



Sustainable
Business

High Growth
Opportunity

Capital Disciplined
Balance Sheet

This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Himadri Speciality Chemical Ltd** (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

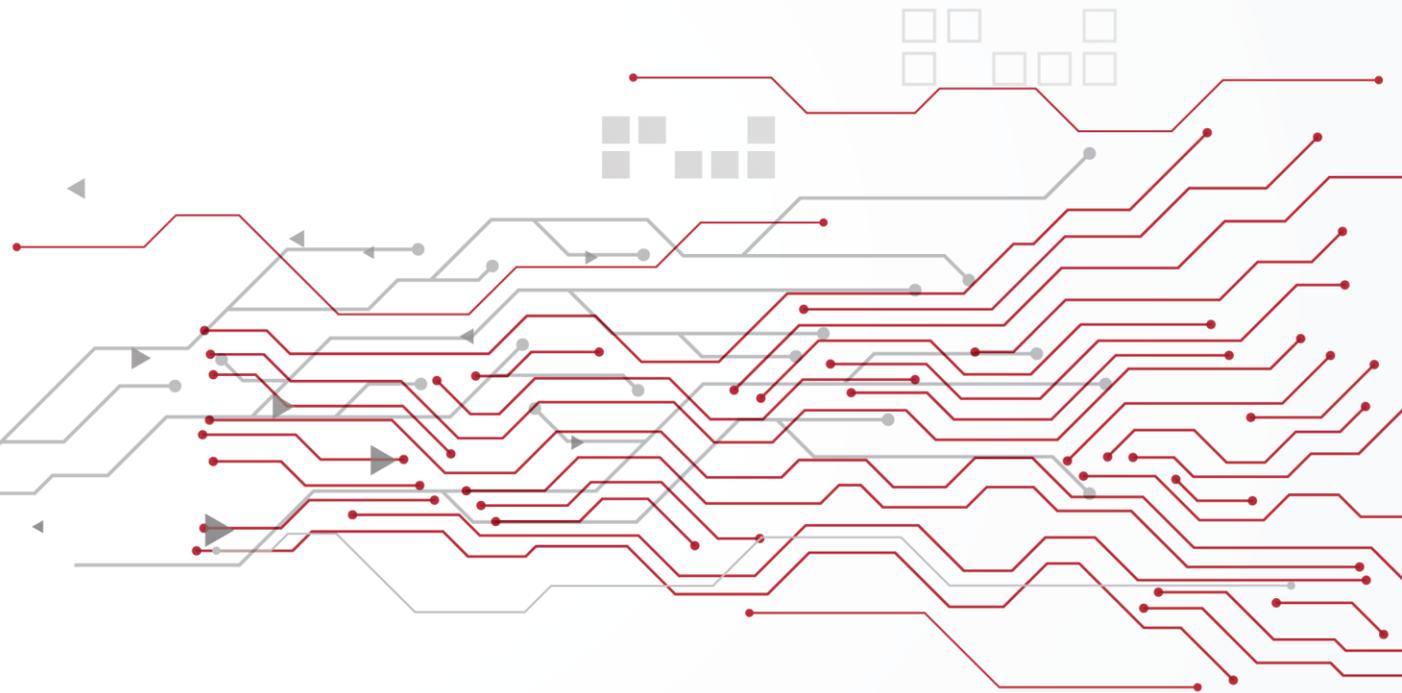
Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

Sustainable Financial Performance

Himadri LFP Cathode Capex

Birla Tyres Ltd - Acquisition

ESG-focused innovations



Strong and Sustainable Growth



Record Sales Volumes in Q3FY24

Sales Volumes of 1,24,024 MT in Q3FY24



Record EBITDA in Q3FY24

EBITDA increased by 59% to Rs. 169 Crores in Q3FY24



Record PAT in Q3FY24

PAT increased by 71% to Rs. 108 Crores in Q3FY24

Sales Volume consistent above 95,000 MT in last eight quarters

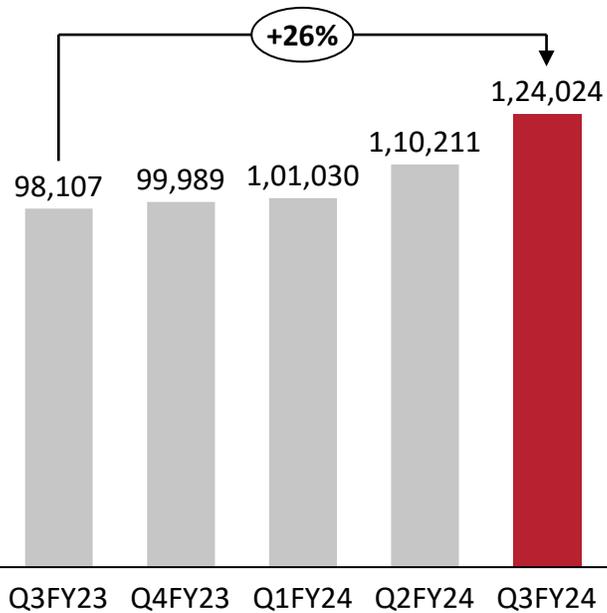
ROCE of 24% (excl. investment & CWIP)

Net Debt to Equity at 0.15x

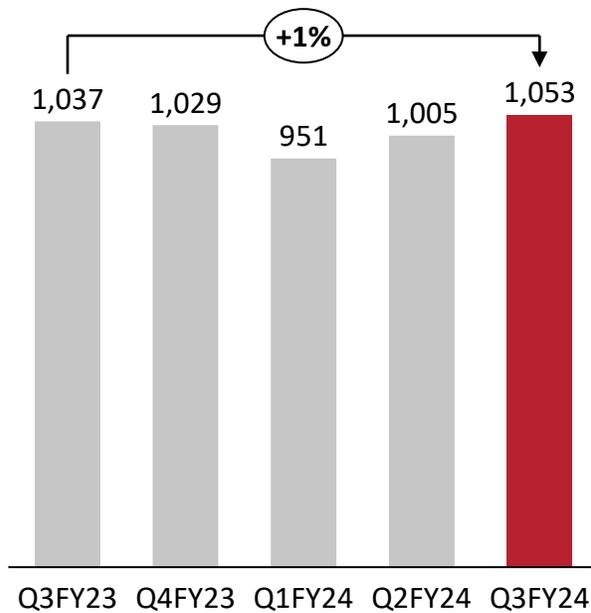
Performance Trajectory Continues



Sales Volume (MT)



Revenue (Rs. In Crs)



Sales Volumes

Increase in volumes in each consecutive quarter

Revenues

Maintained Revenues with the focus of increasing profitability

Performance Trajectory Continues



EBITDA (Rs. In Crs)

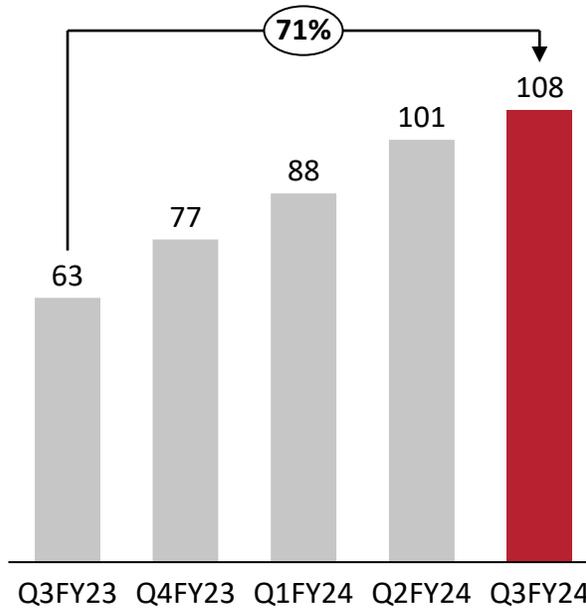
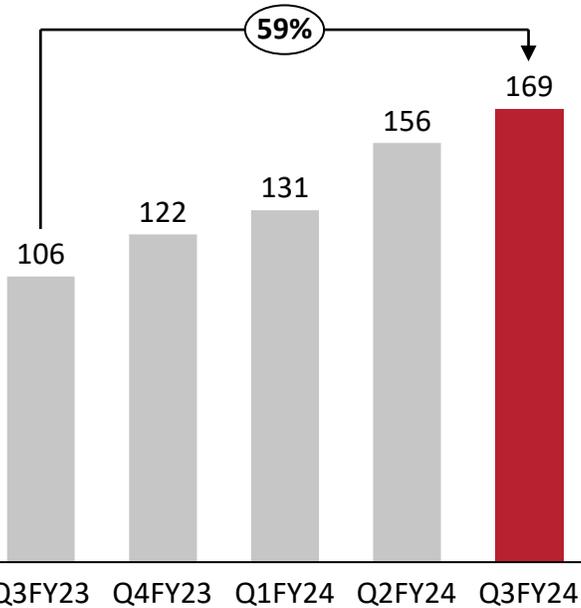
PAT (Rs. In Crs)

