

August 22, 2023

The Compliance Manager
BSE Limited
Corporate Relationship Dept.,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001.
Scrip Code: **500655**

The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051.
Trading Symbol: **GRWRHITECH**

Dear Sir/Madam,

Subject: Investor presentation Quarter 1 FY 24

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Investor presentation for Quarter 1 FY 24.

This is for your information and records.

Thanking you,

Yours faithfully,
For **Garware Hi-Tech Films Limited**
(Formerly known as Garware Polyester Limited)

Awaneesh Srivastava
Company Secretary
FCS8513

Encl. as stated above.



SAFETY GLAZING

**Block the heat and harmful UV rays...
Apply Safety Glazing by Garware**



High **heat rejection** with crystal clarity



Saving on fuel with better cooling*



Skin cancer protection by UV rejection**



Safety from glass shattering



**Options for cooling load reduction in automobile* by TERI School of Advanced Studies

**Study by American Cancer Society



Call us now to know more

96 89 96 89 96

Safety Glazing material complies with CMV Rule 100 (2), (3) & (3A), and IS 2553 (Part 2) (Revision 1) 2019

**Garware Hi-tech Films Ltd.
(GHFL)**

Investor presentation
Q1 FY24

Investors Meet : Tuesday, August 22, 2023 at 2:00 pm



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Our discussion may include predictions, estimates or other information that might be considered forward-looking. While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially, some of which maybe beyond management control. No assurance is given about future events or the actual results, which may differ materially from those projected herein. You are cautioned not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of this presentation. Please keep in mind that we are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements considering new information or future events. Throughout today's discussion, we will attempt to present some important factors relating to our business that, which we presently believe, may affect our predictions. You should also review our most recent annual reports, disclosures, and regulatory filings for a more complete discussion of these factors and other risks. This presentation does not constitute an offer to sell or a solicitation of an offer to buy or sell GHFL stock and in no event shall the Company be held responsible or liable for any damages or lost opportunities resulting from use of this material or any guidance or any other statements given by the management. Numbers for previous periods may have been regrouped/rearranged/reworked for comparison purpose and for better analysis. Growth rates have been calculated based on reported INR financial information.

Company Overview



Value-Added Specialty films

- Manufacturers & suppliers of premium quality value accretive products with focus on consumer products
- Key application in automobiles, FMCG, Industrial sector
- Capability to produce diversified customized products

- Solar Control Film
- Paint Protection Film
- Shrink Film

83% Q1FY24 Value added product contribution

Manufacturing Excellence

- Fully vertically integrated chips-to-film manufacturer
- Improved efficiency with streamlined operations
- Capable of scaling up production with fungible capacities
- Comprehensive quality control and flexibility in delivering customized products across a range of over 3,000 SKUs.

2 Manufacturing Locations

42,000 MT pa IPD Capacity

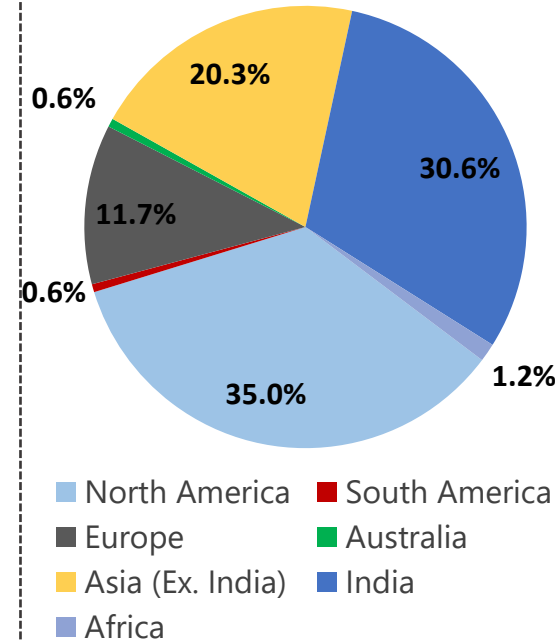
4,500 LSF pa CPD Capacity

Increasing Global Reach

Leading premium brand, exporting to 90+ countries with established sales & distribution channels

69.4% Export Revenue in Q1FY24

Geographical Revenue Mix – Q1FY24



Fostering Sustainable Financial Performance

- Resilient performance despite challenging business environment
- Sustainable Margins for Specialty films
- Improving Financial Health

Healthy Cash flows

Zero net debt

Low Collection days – 4 days for Q1FY24

- Revenue CAGR* of 11.8%
- PAT CAGR* of 38.1%
- 100% Dividend paying company*

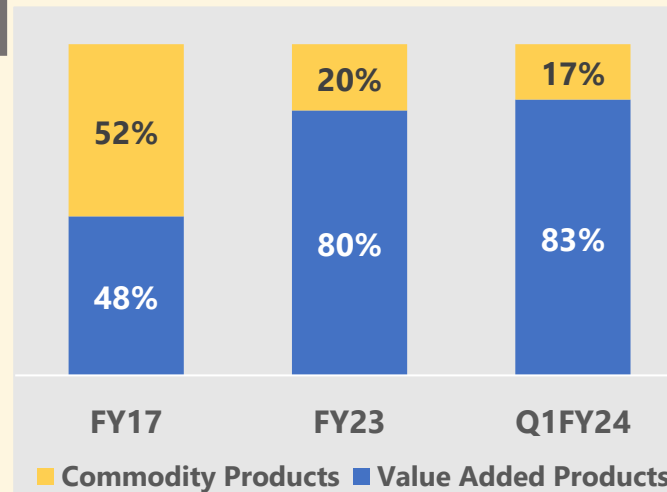
*from FY18 – FY23

Transitioned into a Value-Added Product Business

GHFL has ventured into value-added products like Solar Control, Paint Protection and Shrink Film, resulting in better recovery of revenue, and improved margins.

FY17 & Prior

- Before its transformation, GHFL had a diverse portfolio that included both commodity and value-added businesses.
- While GHFL was already the largest exporter of polyester films in India, there was a greater emphasis on commodity-oriented businesses.
- The business faced lower margins, significant competition and less differentiation.



FY18 & Beyond

- GHFL has undergone a significant shift in its business strategy, resulting in a strong performance in specialty films industry with higher margins and a highly differentiated product portfolio.
- GHFL's ability to adapt to changing market conditions and invest in high-margin value accretive products has allowed to thrive in a competitive and volatile environment.

FY17*	Business Transition	FY23*	Q1 FY24*
Polyester Films		Value Added Specialty Films	
INR 874 Crores	Revenue from operations	INR 1,438 Crores	INR 380 Cr
9%	EBITDA Margin	18.7%	19.2%
2.5%	PAT Margin	11.6%	11.5%
~58%	Export Share	~70%	69.4%
INR 1,254 Crores	Net worth	INR 1,856 Crores	

*Consolidated Financial Numbers

GHFL Product Positioning : SCF and PPF

Competitive landscape of Window Films and Paint Protection Films Market

TOP 3

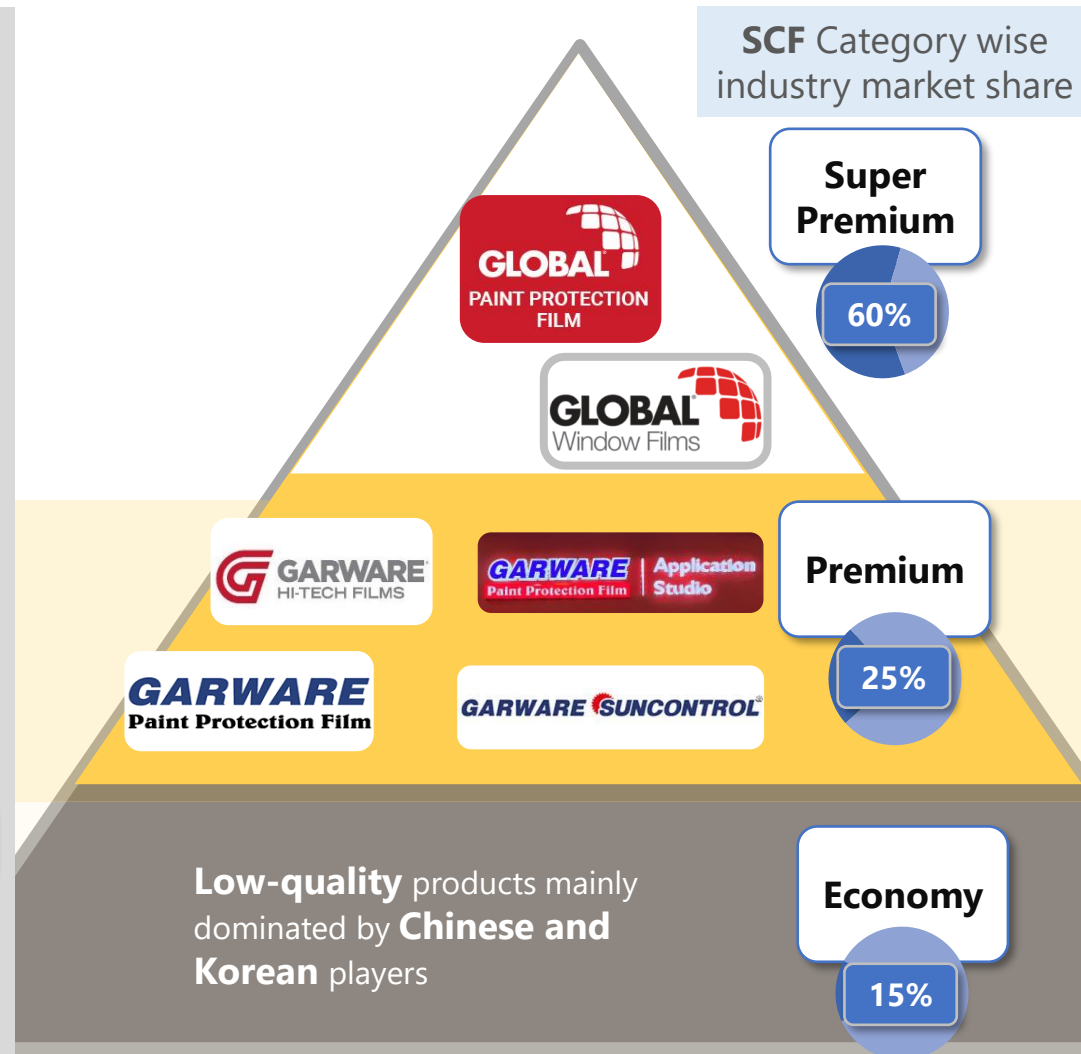
The Tier 1 premium category Global brand is among Top 3 largest selling window films in US & Europe

Global Patents

Strong portfolio of patented technology for manufacturing films - Over 9 Registered Patents/Pending and 168 Registered Trademarks (India & Abroad).

