

July 26, 2023

Ref. No.: **AIL/SE/51/2023-24**

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: Presentation on Financial Results

In accordance with Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the presentation on Financial Results of First Quarter ended on June 30, 2023, 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

Mem. No.: F12563



Encl.: As attached

Q1

2024
July 26, 2023

WHY AETHER?

The True Story

[8 x 8] Matrix of chemistry/technology competencies developed in-house, from scratch, which caters to various segments of chemical industry

Rich Infrastructure

Extensively expanded R&D, pilot plant, and manufacturing (2 new greenfield projects, 1 brownfield project all fully DCS automated) capabilities

R&D Driven Approach

Specialised R&D team comprising 262 highly qualified people including 130 scientists (with PhDs or M. Sc. / B. Sc. degrees) and 132 engineers (JUNE-23)

Experienced Team

Career Technocrat promoter group, expert global technology and business development team, average age of 940+ staff is 31 years (JUNE-23)

Growth Engines

Successfully launched 3 business models in 5 years into commercialisation:

1. Large scale manufacturing
2. CRAMS
3. Contract / Exclusive manufacturing

Marquee Customers

290+ multinational, global, regional and local companies across industry spectrum, spread over 22 countries

1st Time In India

Most of our advanced intermediates and specialty chemicals manufactured for the first time in India

Fastest Growing

We are one of the fastest growing specialty chemical companies in India, growing at a CAGR of nearly 44% between Fiscal 2018 and Fiscal 2023



HIGHLIGHTS

QIP

Successfully launched the QIP of Rs. 7,500 MM, wherein 36 qualified institutional buyers have invested in the future of Aether

New Customers

We have started business with 11 new customers during the quarter across all business models

Site 3++ Expansion

Ground digging work in progress, along with application for various regulatory approvals

Site 4 Expansion

Old structure breaking work and ground digging work started. Ordering of the equipment and machineries on-going

Site 5 Expansion

Wall fencing work in progress, along with application for various regulatory approvals

Pilot Plant Expansion

Initiated the expansion work for new Pilot Plant at the land which was procured on long-lease. Ordering of the machines on-going.

Team Members

More than 57 new team members joined Aether in Q1 FY24 across all departments

Customer Audits

Successfully concluded 8 customer audits and certification audits in Q4 FY23

LOI with US based oil field company

LOI signed with US based oil field company for contract manufacturing of its 4 products

Saudi Aramco

Entered into license agreement for long term contract with Saudi Aramco for Converge Polyols.



QUALIFIED INSTITUTIONAL PLACEMENT

QIP Successfully completed
OF RS. **7,500 MM**

With Investments from Marquee Investors, believing in Aether's story
and future plans

Overall support from | The Promoters, the Board of Directors & Aetherians

Special Thanks to

Lead Managers | HDFC IB Team and Investec / SBI Caps IB Team

Lawyers | JSA, Trilegal and Dentons

Industry Specialist | F&S

Auditors | Birju S. Shah & Associates

OBJECTS OF THE ISSUE	(INRMM)
Funding Capex at Site - 3	1,830
Funding Capex at Site - 5	3,300
Funding Working Capital	450
General Corporate Purposes	1,705



SITE 3++

Located diagonally
opposite to the current Manufacturing
Facility 2 in GIDC, Sachin, Surat, Gujarat, India



July 2023
project initiation

Production of 3 to 5 Products
on the commercialisation of the project



Additional 3500 MT
capacities approximately per annum
will be added on commercialisation
of the project



SITE 4

Located within 200 meters of the current Manufacturing Facility 2 in GIDC, Sachin, Surat, Gujarat, India



July 2023
project initiation

Dedicated to CEM
on the commercialisation of the project



Aether Speciality
Chemicals Limited
100% wholly owned subsidiary



SITE 5

S5 - Panoli

21° 32' 19.302" N, 73° 0' 11.34" E

For **future expansions**

Acquired land in **auction**

Plot nos. 14 & 15, Panoli GIDC, Gujarat

125,000 sq. mtrs. / **31** acres (approximate)

12 times the land bank of the current land

Easy proximity to **NH8**

54 Kms drive from current locations in Surat

Wall fencing work started from May 2023

Project work to initiate from **August 2023**



EXPANSION OF WORLD'S LARGEST PILOT PLANT



56 reactors | SS-316, GLR, Hast-C, Ti / PFA coated | 500 to 6000 L | full vac. to 30 bar | -20 to 300 °C
10 batch / cont. distillation columns | SS-316, GLR, Hast-C | full vac. to 10 bar | 150 to 800 mm diam. | 24-100 stages
Wiped film evaporator / dryer | SS-316, Hast-C | 1, 2, 5 m²
25 filters / dryers | SS-316, ETFE coated | Centrifuges (24-48") | ANFD (2-5 KL) | RVPD | VTD | Drum flaker
Total pilot plant equipment : 204

OIL FIELD COMPANY | ARAMCO

Oil Field Company

Aether Industries Limited, signed a Letter of Intent (LoI) with one of the top 3 leading global Oil Field Services companies based in USA towards the finalization of a strategic supplier and contract manufacturing partnership.

The LoI specifies 4 strategic products of the new customer that will be contract manufactured by Aether as the first set of products in this new partnership. The individual volumes of these 4 products is also specified in the LoI, and totals to 1,325 MT per month (i.e. ~ 16 KTA or 16,000 MT per year). These products will be supplied to the global energy and oil and gas locations of the customer, including a significant supply within India.

CO₂ converge[®]

Aether Industries Limited has inked a license agreement with Saudi Aramco Technologies Company, Saudi Arabia, for the commercialization of the sustainable Converge polyols technology.

The agreement formally initiates Aether's activities towards the manufacturing and commercialization at Aether of the Converge polyols technology and product series, the manufacturing process for which has been previously jointly developed and validated at pre-commercial scale by Aramco and Aether. The agreement also captures the next set of important milestones.



SNAPSHOT

Q-o-Q

Q-o-Q is comparison of Q1 FY24 with Q4 FY23

(INR MM)

	Revenue	EBITDA	PAT
Q1FY24	1,638 ↓ 11%	474 ↓ 21%	302 ↓ 20%
Q4FY23	1,844	602	376

Y-o-Y

Y-o-Y is comparison of Q1 FY24 with Q1 FY23

Q1FY24	1,638 ↓ 1%	474 ↓ 2%	302 ↓ 1%
Q1FY23	1,662	486	306



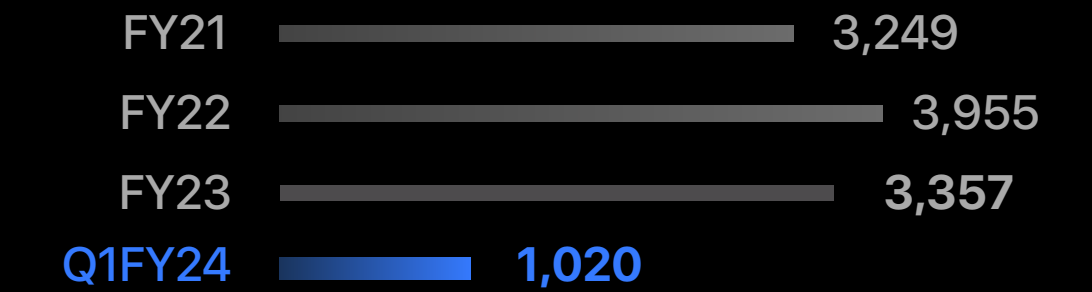
BUSINESS SEGMENTS

63%

Large Scale Manufacturing

Advanced intermediates and speciality chemicals with application across the industry spectrum

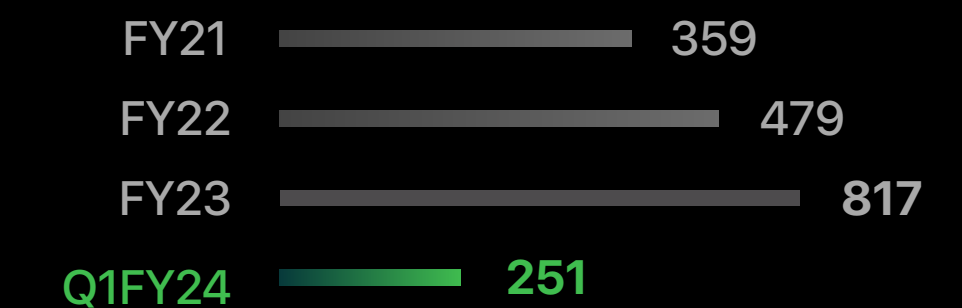
(INR MM)



