November 2, 2026

To,
The Corporate Relations Department,
BSE LIMITED,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai- 400 001

Scrip Code: 543349

To,
The Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor, Plot no. C-1,
G-Block, Bandra Kurla Complex,
Mumbai -400051

NSE Symbol: ACUTAAS

Dear Sir/Madam,

Subject: Transcript of Earnings Call for Q2 FY27 financial results held on October 27, 2026

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby enclose the transcript of the Earnings conference call held on October 27, 2026 post announcement of financial results for the quarter ended on September 30, 2026.

The same will also be available at the website of Company at www.acutaas.com.

This is for your information and records.

Yours faithfully,
For, ACUTAAS CHEMICALS LIMITED

EKTA KUMARI SRIVASTAVA
Digitally signed by EKTA KUMARI SRIVASTAVA
Date: 2026.11.02 16:06:07 +05'30'

ACUTAAS CHEMICALS LIMITED

CS Ekta Kumari Srivastava
Company Secretary & Compliance Officer

Encl: As Above

“Acutaas Chemicals Limited Q2 FY '27 Earnings Conference Call”

October 27, 2026

MANAGEMENT: **MR. NARESH PATEL – CHAIRMAN AND MANAGING DIRECTOR, ACUTAAS CHEMICALS LIMITED**

MR. ABHISHEK PATEL – VICE PRESIDENT, STRATEGY, ACUTAAS CHEMICALS LIMITED

MR. BHAVIN SHAH – CHIEF FINANCIAL OFFICER, ACUTAAS CHEMICALS LIMITED

MODERATOR: **MR. SIDDHARTH GADEKAR – EQUIRUS SECURITIES PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Acutaas Limited Q2 FY '27 Earnings Conference Call hosted by Equirus Securities Private Limited.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*,' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Siddharth Gadekar from Equirus Securities Private Limited. Thank you and over to you, sir.

Siddharth Gadekar: Good evening, everyone and thank you for joining us on Acutaas Chemicals Q2 FY '27 Earnings Conference Call.

Today, we have with us Acutaas Chemicals Management represented by Mr. Naresh Patel - Chairman and Managing Director; Mr. Abhishek Patel - Vice President, Strategy and Mr. Bhavin Shah - Chief Financial Officer.

I would now like to invite Mr. Bhavin Shah to initiate the proceeding. Over to you, sir. Thank you.

Bhavin Shah: Thank you, Siddharth. Good evening, everyone. We are pleased to welcome you all to our Earnings Conference Call to discuss Q2 and H1 FY '27 Financials.

Please note that a copy of our disclosure is available on the investor section of our website as well as on the stock exchanges. Please do note that anything said on this call which reflects our outlook towards the future or which could be construed as a forward-looking statement must be reviewed in conjunction with the risks that the company may face.

The conference call is being recorded and the transcript along with the audio of the same will be made available on the website of the company and exchanges. Please also note that the audio of the conference call is the copyright material of Acutaas Chemicals and cannot be copied, rebroadcasted or attributed in press or media without specific and written consent of the company.

Now, I would like to hand over the floor to our CMD - Mr. Naresh Patel, for his opening statement. Over to you, sir.

Naresh Patel: Thank you, Bhavin. Good evening, everyone. I hope you are all doing well. With Diwali just around the corner, I would like to extend warm wishes from the Acutaas family to you and your loved ones. May this festival season bring joy, prosperity, good health and success to everyone. Wishing you and your family a very Happy Diwali.

I will start my remarks with Pharmaceutical Intermediate business. Demand environment remains robust and whatever cost pressures we face due to geopolitical issues, we have been able to pass them on successfully. On the generic side, several large products are going off pattern. We have already developed intermediates for those products long back. Therefore, we are benefiting from our strategy of developing products ahead of the market.

Coming to CDMO:

During our Q3 FY '25 Earnings Call, in January 2025, we had set our ambition of achieving Rs 1,000 crores in CDMO revenue by FY '28. Based on the current orders of existing as well as new CDMO contracts, we now believe we will achieve this target one year ahead of schedule. It means in FY '27, we will be achieving this Rs. 1,000 crores.

Here, I would like to highlight that we continue to add very exciting products to our CDMO pipeline. A couple of these products, we have potentially to become a billion-dollar product for our innovative customers. Here, I would like to say that this CDMO business will be double in next 3 financial years. It means from Rs. 1,000 crores, the new target we had set is Rs. 2,000 crore by FY 2030.

Now, let me move to Specialty Chemicals. Starting with Battery Chemicals:

From industry point of view, demand continues to exceed supply. I am happy to say that this was our first quarter of commercial revenue from the Battery Chemicals business. Initial commercial shipments of our third product were dispatched during last quarter. We will see a scale-up of third product in coming quarters. We have also sent pilot-scale validation batches of fourth product to the customers. Overall, the start is very encouraging and I believe we will see a very strong ramp-up as we already have orders in our hands.

