



PG ELECTROPLAST LIMITED

CIN-L32109DL2003PLC119416

Unit-IV

A-20/2, MIDC Supa, Taluka- Parner
Distt. Ahmednagar, Maharashtra-414301, India
Phone : 02488-213343 E-mail # info@pgel.in
Website # www.pgel.in

May 28, 2022

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

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

Scrip Code: 533581

Scrip Symbol: PGEL

Sub: Investor Presentation

Dear Sir/Madam,

We enclose a copy of Investor Presentation on the Audited Financial Results of the Company for quarter & year ended on March 31, 2022.

This is for your information and record please.

Thanking you,

For **PG Electroplast Limited**

(Sanchay Dubey)
Company Secretary



■ **Registered Office**
DTJ-209, Second Floor
DLF Tower-B, Jasola
New Delhi-110025
Tele-Fax # 011-41421439

PG Electroplast

Company Update

4Q FY2022, May 2022



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



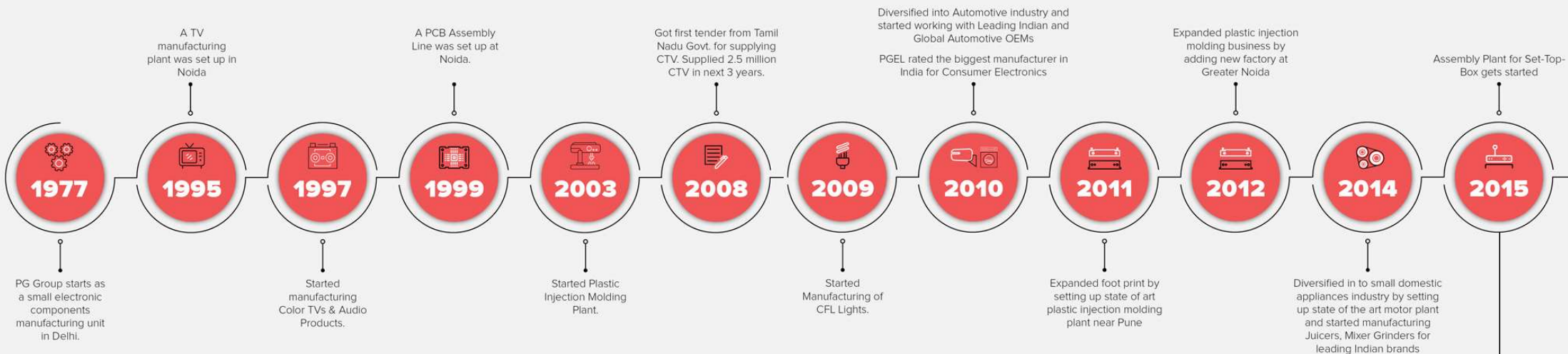
Strategy & Outlook



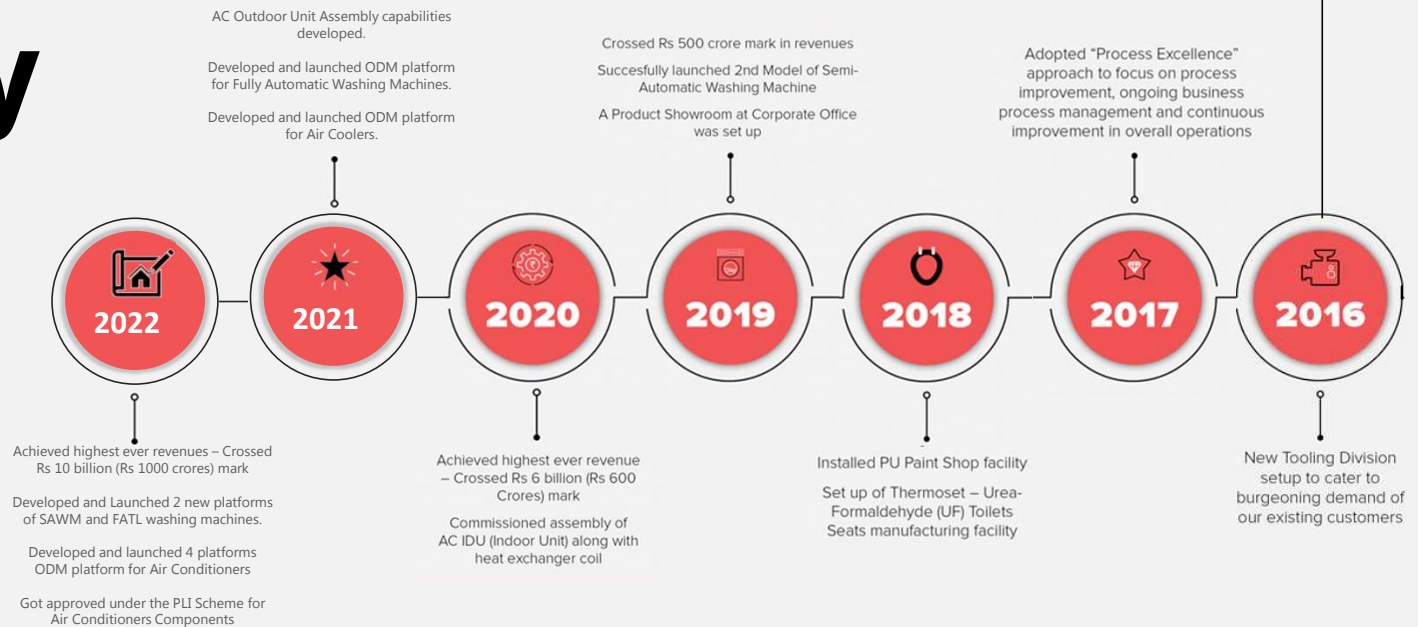
Historical Financials

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 **40+ 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 **3000+ 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**