EBITDA

Change in Product Mix and Operating Efficiency

PAT

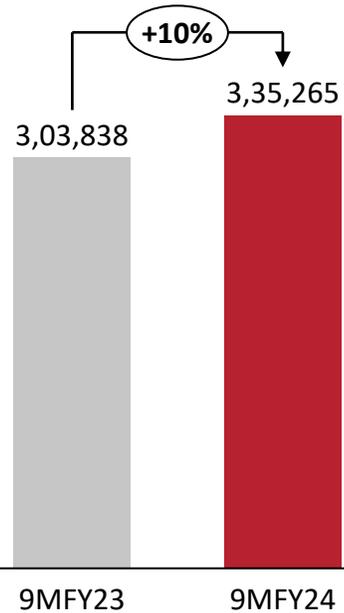
Capital Disciplined Growth with the aim to improve shareholder returns



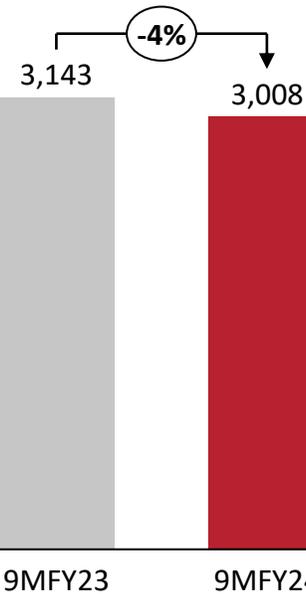
Performance Trajectory Continues



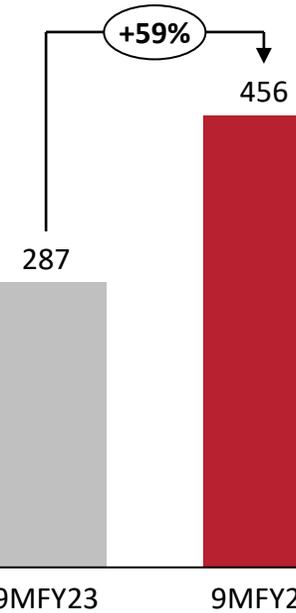
Sales Volume (MT)



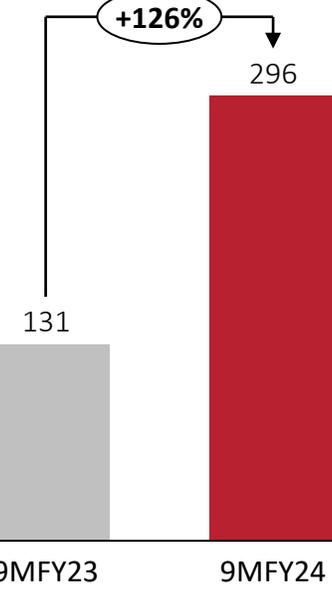
Revenue (Rs. In Crs)



EBITDA (Rs. In Crs)



PAT (Rs. In Crs)



Increase in profitability due to consistent move towards value added products

Standalone Profit & Loss Statement – Q3 & 9M FY24



Particulars (In Rs. Crs)	Q3FY24	Q3FY23	Y-o-Y	Q2FY24	Q-o-Q	9MFY24	9MFY23	Y-o-Y
Net Revenue From Operations	1,052.51	1,037.39	1.46%	1,004.52	4.78%	3,007.94	3,142.94	-4.30%
Cost of Materials Consumed	756.34	823.40		725.71		2,182.47	2,485.09	
Gross Profit	296.17	213.99	38.40%	278.81	6.23%	825.47	657.85	25.48%
Employee Benefits Expense	26.80	20.96		28.02		80.47	69.55	
Other Expenses	100.66	86.77		94.79		289.40	301.68	
EBITDA	168.71	106.26	58.77%	156.00	8.15%	455.60	286.62	58.96%
Other Income	10.20	7.67		9.83		30.15	17.42	
Foreign Exchange Fluctuation (Loss)/Gain	3.71	-4.17		1.22		9.04	-23.34	
Depreciation and Amortization Expense	12.19	12.29		11.91		35.67	36.89	
EBIT	170.43	97.47	74.85%	155.14	9.86%	459.12	243.81	88.31%
Finance Costs	21.17	20.18		15.92		50.20	52.71	
Exceptional Items	0.00	0.00				0.00	-30.00	
Profit / (Loss) Before Tax	149.26	77.29	93.12%	139.22	7.21%	408.92	161.10	153.83%
Tax Expenses	41.37	14.26		38.38		112.53	30.01	
Profit / (Loss) for the year	107.89	63.03	71.17%	100.84	6.99%	296.39	131.09	126.10%
Other Comprehensive Income	0.91	1.53		-4.34		47.02	29.52	
Total Comprehensive Income for the year	108.80	64.56	68.53%	96.50	12.75%	343.41	160.61	113.82%

(Note : Foreign Exchange Fluctuation (Loss)/Gain is excluded from other expenses)

Consolidated Profit & Loss Statement – Q3 & 9M FY24



Particulars (In Rs. Crs)	Q3FY24	Q3FY23	Y-o-Y	Q2FY24	Q-o-Q	9MFY24	9MFY23	Y-o-Y
Net Revenue From Operations	1052.51	1037.39	1.46%	1,004.52	4.78%	3007.94	3142.94	-4.30%
Cost of Materials Consumed	754.45	820.14		724.59		2179.90	2473.36	
Gross Profit	298.06	217.25	37.20%	279.93	6.48%	828.04	669.58	23.67%
Employee Benefits Expense	26.89	21.11		28.22		80.89	69.98	
Other Expenses	100.98	87.07		95.26		290.61	302.62	
EBITDA	170.19	109.07	56.04%	156.45	8.78%	456.54	296.98	53.73%
Other Income	10.19	7.67		9.82		30.13	17.42	
Foreign Exchange Fluctuation (Loss)/Gain	3.71	-4.17		1.21		9.03	-23.34	
Depreciation and Amortization Expense	12.72	12.85		12.43		37.25	38.53	
EBIT	171.37	99.72	71.85%	155.05	10.53%	458.45	252.53	81.54%
Finance Costs	21.22	20.25		15.95		50.32	52.87	
Exceptional Items	0.00	0.00		0.00		0.00	30.00	
Profit / (Loss) Before Tax	150.15	79.47	88.94%	139.10	7.95%	408.13	169.66	140.56%
Tax Expenses	41.37	14.26		38.48		112.63	30.01	
Profit / (Loss) for the year	108.78	65.21	66.81%	100.62	8.11%	295.50	139.65	111.60%
Other Comprehensive Income	2.90	4.09		-3.88		47.61	22.54	
Total Comprehensive Income for the year	111.68	69.30	61.15%	96.74	15.44%	343.11	162.19	111.55%

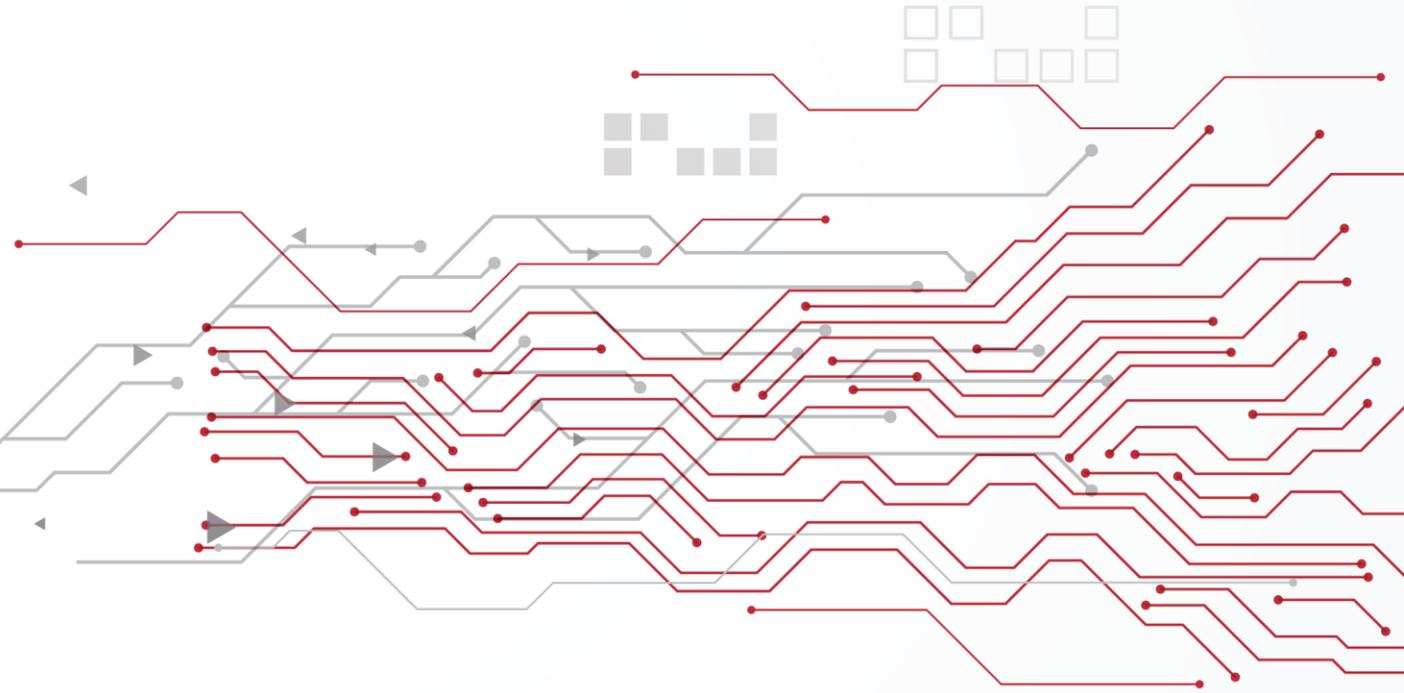
(Note : Foreign Exchange Fluctuation (Loss)/Gain is excluded from other expenses)

