



PG ELECTROPLAST LIMITED

CIN-L32109DL2003PLC119416

Corporate Office :

P-4/2, 4/3, 4/4, 4/5, 4/6, Site-B, UPSIDC Industrial Area, Surajpur
Greater Noida-201306, Distt. Gautam Budh Nagar (U.P.) India
Phones # 91-120-2569323, Fax # 91-120-2569131
E-mail # info@pgel.in Website # www.pgel.in

February 04, 2023

To,
The Manager (Listing)
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 533581

To,
The Manager (Listing)
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Scrip Symbol: PGEL

Sub: Investor Presentation

Dear Sir/Madam,

We enclose a copy of Investor Presentation on Unaudited Financial Results of the Company for quarter and nine months ended on December 31, 2022.

This is for your information and record please.

Thanking you,

For **PG Electroplast Limited**

(Sanchay Dubey)
Company Secretary

PG Electroplast

Company Update

3Q FY2023, Feb. 2023



Disclaimer

This presentation has been prepared for informational purposes only. This Presentation does not constitute a prospectus, Offering circular or offering memorandum and is not an offer or initiation to buy or sell any securities, nor shall part or all of this presentation form the basis of, or to be relied on in connection with any contract or investment decision in relation to any securities.

This Presentation contains forward looking statements based on the currently held beliefs of the management of the company which are expressed in good faith and in management's opinion are reasonable. The forward looking statements may involve known and unknown risks, uncertainty and other factors which may cause the actual results, financial condition, performance or achievements of the Company or industry to differ materially from those in forward-looking statements.

These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward looking statements.