16%

Contract Research and Manufacturing Services - CRAMS

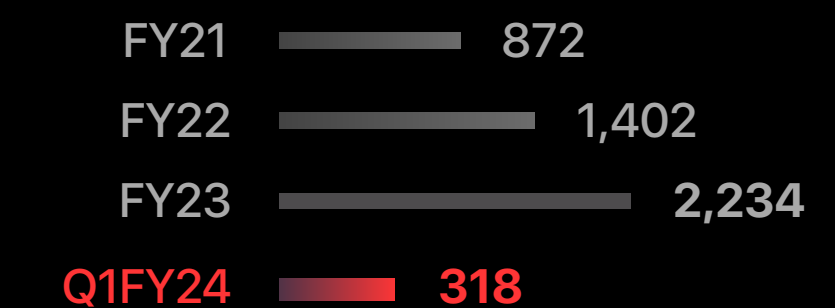
Contract research, scale-up services, technology development, low volume high value contract manufacturing



20%

Contract / Exclusive Manufacturing

Manufacture under contractual supply agreements with MNCs



AETHER TODAY

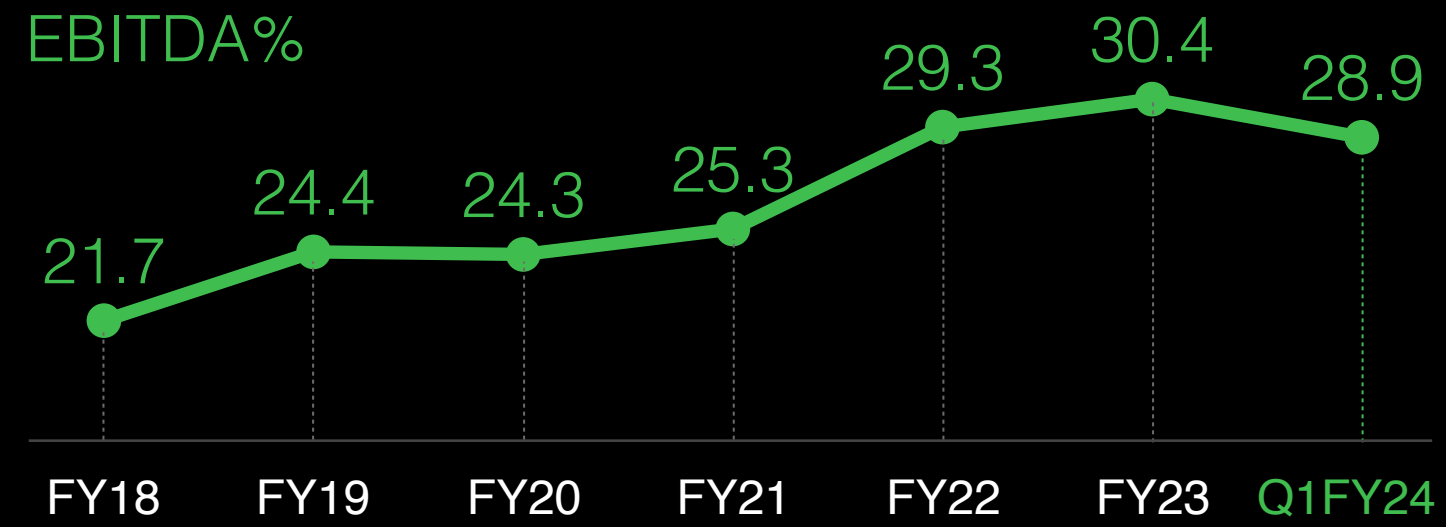
REVENUE FROM OPERATIONS

INR MM

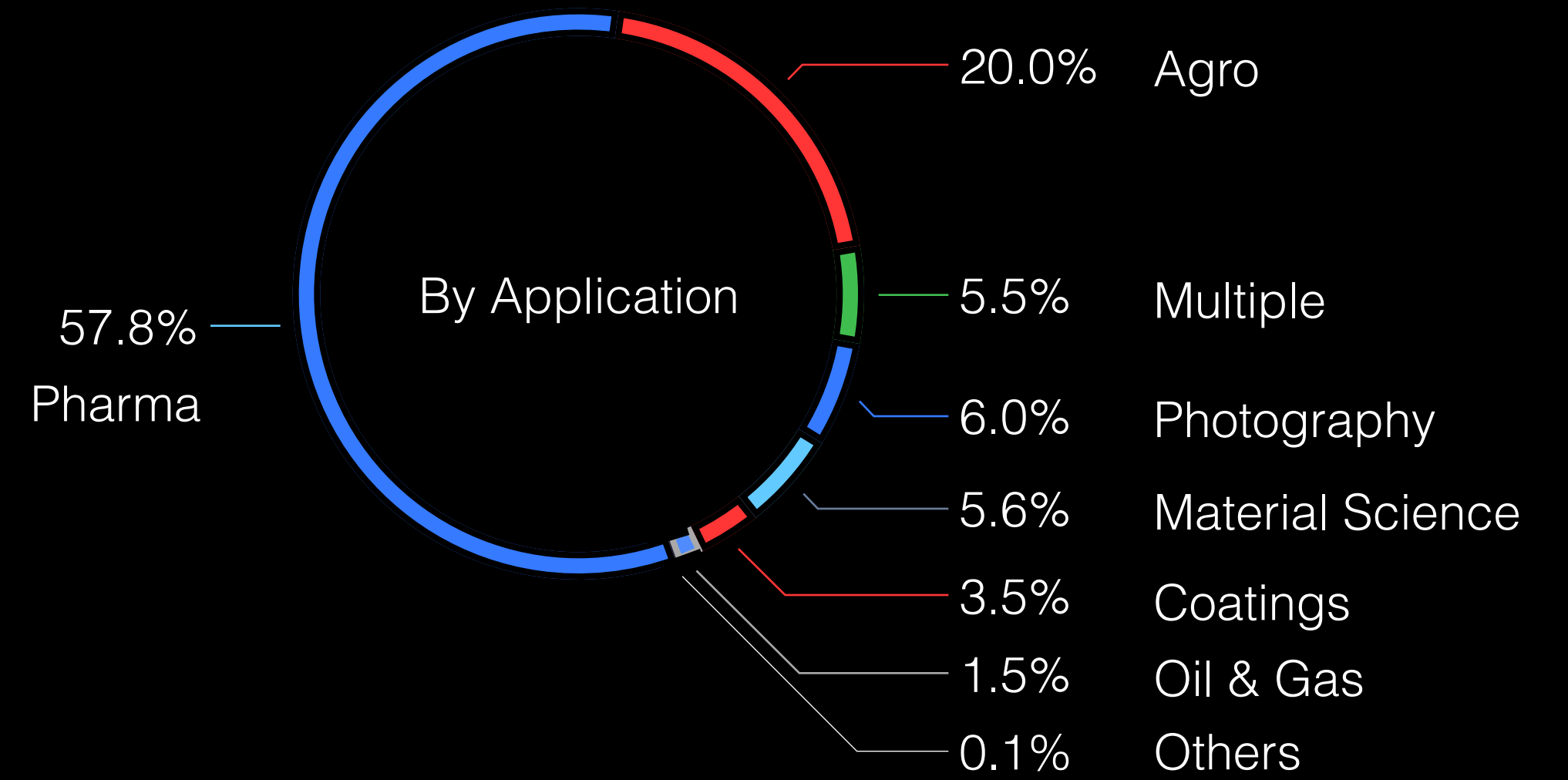
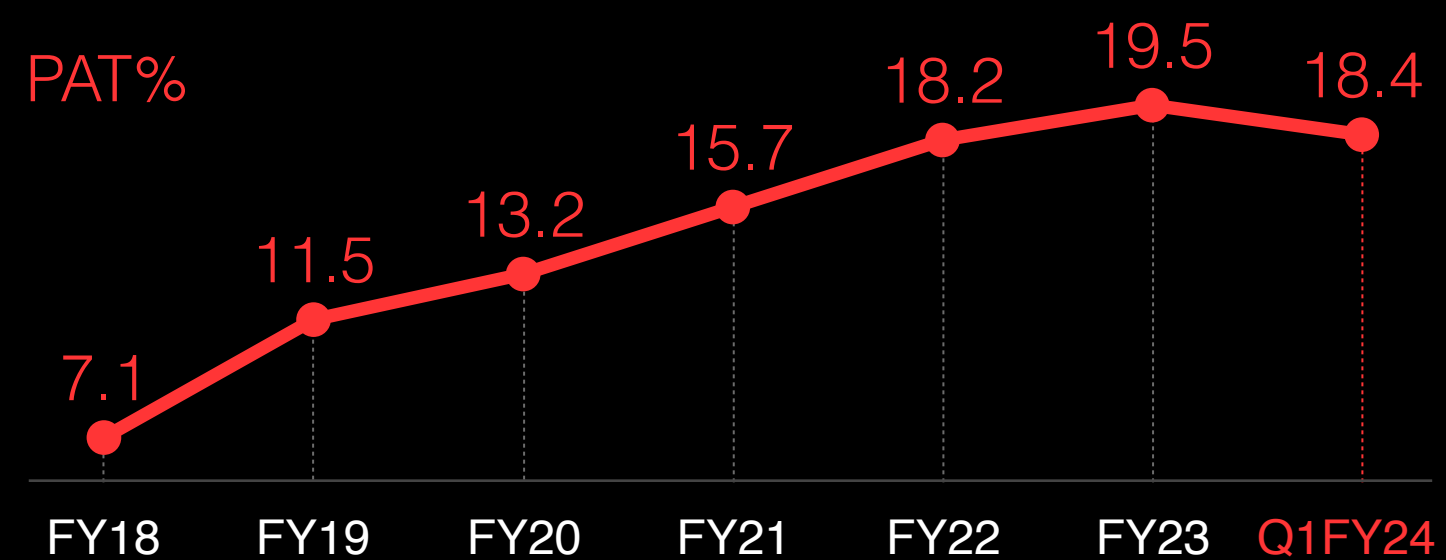
CAGR 44%



