# Gem Aromatics Ltd

Press Release

## Q1FY27 Press Release

**Mumbai, Thursday 13th August 2026:** Gem Aromatics Ltd (BSE: 544491 |NSE: GEMAROMA |ISIN: INE06XZ01023) a well-established manufacturer of specialty ingredients, essential oils, aroma chemicals, and value-added derivatives, has announced its un-audited financial results for the quarter ended 30th June 2026.

**Standalone Financial Highlights:**

| Particulars (Rs Cr) | Q1FY27 | Q1FY26 | Y-o-Y % | Q4FY26 | Q-o-Q % |
|---|---|---|---|---|---|
| Revenue from Operations | 83.0 | 76.4 | 8.6% | 112.2 | -26.1% |
| **Gross Profit** | **14.7** | **19.1** | **-23.2%** | **26.2** | **-44.0%** |
| *Gross Margin (%)* | *17.7%* | *25.0%* | *-734 bps* | *23.4%* | *-566 bps* |
| **EBITDA** | **8.5** | **10.5** | **-19.0%** | **15.1** | **-43.4%** |
| *EBITDA Margin (%)* | *10.3%* | *13.8%* | *-350 bps* | *13.4%* | *-315 bps* |
| **PAT** | **7.3** | **6.5** | **11.0%** | **11.9** | **-39.0%** |
| *PAT Margin (%)* | *8.7%* | *8.5%* | *18 bps* | *10.6%* | *-185 bps* |
| *EPS (Rs)* | 1.4 | 1.4 | | 2.3 | |
| ***Cash PAT (Depreciation + PAT)*** | **8.9** | **8.0** | **11.1%** | **13.3** | **-33.3%** |

**Consolidated Financial Highlights:**

| Particulars (Rs Cr) | Q1FY27 | Q1FY26 | Y-o-Y % | Q4FY26 | Q-o-Q % |
|---|---|---|---|---|---|
| Revenue from Operations | 98.9 | 87.6 | 12.8% | 110.4 | -10.5% |
| **Gross Profit** | **16.5** | **25.9** | **-36.2%** | **33.7** | **-51.0%** |
| *Gross Margin (%)* | *16.7%* | *29.5%* | *-1282 bps* | *30.5%* | *-1384 bps* |
| **EBITDA** | **3.3** | **14.9** | **-77.7%** | **15.7** | **-79.0%** |
| *EBITDA Margin (%)* | *3.3%* | *17.0%* | *-1361 bps* | *14.2%* | *-1089 bps* |
| **PAT** | **-7.9** | **8.0** | **-198.6%** | **1.0** | **-877.3%** |
| *PAT Margin (%)* | *-8.0%* | *9.1%* | *-1708 bps* | *0.9%* | *-888 bps* |
| *EPS (Rs)* | -1.6 | 1.7 | | 0.2 | |
| ***Cash PAT (Depreciation + PAT)*** | **1.3** | **9.8** | **-87.2%** | **10.0** | **-87.5%** |

*Rounded off to nearest decimal*

**Key Business Highlights:**

- **Revenue from Operations:**
  Q1FY27 revenue from operations recorded YoY growth, reflecting an improvement in underlying business activity. The quarter is seasonally softer compared to other quarters. During the quarter, the Clove business faced challenges following floods in Madagascar, from where the Company sources raw materials, resulting in higher raw material prices and impacting sales. The situation has now normalised, supporting a more stable operating environment. **The Company continues to make progress across its newer product verticals, with revenue contribution expected to build progressively as customer approvals and qualifications are completed and volumes ramp up.**

- **Gross Margin & EBITDA Margin:**
  Gross margin and EBITDA margin were impacted during the quarter, primarily due to the product mix and higher raw material costs. The newly commissioned facility also resulted in higher operating costs. **Going forward, as the contribution from higher-value products increases and capacity utilization improves, the Company expects a stronger product mix and operating leverage to support a gradual improvement in margins.**

- **Profit after Tax:**
  Profitability was impacted by higher raw material and operating costs and their consequent impact on the bottom line, along with higher depreciation of Rs. 9.1 Cr, following the capitalization of a significant portion of the ~Rs. 265 Cr capex incurred for the Dahej facility. **As the newer product verticals progressively scale up and capacity utilization improves, the Company expects operating leverage to support profitability going forward.**

- **International Market Expansion - Brazil**
  The Company has approved the incorporation of a Wholly Owned Subsidiary in Brazil to distribute essential oils, aromatic chemicals and specialty chemicals, strengthening its presence across Brazil and the broader Latin American market.

