

November 6, 2025

To,
Listing/Compliance Department
BSE LTD.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

BSE CODE : 524208

To,
Listing/Compliance Department
**National Stock Exchange of
India Limited**
“Exchange Plaza”, Plot No. C/1,
G Block Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051.
NSE Symbol : AARTIIND

Dear Sir/Madam,

Sub.: Investor Presentation

**Ref. : Regulation 30 of the SEBI (LODR)
Regulations, 2015.**

Please find enclosed herewith the Investor Presentation on Unaudited Financial Results for Q2 FY26 of the Company for your records.

Kindly take the same on record.

Yours faithfully,

FOR AARTI INDUSTRIES LIMITED

RAJ SARRAF
COMPANY SECRETARY
ICSI M. NO. A15526
Encl.: As above.



Q2 FY26

Performance Update

6th Nov, 2025



**A Legacy of
Excellence**

**A Future of
Possibilities**





Disclaimer




AARTI INDUSTRIES LIMITED may, from time to time, make written and oral forward looking statements, in addition to statements contained in the company's filings with BSE Limited [BSE] and National Stock Exchange of India Limited [NSE], and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the AARTI INDUSTRIES LIMITED.

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Index



Company overview



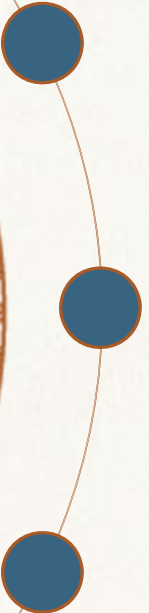
Q2 FY26 Highlights



Future Outlook and Roadmap



Index



Company overview

Q2 FY26 Highlights

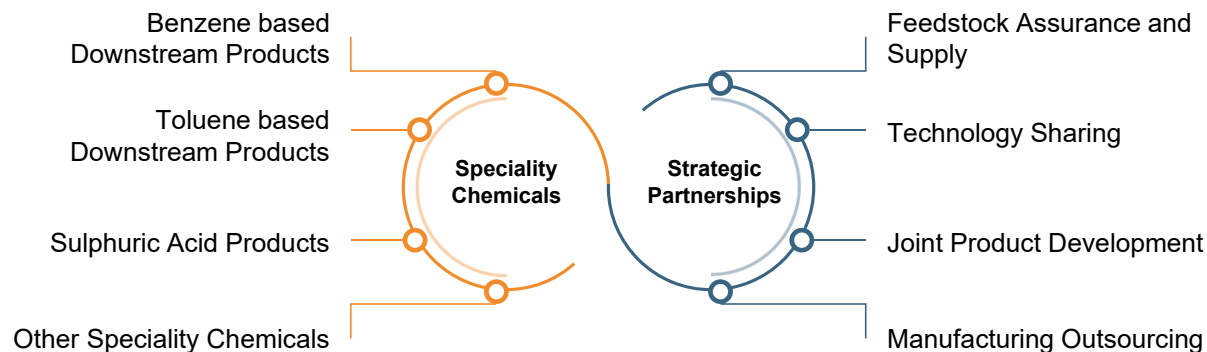
Future Outlook and Roadmap



Aarti Industries at a Glance



- Established by **first generation technocrats** in **1984**
- Integrated operations** and high-cost optimization
- Key **value chains** include Nitro Chloro Benzenes, Di-Chlorobenzenes, Phenylenediamines, Nitro Toluene Value Chain and Sulphuric Acid & downstream
- Strong **R&D capabilities** with IPRs for customized products
- Strategically located:** In western India with proximity to ports



100+
Products



60
Exporting
Countries



11
Zero Liquid
Discharge Plants



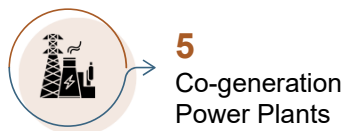
2
State-of-the art
R&D Centers



1,100+
Domestic &
Global Customers



16
Manufacturing
Plants



5
Co-generation
Power Plants



6000+
Employees



Our Ethos



PURPOSE

Right Chemistry for a Brighter Tomorrow



VISION

To emerge as a Global Partner of Choice for leading consumers of speciality chemicals and intermediates