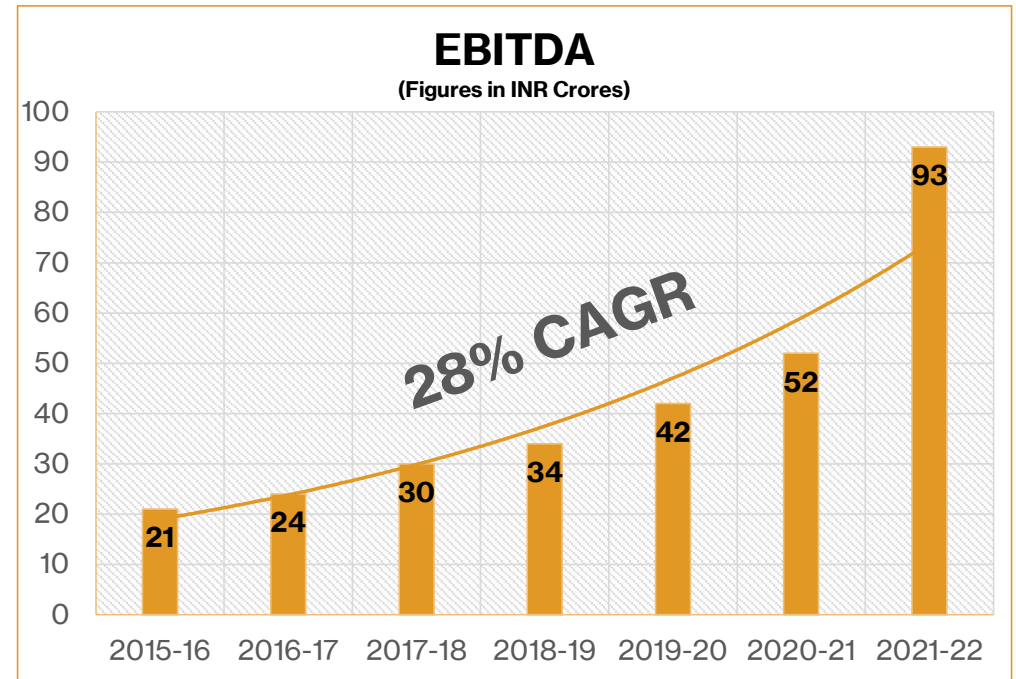
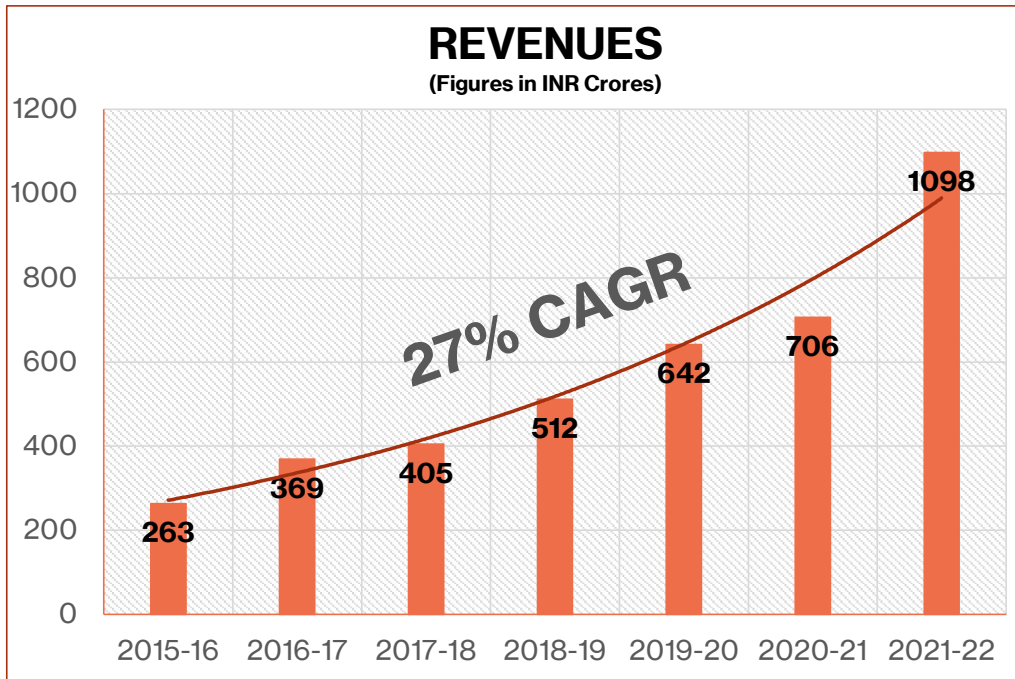
**Bathroom
Fittings**



**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.



Key Clients



Agenda



Introduction



Quarterly Financials



Quarterly - Key Metrics



Strategy & Outlook



Historical Financials

4QFY2022 Consolidated Profit & Loss Highlights

- **FY2022 Sales stand at 1098 crores with a 56% YoY growth. EBITDA growth stands at 78%. Product Business crossed 475 crores, growing over 146% YoY.**
- **Despite High commodity prices, Higher proportion of low margin TV Business, Operating margins improved in 4QFY22 due to operating leverage**
- **The Orderbook for product business is strong for FY23 and company remains confident on the outlook.**

(Figures in ₹ million)	FY2021 Q4	FY2022 Q4	Growth (%) YoY	FY2021 12M	FY2022 12M	Growth (%) YoY
Revenue	3296	4998	51.7%	7032	10977	56.1%
EBITDA	253	525	107.5%	524	927	77.0%
Net Profit	104	276	164.7%	116	374	222.0%
Diluted EPS (in Rs.)	5.30	13.0	145.6%	5.90	17.6	198.8%

12M 2022 Balance sheet - Consolidated

(Figures in ₹ million)

