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February 20, 2023

To,
Listing Department,
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001.

Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra Kurla Complex,
Bandra East, Mumbai 400050.

Sub: Investor Presentation for quarter and nine months ended December 31, 2022.
Scrip Code: 524774 – NGL Fine-Chem Limited SYMBOL: NGLFINE

Dear Sir/Madam,

Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 enclosed herewith please find Investor Presentation for the quarter and nine months ended December 31, 2022.

The earning calls for the Investors will be held post Q-4 Financial Year 2023 results.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For NGL Fine-Chem Limited

PEDNEKAR

PALLAVI SATISH

Digitally signed by
PEDNEKAR PALLAVI SATISH
Date: 2023.02.20 12:01:08
+05'30'

Pallavi Pednekar
Company Secretary & Compliance Officer
Membership No: A33498

Encl: Investor Presentation.

NGL Fine-Chem Limited

INVESTOR PRESENTATION



Q3FY23

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Q3FY23 Highlights

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MANAGEMENT COMMENTARY



Rahul Nachane
MANAGING DIRECTOR

Dear Shareholders,

I am pleased to provide an update on our performance during the third quarter of fiscal year 23. Despite the challenges posed by the operating environment, our performance was in accordance with the guidance we provided in the previous quarter.

The demand for our products remained low, and the recovery has been restrained due to a high level of uncertainty among our end customers. This can be primarily attributed to the ongoing crisis in Europe and the elevated inflation rate in the United States. As a result, our customers have taken steps to rationalize their inventory levels, leading to a muted demand for our products. Furthermore, the ongoing COVID-19 concerns in China and currency crises in countries such as Turkey, Egypt, Pakistan, and Bangladesh have contributed to a decrease in both demand and volume.

Despite these challenges, we remained steadfast in our commitment to preserving customer relationships, maintaining market share, and developing new products. Two new products have undergone successful pilot testing and are presently undergoing stability testing. We are optimistic about their potential for commercialization in the near future. Additionally, we are pleased to report that the logistics costs have further come down from the previous quarter, which is a positive development.

In terms of our capacity expansion plans, we have been making steady progress and have taken measures to negotiate with our vendors to control costs. We remain confident that total capital expenditures will be limited to ₹140 crores.

On behalf of the management team, I would like to extend our heartfelt gratitude for your continued trust and support. We remain dedicated to delivering long-term value to all of our stakeholders.

Operational Metrics

SEGMENTAL REVENUE MIX

PARTICULARS	Q3FY22	Q2FY23	Q3FY23
ANIMAL API	87%	83%	81%
HUMAN API	7%	8%	5%
INTERMEDIATES	4%	6%	8%
FORMULATIONS	2%	4%	6%

GEOGRAPHIC MIX

PARTICULARS	Q3FY22	Q2FY23	Q3FY23
Asia	35%	31%	38%
Europe	28%	26%	39%
India	16%	23%	21%
ROW	18%	12%	11%
USA	3%	8%	1%