Agenda



Introduction



Quarterly Financials



Quarterly - Key Metrics



Strategy & Outlook

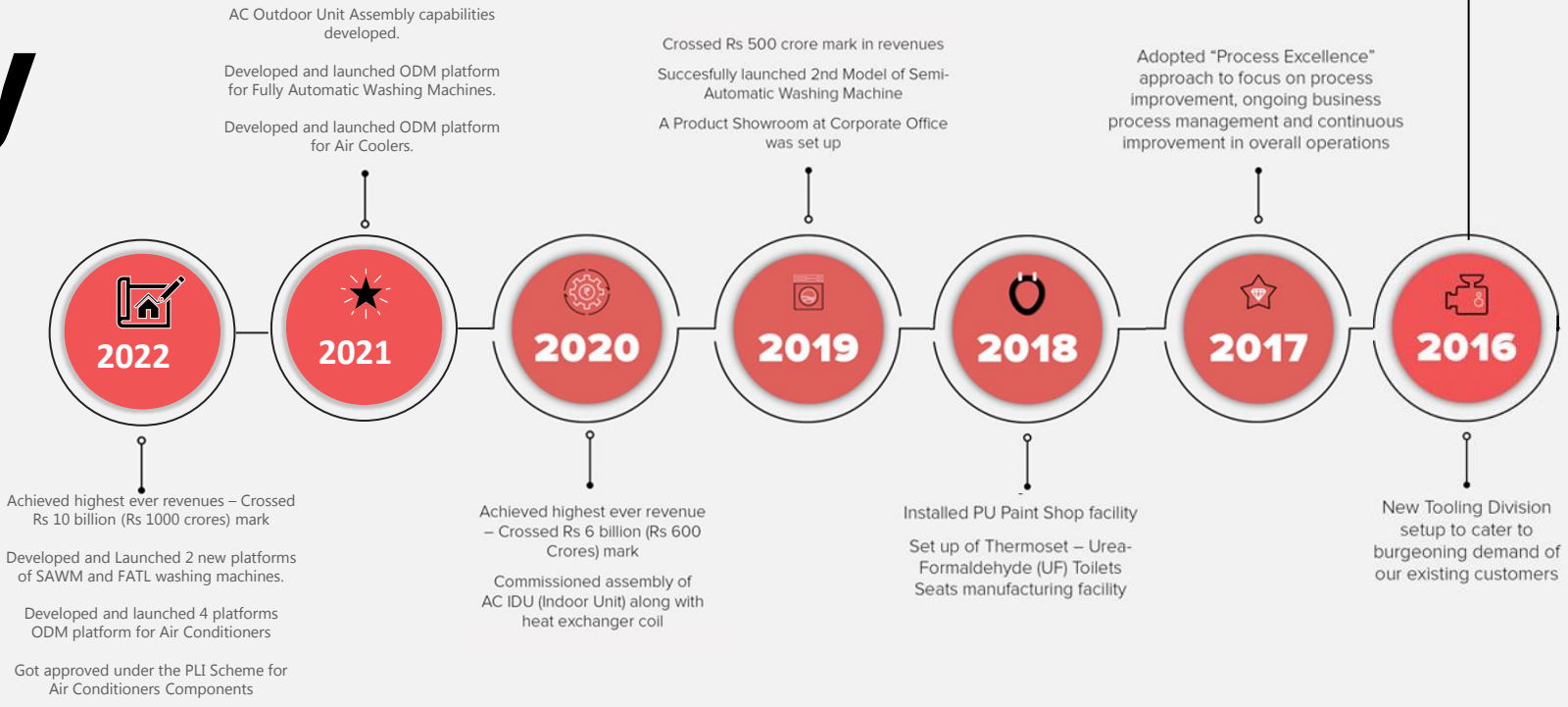
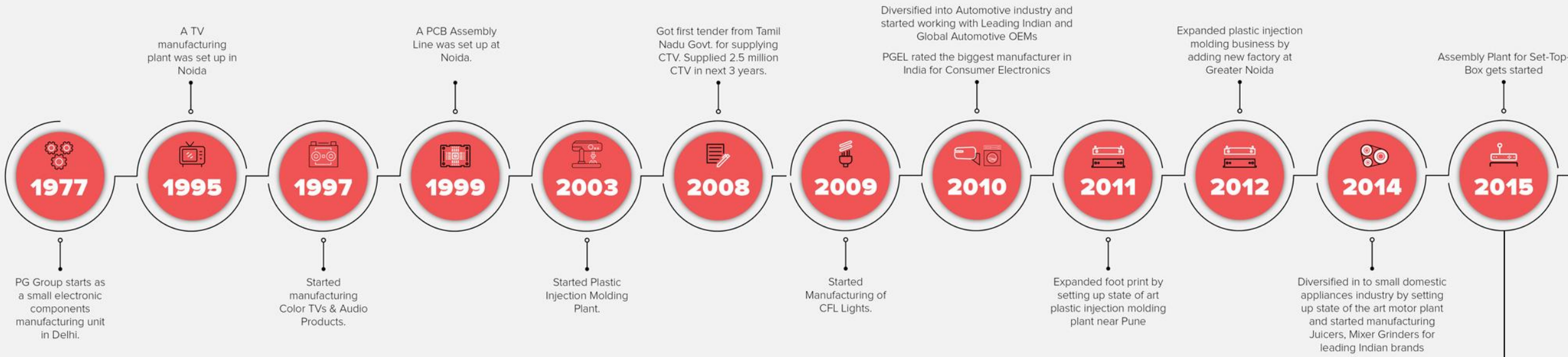


Historical Financials

About PG Electroplast Limited

- **PG Electroplast Limited (PGEL)** is the flagship company of PG Group. While the PG Group had **started its journey in 1977**, PG Electroplast was formally set up in 2003 and is a leading, diversified Indian **Electronic Manufacturing Services** provider.
- PGEL specializes in **Original Design Manufacturing (ODM)**, **Original Equipment Manufacturing (OEM)** and **Plastic Injection Molding**, catering to **50+ leading Indian and Global brands**.
- **PG Technoplast Private Limited (PGTL)** is a **wholly owned subsidiary of PG Electroplast** which is engaged in the business of manufacturing **Room Air Conditioners** and **various components** for the **Consumer Durables** and **Consumer Electronics** industries.
- PG has **eight manufacturing units** across **Greater Noida** in Uttar Pradesh, **Roorkee** in Uttarakhand and **Ahmednagar** in Maharashtra and has **3500+ employees**.
- The company is **pursuing an organic growth strategy** by ramping up its existing capacity and capabilities in each of its product verticals to achieve **higher value addition**, **better economies of scale** on the back of a push towards exhaustive **backward integration**.

