



February 18, 2026

BSE Limited

Department of Corporate Services
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Dalal Street, Kala Ghoda, Fort, Mumbai 400 001

Scrip Code No: 542665

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National Stock Exchange of India Limited

Listing Department, Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

Company Symbol: NEOGEN

Sub.: Q3FY26 - Earnings Conference Call Transcript.

Dear Sir/ Madam,

With reference to the captioned subject, please find enclosed herewith the Earnings Conference Call Transcript of the Company's Q3FY26 Earnings Conference Call held on February 12, 2026 at 2:00 p.m. IST.

The transcript is also being uploaded on the company's website at <https://neogenchem.com/financial-performance/>.

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



Neogen Chemicals Limited
Q3 FY26 Earnings Conference Call
February 12, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Q3 FY26 Earnings Conference Call of Neogen Chemicals 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 star then zero on your touchtone phone.

I now hand the conference over to Mr. Nishid Solanki from CDR India. Thank you, and over to you, sir.

Nishid Solanki: Thank you. Good afternoon everyone and welcome to Neogen Chemicals' Q3 FY26 earnings conference call for analysts and investors. Today, we are joined by senior members of the management team, including Mr. Anurag Surana, Non-Executive Chairman; Dr. Harin Kanani, Managing Director; and Mr. Gopikrishnan Sarathy, Chief Financial Officer.

We will commence the call with opening thoughts from the management team, after which we will open the floor for your questions. Before we begin, a standard disclaimer: certain statements made or discussed on today's conference call may be forward-looking. Actual results could vary from these forward-looking statements, and a detailed disclaimer is available in the Q3 FY26 earnings presentation, which has been uploaded on Stock Exchange websites.

With that, I would like to invite Dr. Harin Kanani to share his perspectives. Thank you, and over to you, sir.

Dr. Harin Kanani: Thank you, Nishid. Good afternoon everyone. Thank you for joining us to discuss our third quarter fiscal 2026 financial results. I trust you had the opportunity to review our Investor Presentation. I will provide a summary of our operational performance and an update on our key strategic growth initiatives.

Q3 served as a period of steady recovery and a decisive pivot towards a future-ready portfolio for Neogen. Despite global market volatility, our core business remained robust, underpinned by demand resilience in Pharma, Flavors and Fragrances, and other specialty applications. With our product optimization initiatives and the Dahej replacement plant nearing completion, we are firmly on track to achieve our growth ambitions.

Before our CFO provides a detailed financial overview, here is a quick summary on a consolidated basis. We delivered 9% revenue growth in Q3, with gross profit up 13% with around 150 basis points margin expansion. While top-line growth was strong, EBITDA and PAT were pressured by transient costs related to Neogen Ionics ramp-up, elevated operational expenses due to fire incident and interim toll manufacturing setup, and higher finance cost from Dahej plant reconstruction and other investments. These are short-term impacts as we pivot to a future-ready portfolio. Furthermore, eligible costs, at least part of the eligible cost, will be recovered through loss on profit insurance claims in the coming quarters, mostly in the next financial year.

Regarding the fire incident, we received INR 83.48 crore in insurance claims till nine months FY26. Accordingly, net claim receivable stands at INR 251.12 crore. We are maintaining a close dialogue with insurance companies to expedite the final settlement of the remaining balance. Concurrently, construction of replacement plant of Dahej is progressing rapidly, with commissioning on track for Q1 FY27. We are confident this new facility will be fully compliant and optimized for enhanced operational efficiency.

Moving to updates on strategic expansion initiatives on battery materials:

- **Strategic Indo-Japan alliance for electrolyte salt production**

We have successfully concluded a joint venture with Japan's Morita Investment Limited to produce and sell LiPF₆ salt globally. Neogen will hold an 80% majority stake in the new entity - Neogen Morita New Materials Limited - supported by a \$ 20 million investment from our partner for the rest of the stake. The JV integrates 30 years of proven Japanese technology to accelerate international customer approvals and production efficiency. Notably, this establishment is India's only non-FEOC compliant electrolyte salt plant with proven established technology, offering a

strategic alternative to the Chinese supply chain while advancing *Atmanirbhar Bharat* through significant import substitution.

- **Pakhajan greenfield project**

Our Pakhajan greenfield project is progressing as per schedule, with commercial production for electrolyte targeted for H1 FY27 and electrolyte salts for H2 FY27. This timeline is strategically synchronized with India's ACC battery rollout and the surging global demand for non-FEOC compliant supply chains. At the facility, plant equipment has arrived, assembly is currently underway, and trial production is expected to commence shortly. We have already achieved a major milestone by securing long-term commercial supply approval from a prominent giga-scale Indian manufacturer following successful PPAP completion. On the international front, we have received provisional approval of our lithium electrolyte salts from multiple global clients now, while final site audits are expected to be concluded in Q1 FY 27.

Upon commissioning, Neogen will emerge as a highly cost-competitive global source for lithium salts and electrolytes, backed by proven Japanese technology. We are currently seeing significant tailwinds from the US 45X tax credits non-FEOC requirements and recent price volatility in China, both of which enhance our appeal as a strategic global partner. We expect several large-scale international customers to finalize their approval process shortly, paving the way for bulk consignments and regular commercial productions in H1 FY27.

