



THE HI-TECH GEARS LTD.

CIN - L29130HR1986PLC081555

Corporate Office: Millennium Plaza, Tower-B, Sushant Lok-1, Sector-27, Gurugram -122009,

Haryana, INDIA Tel.: +91(124) 4715100 E-mail: secretarial@thehitechgears.com

August 08, 2024

**The Manager,
Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", C-1, Block – G
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400051,
Symbol: HITECHGEAR**

**The Manager,
Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001,
Scrip Code: 522073**

Subject: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Earnings Presentation

Dear Sir/Ma'am,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith, the earnings presentation of Company for the 1st Quarter ended June 30, 2024 of Financial Year 2024-25.

The above information is received on August 08, 2024, at 01:20 P.M.

You are kindly requested to take the above information on record and oblige.

Thanking You,

**Yours Faithfully,
For The Hi-Tech Gears Limited**

**Naveen Jain
Company Secretary & Compliance Officer
M. No: A15237
Encl: as above**

www.thehitechgears.com

Works I: A-589, Industrial Complex, Bhiwadi - 301 019 Rajasthan INDIA Tel.: +91(1493) 265000

Regd. Office & Works-II: Plot No. 24,25,26 Sector-7, IMT Manesar - 122050 Gurugram, Haryana INDIA Tel.: +91 (124) 4715200

Works-III: Plot No. SP-146A, Industrial Complex, Bhiwadi - 301019 Rajasthan INDIA

Subsidiaries: The Hi-Tech Gears Canada. Inc. 361, Speedvale Ave W. Guelph, ON N1H 1C7, CANADA

Teutech LLC. 227, Barton St. Emporium. PA 15834, USA

EARNING PRESENTATION

Q1-FY25





- The Hi-Tech Gears Ltd. (THGL) was incorporated in 1986 and has grown to be an auto component manufacturer of high repute, supplying engine and transmission components to diverse marquee customers across the globe.
- The company is led by a highly experienced and professional team and governed by a strong Board of Directors, including eight independent directors of eminent industry leaders.
- It 5 state-of-the-art manufacturing plants across the world, with 3 plants in India and 1 each in Canada and USA.
- The product portfolio of the company comprises best-in-class precision gears, shafts, transmission components, and engine components catering to diverse segments of Two Wheeler, Passenger Vehicles, Commercial Vehicles, and Agr and Off-Road vehicles.
- THGL are key strategic suppliers to various OEMs in the automotive industry, specializing in producing components that meet the highest quality standards in the industry.

The Hi-Tech Gears Vision

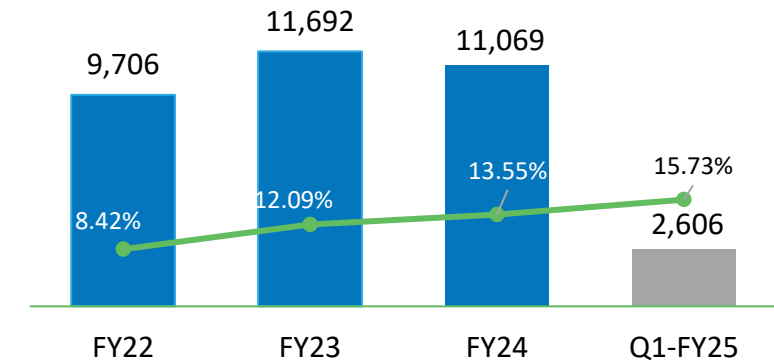
“Be A Global Footprint Company and A Benchmark For World Class Manufacturing Systems”

The Hi-Tech Gears Mission

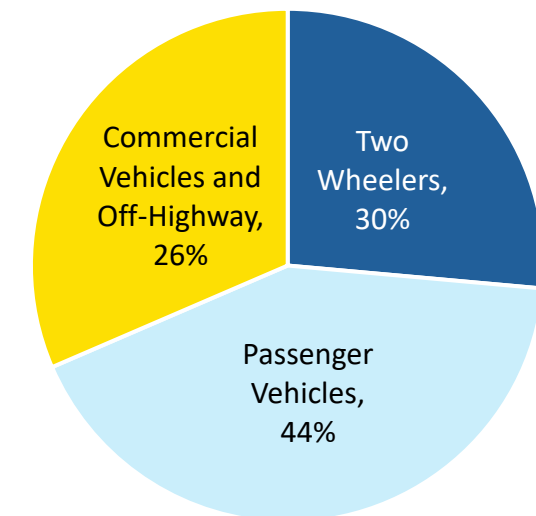
We will be the preferred partner in delivering engineering products and design solutions through lean philosophy with a focus on:

- Building a customer centric organization
- Rapid development of products and innovative solutions
- Ensuring cost effectiveness
- Developing competent and committed people

CONSOLIDATED REVENUE (INR MN) & EBITDA MARGINS (%)



Q1-FY25 CONSOLIDATED REVENUE CONTRIBUTION (%)





One of the **leading manufacturers** of critical high-precision gears, shafts and Transmission components



One of the very few component manufacturers catering to diverse segments of **automobiles and engines**



Strategically located **state-of-the-art manufacturing facilities in India, Canada and USA**



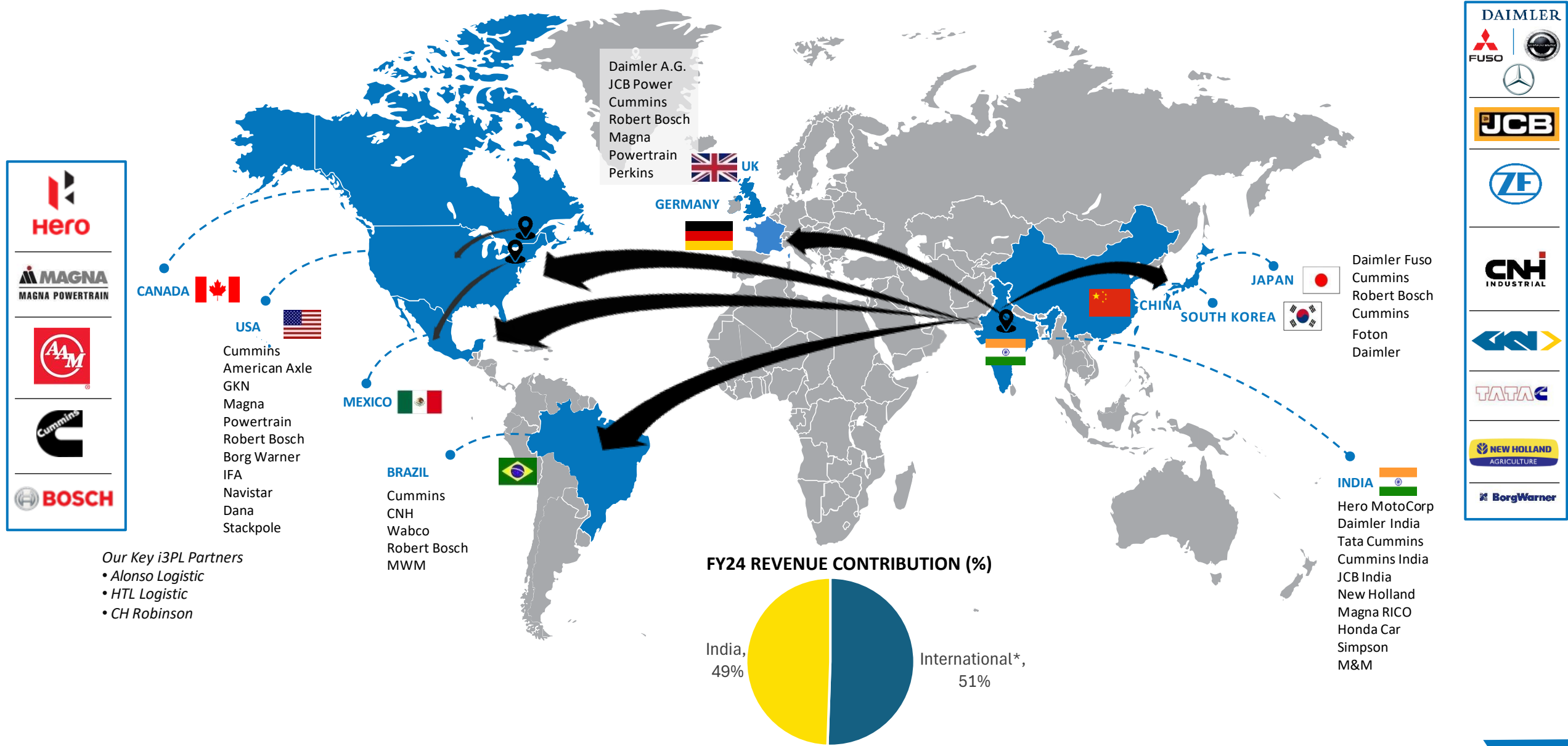
Long-standing strong relationships with customers and suppliers