Coming to semiconductor chemicals:

I am happy to say that we have inaugurated our plant in South Korea ahead of schedule. This state-of-the-art facility will manufacture chemicals that go into photoresist, packaging materials, etching materials, and other semiconductor applications. We have been submitting multiple qualification batches to customers in South Korea, which showcase strong customer traction. I believe FY '28 will be a year of ramp-up for initial products, while we will continue to add more products into the basket.

Moving to BFC:

BFC is seeing strong order demand from its U.S. customers, as well as we have started receiving orders from Korean and Japanese customers. During the last quarter, our U.S. customer was acquired by another U.S.-based company. This caused a temporary pause in the shipment. Supplies have now resumed and operations are back to normal.

On commodity chemicals, phasing out of old products is going on as per plan, and that is visible in our numbers as well.

Turning to our performance for the quarter:

We delivered strong revenue of 4,369 million Indian rupees, which is a growth of 42.7% year-on-year. This was driven by strong performance of our Pharmaceutical Intermediate business, whereas Specialty Chemicals business was muted during the quarter.

Before I conclude, I would also like to revise our revenue growth guidance for current year from 25% to around 30%. We are also raising our EBITDA margin guidance between 38%-40% range for FY '27.

With that, I would now like to hand over to our Vice President of Strategy, Abhishek Patel, who will walk you through the detailed business update.

Abhishek Patel: Thank you, Naresh Bhai. Good evening, everyone.

Let me share some additional insights into our business performance for the quarter, starting with Advanced Pharmaceutical Intermediate segment:

This segment delivered robust performance with revenue of 4,020 million in Q2 FY '27, reflecting a strong year-on-year growth of 53.1%. CDMO business continued its strong growth trajectory, supported by robust growth in core pharmaceutical business. We are happy to share that we deliver more than 25% year-on-year growth in our core business this quarter driven by ramp up of new products as well as strong growth in top products. We are happy to share that we have received orders for new CDMO contracts which are expected to start contributing revenue from H2 FY '27.

Moving on to Specialty Chemical segment:

The revenue of quarter was Rs. 349 million which is down 20% Y-o-Y driven by phasing out of old commodity products as well as temporary pause in shipment in BFC business due to ownership change of the U.S. customers as highlighted by Naresh Bhai. I am happy to share the shipments have started and we are very much on target to deliver a growth in BFC this year.

Now, turning to the CAPEX:

CAPEX for H1 FY '27 was Rs. 1,239 million. It is spread across electrolyte additive project, pilot plant, Indicam site and maintenance CAPEX. Furthermore, for the full year, we believe our total CAPEX would be around Rs. 3,000 million. So, in H2 FY '27, we plan to do additional CAPEX of Rs. 1,650 million CAPEX which will have around Rs. 1,000 million for electronic-grade chemicals, Rs. 450 million for second phase of electrolyte additive CAPEX and remaining

will be for the maintenance CAPEX. Please note this calculation does not include planned R&D CAPEX as well as the land acquisition.

With that, I will now hand over our floor to our Chief Financial Officer - Bhavin Shah, who will walk you through details related to financials. Over to you, Bhavin Bhai.

Bhavin Shah: Thank you, Abhishek Bhai.

I would like to briefly highlight the key performance metrics for the quarter and half year before we open the floor for questions.

Let me start with quarterly performance:

Revenue from operations for the quarter reached Rs. 4,369 million representing 42.7% Y-o-Y. Gross profit for the quarter was Rs. 2,715 million reflecting 59% increase compared to the same period last year. The gross margin expanded by 637 basis point Y-o-Y to 62.1%. Gross margin was driven by higher contribution from pharma intermediate business compared to the same period last year.

EBITDA for the quarter was Rs. 1,760 million up 84.6% Y-o-Y. EBITDA margins were at 40.3% up 914 basis point Y-o-Y. EBITDA margin was driven by expansion in gross margin as well as operating leverage. PAT for the quarter was Rs. 1,231 million up 71.4% Y-o-Y. PAT margins for the quarter were at 28.2% which show an expansion of 472 basis point Y-o-Y.

Moving on to the half yearly numbers:

Revenue from operations for H1 FY '27 was Rs. 7,666 million representing 49.3% growth Y-o-Y. EBITDA for H1 FY '27 was Rs. 2,890 million up 97.7% Y-o-Y. EBITDA margins were at 37.7% up 922 basis point Y-o-Y. PAT for the first half of FY '27 was Rs. 1,981 million up 71% Y-o-Y. PAT margins for H1 FY '27 were at 25.8% which show an expansion of 328 basis point Y-o-Y.

Moving to the balance sheet items:

Net cash and cash equivalents were around Rs. 3,009 million as on 30th September 2026. Our working capital for the quarter stands at 115 days vis-a-vis 99 days in Q1 FY '27. This was driven by higher debtor days.