Looking ahead, we are at a pivotal inflection point as we transition from project execution to the commencement of regular long-term supply agreements. We are confident that Neogen Ionics will become the cornerstone of our future growth, diversifying our revenue streams and enhancing our margin profile. By integrating world-class Japanese technology with our indigenous manufacturing excellence, we are enforcing Neogen's position as a technology-led leader within the global battery chemicals value chain. As electric vehicle and energy storage ecosystems evolve, our readiness to supply material at scale positions us to capture substantial market share, delivering long-term sustainable value to our stakeholders.

That concludes my opening remarks. I will now turn the call over to our CFO, Mr. Gopikrishnan Sarathy, to provide a review of our financial performance for the period. Over to you.

Gopikrishnan Sarathy: Thank you, Dr. Kanani. Good afternoon everyone. Welcome to Neogen Chemicals' Q3 FY26 earnings call. I will share the financial highlights. Please note, all the numbers are on consolidated basis.

Our revenue for Q3 reached INR 220 crore, representing 9% year-on-year growth. This was led by higher volume across both, organic and inorganic chemical segments, reflecting a steady market demand. Notably, we maintained resilient operating volumes despite temporary capacity bottleneck at our Dahej facility. These were effectively mitigated through strategic toll manufacturing arrangements. Additionally, Neogen Ionics contributed INR 12 crore to the quarter's revenue as we continue to scale our battery chemicals vertical.

Breaking down our performance by segment - our organic chemical revenue reached INR 187 crore, a steady 6% increase year-on-year; and our inorganic chemical segment showed even stronger momentum, delivering INR 33 crore in revenue, a 35% growth compared to the same period last year.

EBITDA for this quarter stood at INR 32 crore, demonstrating sequential resilience despite several transitional headwinds. On a year-on-year basis, our performance was impacted by temporary cost factors, specifically the operational overheads as we scale up at Neogen Ionics, and the additional interim toll manufacturing expenses. These were incurred mainly to keep the customer supply on during the plant reconstruction. We view these short-term costs essential to protecting our market share and preparing for our future growth.

As highlighted by Dr. Kanani, the near-term pressure from these transitional costs will be balanced by insurance claim recoveries under the loss of profit policy.

We reported a profit after tax of INR 4 crore for the quarter. The year-on-year variance is primarily attributable to the increased interest expenses related to our capital expenditure at Dahej, alongside the front-loaded expenditures at Neogen Ionics as it prepares for the large-scale commercial production.

Turning to corporate update:

Reflecting their deep confidence in the long-term growth trajectory, the Board has granted in-principle approval to raise up to INR 150 crore via preferential issue of equity shares to the Promoter Group. This infusion underscores the Board's

unwavering commitment to Neogen's expansion and provides financial flexibility to accelerate our growth initiatives. This preferential issue is subject to the necessary regulatory approval.

That concludes my remarks. I will now request the moderator to open the forum for Q&A. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session.

The first question is from the line of Abhijit Akella from Kotak Institutional Equities. Please go ahead.

Abhijit Akella: Yes, good afternoon. Could we please start with the update on the gross and net debt balance at December 2025 and also some colour on the working capital trends? It does seem like the inventory DSOs and receivable DSOs have increased during the quarter based on the numbers given at the back in the tables. What exactly were the reasons for these and what our outlook is for improvement on that front?

Dr. Harin Kanani: Hi Abhijit, thanks for your question. Yes, there is an increase a bit in the inventory as well as receivables. I think the (*increase in*) receivables is in line with increase in the business and overall what we expect, as we have said that this year, the debtors and the creditors will be more or less matching each other.

And in terms of inventory, there will be a little bit of increase this year because we are right now working with multiple external vendors and we also want to build in a little bit of inventory because we want to stop the external vendors by the end of the year and we want to start internal production in Dahej in the first quarter of FY27.

When we start internal production in the beginning, the plant is just ramping up. That is the time where we want to ensure that if there is a slight delay in production or ramp-up, our customer needs are taken care of. So, we are building up a little bit of inventory by the end of this year, so that we can take care of the next quarters.

As our Dahej plant starts and streamlines in the second half of the year, inventory should come on line and we maintain our target that once we have full utilization in the next financial year, by the end of next financial year, our inventories would be at around 140 to 160 days, is what we are targeting on the inventory side.

And as we said, debtor-creditor usually depending on whether more international or more domestic sales, the debtors are usually between 60 to 90 days kind of a range by the end of the year and that is what we would like to target. And generally, debtor and creditor levels will try to keep at a similar kind of level.

Abhijit Akella: Yes, thanks, Harin. So, just the gross and net debt numbers if we could share at December 2025 end?

Dr. Harin Kanani: The net debt that we have today is around INR 680 crore on standalone basis and around INR 1,175 crore on a consolidated basis.

Abhijit Akella: Thank you for that. Second thing, just on the receipt of the money from Morita towards their 20% stake in the JV: by when do we expect to get that? And also, this INR 150 crore preferential allotment to the Promoters: by when would that money be expected to come in?

Dr. Harin Kanani: There are four non-business flows which are, non-operational flows which are significant, which are coming, let me share with you that. On the insurance front, we are very close to getting another INR 60 crore as a second interim payment against the rebuilding of Dahej plant, against the capex loss. That is expected within this week. It was actually supposed to happen, but there were some last-minute procedural issues between the insurance companies, which slightly delayed (*the payment*). So we are expecting around INR 60 crore within this week. And the main stock claim between INR 150 crore to INR 170 crore is expected before end of March 2026. That is around INR 210 crore which is expected here.

