

27th May 2023

To,
BSE Limited
Listing Compliance & Legal Regulatory
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

To,
National Stock Exchange of India Limited
Listing & Compliance
Exchange Plaza, Bandra-Kurla Complex,
Bandra East, Mumbai 400 051

Stock Code: 543233

Stock Symbol: CHEMCON

Dear Sir/Madam,

Sub: Investor Presentation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith the "Investor Presentation" for May 2023.

The aforementioned presentation has been uploaded on the company's website www.cscpl.com.

We request you to take the above on your records.

Thanking you,
Yours faithfully,

For Chemcon Speciality Chemicals Limited

SHAHILKUMAR
MAHESHBHAI
KAPATEL

Digitally signed by
SHAHILKUMAR
MAHESHBHAI KAPATEL
Date: 2023.05.27 19:21:45
+05'30'

Shahilkumar Kapatel

Company Secretary & Compliance Officer

Membership No.: A52211



Chemcon Speciality Chemicals Limited

Investor Presentation – May 2023



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Q4 & FY23 Highlights



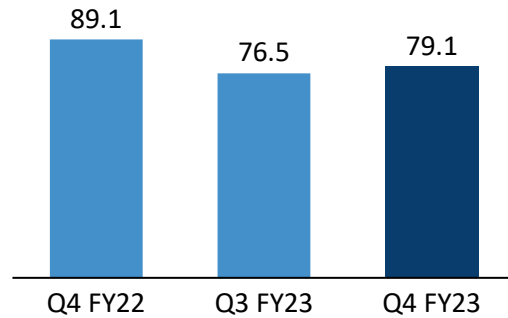
“We have closed the fiscal year with a total income of Rs. 303 crores, an increase of 18% from the previous year. During the most recent quarter, there were a number of sluggish spots, which were followed reasonable demand in March. The general downturn in the end-user market have somewhat dampened the sentiments. The demand for our two key products, HMDS and CMIC, has been low over the past few quarters. The sluggish demand has exerted some pressure on average realization. We expect the demand for these products to revive in H2FY24.

We have reported a significant increase in bromides business, which was driven by a significant increase in sales volume. However, an uncertain price movement in bromine has moderated the overall growth. Bromobenzene receiving good enquiries from global agrochemical players but unable to capitalize on it due to sharp decline in bromine prices. We expect this new product to flourish once the business environment is normalized. On the other hand, we have sent few samples of Guanine to clients and expect to receive a healthy inquiry in the coming quarters. Due to the dismal outlook of end-user industries, we will commercialize of our P10 unit by end of FY24. Over the years, we have invested heavily on strengthening the foundation which shall pave the path for growth in the coming years.”

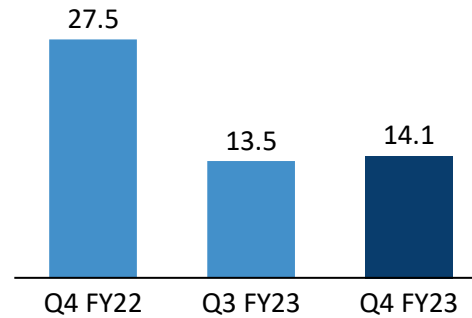
Mr. Kamal Aggarwal,
Chairman & Managing Director

Financial Highlights

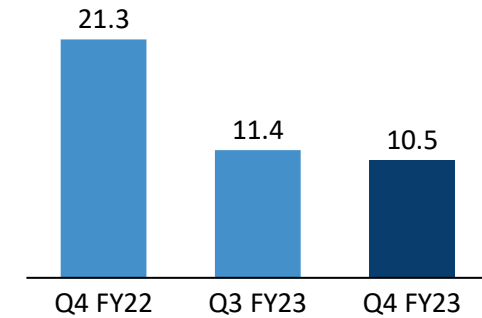
Total Revenue (Rs. Cr)



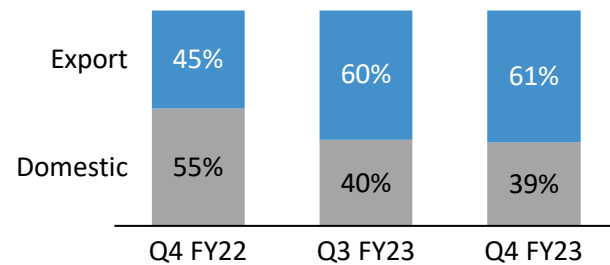
EBITDA (Rs. Cr)



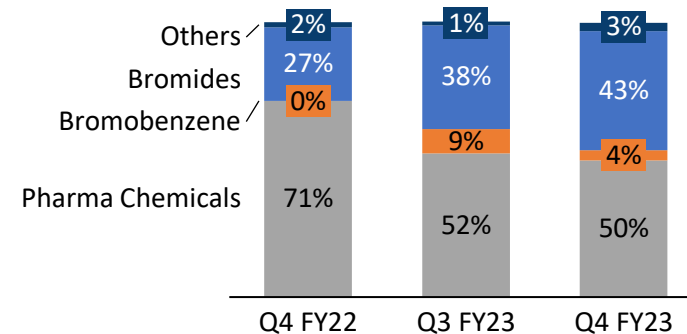
PAT (Rs. Cr)