Accredited

GHFL's products have a strong marketing appeal, with various Intl. accreditations and certifications such as European Chemicals Agency, EU Regulation, etc.



>90% Export

>90% of Solar Control Films are exported

~80% Export

~80% of Paint Protection Films are exported

60% Share

Market leader in shrink film in India over 60% market share.

#1

India's first company to produce PCR grade & APR certified Eco-friendly Shrink Films

#1

Rank #1 at Tint-Off Contest in USA

2nd Largest

2nd Largest global Capacity of Solar Control Films

34 years

Winner - Top Exporters' Award for 34 years (Plexcouncil)

Top 2

One of the only Two manufacturers of dyed polyester films, globally

Gold Shield

Awarded Gold Shield by the GoI in recognition of capability for developing Polyester Film with in-house technology.

Business Overview





Diversified product portfolio

Expanding and diversifying the range of value-added and patented products, such as PPF, can lead to a strong demand and higher share of margin accretive products. This can also help maintain customer retention and increase demand for quality products.

Pioneer in Polyester Film manufacturing in India



R&D Focus

Focusing on R&D to introduce new value-added products, environment friendly PCR products and patented technology can help maintain business leadership across the product chain. Focus on ESG compliance products, suitably creating entry barrier for competition.

Global reach & Expansion

Expanding the presence in high entry barrier markets and tapping into potential new markets can lead to steady performance from a long-term perspective. Additionally, identifying and responding swiftly to new trends and opportunities in the market can be beneficial for growth.



Strong Financial position

Maintaining a strong financial position for future organic and inorganic growth opportunities.

Integrated Chips-to-Solar Control Films Manufacturing

GHFL's integrated chips-to-films manufacturing strategy ensures quality control, cost efficiency, and responsiveness to market demands. It allows for a wider range of products and customization options, enhancing the company's competitive advantage.



Diversified Portfolio driving GHFL's Success

Consumer Product Division (CPD)

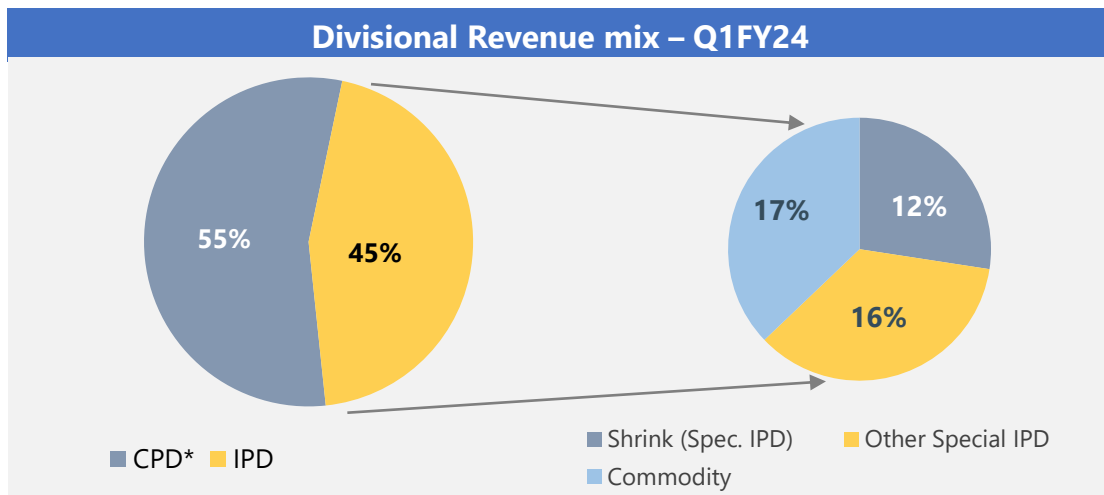
Value Added Product

- Automotive Solar Control Film
- Paint Protection Film
- Safety Film
- Architectural Film

Industrial Product Division (IPD)

Value Added Product	Commodity
• Shrink Film	• Thermal Lamination
• Electrical & Electronics	• Plain Film
• Release Liners	• Packaging & Lidding Film
	• Metalized Film

➤ The Consumer Product Division (CPD) and Special Industrial Product Division (IPD) are part of the value-added business of GHFL



Business wise Revenue mix – Q1FY24

Value added products (VAP) %

Category	Share	Category	Share
CPD	55%	Commodity IPD	17%
Shrink - Special IPD	12%	-	-
Other - Special IPD	16%	-	-
Total VAP	83%	Total Commodity	17%

*CPD - Solar Control & PPF

Solar Control Films

GHFL is only company in the world with backward integration for manufacturing Solar control films

Unique Product Features of Garware Solar Control

Extreme UV resistance

Block 99% of harmful UV rays, preventing skin damage and interior fading.

Unparalleled heat protection

78% solar energy rejection providing unparalleled heat protection offering uniform cooling.

Extremely durable

Extremely durable lifespan with a 10-15 year warranty.

Environment friendly

3-5% reduction in fuel consumption and carbon emissions

Lasts long without fading

The film is made of a high-quality durable material

U. S. P.

Skin Protection

Interior Safety

Added Privacy Layer

Better Gas mileage

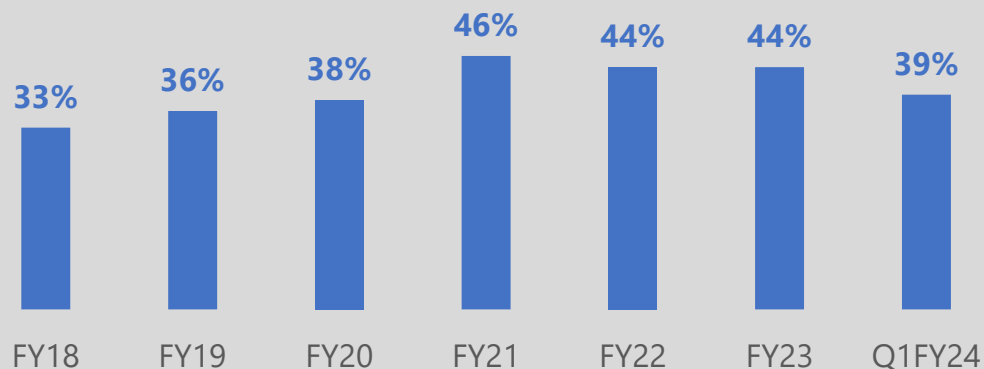
Anti glare screen

Key Application Industries

- Residential & commercial buildings
- Automobiles
- Transportation vehicles
- Retail stores and showrooms

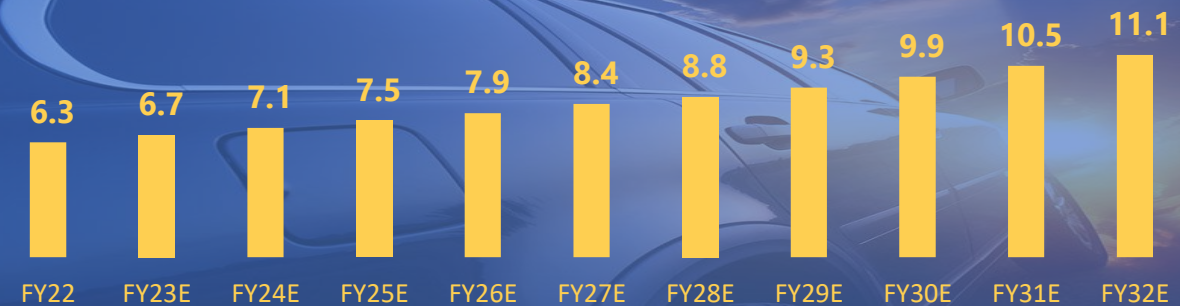
Solar Control Films is one of steady business pillar, contributing 39% revenue in Q1FY24

% of Revenue from Solar Control Films



The Global Solar Control Film (SCF) Market is expected to grow at a CAGR of 5.8% from 2022 to 2032.

Global Solar Control Film (SCF) Market (in US\$ billion)



Source: Future Market Insights

Solar Control Films – Key Drivers

GHFL Competitive Advantages

Premium leading brand & Monopoly

- Premium Tier-1 brand in global markets
- Only one of its kind to manufacture Chip-to-films, Films to Metalized Films to SCF
- 2nd-largest global capacity and 3rd largest branded player in US, European Markets

Patented Technology

- Technology patented in the USA & 15 other countries
- We believe we are one of the two companies worldwide to produce dyed polyester film.

