

INVESTOR PRESENTATION

June 2021

HLE Glascoat Limited
(Formerly known as Swiss Glascoat Equipments Ltd.)

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Financial Performance

*Key Operating Ratios and Financial
Statements*

Strong Operating Cashflows and Returns



Return on Average Capital
Employed (RoCE)

42.9%

Return on Average Equity
(RoE)

50.3%

Fixed Asset Turnover

4.4x

Total Debt

Rs. 93 Crs



Debt to Equity

0.7x

Debt / EBITDA

1.0x

Cash Generated from
Operations

Rs. 48.5 Crs

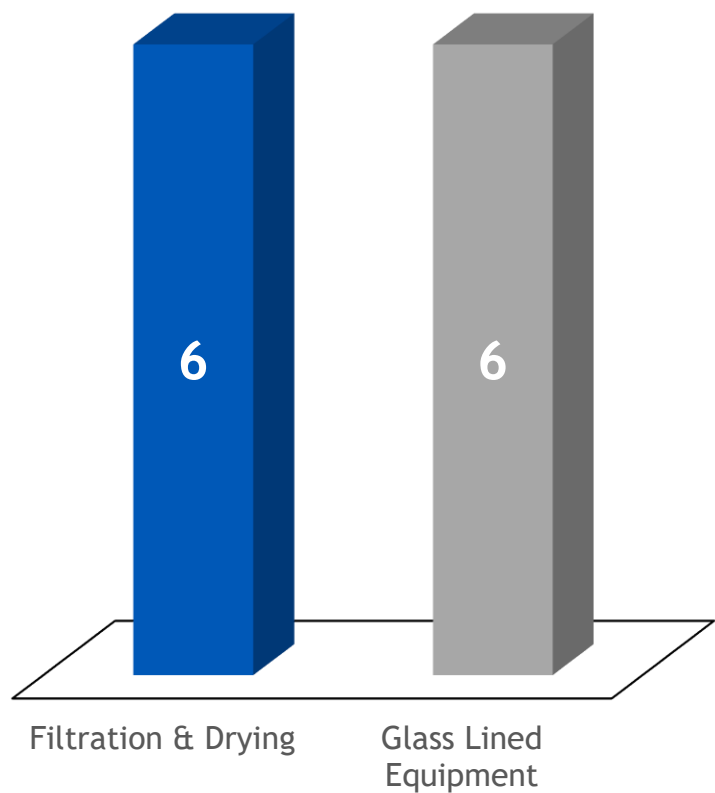
Dividend (FY21)

Rs. 4/- per share
(40% of FV of Rs. 10)

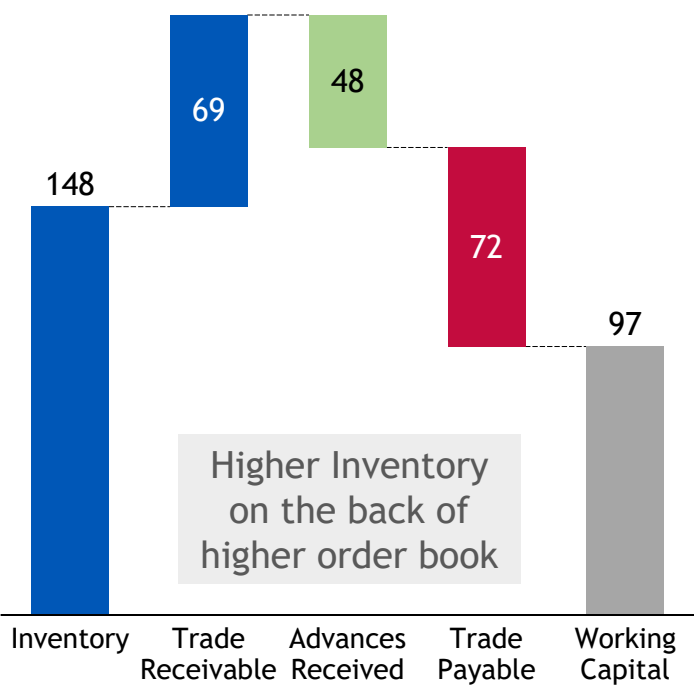
Record Orderbook Position



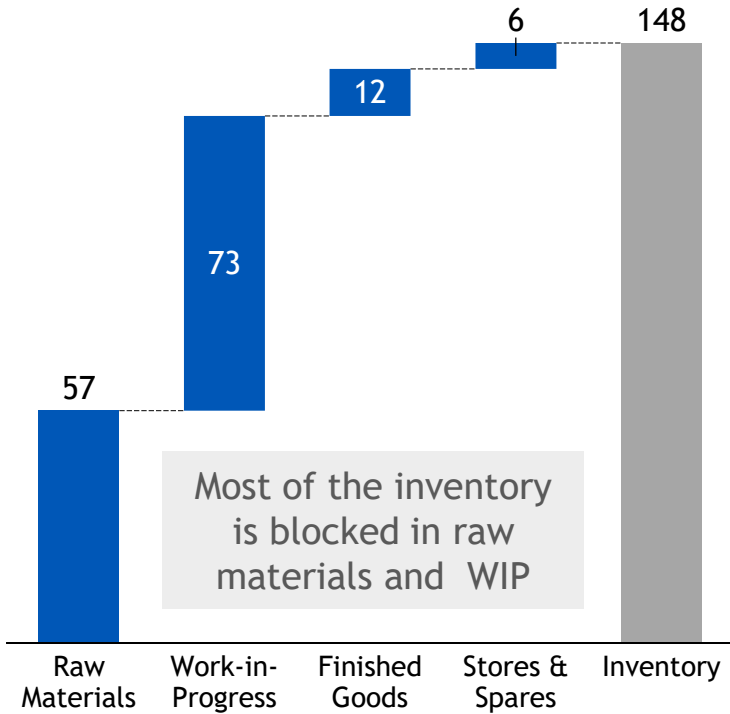
Order book (No. of months)



Working Capital (Rs. In Crs.)



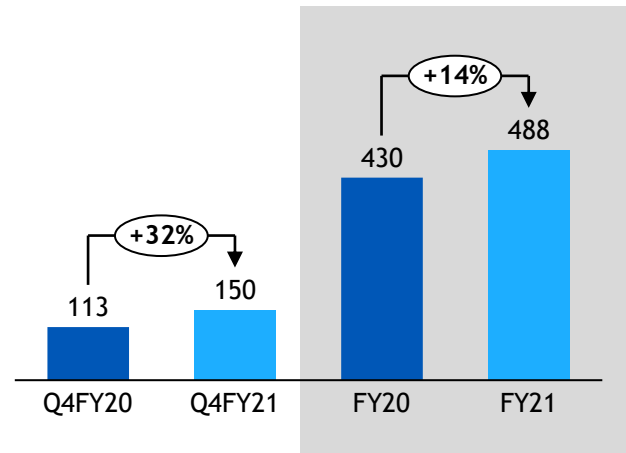
Inventory Break-up (Rs. In Crs.)