Our Journey



Industries Served



**Air
Conditioners**



**Washing
Machines**



**LED
Televisions**



Air Coolers



**Automotive
Components**



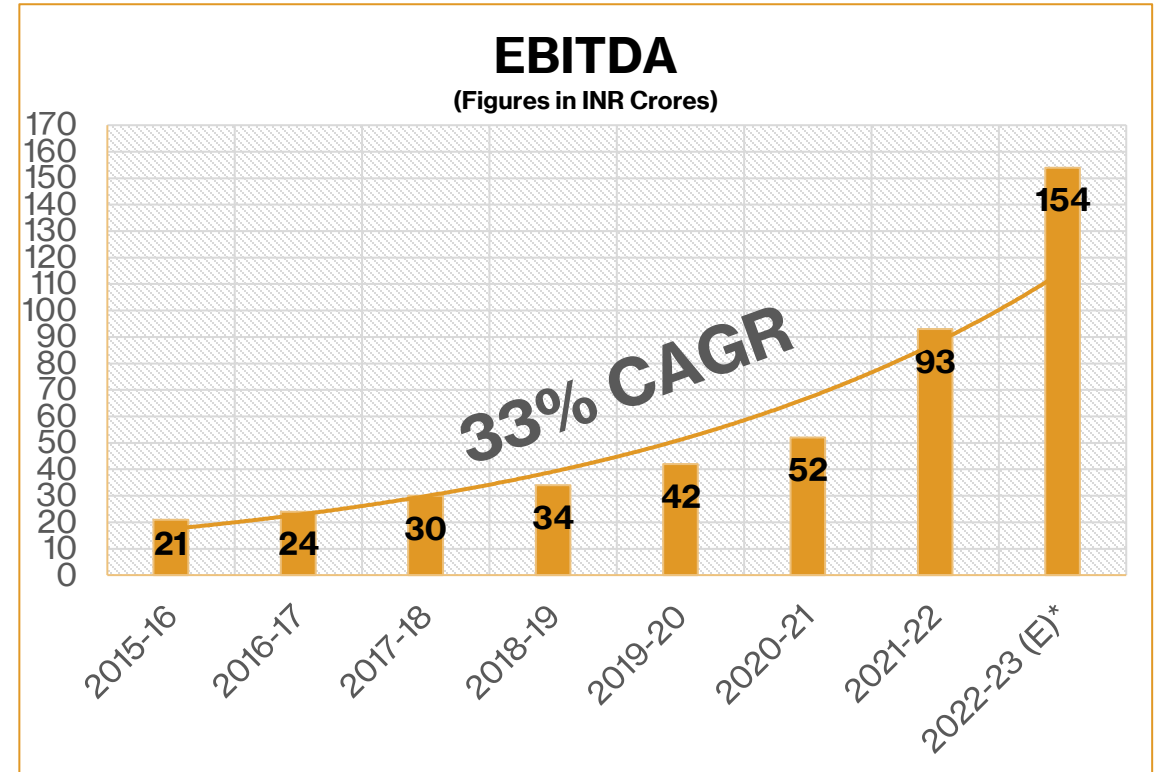
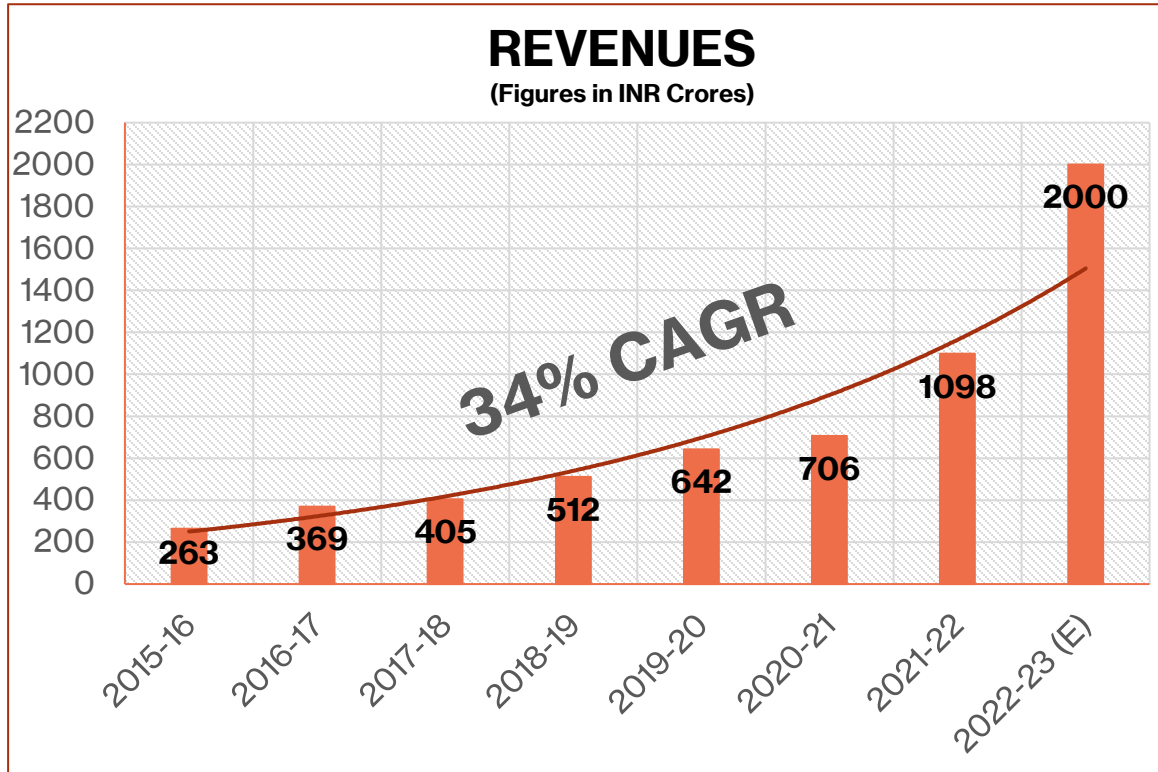
**Bathroom
Fittings**