PRODUCT CONCENTRATION

PARTICULARS	Q3FY22	Q2FY23	Q3FY23
TOP 3 PRODUCTS	38%	27%	39%
TOP 5 PRODUCTS	53%	41%	51%
TOP 10 PRODUCTS	77%	72%	76%

CUSTOMER CONCENTRATION

PARTICULARS	Q3FY22	Q2FY23	Q3FY23
TOP 3 CUSTOMERS	15%	21%	17%
TOP 5 CUSTOMERS	23%	32%	25%
TOP 10 CUSTOMERS	39%	47%	39%

Summary of Profit and Loss Statement

₹ IN CRORES

PARTICULARS	Q3FY22	Q2FY23	Q3FY23	Q-o-Q	Y-o-Y	9MFY22	9MFY23	Y-o-Y
REVENUE FROM OPERATIONS	81.14	67.72	71.93	6.22%	-11.35%	235.46	200.26	-14.95%
OTHER INCOME	3.84	0.47	0.69	46.81%	-82.03%	12.54	6.48	-48.33%
TOTAL REVENUE	84.98	68.19	72.62	6.50%	-14.54%	248.00	206.74	-16.64%
TOTAL OPERATING EXPENSES	68.64	58.56	62.12	6.08%	-9.50%	181.84	181.94	0.05%
EBITDA	12.5	9.16	9.81	7.10%	-21.52%	53.62	18.32	-65.83%
EBITDA MARGIN (%)	15.41%	13.53%	13.64%	11 bps	(177) bps	22.77%	9.15%	(1362) bps
FINANCE COST	0.42	0.12	0.26	116.67%	-38.10%	1.19	0.87	-26.89%
DEPRECIATION AND AMORTISATION EXPENSES	2.42	3.25	1.23	-62.15%	-49.17%	6.8	8.26	21.47%
PROFIT BEFORE TAX	13.5	6.26	9.01	43.93%	-33.26%	58.17	15.67	-73.06%
PROFIT AFTER TAX	9.95	4.67	6.49	38.97%	-34.77%	43.14	11.51	-73.32%

02

Overview, Strengths and Strategy

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Leading Animal Health Company



COMPREHENSIVE PRODUCT PORTFOLIO

- **24 APIs** (22 Veterinary APIs, 2 Human APIs), 4 Intermediates and 10 finished dosage forms
- Best quality and value-driven pricing



MARKET LEADERSHIP IN VETERINARY API

- Leadership in top **5 products – 50%+** market share
- **Growing position in next 4** – taking market share from other players



MANUFACTURING EXCELLENCE

- **3** state of the art manufacturing facilities
- **Strong R&D capabilities** in custom synthesis



LARGE GLOBAL PRESENCE

- **45+** countries across the globe with country-wise regulatory approvals
- Strong presence in **unregulated markets**



LONG STANDING CUSTOMER RELATIONSHIPS

- **~400** customers
- Reliable supplier focused on good sale support to all customers

Leadership in Veterinary API Segment

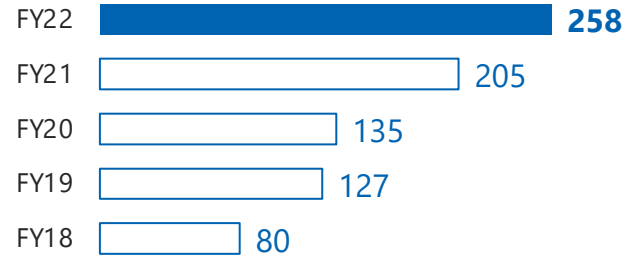
Strong controls of processes with **95%** in-house manufacturing and backward integrated facilities leading to cost competitiveness

High quality and reliable products with no market rejection in **15 years**

Market share ranging from **15% to 50%+** in key products

Suppliers to **5 of top 10** global animal healthcare companies

REVENUE FROM VETERINARY API SEGMENT (₹ IN CRORES)



34%
CAGR

WIDE RANGE OF PRODUCT CATEGORIES

ANTHELMINTICS

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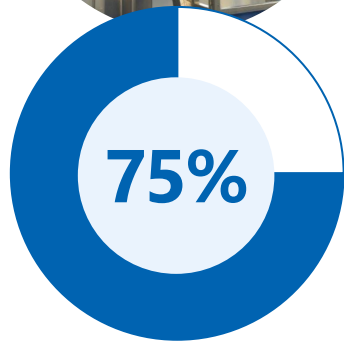
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PHOSPHORUS SUPPLEMENTS

CUSTOMER & PRODUCT CONCENTRATION (OF SALES FY22)

	CUSTOMER	PRODUCT
TOP 3	13% (16% FY21)	44% (40% FY21)
TOP 5	20% (23% FY21)	50% (53% FY21)
TOP 10	33% (38% FY21)	72% (73% FY21)

State-of-the-art Manufacturing Capabilities



3 manufacturing facilities located at Tarapur & Navi Mumbai, Maharashtra, designed to meet the requirements of regulatory agencies and are capable of a wide range of reaction capabilities

PRODUCTION COMING FROM ZERO LIQUID DISCHARGE FACILITIES

HIGHLIGHTS

10,000 m²

AREA OF MANUFACTURING FACILITIES

102 m³

GLASS-LINED REACTORS

194 m³

STAINLESS STEEL REACTORS

12 m³

GAS INDUCTION REACTORS

-20°C to +250°C

REACTION RANGE



ACCREDITATIONS

WHO-GMP, ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and cGMP accredited

