PG

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

July 24, 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 ended on June 30, 2024.

This is for your information and record please.

Thanking you,

For **PG Electroplast Limited**

SANCHAY DUBEY
Digitally signed by SANCHAY DUBEY
Date: 2024.07.24 17:26:24 +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

1Q FY2025, July 2024

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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 from 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 and Annual Financials
- Key Financial Metrics
- Strategy & Outlook
- Historical Financials

About PG Electroplast

- **PG Electroplast Limited (PGEL)** is the flagship company of PG Group, which had **started its journey in 1977.** PG Electroplast, 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 Moulding**, providing **One Stop Solutions** to **70+ leading Indian and Global brands**.
- PG has **5000+ employees** across **11 manufacturing units** in **Greater Noida (UP), Ahmednagar (MH), Bhiwadi (RJ) and Roorkee (UK)**.
- The company is **pursuing an organic growth strategy** by ramping up capacities & capabilities in each product vertical to achieve **higher value addition**, **better economies of scale** through exhaustive **backward integration**.

Key Manufacturing Capabilities

- Product Assemblies
- Plastic Moulding
- Sheet Metal Components
- PCB Assemblies
- Specialized AC Components
- PU & Powder Paintshops
- Tool Manufacturing

Industries Served

Air Conditioners

Washing Machines

LED Televisions

Air Coolers

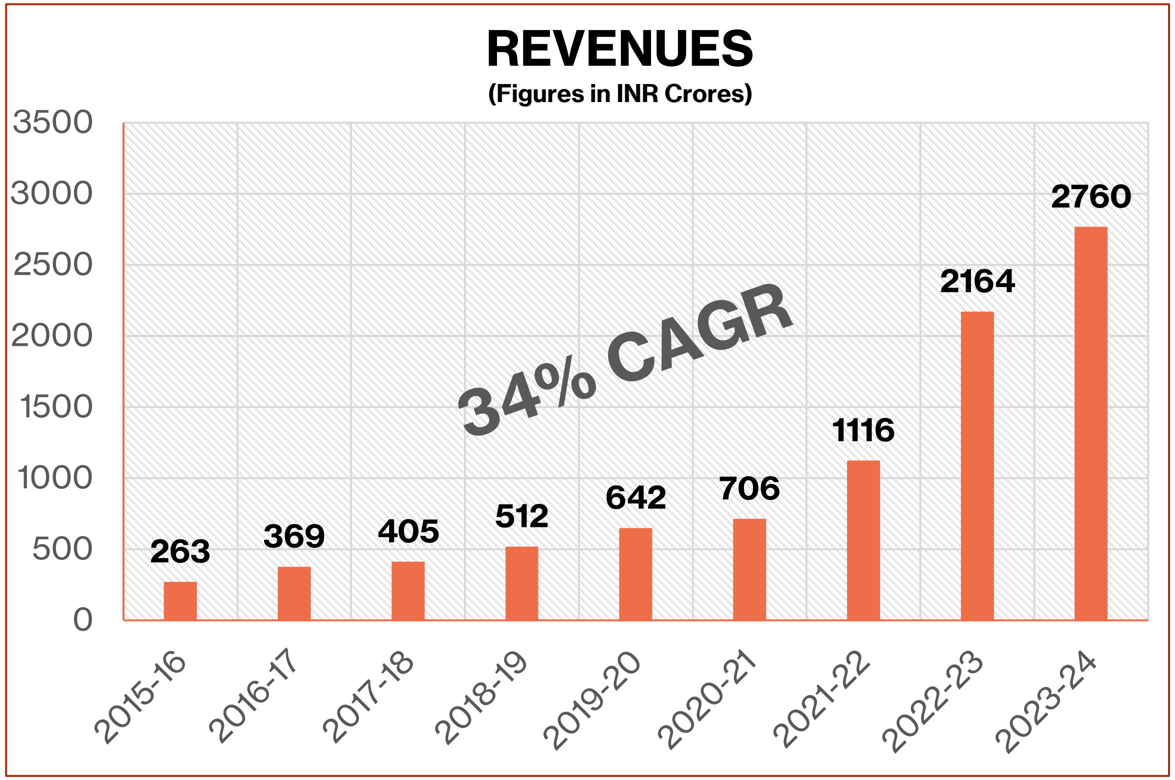
Automotive Components

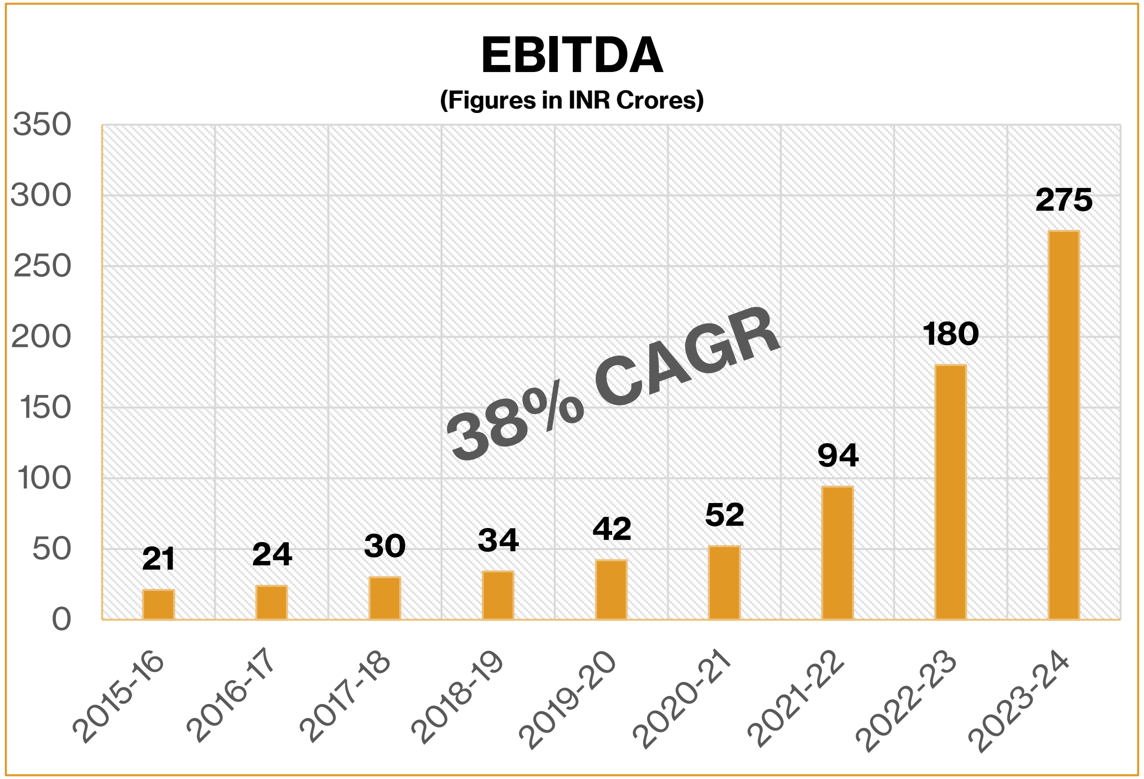
Bathroom Fittings

Consumer Electronics

Key Financials

- The Company has **grown more than 10x in Eight years** from a revenue of **INR 263 crores in 2015-16**, to **INR 2747 crores in 2023-2024** at a **34% CAGR** with the **EBITDA increasing at a 38% CAGR.**
- Over the **past eight years**, the company has done a cumulative **Capital Expenditure of over INR 800 Crores**, that has now significantly raised its growth potentials.