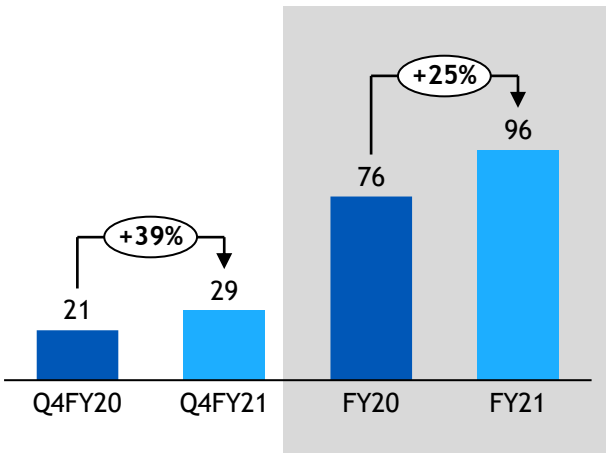
Financial Performance: Q4 & FY21



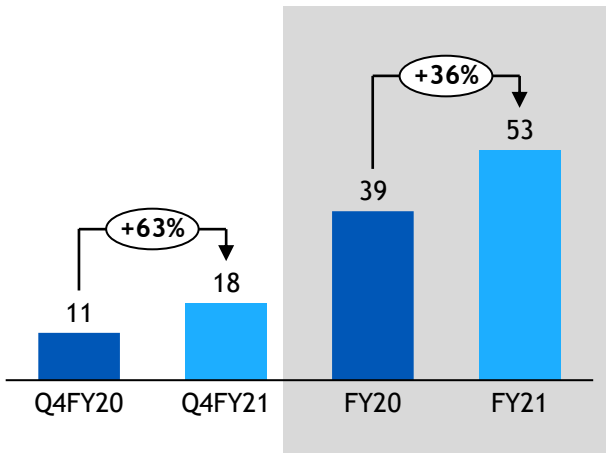
Revenue from Operations



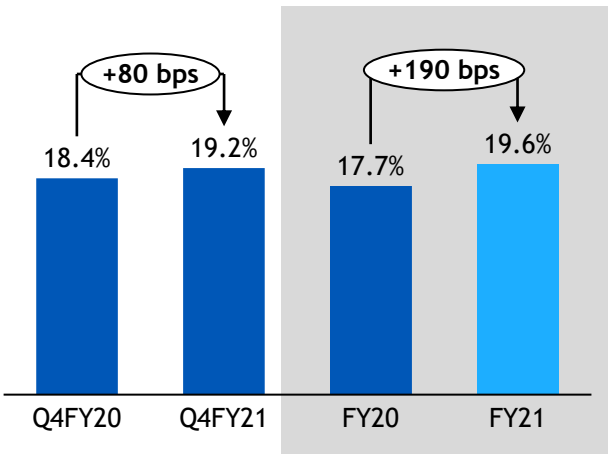
EBITDA



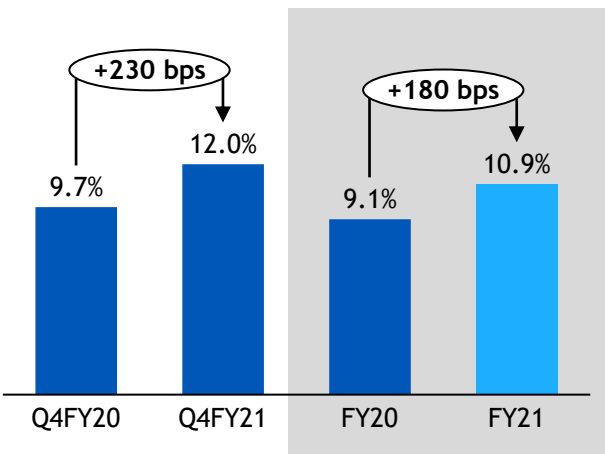
Profit After Tax



EBITDA Margin (%)



Profit After Tax Margin (%)



Rs. In Crs

Segmental Performance: Q4 & FY21



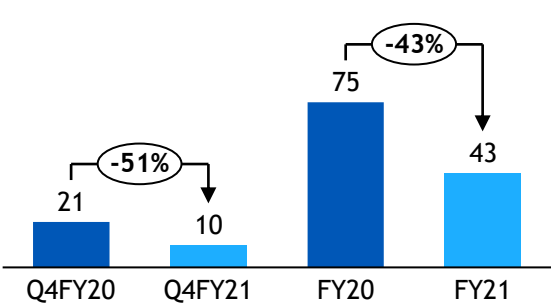
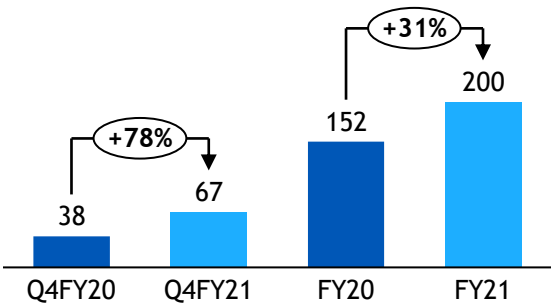
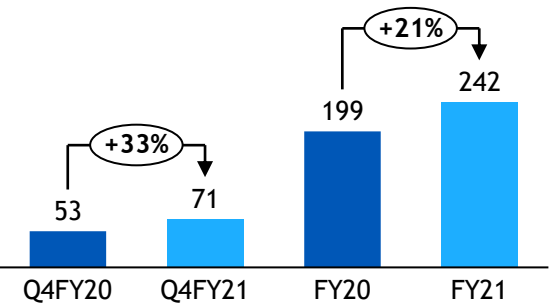
Rs. In Crs

Filtration, Drying and Other Equipment

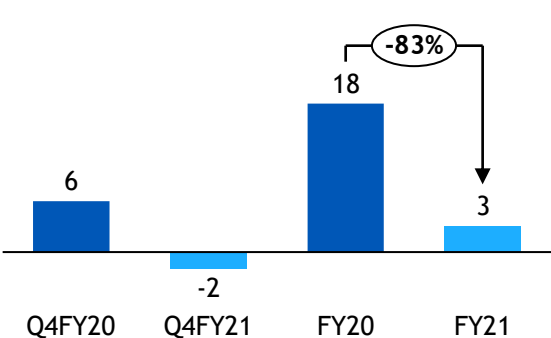
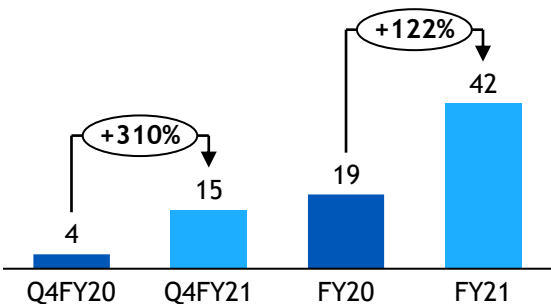
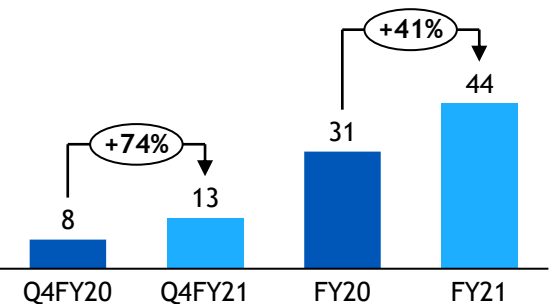
Glass Lined Equipment