Sustainable Financial Performance

Himadri LFP Cathode Capex

Birla Tyres Ltd - Acquisition

ESG-focused innovations





To produce 200,000 MTPA of Lithium Iron Phosphate (LFP) Cathode Active Material, catering to 100 GWh of Li-ion Battery, in phases in 5-6 years

1st Commercial plant for LFP Cathode Active Material in India to cater to domestic and global market – a pioneering step towards *Atma-Nirbhar Bharat*

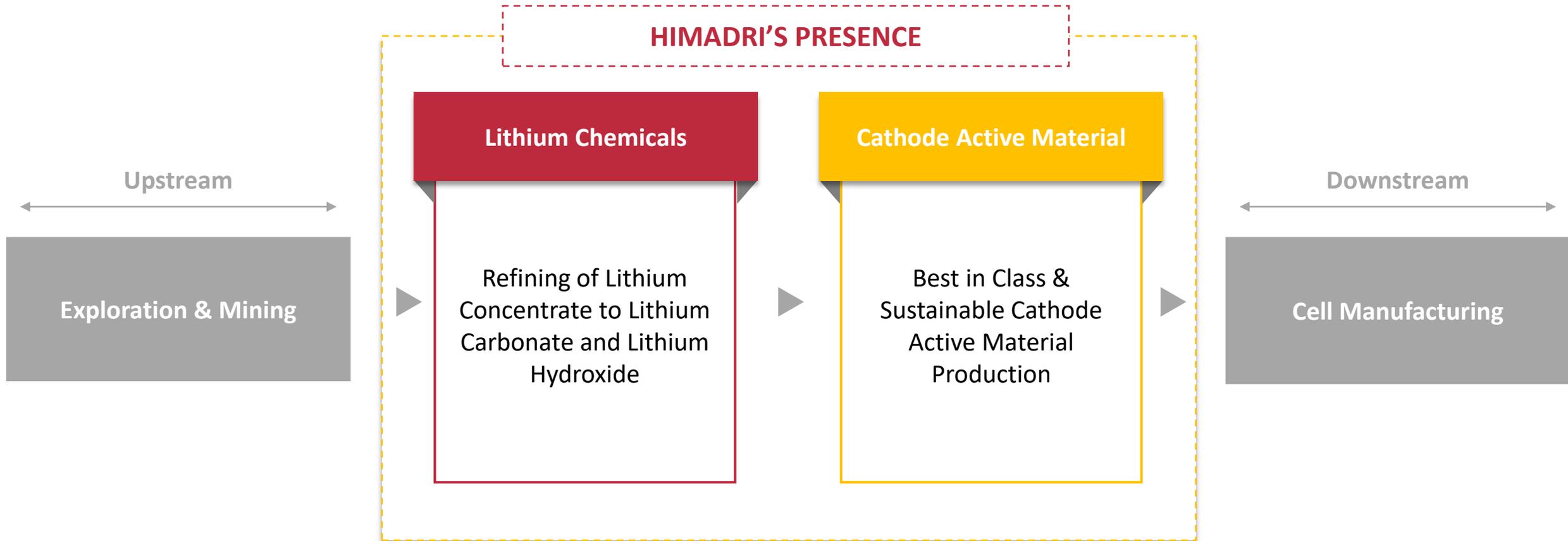
Bringing breakthrough Innovation to the Indian and Global LiB Industry

- R&D on technology for Lithium Concentrate extraction and conversion to Lithium Carbonate and Lithium Hydroxide
- Next Gen R&D involving usage of AI to enhance the performance of battery cathode materials

Sustainable Sourcing

- Long term partnership with lithium concentrate producers in discussion
- Sustainable Supply Chain Model being developed for Customers
- Power sourced for the operations will primarily be sourced through renewable sources

Where we play a role



Cathode Material Dynamics : Himadri's Strategic Advancements



Pioneering Innovation and Sustainable Growth in Cathode Material Landscape



Large Global and Domestic Opportunity

Market Projection : Cathode Material demand to reach 9.4 million tonnes annually by 2030 for global LiB cell production

Domestic Demand : Expected growth to 311 KT (base scenario) and 499 KT (promising scenario) annually by 2030



Himadri's Capability



In-house R&D & Innovation

Continuous investment fosters innovation, keeping us at the forefront



Integrated Business Model

Optimal resource utilization, creating holistic value for stakeholders



Next-Gen Materials

Developing next-generation cathode materials, leveraging state-of-the-art lab and innovative capabilities



Project Plans and Highlights

Vision : Building the 1st Commercial plant for LFP Cathode Active Material in India, intending to produce 200,000 MTPA in phases in 5-6 years

Phase 1 Capacity : 40,000 MTPA, focusing on meeting domestic and global market demands

Phase 1 Timeline : Operational within 27-36 months

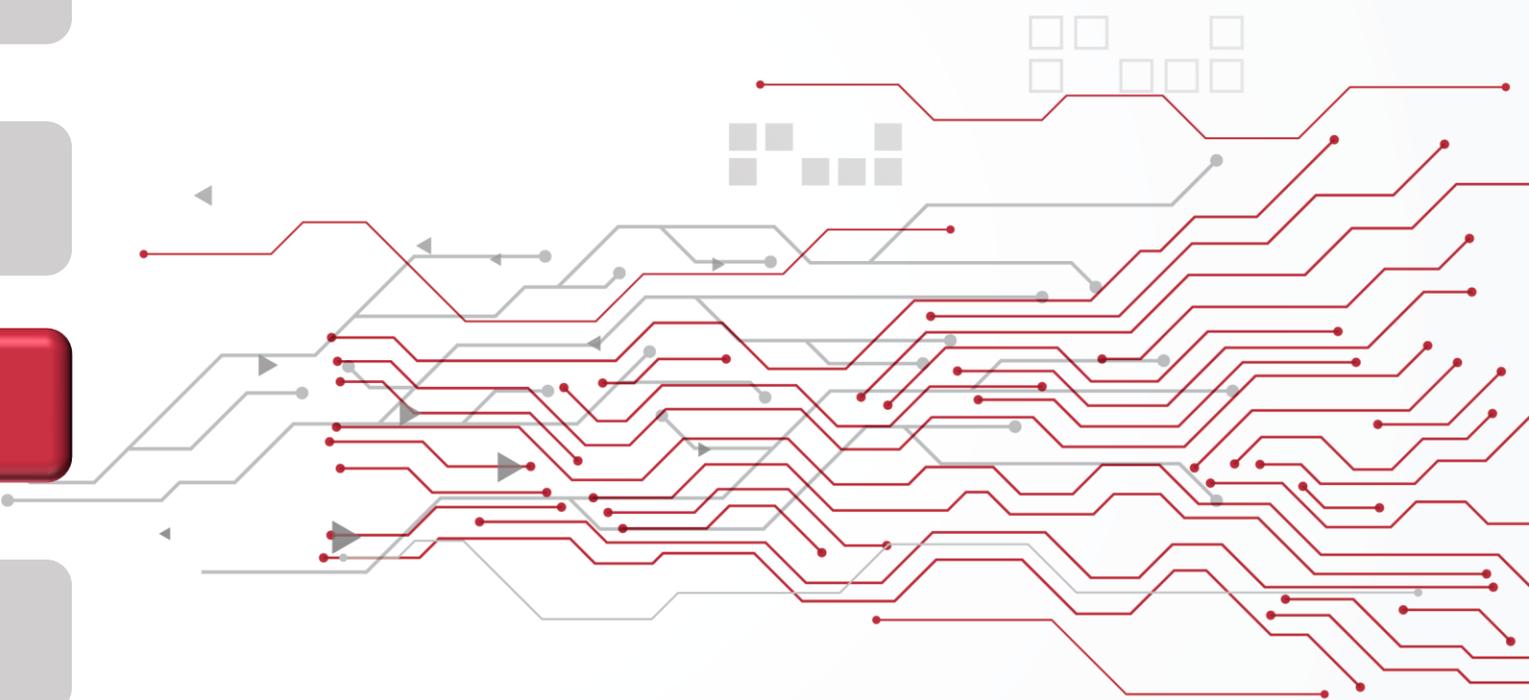
Sustainability : Emphasis on sustainable and eco-friendly products