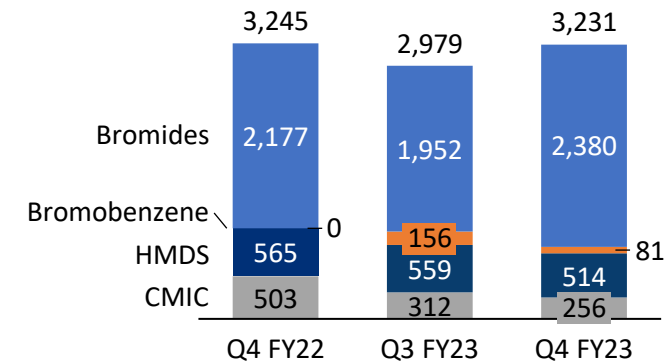
Geographic-Wise (%)



Business-wise (%)

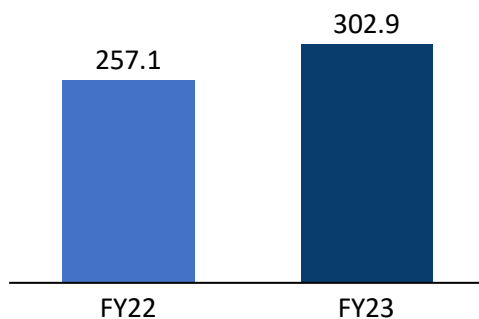


Sales Volume (MT)

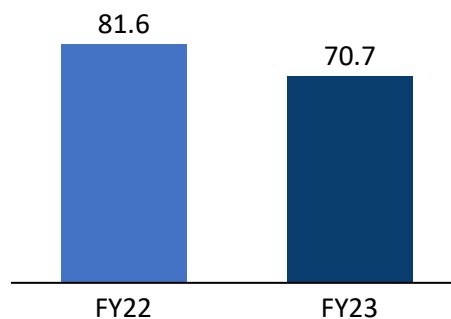


Financial Highlights

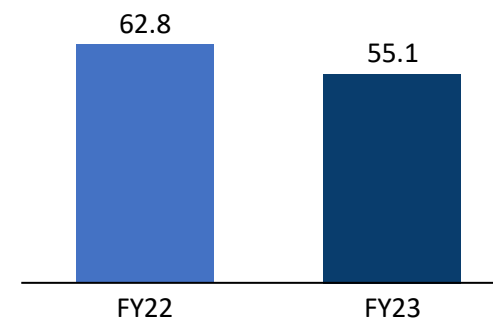
Total Revenue (Rs. Cr)



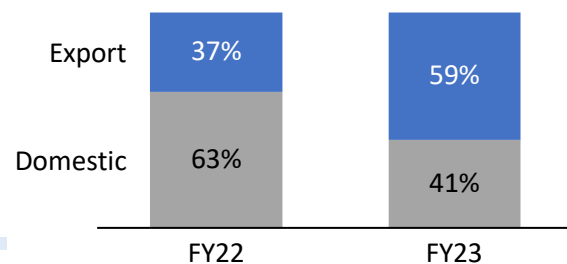
EBITDA (Rs. Cr)



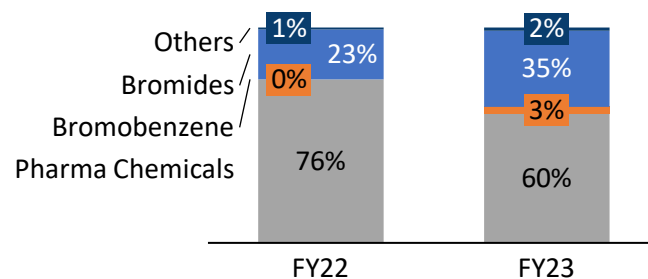
PAT (Rs. Cr)



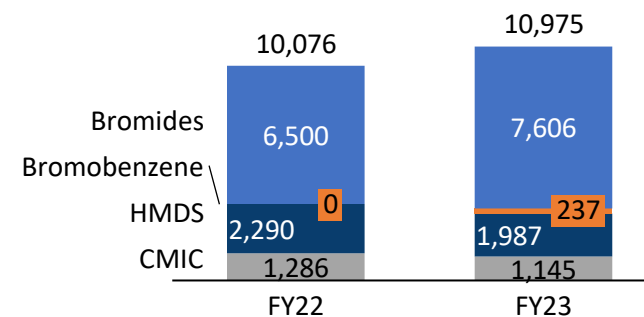
Geographic-Wise (%)



Business-wise (%)



Sales Volume (MT)



Profit & Loss Statement

Particulars (Rs. Crs)	Q4 FY23	Q4 FY22	Y-o-Y	FY23	FY22	Y-o-Y
Revenue from Operations	79.1	89.1	-11.3%	302.9	257.1	17.8%
Cost of Goods Sold	53.6	45.3		175.7	124.4	
Employee Cost	5.0	5.1		20.5	19.1	
Other Expenses	6.4	11.2		35.9	32.0	
EBITDA	14.1	27.5	-48.8%	70.7	81.6	-13.4%
EBITDA Margin	17.8%	30.8%		23.3%	31.7%	
Other Income	2.9	2.7		13.3	9.2	
Depreciation	2.3	1.7		8.4	6.3	
EBIT	14.7	28.5		75.6	84.6	
Finance Cost	0.5	0.1		1.5	0.6	
Profit before Tax	14.2	28.4		74.2	84.0	
Tax	3.7	7.1		19.0	21.2	
PAT	10.5	21.3	-50.8%	55.1	62.8	-12.2%
PAT Margin %	13.2%	23.9%		18.2%	24.4%	
Basic EPS	2.86	5.81		15.04	17.13	