In reference to the \$20 million which we are expecting from Morita, we have to request our bankers because the entire project was part of one. Now we are taking the bank's permission to separate it out as two different entities. So that is in progress. As soon as that is received, we can complete the rest of the formalities, transfer the asset to the subsidiary, Neogen Morita, and then we can receive the equity from our partner. That will be towards the end of current quarter and depending on the final timing, maybe either this year before March 2026 or a little bit in April 2026. But basically by Q1, we should receive money from there.

And finally, the INR 150 crore by the Promoter. Our intention is to basically put the money before the end of March 2026. However, there is some regulatory approval which is needed because there were some transfers during trust formation from my

father and mother to the respective trusts. So we are seeking a clarification. Depending on the regulatory approval, either it will happen before March 2026 or it will happen in Q1. But in the worst case, by Q1 next year, we would have INR 150 crore from the Promoter, we would have around INR 200 crore from the partner, and we would have at least INR 200 odd crore from insurance. So we expect around INR 550 crore to come either in this year or in Q1 next year.

Abhijit Akella:

Understood. No, that is very helpful. Thank you for that. Just a last couple of ones if I may. One is on the salt order receipts. Obviously, I think in the presentation and in your remarks you have mentioned that things are moving well and we are somewhat close to receiving the order. If you could please put some more color around it - exactly what is the status of things and by when do we expect to see some meaningful shipments happening there?

Dr. Harin Kanani:

As we said in our opening remarks, a lot of people have shown very strong interest both, in the regular larger customers as well as non-regular, who will buy just one time or two times or something like that. Those sales have already increased and that is why you can see smaller but value-wise, a significant increase in terms of our quarter-on-quarter sales in the salt business.

For me the most important point is that while we have one customer with whom we have completed majority of the requirements, they have now started working on the final timelines for approval. As we had said, we will expect that by Q1 FY27 to happen. But in parallel, three to four other customers who, as we had said, had discussed earlier, have already started taking samples or some of them have started approving our samples and because of what is happening in Lithium, even our intermediates like, the simple Lithium salt, have also received very strong inquiries.

Unfortunately, the approval cycle is such that some of them have already approved our samples, they plan to do audits in the month of March, April, May 2026 and then maybe if we have something to do, some corrective actions based on that. So we expect by June 2026, our Dahej site should get audited and approved. And by that time, as you can see, most of our capacity will also be coming on-line. Once these capacities come on-line from Q2, Q3, Q4, we can see good salt-related revenues coming in from Dahej.

And in case of Pakhajan also, we are trying to speed up the salt so that by Q2 financial year, by September 2026, when we said, second half, but we want at least trial

production to start in first half so that we can start the validation process and maximum by December 2026 we try to get the Pakhajan site also approved so that we can take the maximum benefit of the 2027 requirements.

So, I would say Dahej site should be fully qualified through several customers by June 2026, that is Q1, by the end of Q1, and sales should start in Q2. And Pakhajan we are targeting in the second half, but our target would be to complete it by Q3 so that it starts contributing to the sales from Q4 in the next financial year.

Abhijit Akella: And on the capacity addition slide, the 1,100 tons to be commissioned at Dahej, the timeline is now mentioned as March 2026. I believe last quarter it was December 2025. Any particular reason for the slip of three months?

Dr. Harin Kanani: Our team had a training session with Morita team. Our team actually went to Morita's plant and had a hands-on training session. And during that, they picked up some of the improvements which we could further do. So we are implementing that. Most of it is almost ready, but we wanted to (*implement the improvements*) and we also had some slight design change which we carried out in the additive production part of that. Its just that we were implementing some changes in the design for further improvement, so it went to March 2026. Anyway, still we have not received the approval, so we felt it is good to get them done now rather than start and then again stop. That is the reason why we decided to complete them now and complete the expansion by March 2026.

Abhijit Akella: Thanks a lot. Just one last thing from my side, Harin. One is, there were some news articles recently regarding the fact that one of the largest potential customers of yours who could set up battery capacities in India has kind of put their plans on the back burner because of lack of Chinese know-how or technology that they could source. Any thoughts on that? And the other thing just to add in quickly. Bromine prices have been very strong in recent times. Has that had any impact on our business in terms of realizations and is it possible to just break down the volume versus price for this quarter for organic and inorganic? Thank you so much.

Dr. Harin Kanani: First, about the customers. The specific customer which you mentioned, we have not received any such communication from the customer and we continue to discuss with them how we can meet their demands and those discussions continue. On the second point about Bromine prices being strong: most of this has been -- see again, it is not a very big difference, but I know for example in case of Lithium, in case of Organo

Lithium, we have slight volume increase. And in case of organic derivatives, it is very difficult to give you volume growth because the product mix changes quite a bit. So overall there is volume growth, yes, but it is because of the product mix, really that volume growth does not tell you too much. But specifically with regard to Bromine prices remaining, it has not changed too much of our business because usually most of our Bromine is contracted for a longer period of time and with our customers also, we have contracts. So, from one contract to another it kind of gets material. So unless you have a two-times, three-times increase in Bromine (*prices*), we really do not see a big impact related to that. Thank you.

Moderator: Thank you. The next question is from the line of Arun Prasad from Avendus Spark. Please go ahead.