Chemical Products*

Segment Revenue

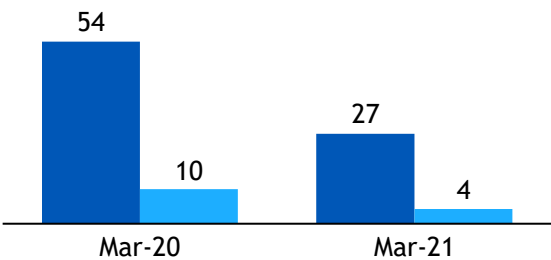
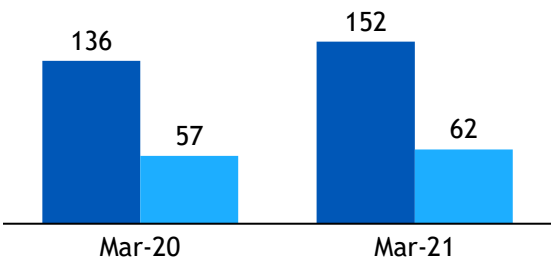
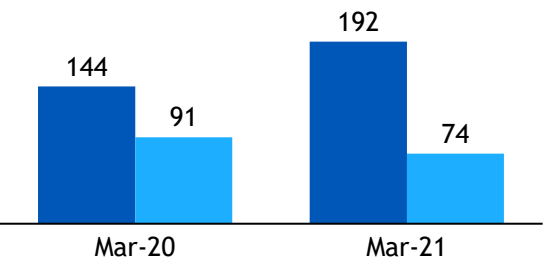


Segment Result



Segment Assets & Liabilities

■ Assets ■ Liabilities



* During Q4 FY21, the Company have winded down the Chemical Business Operations

Profit & Loss: Q4 & FY21



Particulars (in Rs. Crs)	Q4 FY21	Q4 FY20	Y-o-Y	FY21	FY20	Y-o-Y
Revenue from Contract with Customers	147.50	111.08		484.49	426.47	
Other Income	2.25	2.10		3.93	3.34	
Total Revenues	149.75	113.19	32%	488.42	429.81	14%
Cost of Materials Consumed	76.76	59.93		230.42	229.80	
Changes in Inventories of Finished Goods and Work-in-Progress	-4.89	-4.48		6.38	-17.85	
Total Raw Material	71.87	55.44		236.80	211.94	
Employee Benefits Expenses	10.17	8.88		36.36	32.45	
Other Expenses	38.90	28.07		119.68	109.18	
EBIDTA	28.81	20.80	39%	95.59	76.23	25%
EBIDTA%	19.2%	18.4%		19.6%	17.7%	
Depreciation and Amortization Expense	2.20	1.98		8.61	7.44	
EBIT	26.61	18.82	41%	86.98	68.79	26%
Finance Costs	2.00	2.88		9.74	12.22	
Profit Before Tax (PBT)	24.61	15.95	54%	77.24	56.57	37%
Tax	6.68	4.92		23.87	17.37	
Profit for the Year (PAT)	17.93	11.02	63%	53.37	39.20	36%
PAT %	12.0%	9.7%		10.9%	9.1%	
Other Comprehensive Income (OCI)	-0.14	-0.09		-0.40	-0.33	
Total Comprehensive Income for the Year, Net of Taxes	17.79	10.94	63%	52.98	38.87	36%

Balance Sheet: As on 31st March 2021



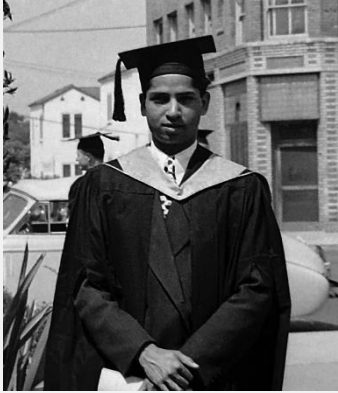
Particulars (in Rs. Crs)	Mar-21	Mar-20
Non-Current Assets		
Property, Plant and Equipment	110.08	89.39
Capital Work-in-Progress	3.12	10.01
Other Intangible Assets	3.80	4.47
Right of Use Assets	6.12	0.43
Financial Assets		
Other Financial Assets	0.73	0.77
Other Non-current Assets	4.24	1.55
Current Assets		
Inventories	147.64	153.45
Financial Assets		
Trade Receivables	69.18	44.11
Cash and Cash Equivalents	10.49	1.33
Bank Balances	10.03	8.46
Loans	0.21	0.31
Other financial assets	2.10	6.23
Current Tax Assets	1.86	1.80
Other Current Assets	7.52	13.06
TOTAL ASSETS	377.11	335.37

Particulars (in Rs. Crs)	Mar-21	Mar-20
Equity Share Capital	13.08	12.93
Other Equity	121.61	63.08
Non Controlling Interest	0.12	1.37
Total Equity	134.81	77.37
LIABILITIES		
Non-Current Liabilities		
Borrowings	55.19	54.27
Other financial Liabilities	0.02	0.02
Deferred Tax Liabilities (Net)	3.33	3.42
Provisions	0.45	0.55
Current Liabilities		
Borrowings	21.55	29.37
Trade Payables	72.14	75.43
Other financial Liabilities	26.11	22.13
Provisions	2.65	1.52
Other Current Liabilities	52.22	66.95
Current Tax Liabilities	8.65	4.35
Total Liabilities	242.31	258.00
TOTAL EQUITY AND LIABILITIES	377.11	335.37