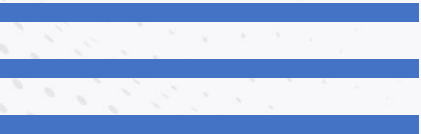
Consolidate Balance Sheet

ASSETS (Rs. Crs)	Mar-23	Mar-22
Non-Current Assets		
a) Property, Plant And Equipment	141.4	81.7
b) Capital Work in Progress	13.6	34.0
c) Right Of Use Asset	0.0	0.5
d) Intangible Assets	0.0	0.0
e) Other Financial Assets	84.0	0.9
f) Other Non-Current Assets	2.9	5.1
Sub-Total - Non-Current Assets	242.0	122.3
Current Assets		
a) Inventories	79.0	34.6
b) Financial Assets		
i) Trade Receivables	67.6	102.5
ii) Cash And Cash Equivalents	44.4	35.9
iii) Bank Balances	86.4	188.2
iv) Other Financial Assets	4.3	5.5
c) Other Current Assets	24.4	8.3
d) Current tax assets	5.1	0.7
Sub-Total - Current Assets	311.4	375.7
Total - Assets	553.4	498.0

EQUITY AND LIABILITIES	Mar-23	Mar-23
EQUITY AND LIABILITIES		
Equity		
a) Equity Share Capital	36.6	36.6
b) Other Equity	420.7	380.6
Total Equity	457.4	417.2
Liabilities		
Non-Current Liabilities		
a) Financial Liabilities		
i) Borrowings	0.7	0.6
ii) Lease Liabilities	0.0	0.2
iii) Other financial liabilities	0.8	2.1
b) Non current Provisions	0.1	0.1
c) Deferred Tax Liabilities (Net)	3.1	0.3
Sub-Total - Non-Current Liabilities	4.7	3.2
Current Liabilities		
a) Financial Liabilities		
i) Borrowing	63.2	34.9
ii) Trade Payables	21.4	23.9
iii) Other Financial Liabilities	4.1	7.1
iv) Lease Liabilities	0.0	0.3
b) Other Current Liabilities	2.4	9.8
c) Short Term Provisions	0.0	0.0
Current tax assets	0.0	1.5
Sub-Total - Current Liabilities	91.3	77.6
Total - Equity And Liabilities	553.4	498.0

Consolidate Cash Flow Statement

Particulars (Rs. Crs.)	Mar-23	Mar-22
Net Profit Before Tax	74.2	84.0
Adjustments for: Non Cash Items / Other Investment or Financial Items	0.8	1.4
Operating profit before working capital changes	73.3	82.6
Changes in working capital	-38.5	14.6
Cash generated from Operations	34.9	97.2
Direct taxes paid (net of refund)	22.1	23.1
Net Cash from Operating Activities	12.7	74.1
Net Cash from Investing Activities	-16.3	-92.5
Net Cash from Financing Activities	12.0	29.8
Net Decrease in Cash and Cash equivalents	8.4	11.4
Add: Cash & Cash equivalents at the beginning of the period	36.0	24.5
Cash & Cash equivalents at the end of the period	44.4	35.9



