Clean Science and Technology Limited
innovation at work

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5th November, 2026

To

BSE Limited
Phiroze JeeJeebhoy Towers,
Dalal Street,
Fort, Mumbai – 400 001
Scrip Code: 543318

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1,
G Block, Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051
Trading Symbol: CLEAN

Subject: **Transcript of conference call on the Company's Q2 FY26-27 Earnings.**

Ref.: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/Madam

Further to our letter dated 22nd October, 2026 and in terms of Regulation 30 read with Schedule III - Part A to the Listing Regulations, please find enclosed herewith the transcript of conference call on the Company's Q2 FY26-27 Earnings held on Saturday, 31st October, 2026.

You are requested to take the same on record.

Thanking You.

For Clean Science and Technology Limited

Ruchita Vij
Digitally signed by Ruchita Vij
Date: 2026.11.05 10:09:50 +05'30'

Ruchita Vij
Company Secretary & Compliance Officer

Encl: as above

“Clean Science and Technology Limited

Q2 FY27 Earnings Conference Call”

October 31, 2026

MANAGEMENT: **MR. SIDDHARTH SIKCHI –MANAGING DIRECTOR AND PROMOTER**
MR. SANJAY PARNERKAR – CHIEF FINANCIAL OFFICER
MR. PRATIK BORA – PRESIDENT – COMMERCIAL

Moderator: Ladies and gentlemen, good day, and welcome to the Q2 FY27 Earnings Conference Call of Clean Science and Technology Limited. We have with us on the call Mr. Siddharth Sikchi, Managing Director and Promoter; Mr. Sanjay Parnerkar, CFO; and Mr. Pratik Bora, President, Commercial.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone.

I now hand the conference over to Mr. Siddharth Sikchi for opening remarks. Thank you, and over to you, sir.

Siddharth Sikchi: Thank you so much. Good afternoon, all of you, for taking time out to listen to our earnings call on Saturday. So let me present to you the Q2 FY27 earnings.

So let me first speak about the basic -- the business performance. The quarter marked yet another consequent quarter of being the highest ever revenue in the history of the company, highlighting our continued effort to translate from investment phase to asset monetization phase in the new HALS segment, wherein base business, we continue to increase our volumes in our flagship products, dictating a robust cost competitiveness.

On the base business of Clean Science, the base business saw a resilient volume-led growth across Performance and Pharma segment. Export sales increased to 73% of the stand-alone business against 64% during the previous quarter. Otherwise, this base business showed a steady performance.

On the HALS segment, on Y-o-Y basis, the HALS segment grew 2x in revenue during the quarter.

It was achieved on back of robust HALS volume growth. To give a little perspective, in H1 FY27, we achieved aggregated volumes of 67% of the total volumes achieved during entire previous financial ye ar. This growth means more to us than just numbers show. It reflects a fundamental shift in how our customers see us.

We started as a new entrant providing our quality. And today, we are one of the trusted strategic partner with the customers. This trust is very difficult to win, and we are very proud to have earned this. Further, as we speak, we continue to add new customers and increase the wallet share from existing customers every quarter.

On cost improvement fronts, during the quarter and also in the subsequent quarters, we will be starting some of the key starting materials for some of these HALS products, which eventually will result in improvement in our gross margin. Put all together, healthy volumes, continuous process improvement and benefits of operational leverage have resulted in EBITDA margin of 12% in the first half of FY27. And during this quarter, we reached a PAT positive.

CFCL has conducted and completed trials for the advanced grade of HALS product. This marks a significant milestone towards the commercial launch of the new product expected to commence in H2 of FY27. A little on the input costs. Input costs have remained high during the quarter as the Middle East crisis conflict kept the crude-linked feedstock prices high. Key raw materials such as phenol, acetone and methanol were 50% to 100% higher year-on-year alongside an increase in coal and freight costs.

