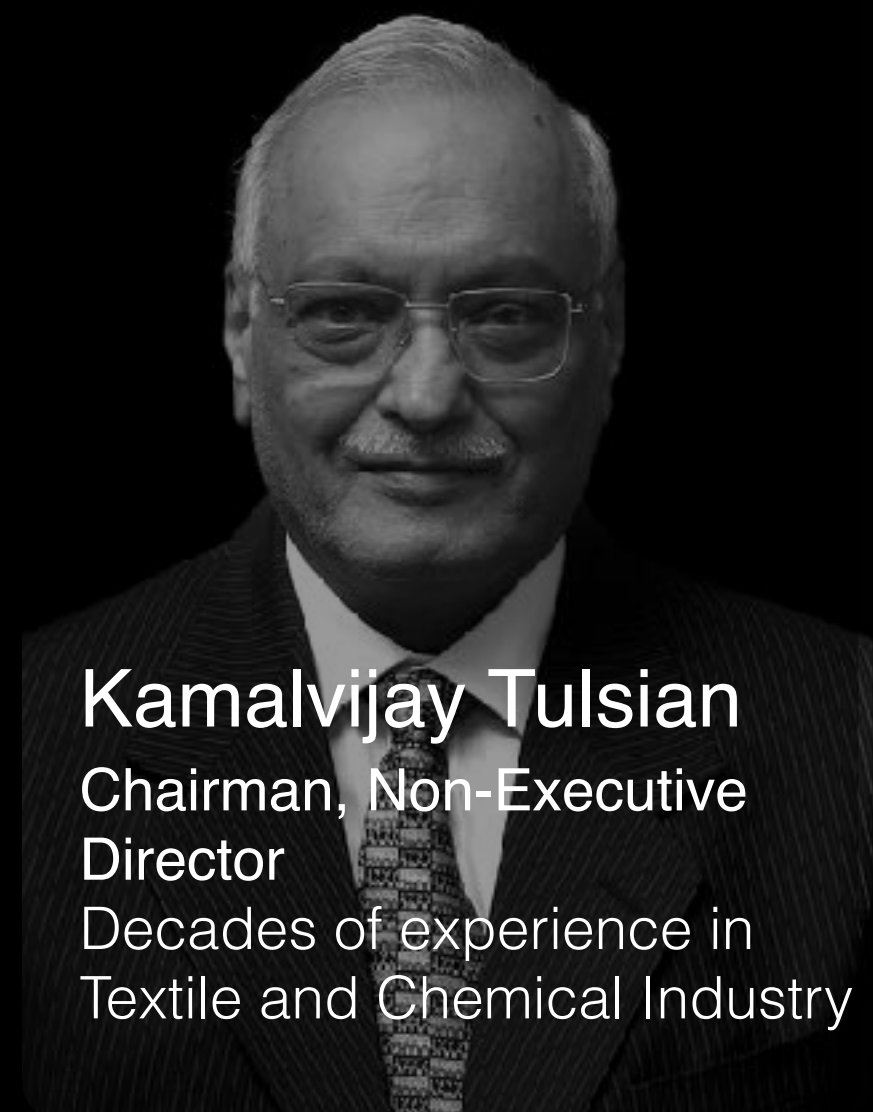


Purnima Desai
Promoter,
Whole Time Director

- Bachelor of Commerce from University of Delhi (1975)
- Prior to Aether, Director at Anupam Rasayan (India) Limited (till 2013)
- Leads overall finance and accounting operations
- Multiple decades of experience in speciality chemicals



EXPERIENCED BOARD



Kamalvijay Tulsian
Chairman, Non-Executive
Director
Decades of experience in
Textile and Chemical Industry



Jeevan Lal Nagori
Non-Executive Independent
Director
Experience 34 years in
Chemical Industries



Leja Hattiangadi
Non-Executive Independent
Director
Decades of experience in
Engineering Contracting /
Chemical Industry



Dr. Amol Kulkarni
Non-Executive
Independent Director
Experience 34 years as a
Scientist



Ishita Manjrekar
Non-Executive
Director
Experience in
Chemical Industry



Arun Kanodiya
Non-Executive
Independent Director
15+ years of experience in
Chartered Accountancy
and Finance