With that, I request the moderator to open the floor for questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Abhijit from KIE. Please go ahead.

Abhijit: Yes, good afternoon. Thank you so much. Congratulations on the very strong results. Just on the new CDMO products that you mentioned, which will begin contributing in 2H, any sense you could give us on the revenues that we should expect in this financial year itself? And then when we are speaking about this target of doubling CDMO revenues in the next 3 years, how much would be the contribution of these newer products within that target?

Abhishek Patel: So I am afraid that I will not be able to share the product-wise revenue guidance. That is the reason we are saying that we are very much confident to close this year with Rs. 1,000 crores revenue in CDMO segment because we have already got some good orders for some of the products which were already validated a few quarters back and now we are getting the orders. And we see a very good new business opportunity in this new CDMO as well as some of the CDMO pipeline, which we are expecting to get a good revenue generation in the coming quarters and years. That is the reason we are giving the Rs. 2,000 crores kind of guidance for the next 3 years. But I am afraid I will not be able to share any product-wise revenue bifurcation.

Abhijit: Got it. Just maybe the number of products that you have that are getting commercialized this year, could you talk about that?

Abhishek Patel: There are multiple products. As we said, the 4 products were already kind of validated a few quarters back and there are additional products which are getting commercialized this year. And there are 8-9 products in total you can say that these are getting into revenue stream in next 1 to 1-1/2 year time.

Abhijit: Understood. And the other one I just had was on the Specialty Chemical side. For the key growth projects, you have battery chemicals, semiconductor chemicals and now this electronic grade. Could you please help us with the timeline for commencement of revenues from each of these and what sort of trajectory we should expect from each of these?

Abhishek Patel: As we said, last time that now we are phasing out some of our old legacy product related to Parabens and MS, and those are getting replaced with some better margin and a futuristic product. In that context only, we have announced the CAPEX related to bulk electronic-grade chemical manufacturing. As we just announced the CAPEX, it will take 1-1/2 year time to get CAPEX to get completed. So maybe by H1 FY '29, we should be starting the production. But meanwhile, the battery products have already started contributing in the revenue pipe and that is encouraging signal for our Specialty Chemical business side.

Abhijit: Got it. Thank you so much and I will get back in the queue for any more.

Abhishek Patel: Thank you.

Moderator: Thank you. The next question comes from the line of Aditya Iyer from HDFC Securities. Please go ahead.

Aditya Iyer: Hi, am I audible?

Moderator: Yes, sir.

Aditya Iyer: So congratulations on a great set of numbers. So for the existing CDMO business, what kind of traction are we seeing for Darolutamide in terms of product adoption and what kind of revenue potential do we expect from this molecule in the near future?

Abhishek Patel: So for Darolutamide, we are not in position to comment anything about that product because it is not our product. It is an innovator driven product and that is very well covered in the market. So for that, I think it is better you refer all those already available public market information. What we are saying that based on the customer's requirement of that particular product as well as the other customer, based on that, we are guiding that our CDMO revenue should get doubled in next 3 years' time.

Aditya Iyer: And for our Ankleshwar unit, what is the total amount that we invested and the utilization as of H1 FY '27?

Abhishek Patel: For Ankleshwar unit, we have invested Rs. 330 crores. Utilization level for Q2 FY '27 was 30%.

Aditya Iyer: And so by FY '28, we are expecting peak utilization for others?

Abhishek Patel: Yes, it should largely get filled up by FY '28.

Aditya Iyer: And in this electronic-grade chemical, when we say, do we mean battery grade or semiconductor-grade chemical?

Abhishek Patel: Both. It will be a kind of trajectory we will move forward for various grades.

Aditya Iyer: So 1:1 mix or what is it?

Abhishek Patel: Sorry?

Aditya Iyer: Is it 50-50 battery-semiconductor grade or?

Abhishek Patel: No, as of now, we are only going with the electronic-grade chemical. Going forward, we will have additional plan, but it will be starting with electronic-grade chemical only.

Aditya Iyer: Thank you, sir. That is it from me.

Moderator: Thank you. The next question comes from the line of Mr. Siddharth Gadekar from Equirus Securities Private Limited. Please go ahead.

Siddharth Gadekar: Hi. Sir, the first question is on the electrolyte business. When we historically spoke about this business, the realization for this product, these products were closer to $10-$12. But in the last 6-7 months, if you look at the prices, they have moved up to $30-$35 plus. So how should we think about this business going ahead in terms of the realization and margin?

Abhishek Patel: So right from beginning, we are saying that we have already signed long-term supply contract all in place. And based on that contract, we get the revised pricing based on some of the key raw material price movement as well as the exchange rate fluctuation. So we are not riding on some of the waves wherein price fluctuation, we don't want to get benefits from those price fluctuations or when it gets down. It is more of we look into our plate and we get our good profit wherein we get a timely payback of our investment and then look for a newer project. These are the philosophy what we are following.