Differentiated products

- Wide range of films catering to different requirements of SCF, safety, security, privacy, and aesthetics ideal and durable for any glass trait.

Quality manufacturer

- Lack of quality SCF manufacturers in the industry with the ability to create unique chemistry for films for specialist end-applications.



Capacity-1*

Full Utilisation

Capacity-2

New Line : Target full utilization in next 18-24 months

Headroom of ~ Rs. 500 cr revenue from the new capacity to meet the increasing demand, subject to market & economic conditions

Key Growth Drives

Product Demand & Related Sector Demand

- Reintroduction of GHFL 'safety glazing' window film in India, amidst greater than expected offtake for SCF in the market
- Positive outlook for automotive and real estate sectors

Capacity Expansion by 75%

- Commissioned Lamination facility of 1,800 LSF p.a. (Q3FY23)

Increasing awareness toward sustainability

- Favorable trend towards sustainable buildings and rising Awareness of benefits of Solar Control films
- Rising temperatures leading to higher demand

Established Distributor Network globally

- Exclusive distributorship and established partnerships with regional distributors
- Leading choice for professional dealers and installers

Digital awareness and marketing campaigns

- Sales channels via OEMs & dealerships as part of their offering leading to greater trust among consumers
- Digital-driven drive awareness initiatives and influencer campaign with applicators, glass suppliers to drive greater adoption

Paint Protection Films

Scratch-resistant and durable paint protection films are a result of our robust R&D in developing and perfecting speciality polyester film manufacturing.

GHFL Competitive Advantages

Integrated PPF Manufacturing

- A single-source, vertically integrated manufacturing process that produces self-healing & abrasion-resistant films.
- PPFs are manufactured in a state-of-the-art, ISO-9001:2015 certified facility that makes just about everything that goes into the PPFs

More than 80% PPF is exported to major global markets.

GHFL is the sole producer of professional-grade Premium paint protection film (PPF) in India.

Advanced technology, strong quality standards, and practical business understanding, making it a top choice for customers worldwide.

~ 80%
Export

Dominance

Top-tier
International
brand



Key Applications

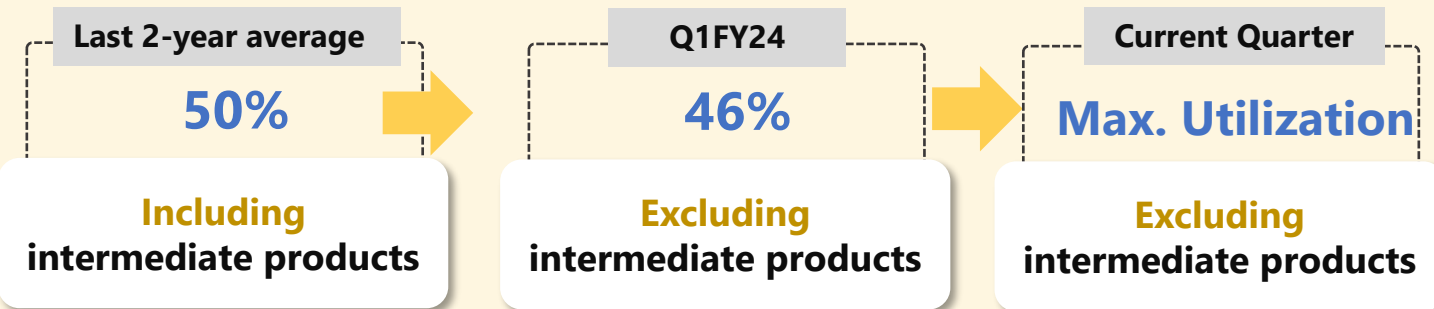
High gloss finish PPFs, shield vehicle's exterior from daily wear & tear such as scuffs, scratches, bird droppings, stone chips, etc.

Unique Product Features of Garware PPF

- Excellent durability
- Auto Self-healing
- Custom fit
- High Gloss
- UV Resistant
- Water Repellent
- Installer friendly & Repositionable
- Top-notch optical clarity & Invisible
- Non-yellowing & solvent resistant



Capacity Utilization

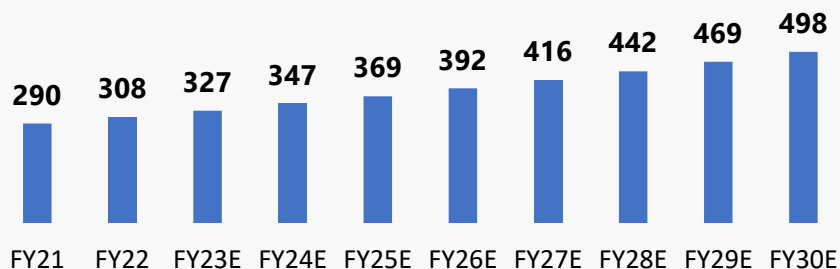


Leveraging the existing Established Distributor & Tinter Network

- Paint protection films (PPFs) are often installed by the same tinters who install window films
- By leveraging existing channel opportunities for SCFs, GHFL has a clear opportunity to expand the distribution network and increase the visibility of PPFs.

PPF market expected CAGR of 6.5% from 2022 to 2030

Global PPF Market (in US\$ Million)



Source: Future Market Insights

300 LSF pa

Installed Capacity

~10-12%

PPF Penetration Rate in USA and China

87

Channel partners

Key Growth Drives

Building Consumer Awareness

- Indian market is in the early stages of "building awareness".
- About the PPF as an essential accessory providing scratch resistance, hydrophobicity, self-healing, and more benefits.

Under penetrated PPF market in India

- Annually ~35-40 lakh cars sold in India and nearly 40% is SUV and luxury car segment – which is essentially the target segment for PPF
- Technically it is a huge market potential, however, the current adoption rates are very low.
- Growth drivers are increasing share of premium & luxury segment for PPF (Sedan, SUV, MPV) in overall auto sales
- Exponential growth in the EV segment would enable higher PPF adoption

Strong Marketing Campaign

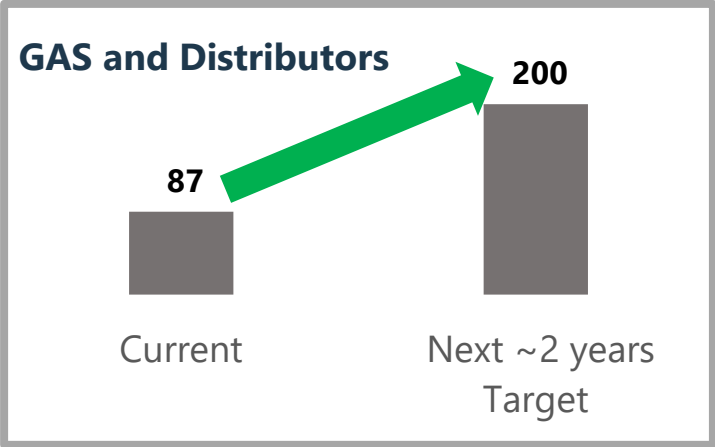
- Setting up of Garware Application Studios (GAS) in an asset-light B2C model with 87 channel partners (GAS + distributor).
- Social media marketing campaign gained strong business traction and customer interest
- Dedicated training centers to impart PPF application skills

Targeting B2C Business Model

Garware Application Studios (GAS)

- Detailing and Car care Studios dedicated to installing PPF on new or used vehicles by certified and trained applicators
- Targeting direct B2C space by setting up world-class (GAS)
- Asset light model across major Tier 1 and Tier 2 cities
- Associated with 87 channel partners (GAS and PPF Distributors).
- Associated with 25 OEM brands in India, covering 350+ dealership network

Strengthening GAS and OEMs network



Take out your Car in rains without worrying about the Paint

www.garwareppf.com

Key Highlights

~60% Market Share

One of largest manufacturer in India, GHFL holds ~60% market share in the domestic catering to large converters

'Pearl Float' & 'Solid White' film

Commercialisation of new eco-friendly "Pearl Float and Solid White" Shrink Film

Specialty film

High-shrink PET film is a Specialty film, which requires a complex mix of the capabilities of technology, machinery and quality raw material

Recyclable

One of the greatest upsides of PET shrink films is that they are recyclable

THE TRANSVERSE SHRINKAGE OF THIS MONO-AXIALLY ORIENTED SOLID WHITE CO-POLYESTER HIGH SHRINK FILM EXCEEDS 75%

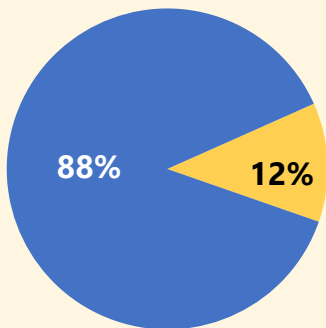
SOLID WHITE SHRINK FILMS



Key Applications

- **Packaging applications:** Used for outer sleeve wrapping & label applications of plastic bottles and containers, glasses, cans and cups of various shapes and sizes.
- **Preservation:** Durability protects and preserves the packaging contents
- **Improved Retail visibility:** Improve visual appeal of the product packaging, and allows printing high-quality graphics to gain desired retail visibility
- **Key Industries:** areas of use for the product are in the industries dealing with food and beverages, cosmetics, and pharmaceuticals.

~12% of Revenue from Shrink Films in Q1FY24



■ Shrink Films ■ Others

GHFL Competitive Advantages

Wide variety due to consistent R&D

- Consistent R&D and innovation, the company today manufactures total 12 variants of the high-shrink film.