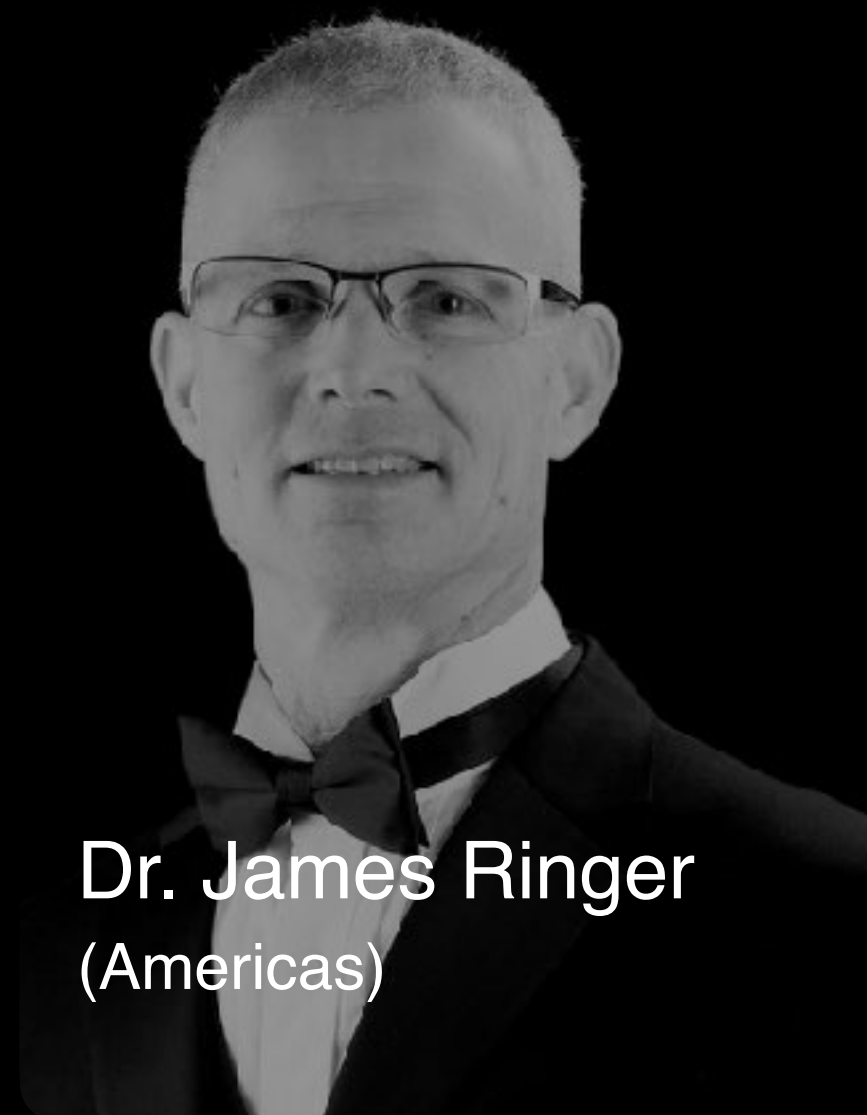
Jitendra Vakharia
Non-Executive Independent
Director
Decades of experience in
Chemical and Textile
Industry



Rajkumar Borana
Non-Executive
Independent Director
Extensive experience in
Textile Industry



BUSINESS DEVELOPMENT LEADERS | SMP AND KMP



Dr. James Ringer
(Americas)

- Bachelor's Science (Purdue Univ. USA) and PhD Organic Chemistry (Univ. Wisconsin, USA)
- > 30 years at The Dow Chemical Company (and subsidiaries) at various positions - Leader R&D Director
- Co-inventor on 22 USA patents, published worldwide



Dr. Norbert Flüggen
(Europe)

- Diploma Physics and Doctorate of Natural Sciences (PhD), Univ. Hannover (Germany)
- Decades of experience in Chemical Industry
- Previously at ALTANA AG (Germany)



Raymond Roach
(Americas)

- Bachelor's Science and Master's Chem. Engg., Univ. of Pittsburgh (USA)
- Decades of experience in Chemical Industry
- Previously at the Dow Chemical Company (USA)
- Co-inventor of 7 USA patents, published worldwide