Evolution of the Group

From Chemicals to Excellence in Engineering

FOUNDATION OF PATEL GROUP in 1951



“

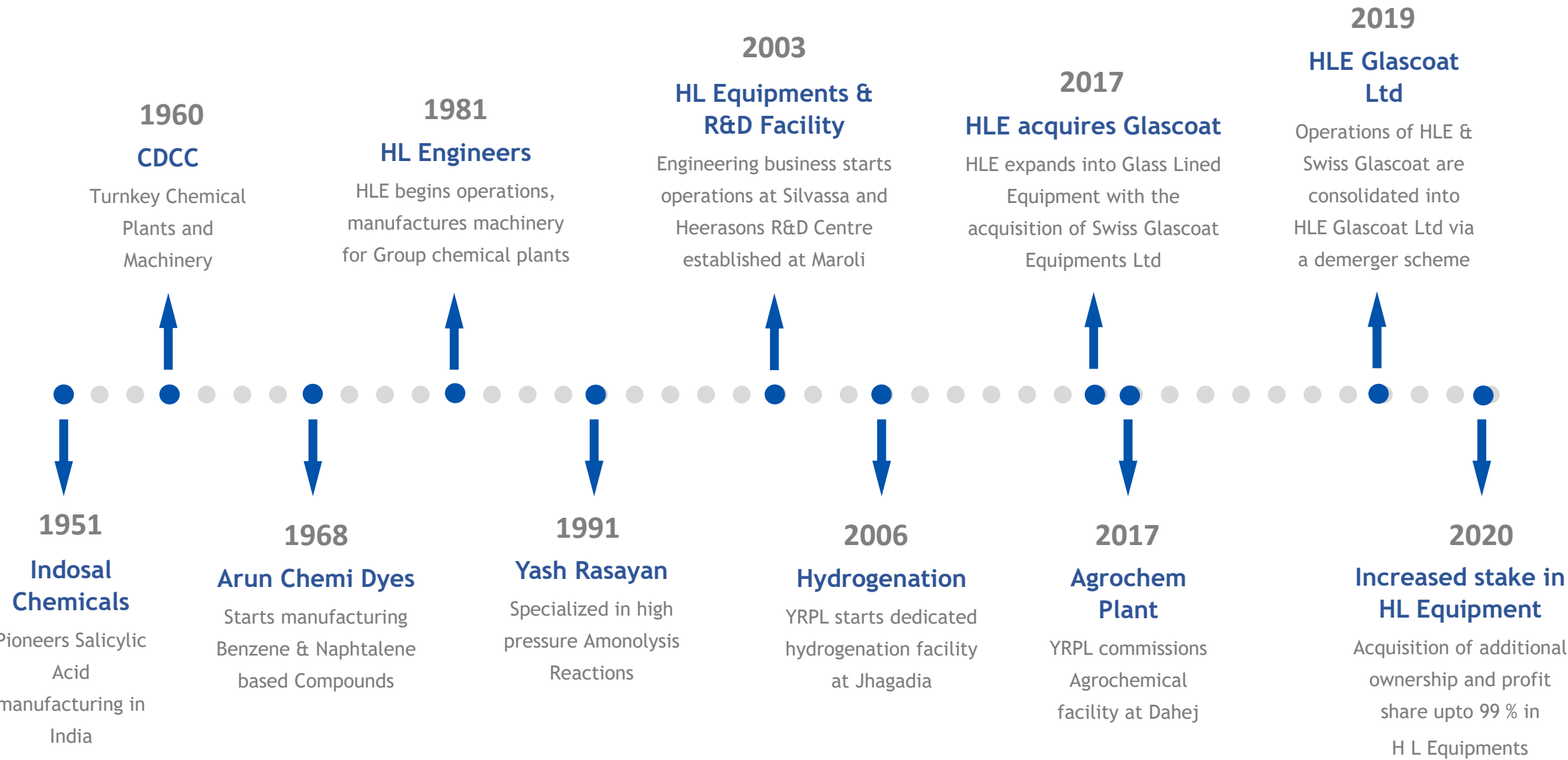
A farmer's son, who obtained his PhD in Chemical Engineering from Columbia University New York, returned home in the year 1950 to contribute to a newly independent India.

”

- The foundation of Patel Group was laid by late Dr. K. H. Patel in 1951 with -
 - Indosal Chemicals in the year 1951, pioneering the manufacturing of Salicylic Acid in India.
 - Chemical Development and Construction Corporation (CDCC) in the year 1960, a firm dedicated to manufacturing Chemical Plants and Process Equipment.
- Over the last 70 years, the group has expanded its horizon. The group is a leading manufacturer of -
 - Chemical Process Equipment Manufacturing.
 - Market leader in Filtration & Drying.
 - Chemical Manufacturing.
 - Specialized in Benzene and Naphtelene based compounds.

Across all its verticals, the group is a **Preferred Supplier to Marquee clients** and reputed Multinational Corporations




Evolution from Chemicals to Engineering



Merger of Leaders: Combined Performance is Greater than Individual



In 2017, HLE Engineers Pvt. Ltd. acquired a controlling stake in Swiss Glascoat Equipments Ltd.

<div>  </div>	<div>  </div>	<div>  </div>
<ul style="list-style-type: none"> • Market leader in filtration and drying equipment with over 60% share. • Expertise in Stainless Steel and exotic metal fabrication. • Chemical engineering expertise with first-hand knowledge of chemical processes and plants. • One of a kind pilot-plant and R&D facility. • Strong design capabilities with a team specializing in tailor made equipment. • Inhouse IT support, developing a host of advanced tools. 	<ul style="list-style-type: none"> • In 2019, the businesses of HLE Engineers and Swiss Glascoat were consolidated into HLE Glascoat Limited. • Today HLE Glascoat is one of the largest chemical process equipment manufacturers in the country. • Has the capability to cater to customized process needs and large projects with a wide range of equipment. • In the advantageous position to exploit complementary strengths of the merging entities. 	<ul style="list-style-type: none"> • Second largest manufacturer of glass lined equipment. • Expertise in carbon steel fabrication, especially high thickness and volumetric capacity. • Expertise in Robotic Welding and SAW welding processes. • Continuous improvements in Glass Lining technology. • Team and Infrastructure geared for high volume manufacturing. • Large sales and distribution network operating from 13 sales offices across the globe.



Industry Reference for Excellence in Engineering

Market Leader in Filtration & Drying Equipment with more than 60% share of the Indian Market.

HLE Glascoat

Second Largest manufacturer of Glass Lined Equipment in India with nearly 30% market share.



Customer Acquisition and Relationship Management

Creates automatic synergies from the point of view of customer acquisition and relationship management, with the clients remaining the same.



Technology and Automation

HLE Glascoat now has the capability to continuously innovate drive modernization and automation in the manufacturing processes derived from the unique expertise of both the companies.



Procurement and Inventory Management

Raw materials are now efficiently procured from the same vendors with larger combined quantities, thus ensuring negotiation of better terms. The purchasing strength of one entity is being effectively leveraged by the other.