Company Overview



Company Snapshot

Incorporated in 1988

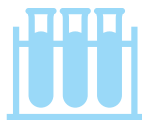
Manufacturer of Speciality
Chemicals

An ISO 9001:2015 and ISO
14001:2015 Certified Company

Business Verticals: HMDS, CMIC,
Bromides & Bromobenzene

Manufacturing Facilities near
Manjusar, Vadodara, Gujarat

9 Operational Plants, 6 Owned and 2
lease Warehouses



Only Manufacturer of HMDS in India



3rd Largest Manufacturer of HMDS
Worldwide



Largest Manufacturer of CMIC
worldwide

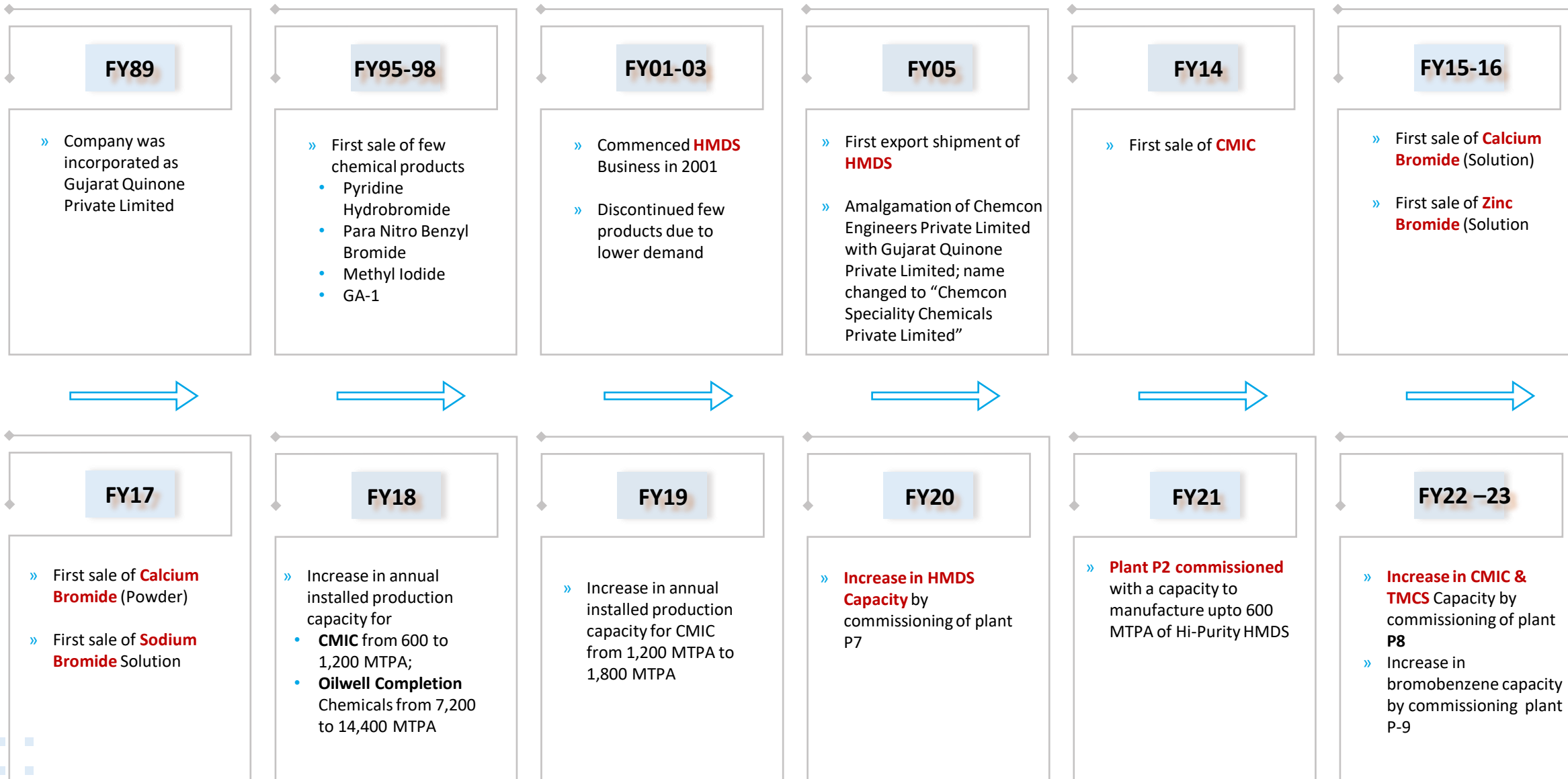


Only Manufacturer of Zinc Bromide in
India



Largest Manufacturer of Calcium
Bromide in India

Evolution





Global Presence

FY23 Export
Contribution*:

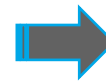
~59%

Key Countries

- | | |
|------------------------------|------------------------|
| » United States of America | » Japan |
| » Italy | » United Arab Emirates |
| » South Korea | » Russia |
| » Germany | » Spain |
| » People's Republic of China | » Thailand |
| | » Malaysia |

Over Two Decades of Experience in Chemicals

- Manufacturing
- Exports



Well Equipped to Seize Upcoming Opportunities

Entry Barriers

Complex Chemistry

- » The involvement of complex chemistry in the manufacture of the Products, which is difficult to commercialize on a large scale

Stringent Impurity Measure

- » Our processes and products are subject to, and measured against, high quality standards and stringent impurity specifications

Long Gestation Period

- » Customer acquisition involves a long gestation period, resulting in a very few players being involved in manufacturing of the products

Entry Barriers

Technical Know-how

- » Handling chemicals requires a high degree of technical skill and expertise and operations involving such hazardous chemicals ought to be undertaken only by personnel who are well trained to handle such chemicals

Regulatory Norms

- » To comply with all regulatory norms and filings with various agencies

High Replacement Cost

- » Any change in the vendor of the product may require significant time and cost for the customer

Key Long-Term Relationships



Pharmaceutical Chemicals

HMDS

CMIC



HETERO



HETERO



Oilwell Completion Chemicals

Inorganic
Bromides



**Shree Radha
Overseas**

**CC Gran Limited
Liability Company**

Longstanding
Clients

Strong Base

New Product
Development

New Customer
Reach

Top 5 customers
contribute ~40%

Top 10 customers
contribute ~58%

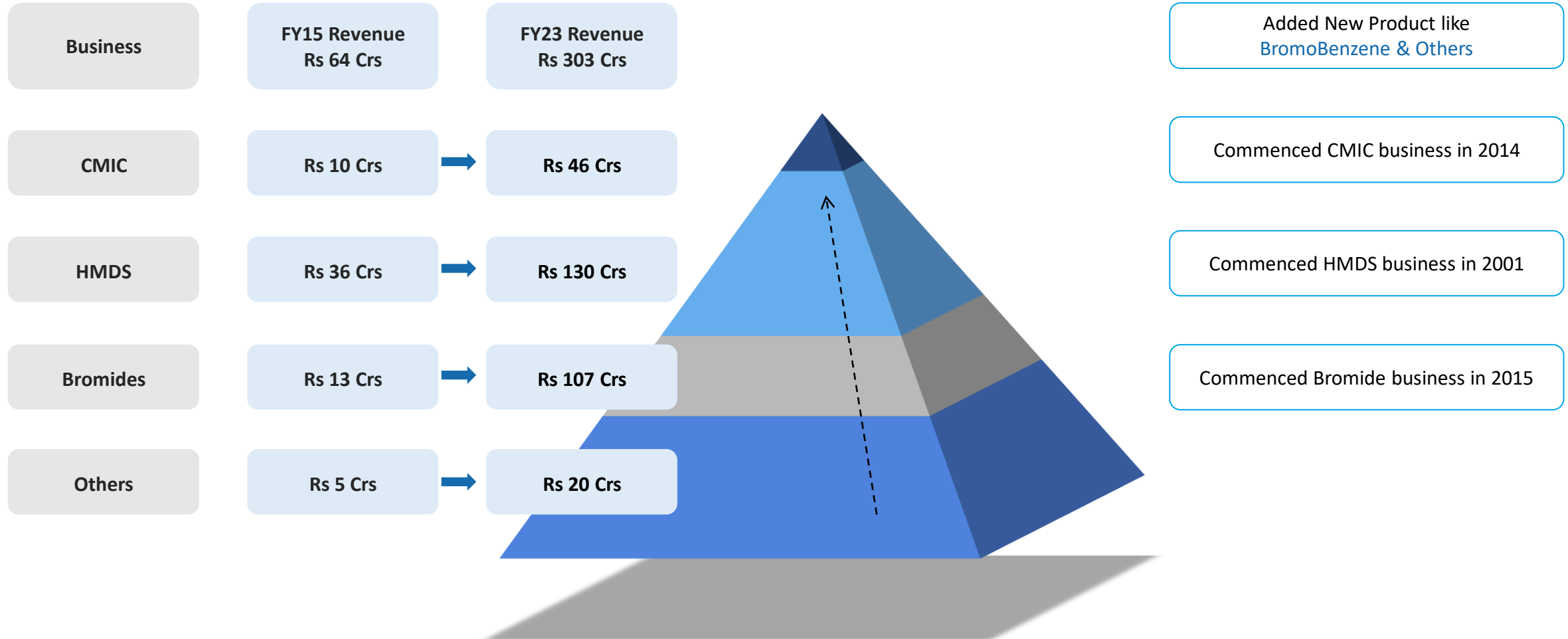
Few customers age
more than 2
decades with us