GARWARE USP

- Niche area of application for use of sleeve labels with anti-counterfeiting properties
- Excellent printability
- Ease of application across high-contour and innovative shapes
- Tamper and pilferage-proof product protection
- High levels of machinability with improved yield

Product handling Support

- GHFL offers training for handling and usage
- Continuous customer support service

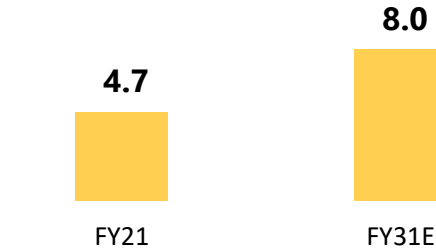
Environment friendly

- No emission of hazardous chemicals.
- Post-Consumer Recycled (PCR) Shrink Films help customers achieve sustainability goals

Key Growth Drives

- Global shrink film is expected to grow at a CAGR of 5.4% from 2022 to 2031.

Global Shrink Film Market (in US\$ billion)



Source: Allied Market Research

Macro Economic factors

Surge in urbanization and penetration of digitalization, improvement in lifestyles & increase in per capita incomes have boosted use of shrink films

Increased use of Labels

Rise in shopping malls and supermarkets in the developed and developing countries across the globe has driven demand for shrink film labels

Domestic Demand

India has a great scope to emerge as a sizable player in shrink film manufacturing as part of China-plus-one diversification strategy.

Global market

Diversified Customer base across the globe, including Europe, Africa & Middle East, besides the Indian market.

Post Pandemic surge in demand

Rise in demand for fast food and rise in awareness among the people regarding importance of packaging of food materials during pandemic outbreak

Headroom for growth

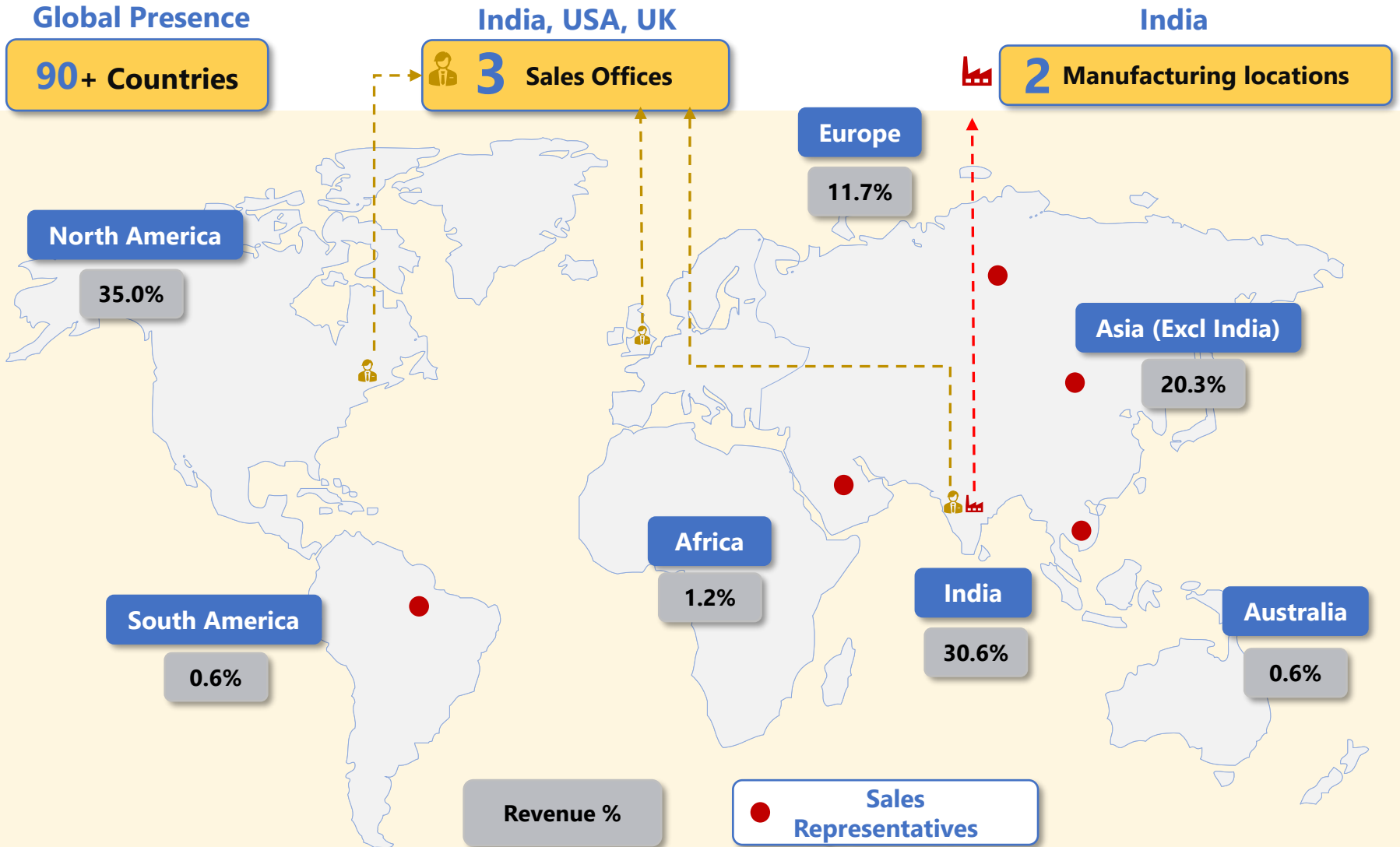
With current ~12% contribution to GHFL's revenue, we envisage headroom for growth for this segment

Rise in e-commerce services

Shrink film packaging materials are used in e-commerce product delivery, deliver fresh groceries, beverage's etc.

A Robust Global Network

GHFL's global network and unique product diversification provide diversified revenue streams and insulation from regional risks, reducing dependence on any particular market or customer.



Tinters across the globe

5000+

- Strong global distribution network
- Established Sales Channels globally
- Access to worldwide customer network
- Clear strategy of dispatch to distributors
- Reduced delivery lead time
- Adoption of Cash-n-carry model for Efficient working capital management
- Apart from India, USA, UK; GHFL has Sales Representatives in China, Middle East, Far East, Russia & South America

GHFL Manufacturing footprints

Pioneering the Future of Specialty Polyester Films

2

Fully Vertically integrated Manufacturing Locations

Waluj
Aurangabad

Chikalhana
Aurangabad

- Polyester Chips plant
- Four BOPET Film lines
- Extrusion coating line / Thermal Line
- Metalizer
- Solar Control Film plant for Automobile, Architectural & Safety
- Paint Protection Film plant



State-of-the-art, ISO-9001:2015 certified facility at Waluj



Fungible Capacity

19

- Crucial for improving sales mix & responding to stable demand
- Enables shift between value-added and commodity products

Total Installed Capacity

Product Line	MT/LSF
Chips Plant	66,000 MT
IPD	42,000 MT
Solar Control Film	4,200 LSF
PPF	300 LSF

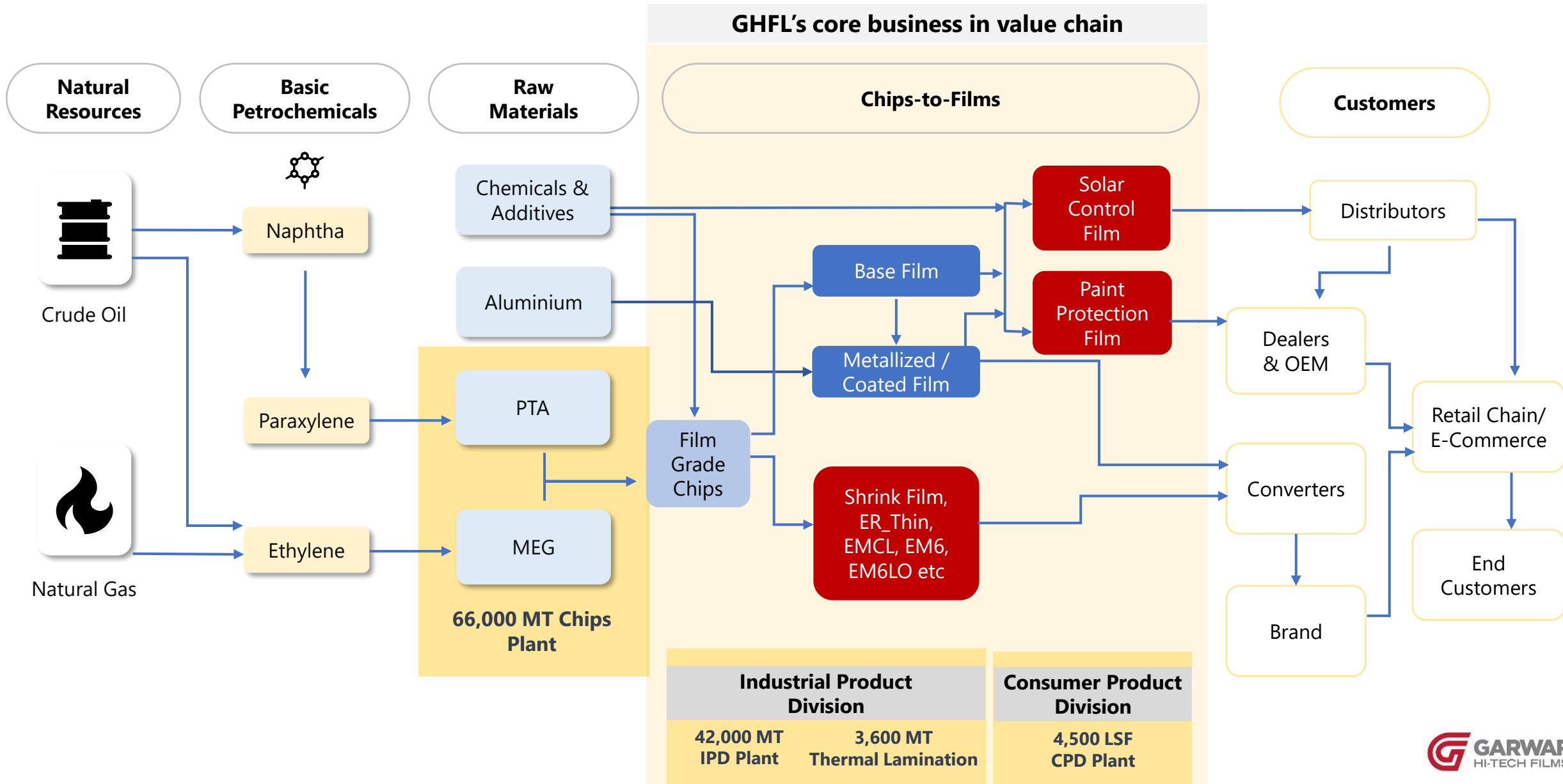
- SCF1 - Full utilization
- SCF2 - New Line
- PPF 46%
- IPD 83%