Advantageously Placed in a Growing Opportunity

MARKET SIZE 2020

MARKET SIZE 2027

SEGMENT TRENDS

GROWTH DRIVERS



**ANIMAL HEALTH
MARKET**

\$139 Billion

\$192 Billion
(CAGR – 4.7%)

- Pharma segment to grow at higher rate – 5.4% CAGR
- Production animal segment have the larger pie

- Rising prevalence of zoonotic diseases, animal population & pet ownership
- Global livestock population has been experiencing rapid growth



**ANIMAL API
MARKET**

\$6.6 Billion

\$10.6 Billion
(CAGR – 6.9%)

- APAC market to grow at higher rate – 7.3% CAGR
- Antiparasitics API fastest growing segment

- High demand for animal-based products and growing meat consumption

Source: Grand View Research & Global Market Insights

Strategy for next leg of growth



ONGOING INITIATIVES TO INCREASE CAPACITIES TO MEET GROWING DEMAND

BROWNFIELD EXPANSION

- Completed ₹ 26 Cr expansion in subsidiary Macrotech
- Additional capacities of intermediates
- Commercial production started

OUTSOURCE PRODUCTION

- Target to outsource production to 15% by FY24
- On track – have increased outsourced production from 5% to 10% in last 2 years

DE-BOTTLENECKING

- Continuous debottlenecking & process improvements
- Unlocking capacities and value in the short term



LARGER EXPANSION TO DRIVE THE NEXT LEG OF EXPONENTIAL GROWTH

GREENFIELD EXPANSION AT TARAPUR

- 50% capacity expansion with sufficient capacity to meet demand for new products in pipeline
- Estimated capex of ₹ 140 Cr to be funded through debt and internal accrual
- Civil construction undergoing, facility expected to commercialize in FY24. Currently implementation is slowed down in view of high commodity prices

03

Historical Financial **Performance**

- 17 ROBUST FINANCIAL PERFORMANCE
- 18 IMPROVING EFFICIENCIES

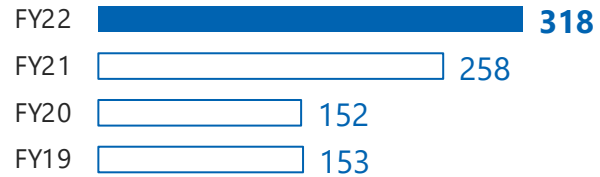


Robust Financial Performance

REVENUE

(₹ IN CRORES)

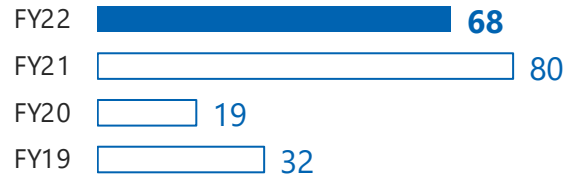
27%
CAGR



EBITDA

(₹ IN CRORES)

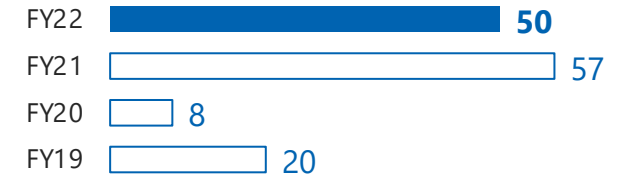
28%
CAGR



PAT

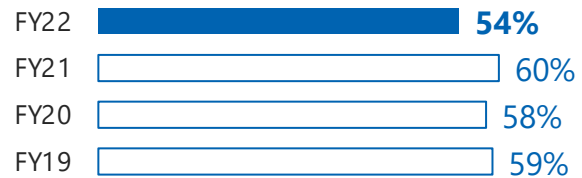
(₹ IN CRORES)

35%
CAGR



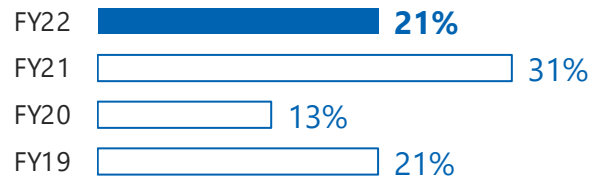
GROSS MARGIN

(IN %)