Operational excellence drive through 'Lean' manufacturing principles and TPM practices



Entrepreneurial, Empowered, loyal & committed team



* Exports + North America Sub

TWO-WHEELER



MEDIUM & HEAVY COMMERCIAL VEHICLES

DAIMLER



PASSENGER CARS



AGRI, ENGINES AND OFF-HIGHWAY



Association with Top players in each segment



Manufacturing facilities in India



Plant-I, Bhiwadi

Est. 1986



Plant-II, Manesar

Est. 2005



Plant-III, Bhiwadi

Est. 2011



Manufacturing facilities overseas



Plant-I, Guelph, Canada

Acquired 2017



Plant-II, Emporium USA

Acquired 2017

DUAL SHORE PRESENCE

Two-Wheeler Transmission



Car Transmission & Driveline



Commercial & Off-Highway Vehicles Transmission



Engine Gears



Power Take Off Components



Precision Forging & Machining



Sintered Components



Forging

- Hot Forging
- Warm Forging
- Cold Forging
- Cold Extrusion
- Coining



Machining

- CNC Turning
- Gear Cutting (Wet & Dry Hobbing / Broaching / Shaping / Shaving)
- Spline Rolling
- Auto Shaft straightening
- Deep Hole Drilling etc.



Heat Treatment

- Normalizing
- Case Carburizing,
- Carbo-nitriding,
- Nitro Carburizing,
- Induction Hardening
- Nitriding
- Tempering etc.
- Shot Blasting/ Shot Peening



Finishing

- Gear Grinder
- Honing,
- Gear Honing,
- Hard Turning,
- Grinding, etc.



Tool Room & Die Manufacturing

- Vertical Machining Center EDM .



Assembly

- Shaft with cone assy
- Steering linkage assy
- 2W Main & Counter shaft assy
- Anti-backlash Gear assy
- Gears with bush/pin assy
- Driveline shafts with slinger assy



World Class In-house Manufacturing Facilities

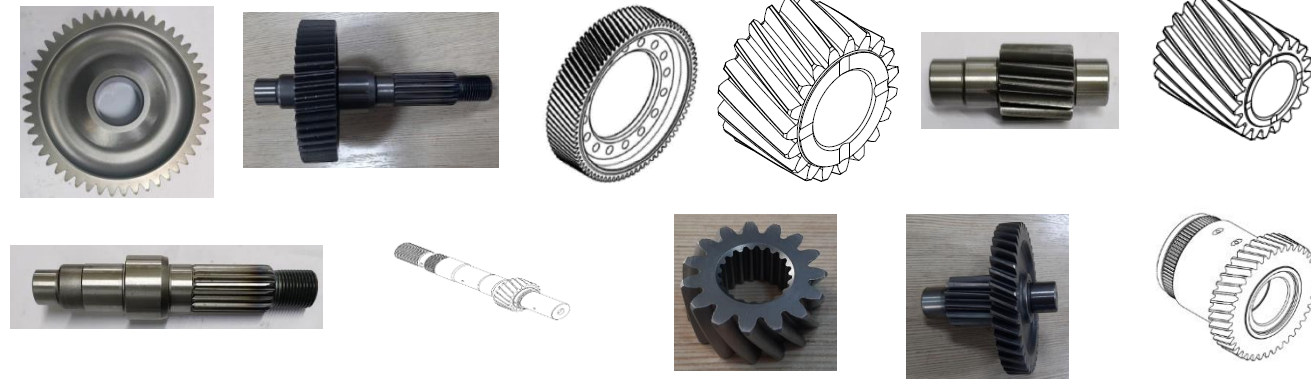
Electric Vehicle Components

EV-Differential Assembly – EV deliver higher torque and power curve with fewer gear with higher rotational speed.