MISSION

Delighted Stakeholders



AIL VALUES



CARE



INTEGRITY



EXCELLENCE



Index



Company overview

Q2 FY26 Highlights

Future Outlook and Roadmap



Business Highlights – Q2 FY26



Variable and Fixed cost optimization initiatives progressing as expected



Ramp up in MMA capacity utilisation with improved gasoline - naphtha delta supporting blending economics



Active efforts underway to mitigate US tariff impact, and still sustain volume growth across value chains

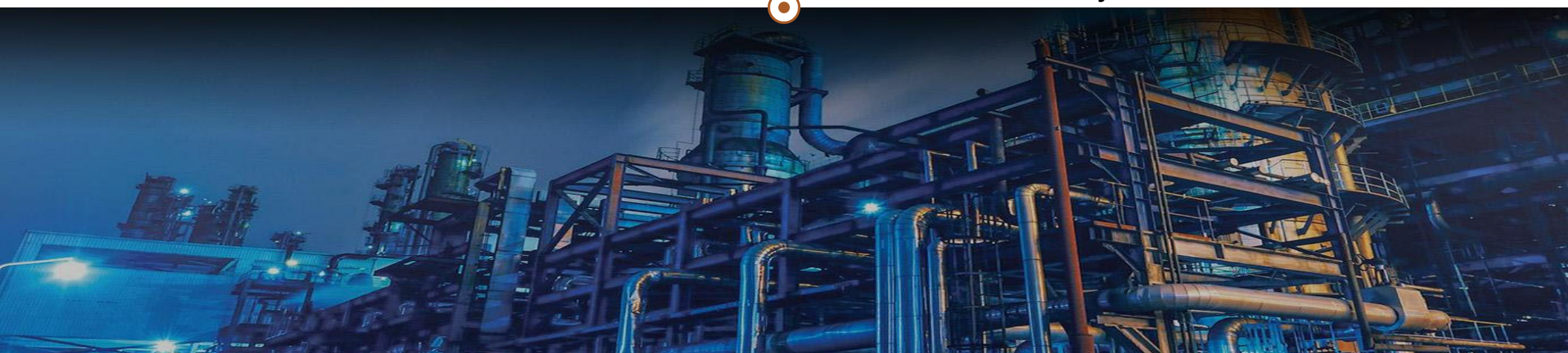


Growth Capex: Zone-4 projects execution progressing as per plan; expect gradual commissioning from next quarter



Fast track execution (commissioning in Q4 FY26) for:

- Further debottlenecking of MMA capacity (300 KT)
- Advanced agro intermediate PEDDA (4000 MT) downstream of ethylation of value chain





New Strategic Partnership: Long Term Chlorine Supply Agreement



Long-term strategic supply agreement

Secures chlorine supply from DCM's Chlor-Alkali plant to AIL's upcoming Zone-IV (Jhagadia) facility