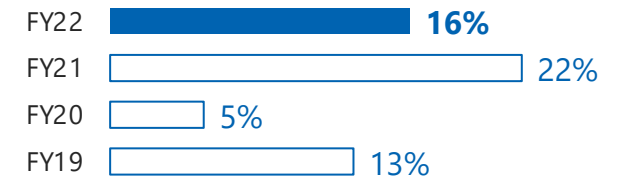
EBITDA MARGIN

(IN %)



PAT MARGIN

(IN %)

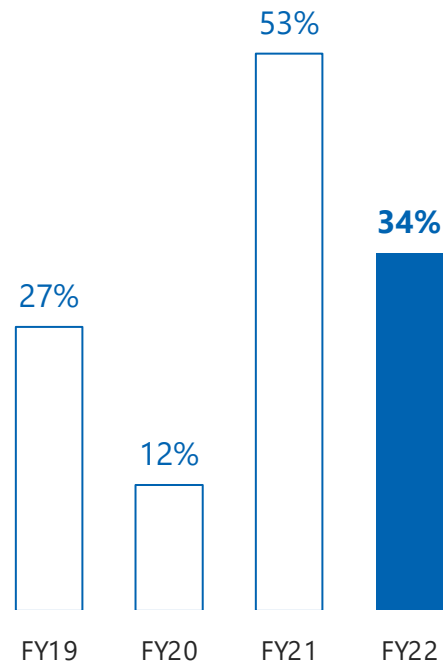


EBITDA excludes Other Income

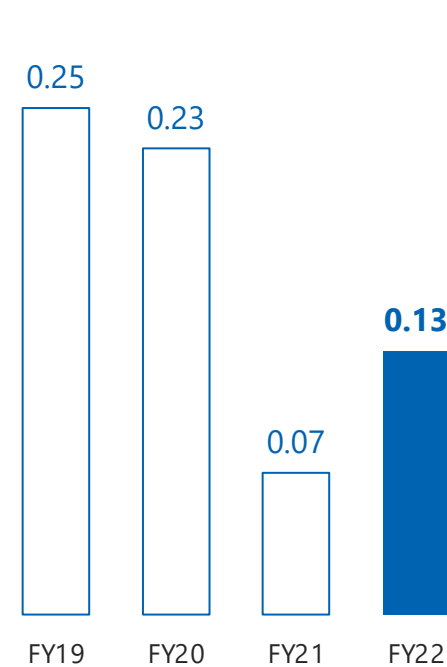
Improving Efficiencies



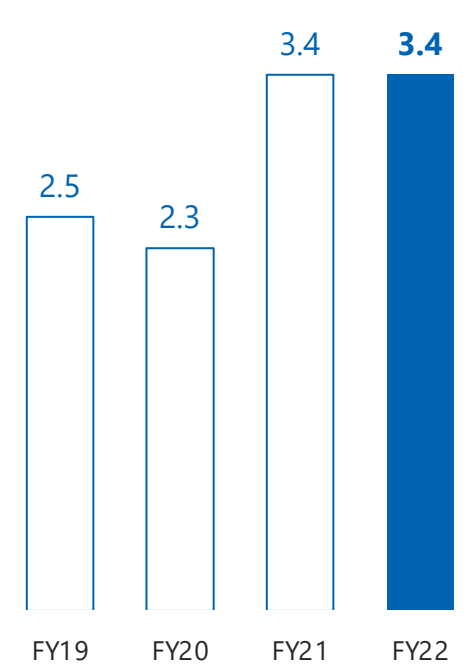
ROCE
(VALUES IN %)



Debt/Equity
(VALUES IN X)



Fixed asset turnover
(VALUES IN X)



ROCE = EBIT / Avg Capital Employed (Shareholder's Fund + Total Debt) | Debt/Equity = Total Debt / Shareholder's Fund | FATO = Revenue / Fixed Assets (Inc CWIP)

Thank **You**

**FOR ANY FURTHER INFORMATION,
PLEASE CONTACT**

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