THGL Initiatives:

TW : Gear Component Final Assembly & Counter Assembly and Gear Drive

PC : Helical Gear Components



Advance Technology Components

Automatic Transmission Gear – Single speed transmission consist of single reduction gear, reverted gear or a compound gear train works on principle of reduction of RPM and increasing torque

THGL Initiatives:

Engineering Capability are being enhanced to design and manufacture advance technology components and Gear Box

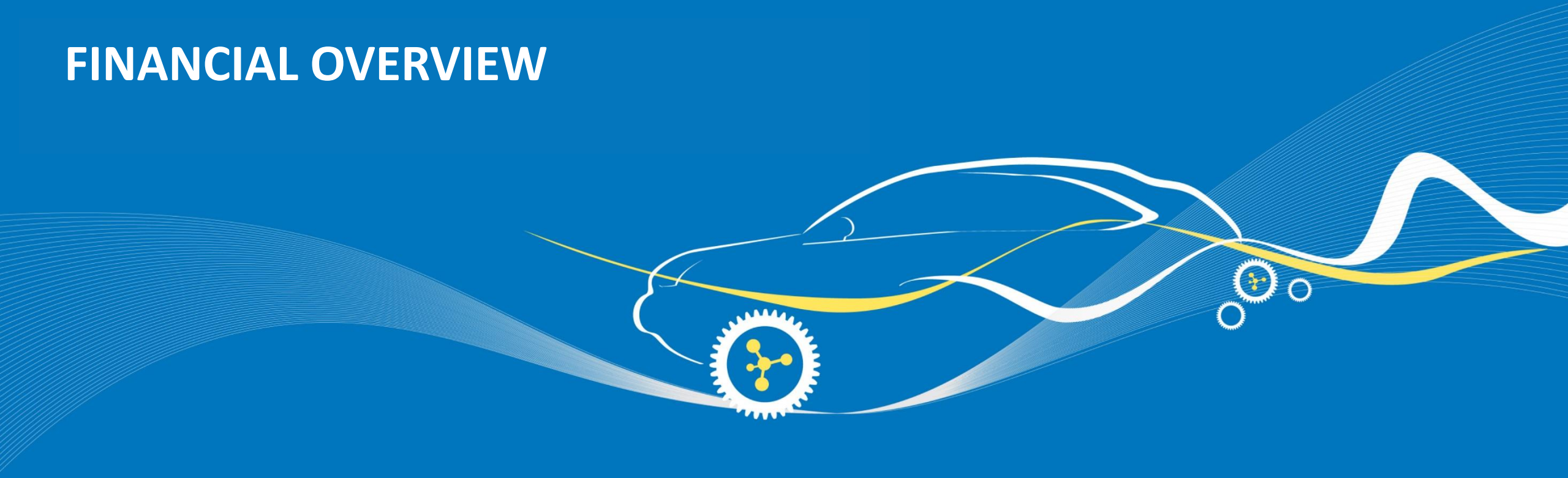


Won EV business from Hero Moto Corp and Dana – currently in Production

Active quotes across customers in EV space



FINANCIAL OVERVIEW



Q1-FY25 Consolidated Highlights

INR 2,606 Mn Operational Income (1.1)% YoY	INR 410 Mn EBITDA 23.5% YoY	INR 142 Mn Net Profit 52.7% YoY
INR 7.57/Share Diluted EPS	15.73% EBITDA Margin	5.45% PAT Margin

Q1-FY25 Standalone Highlights

INR 1,794 Mn Operational Income (0.4)% YoY	INR 277 Mn EBITDA 16.9% YoY	INR 144 Mn Net Profit 39.8% YoY
INR 7.64/Share Diluted EPS	15.44% EBITDA Margin	8.03% PAT Margin

- Standalone India business Q1 FY25 revenues is at par YoY
 - Lower pick-up by Commercial Vehicle customers have been compensated by higher take-off by Passenger Car customers
- Standalone India business profitability has increased YoY in Q1 on account of
 - Optimization and control of manufacturing expenses
 - Reduction in manpower cost
 - Lower finance cost on account to repayment of term loan and lower utilization of working capital loan
- North American business revenues decreased YoY due to demand fluctuations
- Despite lower sales, profitability improved YoY in the Overseas operations on account of:
 - Productivity improvements and reduction in head count resulting in lower break-even
 - Continuous improvement on improving internal efficiencies and reducing conversion costs
- Long-term borrowing have reduced significantly on YoY basis
 - Reduction in standalone borrowings ~ 425 Mn (Outstanding as on 30th June 2023 was ~ 840 Mn)
- Q1 FY 24-25 consolidated revenue share of Two-Wheeler (TW) ~ 30%; Commercial Vehicle (CV), Agriculture and Off-road ~ 25% and Passenger Car (PC) ~ 44%.
- The company is focused on improving asset utilization through targeted selling of existing capacities.