Major customers
have been with us
for more than 5
years

Well equipped to
retain market
presence

Leading to increase
in new product
base and reach out
to new customers

Moving up the Value Chain



Key Certifications

Key Certifications



R&D

In-house laboratory to test

- » Raw materials procured
- » New Products & Innovation
- » Final products testing at the various stages of the manufacturing process
- » Well equipped with new instruments & machinery

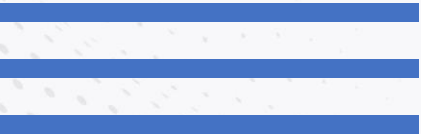


Environment

Complying All Environment Laws

- » The Environment (Protection) Act, 1986
- » Water Prevention and Control of Pollution Act
- » Air Prevention and Control of Pollution Act, 1981
- » We are a zero-discharge company





Product Overview



Market Overview



	HMDS	CMIC	Bromides
Global Market Capacity (CY19)	~35,700 MT	~6,880 MT	~362,000 MT
Global Market Production (CY19)	~25,390 MT	~3,927 MT	~246,000 MT
Chemcon Production (FY23)	1,950 MT	997 MT	4,275 MT
Chemcon Share in Global Market	~8%	~25%	~2%
Domestic Import (CY19)	~1,622 MT	~1,574 MT	-

We are well positioned to substitute imports and maintain growth trajectory

Source: Frost & Sullivan

Hexamethyldisilazane / Hexamethyldisilane

- » HMDS, an organosilicon compound, is a reagent and a precursor to bases that are popular in organic synthesis and organometallic chemistry
- » HMDS is widely used in the pharmaceutical industry as a silylating agent in the process of manufacture of pharmaceutical drugs of the Penicillin group and may also be used in the semiconductor electronics industry and in vinyl silicone rubber to improve their tearing strength

Key Attributes*

Only Manufacturer in India

3rd Largest Manufacturer Worldwide

Capacity

Product (MT)	Period	Capacity	Production	Utilisation
HMDS	FY23	4,200	1,950	~46%
Hi-Purity HMDS	FY23	600	-	

*Includes Outsource Capacity

End Applications

- » **Pharmaceutical:** As a silylating agent in the process of manufacture of pharmaceutical drugs of the Penicillin group
- » **Semiconductor:** Surface treatment agent of diatomite, white carbon black, titanium and blond additives of photoresist
- » **Organic Synthesis:** Precursor to many bases common in organic synthesis and organometallic chemistry
- » **Others:** Photolithography, electron microscopy and pyrolysis gas chromatography-mass spectrometry

Business Performance (Rs in Cr)

% of Total Revenue	43%	50%	50%	47%	43%
	130	131	121	122	130
Export	23	17	19	26	67
Domestic	108	115	102	95	63
	FY19	FY20	FY21	FY22	FY23

Source: Frost & Sullivan *Above data are as per CY19
Export data are inclusive of Deemed Exports

Chloromethyl Isopropyl Carbonate

- » CMIC (chloromethyl isopropyl carbonate) is an antiviral drug intermediate product, which is a key intermediate for anti-AIDS and anti-hepatitis B drug Tenofovir
- » The downstream product of chloromethyl isopropyl carbonate, Tenofovir is a nucleotide antiviral drug developed by Gilead Corporation of the United States. Tenofovir and its combination preparations have become the largest sales of anti-AIDS drugs

Key Attributes*

Largest Manufacturer
Worldwide

Capacity

Product (MT)	Period	Capacity	Production	Utilisation
CMIC	FY23	3,000	996	~33%

End Applications

- » CMIC is mainly used in pharmaceutical industry as a key intermediate for anti-AIDS anti-hepatitis B drug Tenofovir
- » CMIC can also be used in synthesis of other antiviral drugs

Business Performance (Rs in Cr)

% of Total Revenue	16%	13%	35%	26%	15%
			84		
	48	34	40	68	46
Export	25	10		32	18
Domestic	23	24	44	36	28
	FY19	FY20	FY21	FY22	FY23

Source: Frost & Sullivan *Above data are as per CY19
Export data are inclusive of Deemed Exports

Oilwell Completion Chemicals - Bromides

Inorganic Bromides: Calcium Bromide, Zinc Bromide and Sodium Bromide

- » Oilwell Completion Chemicals are used to complete the well and is normally a salty solution made up of chlorides or bromides
- » In addition to cleaning the wellbore, after the drilling is finished, completion chemical is used to control the pressure down-hole, prior to and while well completion operations are in progress
- » We manufacture a range of inorganic bromides, namely: Calcium Bromide (solution and powder), Zinc Bromide (solution) & Sodium Bromide (solution and powder)

