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 13, 2024

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, 2023.

This is for your information and record please.

Thanking you,

For **PG Electroplast Limited**

Sanchay Dubey
Digitally signed by Sanchay Dubey
Date: 2024.02.13 14:30:20 +05'30'

(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

3Q FY2024

Feb 2024

PG

Disclaimer

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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 and Annual Financials
- Key Financial 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 **60+ 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 **ten manufacturing units** across **Greater Noida** in Uttar Pradesh, **Roorkee** in Uttarakhand, **Bhiwadi** in Rajasthan, and **Ahmednagar** in Maharashtra and has **5000+ 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

1977 – PG Group starts as a small electronic components manufacturing unit in Delhi.

1995 – A TV manufacturing plant was set up in Noida

1997 – Started manufacturing Color TVs & Audio Products.

1999 – A PCB Assembly Line was set up at Noida.

2003 – Started Plastic Injection Molding Plant.

2008 – Got first tender from Tamil Nadu Govt. for supplying CTV. Supplied 2.5 million CTV in next 3 years.

2009 – Started Manufacturing of CFL Lights.

2010 – Diversified into Automotive industry and started working with Leading Indian and Global Automotive OEMs

PGEL rated the biggest manufacturer in India for Consumer Electronics

2011 – Expanded foot print by setting up state of art plastic injection molding plant near Pune

2012 – Expanded plastic injection molding business by adding new factory at Greater Noida

2014 – Diversified in to small domestic appliances industry by setting up state of the art motor plant and started manufacturing Juicers, Mixer Grinders for leading Indian brands

2015 – Assembly Plant for Set-Top-Box gets started

2016 – New Tooling Division setup to cater to burgeoning demand of our existing customers

2017 – Adopted "Process Excellence" approach to focus on process improvement, ongoing business process management and continuous improvement in overall operations

2018 – Installed PU Paint Shop facility

Set up of Thermoset – Urea-Formaldehyde (UF) Toilets Seats manufacturing facility

2019 – Crossed Rs 500 crore mark in revenues

Succesfully launched 2nd Model of Semi-Automatic Washing Machine

A Product Showroom at Corporate Office was set up

2020 – Achieved highest ever revenue – Crossed Rs 6 billion (Rs 600 Crores) mark

Commissioned assembly of AC IDU (Indoor Unit) along with heat exchanger coil

2021 – AC Outdoor Unit Assembly capabilities developed.

Developed and launched ODM platform for Fully Automatic Washing Machines.

Developed and launched ODM platform for Air Coolers.

2022 – Achieved highest ever revenues – Crossed Rs 10 billion (Rs 1000 crores) mark

Developed and Launched 2 new platforms of SAWM and FATL washing machines.