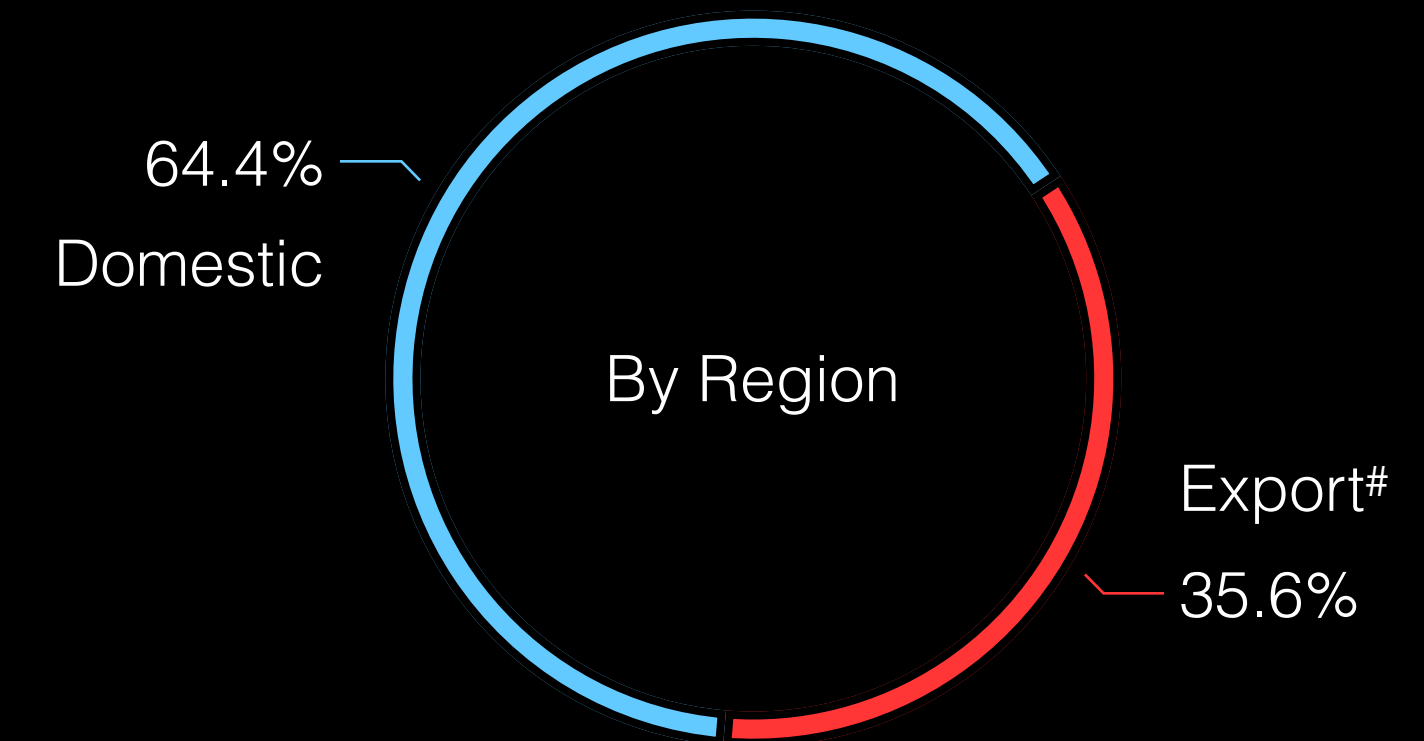
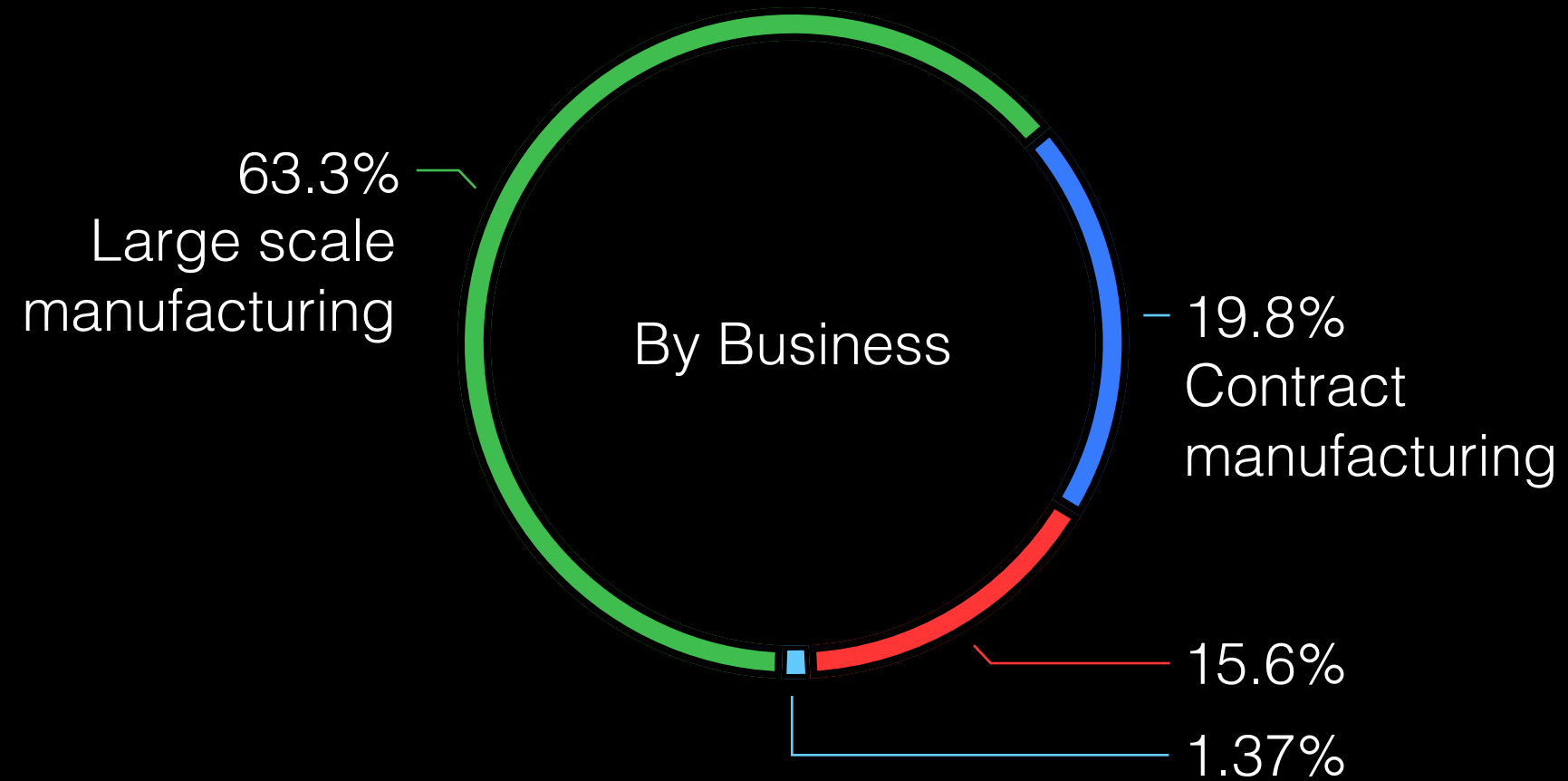
EBITDA%