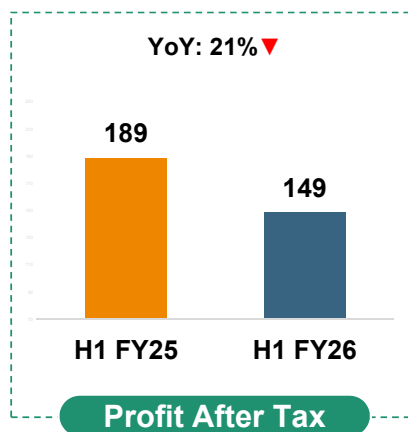
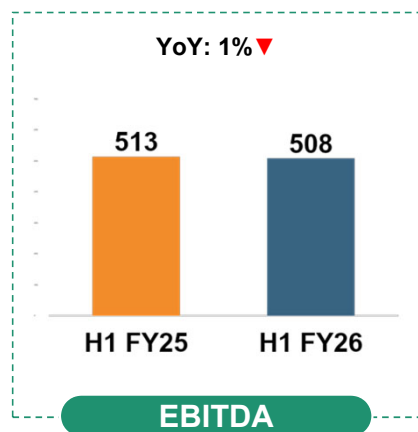
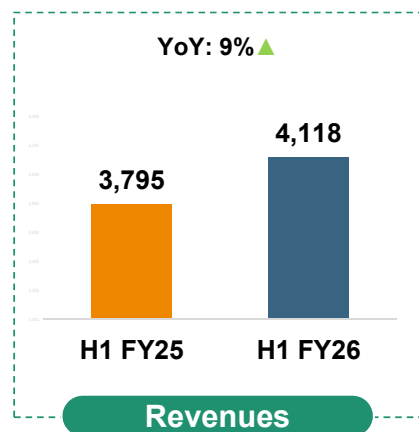
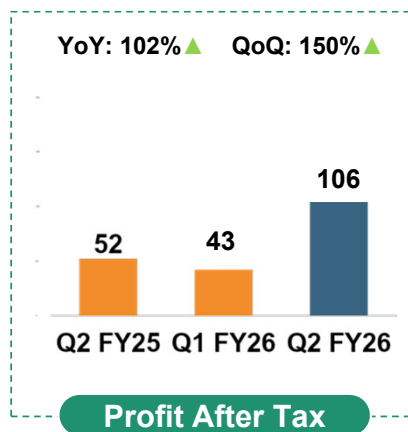
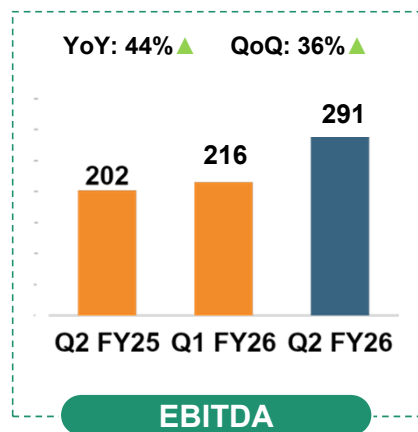
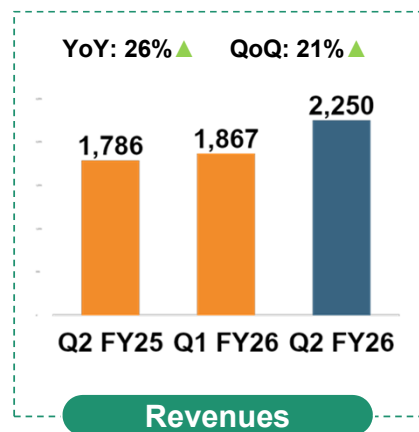
Dedicated underground jacketed pipeline with precision engineering to ensure safe, reliable & environment-friendly logistics

Strengthens chemical supply chain partnership to drive **greater supply security, cost efficiency, and scalability** for AIL

Significant enhancement from the current offtake of 150 TPD, to steady-state incremental supply of 200 TPD, totaling 350 TPD to support future downstream growth



Q2 & H1 FY26 Highlights (Consolidated)



Revenue increased due to:

- Increased volumes specifically for MMA
- Benefits of Q1's deferred bulk shipments were realized in Q2

Business Volumes

Energy

- YoY: 118%▲
- QoQ: 48%▲

Non-Energy

- YoY: 17%▲
- QoQ: 15%▲

- US tariffs impacted volumes for key end use applications viz Dyes & Polymers.
- Margins continue to remain under pressure across most product portfolios

Other Factors

- Finance Costs includes forex M2M loss of Rs 34 crore in respect of ECB borrowings
- Favourable income tax appellate order for seven Assessment years resulted into one-time exceptional income of about Rs. 29 crore. Exceptional Expense comprises of a one-time provision of about Rs. 7 crore towards land advance, presently being doubtful.