FY 22-23

New business won ~ ₹ 1,754 Mn annualized

Current Customer
₹ 1,081 Mn

New Customer
₹ 673 Mn

EV Business
₹ 360 Mn

ICE Business
₹ 1,394 Mn

FY 23-24

New business won ~ ₹ 695 Mn annualized

Current Customer
₹ 301 Mn

New Customer
₹ 494 Mn

Entry into Indian Passenger Car customers

Pivot on EV and new customer additions

New Customers

EV Customers

Presence in higher CC bikes (> 350 CC): Harley Davidson X-440



Hero Mavrick 440



Entry into Indian Passenger Car SUV segment – Mahindra & Mahindra



PARTICULARS (INR MN)	Q1-FY25	Q1-FY24	Y-O-Y	Q4-FY24	Q-O-Q
Operational Revenue	2,606	2,635	(1.1)%	2,869	(9.2)%
Total Expenses	2,196	2,303	(4.6)%	2,461	(10.8)%
EBITDA	410	332	23.5%	408	0.5%
<i>EBITDA Margin (%)</i>	15.73%	12.60%	313 Bps	14.24%	149 Bps
Depreciation and amortisation	156	150	4.0%	163	(4.3)%
Finance costs	65	90	(27.8)%	67	(3.0)%
Other Income	24	31	(22.6)%	34	(29.4)%
PBT before exceptional items	213	123	73.2%	212	0.5%
Exceptional Items	0	0	NA	0	NA
PBT	213	123	73.2%	212	0.5%
Tax Expense	71	30	NA	34	NA
PAT	142	93	52.7%	178	(20.2)%
<i>PAT Margin (%)</i>	5.45%	3.53%	192 Bps	6.20%	(75) Bps
Other Comprehensive Income	(23)	19	NA	(32)	(28.1)%
Total Comprehensive Income	119	112	6.3%	146	(18.5)%
Diluted EPS	7.57	4.94	53.2%	9.48	(20.1)%

PARTICULARS (INR MN)	Q1-FY25	Q1-FY24	Y-O-Y	Q4-FY24	Q-O-Q
Operational Revenue	1,794	1,802	(0.4)%	2,030	(11.6)%
Total Expenses	1,517	1,565	(3.1)%	1,758	(13.7)%
EBITDA	277	237	16.9%	272	1.8%
EBITDA Margin (%)	15.44%	13.15%	229 Bps	13.40%	204 Bps
Depreciation and amortisation	79	81	(2.5)%	77	2.6%
Finance costs	35	48	(27.1)%	37	(5.4)%
Other Income	25	28	(10.7)%	38	(34.2)%
PBT	188	136	38.2%	196	(4.1)%
Tax Expense	44	33	33.3%	34	29.4%
PAT	144	103	39.8%	162	(11.1)%
PAT Margin (%)	8.03%	5.72%	231 Bps	7.98%	5 Bps
Other Comprehensive Income	(15)	0	NA	8	NA
Total Comprehensive Income	129	103	25.2%	170	(24.1)%
Diluted EPS	7.64	5.48	39.4%	8.62	(11.4)%

Particulars (INR Mn)	FY22	FY23	FY24	Q1-FY25
Revenue from Operations	9,706	11,692	11,069	2,606
Expenses	8,889	10,278	9,569	2,196
EBITDA	817	1,414	1,500	410
EBITDA Margins (%)	8.42%	12.09%	13.55%	15.73%
Depreciation and amortisation	523	822	612	156
Finance costs	264	332	378	65
Other Income	79	79	99	24
PBT before exceptional items	109	339	609	213
Exceptional Items	-	-	770	-
Profit before tax	109	339	1,379	213
Tax expense	120	108	236	71
PAT	(11)	231	1,143*	142
PAT Margins (%)	NA	1.96%	10.33%	5.45%
Other Comprehensive income	149	30	18	(23)
Total Comprehensive income	138	261	1,161	119
Diluted EPS (INR)	(0.59)	12.3	60.73	7.57

Note: * Higher Net Profit due to one-time income of INR 770 Mn in the overseas subsidiary in Q2 FY24

PARTICULARS (INR MN)	FY22	FY23	FY24	Q1-FY25
Revenue from Operations	6,446	7,818	7,800	1,794
Expenses	5,497	6,725	6,748	1,517
EBITDA	949	1,093	1052	277
<i>EBITDA Margins (%)</i>	14.72%	13.98%	13.49%	15.44%
Depreciation and amortisation	304	316	316	79
Finance costs	179	171	182	35
Other Income	71	88	93	25
Profit before tax	537	694	647	188
Tax expense	152	191	154	44
PAT	385	503	493	144
<i>PAT Margins (%)</i>	5.91%	6.36%	6.32%	8.03%
Other Comprehensive income	68	4	4	(15)
Total Comprehensive income	453	507	497	129
Diluted EPS (INR)	20.52	26.79	26.19	7.64