A. EQUITY AND LIABILITIES	As on 31.03.2022	As on 31.03.2021	B. ASSETS	As on 31.03.2022	As on 31.03.2021
(a) Share capital	212.2	196.9	(a) Fixed assets	4409.6	2,731.3
(b) Reserves and surplus	2910.7	1,727.8	(b) Capital Work in Progress	48.9	60.1
Sub-Total - Shareholders' Funds	3123.0	1,924.7	(c) Other Financial Assets	90.6	32.7
(a) Long-term borrowings	1717.8	870.9	(d) Other non-current assets	55.4	139.3
(b) Long-term provisions	362.2	134.9	Sub-Total - Non-Current Assets	4604.5	2,963.5
Sub-Total - Non-Current Liabilities	2080.0	1,005.8	(a) Inventories	2860.3	926.1
(a) Short-term borrowings	2120.7	962.1	(b) Trade receivables	2133.3	1,472.6
(b) Trade payables	2692.1	1,533.5	(c) Cash and cash equivalents	391.8	174.1
(c) Other current liabilities	445.3	201.7	(d) Short-term loans and advances	27.5	3.1
(d) Short-term provisions	224.2	166.0	(e) Other current assets	667.8	254.4
Sub-Total - Current Liabilities	5482.3	2,863.3	Sub-Total - Current Assets	6080.7	2,830.3
TOTAL - EQUITY AND LIABILITIES	10685.3	5,793.8	TOTAL-ASSETS	10685.3	5,793.8

- The **working capital has expanded** due to Inventory for **AC season** and some delays in plant ramp-up due to fire accident.
- The **Capital Efficiency** remains the focus area of the company and **Overall Asset Turns will continuously improve** as asset sweating of new capacities increases.

Agenda



Introduction



Quarterly Financials



Quarterly - Key Metrics



Strategy & Outlook



Historical Financials

Financial Metrics

- **Operating profit margins** have improved despite higher contribution of low margin TV business, **Operating leverage in coming quarters should normalize margins further.**
- **Working capital is stretched due to strong AC business ramp-up & some delays in plant ramp-up due to fire accident.**
- **Revenue growth outlook is improving**, while the overall **margin outlook is stable.**

Key Ratios	FY2021 Q4	FY2022 Q3	FY2022 Q4	FY2021 12M	FY2022 12M
Operating profit Margin (%)	7.38%	6.31%	7.17%	7.08%	6.79%
Net Profit Margin (%)	3.17%	2.11%	5.53%	1.65%	3.41%
DSO (Days)	76.4	67.8	70.9	76.4	70.9
Inventory (Days)	60.7	93.3	118.1	60.7	118.1
ROCE (%)***	12.9%	11.8%	16.3%	11.8%	16.3%

** FY21 Q4 margins adjusting for one-off gas charging business are 7.9%.

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

Business Breakup

- The Washing Machine (WM) and AC IDU Business has seen **robust growth**, **WM business grew 119%**, and **AC business grew 185% in 12M FY2022**. 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 in coming years.
- **For FY2023** company has planned significant Capex towards **product development** and **capacity creation to double its capacity across the products business**.

	2022				FY2021	FY2022
	Q1	Q2	Q3	Q4		
Plastic Moulding	62%	65%	51%	39%	60%	50%
Electronics	5%	3%	5%	9%	6%	6%
- LED TV	0%	0%	4%	9%	0%	5%
Mould Manufacturing	0%	1%	0%	0%	1%	0%
Product sale	33%	32%	43%	53%	27%	44%
Others (Gas charging)	0%	0%	0%	0	6%	0%
Total	100%	100%	100%	100%	100%	100%

Major Highlights of 12MFY22

- Company has been able to **strengthen its balance sheet by completing its Equity raise program.**
- Due to COVID-19 led shutdowns and its after-effects, **Production loss** for the first half has been significant across segments. However, company has seen **good acceptance of its product business** and could cover significant ground in subsequent quarters.
- **Fully Automatic WM** and the **AC platforms** developed by company have been **well received by the market** and **volume growth was robust** for **product business.**
- Company's **100% subsidiary PGTL was selected for AC component PLI** and company has committed to **Invest Rs 321 crores in the plant and machinery** during period FY2022 to FY2026.
- All the **the capex plans** for **capacity additions in FY2022** were completed on time and the Supa (MH) plant of PGTL **today stands as one of the most backwards integrated AC manufacturing Unit in the Country.**
- **R&D, New product development and capacity enhancement** across product business are the focus areas for FY203. Company plans to **strengthen its product offerings further** in FY2023.
- Management believes that with capacity expansion and PLI selection, **company is well placed for strong growth in coming years** in all its business.
- 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

