



PG ELECTROPLAST LIMITED

Q4 FY19 UPDATE

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CONTENTS

Introduction

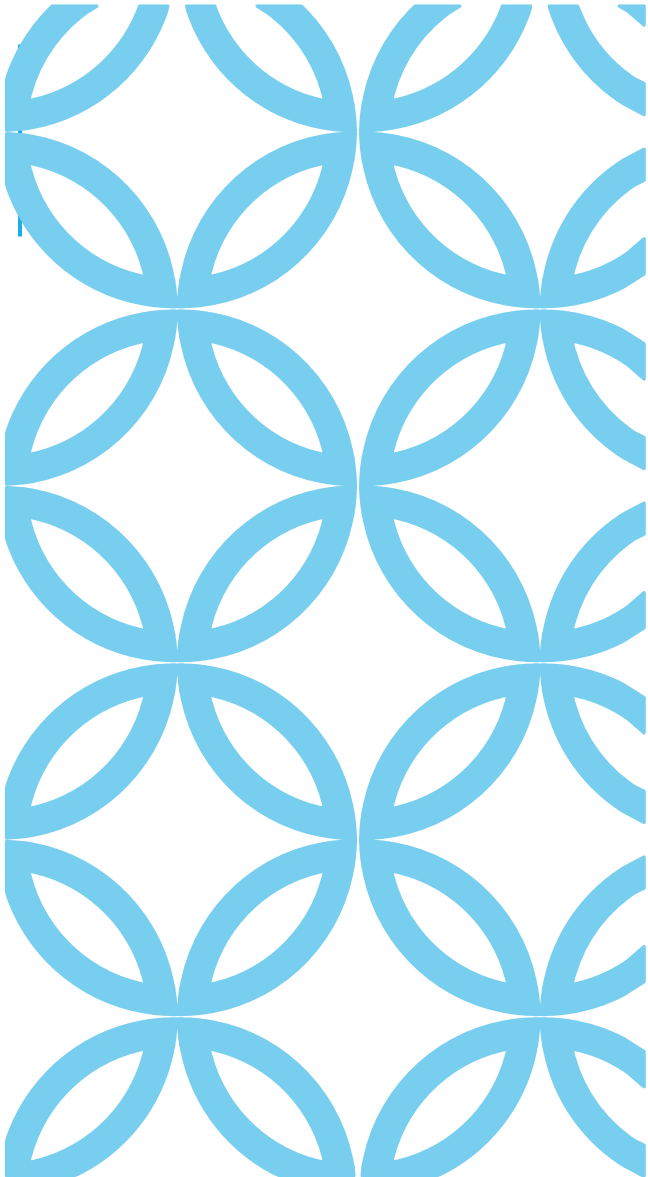
Quarterly P&L

Key Financial Metrics

Industry outlook

Opportunities & Challenges

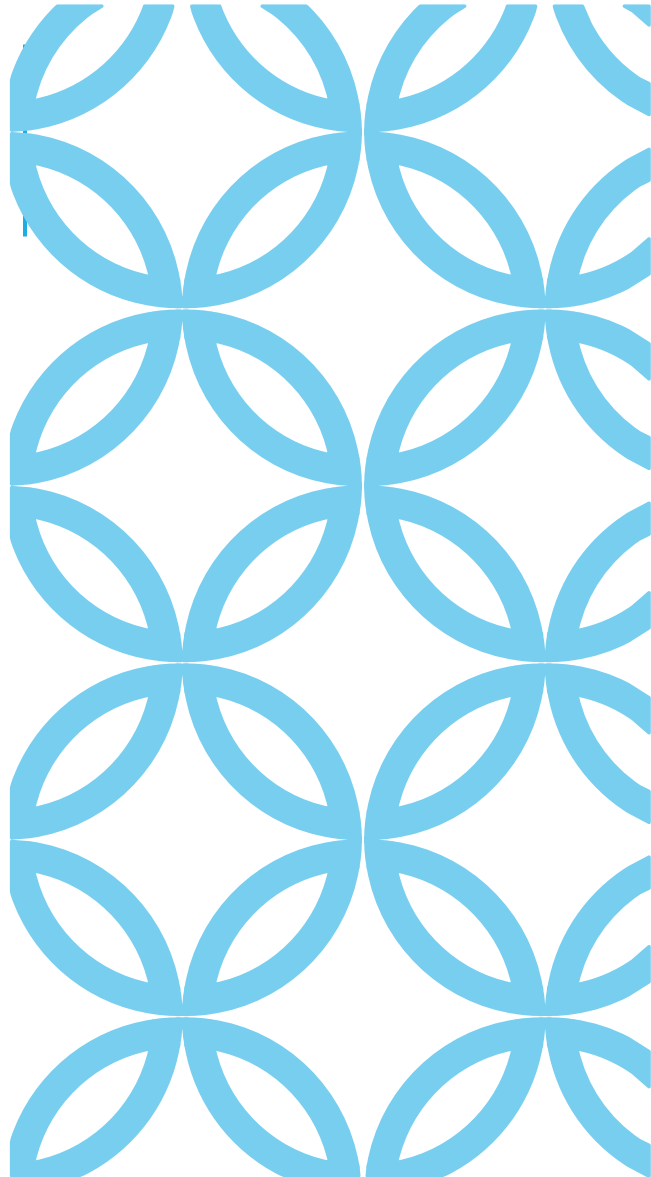
Future Outlook



Introduction

- PG Group founded in Year 1977 for Electronics components manufacturing.
- In 1995, a TV manufacturing plant was set up in Noida, In 1997, started manufacturing Color TVs & Audio Products.
- In 1999, PG Group set up a PCB Assembly Line at Noida. In 2003, Started Plastic Injection Molding Plant.
- In 2008, got first tender from Tamilnadu Govt for supplying CTV & supplied 2 million CTV in 3 years.
- In 2015, installed Blow molding up to capacity of 80Ltr.
- In 2016, Installed new Tool room as a separate profit center.
- In 2016, Installed Mobile Phone manufacturing units in Pune.
- Today, more than 130 Horizontal and Vertical type Plastic Injection Molding Machines.
- Trusted Supplier for 4-Wheeler & 2-Wheeler Automobile Plastic Parts (Tier – 2) from Yr 2011.

Introduction – PG Group presence



Presence in
Different Fields

PLASTIC MOLDING FOR CONSUMER DURABLES & AUTOMOTIVE PARTS



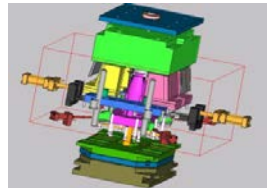
FINAL ASSEMBLY OF AIR COOLERS, WASHING MACHINE, LED TV, STBs