**Consumer
Electronics**

Key Financials

- The Company has **grown more than 4x in six years** from a revenue of **INR 263 crores in 2015-16**, to **INR 1098 crores in 2021-2022** at a **27% CAGR** with the **EBITDA** increasing at a **28% CAGR**.
- Over the **past six years**, the company has done a cumulative **Capital Expenditure of close to INR 400 Crores**, that has now significantly raised its growth potentials.



* Other Income accounted only for 9MFY2023 in 2022-23 estimates.

Key Clients



Agenda



Introduction



Quarterly Financials



Quarterly - Key Metrics



Strategy & Outlook



Historical Financials

9MFY2023 Consolidated Profit & Loss Highlights

- **9MFY2023 Sales stand at Rs 1321 crores with a 121% YoY growth. EBITDA growth stands at 153% YoY. Product Business crossed 720 crores and constituted 54.6% of the sales for the 9MFY2023.**
- **Operating margins improved QoQ and YoY, due to operating leverage & Cost control measures.**
- **The Orderbook for product business is strong for FY23 & FY24 and company remains confident on the outlook.**

(Figures in ₹ million)	FY2022 Q3	FY2023 Q3	Growth (%) YoY	FY2022 9M	FY2023 9M	Growth (%) YoY	FY2022 12M
Revenue	2,620	4,579	75%	5,979	13,209	121%	10,977
EBITDA	178	382	114%	409	1,035	153%	927
Net Profit	55	137	148%	98	373	281%	374
Diluted EPS (in Rs.)	3	6	132%	5	17	267%	18

9MFY2023 Balance sheet - Consolidated

(Figures in ₹ million)

A. EQUITY AND LIABILITIES	As on 31.12.2022	As on 31.03.2022	B. ASSETS	As on 31.12.2022	As on 31.03.2022
(a) Share capital	227.4	212.2	(a) Fixed assets	5371.9	4409.6
(b) Reserves and surplus	3321.7	2910.7	(b) Capital Work in Progress	175.2	48.9
Sub-Total - Shareholders' Funds	3549.1	3123.0	(c) Other Financial Assets	150.6	90.6
(a) Long-term borrowings	2353.7	1717.8	(d) Other non-current assets	297.3	55.4
(b) Long-term provisions	793.2	362.2	Sub-Total - Non-Current Assets	5995.0	4604.5
Sub-Total - Non-Current Liabilities	3146.9	2080.0	(a) Inventories	3467.5	2860.3
(a) Short-term borrowings	2749.9	2120.7	(b) Trade receivables	2486.9	2133.3
(b) Trade payables	2864.4	2692.1	(c) Cash and cash equivalents	297.3	391.8
(c) Other current liabilities	477.0	445.3	(d) Short-term loans and advances	5.3	27.5
(d) Short-term provisions	430.3	224.2	(e) Other current assets	965.6	667.8
Sub-Total - Current Liabilities	6521.5	5482.3	Sub-Total - Current Assets	7222.6	6080.7
TOTAL - EQUITY AND LIABILITIES	13217.5	10685.3	TOTAL-ASSETS	13217.5	10685.3

- The **working capital** has sequentially expanded due to increase in raw material Inventory for AC business scaleup in 4QFY2023
- The **Capital Efficiency** remains the focus area of the company and **Overall Asset Turns will continuously improve** as asset sweating of new capacities increases further.