**Current
Utilization
Ratio**

- SCF-1 line of 2,400 LSF is fully utilized
- SCF-2 (New Line) : Target full utilization in 18-24 months
- The new SCF-2 line of 1800 LFS has potential to generate ~Rs 500 crores of revenue. Capacity utilization is subject to market & economic conditions.

Vertically Integrated Chips-to-Films Manufacturing

GHFL enjoys complete control due to its vertical integration excellence, streamlining films manufacturing



Vertical Integration: A Strategic Advantage

Unparalleled Competitive Advantages due to its Vertical Integration

✓ **Self Sufficient**

Eliminates dependency on other manufacturers or outside vendors.

✓ **Cost optimization**

Improve supply chain efficiency and cost optimization by reducing waste, improving quality, reducing lead times, and enabling better coordination and decision-making.

✓ **Raw material availability**

Ensures required and continuous availability of quality raw materials enabling a stable supply

✓ **Emerging market niches**

Help create Emerging market niches by enabling greater customization, faster time-to-market, greater flexibility, and improved quality.



Innovation-driven R&D

Dynamic manufacturing facility with a dedicated R&D department



“TPM Excellence Category - A” Award from the Japanese Institute of Plant Maintenance (JIPM)

- Separate R&D department recognized by the Department of Scientific & Industrial Research (DSIR), Government of India for its superior performance
- In-house R&D capabilities driving innovation, customization & unique differentiated products
- Equipped with state-of-the-art technology & advanced instrumentation
- Continuous innovation through Patent Filings, Product Development, Application Modification, and Process Improvement - Over 9 Registered Patents/Pending



- TPM excellence award JIPM
- BRCGS Certified (Food & Packaging Grade)

50

- Dedicated R&D Team members

168

- 168 Registered Trademarks (India & Abroad) | Over 9 Registered Patents/Pending

Quality Control

- In-house production of high-quality films to ensure durability and longevity, focusing on strict quality control.
- An ISO 9001:2015 certified company.
- We follow LEAN 6-Sigma DMAIC methodology for problem-solving, we have certified LSSBB & LSSMBB practitioners.

Dedicated Team of Technical & Scientific Personnel

Backward Integration

Ability to modify properties of polyester chips before production, allowing a range of varieties.

Pilot Plants

Pilot facility for Polymerization / Extrusion / Coating to develop prototype samples as a part of development activities.

BRSR-ESG at GHFL : 3P's of Sustainability

Sustainable, Responsible, and Committed

PLANET

50% Reduction (By FY 2029-30)

Target to reduce 50% of absolute emissions with respect to FY 2022-23 in the year 2029-30

Reducing resource dependency and lowering emissions through sustainable practices.

Conducting carbon footprint audits & implementing carbon-offset measures

Wastewater recycling through evaporator technology and , Recycling & upcycling film waste

Water conservation efforts like rainwater harvesting, and Effluent Treatment Plant (ETP).

Smart energy efficiency measures and exploring solar panels and clean air mechanisms.

Screw press technology to reduce groundwater contamination and air pollution

Membership in Association of Plastic Recyclers APR, USA

PRODUCT

3-5% Reduction (By FY 2029-30)

Solar Control films reducing 3-5% fuel consumption and carbon emissions

1st company in India to introduce PETG to replace hazardous PVC shrink label films

Incorporating recycled polyester as a substitute for common virgin polyester

Utilizing 30% PCR materials in shrink film and other film products

Introducing new product variants using PCR PET, reducing carbon footprint

Initiatives & Recognition

- IGBC certification under Manufacturing / Product category
- Business Responsibility Sustainability Report
- Global Reporting Initiative (GRI)
- EHS (Environment, Health and Safety) policy
- PDCA (Plan-Do-Check-Act) cycle in Health management system

PEOPLE



- Promoting diversity & inclusion
- Investing in skilling & workforce development
- Supporting local employment opportunities
- fostering community engagement initiatives
- Ensuring compliance with human rights and & people-safety processes
- CSR focus on education, gender equality, women empowerment, addressing hunger, poverty, nutrition, and health-related issues

GARWARE SUNCONTROL WINDOW FILM

Amendments in Central Motor Vehicle Rule 100:

- Enables usage of Safety Glazing Material as an alternative to safety glass.
- Our Safety Glazing Material has been successfully tested to comply with amended rules.



*Complying with CMV Rule 100 (2),(3)&(3A) & IS 2553 (Part 2) (Revision 1):2019

- **Launch of 'Safety Glazing' material** in domestic market adhering to norms of CMVR and IS:2553 which is expected to increase sales of window films.
- **Strengthened our sales force** in the domestic, Far East, and European regions by adding experienced sales personnel, in line with our ongoing efforts to expand our network and enhance marketing activities.
- **Organised nationwide distributor meet** in the month of June 2023, deepening engagement with our longstanding and established distributors while also facilitating onboarding of new channel partners.
- **PPF is running near full capacity** and forecast looks good.
- Significant progress in the **development of a fresh array of architectural films**, including Designer films and Exterior films curated for the European market, among others
- **Commercialisation of 'Pearl Float' and 'Solid White' Shrink Film**
- Added GAS and PPF distributors, currently stands at **87 channel partners**

Product Launch - Safety Glazing Material (Solar Control Film)

Safety Glazing films can now be used on your car windows to ensure better visibility and enhanced safety after amendments in Central Motor Vehicle Rule allowing the use of window tint

Product Launch

SAFETY GLAZING

Relaunch of GHFL's 'Safety Glazing' window film in India



High Under-penetration

Indian domestic market is highly under penetrated

Increasing Demand

Domestic market has shown higher than expected uptake of SCF

Regulatory permission*

New domestic automotive rules allow usage of safety glazing materials

Sole manufacturer

GHFL is the sole manufacturer of safety glazing film conforming to the standards

Safety Glazing Material – Key Highlights

“End-to-end” application technique

Novel "end-to-end" application method for enhanced coverage and quality, accompanied by region-wise applicator training.

Regulatory Adherence

GHFL's Safety Glazing Material is in compliance with 50/70 VLT rule as specified in IS 2553 of CMVR Rule Book.

Film Authenticity

Employing dot code embossing and SKU name printing on kits for accurate identification of genuine Garware products..

Sustainable Packaging

Use of perforated boxes and tubes designed for single-use tear-away, promoting re-use of packaging materials.

“

The Central Motor Vehicles Rules updated in 2022

Automotive Glasses to confirm to IS 2553 allows usage of glazing material including plastics

70% and 50% transparency to be maintained

Financial Highlights





"GHFL has embarked on a major transformation journey with speciality films, expanded distribution channels and a customer-centric approach at its core. Building on the initiatives undertaken a few years ago, the company has effectively positioned itself as a leading manufacturer and exporter of Solar Control Films, Paint Protection Films, and other specialised polyester films. In addition, the commitment to financial improvement is reflected in a strong balance sheet with a healthy cash reserve and a remarkable achievement of zero net debt."

