

Investor Release

Strong Order Book Growth Drives HLE Glascoat's Stable Performance

Maroli, 10th February, 2025; HLE Glascoat Limited, engaged in the specialized business of manufacturing chemical process equipment, filtration, drying, heat transfer and glass lined equipment, announced its unaudited financial results for the quarter and nine months ended 31st December, 2024

9M FY25 Key Financial Snapshot (Consolidated)

Revenue from Operations

₹ 69,388.0 lakhs

▲ 5.0% (Y-o-Y)

EBITDA[^]

₹ 8,668.9 lakhs

▲ 5.2% (Y-o-Y)

Margin 12.5%

Profit After Tax

₹ 3,012.3 lakhs

▲ 15.5% (Y-o-Y)

Margin 4.3%

[^] includes other income

Key Financial Highlights:

Particulars (in ₹ Lakhs)	Q3 FY25	Q3 FY24	Y-o-Y	Q2 FY25	Q-o-Q	9M FY25	9M FY24	Y-o-Y
Revenue from Contract with Customers	23,102.9	23,923.1	-3.4%	23,577.9	-2.0%	69,388.0	66,108.8	5.0%
EBIDTA (includes other income)	2,757.1	2,870.6	-4.0%	3,548.8	-22.3%	8,668.9	8,242.3	5.2%
EBIDTA %	11.9%	12.0%	-10 bps	15.1%	-320 bps	12.5%	12.5%	0 bps
Profit before Tax and after Exceptional Items	1,140.6	824.0	38.4%	1,953.2	-41.6%	3,786.6	3,751.0	0.9%
Profit for the Period (PAT)	1,028.2	597.4	72.1%	1,442.1	-28.7%	3,012.3	2,608.6	15.5%
PAT %	4.5%	2.5%	200 bps	6.1%	-160 bps	4.3%	3.9%	40 bps

Segment Wise Performance:

Segment	Q3 FY25	Q3 FY24	Y-o-Y	Q2 FY25	Q-o-Q	9M FY25	9M FY24	Y-o-Y
Revenue (₹ lakhs)								
Filtration, Drying and Other Equipment	7,111.1	9,219.5	-22.9%	6,495.5	9.5%	20,488.4	25,850.8	-20.7%
Glass Lined Equipment	13,669.4	11,605.1	17.8%	14,439.9	-5.3%	41,426.7	36,906.9	12.2%
Heat Transfer Equipment	2,232.9	2,922.7	-23.6%	2,473.6	-9.7%	6,815.9	2,929.2	132.7%
EBIT (₹ lakhs)								
Filtration, Drying and Other Equipment	821.1	1,175.3	-30.1%	699.4	17.4%	2,447.8	3,572.6	-31.5%
Glass Lined Equipment	1,000.9	601.9	66.3%	1,936.9	-48.3%	3,536.1	2,474.1	42.9%
Heat Transfer Equipment	231.2	860.4	-73.1%	255.4	-9.5%	687.1	860.4	-20.1%

Notes: All the financial numbers are for HLE Glascoat Limited (Consolidated).

The Company completed the acquisition of 35.56% partnership share in Kinam Engineering Industries on 26th September, 2023 and the financial information includes the performance of Kinam Engineering Industries/ Kinam Engineering Industries Private Limited for the period commencing from that date.

Key Operational and Financial Highlights

▪ Operating Highlights

- Robust Orderbook as on 31st December 2024 of ₹ 68,323.8 lakhs provides good visibility for enhanced future performance. The Company continues to receive enquiries for orders for all segments.
- The Company has completed acquisition of 26% equity stake in Clean Max Anchorage Private Limited (CMAPL). It is expected that CMAPL will start generating power by second half of FY26, this will boost the renewable energy usage and reduce energy costs for the Company.
- Operating Cashflow continues to be positive on the back of steps taken on various fronts including working capital cycle management.
- The Scheme of Amalgamation of Kinam Enterprise Private Limited with HLE Glascoat Limited is awaiting approval of NCLT, Ahmedabad.