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Our Business Verticals

Products

Room Air Conditioners
- Indoor Units
- Outdoor Units
- Window Units

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

Air Coolers
- Window
- Desert
- Personal

Plastic Moulding and Others

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

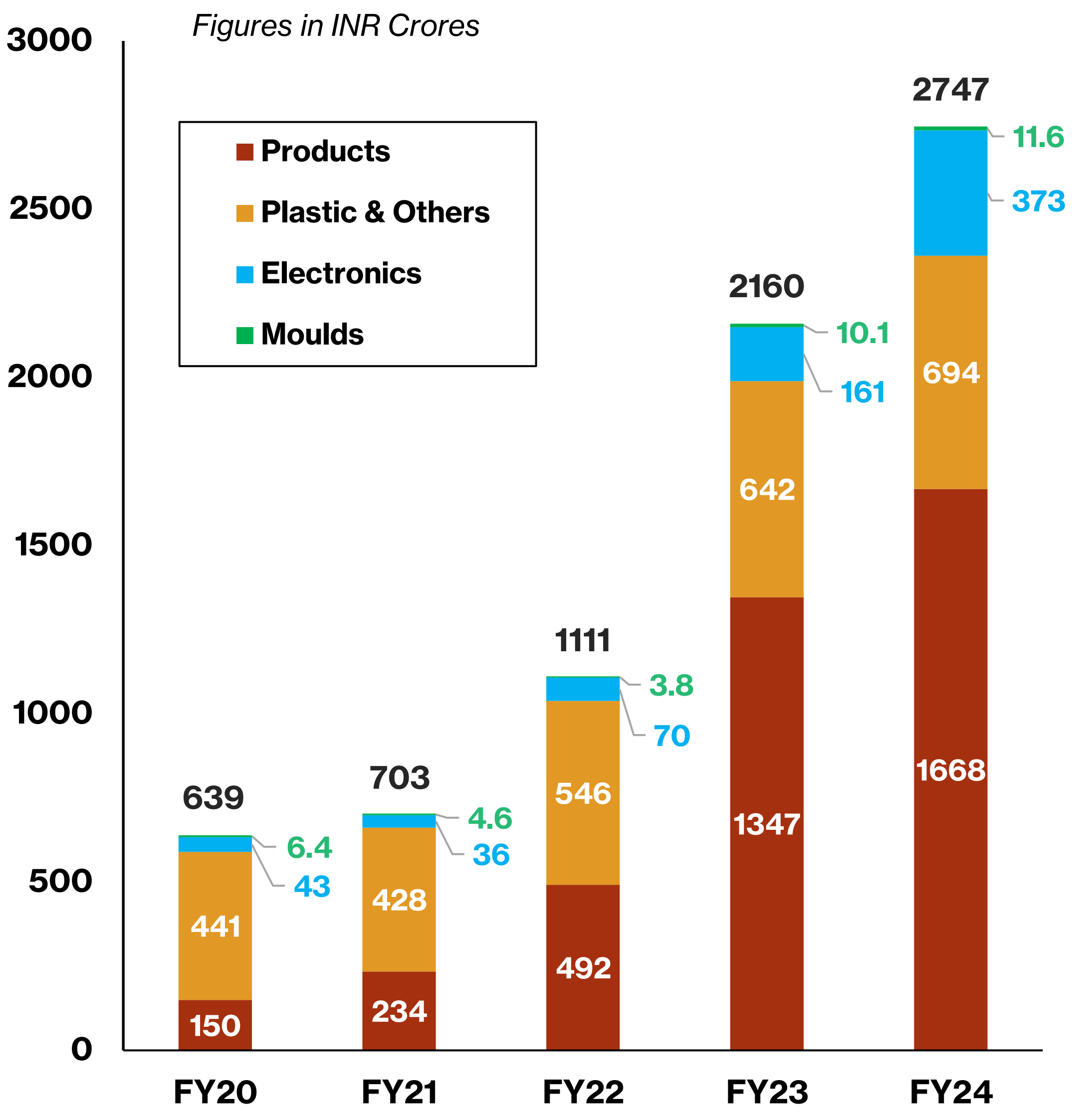
Electronics

- Televisions
- PCB Assemblies

Tool Manufacturing

- Consumer Durables
- Sanitaryware
- Automotive
- & more

Operating Revenue Breakup Across Verticals



Key Clients

- atomberg
- acer
- aiwa
- AMSTRAD INSPIRED BY PASSION
- AO Smith
- BAJAJ Bajaj Electricals Ltd.
- ASTRAL
- 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

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Summary of Consolidated Results