Developed and launched 4 platforms ODM platform for Air Conditioners

Got approved under the PLI Scheme for Air Conditioners Components

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Industries Served

Air Conditioners

Washing Machines

LED Televisions

Air Coolers

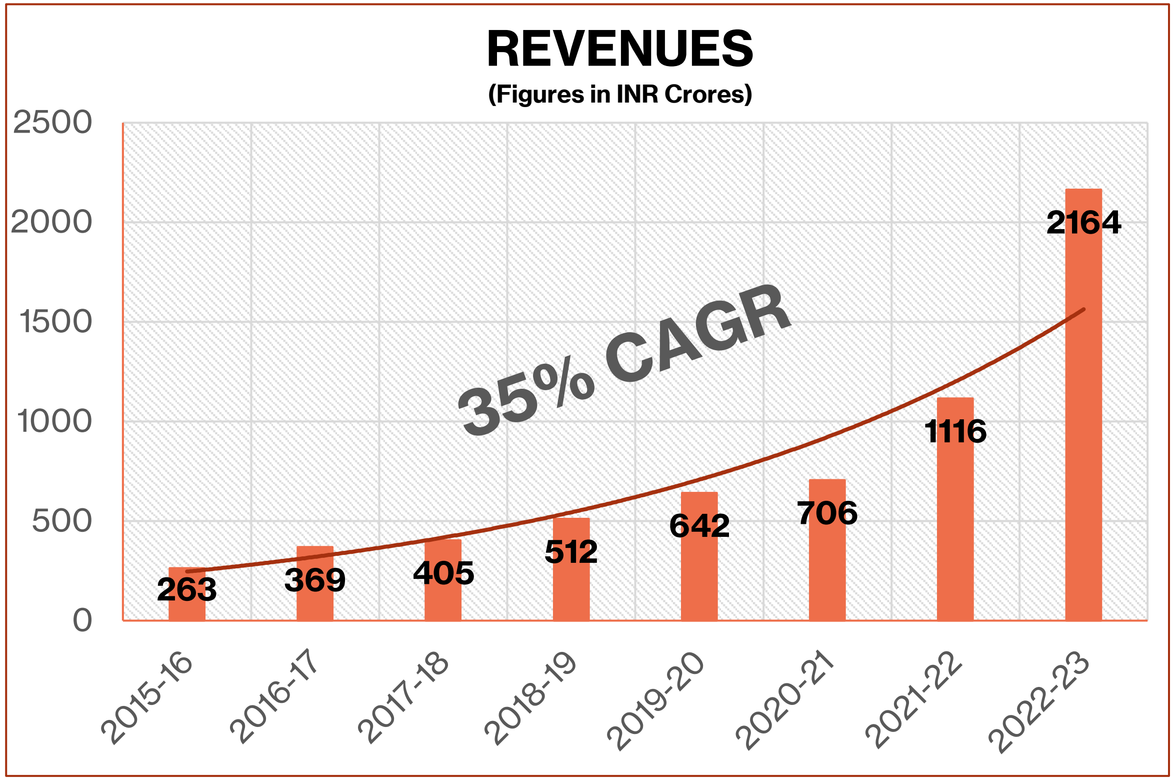
Automotive Components

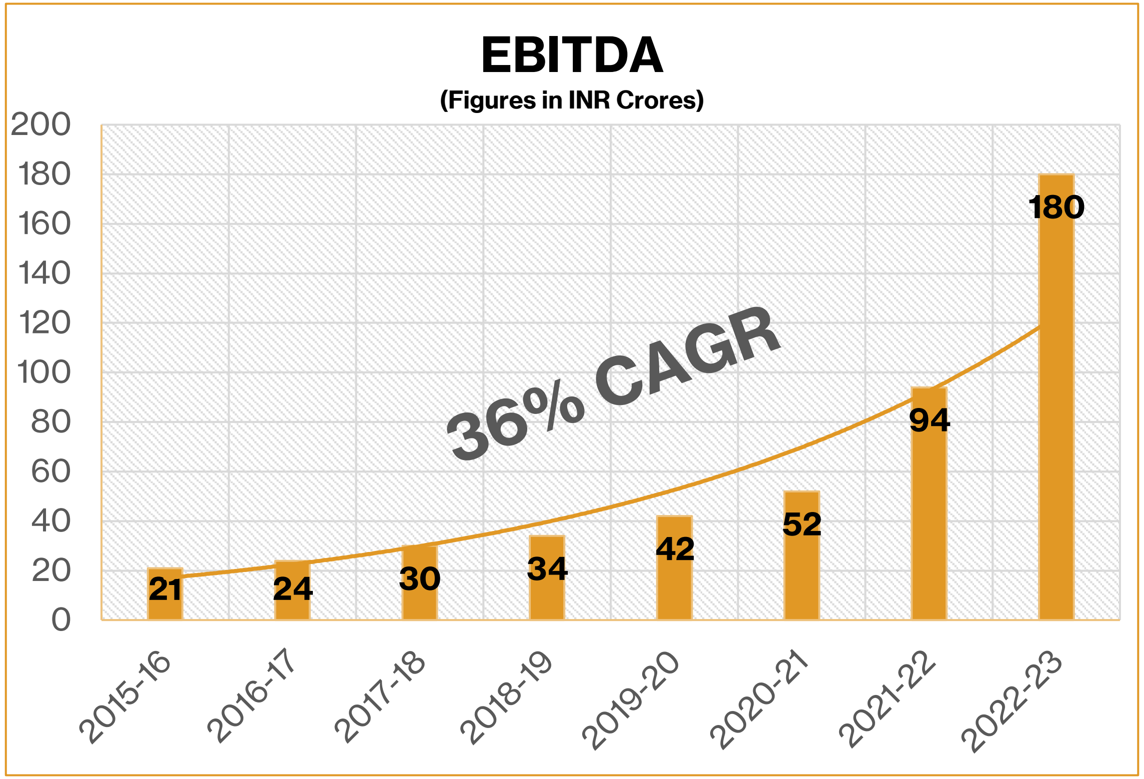
Bathroom Fittings

Consumer Electronics

Key Financials

- The Company has **grown more than 8x in seven years** from a revenue of **INR 263 crores in 2015-16**, to **INR 2160 crores in 2022-2023** at a **35% CAGR** with the **EBITDA increasing at a 36% CAGR.**
- Over the **past seven years**, the company has done a cumulative **Capital Expenditure of over INR 550 Crores**, that has now significantly raised its growth potentials**.**