PARTICULARS (INR MN)	FY22	FY23	FY24
NON-CURRENT ASSETS	5,924	5,390	4,925
a) Property, plant and equipment	3,871	3,853	3,417
b) Capital work-in-progress	382	132	37
c) Right of Use Assets	271	263	409
d) Other Intangible assets	581	526	478
f) Goodwill	557	314	320
g) Financial assets			
i) Investments	122	122	123
ii) Loans	3	1	1
iii) Other Financial Assets	38	46	86
i) Deferred Tax Assets (Net)	-	83	-
J) Other non-current assets	99	50	54
CURRENT ASSETS	4,099	4,465	4,158
a) Financial Assets			
i) Trade Receivables	1,739	2,086	2,004
ii) Cash and cash equivalents	609	335	140
iii) Bank balances other than above	258	464	399
iv) Loans	5	7	2
v) Other financial assets	87	87	61
b) Current Tax Assets (Net)	19	28	31
b) Other current assets	221	223	285
d) Inventories	1,161	1,235	1,236
TOTAL ASSETS	10,023	9,855	9,084

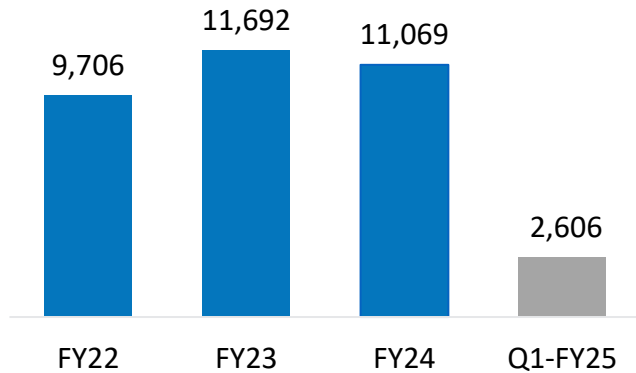
PARTICULARS (INR MN)	FY22	FY23	FY24
EQUITY	3,308	3,545	4,662
Equity Share Capital	188	188	188
Other Equity	3,120	3,357	4,474
NON-CURRENT LIABILITIES	3,296	2,474	1,486
a) Financial Liabilities			
i) Borrowings	2,992	2,196	530
ii) Lease Liability	221	205	905
b) Provisions	34	38	38
c) Deferred tax liabilities (net)	36	25	3
d) Other Non- Current Liabilities	13	10	9
CURRENT LIABILITIES	3,419	3,836	2,937
a) Financial Liabilities			
i) Borrowings	1,448	2,136	1,416
ii) Lease Liabilities	45	35	134
iii) Trade Payables	1,433	1,206	1,076
iv) Other financial liabilities	364	330	222
b) Other current liabilities	86	105	52
c) Provisions	43	24	37
TOTAL EQUITY AND LIABILITIES	10,023	9,855	9,084

HISTORICAL STANDALONE BALANCE SHEET

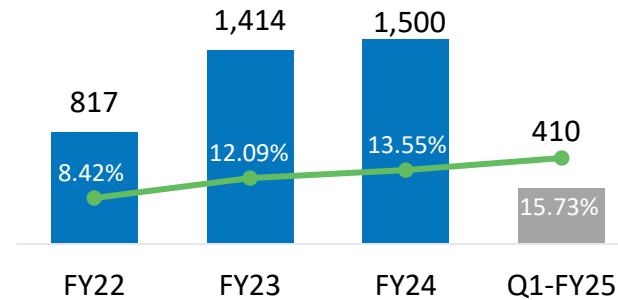
PARTICULARS (INR MN)	FY22	FY23	FY24
NON-CURRENT ASSETS	4,266	4,089	4,016
a) Property, plant and equipment	1,935	1,840	1,791
b) Capital work-in-progress	160	126	32
c) Right of Use Assets	271	263	332
d) Other Intangible assets	9	7	7
f) Financial assets			
i) Investments	1,671	1,671	1,663
ii) Loans	81	79	79
iii) Other Financial Assets	40	53	57
J) Other non-current assets	99	50	55
CURRENT ASSETS	2,835	3,193	3,005
a) Inventories	786	789	854
a) Financial Assets			
i) Trade Receivables	1,252	1,518	1,421
ii) Cash and cash equivalents	256	129	60
iii) Bank balances other than above	258	464	399
iv) Loans	3	4	2
v) Other financial assets	78	78	24
b) Current Tax Assets (Net)	19	26	30
c) Other current assets	183	185	215
TOTAL ASSETS	7,101	7,282	7,021