Agenda



Introduction



Quarterly Financials



Quarterly - Key Metrics



Strategy & Outlook



Historical Financials

Financial Metrics

- **Operating profit margins** have improved QoQ and YoY as guided due to cost control, **Softening commodity prices** and **Operating Leverage**.
- **Working capital has expanded & working capital debt** has **increased due to increased inventory** during the quarter because of **strong AC business outlook**.
- **Revenue growth outlook is strong**, while the overall **margin outlook is stable**.

Key Ratios	FY2022 Q3	FY2023 Q2	FY2023 Q3	FY2022 12M
Operating profit Margin (%)	6.57%	5.84%	7.76%	6.79%
Net Profit Margin (%)	2.11%	2.19%	3.00%	3.41%
DSO (Days)	67.8	37.5	49.9	70.9
Inventory (Days)	93.3	79.7	84.7	118.1
ROCE (%)***	11.8%	20.0%	21.4%	16.3%

*** RoCE calculation is based on TTM Basis for all periods

Business Breakup

- The **Washing Machine (WM) and AC Business** have seen **robust growth**, **WM business grew 80%**, while **AC business crossed Rs 497 crores during 9M2023**. We continue to invest in **R&D and Product development** in both **AC and WM businesses**.
- **Products business** remains the **focus area** and **growth driver** for the company.
- For **FY2023**, **Capex plan has been almost completed** and **product business capacities** have been **doubled from last year in both WM and AC**.

	Q3FY22	Q2FY23	Q3FY23	FY2022
Plastic Moulding	51%	42%	29%	50%
Electronics	5%	15%	13%	6%
- LED TV	4%	10%	12%	5%
Mould Manufacturing	0%	0%	0%	0%
Product sale	43%	43%	58%	44%
Total	100%	100%	100%	100%

Major Highlights of 9MFY23

- **9MFY2023** has been strong growth period as **Consolidated Sales grew 121% and crossed Rs 1320 crores** for the company.
- The **Product business contributed 54.6% of the total revenues** in 9MFY23. **Room AC business at Rs 497 crores grew 431% during the period** while the **Washing Machines business for the 9M had a growth of 79.8% YoY** and company sold over **3.6 Lakh washing machines** during the period.
- **Order book for product business remains robust** and the company is on track to **scale the product business significantly in FY2023 & FY2024**.
- During the quarter, **operating margins have improved QoQ and YoY due cost control, softer commodity prices** and **operating leverage**.
- On Balance sheet side, **net debt has increased by almost Rs 136 crores in 9MFY23** due to Capex and **Inventories** for upcoming AC season.
- **R&D, New Product Development and Capacity Enhancement** are the **focus areas for future** across product businesses. Company plans to **strengthen its product offerings further**.
- Company is seeing **increased interest for business** from **new and existing clients**, and we remain **very confident on the future growth prospects** of the business.

Agenda



Introduction



Quarterly Financials



Quarterly - Key Metrics



Strategy & Outlook



Historical Financials

Industry Outlook

Government reforms such as Digital India, Make in India, Power for all and Jan Dhan-Aadhar-Mobile Trinity are providing fresh impetus to the Consumer appliance and durable Industry