With Chinese prices yet to move up, the pass-through to the customers was difficult. Consequently, the raw material cost rose to 43.3% versus 39.7% on a consolidated basis. However, the customer demand remained resilient.

Now let me touch upon the financial performance for the period 30th September '26, stand-alone, starting with Q-on-Q comparison. On a sequential basis, revenues improved by 11% to INR226 crores, largely due to higher volume across Performance, Pharma and FMCG. EBITDA and PAT margins are at 36% and 24%, translating into EBITDA of INR82 crores and PAT of INR55 crores. Margin moderation was primarily due to high raw material costs, which rose to 41% from 35% in Q1 FY27.

On Y-o-Y comparison, sales grew by 10% during the quarter. The revenue growth was primarily led by improved realization, while volumes were broadly stable. The demand environment continues to be steady. On a consol basis, company delivered a healthy volume-led growth of 12%, resulting in revenues of INR295 crores on a consolidated basis with EBITDA and PAT margins of INR92 crores and INR56 crores, respectively.

On Y-o-Y comparison, the sales grew 23% during the quarter. The revenue growth was primarily led by improved volume growth approximately 10% and realization by 13%. The increase in revenue is primarily led by consistent sale of HALS business and consolidated EBITDA grew by 6%, supported by turnaround in CFCL.

On a year-to-date basis, consolidated sales grew by 17% to INR559 crores with EBITDA of INR188 crores and PAT of INR129 crores. The split was 77% Performance, 14% Pharma Intermediates and FMCG was 7%.

A review on the capex. Performance Chemical 2 will get commercialized by quarter 3 to quarter 4 FY27. During the quarter, capital infusion in subsidiary was approximately INR50 crores and INR150 crores in H1 FY27. With this, the total investment in subsidiary company stands at INR900 crores.

With this, I conclude my opening remarks and take this opportunity to also wish you all a very Happy Diwali and looking forward to the Q&A session. Thank you.

Moderator: Thank you very much. Sir, ladies and gentlemen. We will now begin the question-and-answer session. The first question is from the line of Sanjesh Jain from ICICI Securities.

Sanjesh Jain: A couple of questions from my side. First, purely on the margin, just to clarify, the percentage margin in this quarter doesn't make sense, right? There is a very sharp inflation in the raw

material, which mathematically compresses the margin. We are holding on to the existing run rate of 92%. That means we have retained EBITDA per kg despite all the headwinds and inflation. Will that be a fair statement to make?

Siddharth Sikchi: So but, Sanjesh, I think -- see, we were not able to pass through the price increase to the customer. So of course, the percentage-wise came down, but on absolute because of the volume growth, we were still able to maintain the absolute number.

Sanjesh Jain: So what was the volume growth for this quarter?

Pratik Bora: Sequentially, the entire growth was volume-led. And annually, the growth largely is realization-led. So what Siddharth is also trying to arrive this at is that during this quarter, the entire raw material cost increase on account of the inflationary pressure was not translated to the sales growth. Sequentially, the sales growth is largely volume-led. And hence, the margins have taken that impact.

Sanjesh Jain: So we are -- this is purely on the stand-alone basis we are discussing, right?

Pratik Bora: Yes, yes, stand-alone basis.

Sanjesh Jain: So you're telling that this 12.5% growth is entirely the volume-led in the stand-alone business. And what is the anticipated price hike required for us to retain that EBITDA per kg kind of a run rate?

Siddharth Sikchi: So we'll have to really calculate because.

Pratik Bora

Siddharth Sikchi: Yes. Actually, see, the point is it's market-driven and the prices in China have not risen to the point that we can pass any benefit or any cost increase to the customer. Apparently, the commodity prices which we see in China are far lower than the prices which we are buying in India.

Sanjesh Jain: You mean phenol, acetone prices? The differential are...

Siddharth Sikchi: Yes, at least 10%, 15%, the prices are lower in China.