Geographical Expansion

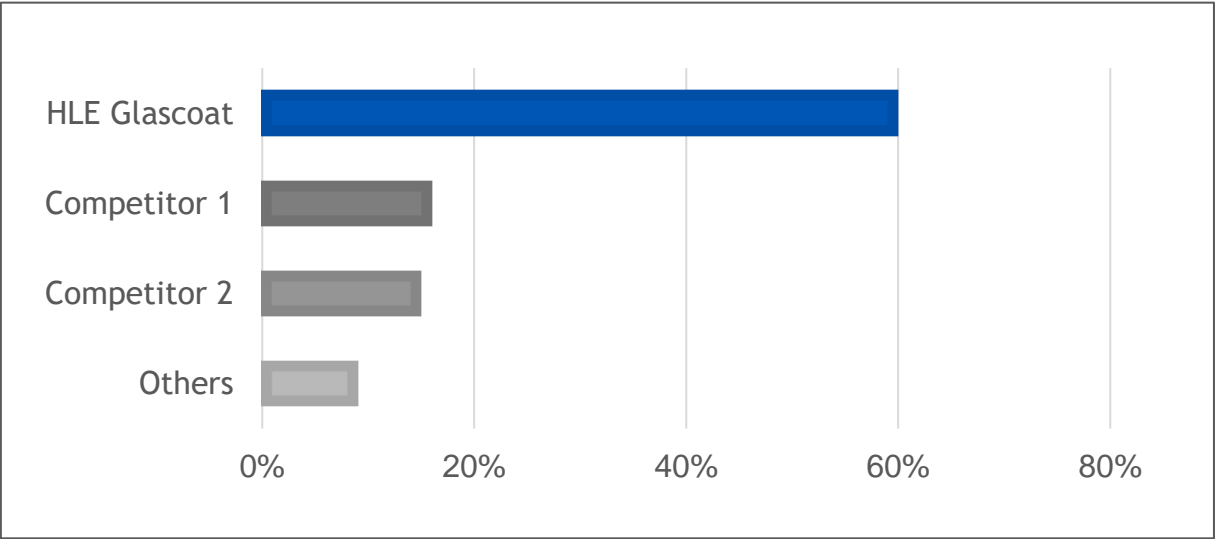
Vision is to leverage on each other's strengths in other geographies like USA, Western Europe, Brazil, China, Turkey, etc. where either one of them has got a stronghold.



This integration is a logical next step for our companies and will create substantial value for all stake holders of HLE and Swiss Glascoat.