▪ Financial Performance

- The consolidated **Revenue** for the 9MFY25 stood at ₹ 69,388.0 lakhs, achieving a growth of 5.0% on Y-o-Y basis.
- **EBITDA** for 9MFY25 stood at ₹ 8,668.9 lakhs, reflecting a year-on-year growth of approximately 5.2%, with an EBITDA margin of 12.5%.
- **PAT** for the 9MFY25 reached ₹ 3,012.3 lakhs, marking growth of 15.5% on a year-on-year basis, with a PAT margin of 4.3%.
- **PAT** for the Q3FY25 reached ₹ 1,028.2 lakhs, marking a significant growth of 72.1% on a year-on-year basis, with a PAT margin of 4.5%.
- The Company managed to reduce its long-term and short-term debt obligations by ₹ 4,316.7 lakhs.

Commenting on the Results, Mr. Himanshu K. Patel, Managing Director said,

“We are pleased to report a stable performance for the quarter and nine-month period ended December 31, 2024, supported by a robust order book. Sequentially, the order book grew by approximately 13.4%, marking a 24.1% year-on-year increase.

While the industrial chemical sector saw subdued demand upto Q3 FY25, the pharmaceutical segment maintained steady traction. With inventory levels stabilizing, the chemical industry is expected to witness a gradual recovery in the coming quarters.

Our Filtration, Drying, and Other Equipment segment continued to gain traction, recording sequential growth. Additionally, the Indian Glass-Lined Equipment business is showing signs of recovery, leading to margin improvements compared to last year. The steady buildup of its order book strengthens our confidence in further topline and margin expansion in the coming quarters.

We remain focused on leveraging our recent acquisitions, which continue to provide strategic adjacencies, broaden our product portfolio, and enable entry into new industries—helping us diversify risks while driving sustainable growth. The acquisition of a 26% stake in Clean Max Anchorage Private Limited will enable us to optimize energy costs with a short payback period while furthering our sustainability goals through captive use, enhancing profitability.”

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About HLE Glascoat Limited

HLE Glascoat is engaged in the specialized business of manufacturing chemical process equipment. The Company's key product segment has been Filtration and Drying Equipment. The flagship products in this segment are Agitated Nutsche Filters and Dryers. Today, the HLE brand is synonymous with filtration and drying in the Indian Chemical and API industries. The Company also manufactures specialised glass lined equipment like reactors, columns, heat exchangers, filters and dryers.

HLE Glascoat has set high standards of innovation and engineering even in this product segment and has continued to develop its glass lining technology indigenously. HLE Glascoat is highly reputed for its quality, customer focus and reliability.

HLE has the advantage of having the capability of supplying a wide range of products for all chemical process industries. HLE Glascoat operates four manufacturing facilities in Western India and one in Germany with best-in-class equipment. The Company's well planned manufacturing plants include a modern machine shop with CNC machine tools and SCADA controlled electric and gas fired furnaces for glass lining of equipment as well as components. Highly automated manufacturing process with SPMs ensure accuracy and repeatability. HLE Glascoat has the distinction of having successfully implemented Robotic Welding to match the stringent quality standards of glass lining.

HLE has acquired the global business of Thaletec GmbH, Germany in December, 2021. Thaletec is engaged in the business of manufacturing specialized glass lined process equipment/ reactors and has its manufacturing facility in Germany. Thaletec offers sophisticated customized and innovative technical solutions with glass lining or service in the chemical, pharmaceutical or environmental process industry and is one of the most reputed companies in the process equipment manufacturing segment in Europe.

HLE has acquired 35.56% ownership share in Kinam Engineering Industries, one of the reputed designers, innovators and manufacturers of Shell and Tube Heat Exchangers, Corrugated Tube Heat Exchangers, Spiral Heat Exchangers, Plate Type Heat Exchangers, Pressure Vessels and Process Equipment in September, 2023. Its clients include leading players in the chemical, petrochemical, fertilizers, refineries, power plants, pharmaceutical, biotech, cosmetics and textile industries. Operating from a well-equipped manufacturing unit (at Ambarnath, near Mumbai), Kinam also exports its products to several countries.

HLE Glascoat's customers are spread across the agrochemicals, specialty chemicals, dyes and pigments, API and pharmaceutical industries.

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