Siddharth Gadekar: Sir, from a modeling perspective, when we look at the revenue potential from these projects, should we assume like an asset turnover or they would be more closer to spot prices given that raw material prices also could be volatile?

Abhishek Patel: No, for the understanding of your thing, as you know, it was near to kind of double-digit kind of dollar value. So there will be additional, some of the realization because of a price movement, but it will not be kind of $30-$35 kind of pricing. It can be early teens kind of pricing scenario.

Siddharth Gadekar: Sir, second question on the Electronic Chemical business, given that it seems like a 2x asset turnover where your realization are closer to $1-$1.5. So can you give some sense on what kind of product this is and what would be the major end applications and it would be more like a commodity chemical or a niche molecule in this space?

Abhishek Patel: First thing, we are not saying it is a kind of 2x kind of asset and it will be at least 3x kind of asset and we are expecting that we have not commented anything on the realization side. But what we are saying is it will be a kind of bulk electronic chemical and solvent products.

Siddharth Gadekar: Got it. And timelines for this still remains FY '29?

Abhishek Patel: Yes, first half of FY '29. It will take around 1-1/2 years to get completed in CAPEX.

Siddharth Gadekar: And the last question is on the CDMO. So when do we expect the next round of CAPEX given that now we have given our guidance for Rs. 2,000 crores by FY '30?

Abhishek Patel: So next round of CAPEX, as we just discussed, that plant utilization at Ankleshwar may get filled up by year 2028. So that is the reason we are already starting with our future plan and that is for land acquisition. Then, we will plan for the next round of CAPEX. That size and scale will decide based on that.

Siddharth Gadekar: Thank you so much.

Moderator: Thank you. The next question comes from the line of Sajal Kapoor from Antifragile Thinking. Please go ahead.

Sajal Kapoor: Thank you and congratulations on sustaining strong execution yet again, Naresh Bhai. My questions are, first as the Korea semiconductor facility moves from qualification into

commercial ramp up in next fiscal, should we expect the initial economics to be somewhat lower at the company level, given utilization and startup costs before improving as the volumes scale up? What would need to happen for the business to reach its targeted steady state economics? That is my first question. Thank you.

Abhishek Patel: So obviously, the plant was inaugurated last quarter only and now it is the time to first get the customer qualification process going. So that is the reason for this financial year, we are not giving any tall commitment from next financial year, only it will have some revenue coming up. So obviously, it will not be a kind of huge revenue or profitability. It will slowly ramp up, but the encouraging thing is we are getting a very good customer inquiry. We have already started submitting the sample as well as the pilot scale dispatches and that is kind of confidence we can get from that newer geography where we are operating.

Sajal Kapoor: Sure, helpful. And second, as CDMO programs move from launch into commercial scale as you just highlighted, there can sometimes be an initial inventory build followed by normalization. So given the revised Rs. 2,000 crores CDMO target by FY '30, how confident are you that this growth will increasingly be diversified across multiple customers and multiple molecules rather than concentrated in one or two molecules? And if you could just broadly mention, how many programs you expect would be material contributors in, let us say, FY '28?

Abhishek Patel: So as we already discussed that we have multiple products for which the validation basis were already submitted a few quarters back. Now, they have started giving the contribution in terms of commercial revenue and there are 8-10 products already in pipeline. So that is the reason we are very confident that we will be again able to achieve this second milestone of Rs. 2,000 crores revenue by FY '30 despite of any industry cycle moving up and down, we are confident that we will achieve those kind of revenue targets.

Sajal Kapoor: Excellent. So just to clarify the second Rs. 1,000 crores, so Rs. 1,000 we will achieve this fiscal, the second Rs. 1,000 crores will be a lot more diversified and broad-based in terms of molecules and customers, right?

Abhishek Patel: Yes, absolutely right.

Sajal Kapoor: Yes. Thank you. That is all.

Moderator: Thank you. The next question comes from the line of Nilesh Ghuge from HDFC Securities. Please go ahead.

Nilesh Ghuge: Thanks. Thanks for the opportunity. Just one question. When we are saying Rs. 1,000 crores of revenue in FY '27, so what will be the utilization of our CDMO unit at Ankleshwar? And as you mentioned, there is no further CAPEX required till Rs. 2,000 crores CDMO revenue. So what will be the utilization in FY '30 when we achieve CDMO revenue of Rs. 2,000 crore?

Abhishek Patel: So for last quarter, as we said, it was a utilization of 30%. So when we reach end of this financial year, it should not be more than, let us say, 40% of the total utilization at Unit 2, Ankleshwar. For the future, it is difficult to say as of now because it is a function of multiple things, the volume, the realization and the kind of processes.

Nilesh Ghuge: Thanks a lot.

Moderator: Thank you. The next question comes from the line of Parth Dalia from Union AMC. Please go ahead.