Our Business Verticals

Products

Room Air Conditioners
- Indoor Units
- Outdoor Units

Washing Machines
- Semi-Automatic Top-Load
- Fully-Automatic Top-Load

Air Coolers
- Window
- Desert
- Personal

Plastic Moulding

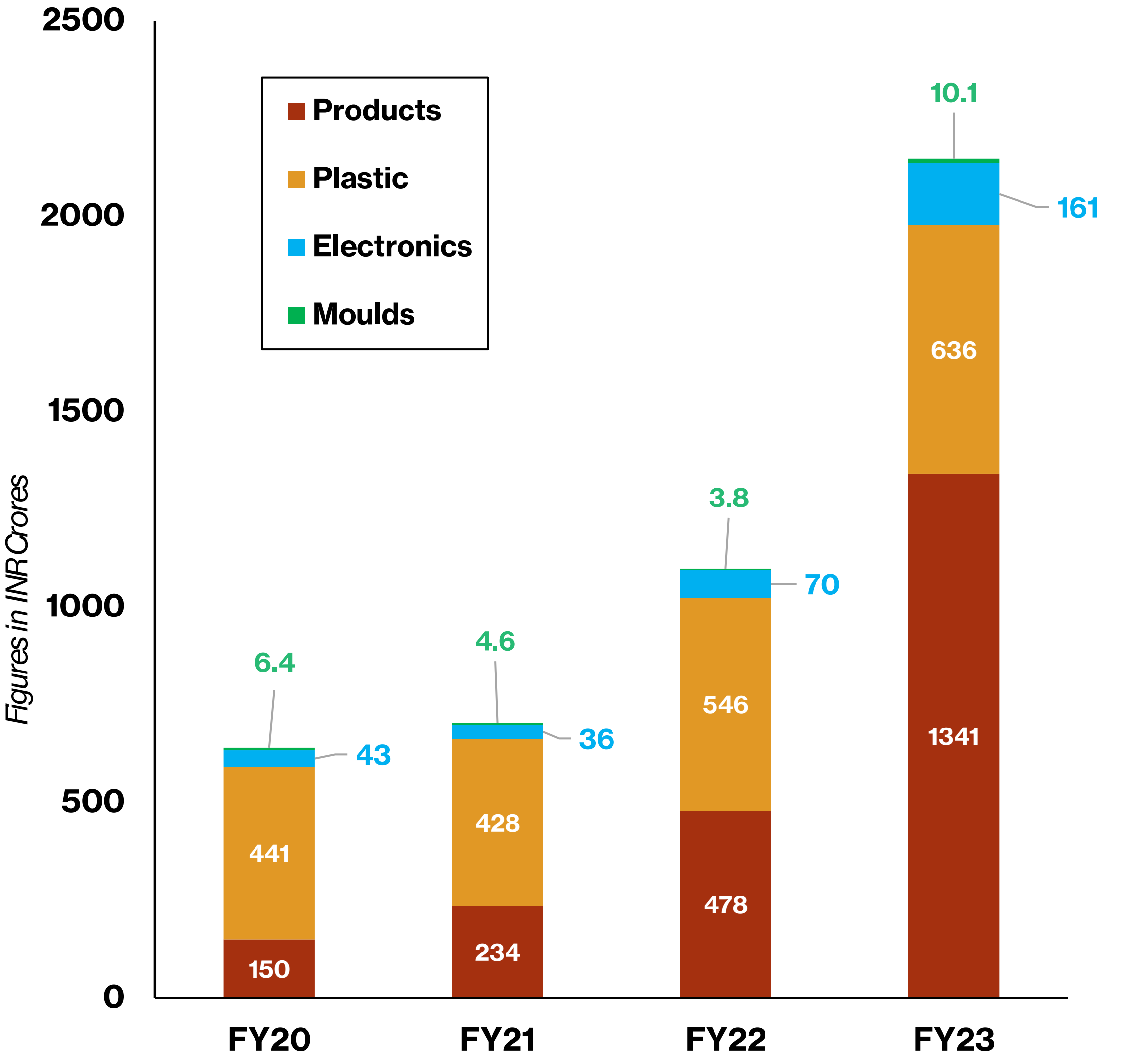
- Consumer Durables
- Sanitaryware
- Automotive
- Consumer Electronics
- Others