Particulars (INR Crores)	Q1 FY2024	Q1 FY2025	% Change	4Q FY2024	FY2024
Oper. Revenues	**677.62**	**1,320.68**	**94.9%**	**1,076.57**	**2,746.50**
CORM	555.08	1,081.93	**94.9%**	862.06	2,206.27
% of Sales	81.9%	81.9%		80.1%	80.3%
Gross Contribution	**122.54**	**238.75**	**94.8%**	**214.52**	**540.23**
% of Sales	18.1%	18.1%		19.9%	19.7%
EBITDA	**67.10**	**134.54**	**100.5%**	**119.84**	**274.80**
EBITDA Margin	**9.9%**	**10.2%**		**11.1%**	**10.0%**
Depreciation	10.71	15.07	**40.8%**	13.57	46.61
PBIT	**56.40**	**119.46**	**111.8%**	**106.27**	**228.19**
PBIT Margin	**8.32%**	**9.04%**		**9.87%**	**8.31%**
Finance Cost	14.04	18.33	**30.6%**	15.75	51.73
PBT	**42.36**	**101.13**	**138.8%**	**90.52**	**176.47**
PBT Margin	**6.3%**	**7.66%**		**8.41%**	**6.43%**
Tax	8.55	16.20	**89.4%**	18.93	39.45
PAT	**33.81**	**84.93**	**151.2%**	**71.59**	**137.01**
PAT Margin	**5.0%**	**6.4%**		**6.6%**	**5.0%**

Expenditure Analysis

Particulars (As a % of Operating Revenues)	Q1 FY2024	Q1 FY2025	Change %	4Q FY2024	FY2024
Cost of Raw Material (CoRM)	81.9%	81.9%	**0.01%**	80.1%	80.3%
Employee Expenses	5.26%	4.70%	**-0.56%**	5.11%	6.05%
Finance Cost	2.07%	1.39%	**-0.68%**	1.46%	1.88%
Depreciation & Amortisation	1.58%	1.14%	**-0.44%**	1.26%	1.70%
Other Expenses	3.12%	3.49%	**0.37%**	4.00%	4.08%

Balance Sheet

Particulars (INR Crores)		30th Jun'23	30th Jun'24	31st Mar'24
Net Fixed Assets	A	**547.26**	**716.11**	**711.88**
Right-of-use-Assets	B	**32.46**	**68.01**	**69.45**
Other Non-current Asset	C	**38.60**	**168.47**	**120.89**
Cash & Bank Balance	D	**29.51**	**201.23**	**182.42**
Current Assets				
Trade Receivables	i	316.82	646.44	553.03
Inventories	ii	275.24	368.84	543.39
Other current Assets	iii	82.14	164.86	126.93
Total Current Assets (i+ ii + iii)		**674.20**	**1,180.14**	**1,223.35**
Less Current Liabilities & Provisions		336.36	**812.00**	**789.90**
Net Current Assets	E	**337.84**	**368.14**	**433.45**
Total Assets (A+B+C+D+E)		**985.67**	**1,521.96**	**1,518.09**
Equity Share Capital		22.79	26.10	26.03
Other Equity		410.45	1099.66	1,012.06
Total Equity	A	**433.24**	**1,125.76**	**1,038.08**
Short term Debt		264.32	110.93	173.53
Long term Debt		213.83	165.11	187.03
Total Debt	B	**478.15**	**276.04**	**360.56**
Other Non-current Liabilities	C	74.28	120.16	119.45
Total Liabilities (A+B+C)		**985.67**	**1,521.96**	**1,518.09**

Particulars (INR Cr.)	30th Jun'23	30th Jun'24	31st Mar'24
Gross Debt	**478.15**	**276.04**	**360.56**
Cash & Bank Balance	29.51	201.23	182.42
Net Debt	**448.63**	**74.81**	**178.15**
Net Debt/Equity	1.04	0.07	0.17
Net Debt/EBITDA	2.14	0.27	0.65

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Key Ratios

Particulars	30th Jun'23	30th Jun'24	31st Mar'24
Net Fixed Assets	579.73	784.12	781.33
Fixed Asset Turns	**4.51**	**4.97**	**4.05**
Receivables	316.82	646.44	553.03
Average Receivables Days	**42.28**	**51.86**	**65.84**
Inventories	275.24	368.84	543.39
Average Inventory Days	**49.78**	**43.01**	**74.18**
Payables	262.98	614.95	646.41
Average Payable Days	**53.52**	**58.62**	**85.73**
Cash conversion cycle	**38.54**	**36.25**	**54.30**
Net Worth (A)	**433.24**	**1125.76**	**1038.08**
Gross Debt	478.15	276.04	360.56
Cash & Bank Balances	29.51	201.23	182.42
Net Debt (B)	**448.63**	**74.81**	**178.15**
Capital Employed (A+B)	**881.88**	**1200.57**	**1216.23**
RoCE	**22.8%**	**28.0%**	**21.6%**
RoE	**24.9%**	**24.1%**	**19.1%**

