

HLE Glascoat reports strong top-line growth for Q3 & 9 months FY22

Anand, Gujarat, 12th February, 2021; HLE Glascoat Limited, engaged in the specialized business of manufacturing chemical process equipment and a leading player in filtration, drying and glass lined equipment markets, announced its Unaudited Financial Results for the Quarter and Nine months ended 31st December, 2021

Revenue from Operations*

Rs. 403 crores



EBITDA*

Rs. 78 crores



Profit Before Tax*^

Rs. 63 crores



*For 9 months FY22. ^Before Exceptional item of Rs. 8.4 crores in 3Q FY22 relating to acquisition of Thaletec

Key Financial Highlights:

Particulars (Rs. Crs.)	Q3 FY22	Q3 FY21	Y-o-Y	9M FY22	9M FY21	Y-o-Y
Revenues	154.7	131.7	17%	403.0	337.0	20%
EBITDA	29.9	29.7	1%	78.2	66.8	17%
EBITDA Margins (%)	18.8%	22.4%		19.1%	19.7%	
Profit Before Tax	23.6	25.2	-6%	62.9	52.6	20%
Exceptional Item	8.4	-		8.4	-	
Profit After Tax*	7.8	17.2	-55%	35.0	35.4	-1%
PAT Margins (%)	4.9%	12.9%		8.5%	10.5%	

*Company had exceptional item of Rs. 8.4 crores in 3Q FY22 relating to acquisition of Thaletec

Segment Wise Performance

Segment Revenues (Rs. Crs.)	Q3 FY22	Q3 FY21	Y-o-Y	9M FY22	9M FY21	Y-o-Y
Filtration, Drying and Other Equipment	72.2	65.0	11%	210.4	171.2	23%
Glass Lined Equipment	79.6	54.6	46%	186.9	133.3	40%

Segment Result - EBIT (Rs. Crs.)	Q3 FY22	Q3 FY21	Y-o-Y	9M FY22	9M FY21	Y-o-Y
Filtration, Drying and Other Equipment	9.9	12.3	-20%	31.3	30.4	3%
Glass Lined Equipment	16.8	13.7	23%	40.0	27.0	49%

Key Developments:

- Thaletec acquisition was successfully completed on 17 December 2021, after receiving all the necessary regulatory approvals.
- Order book of approximately 6 months for both filter dryers and Indian glass lined equipment business and approximately 8 months for European glass lined equipment business
- The project for addition of the manufacturing sheds adjacent to the existing facility at Maroli adding over 25% more floor area for manufacturing of Filtration, Drying and Other Equipment is ongoing. The implementation is likely to be completed by March 2022. The aggregate project cost is estimated at Rs. 15 crores.
- The Greenfield Plant at Silvassa to augment Filtration, Drying and Other Equipment manufacturing capacity is also ongoing. It is expected to be completed by March 2022. The aggregate project cost is estimated at Rs. 50 crores.
- Appointment of Mr. Yatish Parekh as the Non-Executive Chairman of the Board effective 1st April, 2022

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

“Overall, the Indian economy witnessed a positive momentum in 3rd quarter of FY22, supported by limited disruption on account of COVID-19. Despite uncertainties around the 3rd wave of COVID-19, your Company has reported good performance for the first nine months of fiscal year 2022 with Revenue growing by 20% and EBITDA by 17%. The jump in the revenue was due to increased demand from end user industries and the strong order book.

We expect to see an increase in our order book for the filtration, drying and glass lined equipment segments, demand from which continues to be robust. The end user industries are performing well and the increase in the Company's manufacturing capacities - recently installed or under installation - will further augment the activity levels in both the business segments. We believe that MSME as a sector has tremendous potential, and the team is focused on adding newer customers from this segment. We also plan to expand the geographies with a renewed thrust on global markets, supported by our recent acquisition of Thaletec, for our key product segments.

In September 2021, HLE Glascoat Limited announced acquisition of the global business of Thaletec GmbH, Germany as well as its subsidiary Thaletec USA Inc. We are pleased to announce that we have successfully closed this acquisition transaction in the 3rd quarter of FY22, after receiving all the necessary regulatory approvals.

The Company is working closely with Thaletec on various integration and synergistic opportunities, being in the similar line of business. The Company will look to cross-sell existing and new product ranges to both HLE as well as Thaletec's domestic and global customers.

We expect that these initiatives will help us expedite expansion of our market share, both in India and globally.”

About HLE Glascoat Limited

(Formerly known as Swiss Glascoat Equipments Ltd.)

HLE Glascoat is engaged in the specialized business of manufacturing chemical process equipment. The Company's largest product segment is Filtration and Drying Equipment. HLE is the preferred supplier and technology leader having over 60% share in the Indian Filtration and Drying market. The flagship products in this segment are Agitated Nutsche Filters and Dryers. HLE Glascoat's plant manufactures more specialized filters and dryers every year than any other vendor in the world. Today, the HLE brand is synonymous with filtration and drying in the Indian Chemical and API industries and is considered to be the 'Industry Reference for Excellence in Engineering'.

Currently, HLE Glascoat is also a leading player in the Indian glass lined equipment market. HLE Glascoat is highly reputed for its quality, customer focus and reliability. The Company 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 has the unique advantage of having the capability of supplying a bundle of products for all chemical process industries. HLE Glascoat operates three 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 state-of-the-art 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 being the first manufacturer to have successfully implemented Robotic Welding to match the stringent quality standards of glass lining.

HLE Glascoat's customers are spread across the agrochemicals, specialty chemicals, dyes and pigments, API and pharmaceutical industries. Esteemed clientele includes almost all the large reputed domestic and MNC industry players in India and many others worldwide.

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