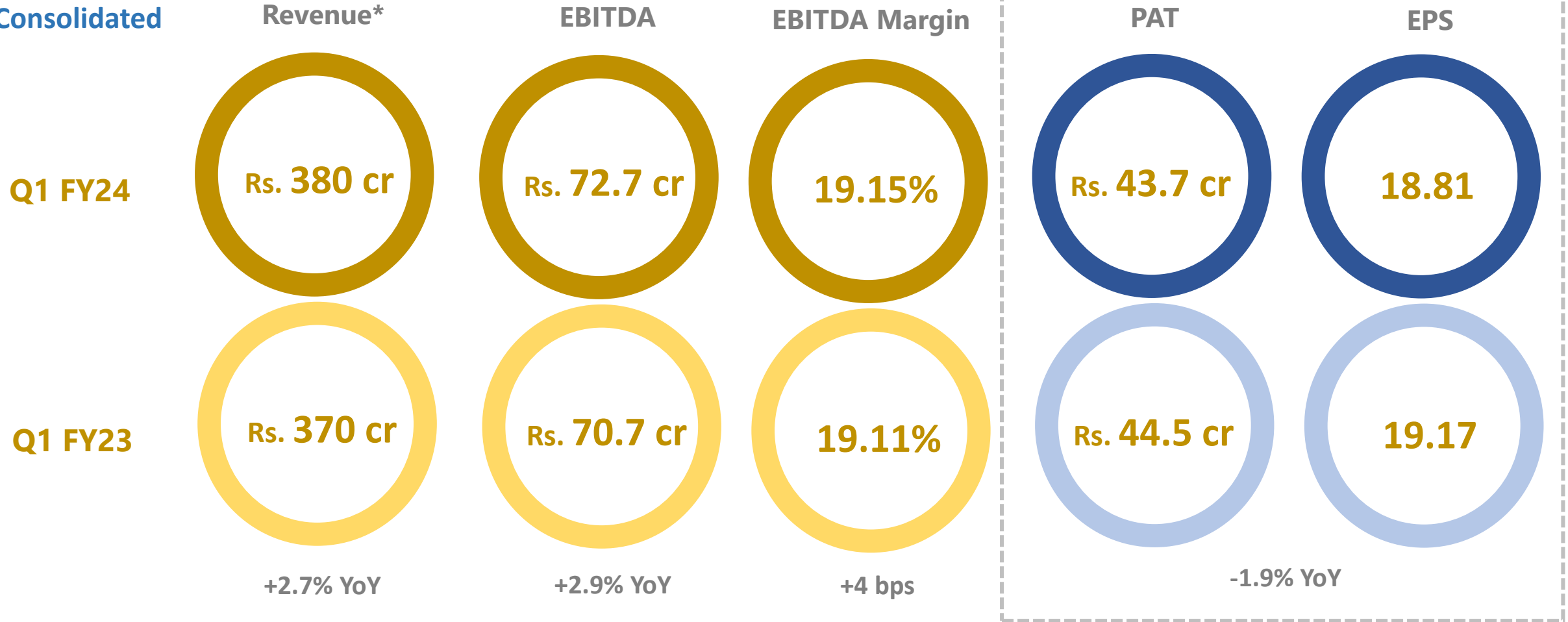
Dr. S B Garware, Chairman and Managing Director

"Improving our product mix towards value-added films remains a top priority, supported by expected macroeconomic improvements in key markets such as the US and UK. While the poly-film industry faces challenges from overcapacity and oversupply, GHFL's outstanding performance is attributed to its commitment to value-added products and its ability to navigate through global macroeconomic adversity. These high-value-added speciality films account for a significant 80% of the company's total revenues, playing a key role in maintaining revenue stability and driving profitability."

Ms Monika Garware, Vice Chairperson and Joint Managing Director

Resilient performance in a challenging environment

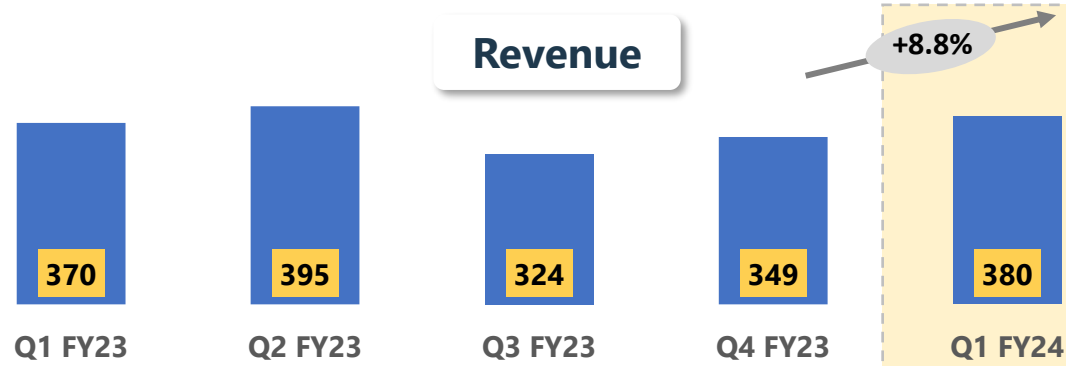
Consolidated



*Business recovery in Q1FY24 compared to sequential Q4FY23, revenue up by 8.8% and PAT up by 1.4%

Quarterly Financial Performance – Q1 FY24

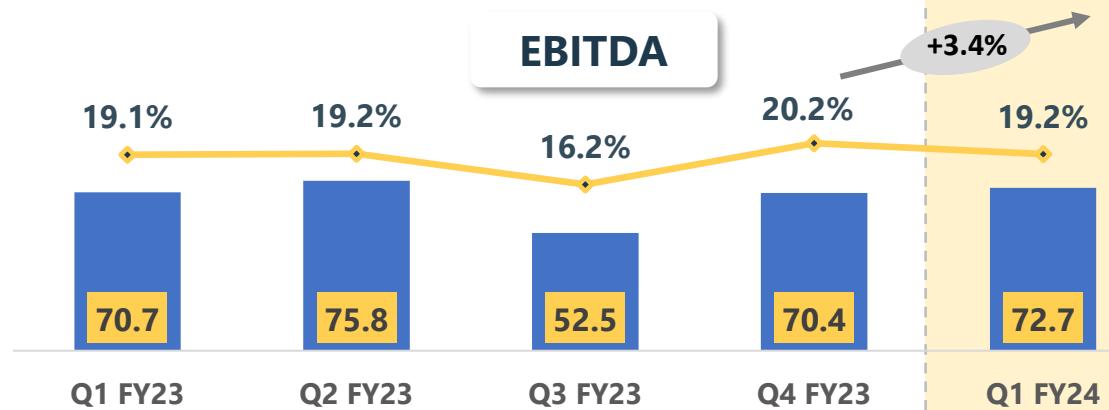
Revenue



Comments

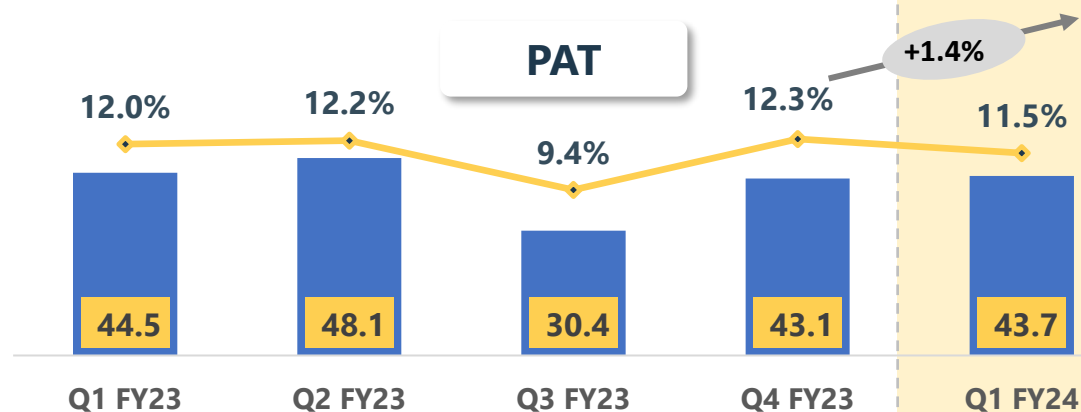
- Sales for quarter Q1FY24 stood at Rs 380 crores, up by 8.8% QoQ and up by 2.7% YoY.
- This increase was driven by a multifold increase in the volume of the PPF business in export and domestic markets, although dampened by subdued demand in SCF.
- GHFL's presence in speciality films has helped it to grow better than industry, which is suffering from transient demand and capacity gaps, and to show strong resilience during global macroeconomic issues.

EBITDA



- EBITDA for quarter Q1FY24 stood at Rs 72.7 crores, up by 3.4% QoQ and up by 2.9% YoY.
- This improvement in EBITDA was driven by increased PPF volumes and lowered other expenses. However, these gains were tempered by lower-than-expected SCF volume growth in some key markets due to geopolitical tensions and inventory destocking alongside margin pressures in IPD products, which could not be fully passed on to domestic customers due to overcapacity constraints.

PAT

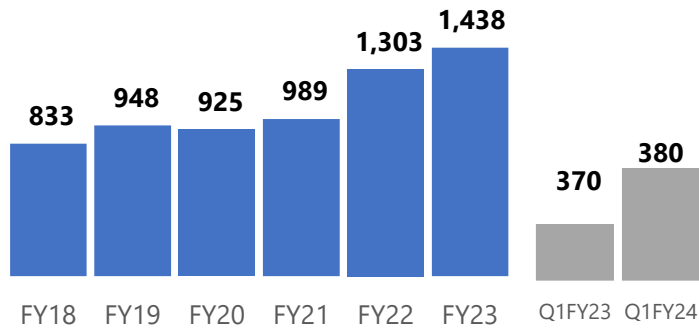


- PAT for quarter Q1FY24 stood at Rs 43.7 crores, up by 1.4% QoQ and down by 1.9% YoY.