Electronics

- Televisions
- PCB Assemblies

Tool Manufacturing

- Consumer Durables
- Sanitaryware
- Automotive
- Others



Business Composition Across Verticals

Key Clients

atomberg | acer | aiwa | AMSTRAD INSPIRED BY PASSION | AO Smith | BAJAJ Bajaj Electricals Ltd. | BLUE STAR | BPL

Carrier | Midea | croma | Crompton | DAIKIN | Flipkart | FOXCONN

Godrej | GROHE | Haier | HAVELLS | Honeywell | HYUNDAI | INTEX | JABIL | Jaquar

Kelvinator | KODAK | KOHLER | LAVA | LG | LLOYD | LUMAX | motherson | ONIDA

orient electric | realme | Reliance digital | Salcomp | SANSUI | SPARK MINDA

SMR | TCL | THOMSON | T SERIES | VISE | VOLTAS | VOLTAS beko | White-Westinghouse | Whirlpool CORPORATION

Agenda

Summary of Consolidated Results

Particulars (INR Crores)	Q3 FY2023	Q3 FY2024	% Change	9M FY2023	9M FY2024	% Change
Sales	**457.89**	**530.33**	**15.8%**	**1320.92**	**1665.17**	**26.1%**
CORM	371.53	423.80	**14.1%**	1082.53	1344.21	**24.2%**
% of Sales	**81.1%**	**79.9%**		**82.0%**	**80.7%**	
Gross Contribution	**86.35**	**106.53**	**23.4%**	**238.39**	**320.96**	**34.6%**
% of Sales	**18.9%**	**20.1%**		**18.0%**	**19.3%**	
EBITDA	**38.17**	**47.00**	**23.1%**	**103.53**	**154.96**	**49.7%**
EBITDA Margin	**8.3%**	**8.9%**		**7.8%**	**9.3%**	
Depreciation	8.65	11.28	**30.5%**	24.49	33.04	**34.9%**
PBIT	**29.53**	**35.71**	**21.0%**	**79.04**	**121.91**	**54.3%**
PBIT Margin	**6.4%**	**6.7%**		**6.0%**	**7.3%**	
Finance Cost	12.12	9.73	**-19.8%**	30.35	35.97	**18.5%**
PBT	**17.40**	**25.99**	**49.3%**	**48.69**	**85.94**	**76.5%**
PBT Margin	**3.8%**	**4.9%**		**3.7%**	**5.2%**	
Tax	3.67	6.75	**84.3%**	11.39	20.52	**80.2%**
PAT	**13.74**	**19.23**	**40.0%**	**37.30**	**65.42**	**75.4%**
PAT Margin	**3.0%**	**3.6%**		**2.8%**	**3.9%**	

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Expenditure Analysis

Particulars (As a % of Sales)	Q3 FY2023	Q3 FY2024	Change %	9M FY2023	9M FY2024	Change %
Cost of Raw Material (CoRM)	81.1%	79.9%	-1.23%	82.0%	80.7%	-1.23%
Employee Expenses	6.51%	7.45%	0.93%	6.23%	6.68%	0.45%
Finance Cost	2.65%	1.83%	-0.81%	2.30%	2.16%	-0.14%
Depreciation & Amortisation	1.89%	2.13%	0.24%	1.85%	1.98%	0.13%
Other Expenses	4.59%	5.02%	0.44%	5.04%	4.15%	-0.89%