Arun Prasad: Good afternoon, Dr. Harin. Thanks for the opportunity. My first question is - I am just reflecting back to our commentary in the previous call - we said that some of the last stage of approvals for salt, your customers will be visiting your facility in February 2026, I mean Jan-Feb 2026, or online and then approval, and then the final approval. Now we are once again talking about the timelines three to four months down the line. So just to understand, why this repeated delay in the approvals? I understand they have bit more time to comply with the regulatory requirements, but what is actually causing this continuous deferment of the approval timeline? That is my first question.

Dr. Harin Kanani: So Arun, we had said by Jan-Feb 2026 we will be ready with all the modifications which they need, post which, they will do it online or visit. So that is today the status. We are today in the middle of Feb 2026, and we are right now completing. And what we have basically intimated that yes, we have carried out most of the changes. So, we keep discussing with them every alternate week. They said, okay, we will let you know what is going to be our action plan going forward.

So whether they will come within one, two weeks, whether they will come in three weeks, I do not know. But we were supposed to be ready by Jan and Feb 2026, which is what we are ready and now, they can come anytime. And what I told is, by June 2026, not only the existing customer but even the other customers also who are now approved, even they are likely to complete, so some of them started late. And even these guys now are saying, okay, I will come for an audit in April or March or

something. So by June 2026 what we are expecting is all, even the new customers, also should complete.

Arun Prasad: And for this new customers also this is the final leg of the audit or it is just the beginning, first audit?

Dr. Harin Kanani: No, no, final. Final leg. Of course, they can come and say, I want a plant which is similar to your Pakhajan plant. So that is a call which they will take once they finally come and do. I cannot predict that. But yes, I mean that would be the audit. If they come, they are satisfied, then we can start. And then maybe some of them say, oh, Pakhajan is going to be a much better, much bigger plant because it is designed from scratch. Maybe we will just wait six months and take it from Pakhajan. So that can happen. But many of them right now are showing urgency to buy now. So we hope that they will start buying from Dahej and then move over to Pakhajan afterwards. So from three or four, maybe one or two will go this way. The others may say, I will wait for Pakhajan and then start. Because anyway, the capacity that we have in Dahej also is relatively limited.

Arun Prasad: And Dr. Harin, we also heard that some of your US customers are going through some restructuring where the OEMs earlier had entered into the JV and later on they are backing out. Does it concern you that at this stage this kind of restructuring is happening which could potentially again delay the approvals or something like that?

Dr. Harin Kanani: I think maybe you are talking of GM and Ford, doing some JV changes, etc. We are not affected by any of those.

Arun Prasad: Does it also reduce your potential clients from say, earlier you might have a mix of clients between OEMs and battery manufacturers and now potentially OEMs backing away from directly being a stakeholder in the manufacturing. So we will be having a reduced pool of such customers? Is the right way to look at it?

Dr. Harin Kanani: No. Arun, basically, you have to think that majority of the OEMs or these JVs are basically OEM cell producers. Basically what happens is when you are thinking of an electrolyte intermediate, which is LiPF₆, the two main vendors are the cell producer and the electrolyte maker. So these are the two people who have to approve you. And in some cases, the cell producer will also be an OEM. And as I explained, as compared to before where we had, maybe one company, which had contracted with Neogen. With the Morita JV that we have done, there are several more who are

interested. So actually our market in a way with the JV has expanded and more customers are available to us as compared to earlier.

Arun Prasad: Okay, understood. Second, you spoke about various fundraises which are going to happen across in the next six months, roughly INR 500 to INR 600 crore. This will be largely utilized for the working capital requirements as we scale up the business because most of your capex's anyway you have already tied up. So is it the case or we will be again going for the separate working capital loan? How should we look at this?

Dr. Harin Kanani: Whatever money we are raising, some of it would of course, the JV money which is going to come, that will be partly used for completing the capital projects because there also some contribution is still needed. As you see our total debt, you have not utilized all the term loans fully. So there is some contribution required from us. Partly it will be for that contribution, partly will be for working capital reduction. And it is all not fundraise. That is the money which is going to come in, whether it is from insurance, the second is from the JV, and the third is from what we currently propose as promoter infusion.

Arun Prasad: And our first interest payment, that is a moratorium that still we are few quarters away, right? And for the principal repayment?

Dr. Harin Kanani: Yes, for whatever loans we have in Dahej, let us say if we are completing in Q1, then the first principal repayment will be Q1 of FY28. And in case of Pakhajan, it will be right now say H1. So, if we are saying H1 FY27 is when it starts, then H1 FY28 would be the equivalent first repayment after that. So, one year from the start of the plant. From the SCOD.

Arun Prasad: All right. Thank you very much, and all the best.

Dr. Harin Kanani: Thank you.

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

Rohit Nagraj: Thanks for the opportunity. My first question is in terms of our guidance for FY27 and beyond. We had indicated that we will be having about INR 400 to INR 500 crore from the battery chemicals part of the business. However, there has been slight delay in terms of commissioning of the project in terms of approvals. So, do we stand

with the same guidance or we would like to revise it for FY27 and maybe that will fall back even on FY28? Thank you.

Dr. Harin Kanani: No, our guidance remains the same because, the guidance the expectation was that our Dahej site will be fully ready by June 2026 and our expectation that, we will start having sales of this from basically Q1 and majorly from Q2 onwards. So that remains the same. Therefore, our guidance does not change. We have right now not considered the Q4 sales from Pakhajan. So that we have kept as a backup.