Sanjesh Jain: Okay. No, no, I got the point. I got it. But how is the economics between HQ route and the Anisole route because we thought Chinese are largely on an HQ route, which they were disadvantaged at some point of time. This phenol, acetone difference is making all that -- we are now competitively at a stage that Chinese are holding up on the price increase for us?

Siddharth Sikchi: So basically, the reason is, I think -- see, the crude oil prices -- I mean, the phenol spread if China price of phenol is about 1,300, whereas India prices of phenol is over INR1,550. So that delta is big enough delta that they are not increasing the prices. They are holding on to all the prices, be it hydroquinone, be it MEHQ. And hence, we have to also maintain the prices and absorb all

these raw material prices ourselves to keep the market share in China or in other parts of the world.

Sanjesh Jain: Now I'm very clear. Super clear, Siddharth. Second, on the new product, HQ, which we started now a quarter back, we said this quarter, we will do commercial. Where are we there, in terms of performance product one?

Siddharth Sikchi: So in hydroquinone, catechol -- Sanjesh, see, right now, we are at about 30%, 35% capacity utilization. And fortunately, all these capacities are currently used for our own captive consumption. And small sales have picked up in Europe and I think some -- and also something in India.

Sanjesh Jain: Got it. My next question on the HALS, Siddharth. Good to see volume picking up very sharply for us. You also mentioned in your opening remarks that we are looking at more backward integrating or some of our backward integration projects are in the process of getting commissioned. What are these products? And is this for the contract we have done with the Geneus or this is a different we are talking about?

Siddharth Sikchi: No. See, these -- some base products which we manufacture to make it more cost effective, we have identified some of the intermediates. If we are able to make it in-house, it further improves our cost competitiveness in these products. So we have already started one product where we have put an ethoxylation facility. So that product has started, which is a precursor for one of the HALS.

And in the next quarter, we will be starting another intermediate, which we were currently buying from China, which we will be making in-house to make these HALS more cost effective.

Sanjesh Jain: Okay. These are solvents or the building blocks we are talking about?

Siddharth Sikchi: No, no. These are building blocks. These are raw materials. These are not solvents.

Sanjesh Jain: Got it. Got it. And you mentioned that we have successfully tested the products for the contract. When should we start seeing them flowing into revenue? Will it be more like FY28 or something next -- this quarter, running quarter?

Siddharth Sikchi: Yes, yes. November or December, we'll start shipping this material to Europe.

Sanjesh Jain: Got it. Got it. One last from my side, Siddharth, before I get back into the queue. We were expecting to produce barbituric acid. I haven't heard about that for a while now. Any update you want to share there?

Siddharth Sikchi: See, basically, we realized that currently, the prices which Chinese are offering, we are not able to offer those prices. So we have kept this product on hold for the moment.

Sanjesh Jain: Okay. Okay. We haven't proceeded. We didn't make any changes in that plant we were planning to, right?

Siddharth Sikchi: No, we did that. But we want -- because the major raw material is imported from China, but the Chinese producers are not able to -- are not increasing the prices, but the other raw materials which you are buying from India have become almost 3x. So it is not making any sense for us to produce at the moment.

Sanjesh Jain: Got it. Got it. And then post this performance, to which we are very close to commissioning, what is the product pipeline looks like for FY28 and '29?

Siddharth Sikchi: So I think we are very bullish on this whole light stabilizer segment. So we are going to de-bottleneck and we are going to add increased capacities in some of these products and also trying to get in allied or adjacencies, which will be catering to the same customers. So you will see all these products coming up in the next few quarters.

Sanjesh Jain: No, I missed which product -- life -- sorry, sorry, I missed the product.

Siddharth Sikchi: Light stabilizers adjacencies. HALS adjacencies. It's something which we will start producing in the next few quarters.

Sanjesh Jain: Okay. Okay. Nothing in the performance segment apart from the HALS adjacency right now we are looking at, right?

Siddharth Sikchi: Right now, no, not at the moment.

