



NEOGEN
CHEMICALS LTD.

February 15, 2021

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 Unaudited Financial Results of the Company under 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 Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2020.

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



Optimal Capacity Utilization and Better Product Mix helps Neogen Chemicals maintain Revenue Growth in Q3 FY21

Neogen Chemicals Limited (Neogen) recorded a progressive financial performance during the third quarter and nine months ended 31st December, 2020. The Company recorded its highest ever quarterly revenue of Rs. 85.2 crore from operations for the third quarter and Rs. 243.7 crore for the first nine months of FY21. Neogen thus recorded revenue growth of 3.5% in the quarter ended 31st December 2020 and 8.9% in over 9M FY20 over the same periods last year. Sharp recovery in global economic activity led to positive demand for the Company's products, resulting in improved revenue performance on a stable operating base. Neogen's all capacities are currently operating at high utilisation levels in line with better demand visibility. Revenue growth in the quarter was driven by higher sales of Inorganic Lithium-based products and better product mix. Notably, higher sales for Inorganic Lithium-based products was recorded despite lower prices of lithium prevalent in 2020.

Consolidated profit after tax (PAT) came in at Rs. 8.5 crore during the quarter under review as compared to Rs. 8.2 crore in the same quarter in FY20. Consolidated profit after tax in 9M FY21 stood at Rs. 22.0 crore, 3.1% higher than PAT of Rs. 21.3 crore in the same period last year. Earnings per share in Q3 FY21 increased to Rs. 3.66 (Rs. 3.46 in Q3 FY20). PAT performance needs to be seen in the light of increase in finance costs (up 14%) and higher depreciation (up 43%) due to CAPEX undertaken at Mahape, Vadodara and Dahej facilities. Further, Neogen has provided an additional layer of safety to its employees during the COVID-19 pandemic. The Company has also invested in building organizational competencies across functions. These factors have contributed to higher employee costs in the nine months period.

Performance at a Glance

	Q3 FY21		9M FY21	
Revenues	Rs. 85.2 crore	⬆️3.5%	Rs. 243.7 crore	⬆️8.9%
EBITDA	Rs. 16.8 crore	⬆️5.3%	Rs. 45.8 crore	⬆️8.5%
Profit Before Tax	Rs. 11.9 crore	⬆️3.8%	Rs. 31.0 crore	⬆️3.7%
Profit After Tax	Rs. 8.5 crore	⬆️3.9%	Rs. 22.0 crore	⬆️3.1%

Notes: 1. Growth for Q3 FY21 is compared with Q3 FY20

2. Growth for 9M FY21 is compared with 9M FY20

3. All figures are consolidated

Commenting on the Q3 & 9M FY21 performance, Mr. Haridas Kanani, Chairman & Managing Director, Neogen Chemicals said:

“We have maintained our business momentum in line with our business plan and have demonstrated steady accretion to our earnings. Underlying the growth are concerted efforts to operate our manufacturing units at high utilisation levels and staying true to innovation at every stage of product scale-up. Overall, our performance was supported by robust recovery trends in economic activity as India and the world look ahead of an unprecedented period in recent human history.

Demand for all our key products across organic and inorganic chemicals has picked up and restored to normalized levels. We are witnessing healthy order build-up from key end-user industries based on positive demand trends. While our Organic chemicals business runs at peak utilisation levels, we see an encouraging incremental visibility in Inorganic chemicals, following the greenfield expansion that concluded last year. I am pleased to share that we are in the final phase of project completion for Organic Chemicals at Dahej SEZ that was undertaken with tight deadlines. We look forward to formally commercializing this facility by the end Q4 FY21 or early Q1 FY22, subject to receiving customary final approvals from relevant authorities.”

“We believe, we are on a firm footing based on a differentiated product portfolio that has diverse demand drivers from customers in Indian as well as global markets. The second phase of expansion planned at the Dahej SEZ, to be implemented in FY22, is a testament to the strength of our business engagement that finds strong support from the rapidly expanding visibility for India as a key component of global chemical supply chains. Going forward, our objective will be to continue delivering sustained and profitable growth to enhance value for all our stakeholders.”

Key Update in Q3 FY21

- The Company is in the final phase of project completion for Organic Chemicals at Dahej SEZ, and expects to formally commercialize this facility by end Q4 FY21 or early Q1 FY22, subject to receiving customary final approvals from relevant authorities.

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.

Over the years, Neogen has expanded its range of products comprising Organic as well as Inorganic chemicals. At present, it manufactures an extensive range of specialty chemicals which find application across various industries in India and globally. It has a product portfolio of 205 products comprising 188 Organic chemicals and 17 Inorganic chemicals. Its specialty chemicals product offerings are used in pharmaceutical and agrochemical intermediates, engineering fluids, electronic chemicals, polymer additives, water treatment, construction and aroma chemicals, flavours and fragrances, specialty polymers, Chemicals and Vapor Absorption Chillers – original-equipment manufacturers.

In addition to manufacturing specialty chemicals, Neogen undertakes custom synthesis and contract manufacturing. This includes developing a product and customizing it primarily for a specific customer, with the process know-how and technical specifications developed in-house.

The Company currently operates out of its three manufacturing facilities located in Mahape, Navi Mumbai in Maharashtra, Dahej SEZ, Bharuch and Karakhadi, Vadodara in Gujarat.

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. Such forward-looking statements are subject to certain risks and uncertainties, such as, government actions, local political or economic developments, technological risks, and many other factors that could cause 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.*