Balance Sheet

Particulars (INR Cr.)		31st Dec'22	31st Dec'23
Net Fixed Assets	A	**517.02**	**549.03**
Right-of-use-Assets	B	**18.89**	**38.89**
Other Non-current Asset	C	**63.59**	**154.17**
Cash & Bank Balance	D	**29.73**	**163.52**
Current Assets			
Trade Receivables	i	248.69	295.76
Inventories	ii	346.75	426.13
Other current Assets	iii	97.09	150.94
Total Current Assets (i+ ii + iii)		**692.53**	**872.83**
Less Current Liabilities & Provisions		377.17	462.11
Net Current Assets	E	**315.36**	**410.72**
Total Assets (A+B+C+D+E)		**944.59**	**1,316.34**
Equity Share Capital		22.74	26.02
Other Equity		332.17	937.80
Total Equity	A	**354.91**	**963.82**
Short term Debt		274.99	90.60
Long term Debt		235.37	172.61
Total Debt	B	**510.36**	**263.21**
Other Non-current Liabilities	C	79.32	89.30
Total Liabilities (A+B+C)		**944.59**	**1,316.33**

Particulars (INR Cr.)	31st Dec'22	31st Dec'23
Gross Debt	**510.36**	**263.21**
Cash & Bank Balance	29.73	163.52
Net Debt	**480.63**	**99.69**
Net Debt/Equity	1.41	0.10
Net Debt/EBITDA	2.44	0.43

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Key Ratios

Particulars	31st Dec'22	31st Dec'23
Net Fixed Assets (INR Crores)	535.91	587.92
Fixed Asset Turns	**4.21**	**4.43**
Receivables (INR Crores)	248.69	295.76
Average Receivables Days	**42.20**	**39.87**
Inventories (INR Crores)	346.75	426.13
Average Inventory Days	**65.46**	**69.61**
Payables (INR Crores)	286.44	325.71
Average Payable Days	61.71	**55.14**
Cash conversion cycle	**45.96**	**54.35**
Net Worth (A) (INR Crores)	**354.91**	**963.82**
Gross Debt(INR Crores)	**510.36**	**263.21**
Cash & Bank Balances (INR Crores)	29.73	163.52
Net Debt (B) (INR Crores)	**480.63**	**99.69**
Capital Employed (A+B) (INR Crores)	**835.54**	**1063.51**
RoCE	**17.6%**	**19.8%**
RoE	**20.3%**	**16.0%**

Fixed Asset Turns
Sales/Average Net Fixed Assets

Average Receivables Days
(Average Receivables/Sales) x 365

Average Inventory Days
(Average Inventories/CoRM) x 365

Average Payable Days
(Average Payables/CoRM) x 365

Cash Conversion Cycle
Average Inventory Days + Average Receivables Days - Average Payable Days

RoCE
Profit Before Interest and Tax / (Average Net Debt + Average Net Worth)

ROE
Profit After Tax / (Average Networth)

Agenda

Major Highlights of 1HFY24

- **In 9MFY2024, Consolidated Sales grew 26.1% and crossed INR 1665 crores** for the company.
- The **Product business contributed 53.4% of the total revenues** in **9MFY24**. **Room AC business at INR 641 crores grew 29% during the period** while the **Washing Machines business had a turnover of INR 234 Crores**.
- PGEL's 100% subsidiary, **PG Technoplast, crossed INR 698 crores in revenue in 9MFY2024 with over 54% YoY growth.**
- **Company had strong profit growth in 9MFY2024 and post QIP Balance sheet is further strengthened**. **Gross debt stands at INR 263 crores,** while **Cash & Equivalents stand at INR 164 crores**. Capex for the Financial year is completed, and facilities are getting ready for commercial production.
- During the quarter and in 9MFY24, **operating margins have improved due cost control, softened commodity prices** and **operating leverage**.
- **Order book for product business remains robust** and the company is on track to **scale the product business significantly in FY2024**.
- **For FY24, Capital efficiency** and **Working Capital Optimization** will be **major priorities**. **R&D, New Product Development and Capacity Enhancement** are the **focus areas for future** with plans to **strengthen its product offerings further in both AC and WMs**.
- Company is seeing **increased interest for business** from **new and existing clients,** and we remain **very confident about the future growth prospects** of the business.

