

NGL Fine-Chem Limited

INVESTOR PRESENTATION



Q4 & FY24

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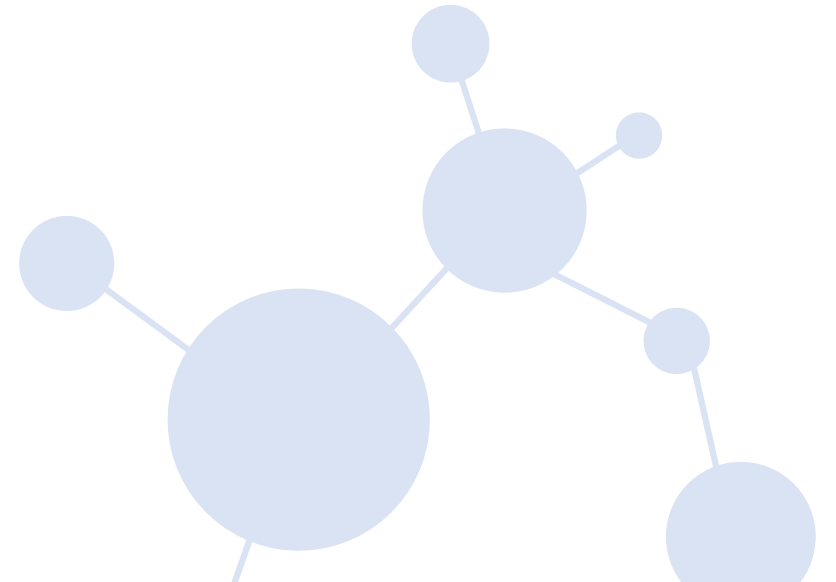
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MANAGEMENT COMMENTARY



Rahul Nachane
MANAGING DIRECTOR

Dear Shareholders,

Reflecting on the full year, I am pleased to report that NGL Fine-Chem Limited has demonstrated resilience and growth despite challenging market conditions. Throughout FY24, we faced several significant challenges, including subdued demand, high customer inventory levels, and currency volatility in key markets such as Egypt, Pakistan, and Turkey. These factors initially constrained our performance and created a competitive landscape marked by pricing pressures.

However, as the year progressed, we observed a gradual easing of these challenges. The inventory destocking phase, which had been a significant headwind, finally came to an end, leading to a notable recovery in demand, particularly from the Asia region. This recovery was driven by robust volume growth, even as average realisations remained stable. Additionally, a significant reduction in raw material costs allowed us to return to normalized margin levels, contributing to an overall improvement in our financial performance.

Our strategic focus on maintaining a diversified product portfolio and not relying excessively on any single product, customer, or geography has been a cornerstone of our resilience. This approach has enabled us to

navigate the volatile market conditions effectively and sustain our growth momentum.

Looking ahead, we are cautiously optimistic about the future. The demand recovery we have witnessed is encouraging, and if it continues to remain robust, we may explore the possibility of outsourcing some manufacturing to capitalise on growth opportunities until our new facility becomes operational.

Our CAPEX plan is progressing well and remains on track, with the first phase expected to be completed by the end of Q2FY25.

We anticipate sustained demand for the coming year, although margins may take time to fully recover. We expect EBITDA margins to remain within the 14-17% band for the next financial year. Our focus will be on gaining market share and growing our business while maintaining financial prudence and sustainability.

We extend our heartfelt thanks for your continued support and trust as we navigate these times with cautious optimism and a focus on sustained growth and value creation..

Operational Metrics

SEGMENTAL REVENUE MIX

PARTICULARS	Q4FY23	Q3FY24	Q4FY24
ANIMAL API	81%	94%	90%
HUMAN API	3%	2%	3%
INTERMEDIATES	11%	2%	3%
FORMULATIONS	4%	2%	4%

GEOGRAPHIC MIX

PARTICULARS	Q4FY23	Q3FY24	Q4FY24
Asia	31%	33%	42%
Europe	38%	16%	22%
India	18%	25%	23%
ROW	12%	20%	12%
USA	0%	6%	0%

PRODUCT CONCENTRATION

PARTICULARS	Q4FY23	Q3FY24	Q4FY24
TOP 3 PRODUCTS	41%	36%	34%
TOP 5 PRODUCTS	58%	51%	49%
TOP 10 PRODUCTS	78%	72%	72%

CUSTOMER CONCENTRATION

PARTICULARS	Q4FY23	Q3FY24	Q4FY24
TOP 3 CUSTOMERS	26%	17%	19%
TOP 5 CUSTOMERS	33%	25%	26%
TOP 10 CUSTOMERS	46%	41%	39%

Full Year Operational Metrics

SEGMENTAL REVENUE MIX

PARTICULARS	FY22	FY23	FY24
ANIMAL API	81%	83%	89%
HUMAN API	7%	5%	3%
INTERMEDIATES	9%	7%	3%
FORMULATIONS	3%	5%	5%

GEOGRAPHIC MIX

PARTICULARS	FY22	FY23	FY24
Asia	35%	34%	34%
Europe	27%	30%	22%
India	24%	22%	26%
ROW	10%	12%	16%
USA	3%	2%	2%