If there is further delay or so that would be like an additional sales which will happen. Just our Dahej sales and whatever expected electrolyte demand should be able to allow us to reach the original target and whatever we do in Q4 either in case if there is any slip-up from Dahej, than Q4 salt sales will be contributor for that or that will then be an additional one which will be over and above what we have planned.

Rohit Nagraj: Sure, that is helpful. And on the Neogen Ionics, the Morita JV. How this entire deal has been structured, effectively valuing the JV at \$100 million? What is the current infusion by Neogen in terms of equity as well as debt and there will be another \$20 million which will come from Morita? Given that we have INR 1,500 crore of total investment planned for this, how will the equity participation and the debt look like at when the entire investment has been made?

Dr. Harin Kanani: Basically, we are still discussing with the banks. One thing which is very clear is 80% is going to be Neogen's portion, 20% is going to be Morita's portion. We are still discussing with the banks exactly the debt-equity ratio which we have once we do the separation. We are hoping they will maintain at the same 70-30 level. Depending on that, whatever is the balance which is not contributed by the bank will be in the form of equity. Some of this has already been contributed in the form of equity. I will be able to give a better clarity on this once we have the final clarification from the banks, the loans are separated and we are able to take it separately.

Rohit Nagraj: Right. Just one clarification. So effectively next year when Dahej starts generating the revenues, there will be a 20% minority interest for the equity stake of Morita. Is that right understanding?

Dr. Harin Kanani: No, not in Dahej. Dahej is 100% Neogen. Only the Pakhajan site is going to be through Morita.

Rohit Nagraj: Okay. And can you just split up in terms of Pakhajan site what could be the potential revenues in FY27 and maybe on a longer term in FY29?

Dr. Harin Kanani: In Pakhajan, the salt business - if the question is from the point of view - the Pakhajan site is going to be for Morita, only the salt part will be Morita and Dahej, the electrolyte will continue to remain with NIL. So, in FY27 as I explained earlier that currently we have not considered significant sales because it will be in Q4, we have kept as a bonus.

So, most of what guidance we have given will be largely NIL sales. Maybe, some of that would be routed through NML, because ultimately, for example, the salt in the international business is going to be sold by the JV. But from a revenue point of view, I think most of this would be NIL for FY27.

If we talk of FY29, see FY29 is a bit tricky, because it depends on how much of the salt we are consuming internally and how much of the salt we are selling in the international market. Now that depends on how the international market develops beyond the initial years and the desire to have a China-free supply chain, etc. And the second is how the Indian customers choose whether they want local supply of LiPF₆ or they want lower cost or you know, so it depends on that.

So actually, if you see, we have to take care of our existing international customer demand as well as Neogen's own internal consumption, then we would need more capacity for the salt because the current capacity of salt is not going to be enough. We will have to add capacity. But I think that clarity and that decision will take somewhere towards end of FY27 or FY28 to take care of the FY29 demand.

Because India electrolyte demand is still developing, in FY27 and FY28, the existing salt, the capacity will be sufficient to take care of both. But by FY29, if we have to take care of both international as well as local consumption, then we need to add more capacity. So I think it is a little bit difficult for me to tell you in FY29 how the breakup will be.

Rohit Nagraj: Sure. This is helpful. Thanks a lot for answering all the questions and all the best, sir. Thank you.

Dr. Harin Kanani: Thank you so much.

Moderator: Thank you. The next question is from the line of Meet Katrodiya from Niveshaay. Please go ahead.

Meet Katrodiya: Yes, good afternoon, team. Thank you so much for the opportunity. One question on the US side. If Chinese origin salts get restricted from let us say 2027, is it possible that US customers think about pre-buying and storing inventory in 2026 and then start using it in 2027?

Dr. Harin Kanani: Meet, there are two things. The batteries which are made in 2027 cannot be using Chinese. So, it is not about buying, it is about making batteries which are not containing the material. So, it does not help them to store and use that. It is not like custom duty which is going to come up. It is a different thing. It is on the usage. So, that is not happening. The second thing is the way things stand today, with Chinese prices, sometimes China is even more expensive. Third point is even if you wanted to store and use, usually the shelf life is not more than 6 months even at a electrolyte salt stage. So, I do not think they can store too much of it.

Meet Katrodiya: Got it. And also, when customer talks about reducing China dependence, how does it actually play out in practice? Do they typically start a phased dual sourcing ramp-up or ahead of the time they will start from Q3/ Q2, FY27 onwards or when we can see the major ramp-up from US customers?

Dr. Harin Kanani: There are two types of customers. There are some customers who are cautious who started working with us 2 years back, preparing for it. There are few customers who are saying that yes, they would like to have a ramp-up, so they will have Q2 some quantity coming from Neogen, then Q3, then Q4 and then maybe next year further quantity. So there are some customers like that. There are some which are very price sensitive. So, of course now last two months the things have changed, but till that time they said that till Q4 we will audit you, we will validate you, everything we will keep ready and Q4 is when we make the switch. Because that is what is regulatory driven.

It is completely like that, there was one customer who was more regulatory driven. There were some customers who wanted to be cautious, wanted to gradually scale up. Other customer says approval is very complicated. First do Dahej, then again do Pakhajan...so I will start only directly from Pakhajan. It is a mix of those. And some of these also keep changing because they had some different response when the Chinese prices were very low three months ago. Now they have another response

where they said that okay, before I said I will buy only from Pakhajan, but now okay, maybe I can consider Dahej also. So let me start approving Dahej. So all this is like changing customer to customer and again depending on the market situation.