PAT%



Q1FY24



includes deemed exports and SEZ Sales



RESEARCH AND DEVELOPMENT

R&D has been critical to success and a differentiating factor vis-à-vis competitors

Experts at helm of R&D / CRAMS

MARCH-23

233

Highly qualified employees,
including

111

Scientists with
PhD / M. Sc and B. Sc

122

Engineers

JUNE-23

262

Highly qualified employees,
including

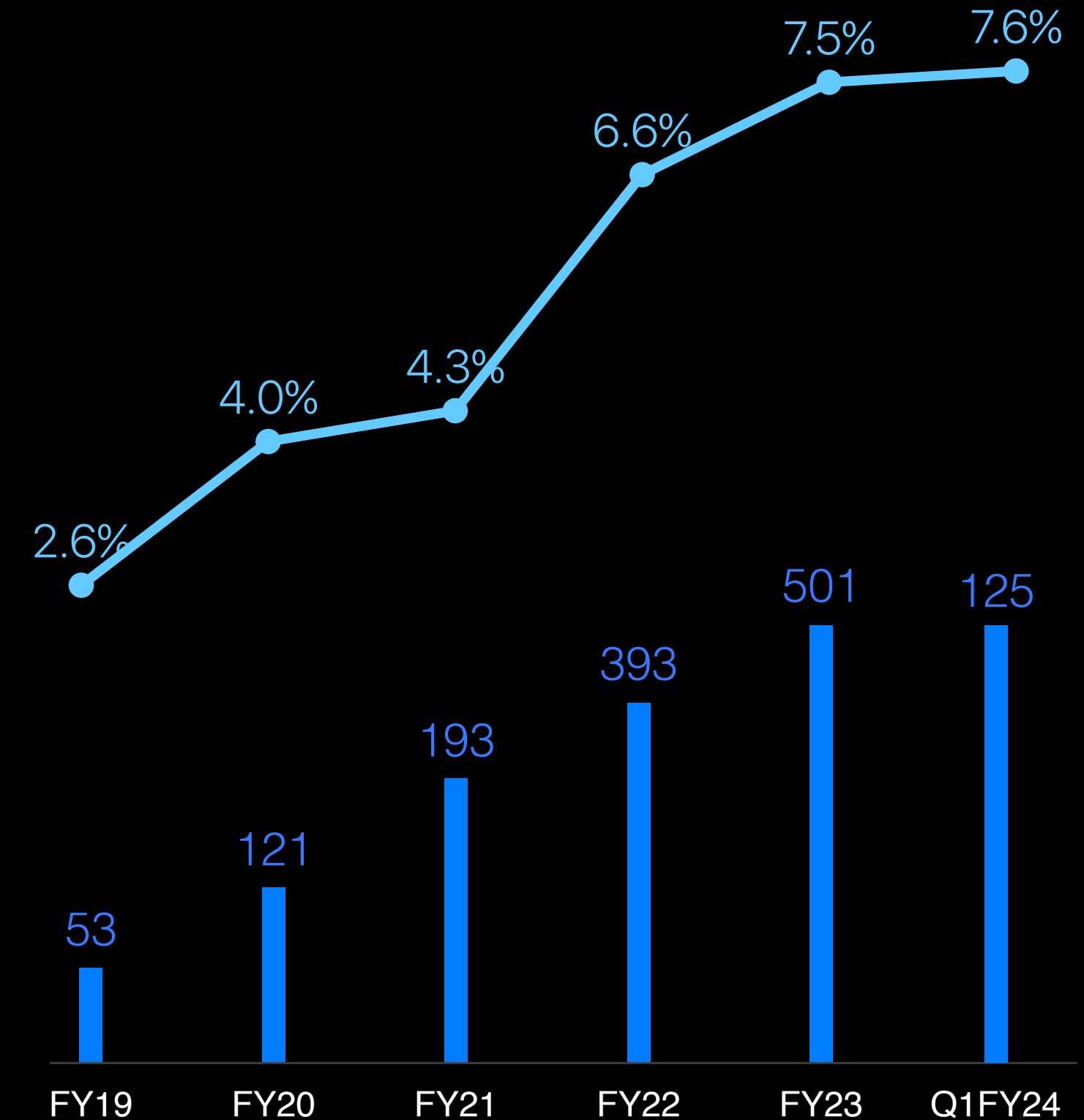
130

Scientists with
PhD / M. Sc and B. Sc

132

Engineers

Consistently rising R&D expenditure



QIP FUND UTILISATION

1. Capital expenditure towards expansion of Site 3++
2. Capital expenditure towards first phase of Site 5
3. Working Capital requirements due to new facility which has come up at Site 3
4. General Corporate Purpose funds utilised for various expansions in R&D, Pilot Plant and Site 4 (under Aether Speciality Chemicals Limited, a 100% wholly owned subsidiary of Aether Industries Limited)

(INR MM)

Objects of issue	Amount as per the Offer Document (A)	*Amount Withdrawn from Monitoring Bank (B)	% Amount Withdrawn (C)	Amount Pending to be withdrawn from Monitoring Bank (D = A - B)
Funding capital expenditure requirements for the proposed Greenfield Project - Site 3++	1,830	0	0.00%	1,830
Funding capital expenditure requirements for the proposed Greenfield Project - Site 5 (first phase)	3,300	0	0.00%	3,300
Working Capital requirements	450	0	0.00%	450
General Corporate Purposes	1,705	0	0.00%	1,705
Total	7,285	0	0.00%	7,285

* As on June 2023, no funds were utilised and are parked in FD with banks



FINANCIAL RESULTS FOR Q1 FY24

INR MM

Particulars	Q1FY24	Q4FY23	Q1FY23	FY23
	Unaudited	Audited	Unaudited	Audited
Revenue from operations	1,611	1,838	1,600	6,511
Other income	26	6	62	165
Total income	1,637	1,844	1,662	6,676
Cost of goods sold #	769	871	830	3,173
Employee benefits expense	85	90	72	345
Other expenses	309	281	274	1,130
EBITDA	474	602	486	2,028
Depreciation & amortization expense	92	69	45	232
EBIT	382	533	441	1,796
Finance cost	12	12	29	51
Profit before tax	370	521	412	1,745
Tax expenses (Current + Deferred)	68	146	106	441
Profit after tax	302	375	306	1,304



Cost of goods sold = Cost of materials consumed in operation and incidental cost + Changes in inventories of finished goods and work-in-progress