Parth Dalia: Hi. Thank you for the opportunity. I just had one question. So this is specifically on Darolutamide. So Bayer's recent trial showed that even the risk of metastasis or death by 58% and high risk localized prostate cancer. So if this goes into approval, without going into product specifics, how do we think about the volume opportunity if that indication expansion comes through? And directionally, do you have the capacity and contractual framework in place to support that meaningful step up of volumes over the next 2-3 years?

Abhishek Patel: So as you know, we are an intermediate supplier for this API called Darolutamide and what you are talking about the formulation market and their indication. So at least being at the bottom of the pyramid, we are not able to comment anything on those programs. But this is good for you or the market to understand how the products are going. For us, what we track is what we are getting from the customer and we should be the beneficiary whatever our customers is gaining in the market. And that is what we see that we are getting a traction in this product as well as for the next 3 years. And that is how we are giving the good guidance also.

Parth Dalia: Understood. Got it. But just extending the question to let us say if Bayer for the formulation opportunity, are there upside estimates? Do you reckon that?

Abhishek Patel: Sorry, your voice is breaking.

Parth Dalia: Sorry. Is it better now?

Abhishek Patel: Yes.

Parth Dalia: So just a follow up on that question. Let us say to the innovator sales, the formulation sales, does this trial lead to a meaningful upgrade in their numbers?

Abhishek Patel: We are not very well placed to comment on whether this formulation market is how much they are going. I think that we will not be able to comment on this.

Parth Dalia: No problem. Thank you so much.

Moderator: Thank you. The next question comes from the line of Rohit Nagraj from 360 ONE Capital. Please go ahead.

Rohit Nagraj: Thanks for the opportunity and congrats on a very strong set of numbers. The first question is on the CDMO front. So the Rs. 2,000 crores guidance for FY '30, in terms of EBITDA margins, would it track the current margins on Rs. 1,000 crores or would there be some kind of a dilution that were expected? Thank you.

Abhishek Patel: Largely, it should be in the same range what we are getting for the CDMO business as on date.

Rohit Nagraj: And second question is on the semiconductor chemicals. Given that our plant is operational, we are probably sending the validation matches to the South Korean players, are we also engaged with any of the Indian counterparts for validation? If not, are there any immediate plans of serving them? Thank you.

Abhishek Patel: So when you are saying Indian, that means you are talking about, you are referring to Indian semiconductor industry?

Rohit Nagraj: Yes, so the ecosystem which is getting developed now, and which probably will be operational over the next couple of years.

Abhishek Patel: So as of now, whatever we have planned the capacity that is for Indicam, it is a Korean ecosystem. And then after outside Korea, geography like Japan and Taiwan. From India, Baba Fine Chem again, because this ecosystem is yet not that matured and we have already market available in the export market. So that is the reason we are targeting more of a Korea, Japan, US market. And that is where we are getting very good traction also. In future, when this ecosystem gets developed, we will be happy to part of that. But as of now, all our capacity as well as the business development, largely focused on the export market only.

Rohit Nagraj: Sure, just one clarification. In terms of products, once they get validated from our international customers, would it be relatively easier and with a shorter period of time frame to validate for the Indian counterparts?

Naresh Patel: Let me answer this. See, customer validation is their internal process. It is not that one customer, big customers approve means that that product can be used by someone else immediately. So it is because their process and the requirements are different. So the validation process is robust, long term, time consuming, and it is a long term. But the beauty is that Acutaas and Indicam has the capability to produce very high-end chemicals and our process is validated, our manufacturing side is validated. That will help us to consider our Indian customer based on the experience what we have. So this is an advantage against the other competitors of ours.

Rohit Nagraj: Perfect, sir. Thanks a lot for answering all the questions and all the best.

Abhishek Patel: Thank you.

Moderator: Thank you. The next question comes from the line of Bharat Shah from Bharat Shah Capital Ideas Private Limited. Please go ahead.

Bharat Shah: Hi, Naresh Bhai, hearty congratulations to you and Acutaas team.

Naresh Patel: Thank you, sir. Thank you, Bharat Bhai.

Bharat Shah: Thank you. And I just wanted to have two important views. Over the last 3-4 years, we made a considerable progress in converting the shape of our firm from Commodity Chemicals to the Specialty and from limited relationships to more customer and sticky long-term relationships. Our margins, topline, and capital efficiency, all reflect the painstaking work of the past. Now that where we stand and a good part of the CAPEX for the future is under our belt. When you look at next 5 years, what are your key aspirations? And what are the milestones with which you would like to define Acutaas or Ami's journey ahead? And secondly, if you stand at these important junctures where we have made a considerable progress, but many more important milestones are lying ahead. What are your key apprehensions or challenges that you perceive?