Sustainable Financial Performance

Himadri LFP Cathode Capex

Birla Tyres Ltd - Acquisition

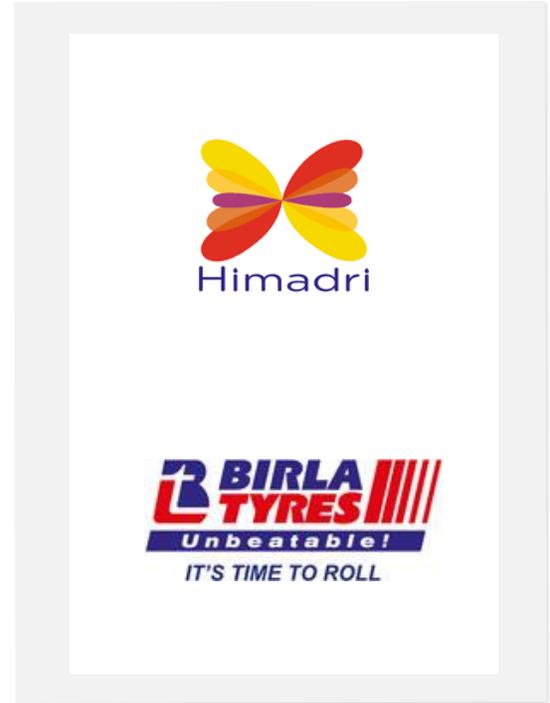
ESG-focused innovations



Birla Tyres Ltd - Acquisition Highlights



- Himadri Speciality Chemical Ltd (HSCL, Strategic Partner) along with Resolution Applicant - Dalmia Bharat Refractories Limited (DBRL) participated in the corporate insolvency resolution process of Birla Tyres Limited.
- LOI from the Resolution Professional informing that the Committee of Creditors of the Corporate Debtor has approved the resolution plan submitted jointly by the HSCL and DBRL was received and accepted on August 22, 2023.
- The resolution plan was submitted to the NCLT, Kolkata Bench for its approval.
- Hon'ble NCLT, Kolkata Bench has approved on 19th October, 2023 the resolution plan submitted jointly by HSCL and DBRL for acquisition of Birla Tyres Limited under the corporate insolvency resolution process ("CIRP") in terms of the Insolvency and Bankruptcy Code, 2016 ("IBC").



Source of Funding

Transaction financed through internal accruals and debt

Status

Revamping of the asset is in progress

The total acquisition cost is Rs. 306 Crores. Additional capex is required to make the plant fully operational.

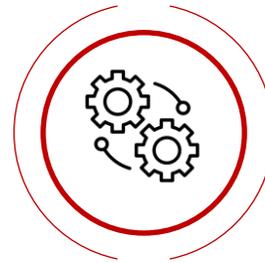
For Himadri Speciality Chemical Limited



The replacement cost for creating such a facility would have been to the tune of Rs 3,400 crores



Time consumed to create the asset organically would have taken 36 months, delay in opportunity



Forward integration into high margin niche offerings



Eligible for investment related incentives under State Government Policy



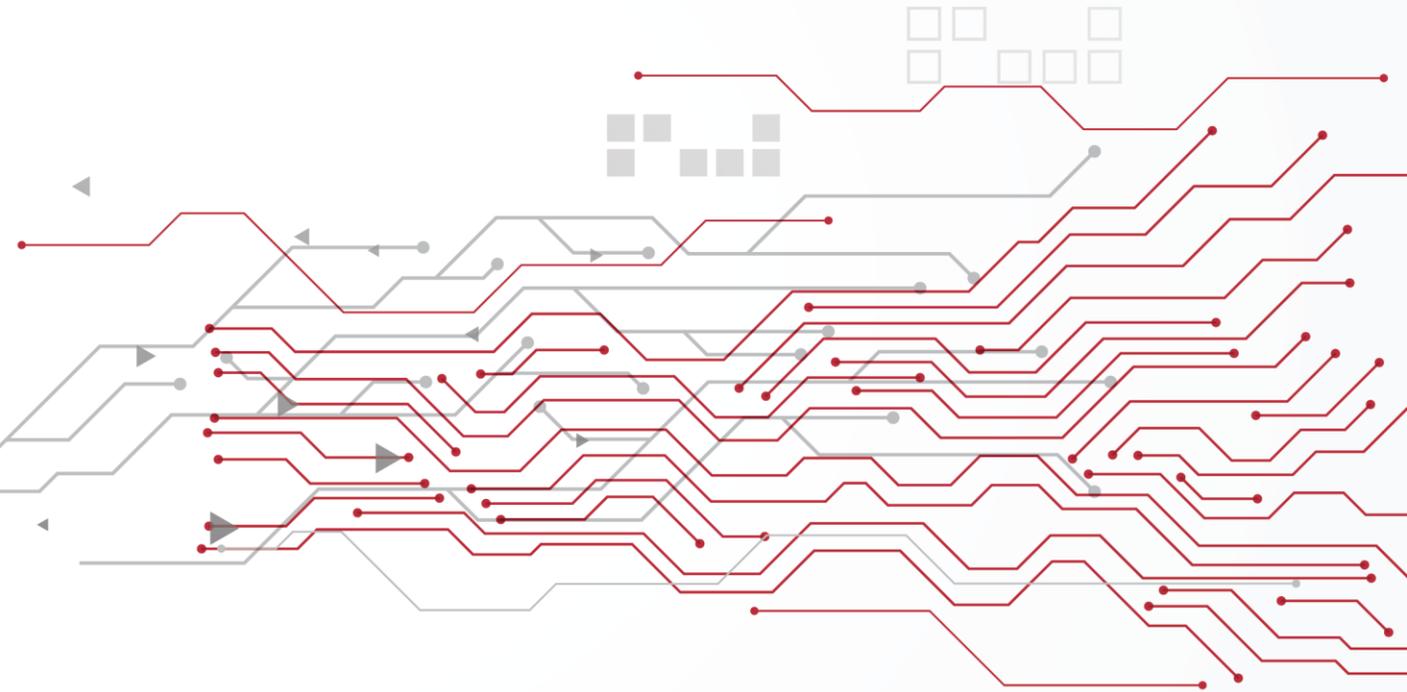
Sufficient land available for the future expansion