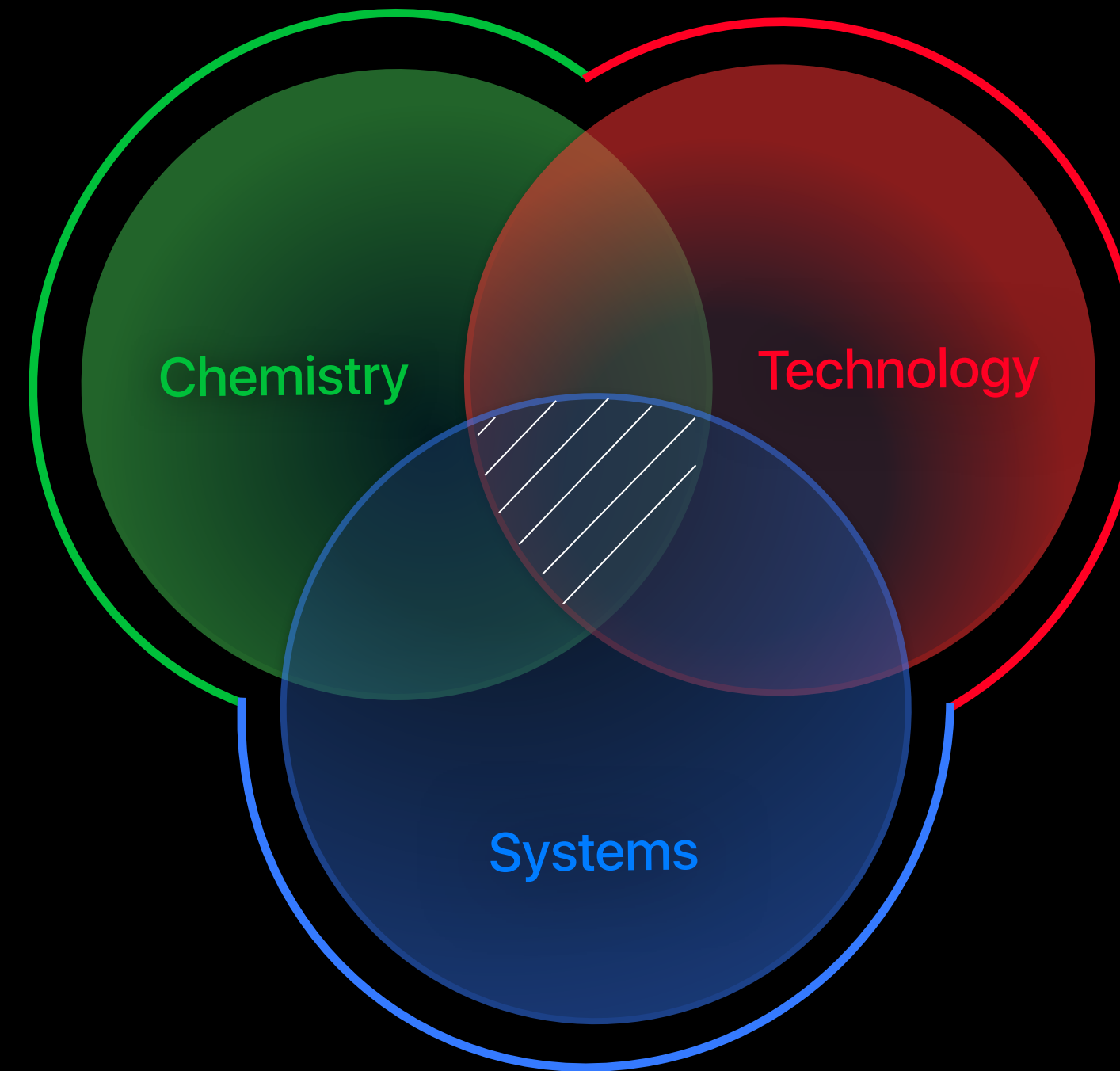


CORE COMPETENCIES

8x8 Matrix

Chemistry

Grignards and Organolithiations
Ethylene Oxide Chemistry
- Tandem Grignard / Ethylene Oxide
Isobutylene Chemistry
Hydrogenation
- Asymmetric Hydrogenation
Heterogeneous Catalysis
Exothermic Chemistry
Cross Coupling Chemistry
Olefin Metathesis / Polymerisation



Technology

Continuous Reaction
Batch Reaction
High Pressure Reaction
Fixed Bed Reaction
Cryogenic Reaction
High Vacuum Distillation
Wiped Film Distillation
Process Automation

Systems

SAP
Multiple Certifications
(DCS) Automation



PRODUCT SELECTION

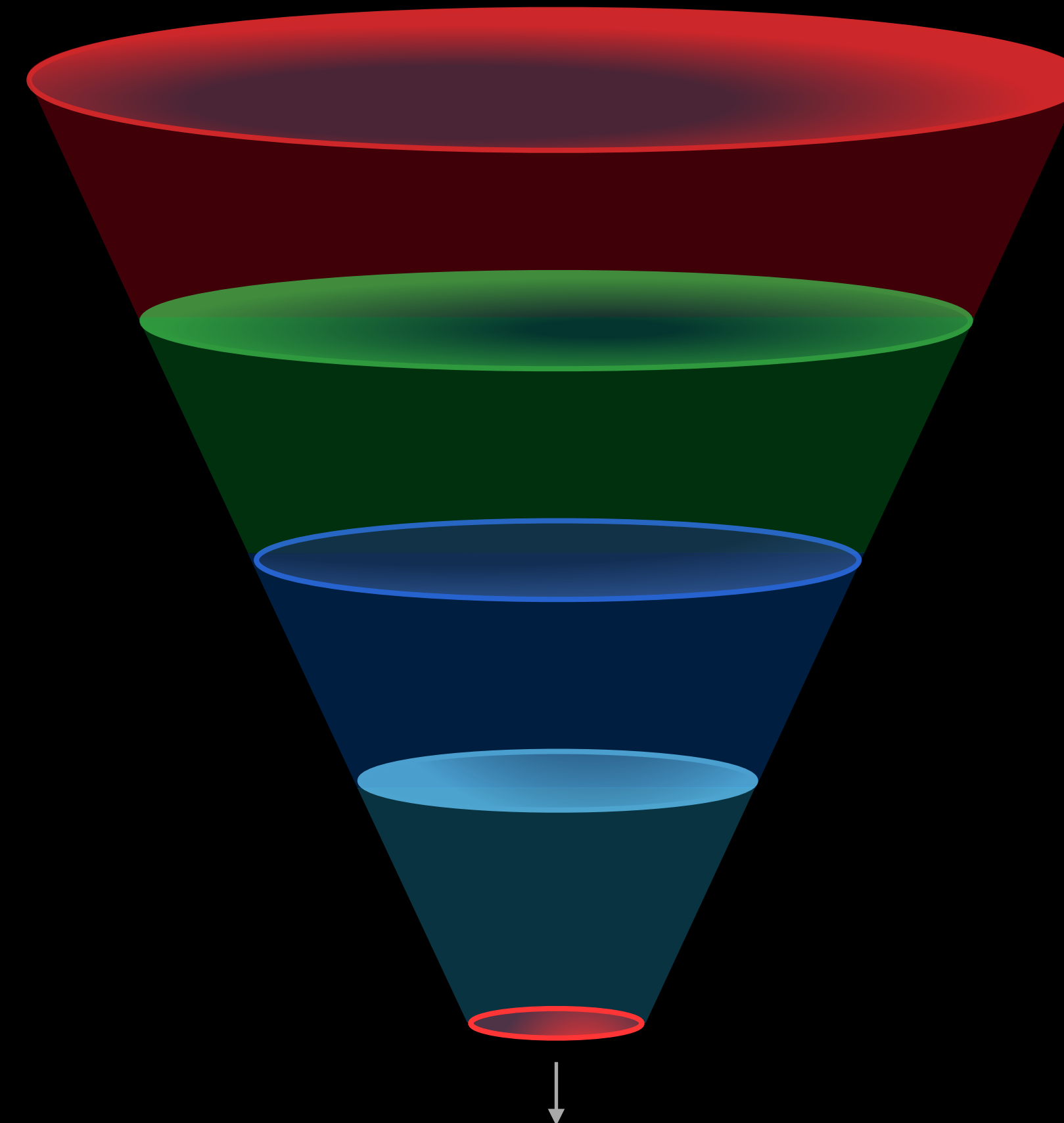
Core competencies of chemistry, technology and systems