Fixed Asset Turns
Revenues/Average Net Fixed Assets

Average Receivables Days
(Average Receivables/Op. Revenues) 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)

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Major Highlights of 1QFY25

- **1QFY2025 has been a robust growth period** as **Consolidated Revenues grew 94.9% and closed at INR 1320.68 crores** for the company. This is despite the ASPs being down sharply YoY across the board for all our product categories.
- The **Product business contributed 75.2% of the total revenues** in **1QFY2025**. **Room AC business at INR 882 crores grew 130% during the period** while the **Washing Machines business had a growth of 72% YoY**.
- PGEL's 100% subsidiary, **PG Technoplast, crossed INR 984 crores in revenue in 1QFY2025. The company's Bhiwadi AC Unit ramped up during the quarter.**
- **Order book for product business remains robust** and the company hopes to **scale product business significantly in FY2025**.
- During the quarter **operating margins have improved YoY due to cost control** and **operating leverage**.
- **Net debt has decreased by almost INR 103 crores during the quarter**. The operating cash flow during the period has been strong and working capital optimization remains a key focus area for the company.
- **For FY25, creating building blocks for the next level of growth and improving capital efficiency will be the major priorities. R&D, New Product Development, and Capacity Enhancement** are the **focus areas for future** across product businesses. The company plans to **strengthen its product offerings further in both AC and WMs**.
- The company is seeing **increased opportunities for business** from **new and existing clients,** and we remain **very confident about the future growth prospects** of the business.

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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 and in consumer durables like:

- Washing Machines
- Room Air conditioner
- Refrigerators
- Ceiling Fans
- Sanitaryware products

Opportunities in the ODM space for products like:

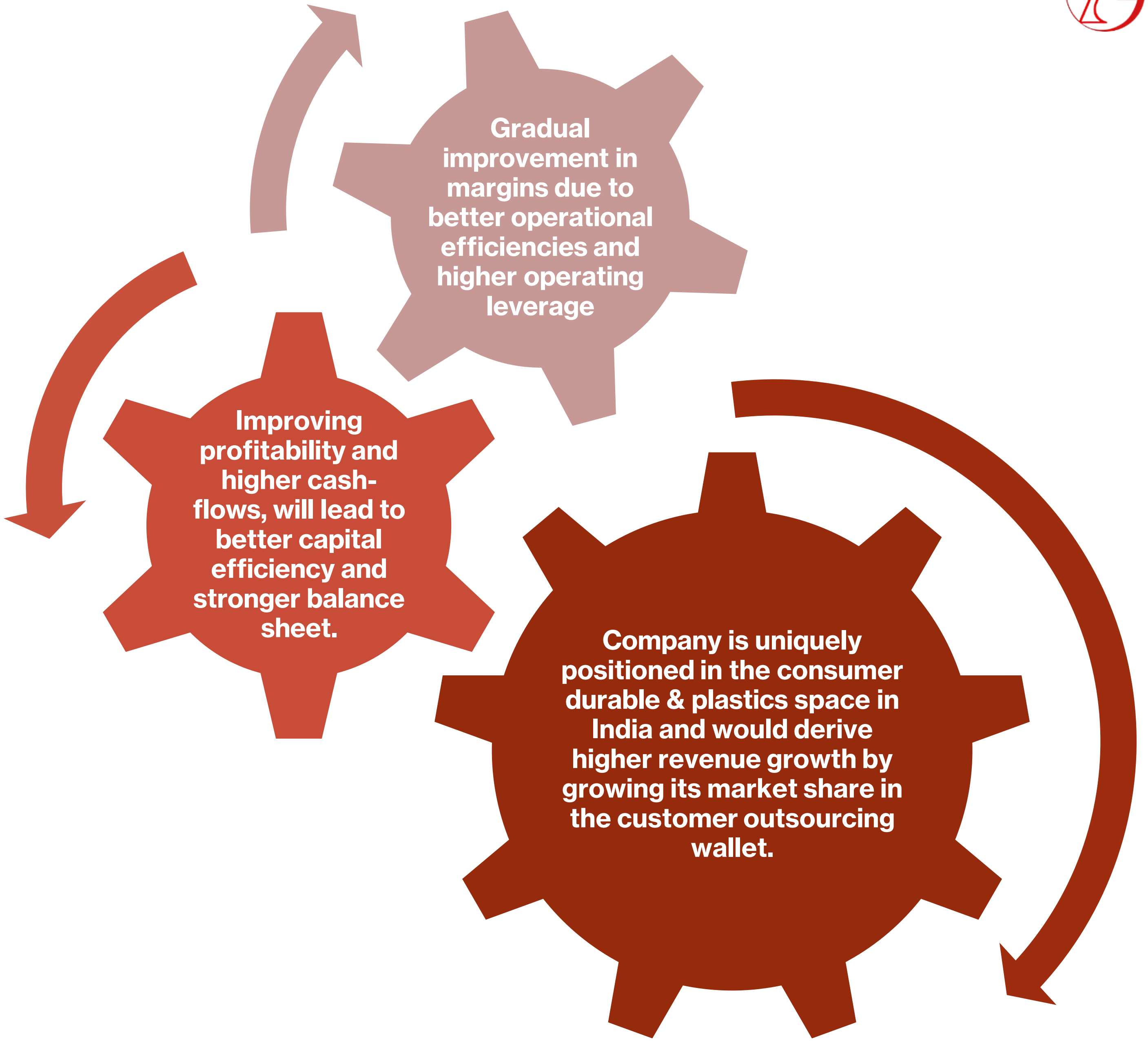
- Air coolers
- Washing machines
- Room Air Conditioners

