



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

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 "Firing on All Cylinders!" on the Unaudited Financial Results of the Company for the 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

Firing on All Cylinders!

Delhi (India), February 04, 2023: PG Electroplast Ltd. (PGEL), one of the pioneers and leaders in the Electronic Manufacturing Services and Plastic Molding announced its results for the quarter ended December 31st 2022, as approved by its Board of Directors.

“PG’s 9MFY2023 performance is reflection of its strategy of focusing on the Product business, which is helping the company build scale and improve its financial ratios. The growth outlook remains robust for the Product business of the company and with Expanded capacities, PGEL is well placed to gain a further foothold in the contract manufacturing space in Washing Machines (WM), Air Conditioner (AC) and Air Cooler markets. The growth outlook is being revised up for FY2023 due to sharp successful scale ups across all business segments.

The Capacity and Capability matrix of the company has further strengthened with commissioning of the new AC controller facility in Supa and expanded capacities for AC and WM in Supa and Greater Noida respectively. The outlook for all business segments remains robust with increase in wallet share in the existing clients and good momentum in addition of new clients. We continue to execute on the Product business strategy by expanding our R&D and Product development capabilities.

-Mr. Vishal Gupta, MD Finance

Key Financial Highlights:

Quarter ended Dec. 31, FY2022

- Net Sales for the quarter were INR 4579 million – growth of 74.8% YoY.
- Quarterly EBITDA stood at INR 381.7 million versus INR 178.1 million in 3QFY2022 – growth of 114.3%.
- Quarterly Net Profits stood at INR 174.0 million versus INR 68.5 million in 2QFY2022 – a growth of 148%.

9-Month ended Dec. 31, FY2022

- Net Sales for the period are INR 13209 million –growth of 120.9% YoY.
- EBITDA stood at INR 1035.3 million versus INR 409.3 million – growth of 152.9%.
- Net Profits stood at INR 373.0 million versus INR 97.8 million in 9MFY2022 – a growth of 281.4%.

Other Highlights

- **Product business crossed INR7.2bn in 9MFY2023** and it contributed **54.6%** of the total revenues. Room AC business crossed INR 4.97bn during the 9M, which is **431% growth YoY**. The Washing Machines business for the 9M had a **growth of 79.8% YoY** and company sold over **360,000 washing machines**. Order book for product business remains robust and the **company is on track to scale the product business significantly in FY2023 & FY2024**.
- During the period, **operating margins improved** due to **cost control, lower commodity prices and operating leverage**.
- On Balance sheet side, **net debt has increased by almost INR 1.36 billion in 9MFY2023**. Increase in **working capital and completion of Capex** has been funded by new debt. **Inventory and working capital days are extended** due to **preparation of the ensuing AC season**, which is sharply and successfully ramping up.
- PG's **new product offerings** in Washing Machines and Room ACs have received **good response**. The company is focusing its efforts towards developing products that help it maintain **cost leadership** while striving for **product leadership** too.
- Company continues to see **increased interest** for business from **new and existing clients**, and we remain very confident on the future growth prospects of the business.
- With new capacity enhancement and further backward integration for the product businesses, **company should touch new heights in FY2023 & FY2024**. The Outlook for **product business remains robust** and **coming quarters should see further scale up** in the business.

Future Outlook

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

- Have Industry leading growth in Revenues
- Gradually improve margins through operational efficiencies and operating leverage
- Achieve better capital efficiency resulting from improved cash flows & balance sheet optimization

Specific guidance for FY2023

- The company management is **increasing the Sales guidance to atleast INR 2000 crores** which is **a growth of 82% over FY2022 consolidated sales** and **operating profit guidance of atleast INR 140 crores** which is **a growth of 88% over FY2022 operating profit** of INR 74.5 crores.
- The **growth in product business** (i.e. Washing Machines, Room Air conditioners and Air Coolers) is **expected to be ~150% from INR 478 crores in FY2022 to INR 1200 crores** this year.

- Capex guidance for FY2023 is being maintained in the range of INR 135-140 crores and Company has already doubled washing machines capacity, while also further expanded Room AC capacity to 200,000 Indoor Units per month and 100,000 Outdoor Units per month, along with further backward integration by adding the set up for Room AC controllers.

About PG Electroplast Ltd.

PG Electroplast [NSE: PGEL] is a trusted partner for manufacturing solutions for leading consumer durables and consumer electronics companies in India. Company has one of the biggest capacities in the Plastic Injection Molding and has capabilities across the value chain for producing components and fully built Home Appliances and Electronics Manufacturing Services (EMS) industries.

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.

Visit us at www.pgel.in

For more information, contact investors@pgel.in.