Sustainability

Himadri LFP Cathode Capex

Birla Tyres Ltd - Acquisition

ESG-focused innovations



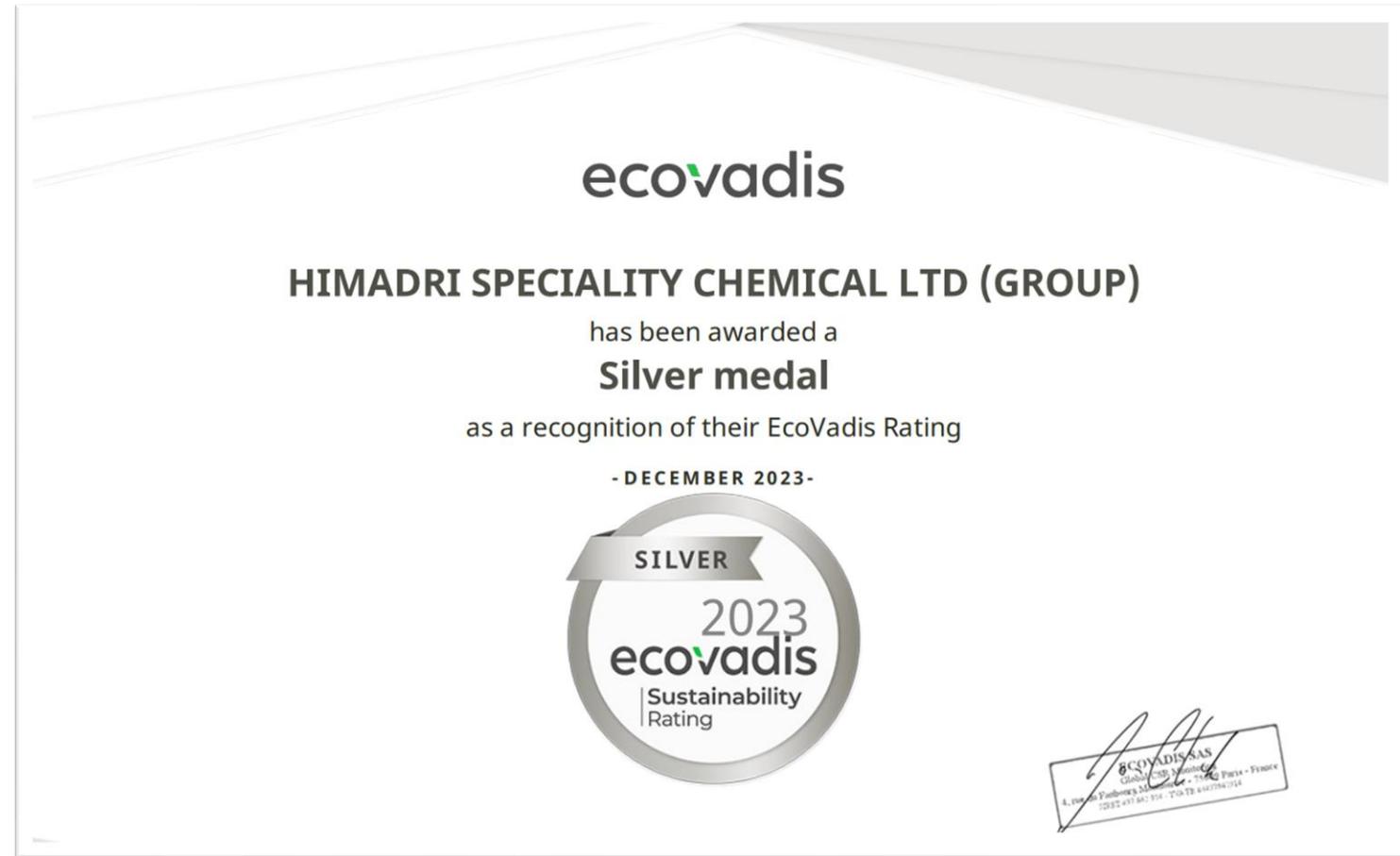
EcoVadis Rating : Silver Medal



Himadri Speciality Chemical Ltd has recently been awarded with **EcoVadis Silver Medal**. This recognition ranks Himadri in the **top 23% of the highest-rated companies in the world** amongst more than 100,000+ rated companies.



EcoVadis is one of the world's largest and most trusted providers of business sustainability ratings, based on international standards. It assesses companies' actions and practices on their corporate social responsibility around four main themes: the environment, ethics, labor & human rights, and sustainable procurement.



Where Sustainability Meets Innovation



POWER
THE
FUTURE

Transformation Unfolds :
From Growing Carbon Value
Chain to Promising Mobility and
Energy Storage Opportunity

We will address substantial part of the critical raw material
requirements of Lithium-Ion Batteries



Sustainable business model powered by in-house R&D

Addressing the need for a green, long-term EV and renewable energy solution by providing critical raw material



More than 90% of the power requirement being met by inhouse generated clean and green power



Zero Liquid Discharge from Plants



Energy Conservation through Waste Heat Recovery System, Energy savings through Water Conservation & Process Re-engineering



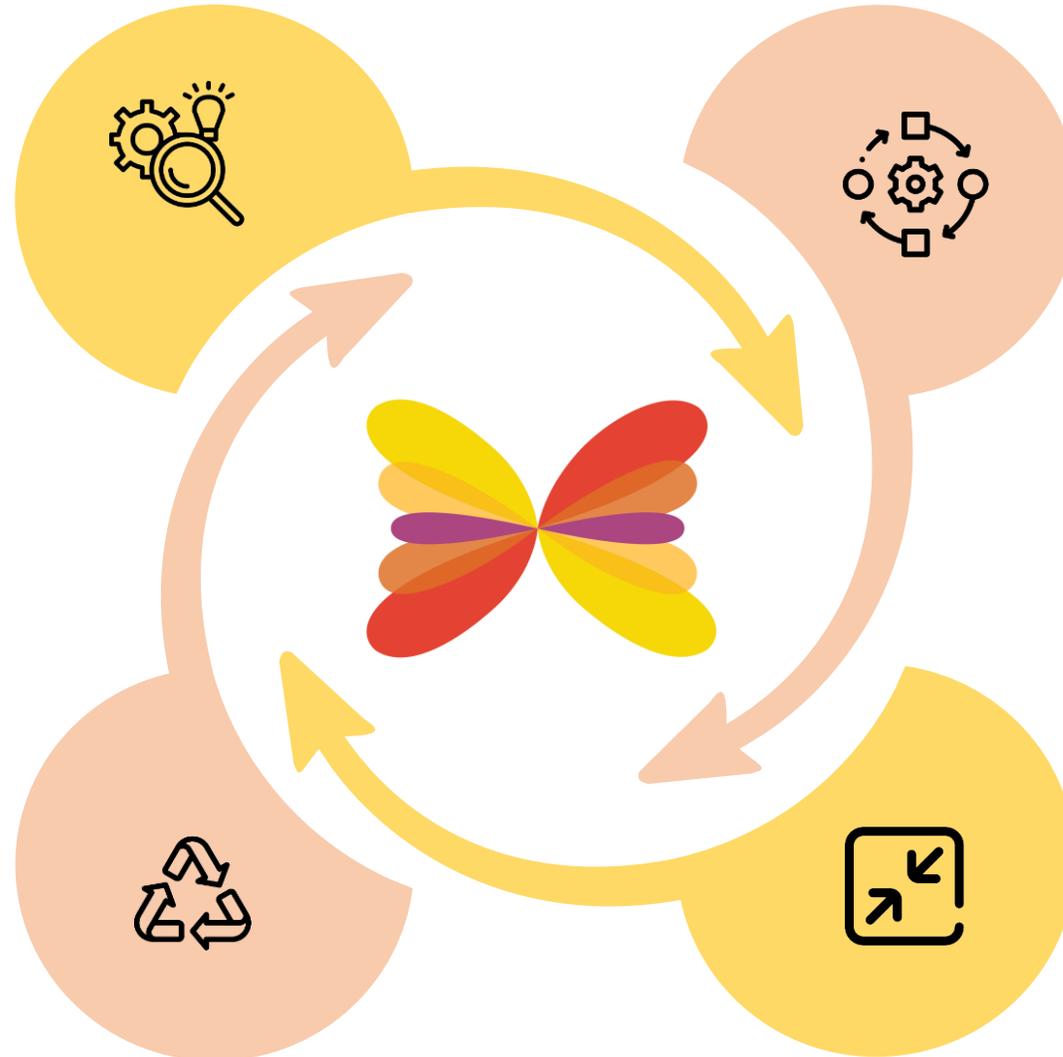
Net Zero Roadmap

Research

- Explore innovative methods for capturing and transforming carbon emissions.
- Utilize upcoming technologies to capture and convert carbon dioxide into value-added innovative products.
- Achieve a substantial portion of our net-zero emissions target through these innovative technologies.

Recycle

- Design and create circular products.
- Encourage innovation and sustainability in customer solutions.
- Develop circular materials with reduced carbon footprint.
- Minimize material disposal in landfills.



Adapt

- Implement new energy sources and technology advancements.
- Integrate renewable energy solutions for reduced carbon footprint.
- Shift production to carbon positive inputs for a Low-carbon future.

Reduce

- Decrease reliance on conventional manufacturing methods.
- Emphasize maximum possible process optimization.
- Prioritize energy efficiency in all operational aspects.

Net Zero Roadmap (Scope 1 & 2)



Scope 3 – Assessment is going on. At exit of 2023 we shall strategize the same as well

Reduce 10% by 2025



Reduce emissions by improving and using greener technologies



Research and adapt new ways to capture and convert carbon emissions



Investing in recycling technologies

Reduce 10% 2030



Adapt and implement circular material-focused products



Focus on adding renewable energy sources

Reduce 80% 2050

ACHIEVE NET-ZERO EMISSION

- Carbon offset projects and Carbon dioxide Capture, Utilization and Storage.
- Embarking on future generation science based projects opportunities

- Mixed and pure combustion of hydrogen (Scope 1)
- Implementation of Carbon Dioxide Capture and Storage and Direct Air Capture (Scope 2)
- Achieve 20% reduction as soon as possible

- Diversification of fuel types and investment in fuel switching (Scope 1)
- Investing in electrification and the use of renewable energy (Scope 1 & Scope 2)
- Reducing CO2 emission factors for purchased electricity, electricity intensity, energy conservation (Scope 2)