Meet Katrodiya: Got it, very helpful. And last one based on the ongoing negotiation with customers and ecosystem players in India. Any rough indication, actual working with the actual cell capacity operational by let us say end of 2026 and how that number looks to you in 2027?

Dr. Harin Kanani: You mean calendar year 2026 and 2027?

Meet Katrodiya: Yes, right.

Dr. Harin Kanani: Sorry, what was the question again? The voice was not very clear.

Meet Katrodiya: Yes, I asked that based on your negotiation with customers and your ecosystem players in India for the battery cell manufacturing, any rough indication how much actual cell capacity can come online by the end of calendar year 2026 and how does that number look in 2027?

Dr. Harin Kanani: You are saying cell manufacturing capacity, right?

Meet Katrodiya: Right. Battery cell.

Dr. Harin Kanani: Okay. Battery cell manufacturing if you see right now what we have to go by whatever is public information available. So Ola has announced to go from 1.5 to 5 giga. Then you have a 3 giga which is starting of Exide and 4 giga which is starting from Waaree Energy. So if you look at that, between them technically you should be having around 12 gigawatt hour of production which will be coming online in the current year.

And by end of this year, you should have 12 giga, if we say 12 giga and if the ramp-up happens okay, every month, for example, 1 giga kind of consumption should be reached by let us say end of December 26. So the actual production may be like 3 giga or 5 giga or 6 giga depending on how it ramps up.

But when you enter 2027, you enter with a 12 giga of already installed capacity. And to this you may have to add then whatever Reliance has announced and Amara Raja has announced and Tata has announced. So if you think of their original starting

capacities also, what they wanted to do. So Reliance intention was to reach up to 40 giga in one year from start. If you look at Amara Raja, I think the starting capacity was around 2.5 or 5 giga and Tata has not announced the starting capacity. So if you add all of that you should be let us say at least about 25 giga, 30 giga by end of 2027 as we enter 2028. And, by that time you might and sorry you also need to add that by that time if Ola further increases the capacity or Waaree's intention to increase capacity from 4 to 20 or Amara Raja or Exide's plant to increase from 3 giga and beyond. So, I think by end of 2027 we should be if everything goes well by end of 2027, we should be 40-50 giga plus entering into 2028 based on what customers have shared till now.

Meet Katrodiya:

Got it. And one question on let us say if I was talking with many players, so everyone is of the view that everyone will prefer to have two suppliers, right? One primary and another maybe secondary. Let us say if in India, if Waaree wants to have two suppliers, so what is the let us say moot or maybe the USP of Neogen that it can be the primary supplier as compared to other competitors? Just want to understand what are the qualitative terms that Neogen pitched to Waaree or maybe other guys also that they prefer to have Neogen as the primary supplier.

Dr. Harin Kanani:

I think one is we are already ready. We already have three-four years experience to make it in the lab and supply successfully and last one or two years even from a commercial plant in Dahej. Second, we have Mitsubishi collaboration. Mitsubishi is known to be the best electrolyte producer in terms of quality. So, then you can be 100% sure about the quality of the supply. And the third is we have the backward integration. Fourth is we have actual capacity because one of the thing is you need to have the capacity. So right now we will have a 30 gigawatt hour worth of capacity which will be ready so that nobody has to worry about whether Neogen can supply enough quantity or not. I think these three, four things make Neogen in a positive note.

And just for your reference not everybody in electrolyte has always two suppliers. I know historically many companies where one single supplier, if they feel the risk they will ask the same supplier to keep multiple plants, but sometimes they can have one single supplier exclusively. So two suppliers is not always a necessity in case of electrolyte.

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

Nilesh Ghuge: Harin, my question is on our CDMO and advanced intermediate business. How much was the contribution from these two business verticals in 9M FY26 and how is the progress and the inquiries in CDMO and advanced intermediate business? Any guidance on that for FY27?

Dr. Harin Kanani: Nilesh, thank you so much for asking a question other than battery. Appreciate that. No, I think CDMO and advanced intermediates, we are slightly better as compared to last year and for the first 6 months, 9 months, we were actually ahead as compared to last year. Whatever POs which we had with our customers, we completed and now some of the new revised repeat POs, people are waiting especially on the CDMO side for the new site to come online.

We have shared our progress with the customers and maybe by end of this month or from March 2026 onwards customers will start visiting and we expect again some repeat orders or new projects which were on hold, we can start receiving orders against that.

But overall I think we will expect that as we go let us say this year, if you look at the run rate we are at around INR 800 crore-plus kind of a revenue and as we go from INR 800-plus to INR 950 crore or so. We feel CDMO and advanced intermediates will be a significant area where we will have growth. If I were to just look at 9 months numbers, they are basically the same as compared to the previous 9 months at a CDMO and advanced intermediate level.

Nilesh Ghuge: Despite our Dahej facility not being there, right?

Dr. Harin Kanani: Yes, despite. There was one semiconductor customer that required a specialized equipment. They had enough inventory so we had to skip, we could not do this year. Despite Dahej not being there, we were able to maintain at same levels. Most of these products we were able to do from Mahape and Karakhadi. Some we could not do so we could not register a growth there, but we were able to maintain.

Nilesh Ghuge: And secondly on this toll manufacturing arrangement that we made because of non-availability of our Dahej facility. What percentage of revenue is currently coming

from that and when we are ready with our Dahej facility, do you expect some margin expansion because you are shifting from tolling model to in-house production?