No active manufacturer in India, made for 1st time in India

Minimum 4 step sequences of manufacturing and infrastructure oriented

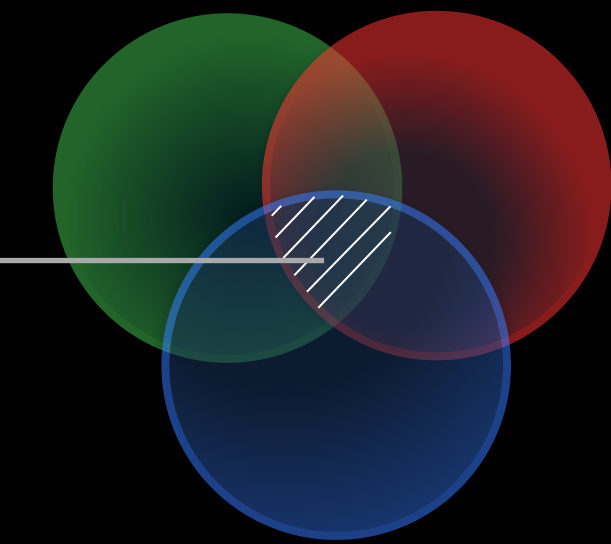
Generate adequate revenue at maturity

Market leading position at product maturity

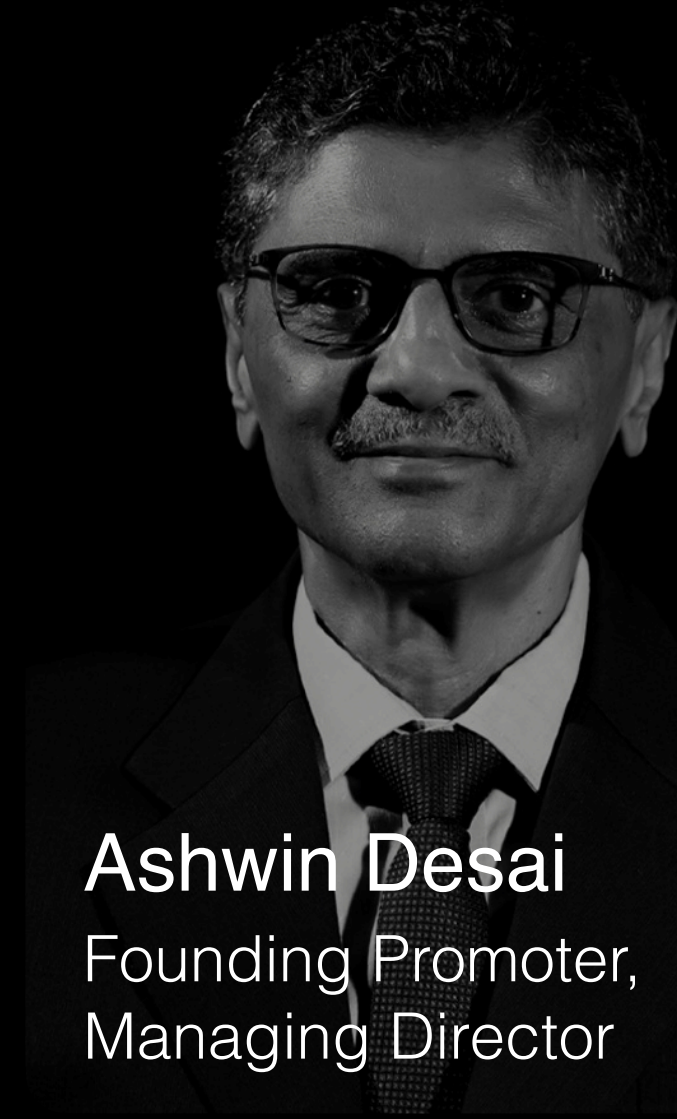


Product selection leading to differentiated portfolio

Sweet Spot



KEY PILLARS



Ashwin Desai
Founding Promoter,
Managing Director

- Bachelor of Chemical Engineering from Institute of Chemical Technology (UDCT, 1974)
- Distinguished Alumni Award by UDCT (2010)
- Prior to Aether, Founder / Chairman / MD of Anupam Rasayan (India) Limited (till 2013)
- Spearheading the continuous (flow) technology core competency
- Aether's visionary, multiple decades of experience in speciality chemicals



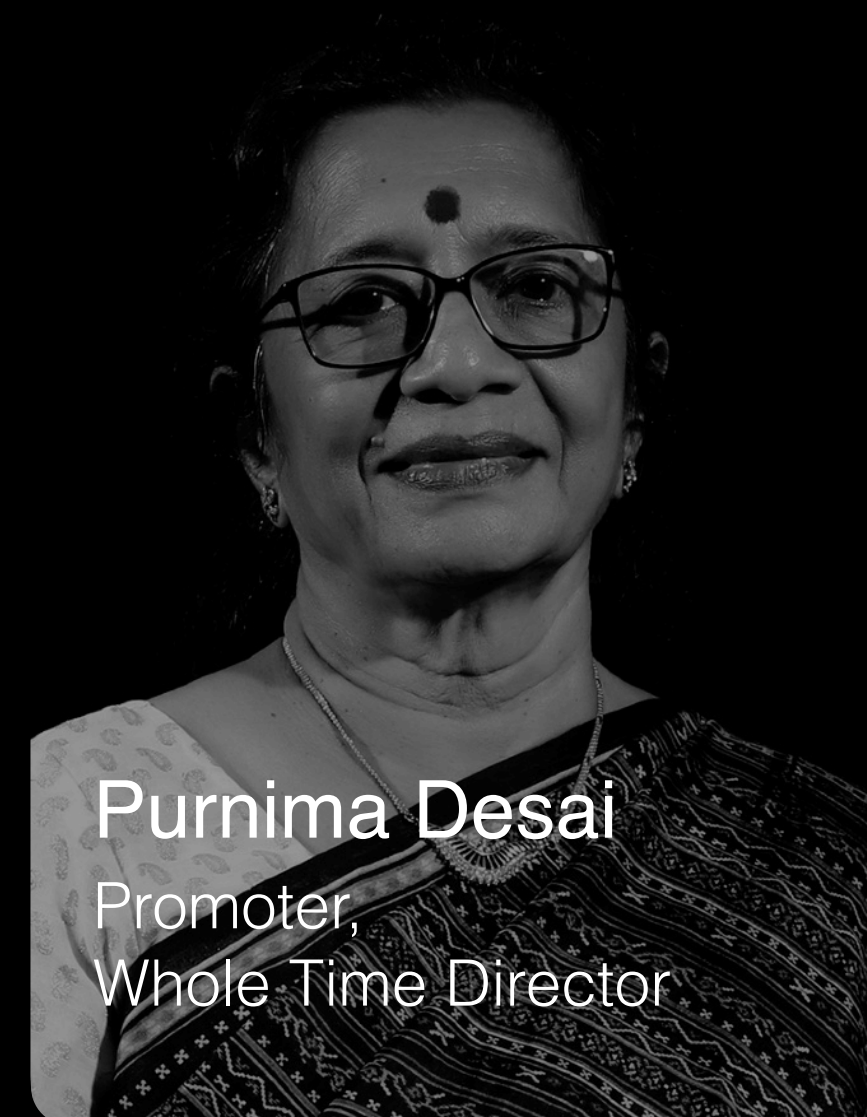
Dr. Aman Desai
Promoter,
Whole Time Director

- Bachelor of Chemical Technology - ICT (UDCT, 2005), PhD in Organic Chemistry from Michigan State University (USA, 2010)
- Prior to Aether, project leader in Process Development group in Core R&D HQ of The Dow Chemical Company (USA, 2010-2012)
- Co-author of 25 publications, 4 patents in USA and published worldwide
- Distinguished Alumni Award by UDCT (2018)
- 10+ years of experience in speciality chemicals



Rohan Desai
Promoter,
Whole Time Director

- Bachelor of Commerce from VNSG University of Commerce, Surat
- Prior to Aether, Director at Anupam Rasayan (India) Limited (till 2013)
- Handles commercial portfolio including sales, finance, strategic procurement, human resources and systems
- Extensive experience in speciality chemicals