Status of Sustainability Objectives



Objectives	Measures	Target (Baseline 2021)	FY2023 Progress vs Plan	FY2023 Progress (1st Apr'22 - 31st Mar'23)	Main Domain	UNGC -SDGs
Vison Zero Accident / Incident	By 2025, Loss Time Injury Frequency Rate below 1	< 1		2.27	People	
Energy Consumption	By 2025, Reduce Energy Intensity per metric tonne of product sold (Vs 2021)	-10%		-3.23%	Planet	
CO2e emission Intensity	By 2025, Reduce Scope 1 and Scope 2 CO2e emission intensity per metric tonne of product sold (Vs 2021)	-20%		-14%	Planet	
Zero Liquid Discharge	All plant must operate with ZLD status	0		100%	Planet	
Solid Waste	Reduce solid waste (Hazardous and sent to landfill) per metric tonne of product sold	<1%		0.01%	Planet	
Recycle Materials	Increase the proportion of Non-virgin raw material from external sources used in production to avoid depletion of natural resources	> 95%		98.5%	Planet	
Gender Diversity	Increase female representation in management team	5%		4%	People	
Compliance Training	Increase percentage of Targeted staff, who completed anti bribery and corruption training	> 95%		99.86%	Governance/ Communities	
Supply Chain Management	By 2023, conduct sustainability assessment of our value chain partners covering at least 50% of group spend	80%		82%	Communities	

Behind Plan : On Schedule : Ahead of Schedule: New Benchmark:



**Growth
Opportunities**

HSCL : Transformation Unfolds



Portfolio of Few Products

2010

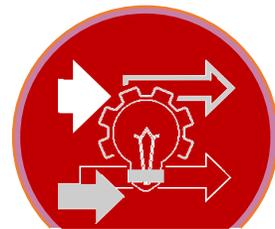
- » Coal tar pitch – Binder grade
- » Coal tar pitch – Impregnating
- » Carbon Black
- » Advanced Carbon Material
- » Naphthalene
- » SNF
- » C. B. Oil



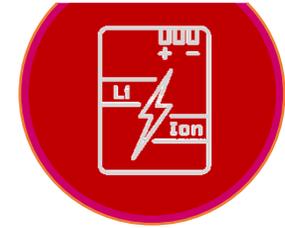
From Growing Carbon Value Chain to Promising Mobility and Energy Storage Opportunity

2011 to 2021

- | | |
|---|---|
| <ul style="list-style-type: none"> » Aluminium Grade Pitch » Graphite Grade Binder Pitch » Graphite Grade Zero QI (Quinolene Insoluble) coal tar impregnated pitch » Advance Carbon Material for Lithium- ion Batteries » Special Pitch » Naphthalene » Refined Naphthalene » Light Creosote Oils | <ul style="list-style-type: none"> » Heavy Creosote Oils » Anthracene Oil/Carbon Black Oil/ CT Oil » SNF » PCE » Carbon Black » Speciality Carbon Black » Himcoat enamel » Himcoat Primer-B » Himtape » Himwrap |
|---|---|



Introduction of Value-Added Products



Promising Growth Opportunity

- » Products forming the critical raw materials for Lithium-Ion Batteries to be included in the portfolio



2022 onwards

Applications across Industries



Paints, Plastic & Fibre



Graphite Electrodes



Anti Corrosive Material



Defence



Construction Chemical



Aluminium



Lithium - Ion Batteries



Infrastructure



Rubber Industries



Wood Preservative Oils



Power



Specialized Products

Marquee Clients across Industries



The brand names/logos mentioned are the property of their respective owners and are used here for identification purpose only

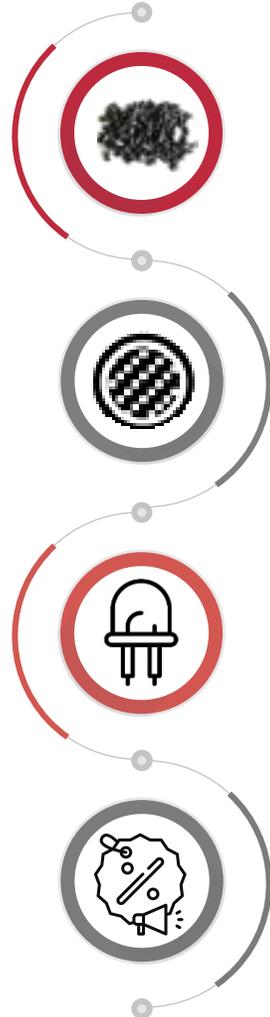
Sustainable Growth in Core Business through Value-added products



Our Core Business will continue to deliver strong growth

Coal Tar Pitch

Developed specialized pitch – one of the very few global manufacturers and Improved life of anodes through continuous process improvements



Battery Material

Developed technology to manufacture critical material for Lithium-ion Batteries and we are one of the few companies globally to have backward integration for this material. R&D towards next generation products is continuously on.

Carbon Black

Launched a series of application-specific speciality blacks with superior performance parameters which finds application in fibres, semicon cables, engineering plastics, inks and several other specialised applications.

SNF & PCE

Developed application-specific SNF for non-construction segment (agrochemicals, gypsum and latex) and next-generation products in PCE.



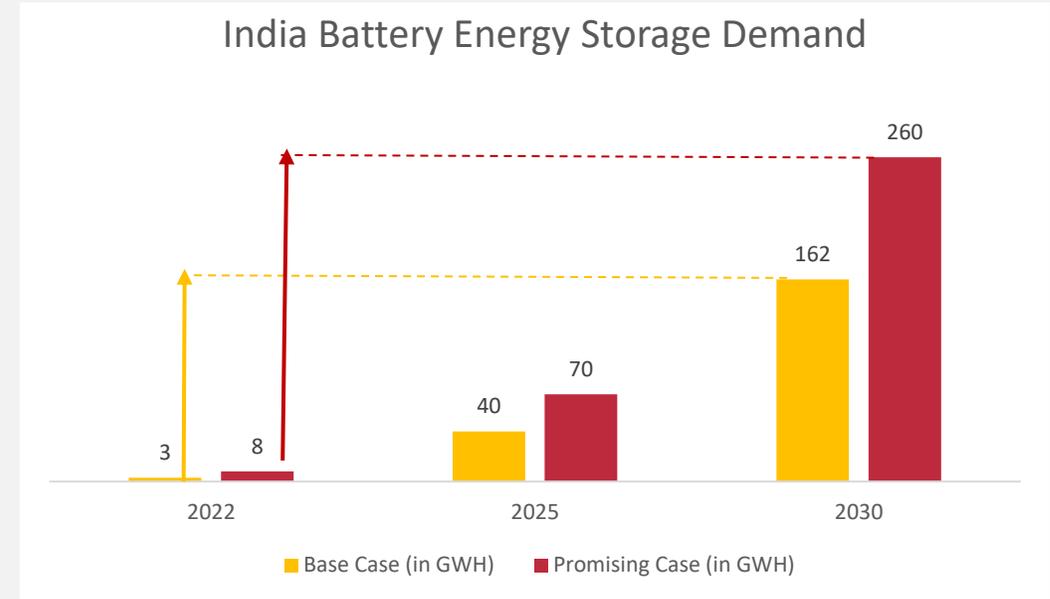
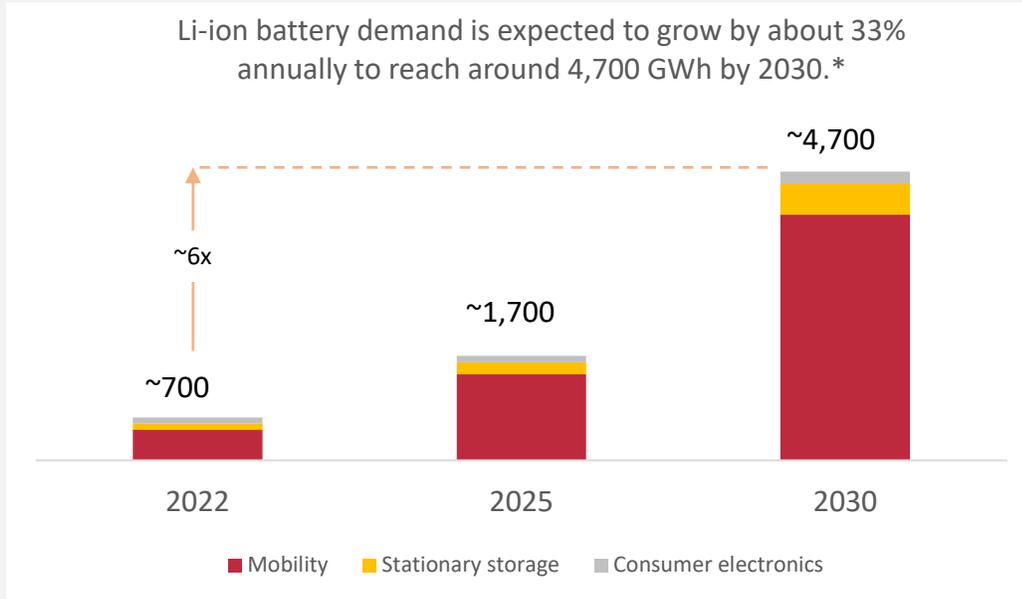
In-house R&D team enabled Himadri to forward integrate and regularly launch new specialised products