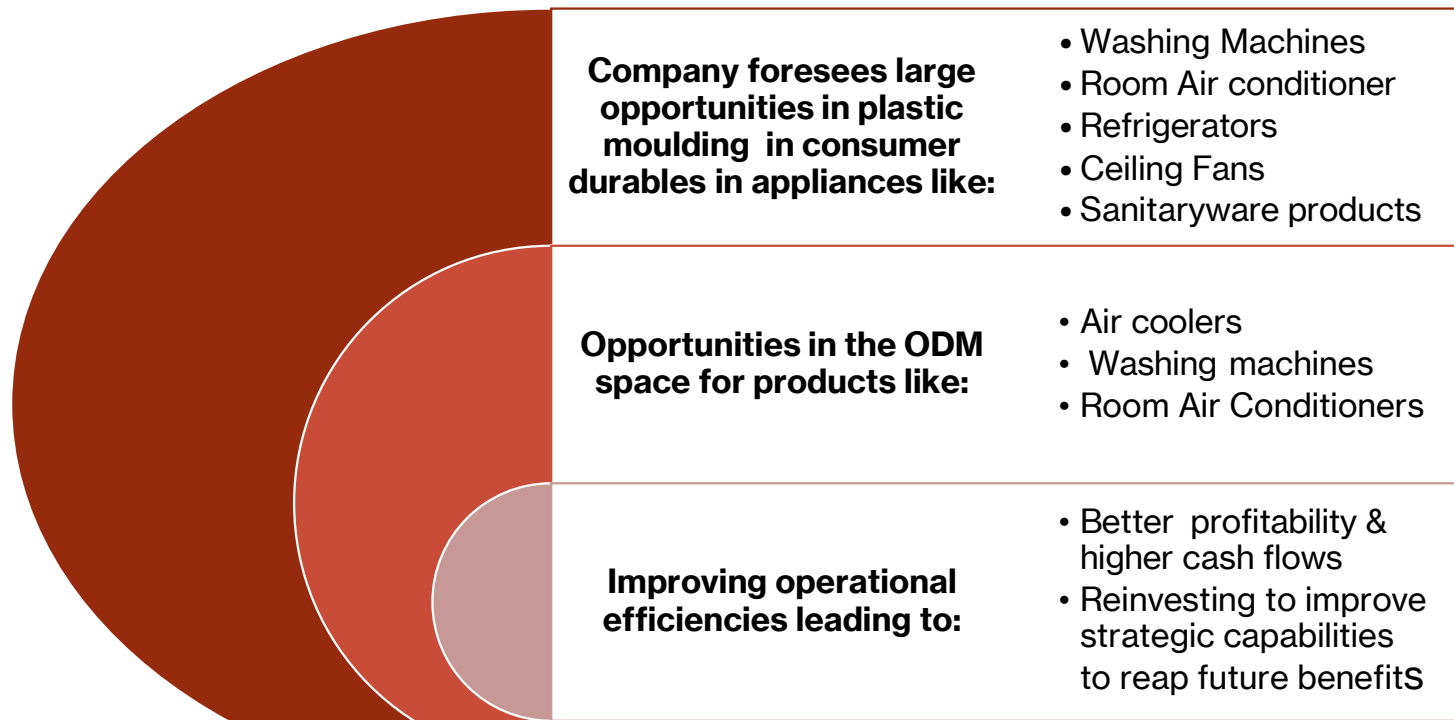
The Rapid rate of urbanization, growth of young population with rising income levels is leading to large emerging middle class in India. Implying huge potential demand for the consumer appliance and durable market in coming years.