Faiz Nagariya
Chief Financial Officer

- B. Comm. (Mumbai University), FCA (ICAI)
- Previously at Ala Metals LLC (Dubai)
- 25+ years of experience
- Awarded as CA-CFO for Emerging Corporates



ADDITION IN LEADERSHIP TEAM



Dr. Ron Valente

Business Development Leader
(Specialty Polyols)

- PhD Organic Chemistry – University of Rochester
- >20 years Eastman Kodak – Worldwide Director of Process Development & Manufacturing
- 7 years Senior VP Novomer, Inc.; CO₂ Polyol Technology acquired by Saudi Aramco 2016
- 7 years with Saudi Aramco; President & CEO Aramco Performance Materials



SELECT MARQUEE CUSTOMER BASE | DOMESTIC AND GLOBAL

Pharmaceutical



Oil and Gas



Textiles



High performance photography



Material Science | Coatings



Agrochemical



Other Sectors



QEHS

Health and Safety

- Undertaking hazard and operability studies before commencing commercial production of new products
- Dedicated team of safety personnel
- Mobile application for safety and emergencies
- Modern fire-fighting and safety systems
- DCS automation system to control safety systems and processes
- Combined fire hydrant water reserve of over 2,000 m3 capacity
- Occupational Health and Safety Hazard Prevention
- Health and Safety Permits
- Emergency Prevention, Preparedness, and Response
- Working and Living Conditions
- Training and Communication

ISO 9001

for Quality

ISO 45001

for Occupational Safety

ISO 14001

of workforce as Environment Team

ISO 27001

of Information Security Management

INDIAN GMP

for Manufacturing

UN GLOBAL COMPACT

Annual Corporate Member

SILVER ECOVADIS MEDAL

among the top 25 percent of companies

16%

of which

6.47%*

is workforce as
QC/QA/ADL
Team

4.21%*

is workforce as
Safety
Team

5.44%*

is workforce as
Environment
Team

* as on September 30, 2023



QEHS

Quality

High standards of quality for products

To cover

Manufacturing

Supply Chain

Product Delivery

To ensure

Consistent Quality

Efficacy

Safety of Products

In HFY24

14

Times, our facilities have been audited by

14

Customers or their external auditors

Environment

Vibrant infrastructure installed for environment and sustainability efforts

- 100 KLPD in-house zero liquid discharge (ZLD) plant
- Triple stage multiple effect evaporator (MEE)
- Mechanical vapour recompression (MVR) plant
- Agitated thin film evaporator (ATFE)
- Reverse osmosis (RO) plant
- Soil biotechnology (SBT) platform with ozonation
- Employing cleaner chemistries, semi-continuous or continuous reaction technologies, and automation in the process



ENVIRONMENTAL SOCIAL GOVERNANCE

Environmental

- Adoption of the green chemistries or more accurately sustainable chemistry since inception.
- Principles of energy saving and conservation, atom economy
- 4R strategy (reduce / recover / recycle / reuse)
- Undertaking hazard and operability studies.

Social

- Focused on:
 - Education
 - Life Saving measures
 - Medical Aid / Support
- Total spent of Rs. 26.38 MM towards CSR in H1Y24 (95% already deployed out of the total budget of CSR for FY24)

Governance

- Technically sound and extensively experienced Board members
- Transparency and accountability at each level
- Adequate corporate governance helps:
 - Improved capital flow
 - Risk mitigation
 - Reputation boost
 - Effective decision making
 - focus on compliance
 - Higher staff retention
 - Limitation of conflicts of interests





Certain statements and opinions with respect to the anticipated future performance of the company in the presentation ("forward - looking statements"), which reflect various assumptions concerning the strategies, objectives and anticipated results may or may not prove to be correct. Such forward -looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward - looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Such forward - looking-statements only speak as at the date the presentation is provided to the recipient and the company is not under any obligation to update or revise such forward -looking statements to reflect new events or circumstances. No representation or warranty (whether express or implied) is given in respect of any information in this presentation or that this presentation is suitable for the recipient's purposes. The delivery of this presentation does not imply that the information herein is correct as at any time subsequent to the date hereof and the company has no obligation whatsoever to update any of the information or the conclusions contained herein or to correct any inaccuracies which may become apparent subsequent to the date hereof.

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