PRODUCT CONCENTRATION

PARTICULARS	FY22	FY23	FY24
TOP 3 PRODUCTS	37%	34%	32%
TOP 5 PRODUCTS	52%	47%	46%
TOP 10 PRODUCTS	76%	72%	61%

CUSTOMER CONCENTRATION

PARTICULARS	FY22	FY23	FY24
TOP 3 CUSTOMERS	13%	17%	16%
TOP 5 CUSTOMERS	20%	24%	24%
TOP 10 CUSTOMERS	33%	35%	36%

Summary of Profit and Loss Statement

₹ IN CRORES

PARTICULARS	Q4FY23	Q3FY24	Q4FY24	Q-o-Q	Y-o-Y	FY23	FY24	Y-o-Y
REVENUE FROM OPERATIONS	73.89	87.95	99.76	13.43%	35.01%	278.08	338.68	21.79%
OTHER INCOME	2.10	3.68	3.68	0.00%	75.24%	5.53	14.13	155.52%
TOTAL INCOME	75.99	91.63	103.44	12.89%	36.12%	283.61	352.81	24.40%
TOTAL OPERATING EXPENSES	60.92	74.08	83.94	13.30%	37.79%	243.76	285.41	17.09%
EBITDA	12.97	13.87	15.82	14.08%	21.97%	34.32	53.27	55.22%
EBITDA MARGIN (%)	17.55%	15.77%	15.86%	9 bps	(170 bps)	12.34%	15.73%	339 bps
FINANCE COST	0.34	0.28	0.49	78.18%	44.12%	1.20	1.34	11.51%
DEPRECIATION AND AMORTISATION EXPENSES	2.68	2.94	2.92	-0.78%	8.96%	11.29	11.64	3.17%
PROFIT BEFORE TAX	12.05	14.33	16.09	12.29%	33.53%	27.36	54.42	98.89%
PROFIT AFTER TAX	9.32	10.03	12.32	22.89%	32.30%	20.50	41.32	101.54%

Summary of Balance Sheet

₹ IN CRORES

PARTICULARS

FY23

FY24

SHAREHOLDERS FUND

222.55

262.63

NON CURRENT LIABILITIES

6.23

6.32

LONG TERM BORROWINGS

2.07

0.75

CURRENT LIABILITIES

58.30

86.59

SHORT TERM BORROWINGS

28.41

31.70

TOTAL EQUITY AND LIABILITIES

287.08

355.54

NON CURRENT ASSETS

124.43

142.87

NET BLOCK

87.59

85.30

CURRENT ASSETS

162.65

212.67

INVENTORIES

26.99

43.30

TRADE RECEIVABLES

65.87

89.62

CASH & BANK BALANCES

5.00

6.16

TOTAL ASSETS

287.08

355.54

Summary of Cash Flow Statement

₹ IN CRORES

PARTICULARS

CASH FLOW FROM OPERATING ACTIVITIES

FY23

35.29

FY24

20.47

CASH FLOW FROM INVESTING ACTIVITIES

(27.02)

(26.82)

CASH FLOW FROM FINANCING ACTIVITIES

(1.08)

(1.08)

NET CASH FLOW

7.18

(7.43)

CASH AT THE BEGINNING OF YEAR

0.64

7.83

CASH AT THE END OF YEAR

7.83

0.4

02

Overview, **Strengths and Strategy**

- 12 LEADING ANIMAL HEALTH COMPANY
- 13 LEADERSHIP IN VETERINARY API SEGMENT
- 14 STATE-OF-THE-ART MANUFACTURING CAPABILITIES
- 15 STRATEGY FOR NEXT LEG OF GROWTH



Leading Animal Health Company



COMPREHENSIVE PRODUCT PORTFOLIO

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



MARKET LEADERSHIP IN VETERINARY API

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



MANUFACTURING EXCELLENCE

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



LARGE GLOBAL PRESENCE

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



LONG STANDING CUSTOMER RELATIONSHIPS

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

Leadership in Veterinary API Segment

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

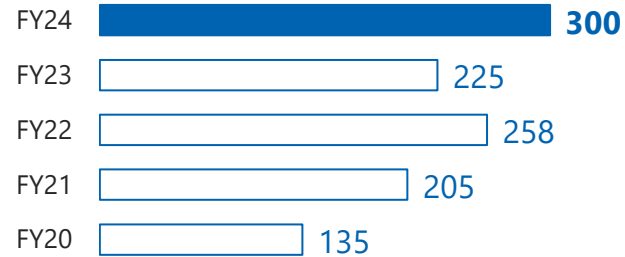
High quality and reliable products with no market rejection in **15 years**

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

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

REVENUE FROM VETERINARY API SEGMENT

(₹ IN CRORES)