Rs. crore



Capacities and utilization trend for few major products

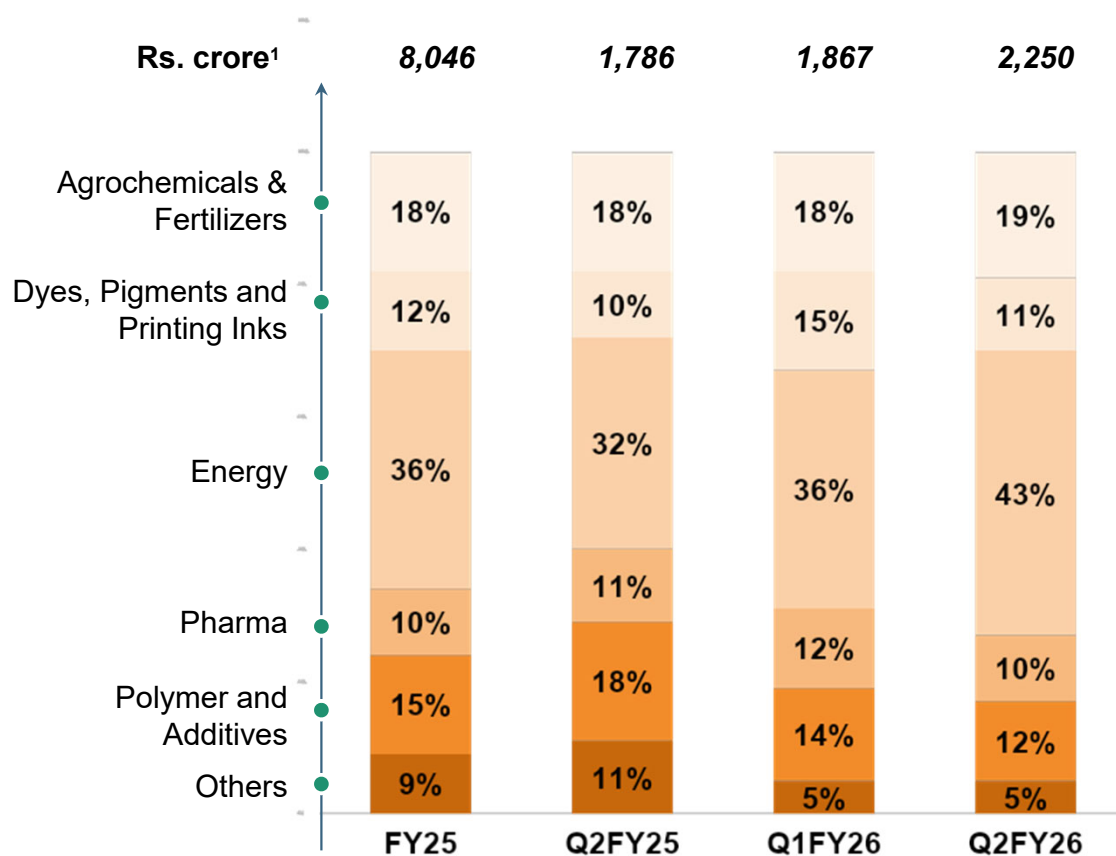


Product Groups	Capacity (in KTPA)	FY25 (kT)	Q2 FY25 (kT)	Q1 FY26 (kT)	Q2 FY26 (kT)	Q-o-Q	Y-o-Y	Q2 FY26 Utilization %
NCB	108	85.3	19.0	21.7	21.5	-1%	13%	80%
DCB	120	88.6	23.3	19.3	22.0	14%	-6%	73%
Hydrogenation	60	44.4	11.2	12.3	11.3	-8%	1%	75%
PDA	12	3.9	1.0	2.0	1.8	-10%	80%	60%
NT	45	29.4	7.5	8.7	8.4	-3%	12%	75%
Ethylation	25-30	14.5	3.2	4.6	3.8	-17%	19%	60%
MMA	260	123	20.5	38.4	63.5	65%	210%	98%