PARTICULARS (INR MN)	FY22	FY23	FY24
EQUITY	3,493	3,976	4,431
Equity Share Capital	188	188	188
Other Equity	3,305	3,788	4,243
NON-CURRENT LIABILITIES	1,239	664	632
a) Financial Liabilities			
i) Borrowings	936	386	304
ii) Lease Liability	221	205	272
b) Provisions	34	38	38
c) Deferred tax liabilities (net)	35	25	9
d) Other Non- Current Liabilities	13	10	9
CURRENT LIABILITIES	2,369	2,642	1,958
a) Financial Liabilities			
i) Borrowings	884	1,372	854
ii) Lease Liabilities	44	35	42
iii) Trade Payables	1,031	843	793
iv) Other financial liabilities	283	264	179
b) Other current liabilities	84	104	53
c) Provisions	43	24	37
TOTAL EQUITY AND LIABILITIES	7,101	7,282	7,021

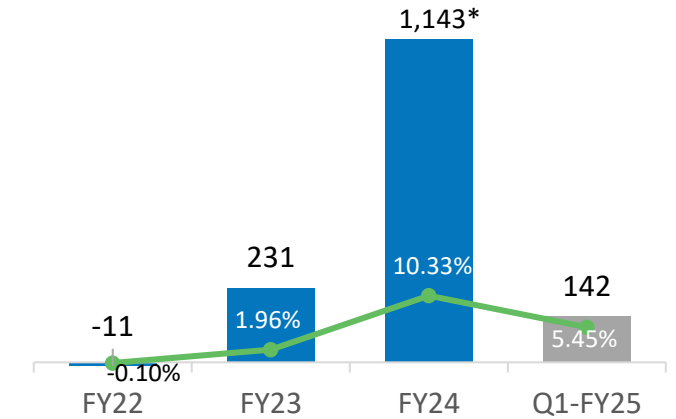
OPERATIONAL REVENUE (INR MN)



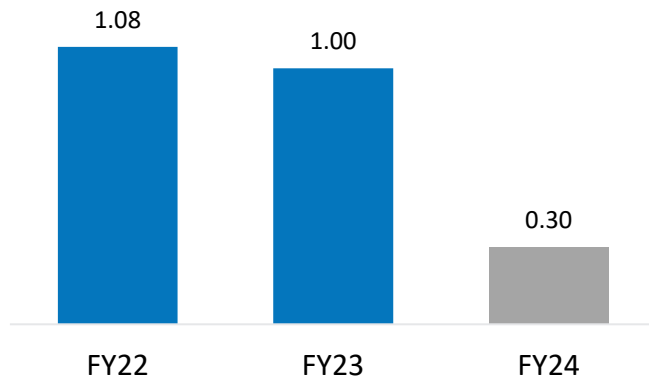
EBITDA (INR MN) & EBITDA MARGINS (%)



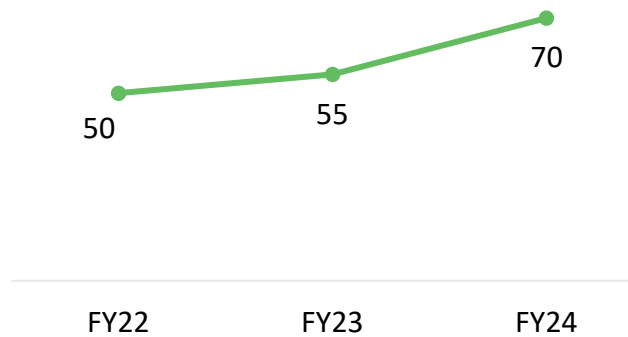
PAT (INR MN) & PAT MARGINS (%)