Moderator: The next question is from the line of Arun Prasath from Avendus Spark.

Arun Prasath: Siddharth, I understood why we have not able to take the price hike. But my question is, what will push us and which will eventually make us take the price hike? What is the breaking point? What should we monitor from our side, which will indicate that we'll be taking the price hike?

Siddharth Sikchi: See, we are continuously trying to increase the prices. When we get a severe pushback, we know the prices are where they are currently. And our point is very simple. We don't want to lose our market share because gaining these market share again becomes a big problem. So by retaining the market share, if we are able to increase the price, we are more than happy to do so.

Arun Prasath: Right. But for that, the demand of the core products should be higher than the discretionary capacity at the Chinese. Do you see that gap narrowing down at any point of time? Because given the current phenol, acetone trends, it doesn't look like the prices is going to correct unless crude takes a major hit.

Siddharth Sikchi: No. But I think, see, eventually, even the Chinese or even the competition has to raise price at some point in time. I mean -- but it depends on when are they raising because I don't want to be the first one to raise and lose market share.

Arun Prasath: Got it. Understood. And second, on HALS, you said that eventually we'll be allocating more of our capital into these. So in terms of product portfolio, anything else we are missing before we're getting into the venture into the same de-bottlenecking of the existing products?

Siddharth Sikchi: Sorry, I didn't get your question. So the incremental investment is not too heavy because, see, ultimately, it earlier was a greenfield project. Now it is more of adding lines -- so now the capex's are not very heavy.

So -- and these are particular products which we believe now we are ready to start offering to the market. Say, for instance, a product like 2020. We did a lot of trials. We did some commercial trials on plant. And now we believe we have to put up a 1,000 ton line, and we will do so and the plant should start by April or May. So these are all advanced version of HALS.

Arun Prasath: Understood. Any indication what is our percentage of advanced, excluding 701 and 770, what percentage of the portfolio is from the other HALS currently? Earlier, it used to be 70%, 80%. If you can indicate where we are at this point?

Siddharth Sikchi: 60% is still 770 and 40% is now the advanced HALS. And I think this ratio will keep changing as we move quarter-on-quarter basis.

Arun Prasath: Understood. And any idea when we will be able to achieve the -- at what realization level we should be targeting higher margins for the HALS portfolio from the current levels? I'm sure this is not our steady-state margins.

Siddharth Sikchi: So basically, again, like I think every quarter-on-quarter, we should see improvement because the higher grade of HALS will start seeing picking up. So as this movement will start happening quarter-on-quarter basis, but the margins will also keep improving quarter-on-quarter.

Number two, as we are getting into the backward integration of making the key precursors, also that will help in improving our margins in those particular products of HALS.

Arun Prasath: Understood. Got it. Finally, one question on capex. What will be our full year capex this year and probably for FY28, how much we intend to spend?

Pratik Bora: Arun, not much capex now because Performance Chemicals is largely funded. For the adjacencies of the pipelines, which Siddharth just alluded to, once we have the investment case approved by the Board, we will arrive at the capex number.

Moderator: The next question is from the line of Abhijit Akella from KIE.

Abhijit Akella: First on the phenol price difference between India and China, would you expect that the upcoming commissioning of Haldia Petrochemicals could possibly help to narrow the gap and bring phenol prices down in India?

Siddharth Sikchi: That is always the hope, but you don't know how that is going to pan out, right?

Abhijit Akella: Okay. All right. Then on the HALS portfolio, is it correct that we have generated about 22% of this quarter's sales from HALS, so that would work out to about INR66 crores or so, just to confirm that number. And the volume number?

Siddharth Sikchi: More or less yes.

Abhijit Akella: Yes, the volumes and how do you see the total volumes or utilization going this year and next year now?

Siddharth Sikchi: So currently, I think we are at about 30%, 35% capacity utilization - 40%. And I think going forward, we expect that the coming few quarters, we should touch between 55% to 60% capacity utilization. So almost 50% increase.