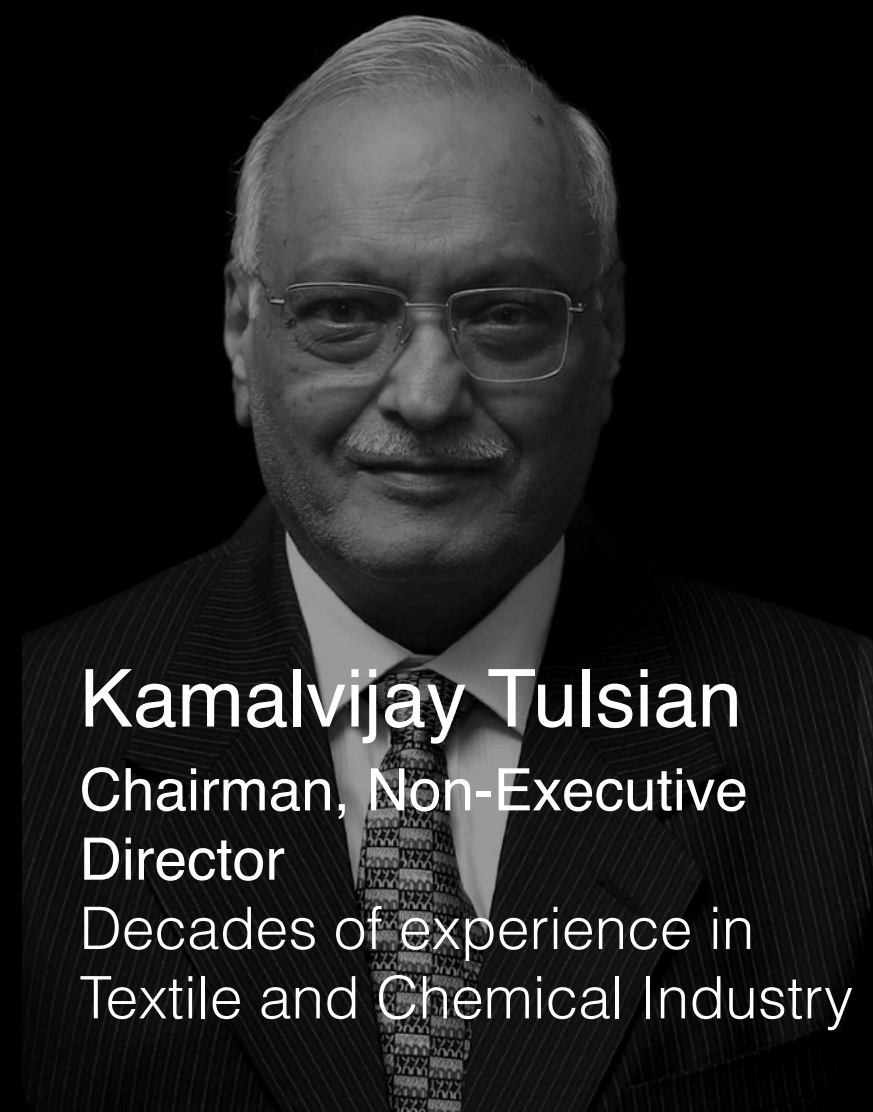


Purnima Desai
Promoter,
Whole Time Director

- Bachelor of Commerce from University of Delhi (1975)
- Prior to Aether, Director at Anupam Rasayan (India) Limited (till 2013)
- Leads overall finance and accounting operations
- Multiple decades of experience in speciality chemicals



EXPERIENCED BOARD



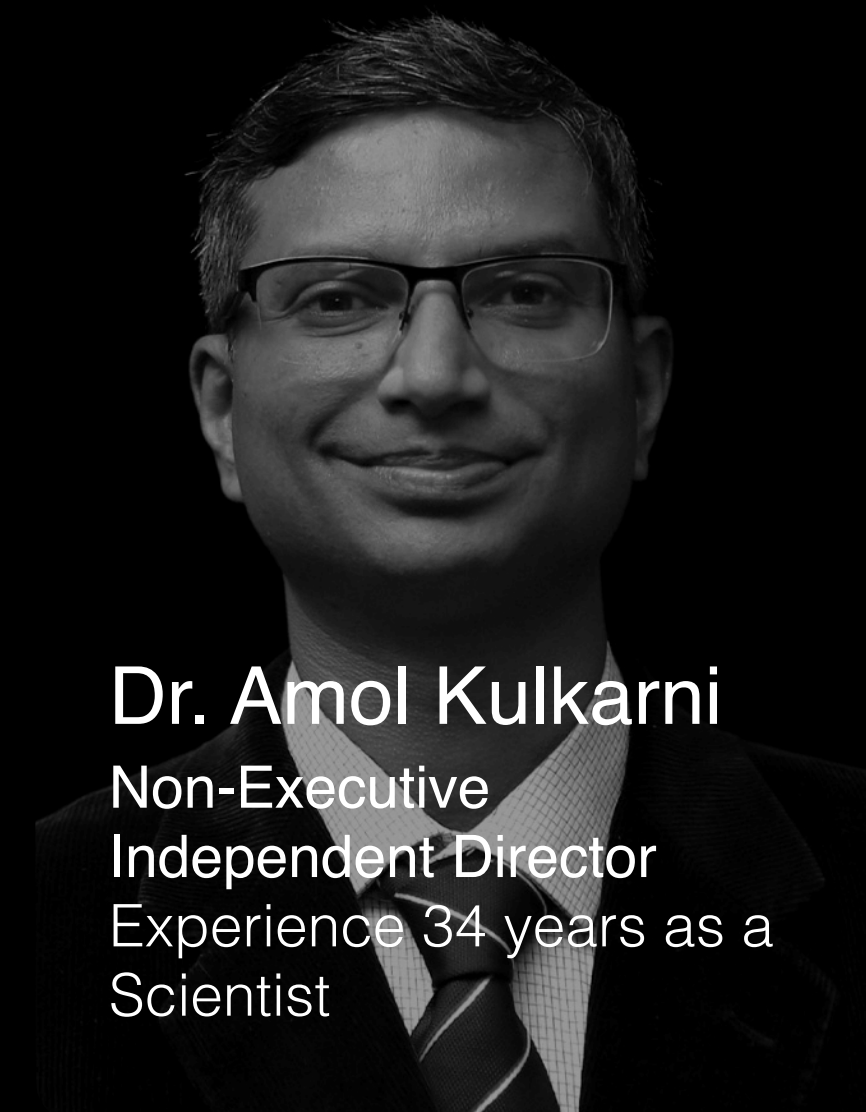
Kamalvijay Tulsian
Chairman, Non-Executive
Director
Decades of experience in
Textile and Chemical Industry



Jeevan Lal Nagori
Non-Executive Independent
Director
Experience 34 years in
Chemical Industries



Leja Hattiangadi
Non-Executive Independent
Director
Decades of experience in
Engineering Contracting /
Chemical Industry



Dr. Amol Kulkarni
Non-Executive
Independent Director
Experience 34 years as a
Scientist



Ishita Manjrekar
Non-Executive
Director
Experience in
Chemical Industry



Arun Kanodiya
Non-Executive
Independent Director
15+ years of experience in
Chartered Accountancy
and Finance