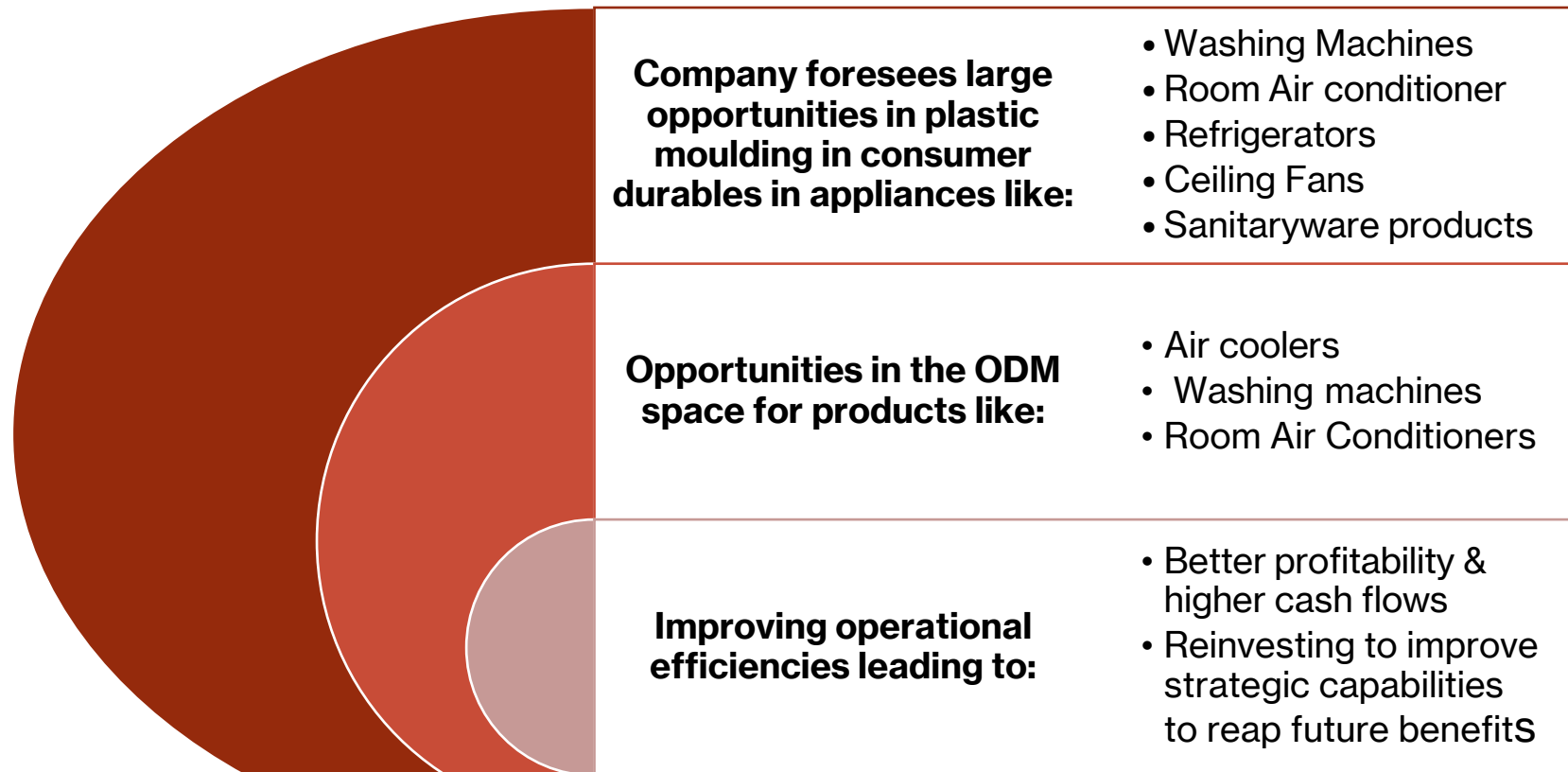
The Rapid rate of urbanization, growth of young population with rising income levels is leading to large emerging middle class in India. Implying huge potential demand for the consumer appliance and durable market in coming years.

Low penetration levels, falling prices of durables and electronics and changing lifestyle of the Indian consumer are expected to remain big demand drivers for the consumer durable and electronics Industry in India in near future.