- Achieved highest quarterly production for MMA driven by increased capacity; further debottlenecking efforts underway
- DCB volume increase supported by ODCB and downstream demand; expected to remain strong for H2
- NT and Ethylation capacity utilization driven by MEA, DEA (Agrochemical Intermediates) demand; Expected to improve in H1 CY26 with commissioning of downstream projects in ethylation value chain (e.g., PEDDA)
- PDA capacity utilization impacted on account US Tariffs; improvement linked to US-India trade deal



Revenue by End Use



Agrochemicals application showing steady volumes, but margins remain under pressure

Higher volumes in energy application driven by favorable blending economics, expanded capacities and spill over of bulk shipments from previous quarter

Polymer & Additives application impacted by US tariffs; recovery linked to US-India trade deal

Dyes, Pigment & Printing Inks and Pharma applications remains steady

US tariffs impacted key products in end-user industries such as Polymers, Dyes, etc.





Application wise market updates & business highlights (1/2)



End Use	Agrochemical & Fertilizers	Energy & Additives
Key Products	Chloro Anilines, Di Chloro Phenols, Ethylated & Fluorinated products	MMA, CaCl ₂
Revenue Share	19%	43%
Domestic / Exports	<div><div>Domestic 64%</div><div>Export 36%</div></div>	<div><div>Domestic 7%</div><div>Export 93%</div></div>
Market Update	<ul style="list-style-type: none">Volume recovery visible in certain products but margins still remain under pressureRelative US tariffs on India vs. China still evolving - increased uncertainty for downstream customers	<ul style="list-style-type: none">The gasoline-naphtha crack remained strong in Q2 leading to improved blending economics; some compression expected in Q3 as winter season progressesUS tariff impacted US volumes and margins; re-negotiation underway with customers to sustain volumes
Business Highlights	<ul style="list-style-type: none">New capacity ramp up for ethylation products facing margin pressure from ChinaAccelerated execution to add PEDDA capacity by Q4 FY26 in our product basketInitiated customer engagements for Zone IV products; expected to come on stream gradually from Q4 FY26	<ul style="list-style-type: none">Efforts to strategically increase the customer base and geographic reach continue for MMA businessIncreased competition from Indian and Chinese playersCalcium Chloride capacity expansion expected to commission in Q3 FY26



Application wise market updates & business highlights (2/2)



End Use	Dyes, Pigments & Printing Inks	Pharmaceuticals	Polymer and additives
Key Products	NCBs, DCBH, PNT	PNCB, MDCB & Fluorinated compounds	PDCB, MPDA, ONA
Revenue Share	11%	10%	12%
Domestic/Exports	Domestic 73% Export 27%	Domestic 82% Export 18%	Domestic 11% Export 89%
Market Update	<ul style="list-style-type: none"> Muted demand growth in downstream markets with US tariffs impacting some applications Pricing pressure continues to prevail 	<ul style="list-style-type: none"> India's domestic pharma market remains steady Margin pressure especially in fluoro products from China persists 	<ul style="list-style-type: none"> Q2 volumes impacted due to US tariffs End customers remain cautious amid macroeconomic uncertainty India US trade deal can help in recovering volumes
Business Highlights	<ul style="list-style-type: none"> Targeting higher share in domestic market with export markets under pressure Evaluating downstream integration options for select products 	<ul style="list-style-type: none"> Domestic expansion by key strategic customers will support volume growth Pursuing variable cost optimisation projects in fluoro chain products 	<ul style="list-style-type: none"> Diversifying demand growth for PDCB across various markets, including China Targeting margin growth by cost optimisation and operating leverage



Joint Ventures



• **Augene Chemical Private Limited**

- Joint venture for manufacturing and marketing of specialty chemicals with multiple downstream applications
- Combines the strengths of both partners who will supply essential raw materials to the JV
- Project execution is progressing well (expect commissioning in H1 CY26) and market development activities initiated

SUPERFORM

Change chemistry. Change everything.