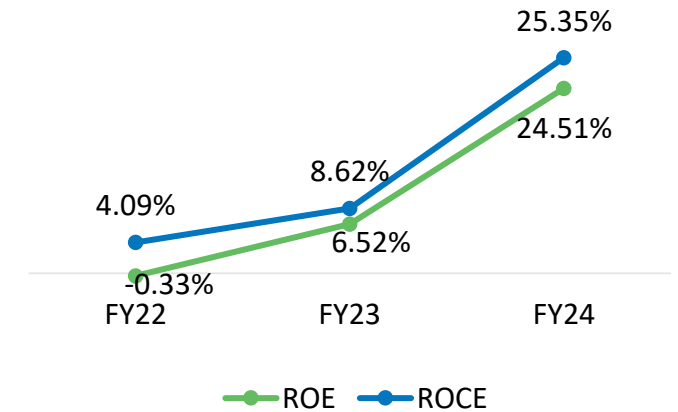
NET DEBT TO EQUITY (X)



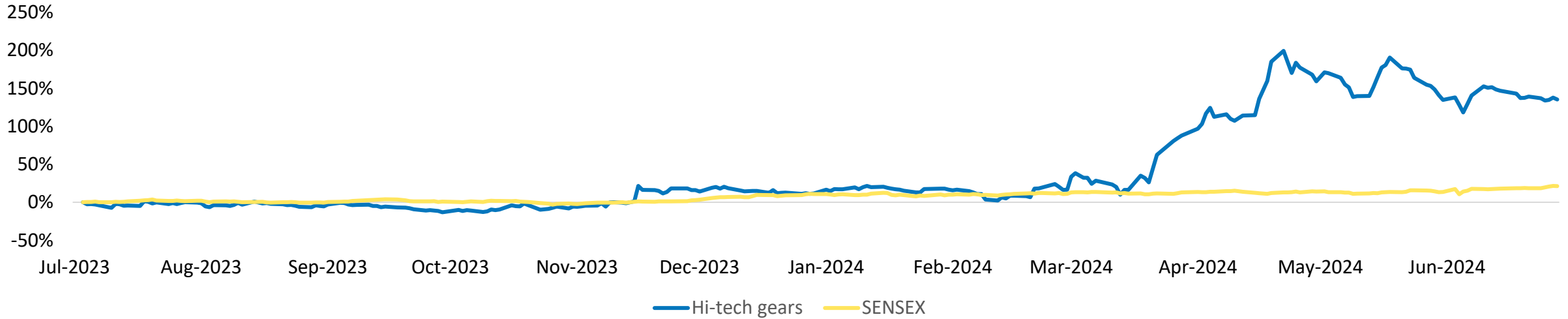
CASH CONVERSION CYCLE (DAYS)



ROCE* (%) AND ROE* (%)



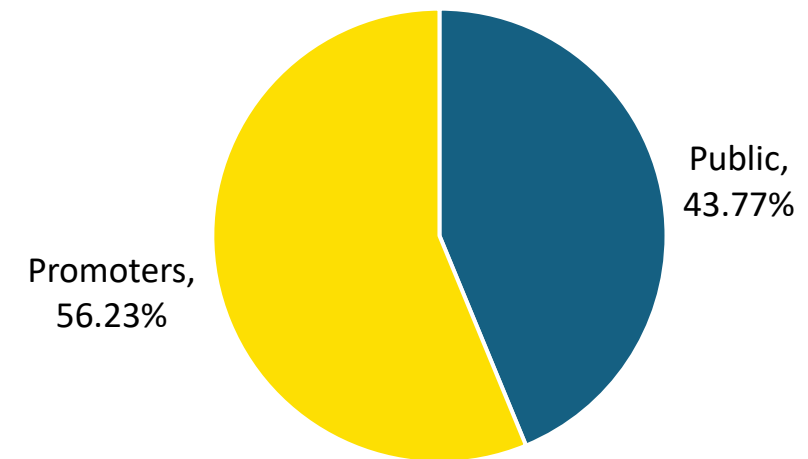
Note: * Higher Net Profit, ROCE and ROE due to one-time income of INR 770 Mn in the overseas subsidiary in Q2 FY24



MARKET DATA (INR) AS ON 30th June, 2024

Face Value	10.00
CMP	962.95
52 Week H/L	1,275.75/351.50
Market Cap (INR Mn)	18,082.45
Shares O/S (Mn)	18.78
Avg. Volume ('000)	68.82

SHAREHOLDING PATTERN AS ON 30th JUNE, 2024



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For further details, please feel free to contact our Investor Relations Representatives:

Mr. Anuj Sonpal
Valorem Advisors
Tel: +91-22-4903-9500
Email: hitech@valoremadvisors.com



The Hi-Tech Gears Limited Internal Investor Relations Team
Email: investor.relations@thehitechgears.com



THANK YOU