Dr. Harin Kanani: Yes, currently some of the higher costs that you are seeing will reduce, as we move from other expenses, which will change a bit. Whatever is the tolling related expenses, that will go away. Of course, some of it will come in the form of additional power and fuel kind of expense at our Dahej plant. But net of what we feel is, you will have improvement in our cost structure.

Nilesh Ghuge: How much business currently we are doing through our tolling model that we can shift to our in-house production?

Dr. Harin Kanani: Nilesh, it is very difficult for me to say because, you know, in some cases I am just doing one stage there. It is not that, completely it has been done. We are using it on a need basis. And you can basically say that we are able to maintain our current revenues because of several sites, we are not using just one site, there are several sites which we are using in different ways.

So, you know, just like most of it whatever we want to use it will be done by March and April 2026 onwards, our Dahej plant will start getting available partially, maybe by end of June 2026, we feel it will be fully available. So with the inventories that we will build up and the first quarter, the way once the production starts, I think we should be okay and then let us say Q2 onwards you should not see that, we will have a stable production.

So one, you know, as we try to get INR 950 crore, our quarterly run rate also improves to INR 225 to INR 250 crore kind of range in the next financial year, as well as some of the tolling related expenses will go down. And also our insurance premium, the first year is the toughest, that is from July to July. So once that July gets over, from next year, maybe Q2 or Q3 onwards, you have Dahej which is fully stabilized. You have the worst of the insurance over. And the tolling arrangement cost is also gone. And hopefully by that time, Dahej also will be contributing from Q2, Q3 onwards significantly on the battery material side, so that is when you know you will have good improvement in our performance.

Nilesh Ghuge: Okay. Thanks Harin. Thanks a lot. And all the best.

Dr. Harin Kanani: Thank you Nilesh.

Moderator: The next question is from the line of Pratham Kankariya from Quantum Asset Management. Please go ahead.

Pratham Kankariya: Yes. I had one question on the inorganic segment. If I exclude the Neogen Ionics revenue, the trend has been on the downward side for the inorganic chemical segment. If you can present your views, - what is the cause for this? Is this solely attributed to the downward lithium prices? But now that also have spiked up. So, just wanted to get your view.

Dr. Harin Kanani: Yes. It is solely attributed to the downward lithium price and the spike impact we'll see maybe little bit in Q4 but more in the next year if the spike is maintained. So, because till Q3, the lithium prices started increasing by November, December 2025, almost towards December and in January you saw most of the increase to happen. So the material from there will hit me by March or April 2026. Before that, you will not see a big spike.

Pratham Kankariya: Okay, sure. But, still revenue has come on the lower side. Solely attributed to the price, right?

Dr. Harin Kanani: Yes.

Pratham Kankariya: Okay, fine. Sure. Thank you. That is it.

Moderator: Thank you. The next question is from the line of Jason Soans from IDBI Capital. Please go ahead.

Jason Soans: Yes. Thanks for taking my question. Now probably it is a given that Pakhajan will ramp up only in H2 FY27 as you mentioned. Now, just accounting for that. Would we be able to clock in INR 400-INR500 crore from battery chemicals in FY27, accounting for that and any approximate revenue estimations for FY28 as well?

Dr. Harin Kanani: See, we have considered very limited from the salt sales from Pakhajan, because we said it is in H2. So electrolyte will be stable in H1 and as you know I answered earlier that increase in capacity of Ola, Exide getting stable, then you know we said even Waaree starting. So maybe we can expect some electrolyte revenues coming in the second half from these people ramping their operations up.

So that is what is something which we have considered. And as I explained, we said, the salt in Pakhajan will come in H2. So, technically we have not considered any

sales, although we are on track that at least in Q4 we can get some sales, but I have right now kept it as a backup that in case this year, from the time we got listed first time, whatever revenue projections we had given we had to make a significant correction.

So I am a little bit more careful. What we have done is that Q4 whatever Pakhajan salt sales we have not considered, if Dahej is slightly delayed or electrolyte is delayed, the Q4 salt sales will allow me to make up for that so that we do not go wrong on our guidance in the next financial year. And I think FY28, it is too early for me to give a number, but one thing which looks very strong to me is that our salt capacity should be utilized at 80% or more.

You know, because that is something which is in very strong demand. If I sell it in the form of electrolyte, it will be higher. So if I look at today's market price and, if you think of 5,500 tons of total salt capacity and if you think of a 80% utilization even on that, that is around 4,400 at \$20-plus kind of price. Salt and additive is even higher. So on an average price above \$20, if this assumption is valid. Then you would have an INR 1,000-crore plus kind of revenue. And of course, whatever I sell in the form of electrolyte, that's further value addition. So, it should ideally be beyond INR 1,000 crore. But how much beyond is a little bit difficult for me to tell you.

Jason Soans: Sure. But at least for the initial estimate you said INR 400-INR 500 crore, we are sticking to that. For FY27 for battery chemicals.

Dr. Harin Kanani: Yes. There is no change in that.

Jason Soans: Yes. Because you said electrolyte at least will be stable and at least we will be able to garner some volumes from the electrolyte sales.

Dr. Harin Kanani: Yes. And we see, electrolyte sales unfortunately I am dependent upon how my customers start their plant. There is nothing which I can do beyond. So that is why I have kept the Pakhajan Q4 as a backup where anything we do over-perform there can be a backup in case, India electrolyte demand does not shape up as much or in the beginning approvals in Dahej are delayed. So we can kind of make up for that.