Stable Performance Metrics

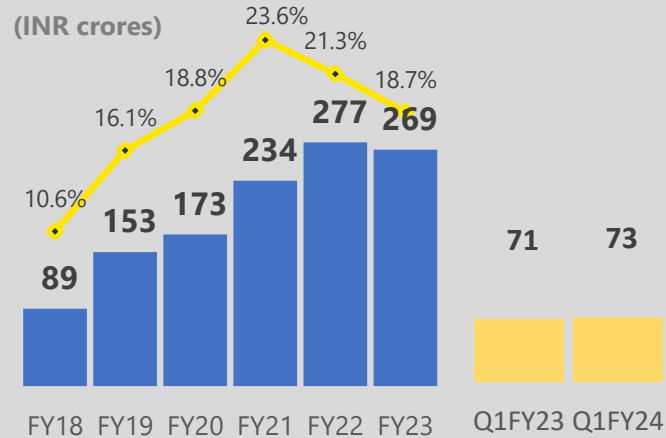
Revenue from Operations

(INR crores)



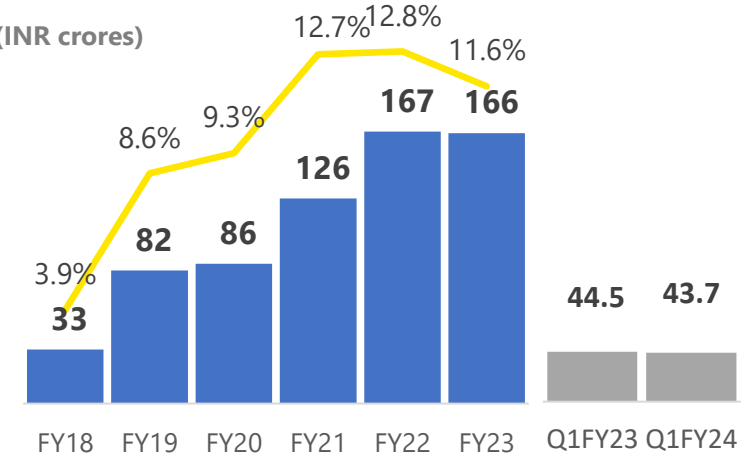
EBITDA

(INR crores)



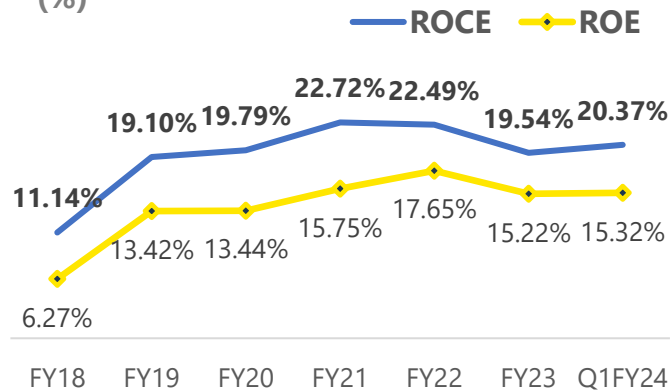
PAT

(INR crores)



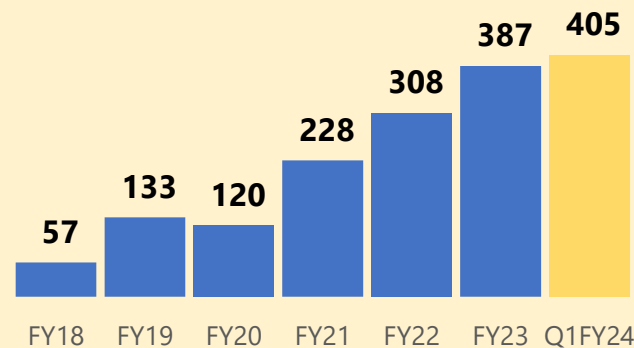
ROE & ROCE*

(%)

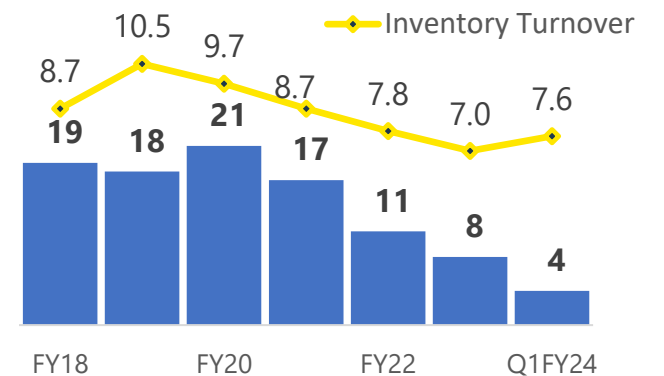


Cash, Bank & Liquid Funds

(INR crores)



Collection (Days) & Inventory Turnover



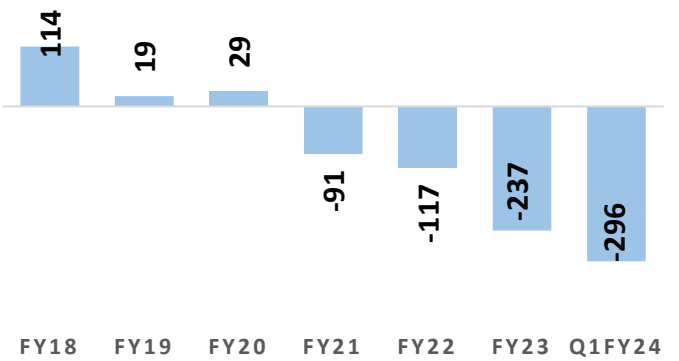
ROCE and ROE ratios

- Consolidated basis and is adjusted for revaluation reserve of Rs 764 crores
- Q1FY24 on annualized basis

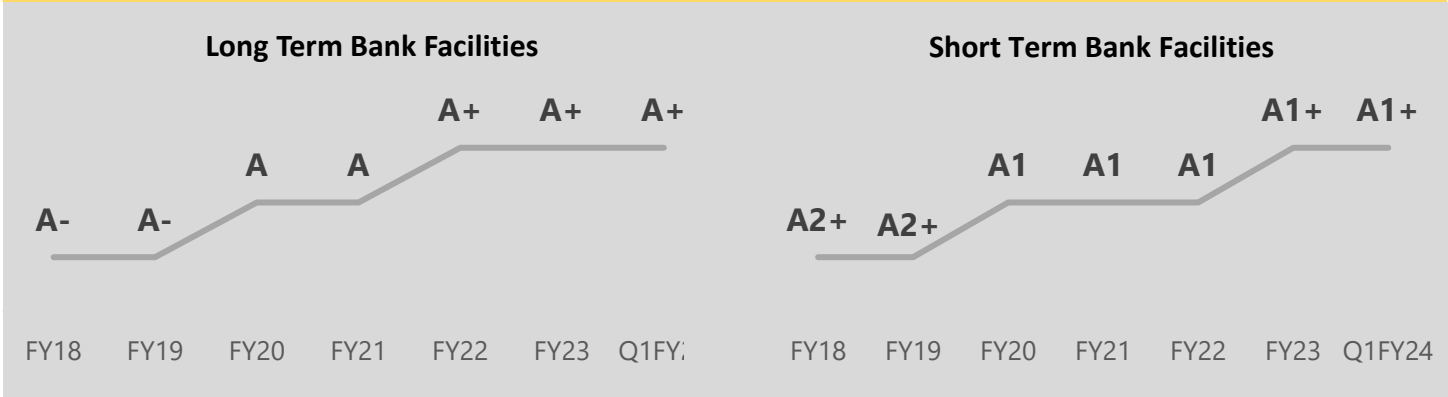
Total Debt breakdown as of June 30, 2023

Particulars	INR Crores
Long Term	47.52
Short Term	60.82
Total Debt	108.34

Net Debt (INR Crores)