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 FY25

Revenues (In ₹ Crores)	FY24	FY25E	% Change
Products	1668.3	2650	58.8%
TV	305.9	16.3	-94.7%
PGEL Total	2746.5	3650	32.9%
Goodworth Electronics*	0.0	600	
Total Group Revenues	2746.8	4250	54.7%

- **For PGEL Consolidated Revenue guidance is of at least INR 3650 crores** which is a **growth of 32.9%** over FY2024 Revenues of INR 2746 crores. This is **despite TV business** revenues shifting to JV company **Goodworth Electronics Ltd.**
- For **Goodworth**, **Revenues we expect at INR 600 crores**.
- Implying **Group Revenues** to be around **4250 crores.**
- **PGEL Net profit guidance of INR 216 crores** which is a **growth of 57.7%** over FY2024 Net profit of INR 137 crores.
- In FY2025, Management expects **EBITDA margins to have slight upward bias.**
- The **growth in product business** i.e., WM, RAC and Coolers is **expected to be around 58.8% to over INR 2650 crores from INR 1668 crores in FY2024**.
- **Capex for FY2024 will be in the range of 350-380 crores.** New Integrated Unit for Manufacturing RAC in Rajasthan, New Building in Greater Noida and new building along with further AC capacity **expansion in Supa is being** planned.