Further the Government's initiatives of promoting electronic manufacturing and treating the industry as one of the key pillars of the Digital India Program, opens new and exciting opportunities for the Industry

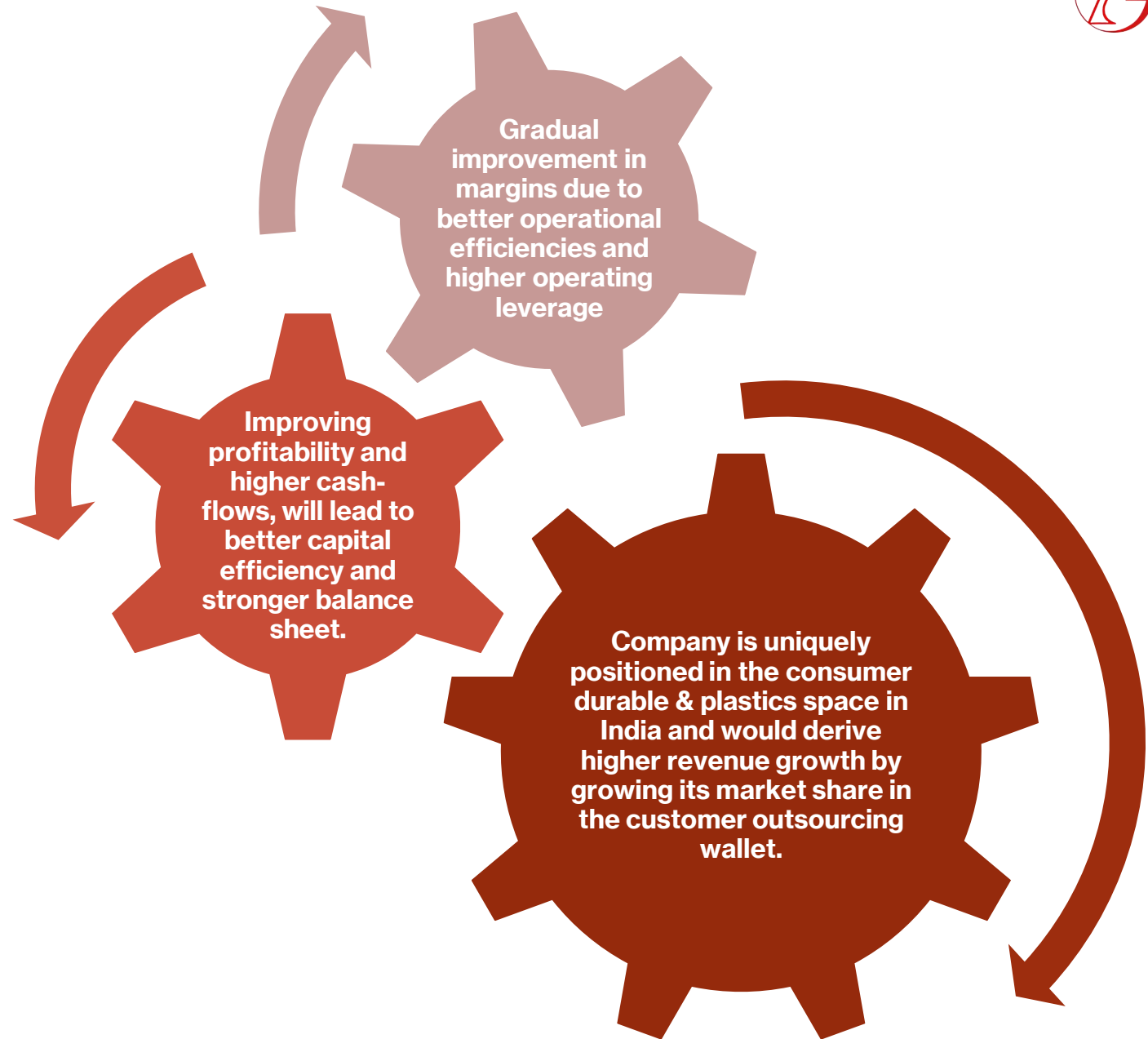
The Management is enthused about the overall opportunity size and anticipates high growth rates in the industry segments where, company has presence.

Future Growth Strategy



Future Outlook

- **Product business** to **drive growth** for the company
- Company is developing **new offerings** in **focus segments** and will be launching the same in coming quarters
- Company's management see **exciting times ahead** for all its business segments.