Naresh Patel: Bharat Bhai, thank you first of all for seeing our journey right when we started in IPO 2021 till today. You are always inspiring and motivating us. It is a journey which is now bringing the fruit of what we had done in last one decade and transforming family company into the structure and professional company focusing on each area, starting from raw material secure to process strengthening, to operational efficiency, to manpower, upgrading technology implementation, process improvements, plant atomization, and at the end of the day, customer satisfaction. This is a community effort of our last one decade working which is giving fruit now. Regarding what you say the inspiration for next 5 years, I have a visibility for the generic as so many times, I say that we have developed a lot of molecules which are having an expiry up to 2045. So this is how we are working in our research department for generic portfolio strengthening. Whereas for regulated market, we have a long-term agreement with several customers. And that is also helping us to guide for next 3 years, we had revised our CDMO target from Rs. 1,000 to Rs. 2,000 crores based on this new CDMO as well as the old CDMO pipeline. And considering transforming company from Pharma to Specialty Chemicals and multi applications for the chemistry, now, as I said, when we made it was a very primary stage of the battery chemical. Now it is almost mature and having very strong section from the customers. Long-term orders are expanding with us and now its commercial supply also started. So slowly it is ramping up and is now self-sustained. And the second stage is the semiconductor segment, which is very important for us because it is very, the beauty of semiconductor business is that everybody cannot start today and enter into the market because it is a very technical driven, very high purity chemical production and a very customer-sticky business. So that is helping us by acquiring Baba Fine Chem has opened our door right from the first day into the ecosystem. And then this ecosystem has teach us how to go for the more pure material. And that is how we put Indicam in South Korea. So this is, it is like a business is teaching us and we are learning very quickly and we implementing also very fast. This experience is also helping us when there is ecosystem start in India. Today, there is no, any demand for semiconductor chemical in India because they have not started. But once they start, we are one of very few out of them having all the experience of a very high pure chemical production. And that will help us to immediately cater the market in India as well. So this is how our aim is that in 5 years, this would be not known as a pharma

company, but as a chemical company having multiple avenues, which can be applied, supply a chemical in a different sector.

Bharat Shah: And both of your opinions are tangible and more qualitative aspirations that you believe Ami Organics is likely to fulfill in the upcoming 5-year journey. And what possible apprehensions that you carry in your mind or concerns about potential challenges?

Abhishek Patel: Let me just give some internal metrics at our end. As Naresh Bhai shared his vision that he wants to create an organization, which is not only focused on a Pharma Chemical, but then we are getting into the multiple chemistry related to battery, related to semiconductor, related to electronics. And there are other multiple areas where we are already working. For us internally as tangible, we work on, let us say on various parameters related to the capital deployment. Ultimately, the business has to be self-sustained, standing on its own feet, as well as generating a long-term cash flow and sustainable growth in the future. Like for the battery chemical, we started with 2 products. Then we keep on adding multiple. The third and fourth products are already commercialized. And then it should generate a good cash flow every year and then comes the sustainability. In terms of sustainability, what we are doing is we are building a very good, healthy customer relationship by not focusing, as we discussed in last question, only that we are not riding on those $30-$35 kind of pricing wave, rather than we are focusing more on the customer relationship. So this is how we want to convert this business into long-term sustainable cash generating machine. And that is what we are focusing for each and every business, what we are tagging. It is not that we start the business today, we run for 3 years and then we want to just let it go down. It has to be sustainable, long-term business only. That is what we are focusing on each of those businesses.

Bharat Shah: And concerns, if any?

Naresh Patel: The concerns are always there, Bharat Bhai, and we have to find out the way out of the concern. Geopolitical issues are there, supply chain, logistic, operational, electricity, water, there are so many constraints that are always coming. You have to find out the way out of that. That is what we are doing day-to-day operation. And like a semiconductor ecosystem is happening in India. If it is delayed, it will be delayed of implementation in India. So we need similar kind of opportunity. It is a huge opportunity for Indian chemical manufacturer in India, as well as abroad. And whatever the current mindset of China free is helping Indian chemical manufacturer on their own capacity to grab the opportunity which is available. So sometimes you grab a lot of opportunity, but you cannot be able to grow all because of the competition as well. So these all things have to be considered and this is what we do. Whenever we enter into segments, we first analyze everything, whether it is good for us, sustainable for us, long-term, what will be the situation of the market and all and then we enter into that segment. So this is what we try at most that all the concerns need to be covered. But then if an unexpected will come, that will be to face that.

Bharat Shah: Just one last thing. We have come a long way over last few decades, from Ami to Acutaas. And we built a lot of tremendous strengths. Even as we still remain relatively rather modest in the

size of turnover in business, but rapidly progressing. Would you, Naresh bhai, say that the coming decade will be the most defining and probably most momentous decade in the kind of future that you visualize, given the opportunity in this space?

Naresh Patel: Absolutely, sir. That is what I said, that last decade was our foundation decade where we did a lot of seeding. Now, the seeding one by one is giving us the fruit. So the next decade will be the more important decade for us in terms of getting fruits out of whatever we seeded in the last one decade.