** Goodworth Electronics is a 50-50 JV between PG Electroplast and Jaina India*

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Profit & Loss Statement

Figures in INR Crores	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Operating Revenues	**399.4**	**508.4**	**639.4**	**703.2**	**1111.6**	**2159.9**	**2746.5**
Growth (%)	9.0%	27.3%	25.8%	10.0%	58.1%	94.3%	27.2%
Expenditure							
Increase/Decrease in Stock	-10.9	-4.1	-7.0	3.2	-29.1	-28.3	-72.7
Raw Material Consumed	320.0	403.2	510.8	553.3	913.1	1792.8	2279.0
Power & Fuel Cost	11.7	14.4	16.6	16.1	20.6	28.7	31.9
Selling and Distribution Expenses	5.5	6.2	6.8	3.9	7.1	8.8	12.0
Manufacturing Expenses	7.1	7.9	8.5	12.6	16.3	35.0	45.1
Personnel Costs	34.9	40.1	53.9	55.0	77.9	122.9	166.3
Administrative Expenses	4.2	4.4	5.4	6.1	10.1	14.7	17.8
Miscellaneous Expenses	2.5	5.6	4.5	3.2	5.7	9.4	5.5
Operating Profit	**24.6**	**30.7**	**39.9**	**49.8**	**90.0**	**176.0**	**261.8**
OPM (%)	6.1%	6.0%	6.2%	7.1%	8.1%	8.2%	9.5%
Growth (%)	18.6%	24.9%	30.1%	24.7%	80.8%	95.7%	48.7%
(+) Other income	5.3	3.2	2.5	2.6	4.3	4.4	13.0
EBDITA	**29.9**	**33.9**	**42.4**	**52.4**	**94.3**	**180.4**	**274.8**
(-) Depreciation	11.7	13.4	16.3	18.0	22.1	35.0	46.6
EBIT	**18.1**	**20.5**	**26.1**	**34.4**	**72.2**	**145.5**	**228.2**
1 (-) Interest & Finance charges	10.6	10.3	14.8	18.4	23.1	47.9	51.7
(-) Exceptional Expenses	0.0	0.0	-2.0	-0.8	0.0	0.0	0.0
PBT	**7.5**	**10.2**	**13.3**	**16.8**	**49.0**	**97.5**	**176.5**
PAT	**7.5**	**10.0**	**2.6**	**11.6**	**37.4**	**77.5**	**137.0**

Balance Sheet

(Figures in INR crores)

A. EQUITY AND LIABILITIES	As on 31st March						
	2018	2019	2020	2021	2022	2023	2024
(a) Share capital	16.4	18.7	19.5	19.7	21.2	22.7	26.0
(b) Reserves and surplus	114.4	150.4	156.7	172.8	291.1	373.2	1,012.1
Sub-Total - Shareholders' Funds	**130.8**	**169.0**	**176.2**	**192.5**	**312.3**	**395.9**	**1,038.1**
(a) Long-term borrowings	79.6	50.1	69.4	87.1	171.8	225.0	187.0
(b) Long-term provisions	3.3	4.0	8.4	13.5	36.2	73.6	119.5
Sub-Total - Non-Current Liabilities	**82.9**	**54.1**	**77.8**	**100.6**	**208.0**	**298.6**	**306.5**
(a) Short-term borrowings	35.6	68.1	103.9	96.2	212.1	317.6	173.5
(b) Trade payables	65.0	91.5	106.3	153.4	269.2	390.0	646.4
(c)Other current liabilities	24.8	22.4	28.9	20.2	44.5	53.2	68.5
(d) Short-term provisions	9.0	7.7	6.9	16.6	22.4	53.0	75.0
Sub-Total - Current Liabilities	**134.3**	**189.8**	**246.1**	**286.3**	**548.2**	**824.6**	**963.4**
TOTAL - EQUITY AND LIABILITIES	**348.1**	**412.9**	**500.1**	**579.4**	**1,068.5**	**1,508.2**	**2,308.0**

B. ASSETS	As on 31st March						
	2018	2019	2020	2021	2022	2023	2024
(a) Fixed assets	178.5	192.1	253.2	273.1	441.0	577.8	784.7
(b) Capital Work in Progress	23.7	34.1	6.1	6.0	4.9	2.0	63.2
(c) Other Financial Assets	2.3	2.3	2.4	3.3	9.1	12.1	25.8
(d) Other non-current assets	7.0	6.7	7.8	13.9	5.5	7.8	28.5
Sub-Total - Non-Current Assets	**211.4**	**235.3**	**269.5**	**296.4**	**460.5**	**599.7**	**902.2**
(a) Inventories	59.3	68.3	84.6	92.6	286.0	353.4	543.4
(b) Trade receivables	50.7	84.7	101.2	147.3	213.3	0.4	553.0
(c) Cash and cash equivalents	4.1	6.4	18.0	17.4	39.2	39.6	182.4
(d) Short-term loans and advances	18.0	16.1	21.3	0.3	2.8	0.5	6.4
(e) Other current assets	4.3	2.0	5.5	25.4	66.8	77.1	120.5
Sub-Total - Current Assets	**136.6**	**177.6**	**230.7**	**283.0**	**608.1**	**908.4**	**1,405.8**
TOTAL-ASSETS	**348.1**	**412.9**	**500.1**	**579.4**	**1,068.5**	**1,508.2**	**2,308.0**

Thank You!

We look forward to working with you!