Positioned strong to cater the global demand for LiB raw materials



LiB Growth Potential



Himadri is actively positioning itself to cater to a significant portion of the global demand for LiB raw materials

Anode Material

- Strong R&D team and execution roadmap for Anode materials
- Developments in Natural, Synthetic, Hybrid and Silicon Anode Materials for multiple applications
- Ongoing interactions with potential customers for approval process

(* Source: McKinsey Battery Insights Demand Model)

Positioned strong to cater the global demand for LiB raw materials



LiB Recycling

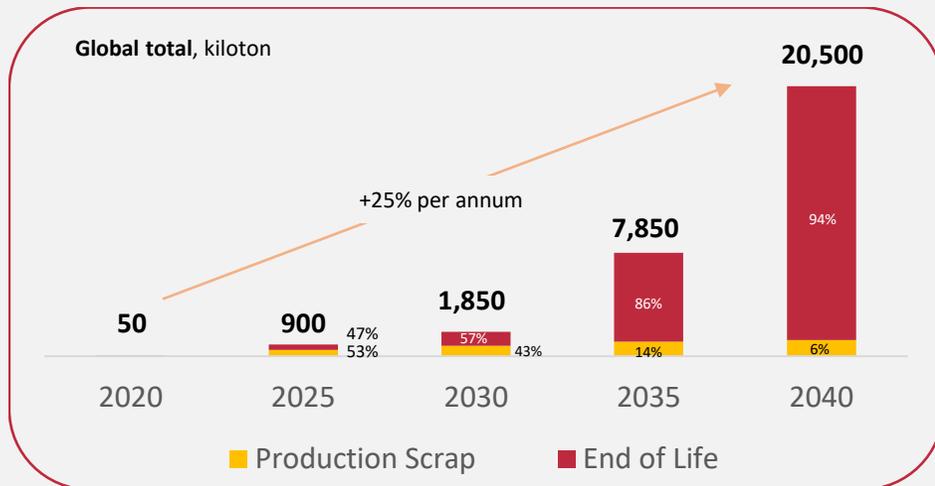
Recycling of Lithium-ion Batteries(LiB) will play a significant role:

1. Lowering the dependency on mined minerals and providing a circular economy structure
2. Reducing the total CO2 emission

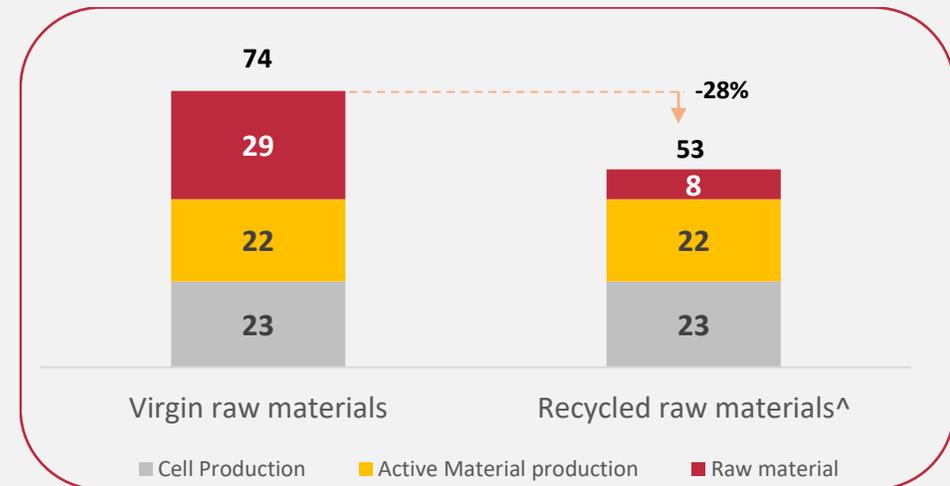
The Global Availability of EV batteries for recycling is expected to increase 25% YoY till 2040 resulting in a huge volume influx.

Himadri is keen to play a significant role in the LiB recycling in India.

The global supply of EV batteries for recycling is steadily increasing, driven primarily by production scrap before 2030 & end-of-life batteries after 2030*

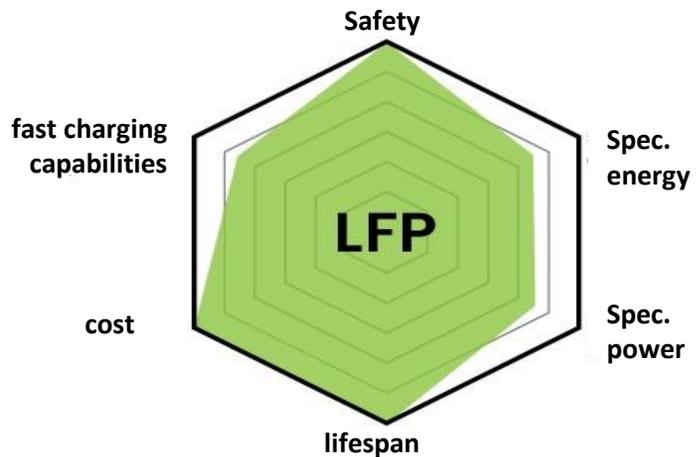
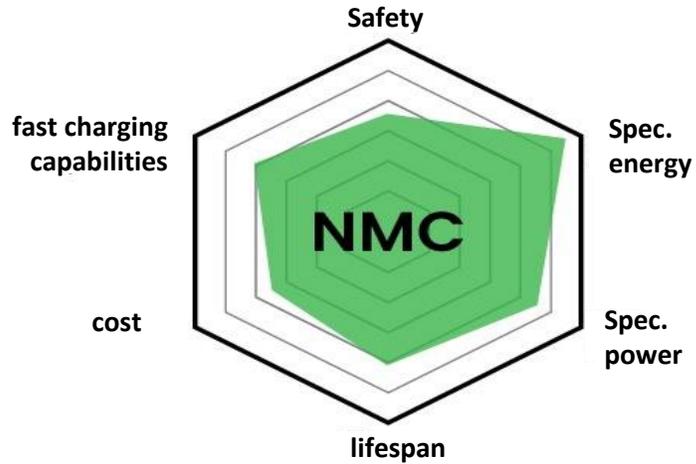


Total CO₂e battery cell production emissions from a nickel-based lithium-ion battery with virgin versus recycled materials, kgCO₂e per kWh*



(* Source: McKinsey Battery Insights, ^ - Assuming mechanical pre-treatment and hydrometallurgical recycling)

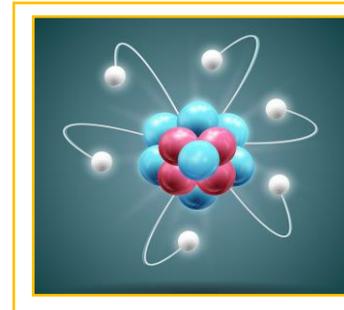
Primary Cathode Active Material Used now – NMC & LFP



Working of LFP battery



LFP batteries use lithium iron phosphate as the cathode material alongside a graphite electrode with a metallic backing as the anode.



Unlike many cathode materials, LFP has its atoms arranged in a crystalline structure forming a 3D network of lithium ions compared to the 2D slabs from nickel manganese cobalt, helping better electrical conductivity.



Phosphate in LFP is a non-toxic material compared to cobalt oxide, and LFP batteries are capable of delivering constant voltage at a higher charge cycle.

Birla Tyres Limited – Turnaround Opportunity



Having successfully forward integrated from Oil to Carbon Black, then to Speciality Carbon Black, Himadri stands at the threshold of an exciting transformation moving forward towards end customer, venturing into the world of Tyres

Existing capability



Sustainability Leadership

- › Over three decades of commitment to sustainable carbon solutions
- › Custom-made carbon black solutions tailored for tyre applications.

Quality Leadership

- › Production of carbon black with the lowest impurities
- › Achieved through backward integration into the cleanest feedstock.

Deep understanding of the Tyre Segment

- › Understanding of the tyre industry, with 70% of global carbon black production dedicated to tyre sector.