Bharat Shah: Sure. Thank you, Naresh Bhai. All the very best and to the entire Acutaas team for the tremendous transformation of the firm.

Naresh Patel: Thank you, Bharat Bhai. Thank you very much. Happy Diwali.

Moderator: Thank you. The next question comes from the line of Pratik Dharmshi from Union Mutual Fund. Please go ahead.

Pratik Dharmshi: Thanks for giving the opportunity. Many congratulations, Naresh Bhai, Abhishek Bhai for a splendid set of numbers. Just my question is on the new CDMO projects which you are working on. So initially you used to mention around 4 new projects or CDMOs you are working and now the number has gone up to 7-8. Some color on the therapy would be really appreciated apart from, you used to mention around Rs. 50 crores each sort of molecule. Is the run rate similar or you are expecting some change to it? Is it accelerating based on now the commercial supplies are starting? So some more color on, it would be really helpful? Thank you.

Abhishek Patel: For CDMO projects, because these are all innovator driven projects, we are not able to at least share any details related to their product or their therapeutic segment or their potential. But as we generally say that for the non-blockbuster product, Rs. 50-Rs. 100 crores is the kind of range because that is the kind of revenue we can get it as an intermediate player. But as Naresh Bhai mentioned, there are some of the very exciting projects already going on and which has a better revenue possibility and that gives the confidence that it will be a good growth engine in future also in terms of newer CDMO projects.

Pratik Dharmshi: Got it. Thank you and all the best.

Abhishek Patel: Thank you.

Moderator: Thank you. The next question comes from the line of Meet Vora from JM Financial. Please go ahead.

Meet Vora: Thanks for the opportunity. Sir, what gives us the confidence to increase our EBITDA margin guidance to 38%-40% beyond FY '27 on a sustainable basis? This is what we have mentioned in our presentation that higher margins are led by gross margin and operating leverage. But will

this operating leverage continue going into FY '28 as well? Or maybe this upgrade is more to do with higher contribution mix from CDMO?

Abhishek Patel: So first thing, at material or the gross level, the margins are always function of the product mix. As you see that just our Battery Chemical business has just started in this quarter. So that is the reason the large portion of the revenue is coming from the Pharma Intermediate and growth is driven by CDMO segment. That is where the high margin is coming. And with the kind of order books we have already in place for the H2 FY '27, we are confident to achieve this Rs. 1,000 crores mark with converting the good kind of margin for FY '27. That is the reason we have raised our margin guidance. Related to operating leverage, obviously, as and when this revenue keeps on increasing within the same premises or the facility, the operating margin has to kick in. As we just mentioned, the 30% utilization level at Unit 2 and obviously, the very low utilization level at our Battery Chemical business, the operating margin will keep on adding once those production levels scale up.

Meet Vora: So this 38%-40% EBITDA margin guidance is for FY '27 or this continues for FY '28?

Abhishek Patel: FY '27.

Meet Vora: That is it from my side. Thanks a lot and best of luck for coming quarters.

Abhishek Patel: Thanks.

Moderator: Thank you. The next question comes from the line of Sidharth Negandhi from CWC. Please go ahead.

Sidharth Negandhi: Congratulations on a great set of numbers. Three questions from my end. On the pharma intermediates business, you mentioned that CDMO could achieve Rs. 1,000 crores in FY '27. Could you help us understand how much of that is already in the bag in H1, which is your Pharma Intermediates business, the innovator and generic split? That was question one. The second question was on Daro. Can you potentially double the supply from the same facility over the next 2 years or will you need CAPEX? And what is your current utilization and your wallet share in this? And the third question was on the base business in Specialty Chemicals. So how many more quarters before the commodity chemicals completely go off business and most of this will be the Battery Chemicals and the other Specialty Chemicals? Yes, these were my 3 questions.

Abhishek Patel: Related to CDMO, first thing, we are not doing any generic work. We are doing all the CDMO projects with the originator only. So these are all originator business, no generic piece over there. Question related to what is in our bag. So as Naresh Bhai already mentioned, this Rs. 1,000 crores mark guidance for this financial year is based on the customer visibility and contract in place. So that is very good, definitely achievable target for us. Your second question related to the kind of split in the business or the market share, we are not able to comment on this because we only see what originator gives us as a business and that is what we are guiding. We are not concerned about the kind of who are getting what. Third question related to Specialty Chemical

business. See, we have already started scaling down this old legacy product related to Paraben and MS. It takes some time because right at upfront, we cannot say no to the customer because they also need to develop their alternative vendor and supply line. So that is the reason it may take around 1 to 1-1/2 years to scale down this business. MS business, we may continue for some time because there are some good customers already in place. So it may take some time beyond 1-1/2 years also to scale down MS business.

Sidharth Negandhi: Got it. Sorry, just a clarification on the first one. What I meant is not that CDMO is generic. What I meant is if I look at the Advanced Pharma Intermediate segment, right, part of that is CDMO business and part of that is base business. If you could help us with that split?