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

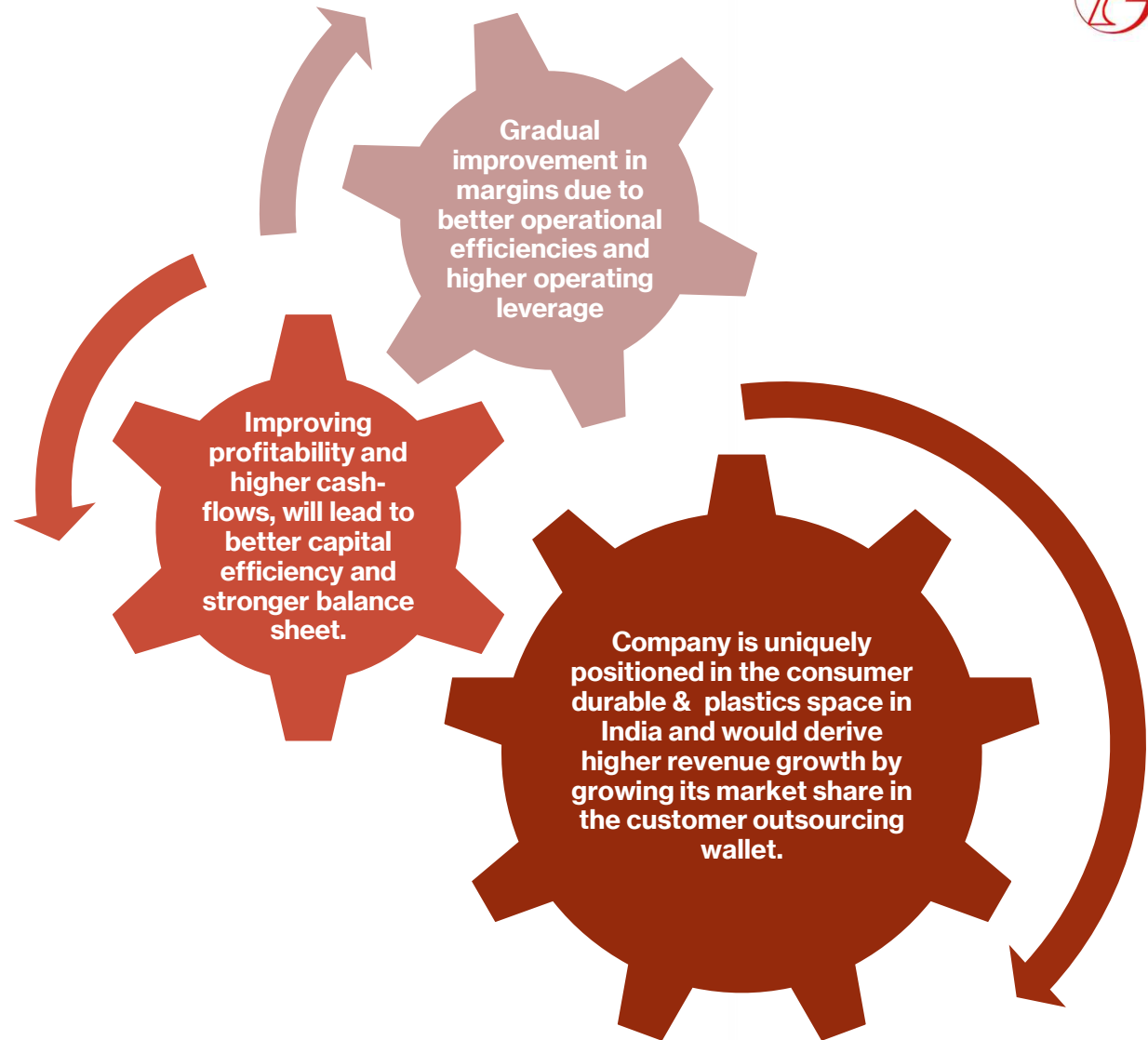
The Management is enthused about the overall opportunity size and anticipates high growth rates in the industry segments where, company has presence.

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

- **Sales guidance of INR 1800 crores** which is a **growth of 64%** over FY2022 consolidated sales.
- **Operating profit guidance of INR 126 crores** which is a **growth of 69%** over FY2022 operating profit of Rs 74.5 crores.
- 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 ~120% to **over INR 1050 crores from INR478 crores** in FY2022.
- **Capex for FY2023 will also be in the range of 130-140 crores** and Company will **double its washing machines capacity**, while also **expand 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!

