

July 31, 2025

To,
Listing/Compliance Department
BSE LTD.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

BSE CODE : 524208

To,
Listing/Compliance Department
**National Stock Exchange of
India Limited**
“Exchange Plaza”, Plot No. C/1,
G Block Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051.
NSE Symbol : AARTIIND

Dear Sir/Madam,

Sub.: Press Release
**Ref.: Regulation 30 of the SEBI (LODR) Regulations,
2015.**

Please find enclosed the Press Release on the Unaudited Financial Results of the Company for the quarter ended June 30, 2025.

Kindly take the same on record.

Thanking You,

Yours faithfully,
FOR AARTI INDUSTRIES LIMITED

RAJ SARRAF
COMPANY SECRETARY
ICSI M. NO. A15526
Encl.: As above.

Aarti Industries Demonstrates Resilience in Challenging Q1; Strategic Expansions and Diversified Portfolio Set Stage for Recovery

Mumbai, July 31, 2025: Aarti Industries Limited (AIL), a leading global speciality chemicals company, today announced its consolidated financial results for the first quarter ended June 30, 2025. The company's unaudited results were approved by the Board of Directors at its meeting held earlier today.

Q1 FY26 unfolded amid an exceptionally volatile macroeconomic environment, marked by steep corrections in key raw materials like benzene and aniline, geopolitical uncertainties, and ongoing trade disruptions. These external factors led to short-term pricing pressure and supply chain challenges. Despite these headwinds, AIL maintained operational continuity, ensured stable volume and continued advancing its long-term growth agenda.

On a consolidated basis, income from operations stood at ₹ 1,867 Cr, compared to ₹ 2,214 Cr in Q4 FY25. EBITDA stood at ₹ 215 Cr, while Profit After Tax (PAT) stood at ₹ 43 Cr. While financial performance was impacted in the short term, the underlying health of the business remains strong, backed by our diversified portfolio, customer engagement, expanded capacities and disciplined execution.

Financial Highlights (Q1 FY26)

- **Revenue: ₹ 1,867 Cr, reflecting near-term impact of raw-material corrections and deferred export flows**
- **EBITDA: ₹ 215 Cr, with margins affected by input price volatility and temporary operational disruptions**
- **PAT: ₹ 43 Cr, in line with operational trends and higher interest and depreciation**

Commenting on the performance, Mr. Suyog Kotecha, CEO and Executive Director, said:

“This was a uniquely challenging quarter shaped by global and regional volatility. Yet, what remained consistent was our commitment to long-term value creation. Our volumes stayed resilient, key capacity expansions are ramping up, and our green and circular initiatives continue progressing as planned. We are already seeing signs of normalisation in customer activity, raw material costs, and logistics, which reinforces our confidence in a stronger performance ahead. With the recent development on the US tariff front, we are closely monitoring the situation to ascertain the impact and plan appropriate actions.”

Business Highlights

- **Inventory Losses:** A steep decline in prices of Key RM, such as Benzene and Aniline, trailing softer international prices, resulted in inventory losses during the quarter.
- **Stable Core Performance:** Except for the deferment in shipments due to logistics issues, Volume trends remained largely intact across most key product lines and segments, demonstrating gradual recovery in diversified end-use demand.

- **Expanded Capacities:** Scale-up of MMA capacities from 200 KTPA to 260 KTPA will support volume growth in the coming quarters.
- **Energy Applications:** QoQ volume remains flat due to delays in bulk shipments from June to July. Increased market reach will support the volume ramp-up from the expanded capacities.
- **Base Business:** Recovery visible in agro intermediates despite pricing pressures. Demand from dyes, pigments and pharma held steady. The Polymer and Additives segment is showing mixed trends across different product value chains.

Strategic Updates

- **Zone IV Project:** Progressing on track with commissioning targeted in a phased manner from H2FY26, marking a key foray into multiple new advanced chemistries.
- **Augene Chemicals JV (with Superform):** Construction and market development are advancing steadily; commissioning expected in H1 CY26.
- **Re Aarti JV (with ReSL):** Pilot plastic waste recycling plant in Hyderabad on schedule; technology design finalised and vendor alignment in progress
- **Green Energy Transition:** First solar PPA-linked facility to begin power supply this year; second hybrid plant expected by early FY27

While Q1 presented temporary challenges, AIL's long-term strategy remains firmly intact with key growth drivers - Sustained demand recovery across end-user sectors such as energy, polymers, and dyes, ongoing commissioning and scale-up of high-value chemistries, strong traction in sustainability-led platforms and flexible manufacturing infrastructure enabling adaptability.

With these pillars in place, AIL is well-positioned to navigate near-term uncertainty and deliver consistent, value-led growth across global markets.

About AIL

Aarti Industries Limited (AIL) is one of the world's leading speciality chemical companies, combining process chemistry with scale-up engineering competence. The Company ranks globally 1st – 4th position for 75% of its portfolio and is a “Partner of Choice” for various Major Global & Domestic Customers. At the heart of AIL's operations is a dedication to sustainable development, seamlessly integrating environmental stewardship into its business model by leveraging cutting-edge technologies and a robust infrastructure to deliver solutions that balance economic growth with ecological responsibility. The Company's commitment to innovative and sustainable practices and immense care for its people and the planet defines its path to success.

Website - www.aarti-industries.com/

LinkedIn- <https://www.linkedin.com/company/aarti-industries/>

For more information, please contact:

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