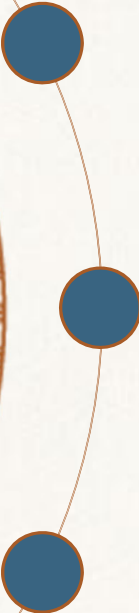
• **Re Aarti Private Limited**

- Focus on Chemical recycling of plastics
- Resource recovery capacity of 500 TPD is targeted by 2030
- Works initiated with Technology partner
- Pre-processing schematic is finalised and CAPEX under progress
- Project Commissioning expected in H1 CY26





Index



Company overview

Q2 FY26 Highlights

Future Outlook and Roadmap



Key EBITDA Growth Drivers in near term (FY26 - FY28)



Cost Optimisation

₹ 150-200 crore

- ✓ Switching to Back Pressure Turbine to improve Cogen
- ⚙️ Renewable Power phase 2
- ✓ Waste energy streams utilization, ETP cost optimisation
- ✓ Fixed cost optimization
- ✓ Yield improvement
- ⚙️ Digital and Advanced Analytics led cost excellence initiatives

Volume and margin ramp-up

₹ 350-550 crore

- ⚙️ Acid, DCB & NCB value chain ramp-up
- ⚙️ Ethylation & NT volume ramp-up, downstream integration for select Ethylation product
- ✓ MMA capacity and volume ramp-up
- ⚙️ Fluorination and Speciality Chemicals ramp-up

CAPEX-led growth

₹ 300-450 crore

- ✓ Pilot commissioned to fuel New Product Development
- ⚙️ MPP commissioning and ramp up
- ⚙️ Zone 4 commissioning and ramp up
- ⚙️ UPL JV commissioning and ramp up