Guidance for FY23

- **Increasing the Consolidated Sales guidance to at least INR 2000 crores** which is a **growth of 82%** over FY2022.
- **Operating profit guidance of at least INR 140 crores** which is a **growth of 88%** over FY2022 operating profit of Rs 74.5 crores.
- In 4QFY2023, Operating **margins across segments should see improvement due to operating leverage** but mix change may limit overall improvement in reported margins
- The **growth in product business** i.e., WM, RAC and Coolers is **expected to be ~150% to over INR 1200 crores from INR478 crores** in FY2022.
- **Capex for FY2023 will be in the range of 135-140 crores** and Company has already **doubled its washing machines capacity**, while also **expanded Room AC (RAC) capacity significantly to 200,000 Indoor Units and 100,000 outdoor units per month**, along with **further backward integration** by adding the set-up for **RAC controllers**.

Agenda



Introduction



Quarterly Financials



Quarterly - Key Metrics



Strategy & Outlook



Historical Financials

Profit & Loss Statement

Figures in ₹ million	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22
Net Sales	2,603	3,664	3,994	5,084	6,394	7032	10977
Growth (%)	9.0%	40.8%	9.0%	27.3%	25.8%	10.0%	56.1%
Expenditure	2,422	3,456	3,749	4,777	5,993	6534	10232
Increase/Decrease in Stock	(48)	19	(109)	(41)	(70)	32	(291)
Raw Material Consumed	1961	2792	3200	4032	5108	5533	9131
Power & Fuel Cost	97	115	117	144	166	161	206
Selling and Distribution Expenses	35	51	55	62	68	39	71
Manufacturing Expenses	127	85	71	79	85	126	163
Personnel Costs	262	329	349	401	539	550	779
Administrative Expenses	29	41	42	44	54	61	100
Miscellaneous Expenses	18	26	25	56	45	32	73
Operating Profit	180	207	246	307	399	498	745
OPM (%)	6.9%	5.7%	6.1%	6.0%	6.2%	7.1%	6.8%
Growth (%)	54.9%	14.7%	18.6%	24.9%	30.1%	24.7%	50.5%
(+) Other income	32	31	53	32	25	26	182
EBDITA	213	238	299	339	424	524	927
(-) Depreciation	97	106	117	134	163	180	221
EBIT	116	133	181	205	261	344	706
1 (-) Interest & Finance charges	97	99	106	103	148	184	225
(-) Exceptional Expenses	0	0	0	0	(20)	(8)	9
PBT	19	34	75	102	93	151	490
PAT	19	34	75	100	26	116	374

Balance Sheet

(Figures in ₹ million)

A. EQUITY AND LIABILITIES	As on 31 March						
	2016	2017	2018	2019	2020	2021	2022
(a) Share capital	164	164	164	187	195	197	212
(b) Reserves and surplus	1,032	1,068	1,144	1,504	1,567	1,728	2911
Sub-Total - Shareholders' Funds	1,196	1,232	1,308	1,690	1,762	1,925	3123
(a) Long-term borrowings	422	484	796	501	694	871	1718
(b) Long-term provisions	19	21	33	40	84	135	362
Sub-Total - Non-Current Liabilities	441	506	829	541	778	1006	2080
(a) Short-term borrowings	334	477	356	681	1,039	962	2121
(b) Trade payables	624	745	650	915	1,063	1534	2692
(c) Other current liabilities	144	226	248	224	289	202	445
(d) Short-term provisions	106	115	90	77	69	166	224
Sub-Total - Current Liabilities	1,207	1,562	1,343	1,898	2,461	2,863	5482
TOTAL - EQUITY AND LIABILITIES	2,845	3,299	3,481	4,129	5,001	5794	10685

B. ASSETS	As on 31 March						
	2016	2017	2018	2019	2020	2021	2022
(a) Fixed assets	1456	1620	1785	1921	2532	2731	4410
(b) Capital Work in Progress	19	35	237	341	61	60	49
(c) Other Financial Assets	80	15	23	23	24	33	91
(d) Other non-current assets	67	56	70	67	78	139	55
Sub-Total - Non-Current Assets	1622	1726	2114	2353	2695	2964	4605
(a) Inventories	459	631	593	683	846	926	2860
(b) Trade receivables	541	675	507	847	1012	1473	2133
(c) Cash and cash equivalents	6	42	41	64	180	174	392
(d) Short-term loans and advances	170	176	180	161	213	3	28
(e) Other current assets	48	47	43	20	55	254	668
Sub-Total - Current Assets	1222	1574	1366	1776	2307	2830	6081
TOTAL-ASSETS	2845	3299	3481	4129	5001	5794	10685



Thank You!

We look forward to working with you!