Key Attributes*

Only Manufacturer of
Zinc Bromide in India

Largest Manufacturer of
Calcium Bromide in India

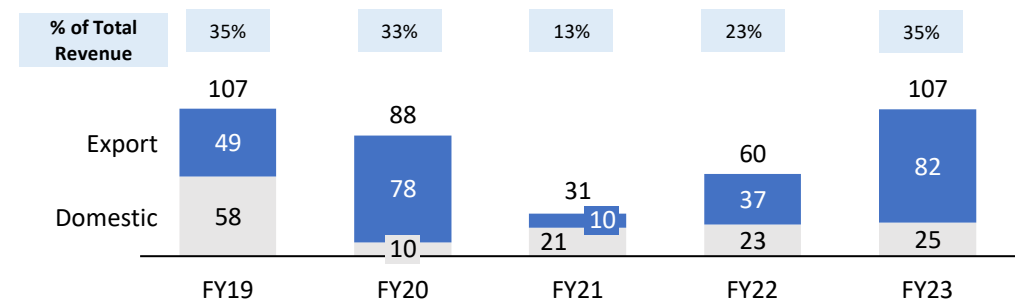
Capacity

Product (MT)	Period	Capacity	Production	Utilisation
Bromides (Total)	FY23	15,000	4,275	~29%

End Applications

- » **Sodium Bromide (NaBr)** : Used alone or in a combination with sodium chloride or zinc bromide to form clear workarround and drilling fluids; useful when used in formations that are known to have sensitivity towards calcium
- » **Zinc Bromide (ZnBr₂)**: Clear, solid-free brine fluid; it can be used with other bromides and chlorides to prepare non-damaging liquids
- » **Calcium Bromide (CaBr₂)**: Used as a completion and work-over fluid to control wellbore pressures in upstream oil & gas operations

Business Performance (Rs in Cr)



Source: Frost & Sullivan *Above data are as per CY19
Export data are inclusive of Deemed Exports

Manufacturing Facilities



Plant No	Product categories	Product Manufactured	Installed Capacity (MT P.A)	Volume Reactor Capacity (In KL)
P-3 & P-7	Pharmaceutical Chemicals	HMDS and ancillary products	4,200	177.80
P-2		HMDS (hi-purity)	600	13.00
P-4		CMIC	3,200	121.75
P-6		Multipurpose Capacity - CMIC		
P-8		Multipurpose Capacity - TMCS, CMIC	3,600	
P-9		Bromo Benzene	2,400	
P-10		Proposed Multipurpose Capacity (Pharma Intermediate Chemicals)	FY24e	
P-5	Oilwell Completion Chemicals	Calcium Bromide (solution), Zinc Bromide (solution) and Sodium Bromide (solution)	14,400	57.30
P-1		Calcium Bromide (powder)	600	5.00
Total Capacity (MTPA)			29,000	374.85

Located at Manjusar near Vadodara, Gujarat

9 Operational Plants

1 Proposed Expansion Plant under process

In-House R&D Laboratory

6 Owned + 2 Lease Warehouses

2 Marketing Offices in Mohali & Hyderabad

Located at Manjusar near Vadodara, Gujarat



Capacity Expansion

- » We intend to build additional plants P10 unit in FY24
- » These additional plant will manufacture chemicals which are principally used in the pharmaceutical industry

Import Substitution

- » India's current domestic demand is being catered by imports for HMDS and CMIC
- » We are the only manufacturer of HMDS in India and the largest manufacturer of CMIC in India in terms of production in the calendar year 2019, aims to capitalize on the potential growth in the demand for CMIC and HMDS in India and to substitute imports

Exploring New Applications

- » Aim to expand the sale of our products to other industries where our products have an application
- » For instance, for HMDS, we aim to market our products for end-use applications in other industries including the rubber and semiconductor manufacturing industry
- » Company has recently commissioned P-9 unit to produce bromobenzene which find application in agrochemical

Cost Efficiencies

- » We intend to continue to be cost-efficient in the production of our products. This efficiency is achieved through strategies like –
 - Having a large single-location manufacturing facility
 - Dedicated plants for each product
 - Process re-engineering for efficient raw material consumption
 - Being a sizeable player in the industry in each of our products