Completed

Partially Completed

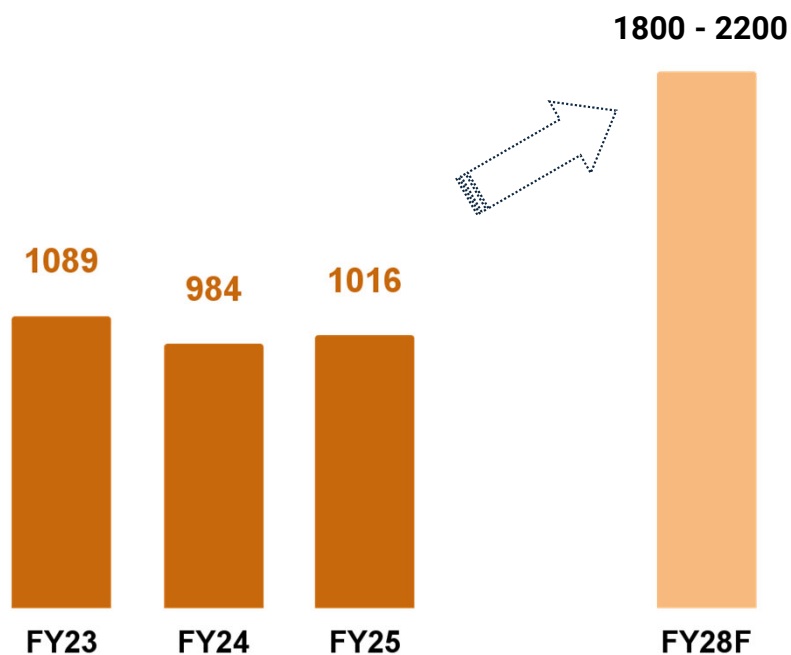
Initiated - execution in progress



Growth Outlook – consistent with previous update



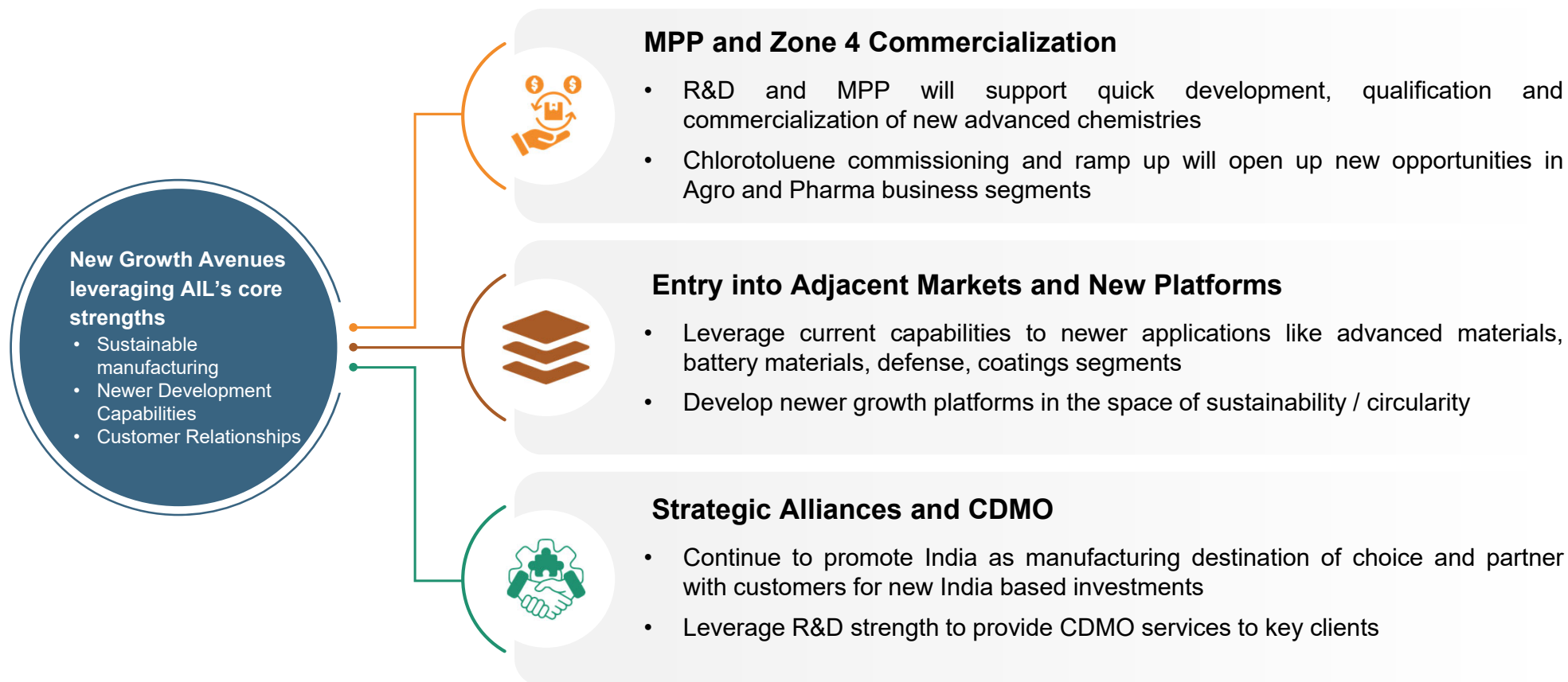
EBITDA, ₹ Cr



- Consistent volume growth over 3 yrs driven by increased capacities
- Operating leverages and cost optimisation initiatives to drive EBITDA growth beyond volume growth
- Capex for FY26 estimated to be around ₹ 1000 Cr
- Target EBITDA range of ₹ 1,800-2,200 Cr in 3 years; Debt/EBITDA of <2.5x and ROCE of >15%



Long term growth focus areas





Certifications





Thank You



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