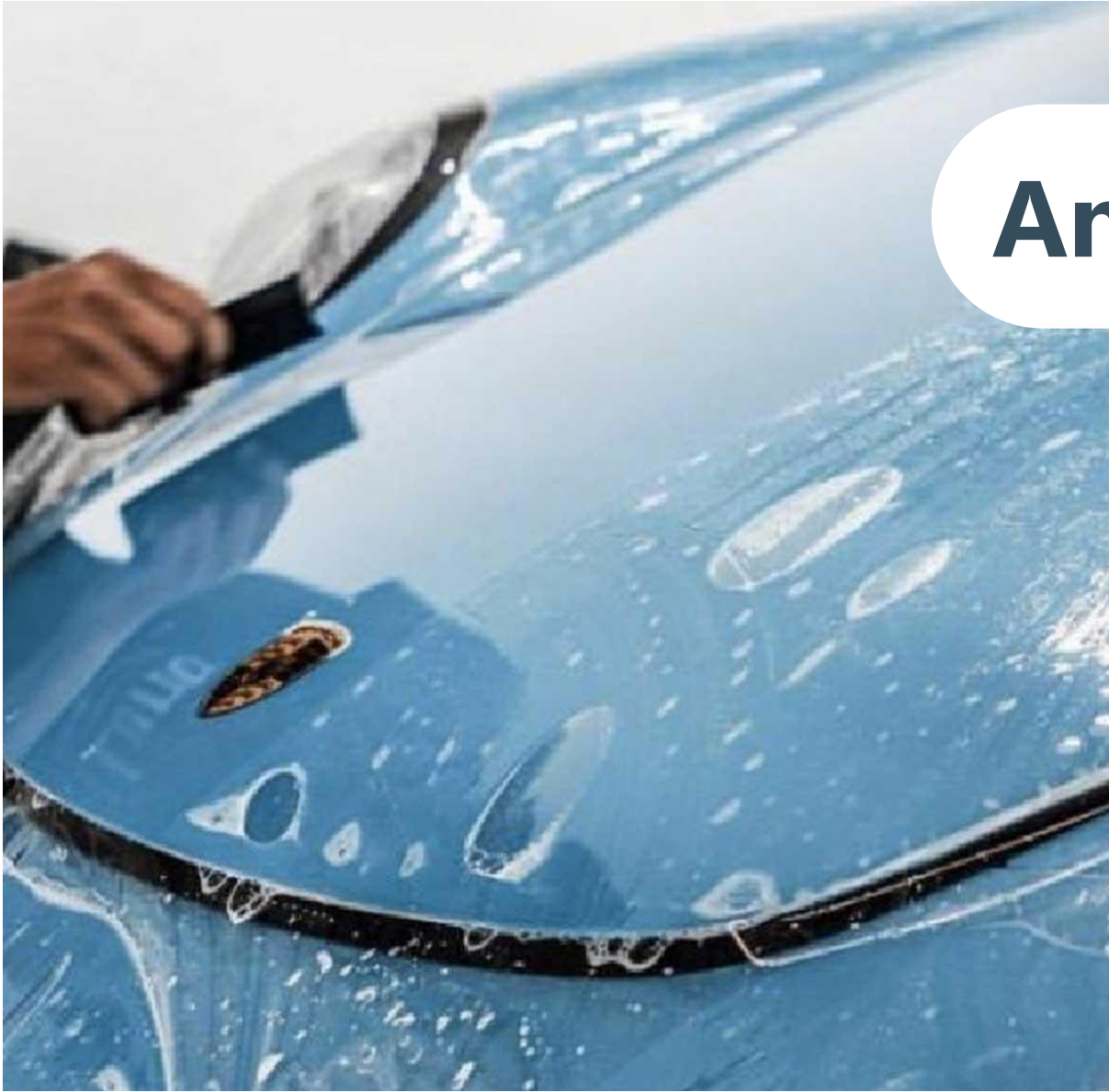
Credit Rating



Key Aspects

- Moved to zero net debt and improved balance sheet over the years
- Debt prepaid by Rs 25 cr in June and 25 cr in July, total debt presently at Rs 73 crore (term loan) as of July 31, 2023
- Strong working capital management and advance payments from customers and better inventory management
- In Q1FY24, reaffirmation in the long-term bank facilities at A1+ (Stable) and short-term bank facilities at A+

Annexures



Leadership : Our Pillars

Driving Growth, Excellence and Innovation at GHFL



Dr. S. B. Garware

CMD

- Graduated from Dulwich College, a prestigious institute in England and studied Senior Business Management course at the University of Edinburgh
- Has held prestigious posts such as President - Maharashtra Chamber of Commerce, Director – LIC, Director – SBI, Honorary Counsel General of Turkey – Western India Office



Ms. Monika Garware

Vice Chairperson & Jt. MD

- Graduate from in Vassar College, NY & MBA - Pace University - Lubin School of Business, NY
- Looks after production, R&D, innovation, finance, legal, corporate strategy, and business development



Mrs. Sarita Garware Ramsay

Jt. Managing Director

- MBA degree from European University , She has wide experience in Marketing & Corporate Affairs
- Handles the company’s human resources, production and operations management, R&D, domestic sales,



Ms. Sonia Garware

Non-Independent Director

- MBA degree from Boston College, USA.
- Handles international sales and marketing, finance, business development, and strategy.

Key Speakers

Mr. M.S. Adsul

Director - Technical

Mr. Deepak Joshi

Director - Sales & Marketing

CPD

Consumer Product Division

Automotive Solar Control Film

- GHFL manufactures automotive films with different VLT, UV and heat rejection properties reducing the heat entering car interiors and keeps them cool.

Paint Protection Film

- Leveraging 6+ decades of expertise in polyester manufacturing, GHFL offers scratch-resistant, self-healing and durable paint protection films that provide optimal protection for car paint from various external damages.
- Available in 6 Mil, 7 Mil & 8 Mil thickness

Safety Film

- Polyester safety films provide high impact resistance to glass, reduces glare, and prevent glass from splintering upon impact, while maintaining optical clarity and transparency.
- Available in 4 & 7 Mil thickness and in combination of SCF

Architectural Film

- GHFL produces a range of architectural films that can be customized to any glass surface, offering protection from harmful UV rays and reducing heat transmission for both residential and commercial buildings.

IPD

Special Industrial Product Division (IPD)

Shrink Film

- GHFL produces shrink films for wrapping and labeling plastic bottles, containers, cans, and cups of various sizes,
- GHFL caters to prominent converters

Electrical & Electronics

- Electrical and Electronics specialty films are widely used in various applications in the electronics industry due to their unique properties such as high electrical insulation, thermal stability, moisture resistance, and excellent dimensional stability.
- Variants: EM6-LO, EM6, ER and ERE

Release Liners

- Release liners are a specialty film coated with silicon on one side to enhance release properties and used in various applications including as release liners and release labels.
- Variants: PT026 (In-line), Sipet Liner (Off-line), PT016 (In-line)

Commodity

Industrial Product Division (IPD)

Thermal Lamination

- They type of specialty films that are designed to provide heat insulation, energy efficiency, increased comfort and protection in various applications like Book covers, Posters, Catalogues, cartons, Visiting cards etc
- Variants: BOPP Thermal Base, BOPP Wet, Coated, BOPP Gloss and BOPP, Mat

Plain Film

- Plain films offer excellent mechanical and optical properties, making them suitable for a wide range of applications such as label stocks, photographs, tags, lamination, reprographics, and OHP, etc.
- Variants: EM, EMCL, ERT-PT008, Opaque, LDF, TRDR, Gardigi, Matt MT21, Face Stock

Packaging & Lidding Film

- Packaging & Lidding Films are designed for protecting and preserving various products, including food, beverages, and consumer goods, as well as metallizing and improving adhesion.
- Variants: ER, ERT – PT007

Metalized Film

- GHFL produces custom packaging-grade metalized films with design versatility, shiny appearance, and barrier properties to meet customers' needs.
- Key applications are Flexible packaging, Lamination, Retort packaging, material requiring high barrier properties

Growth Oriented Capex completed

Key CAPEX



CAPEX Rationale

Strengthening SCF Business

Opportunity in Complimentary PPF Business

INR 270 crores (FY21 – FY23)

Completed in 2 tranches

Tranche 1

INR 135 Crores

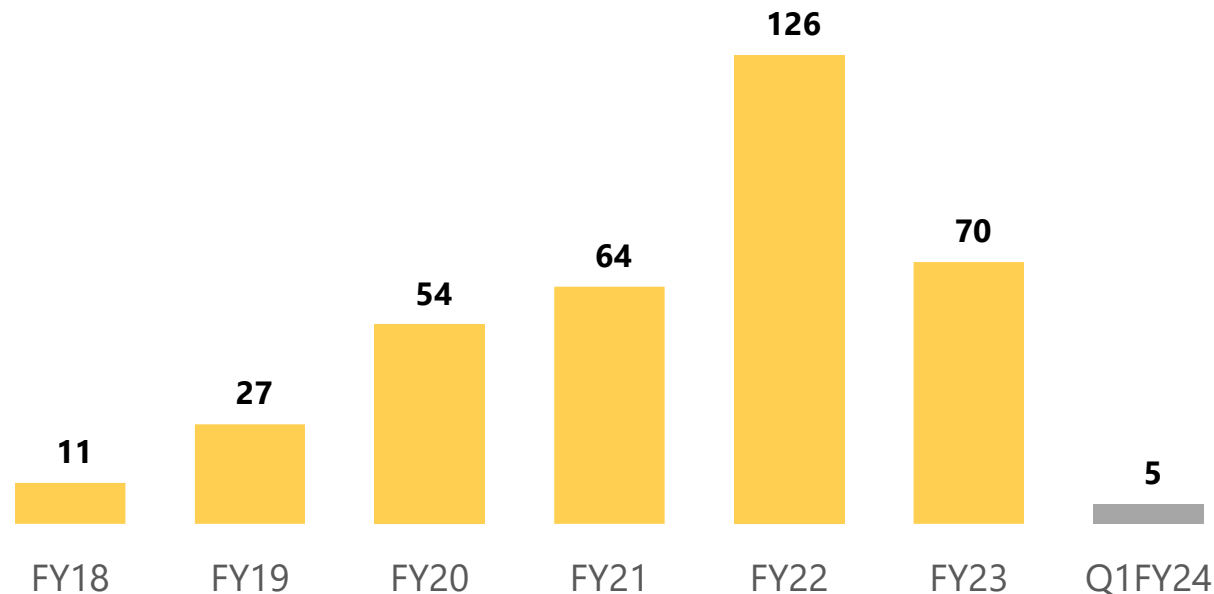
- Upgradation of Manufacturing Facilities
- Setup of New PPF Line of 300 LSF p.a.
- Setup of New Metallizer 3,400 MT p.a

Tranche 2

INR 135 Crores

- Setup of New Lamination Window Film Line of 1800 LSF p.a.
- Commenced commercial production in Q3FY23

CAPEX (INR crores)



Profit and Loss Summary

Consolidated

In Rs. Crores

Particulars	Quarter Ended			Year Ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Revenue from Operations	379.7	349.0	369.9	1438.0
Other Income	8.9	17.1	8.5	42.16
Total Income	388.6	366.1	378.4	1480.2
Cost of Material	171.4	156.8	183.1	648.4
Inventory Changes	8.2	14.3	-18.3	16.4
Power & Fuel	29.7	29.8	32.0	126.0
Employees benefit expenses	35.3	28.9	32.7	121.9
Other Expense	71.3	66.1	78.3	298.2
EBITDA	72.7	70.4	70.7	269.4
Finance Cost	4.3	4.7	4.3	17.0
Depreciation and amortisation expense	9.8	9.6	7.3	32.4
Profit before tax	58.6	56.2	59.2	220.0
Tax Expenses	14.9	13.1	14.6	53.8
Net Profit after tax	43.7	43.1	44.5	166.1
EPS (Rs.)	18.8	18.5	19.2	71.5

Thank You

Garware Hi-Tech Films Limited.
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