Abhijit Akella: Okay. Great. And this increase will largely come from the higher-end grades, is it?

Siddharth Sikchi: Yes. Absolutely.

Abhijit Akella: Okay. Great. And just from an EBITDA margin trajectory perspective, any outlook you'd like to share there? I mean, where do you see it going once you're at 60%?

Siddharth Sikchi: Currently, with this whole macroeconomics and with these crude oil prices, I think it is very difficult to determine anything.

Abhijit Akella: Yes.

Siddharth Sikchi: So I would like to pass that.

Abhijit Akella: Okay. And yes, sorry. The other one was yes, just on Performance Chemical 2, we are mentioning 3Q, we are commissioning the project. So any revenue trajectory you would like to sort of share this year, next year?

Siddharth Sikchi: So the Performance Chemical 2, the deadline, I mean we are hoping really to start the commercial production in Q4, so probably in the month of Jan, Feb.

Abhijit Akella: Yes. In the first calendar year, is it possible to touch, say, 30%, 40% utilization, you would think?

Siddharth Sikchi: See, it is very difficult to say because this is a tricky product. It has to stabilize samples, customers, validation. So it's too preliminary to gauge at what extent we will reach that capacity utilization. But of course, the target is to touch 20%, 25% capacity utilization in the first year.

Abhijit Akella: Okay. Understood. And just one last thing from me. The KSMs that you mentioned for HALS, how much of sort of increase in margins or backward integration will that lead to? Is it a very significant benefit from a margin perspective?

Siddharth Sikchi: It will not be very significant, but it will be very important for us because then it makes us -- I mean, import-free. I mean, we can then manufacture it and use it for ourselves. So there could be between 5%, 7% improvement in margins for those particular segment of HALS.

Moderator: The next question is from the line of Sahil Bhavan from SD Investments.

Sahil Bhavan: Am I audible, sir?

Moderator: Yes.

Sahil Bhavan: Sir, I have one question about HALS capacity in total. Sir, so initially, we had a HALS capacity of 10,500 metric tons. Now we have HALS in advanced NOR HALS as well. And now we are talking about de-bottlenecking into further capacity. So in total, sir, where do you see us ending up in terms of the total HALS capacity, sir?

Siddharth Sikchi: Yes. HALS capacity as of now is close to 11,500 tons. With this NOR Collaboration Association, we would like to add incremental capacity only in the advanced grade of HALS. So that will take out our overall capacity to close to 12,500 tons.

Sahil Bhavan: 12,500 tons. And sir, I went through our annual report as well, and we are talking about the new antioxidant that we have commercialized Clean Antioxidant 962. So sir, can you throw some light on that?

Siddharth Sikchi: Yes, it's a new grade of antioxidant. Of course, we have started supplying some small quantities, but let it pick it up and then I think we will have more picture on it. Currently, I think we are making just about 500-odd tons, but it's still not as big as we wanted. So let it come up a little bit, then we will be able to get more information.

Sahil Bhavan: Sir, can you throw some light on the capacity that we have put up on this in antioxidant?

Siddharth Sikchi: So, basically it is currently -- we have not put any capex for that. It is being manufactured within our current assets.

Sahil Bhavan: Okay. And this is, sir, in our parent company, right?

Siddharth Sikchi: Right.

Moderator: Ladies and gentlemen, we'll take that as the last question for today. I now hand the conference back to Mr. Siddharth Sikchi for closing comments. Thank you, and over to you, sir.

Siddharth Sikchi: Thank you so much all for attending this conference. Wishing you all a Happy Diwali in advance and looking forward to connecting with you for the next quarterly reviews. Thank you so much.

Moderator: Thank you, members of the management. Ladies and gentlemen, on behalf of Clean Science and Technology Limited, that concludes this conference. We thank you for joining us, and you may now disconnect your lines. Thank you.