Agenda

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

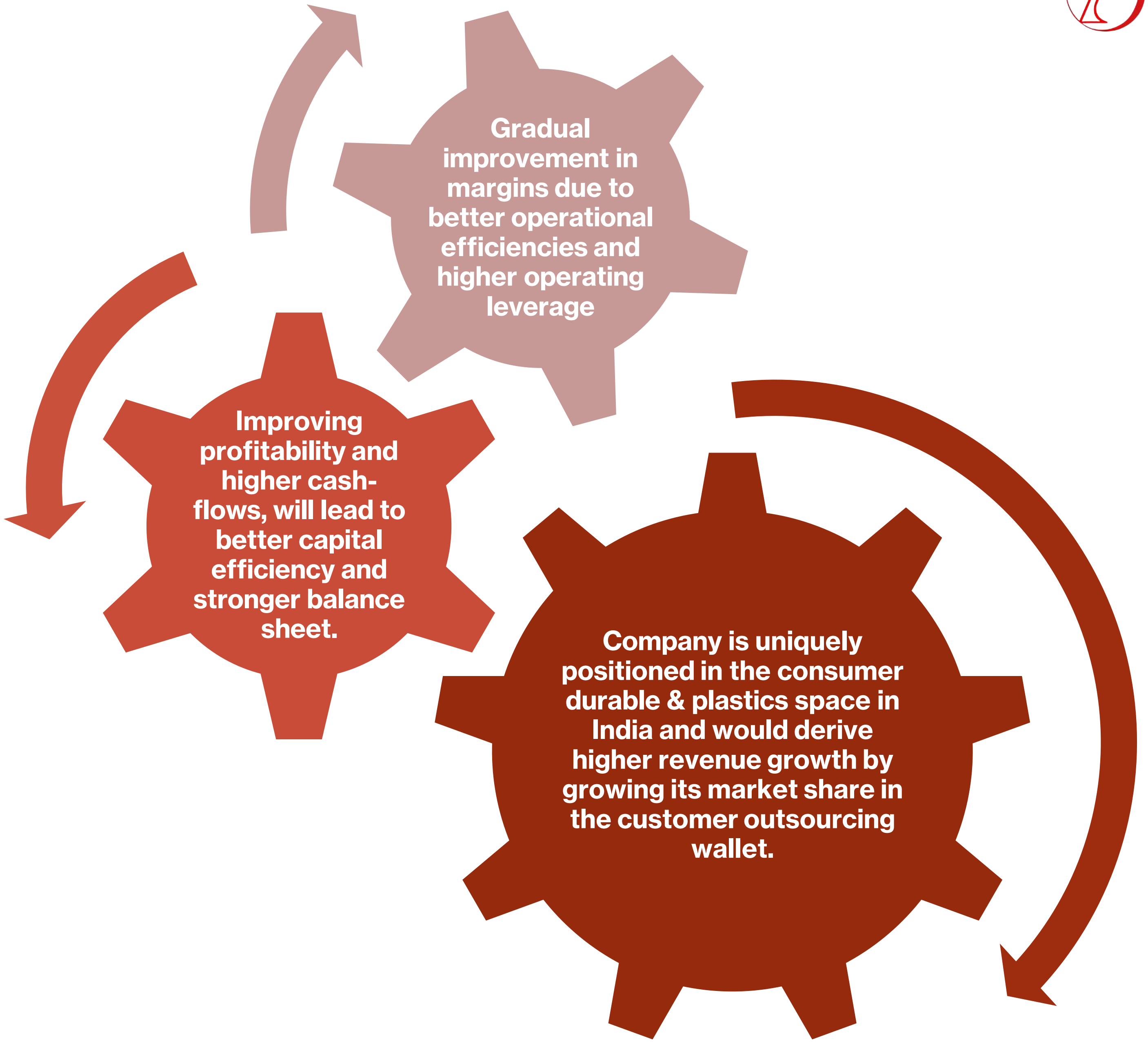
The Management is enthused about the overall opportunity size and anticipates high growth rates in the industry segments where, company has presence.

Future Growth Strategy

Company foresees large opportunities in plastic moulding in consumer durables in appliances like:	• Washing Machines • Room Air conditioner • Refrigerators • Ceiling Fans • Sanitaryware products
Opportunities in the ODM space for products like:	• Air coolers • Washing machines • Room Air Conditioners
Improving operational efficiencies leading to:	• Better profitability & higher cash flows • Reinvesting to improve strategic capabilities to reap future benefits

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 Q4FY24

- **Consolidated Sales guidance of INR 1075 crores** which is a **growth of 30%** over 4QFY2023.
- **EBITDA guidance of INR 100 crores** which is a **growth of 30%** over 4QFY2023 EBITDA of INR 77 crores.
- In 4QFY2024, operating **margins across segments should see stability** 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 ~40% to INR 870 crores from INR 620 crores in 4QFY2023**.
- **Capex for FY2024 will be in the range of INR 170-180 crores.** Further, another **INR 65 crores will be infused by PGTL in NGM** in the form of equity and debt to get all incumbrances discharged in NGM .

