

November 11, 2022

Ref. No.: **AIL/SE/67/2022-23**

To,

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001, MH.

Scrip Code: **543534**

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai-400051, MH.

Symbol: **AETHER**

Dear Madam / Sir,

Subject: Press Release on Financial Results for the Second Quarter ended on September 30, 2022

In accordance with Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Press Release on the Financial Results for the Second Quarter ended on September 30, 2022 is enclosed herewith.

We request you to kindly take the information on your records.

Thank you.

For Aether Industries Limited



Chitrarth Rajan Parghi
Company Secretary & Compliance Officer



Encl.: As attached

**CHITRARTH
RAJAN PARGHI**

Digitally signed by
CHITRARTH RAJAN PARGHI
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Aether Industries Limited – Q2/HFY-23 Results

CRAMS increased by 68% and Contract / Exclusive Manufacturing increased by 112% HFY-o-HFY

Surat, November 11, 2022: Aether Industries Limited has witnessed tremendous growth in two business models, CRAMS and Contract / Exclusive Manufacturing. The growth in these two business models has been multifold viz. 68% growth in CRAMS and 112% growth in Contract / Exclusive Manufacturing, from HFY-22 to HFY-23.

The company's third business model, Large Scale Manufacturing, has shown a decline primarily due to the downward trend in the global Pharmaceutical industry. The Company however anticipates good future growth in this business model as well, due to the launch of 5 new products in this business model in their upcoming green-field manufacturing site within this fiscal year.

The Company has recorded a total revenue of Rs. 1,466 million in Q2 of FY-23, leading to total revenue of Rs. 3,127 million in the HFY-23, which has led to an increase of 6% in the total revenue HFY-o-HFY. The EBITDA remained almost flat HFY-o-HFY from Rs. 912 million in HFY-22 to Rs. 918 million in HFY-23, thereby resulting in EBITDA margin of 29.4% in HFY-23. PAT increased from Rs. 575 million in HFY-22 to Rs. 578 million in HFY-23, being almost flat.

Revenue for Q2 of FY-23 grew by 1.5% YoY (compared to Q2 of FY-22) from Rs. 1445 million to Rs 1466 million, but showed a drop by 11.8% compared to Q1 of FY-23, which was envisaged and well informed by the Company in the last quarter also, due to the slowdown in the Pharmaceutical Industry.

The Company earned an EBITDA of Rs. 433 million in Q2 of FY-23 which was down by 0.8% (compared to Q2 of FY-22) and down by 10.9% (compared to Q1 of FY-23).

The PAT for the Company has been Rs. 272 million in Q2 of FY-23 which has increased by 8.0% (compared to Q2 of FY-22) and reduced by 11.1% which is line with the drop of the revenues (compared to Q1 of FY-23).

52% of our top line is contributed by the Large-Scale Manufacturing business model; 13% of our top line is contributed by Contract Research and Manufacturing Services business model which funnels into 3rd business model i.e., Contract / Exclusive Manufacturing which contributed to 33% to our top line.

PRESS RELEASE

Our Sales Mix stands at Pharma 46%, Agrochemicals 33%, Material Science 6%, High Performance Photography 6%, Coatings 4% and Others including Oil & Gas as 5%.

Our Exports stands at 49%, which includes export to SEZ and EOU units in India and Domestic Sales stands at 51%. Exports outside the geography of India accounted for 36% of the total revenue from operations.

A snapshot of the financials of the Company are as under:

Amt in Mns	Q2FY23	Q1FY23	Q o Q	Q2FY22	Y o Y	HFY23	HFY22	Y o Y
Revenue	1,466	1,662	-11.8%	1,445	1.5%	3,128	2,957	5.8%
EBITDA	433	486	-10.9%	437	-0.9%	919	912	0.8%
<i>EBITDA Margin</i>	29.5%	29.2%		30.2%		29.4%	30.8%	
PAT	272	306	-11.1%	252	7.9%	578	575	0.6%
<i>PAT Margin</i>	18.6%	18.4%		17.4%		18.5%	19.4%	

Major highlights for the Company have been:

1. New product launched under Large Scale Manufacturing business model having end application in pharmaceutical industry.
2. We have started business with 11 new customers during the quarter across all business models.
3. Expanded R&D Centre has become operational and is equipped with 55 fume hoods in R&D and more than 100 reactors in pilot plant.
4. The Company's solar power plant has been commissioned since July 2022 and is giving more than 80% output, helping save electricity cost.
5. More than 50 new team members joined Aether in HFY across all departments.
6. Successfully concluded twelve customer audits and certification audits in HFY.

Commenting on the results, Dr. Aman Desai, Promoter & Whole-time Director, Aether Industries, said, 'Despite global softening of the overall chemical industry especially the pharmaceutical industry, our company has posted a reasonable quarterly result. As the downward trends stabilise and especially as India continues to be on the forefront of the global CRAMS opportunities, we are significantly optimistic in our overall outlook. We are adding major global customers to our CRAMS list and renewing significant annual contracts. The newly expanded R&D Centre and pilot plant has been officially inaugurated and is already filling up with new projects across all business models. The Large-Scale Manufacturing business model, despite 2 slow quarters, should soon trend upwards owing to the 5 new products being launched in our upcoming green-field manufacturing site, which is on schedule and on track to stepwise launch by December 2022.'

PRESS RELEASE

About Aether Industries Ltd (www.aether.co.in) BSE: 543534; NSE: AETHER

Incorporated in 2013, Aether Industries Limited is a speciality chemical manufacturer in India focused on producing advanced intermediates and specialty chemicals involving complex and differentiated chemistry and technology core competencies. Aether's vision is to create a niche in the global chemical industry with a creative approach towards chemistry, technology and systems leading to sustainable growth. Aether began commercial operations in the last quarter of FY-17 and stands to be one of the fastest growing specialty chemical companies in India. The company has an installed capacity of 6000 MT as on date and operates its state-of-the-art and DCS automated manufacturing facilities in Surat, Gujarat. Aether is ISO 9001: 2015, ISO 14001:2015, ISO 45001:2018, ISMS 27001:2013 and Indian GMP certified.

For more information, contact:

Ravi Bhojani
Lead - Investor Relations
Aether Industries Limited

Tel: +91 261 6603045
E-mail: RaviBhojani@aether.co.in

Netra Desai
Account Director
Concept Public Relations India Ltd.

Tel: +91 9619399478
E-mail: netra@conceptpr.com

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Certain statements that are made in the Press Release may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in the economic environment in India and overseas, tax laws, inflation, litigation, etc. Actual results might differ substantially from those expressed or implied. Aether Industries Ltd. will not be responsible for any action taken based on such statements and discussions and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.