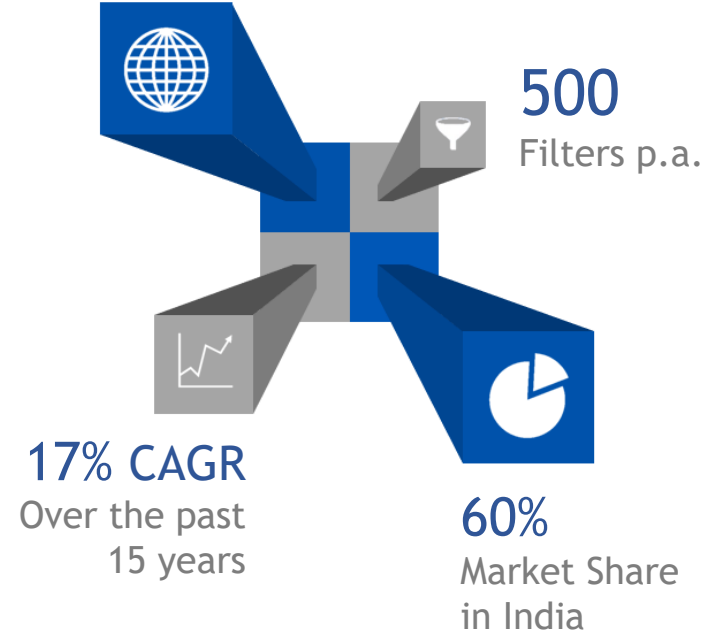


Preferred Supplier: Largest Player in Filtration & Drying



Filtration & Drying Market Share in India

World’s Largest
Manufacturer of ANFDs

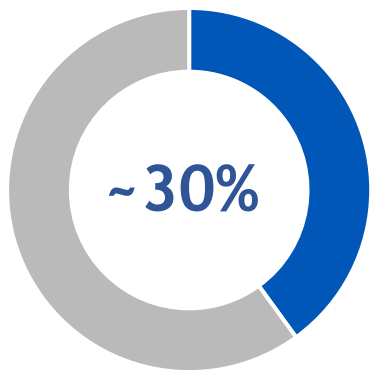


Preferred Supplier: Glass Lined Equipment



2nd Largest Player

In Glass Lined Equipment



Market Share

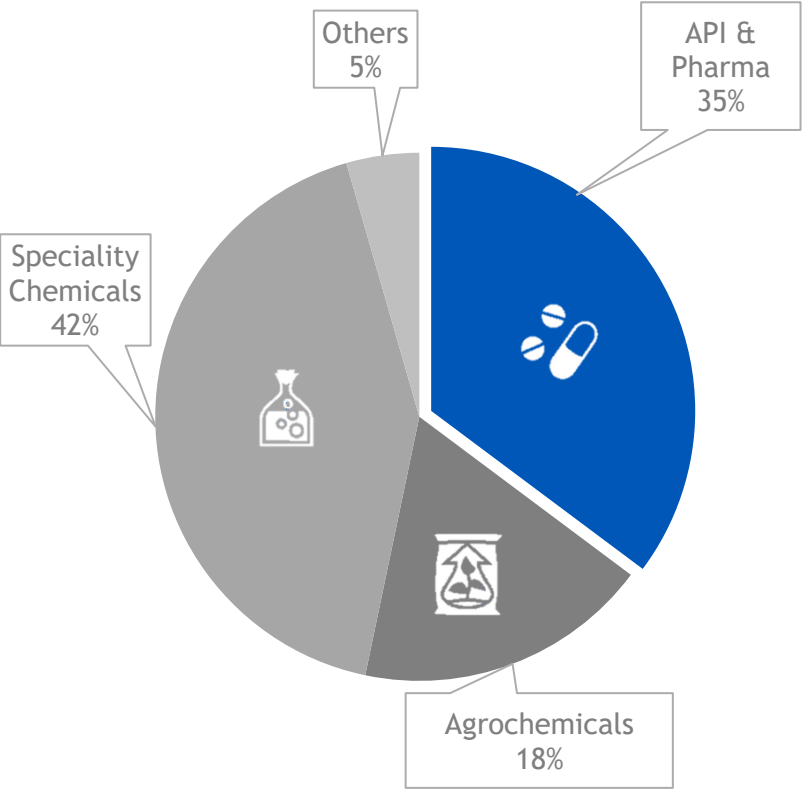
In Glass Lined Equipment in India



De-risking and Diversification: A Business Imperative

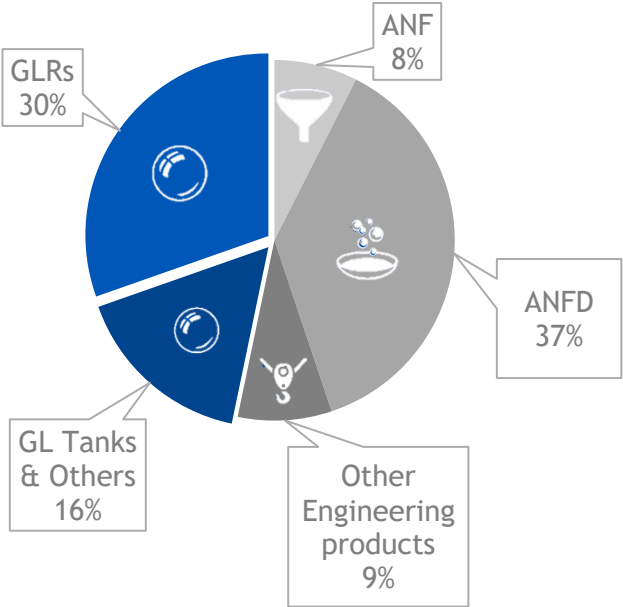


Industry-wise Revenue Break-up



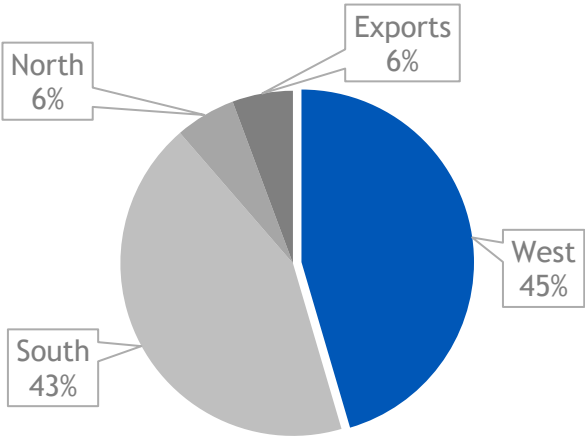
Our customers are spread predominantly across the Chemical and Pharmaceutical industries

Product-wise Revenue Break-up



Not more than 37% Revenue is generated from a single product

Region-wise Revenue Break-up



West and South constitute roughly 90% of the sales



Foundation for Growth

*Enabling us to adapt to the changing
needs of the business*

Diversified Product Portfolio



Filtration

Agitated Nutsche Filters
Agitated Nutsche Filter-Dryers
Kilo-lab Filter-Dryers



Drying

Rotary Vacuum Paddle Dryers
Rapid Disc Dryers/Coolers
Spherical Dryers
Pan Dryers



Custom Jobs

Tailor made equipment in a range of
MOCs fabricated up to 75mm thick, 60 m³
capacity and over 100 bar pressure



Glass Lined Equipment

GL Reactors
GL Tanks
GL Heat Exchangers
GL Columns
GL Pipes & Fittings
GL Filters & Dryers



Exotic Metal Fabrication

Various Equipment in a range of exotic
alloys and composite materials
cladded with Hastelloy, Inconel,
Monel, Nickel, Titanium, Tantalum
and so on

Capabilities: Filtration, Drying and More



Continuous Pan Filter

Canada

6m diameter pan for a continuous type filter rotating within the tolerance of 3mm

MOC: Inconel



High Pressure Separator

USA

Skid mounted pressure vessels with a Design Pressure of 170 bar, ASME U-stamp certified

MOC: SS304L



Double Walled Furnace

USA

Furnace with a cooling jacket for manufacture of Aircraft Braking systems, ASME U-Stamp certified

MOC: Carbon Steel



Nickel Autoclave

India

Autoclave with 35 bar working pressure and a unique disintegrator type agitator

MOC: Nickel Cladded on CS



Oyster Filter

Germany

6m Diameter rotating type continuous filter, compliant with ASME, CE and JIS Standards

MOC: SS316L



Ring Disc Reactor

India

The first and only indigenously built reactor for Continuous Polymerization of Poly-propylene

Weight: 65MT

MOC: SS316L



Roto-cone Filter Dryer

India

Filtration function built into a Rotocone Vacuum Dryer

MOC: SS316L



Marquee Projects: Glass Lined Equipment

We consistently deliver

Largest Project Orders

255 nos. of equipment
In a single order

Largest Reactors

Reactors executed up to
40KL in size

Largest Storage Tanks

Multiple units of 50KL,
largest up to 65KL



32KL GMP Reactors

India

One of the largest glass lined GMP reactors manufactured and sold in the country.



25KL High Pressure Reactor

India (European MNC)

High pressure glass lined reactor designed at 13 bar pressure.



11KL Photochemical Reactor

India (European MNC)

11KL reactor with white-glass and multiple nozzle openings for photo-chemical reactions.



1.5 m Dia Column

India

We have one of the largest population of distillation columns in the Indian market today.



50KL Tank

India

One of the largest glass lined vessel supplied in the Indian market followed by a repeat order.



25KL High Pressure Reactor

Turkey

High pressure reactor designed for 13 bar internal pressure



14m² Plate Type Condenser

India

Some of the largest plate heat exchangers offered or sold by any Indian Manufacturer. We are also the market leaders in this product segment.

State-of-the-art Manufacturing Facilities



MAROLI WORKS

- 10,000 m² built-up area with nearly 8,000 m² covered under 26 EOT cranes.
- State-of-the-art machine shop including VMCs, CNC Turn-mill, CNC drilling and VTLs.
- Advanced welding capabilities with pulsed arc welding systems and over 100 qualified welders.
- Jigs, fixtures, welding manipulators and specialized tooling for fast and repeatable performance.
- Productivity, throughput and budgetary controls through customized ERP solutions.



ANAND WORKS

- 20,000 m² floor area covered by 33 EOT cranes.
- Five state-of-the-art SCADA controlled electric and gas fired furnaces for glass lining.
- Four dedicated furnaces for glass lining of components.
- One of a kind robotic welding set-up for critical pressure part weld joints.
- Highly automated manufacturing process with CNC SPMs for accuracy & repeatability.
- Productivity, throughput and quality control through customized ERP solutions.



HL EQUIPMENTS, SILVASSA

- 4,200 m² floor area covered by 8 EOT cranes.
- Well developed welding capabilities with pulsed arc welding systems and over 15 qualified welders.
- Jigs, fixtures, welding manipulators and specialized tooling for fast and repeatable performance.
- Machine shop including VMCs, CNC Turn-mill, CNC drilling and VTLs.
- Fixtures and tooling geared towards low-cost, high volume manufacturing of Monoblock ANFDs.



Competitive Edge: Product Engineering

Pilot Plant and R&D Facility:

- The only pilot plant & R&D Facility of its kind among any process equipment manufacturer.
- Our pilot plant enables our customers to conduct thorough trials on out ANFDs and RVPDs.
- Coupled with our Chemical Engineering Capabilities, this facility also offers end-to-end process development and scale-up services for a wide range of chemicals.