Agenda

Profit & Loss Statement

Figures in ₹ million	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Net Revenues	**3,695**	**4,047**	**5,116**	**6,419**	**7,058**	**11,159**	**21,643**
Growth (%)	40.24%	9.53%	26.41%	25.47%	9.95%	58.10%	93.95%
Expenditure	**3,456**	**3,749**	**4,777**	**5,993**	**6,534**	**10,232**	**19,835**
Increase/Decrease in Stock	19	(109)	(41)	(70)	32	(291)	(286)
Raw Material Consumed	2,792	3,200	4,032	5,108	5,533	9,131	17,927
Power & Fuel Cost	115	117	144	166	161	206	287
Selling and Distribution Expenses	51	55	62	68	39	71	88
Manufacturing Expenses	85	71	79	85	126	163	350
Personnel Costs	329	349	401	539	550	779	1,229
Administrative Expenses	41	42	44	54	61	100	147
Miscellaneous Expenses	26	25	56	45	32	58	94
EBDITA	**238**	**299**	**339**	**424**	**524**	**943**	**1,804**
(-) Depreciation	106	117	134	163	180	221	350
EBIT	**133**	**181**	**205**	**261**	**344**	**722**	**1,455**
1 (-) Interest & Finance charges	99	106	103	148	184	231	479
(-) Exceptional Expenses	-	-	-	(20)	(8)		
PBT	**34**	**75**	**102**	**93**	**151**	**490**	**975**
PAT	**34**	**75**	**100**	**26**	**116**	**374**	**774**

Balance Sheet

(Figures in ₹ million)

A. EQUITY AND LIABILITIES	As on 31st March						
	2017	2018	2019	2020	2021	2022	2023
(a) Share capital	164	164	187	195	197	212	227
(b) Reserves and surplus	1,068	1,144	1,504	1,567	1,728	2,911	3,732
Sub-Total - Shareholders' Funds	**1,232**	**1,308**	**1,690**	**1,762**	**1,925**	**3,123**	**3,959**
(a) Long-term borrowings	484	796	501	694	871	1,718	2,250
(b) Long-term provisions	21	33	40	84	135	362	736
Sub-Total - Non-Current Liabilities	**506**	**829**	**541**	**778**	**1,006**	**2,080**	**2,986**
(a) Short-term borrowings	477	356	681	1,039	962	2,121	3,176
(b) Trade payables	745	650	915	1,063	1,534	2,692	3,900
(c)Other current liabilities	226	248	224	289	202	445	532
(d) Short-term provisions	115	90	77	69	166	224	530
Sub-Total - Current Liabilities	**1,562**	**1,343**	**1,898**	**2,461**	**2,863**	**5,482**	**8,246**
TOTAL - EQUITY AND LIABILITIES	**3,299**	**3,481**	**4,129**	**5,001**	**5,794**	**10,685**	**15,082**

B. ASSETS	As on 31st March						
	2017	2018	2019	2020	2021	2022	2023
(a) Fixed assets	1,620	1,785	1,921	2,532	2,731	4,410	5,778
(b) Capital Work in Progress	35	237	341	61	60	49	20
(c) Other Financial Assets	15	23	23	24	33	91	121
(d) Other non-current assets	56	70	67	78	139	55	78
Sub-Total - Non-Current Assets	**1,726**	**2,114**	**2,353**	**2,695**	**2,964**	**4,605**	**5,997**
(a) Inventories	631	593	683	846	926	2,860	3,534
(b) Trade receivables	675	507	847	1,012	1,473	2,133	4.379
(c) Cash and cash equivalents	42	41	64	180	174	392	396
(d) Short-term loans and advances	176	180	161	213	3	28	5
(e) Other current assets	47	43	20	55	254	668	771
Sub-Total - Current Assets	**1,574**	**1,366**	**1,776**	**2,307**	**2,830**	**6,081**	**9,084**
TOTAL-ASSETS	**3,299**	**3,481**	**4,129**	**5,001**	**5,794**	**10,685**	**15,082**

Thank You!

We look forward to working with you!