Strategic Acquisition



- › Strong synergies with HSCL operations, product integration and future vision
- › A forward integration step
- › Strategic fit towards Company's overall objective of being a lead player in EV space

Benefits of Acquisition

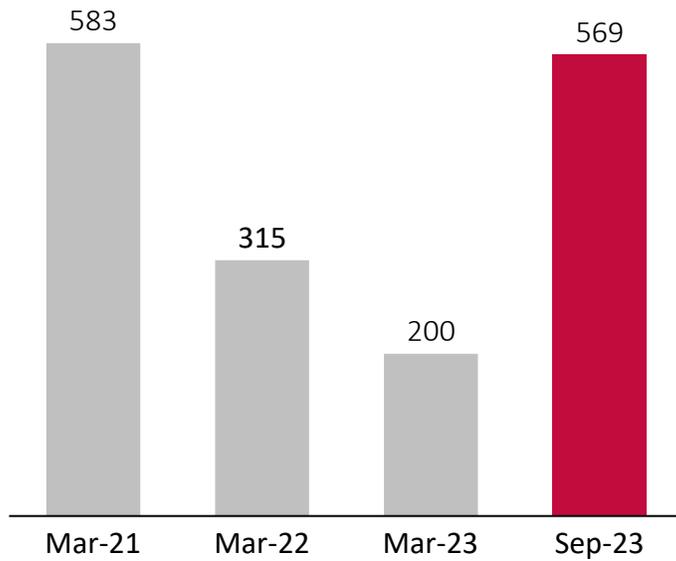


- › Foray into B2C segment
- › Expansion of Product Portfolio- High VA Niche products
- › New Segment- EV specialized tyres
- › Broadening of Customer base
- › Enhanced Geographical reach

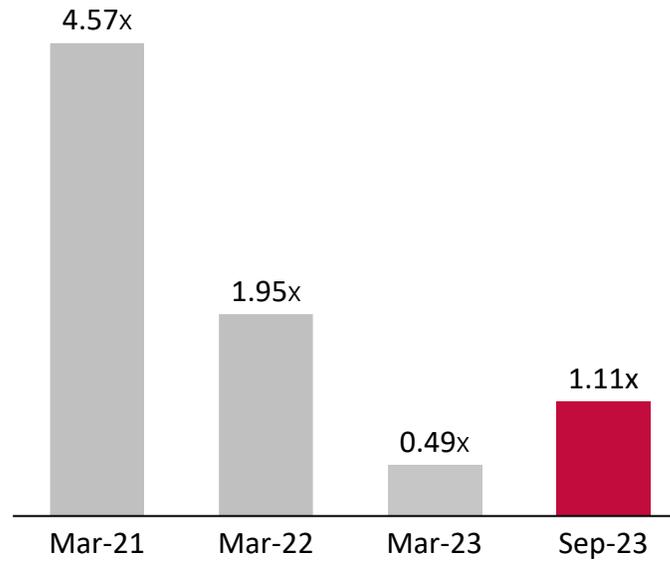
Strong Balance Sheet with Growing Returns



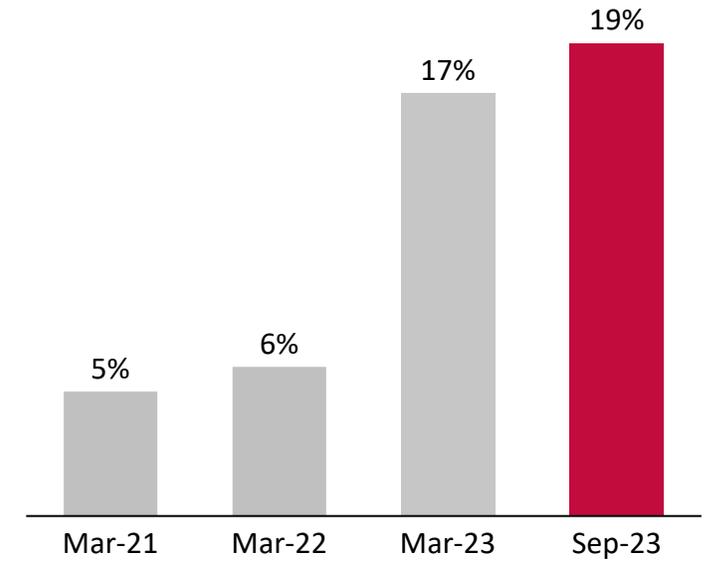
Net Debt (Rs. In Crs)



Net Debt to EBITDA



ROCE (excl. investment & CWIP)

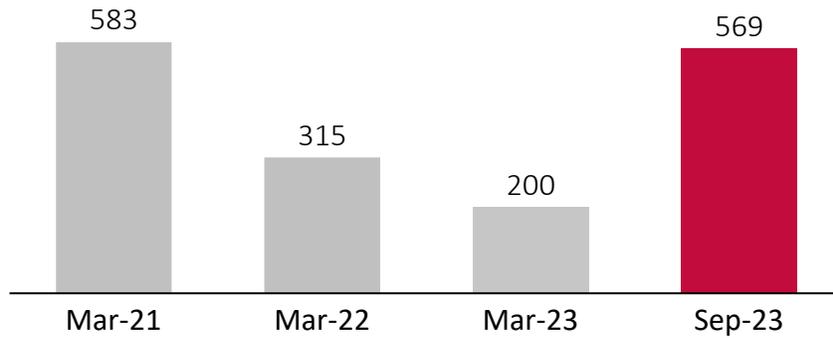


Long term debt reduced by Rs 20 crs

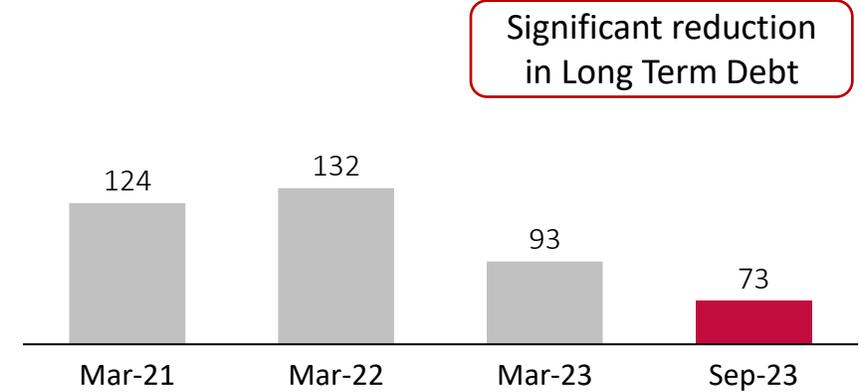
Capital Disciplined Balance Sheet



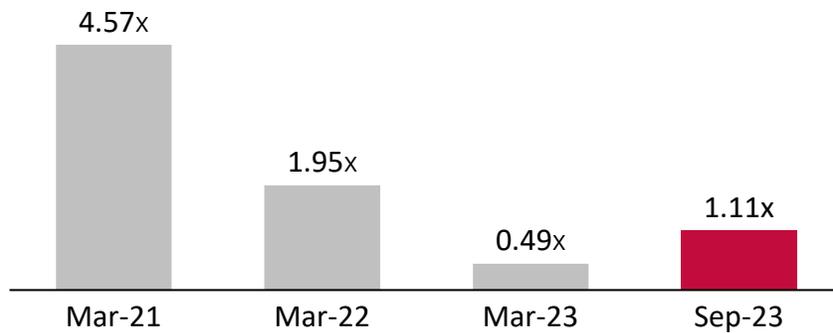
Net Debt (Rs. In Crs)



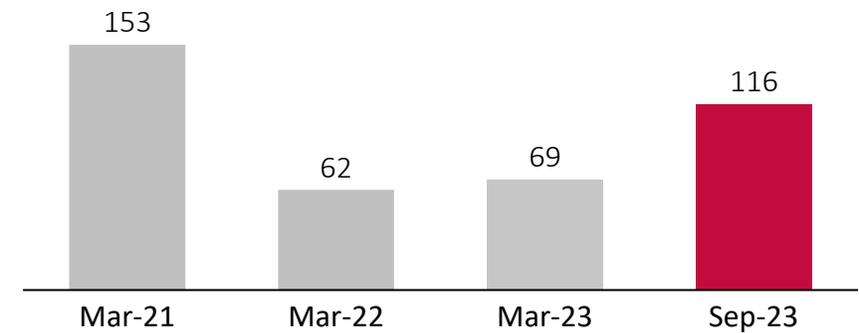
Long Term Borrowings (Rs. In Crs)



Net Debt to EBITDA



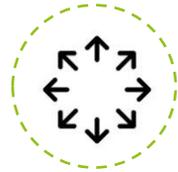
Net Working Capital Days



Unparalleled access to growth opportunities



High Value
Product
Pipeline



Right Capacity



Strong
Clientele



Product
Leadership



Strong R&D



Strategic
Location



Diversified
End Markets



Global
Management
Team



Cutting Edge
Technologies



Strong Brand

Transformation Unfolds

Addressing the needs of critical raw material requirements of Lithium-Ion Batteries



Thank You

Company :

Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Mr. Somesh Satnalika
EVP - CTD & Strategy

Email: ssatnalika@himadri.com

www.himadri.com

Investor Relations Advisors :



Ms. Payal Dave : +91 9819916314
payal.dave@linkintime.co.in

Mr. Bhavya Shah: +91 8082748577
bhavya.shah@linkintime.co.in

www.orientcap.com