Abhishek Patel: I am sorry. Also, we are not giving those split also. We see completely as a Pharma Intermediate business only. But definitely it will cross the Rs. 1,000 crores mark as we already committed.

Sidharth Negandhi: But when you say Rs. 1,000 crore crossing in that business, you mean not for the Advanced Pharma Intermediate segment, only CDMO within that outside of the base business, right?

Abhishek Patel: Yes.

Sidharth Negandhi: Got it. Clear. The second one, while clear on, you are not looking at wallet share. Could you give us some color in terms of Daro if you have to potentially double the Daro supply, right? Will that need more CAPEX? Or where are you in terms of utilization of the facility there? And, and how should one look at that?

Abhishek Patel: As we say, the capacity utilization is 30% only. So there is some room available, but we are not disclosing anything about, whether it is sufficing the production requirement or not.

Sidharth Negandhi: Very clear. And last question on the South Korea facility, what are the markets that you will target for supply from this facility? Will it be Korea, Japan primarily? Are you looking at some cell manufacturers in India or Southeast Asia also? How should one think of that business?

Abhishek Patel: So for Korea, it is a semiconductor business. So our target customer for photoresist and the fab industry and the semiconductor consumption industry, it is not a kind of cell manufacturer. And largely because those are based in Korea and Japan, these are the potential customer markets.

Sidharth Negandhi: Understood. Sorry. Got it. Thank you. Thank you very much. And wish you all the best.

Moderator: Thank you. The next question comes from the line of Juhi Kumari from Narnolia Financial Services Limited. Please go ahead.

Juhi Kumari: Yes, thanks for the opportunity. And congratulations on the strong set of numbers. My first question is regarding the battery electrolytes additives production. It was expected to start in second quarter FY '27. So just wanted to know that has the commercial supply begun and what was the revenue contribution during the current quarter?

Abhishek Patel: We have already started commercial supply for VC and FEC as well as the third product also ahead of the time. And the fourth product, the validation batches are already being supplied from a pilot scale. Revenue contribution, we are not disclosing. It is just the start and ramp up is expected in next 2-3 quarters.

Juhi Kumari: Sure. Thanks. And my second question is regarding what portion of the remaining 349 million Speciality Chemical revenue is still compromised of commodity chemicals scheduled for exit? And once this phasing out is complete and BFC normalizes, what is the steady state quarterly revenue expectation from Speciality Chemicals?

Abhishek Patel: For Specialty Chemicals, we are not giving any split between old traditional Speciality Chemical product or the Battery Chemical. But it will remain in this territory and with a ramp up from the Battery Chemical business. Overall, there will be a growth as against what number we have reported last financial year.

Juhi Kumari: So we expect this to remain in our state where it has been in the first half FY '27?

Abhishek Patel: Yes.

Juhi Kumari: And just one last question about the gross margin expansion that has expanded significantly to 62.1% this quarter. How much of this expansion came from raw material prices softening versus a structural shift in product mix towards higher margin?

Abhishek Patel: Gross margin expansion is a function of both product mix as well as the raw material. So in total, we cannot bifurcate between the raw material price escalation or the kind of product mix. It is a function of both.

Juhi Kumari: So is there any leverage that we have got from raw material price softening this quarter?

Abhishek Patel: No. We are not saying that raw material price has softened in the quarter. In fact, that is definitely not the case.

Juhi Kumari: Yes, thanks for the answer and all the best for the coming quarters.

Moderator: The next question comes from the line of Basant Bansal from NBG Investments. Please go ahead.

Basant Bansal: Good evening Abhishek Bhai. My question to you is that in the first half, our pharma revenue is Rs. 95 crores. Can you tell me out of this Rs. 95 crores, how much is CDMO?

Abhishek Patel: Rs. 95 crores? I didn't understand. Which is your number? Rs. 95 crores.

Basant Bansal: Rs. 95 crores is our first half revenue from pharma vertical.

Abhishek Patel: So sorry, your voice is little echoing. You are saying after Rs. 695 crores.

Basant Bansal: I am seeing your slide number 6, wherein the revenue from Pharma Intermediate vertical is shown as Rs. 695 crores. I want to know out of this, how much is CDMO?

Abhishek Patel: Sorry, we are not disclosing those split in sub-segment of this Pharma Intermediate business.

Basant Bansal: Can you tell me in percentage terms, is it possible?

Abhishek Patel: No. Again, sir, same thing, sir. Same thing.

Basant Bansal: No problem. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will take this as the last question for today. I now hand over to the management for closing comments. Over to you, sir.

Naresh Patel: Thank you, Equirus team for hosting our conference call. We appreciate everyone's questions and hope we have addressed most of your queries. If we missed any of your questions, please reach out to our Investor Relations team and we will get back to you promptly. Once again, thank you very much and happy festivals.

Moderator: Thank you. On behalf of Equirus Securities Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.