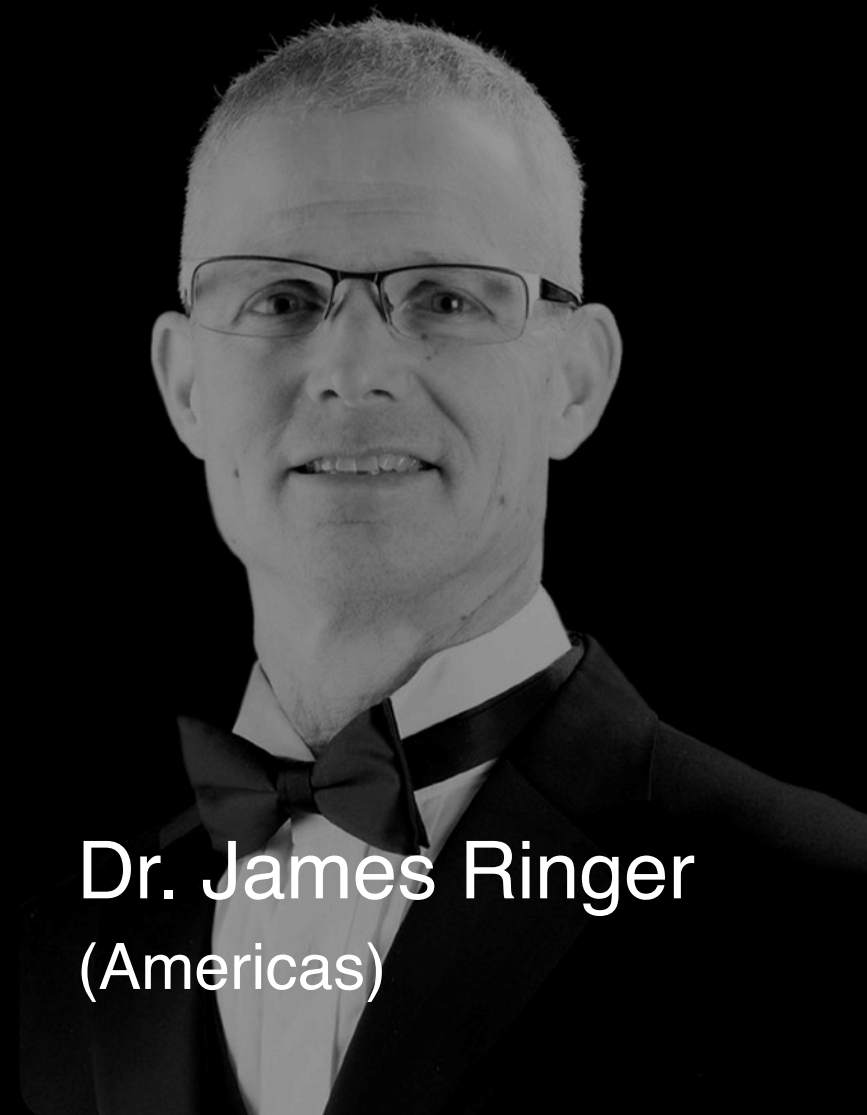
Jitendra Vakharia
Non-Executive Independent
Director
Decades of experience in
Chemical and Textile
Industry



Rajkumar Borana
Non-Executive
Independent Director
Extensive experience in
Textile Industry



BUSINESS DEVELOPMENT LEADERS | SMP AND KMP



Dr. James Ringer
(Americas)

- Bachelor's Science (Purdue Univ. USA) and PhD Organic Chemistry (Univ. Wisconsin, USA)
- > 30 years at The Dow Chemical Company (and subsidiaries) at various positions - Leader R&D Director
- Co-inventor on 22 USA patents, published worldwide



Dr. Norbert Flüggen
(Europe)

- Diploma Physics and Doctorate of Natural Sciences (PhD), Univ. Hannover (Germany)
- Decades of experience in Chemical Industry
- Previously at ALTANA AG (Germany)



Raymond Roach
(Americas)

- Bachelor's Science and Master's Chem. Engg., Univ. of Pittsburgh (USA)
- Decades of experience in Chemical Industry
- Previously at the Dow Chemical Company (USA)
- Co-inventor of 7 USA patents, published worldwide



Faiz Nagariya ^
Chief Financial Officer

- B. Comm. (Mumbai University), FCA (ICAI)
- Previously at Ala Metals LLC (Dubai)
- 25+ years of experience
- Awarded as CA-CFO for Emerging Corporates



ADDITION IN LEADERSHIP TEAM



Dr. Ron Valente

Business Development Leader
(Specialty Polyols)

- PhD Organic Chemistry – University of Rochester
- >20 years Eastman Kodak – Worldwide Director of Process Development & Manufacturing
- 7 years Senior VP Novomer, Inc.; CO₂ Polyol Technology acquired by Saudi Aramco 2016
- 7 years with Saudi Aramco; President & CEO Aramco Performance Materials



SELECT MARQUEE CUSTOMER BASE | DOMESTIC AND GLOBAL

Pharmaceutical



Oil and Gas



Textiles



High performance photography



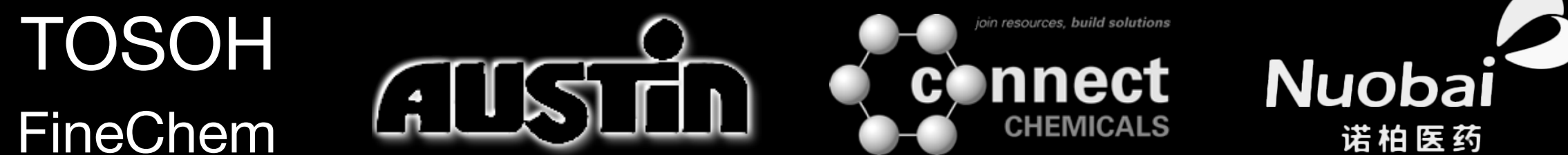
Material Science | Coatings



Agrochemical



Other Sectors



QEHS

Health and Safety

- Undertaking hazard and operability studies before commencing commercial production of new products
- Dedicated team of safety personnel
- Mobile application for safety and emergencies
- Modern fire-fighting and safety systems
- DCS automation system to control safety systems and processes
- Combined fire hydrant water reserve of over 2,000 m3 capacity
- Occupational Health and Safety Hazard Prevention
- Health and Safety Permits
- Emergency Prevention, Preparedness, and Response
- Working and Living Conditions
- Training and Communication

ISO 9001

for Quality

ISO 45001

for Occupational Safety

ISO 14001

of workforce as Environment Team

ISO 27001

of Information Security Management

INDIAN GMP

for Manufacturing

UN GLOBAL COMPACT

Annual Corporate Member

SILVER ECOVADIS MEDAL

among the top 25 percent of companies

15%

of which

6.03%*

is workforce as
QC/QA/ADL
Team

4.12%*

is workforce as
Safety
Team

5.50%*

is workforce as
Environment
Team

* as on June 30, 2023



QEHS

Quality

High standards of quality for products

To cover

Manufacturing

Supply Chain

Product Delivery

To ensure

Consistent Quality

Efficacy

Safety of Products

In Q1 FY24

8

Times, our facilities have been audited by

8

Customers or their external auditors

Environment

Vibrant infrastructure installed for environment and sustainability efforts

- 100 KLPD in-house zero liquid discharge (ZLD) plant
- Triple stage multiple effect evaporator (MEE)
- Mechanical vapour recompression (MVR) plant
- Agitated thin film evaporator (ATFE)
- Reverse osmosis (RO) plant
- Soil biotechnology (SBT) platform with ozonation
- Employing cleaner chemistries, semi-continuous or continuous reaction technologies, and automation in the process



ENVIRONMENTAL SOCIAL GOVERNANCE

Environmental

- Adoption of the green chemistries or more accurately sustainable chemistry since inception.
- Principles of energy saving and conservation, atom economy
- 4R strategy (reduce / recover / recycle / reuse)
- Undertaking hazard and operability studies.

Social

- Focused on:
 - Education
 - Life Saving measures
 - Medical Aid / Support
- Total spent of Rs. 12.13 MM towards CSR in Q1 of FY24 (44% already deployed out of the total budget of CSR for FY24)

Governance

- Technically sound and extensively experienced Board members
- Transparency and accountability at each level
- Adequate corporate governance helps:
 - Improved capital flow
 - Risk mitigation
 - Reputation boost
 - Effective decision making
 - focus on compliance
 - Higher staff retention
 - Limitation of conflicts of interests





Certain statements and opinions with respect to the anticipated future performance of the company in the presentation ("forward - looking statements"), which reflect various assumptions concerning the strategies, objectives and anticipated results may or may not prove to be correct. Such forward -looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward - looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Such forward - looking-statements only speak as at the date the presentation is provided to the recipient and the company is not under any obligation to update or revise such forward -looking statements to reflect new events or circumstances. No representation or warranty (whether express or implied) is given in respect of any information in this presentation or that this presentation is suitable for the recipient's purposes. The delivery of this presentation does not imply that the information herein is correct as at any time subsequent to the date hereof and the company has no obligation whatsoever to update any of the information or the conclusions contained herein or to correct any inaccuracies which may become apparent subsequent to the date hereof.

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