22%
CAGR

WIDE RANGE OF PRODUCT CATEGORIES

ANTHELMINTICS

ECTOPARASITICIDES

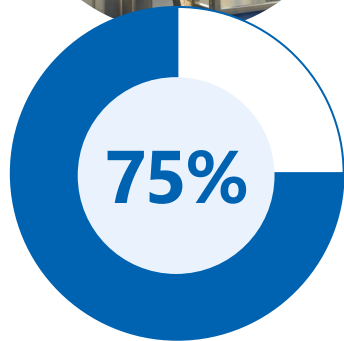
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PHOSPHORUS SUPPLEMENTS

CUSTOMER & PRODUCT CONCENTRATION (OF SALES FY24)

	CUSTOMER	PRODUCT
TOP 3	16% (17% FY23)	32% (34% FY23)
TOP 5	24% (24% FY23)	46% (47% FY23)
TOP 10	36% (35% FY23)	61% (72% FY23)

State-of-the-art Manufacturing Capabilities



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

PRODUCTION COMING FROM ZERO LIQUID DISCHARGE FACILITIES

HIGHLIGHTS

10,000 m²

AREA OF MANUFACTURING FACILITIES

102 m³

GLASS-LINED REACTORS

194 m³

STAINLESS STEEL REACTORS

12 m³

GAS INDUCTION REACTORS

-20°C to +250°C

REACTION RANGE



ACCREDITATIONS

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

Strategy for next leg of growth



**ONGOING INITIATIVES
TO INCREASE
CAPACITIES TO MEET
GROWING DEMAND**

BROWNFIELD EXPANSION

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



**LARGER EXPANSION
TO DRIVE THE NEXT
LEG OF EXPONENTIAL
GROWTH**

GREENFIELD EXPANSION AT TARAPUR

- 50% capacity expansion with sufficient capacity to meet demand for new products in pipeline
- Estimated capex of ₹ 140 Cr to be funded through debt and internal accrual
- Civil construction undergoing. Invested ₹ 45 crores till Q4FY24

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Historical Financial **Performance**

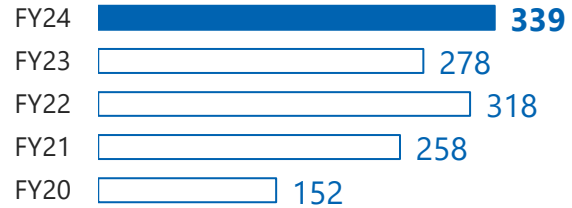
17 ROBUST FINANCIAL PERFORMANCE



Robust Financial Performance

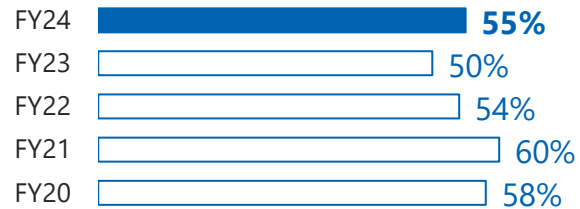
REVENUE

(₹ IN CRORES)



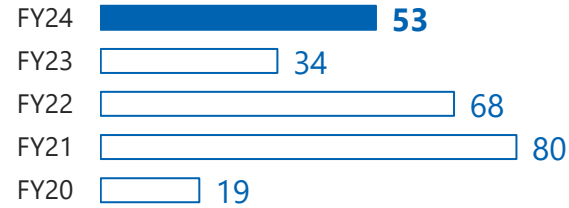
GROSS MARGIN

(IN %)



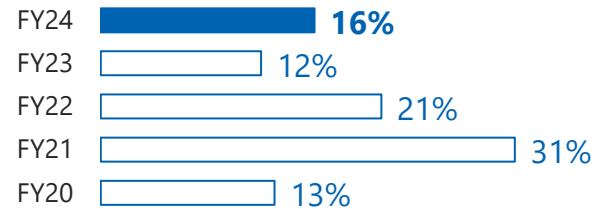
EBITDA

(₹ IN CRORES)



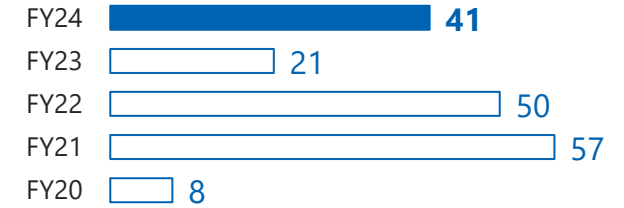
EBITDA MARGIN

(IN %)



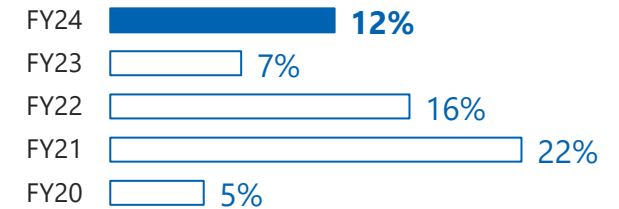
PAT

(₹ IN CRORES)



PAT MARGIN

(IN %)



EBITDA excludes Other Income

Thank **You**

**FOR ANY FURTHER INFORMATION,
PLEASE CONTACT**

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