Way Forward

Moderate Growth in

Pharma Industry



Moderate Recovery in

Oil Industry



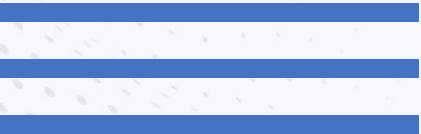
Exploring
Opportunities in

New Products



Leading to Long Term Sustainable Growth

New Products, New Clients, New Applications, New Opportunities

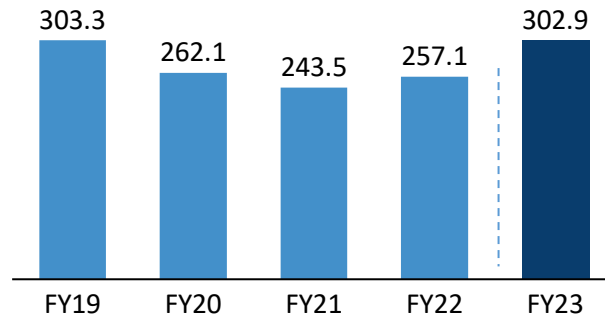


Financial Highlights

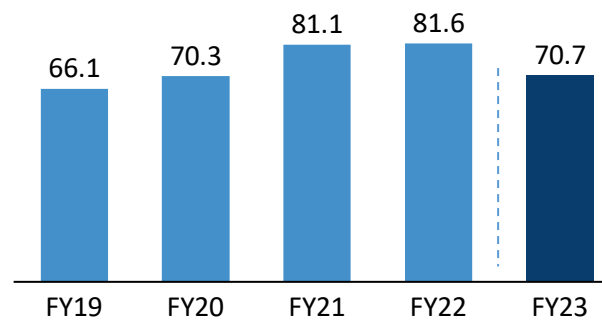


Financial Trends

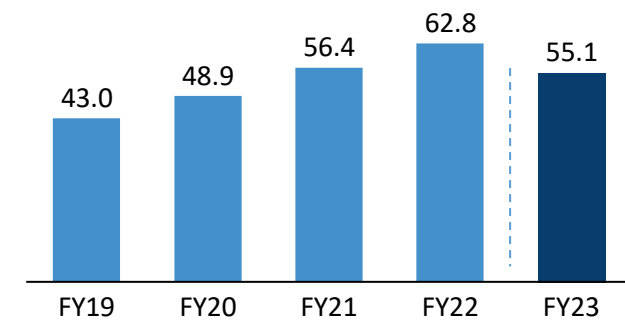
Total Revenue (Rs. Cr)



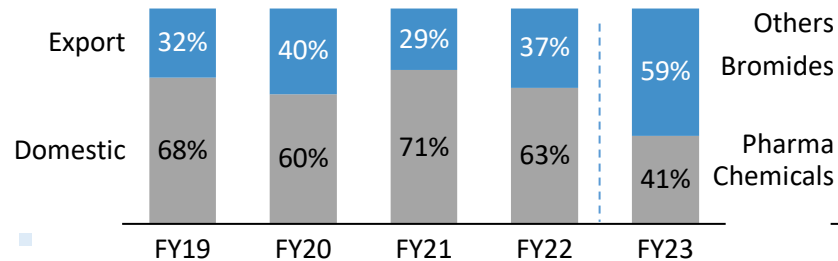
EBITDA (Rs. Cr)



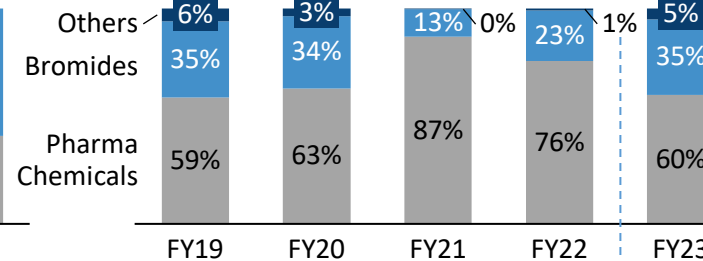
PAT (Rs. Cr)



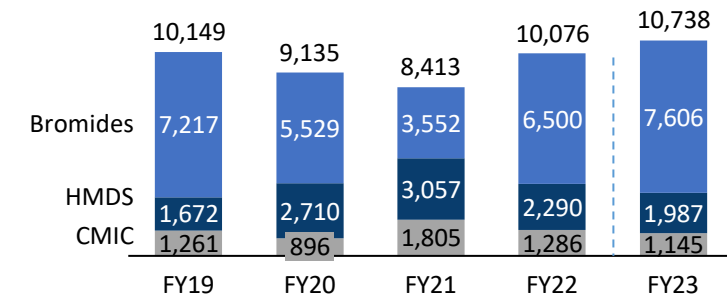
Geographic-Wise (%)



Business-wise (%)