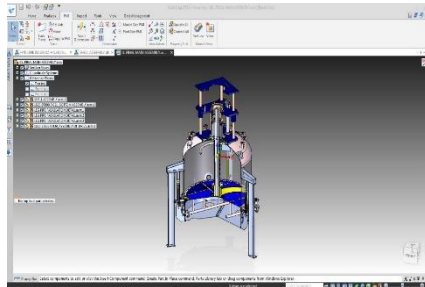
R&D Facility Fully Equipped With:

- Filtration & Drying Equipment - ANFDs, RVPDs
- Distillation System
- Reactors and Autoclaves in a range of MOCs
- Melt Crystallizer and Loop Reactor
- Utilities like Steam, Air, Vacuum and Chilling
- Analytical Lab with HPLC, GC and Spectrophotometry



Design and Engineering Capabilities:

- Design & Engineering team of 35 well experienced engineers.
- Operate a completely integrated 3D CAD/CAM platform for efficient product lifecycle management and error-free, first-time-right designs.
- Implemented advanced design codes for quick turnaround time and high degree of customizability.
- Proficient in all global design codes and standards.



“Chemical Engineering Solution Providers and not just Equipment Manufacturers”

Pilot Plant



R&D Facility



World Class Design Capabilities

Competitive Edge: Process Engineering



Special Purpose Machines (SPMs) and Tooling

- Optimized every step of the fabrication process with SPMs developed and built by our team of process engineers.
- Our SPMs dramatically reduce the manhours required for a job and increase process repeatability. At the same time, they provide the flexibility that custom manufacturing demands.



Unmatched Welding Capability

- Only manufacturer of process equipment to have successfully implemented robotic welding of pressure parts.
- Our two robotic welding stations greatly reduce manhours and provide impeccable and repeatable welding performance.
- Our welding prowess is demonstrated by our team of over 200 qualified welders.



Precision Machining Capability

- We have widely adopted state-of-the-art CNC machine tools that are unheard of in a custom fabrication shop.
- Our edge in precision machining is derived from a mix of large sized conventional machine tools and latest CNC machines which dramatically reduce machining hours and greatly improve accuracy and repeatability.

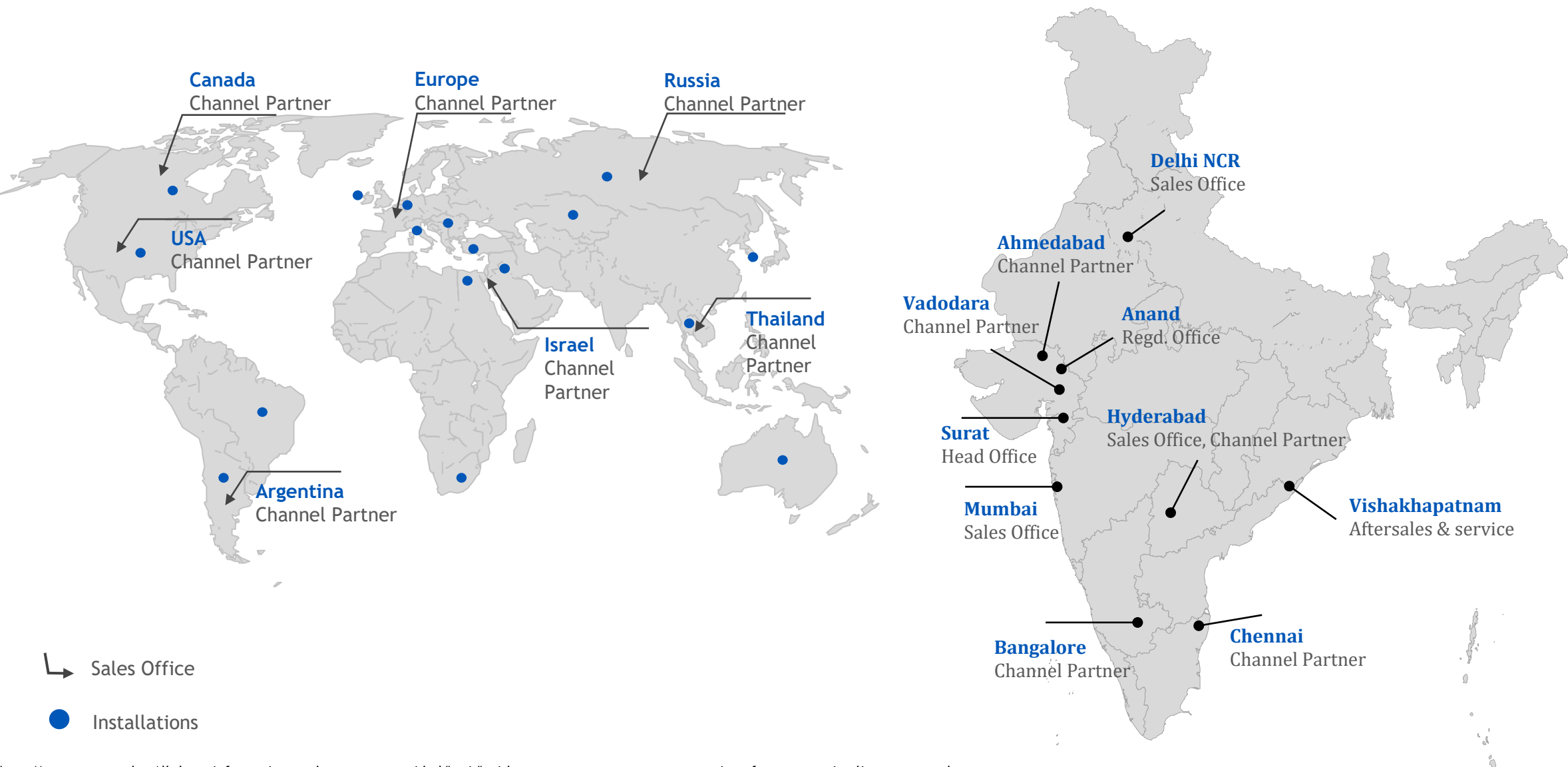


Productivity Management & Production Planning

- Our team of IT engineers constantly develop and implement innovative solutions for production planning, scheduling and productivity management.
- Highly customized software enables us to accurately control manhour costs for every job and enables the planning team to ensure on-time delivery of orders.

Geographical Diversification

Strong Domestic Sales Network and Global Footprint



└─ Sales Office
● Installations

Note: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

Marquee Client Relationships













Experienced Management Team



Himanshu Patel

He is a qualified Electrical Engineer graduating from the University of Bombay in the year 1976 and has more than 45 years of experience in the business of chemicals and engineering.

Nilesh Patel

He has completed his BSc (Chemistry) from the University of Bombay and has more than 35 years of experience in the business of chemicals, engineering, aquaculture and food processing.



Harsh Patel

He is a qualified Chemical Engineer from the University of Mumbai and has completed his MBA from the State University of New Jersey in 2002. He has more than 18 years of experience in the business of chemicals and engineering.

Aalap Patel

He has completed his B.E. (Mechanical) from the University of Pune and MBA in Global Management from the Thunderbird School of Global Management. He has nearly 10 years of experience in the engineering industry.



