



PG ELECTROPLAST LIMITED

CIN-L32109DL2003PLC119416

Corporate Office :

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Greater Noida-201306, Distt. Gautam Budh Nagar (U.P.) India
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November 06, 2023

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: Press Release

Dear Sir/Madam,

We enclose a copy of Press Release titled "**Landmark Quarter**" on the Unaudited Financial Results of the Company for the quarter and half year ended on September 30, 2023.

This is for your information and record please.

Thanking you,

For **PG Electroplast Limited**

(Sanchay Dubey)
Company Secretary

Landmark Quarter

NEW DELHI, INDIA, November 06, 2023: PG Electroplast Ltd. (PGEL), a pioneer and leader in Electronic Manufacturing Services and Plastic Molding, announced its results for the quarter ended September 30th, 2023, as approved by its Board of Directors.

“2QFY2024 has been an important landmark quarter for PGEL. With the recent QIP, company further strengthened its balance sheet and became net cash positive. Operating performance in the first-half has been strong with a margin expansion and solid free cash flows.

New customer addition and deepening existing customer relationship remains the foundational to the product growth strategy and good progress is visible on the same. The two new facilities, one each for RACs and TVs respectively, along with the expansion of the Supa facility are on track and the Company is well placed for the coming RAC season with increased capacities and brand-new product offerings.

Our continued investments in R&D, product development, and capacity enhancement are positioning us well for superior growth in the near future” said Mr. Vikas Gupta, MD (Operations).

Key Financial Highlights:

Quarter ended September 30, FY2024

- Net Sales for the quarter were INR 4.59 billion – growth of 40.0% YoY.
- Quarterly EBITDA stood at INR 408.6 million versus INR 277.2 million in 2QFY2023 – growth of 47.4% YoY.
- Quarterly Net Profits stood at INR 123.9 million versus INR 71.7million in 2QFY2023 – growth of 72.8%.

Half-year ended Sep. 30, FY2024

- Net Sales for the period were INR 11.35 billion – growth of 31.5% YoY.
- EBITDA stood at INR 1.08 billion versus INR 653.6 million in 2QFY2023 – growth of 65.2%.
- Net Profits stood at INR 461.9 million versus INR 235.7 million in 1HFY2022 – growth of 96.0%.

Other Highlights

2QFY2024 and 1HFY24 were landmark periods for PGEL, with a strong operating performance:

- During the quarter, company completed a QIP issue of INR 5.0 billion, leading to the company becoming net debt free.
- Consolidated Sales crossed INR 11.34 billion in 1HFY24, with the Product business sales crossing INR 6.15 billion. PGEL's 100% subsidiary, PG Technoplast, crossed INR 4.80 billion in revenue in 1HFY24.
- In 1HFY24, Operating Margins improved by 257 bps YoY due to tight cost control and moderation in commodity prices. The Operating Cash Flows were strong at INR 2.08 billion in 1HFY24 versus INR 403 million in 1HFY23.
- The Product business contributed 54.2% of the total revenues in 1HFY24. The Product business grew 34.7% YoY for the quarter. In AC product business during the period, company had over 54% growth.
- TV & Electronics business contributed 15.3% of the total revenues and grew 138.8% in 1HFY24.
- Significant enquiries and commitments for new business are being witnessed across business segments and addition of new clients has been robust across verticals.
- Capital efficiency of business improved, and company's RoCE was 22.8% and RoE was 15.7% (post fund-raise) for the Trailing 12 months, ending September 2023. Net fixed Asset turns for the consolidated entity are at 4.6x.
- Company plans to further invest in R&D and new product development. Company is aggressively investing in new platforms in both RAC and washing machines for future growth.

Future Outlook

Management sees increased opportunities in the existing and new clients and based on the current business environment. With new capacities and capabilities, company is uniquely positioned in the consumer durables & plastics space in India. In coming years, company aspires:

- To have Industry leading growth in Revenues.
- Gradual improvement in margins due to operational efficiencies and operating leverage.
- Best in class capital efficiency resulting from improved cash flows & balance sheet optimization.

Specific guidance for FY2024

- Sales guidance of INR 28 billion for FY2024 which will be a growth of 30% over FY2023 consolidated sales and operating profit guidance of INR 2.10 billion which will be a growth of 28% over FY2023 operating profit of INR 1.64 billion.

- The growth in product business i.e., Washing Machines, Room Air Conditioners and Air Coolers is expected to be ~43% to INR 19.20 billion in FY2024 from INR 13.41 billion in FY2023.
- Capex for FY2024 will also be in the range of INR 1.70-1.80 billion and Company will invest in new platforms for washing machines and air conditioners. Also, Company will further expand Room AC capacity along with a new location for Integrated AC manufacturing plant in North India.

About PG Electroplast Limited

PG Electroplast [NSE:PGEL] is a trusted one-stop solution provider for Electronic Manufacturing Services (EMS) and contract manufacturing to most leading consumer durable and electronics brands in India. The company has one of the largest capacities for Plastic Injection moulding and capabilities across the value chain in Original Equipment Manufacturing (OEM) and Original Design Manufacturing (ODM) for products like Room ACs, Washing Machines, Air-Coolers and LED TVs. Visit us at www.pgel.in.

Safe Harbor

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

For further clarification, you may contact the undersigned:

Mr Sanchay Dubey, Company Secretary- PGEL

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