Jason Soans: Sure. And if you could tell me, 30,000 MT is what you are clocking in at Pakhajan, which will come on stream in, in terms of electrolytes. So by H1, how much will be online, from the 30,000 MT?

Dr. Harin Kanani: By end of H1, the way the plant is, we are doing a joint trial with Mitsubishi. So our idea is that the entire 30,000 MT, there are three lines and all the three lines would be tested and we would be ready for the 30,000 tons kind of annual capacity, which is monthly like around 2,500 tons.

But, we will take care of the operational side, if we do not see in the first year, business visibility, in terms of planning our people or some other expenses, we will kind of do it gradually. But the plant will be ready for the entire 30,000 MT together.

Jason Soans: Okay, sure. And just in terms of revenue growth from the base business which gets talked about less nowadays. Just to understand in FY27 and FY28, and as FY26 was subdued, I understand the fire incident, but with FY27, can we expect double-digit revenue growth especially with the Dahej plant coming on track post the fire? So just wanted to know for organic, inorganic, how do you expect the base business, can we expect a double-digit revenue growth there?

Dr. Harin Kanani: Yes.

Jason Soans: Okay, sure. And just lastly, wanted to understand in terms of this QIP, this INR 150 crore as you mentioned, just a little bit unclear on this. So, the INR 150 crore is it that Promoter group is going to increase the stake or is it just a regular QIP which is done? Just wanted to get some clarity on that.

Dr. Harin Kanani: No, this is a preferential issue. We felt that, Neogen could help with the equity. We know the insurance money is also coming, the equity is also coming. But as I said, there is a good salt demand also. So we felt that you know if we have to do a little bit more on the salt or additive or as well as in the interim, if we had that equity then that would really help Neogen to seamlessly continue. And make sure that all our execution in 2026 happens seamlessly, and that was the whole idea. So we as a promoter group decided to invest INR 150 crore. But as I said, there is just one clarification we need to take because my father and mother had formed a trust, which was the family trust, and you know SEBI already gives permission that it is a promoter and promoter group. But because of that, there has to be some cooling-off period. So, whether that is needed or not, we are just taking some regulatory guidance on that. But otherwise the idea was to bring in INR 150 crore in the Company before March 2026. So that will also reduce the interest burden, and give us lot of flexibility on things that we want to do.

Jason Soans: But that comes in from the Promoter group. Is that right? So our stake which is right now at 51.22%, that increases in the company.

Dr. Harin Kanani: That is right. Yes.

Jason Soans: That is right. Okay, that is great. And one last thing, this insurance claim money, I understand you said Morita is fine it'll take some time, INR 150 crore from the Promoter at least in Q1 FY27, this insurance claim, of INR 200 crore for the stock claim, by when can we get this?

Dr. Harin Kanani: INR 60 crore is expected maybe today, tomorrow like you know within a week, because the insurance company had already taken all the documents from us for release of the INR 60 crore, we had the agreement. This is the second interim against rebuilding the plant. So we have two stock and rebuilding the plant. Against rebuilding the plant, they are ready to issue INR 60 crore at any given point of time. There are five insurance companies, so they all have to pool into the lead insurer and the lead insurer transfers the money to us. So that process is ongoing, and that should happen anytime.

Then, the stock claim was also, the insurance company had appointed a third party Big 4 kind of auditor. So that process is almost complete. They should finalize the report, based on that surveyor should finalize the report, and you know based on that the money should ideally be released before March 2026. But it can slip up, so that is why I said March or April 2026. But we are working very strongly now with the insurance, that look we have built the whole plant. In fact, if everything happens, we can even ask for the third interim because you know this should still be INR 140 crore.

So, we can still ask for one more interim release before March 2026. But at least these are the two which I am currently taking. And then of course in the next year, as I explained earlier, that the rebuilding cost is going to be more than the loss. So, the balance material which is left against the rebuilding plant, as well as the higher rebuilding cost. So that has to be assessed and that has to be released and the loss on profit has to be assessed.

So that is something in my view, the first part the balance on the stock, I mean, sorry the balance on the capital rebuild should happen before September, and maybe the loss on profit should happen somewhere between September to December. So in a

way, everything from the insurance ultimately hopefully should be achieved by September to December next year.

Jason Soans: Okay, thanks for answering the questions. Thank you.

Dr. Harin Kanani: Yes.

Moderator: Thank you. Ladies and gentlemen, this will be the last question for today, which is from the line of Pratham Kankariya from Quantum Asset Management. Please go ahead.

Pratham Kankariya: Just small thing, what would be the ceiling on capacity utilization both on the salts and electrolytes once we fully ramp up?

Dr. Harin Kanani: You mean utilization wise? Normally salt would be at 80%. It is like a chemical plant. In case of electrolyte, it is a formulation plant so you can go up to 100%.

Pratham Kankariya: Okay. Sure. Thank you.

Moderator: Thank you. Ladies and gentlemen, as that was the last question for today, I would now like to hand the conference over to management for closing comments.

Dr. Harin Kanani: Thank you all for your time and participation today. We trust we have addressed your queries. Should you have any further questions or require additional clarification, please reach out to our Investor Relations team. We appreciate your continued support and look forward to updating you on our progress again next quarter. Thank you once again. Have a great day ahead.

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

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