- **Update on Krystal Ingredients Pvt. Ltd (Wholly Owned Subsidiary):**
  - **Cooling Agents:** Customer audits have been successfully completed, and initial orders have been secured for GEM Cool 03, GEM Cool 05 and GEM Cool 23, with order flow expected to increase progressively. The business is expected to make a revenue contribution from Q3FY27 as customer qualifications are completed and commercial supplies scale up.
  - **Safranal:** The business is progressing through customer approvals. Revenue contribution is expected to commence towards the end of Q2FY27, with a more meaningful contribution from Q3FY27 as commercial supplies scale up.
  - **Phenol Derivatives:** Trial production is expected to commence towards the end of Q2FY27, followed by product approvals and quality-related processes. Commercial production is targeted during Q3FY27, subject to completion of the required approvals and quality processes, with meaningful revenue contribution expected from Q4FY27. The Company continues to monitor raw material availability and pricing while aligning its production plans accordingly.

**Commenting on the results, Mr. Yash Vipul Parekh, MD & CEO, said:**

"Q1FY27 witnessed YoY growth in revenue from operations, while the business continued to operate in a seasonally softer quarter. As we look ahead, our focus is increasingly shifting towards utilizing and monetising the expanded manufacturing platform at Dahej and scaling the newer product categories through Krystal Ingredients.

We are seeing continued progress in customer engagement and product qualification. Our focus remains on converting these opportunities into recurring commercial business as they scale.

Innovation and R&D remain central to our long-term strategy, with continued focus on process innovation, product customization and development of higher-value specialty molecules. The multipurpose capabilities at Dahej also provide flexibility to address evolving customer requirements and support the development of specialty products.

We continue to strengthen our international presence, with the proposed Brazil subsidiary expected to enhance our distribution reach in Latin America.

We remain committed to disciplined execution and sustainable value creation, with our focus now on progressively scaling Krystal Ingredients' Dahej facility, strengthening our product capabilities and expanding our presence across global markets."

## Q1FY27 Earnings Call Details

## Friday, 14th August 2026 | 4:00 PM (IST)

### Management Representative

**Yash Parekh** (MD & CEO) | **Kaksha Parekh** (WTD, Chairperson & CFO)

**Shrenik Vora** (Non-executive Director) | **Aadit Shah** (CEO's Office)

### Dial in Details

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**Diamond Pass Link**

**About Gem:**

Established in 1997, GEM Aromatics Ltd is one of the leading manufacturers of specialty ingredients, essential oils, aroma chemicals, and value-added derivatives. Led by a management team with nearly three decades of industry experience, the Company has built a strong foundation rooted in innovation, quality, and customer trust.

With a diverse portfolio of over 80 products spanning Mint & Mint Derivatives, Clove & Clove Derivatives, and other Synthetic and Natural ingredients, GEM Aromatics continues to expand into new categories such as Citral Derivatives, Phenol Derivatives, Cooling Agents, Safranal, and Damascones. Its products cater to industries including oral care, cosmetics, pharmaceuticals, nutraceuticals, wellness, and personal care, serving over 240 domestic and 44 global customers across 20 countries. The Company partners with several leading brands, including Colgate-Palmolive, Dabur, Patanjali, SH Kelkar, Symrise, and others.

GEM Aromatics operates three manufacturing facilities across Uttar Pradesh, Gujarat, and Daman & Diu, with an installed capacity of 16,171 MTPA. The Company holds multiple international certifications, including ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, FSSC 22000, ISO 22000:2018, and ISO TS 22002-1:2009.

**Contact Us:**

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