Sales Volume (MT)*

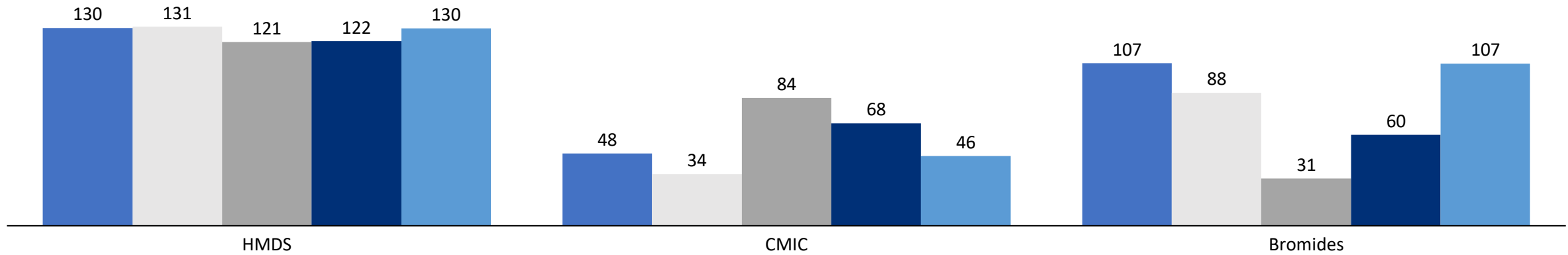


*Excludes Bromobenzene & Other products

Export data are inclusive of Deemed Exports

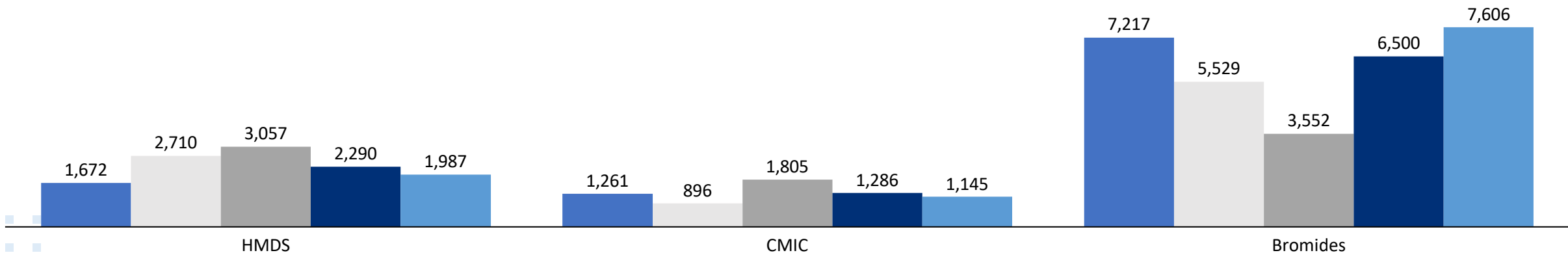
Performance Highlights

Total Revenue (Rs. Cr)



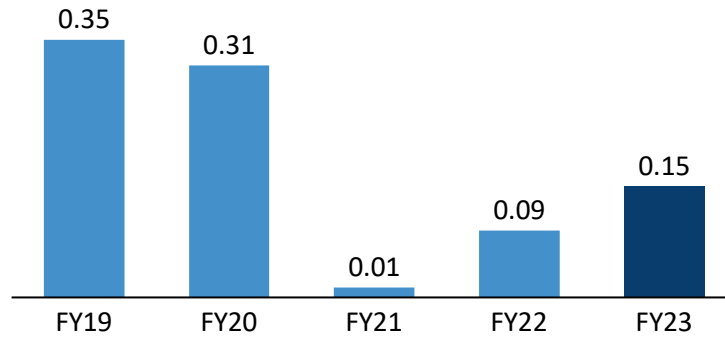
FY19 FY20 FY21 FY22 FY23

Sales Volume (MTPA)

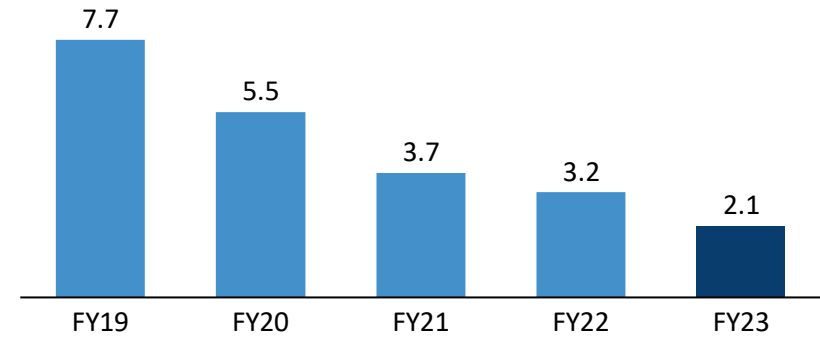


Key Ratios

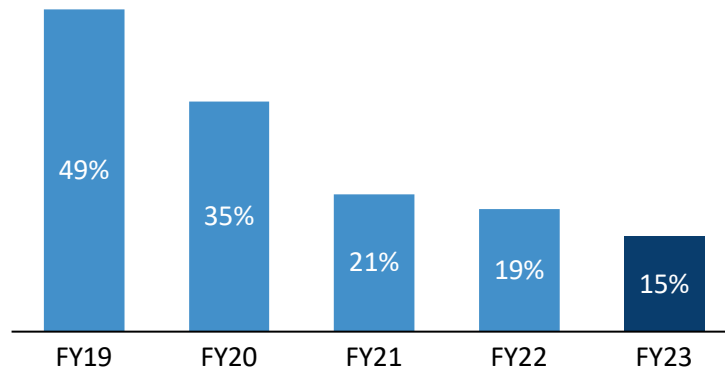
Net Debt/ equity (x)



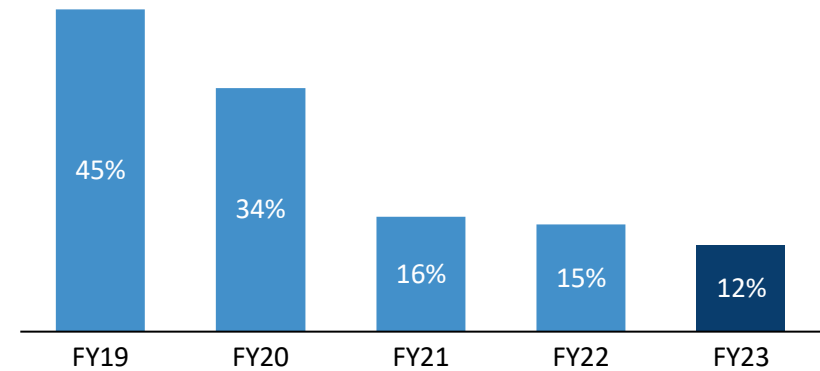
Fixed Asset
Turnover(x)



ROCE (%)



ROE (%)



Thank You



Chemcon Speciality Chemicals Ltd.

CIN – L24231GJ1988PLC011652

Mr. Rajesh Gandhi - CFO

Email – rajesh@cscpl.com

www.cscpl.com

SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt. Ltd.

CIN - U74140MH2010PTC204285

Mr. Shrikant Sangani / Ms. Pankti Majithia

Email - shrikant.sangani@sgapl.net / pankti.majithia@sgapl.net

+91 9619595686 /91+ 9619611096

www.sgapl.net