Professional Management Team



Strategic Advisor

Total Experience: **35 years+**

B.Com, CA

Associated with the company for over 15 years

Vice President Engineering

Total Experience: **32 years+**

B.E Mechanical

Associated with the company for over 30 years

Vice President Sales & Marketing

Total Experience: **20 years+**

B Com. PG - IT

Associated with the company for over 9 years

Sr. Vice President Corporate Development

Total Experience: **17 years+**

ME Chemical, MBA

Has recently joined the company

General Manager - Manufacturing

Total Experience: **25 years+**

B.E. (Mech)

Associated with the company for two years

General Manager - Workplace Solutions

Total Experience: **25 years+**

B.Sc, MSW

Associated with the company for two years

Chief Financial Officer

Total Experience: **37 years+**

B.Com, CA

Associated with the company for over a year

Company Secretary

Total Experience: **11 years+**

CS

Associated with the company for over 11 years

01

ASME Accreditation

Authorized to use ASME 'U', 'NB' and 'R' Stamps for pressure vessels.

02

CE Compliance

Designing and manufacturing in compliance with CE as per Pressure Equipment, ATEX, Machinery, Electromagnetic, Low Voltage and other Directives.

03

JIS Compliance

Designing and manufacturing in compliance with 'JIS'.

04

ISO 9001:2015

We are an ISO 9001:2015 certified company.

05

SELO Accreditation

SELO Accreditation with Chinese Manufacturing License for pressure vessels.

06

EAC Certification

Certified for manufacturing pressure vessels as per the Russian Directives.

Future Outlook

*Responding to the Large Orderbook
by ramping up capacities*

Identified Thrust Areas for Growth

Industry Potential



Tailwinds in the various chemical sectors will continue to drive growth. Recent policy changes and need for domestic sourcing in the wake of Coronavirus Pandemic, is expected to give a substantial boost to the pharma sector as well.

Strong Balance Sheet



Robust liquidity position with increasing profit margins combined with a reducing working capital cycle will enable us to grow without any constraints. The management also remains alive to the possibilities of JV's & acquisition opportunities.



PRODUCT EXPANSION

- We continue to pursue new products within our existing segments as well as explore the possibilities of using our engineering capabilities to manufacture products from related segments.
- Our team dedicated towards product innovation and new product development has consistently introduced new features and products to improve user experience.



CAPACITY EXPANSION

- Completing the capex program at the Anand Plant to debottleneck the Assembly Section.
- Adding gas fired furnaces at Anand.
- Project to increase the capacity of the Maroli Plant, work on which has substantially progressed.
- Greenfield project expansion at Silvassa under implementation.



MARKET EXPANSION

- We will continue to expand the market for filtration and drying products through focused efforts on adding new customers especially from the MSME sector.
- We also plan to expand the geographies with a renewed thrust on exports for both our key product segments

Capacity Ramp-up for future growth



Fabrication Shop at Maroli

Planned addition of manufacturing shed adjacent to the existing facility at Maroli adding over 25% more floor area for manufacturing of Filtration, Drying and Other Equipment. The implementation is likely to be completed in around 9 months. The aggregate project cost is estimated at Rs. 15 crores.

Assembly Shed at Anand

Commissioned assembly shed at Anand thereby enhancing the assembly capacity by around 50%. This will also add roughly 20% more floor space to the Anand workshop

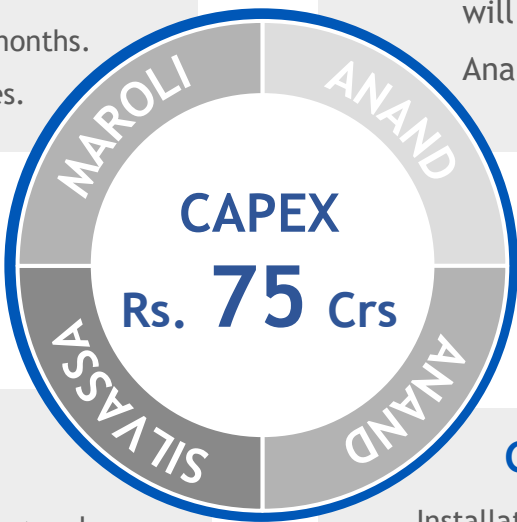


Fabrication Shop at Silvassa

Greenfield plant at Silvassa to augment Filtration, Drying and Other Equipment manufacturing capacity. It is expected to be completed during FY2022. The aggregate project cost is estimated at Rs. 50 crores. This plant will also be equipped with a state-of-the-art machine shop.

Glass Lining Furnace at Anand

Installation of additional Gas Fired Furnaces is under way at the Anand facility. These will boost our Glass Lining capacity by nearly 25% and reduce the per unit Power and Fuel costs further. The new furnace is expected to be operational by Q1 FY2022. The aggregate project cost is estimated at Rs. 10 crores



Funds Raised of Rs.100 crores

- **Funds raised to the tune of Rs. 100.00 crores through**

- Fresh equity shares (Rs. 20 crores) and
- Convertible warrants (Rs. 80 crores)

- The proceeds of the issue to be utilized for the growth capital and expansion/ diversification requirements, whether organic or inorganic, to meet the capital expenditure, to reduce the borrowings, to enhance long term resources and overall strengthening of the financial structure, for meeting working capital requirements and for other general corporate purposes etc.

Name and type of the Investor	Security to be allotted	Number of Securities	Price per security (Rs.)
Malabar India Fund Ltd., a Category I Foreign Portfolio Investor	Ordinary Shares	1,44,404	1,385.0
Malabar India Fund Ltd., a Category I Foreign Portfolio Investor	Warrants*	4,62,093	1,385.0
Malabar Value Fund - scheme launched under Malabar Investment Trust (SEBI registered AIF category III trust)	Warrants*	1,15,523	1,385.0

**Warrants shall be converted into equal number of Ordinary Shares once they are fully paid-up*



Facilitated Oxygen Plants

Procured nearly 25 oxygen plants by hospitals in our vicinity. Our know-how and relationship with manufacturers of the plant were used to help hospitals choose the right specification, negotiate the right price, deliver on time and swiftly commission the oxygen plants



CoVID Vaccination

- Organized various vaccination camps at factory and everyone above 45 is vaccinated
- More than 300 people in the range of 18 to 45 have been vaccinated at camps in our factory
- Continuing to arrange such camps and hope to get everyone vaccinated in a few months

CSR Activities during CoVID 19



Thank You

Company Name:

HLE Glascoat Limited
(Formerly known as Swiss Glascoat
Equipments Ltd.)

CIN: L26100GJ1991PLC016173

Contact Person:

Mr. K.V. Unnikrishnan, CFO

Email Address:

investor.relations@glascoat.com

Investor Relations Advisors :



Mr. Deven Dhruva

+91 9833373300

deven.dhruva@linkintime.co.in

Ms. Neha Shroff

+91 7738073466

neha.shroff@linkintime.co.in