PRINTED CIRCUIT BOARD ASSEMBLIES

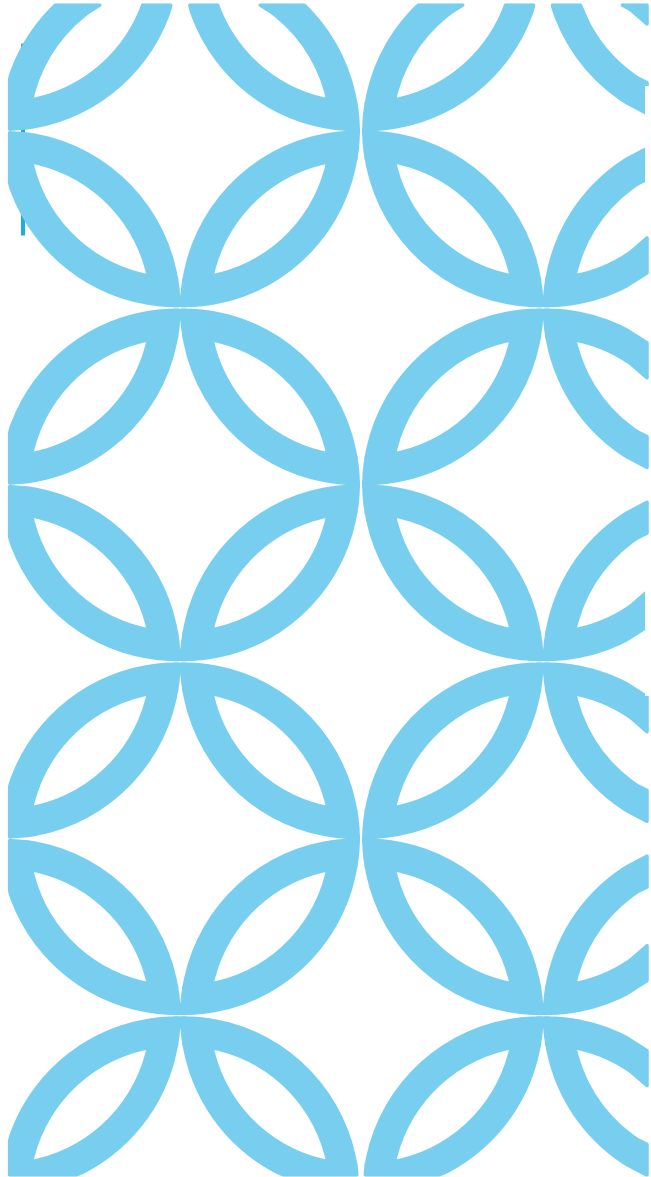


PLASTIC INJECTION TOOL DESIGNING AND MANUFACTURING



MOBILE PHONE ASSEMBLY





Introduction- Customer list

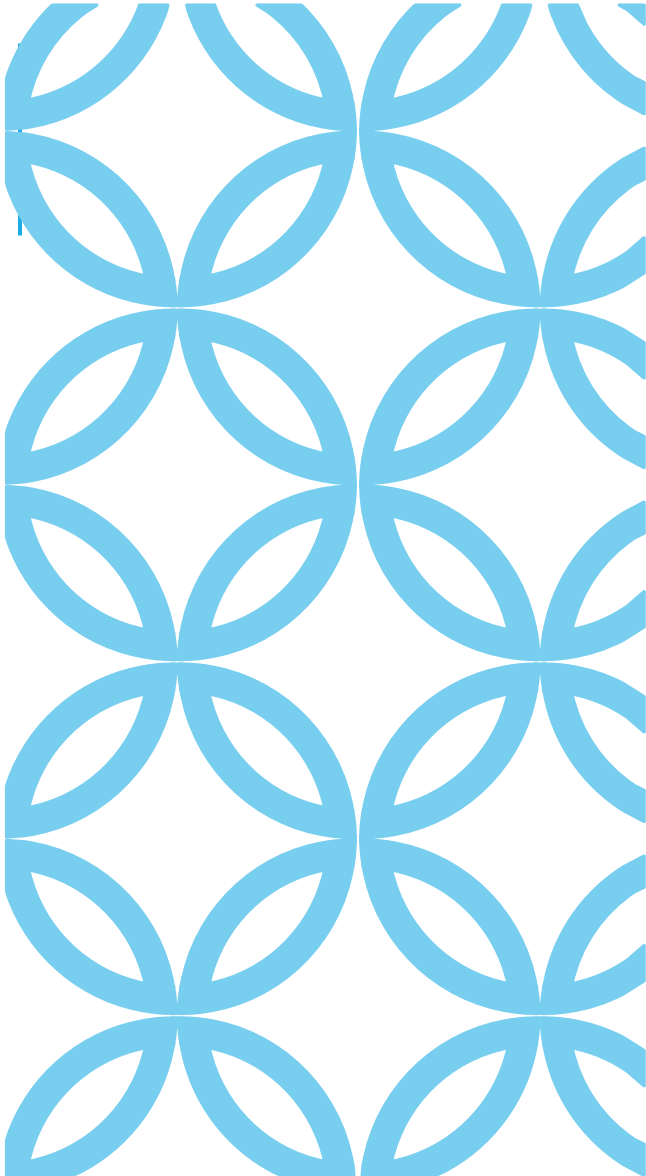


12MFY 2019 Profit & Loss Highlights

(₹ million)	Q4	Q3	Q4	Growth (%)		12M	12M	Growth (%) YoY
	FY2018	FY2019	FY2019	Q-o-Q	Y-o-Y	FY2018	FY2019	
Revenue	1,178.78	1,076.30	1,707.28	58.63%	44.83%	4,047.3	5,115.42	26.39%
EBITDA	66.72	56.93	130.96	130.03%	96.27%	298.67	338.56	13.36%
Net Profit	28.30	(3.37)	63.45	NA	124.19%	74.85	99.42	32.83%
Diluted EPS (Rs.)	1.72	(0.21)	3.40	NA	97.27%	4.56	5.59	22.58%

- 4Q results improved significantly due to the improvement in all round business and past initiatives paying off
- 12M Revenue growth is 26% despite several factor impacting growth during the year like weak summer season in 1H and NBFC crisis in 2H
- EBITDA growth of 13% in 12M2019 due to provision of doubtful interest on ICD and start up costs on new initiatives
- PAT growth of 33% in 12M2018

12M FY2019 Balance Sheet



A. EQUITY AND LIABILITIES	As at 31.03.2019	As at 31.03.2018	B ASSETS	As at 31.03.2019	As at 31.03.2018
(a) Share capital	186.54	164.14	(a) Fixed assets	1,920.59	1,785.15
(b) Reserves and surplus	1,503.67	1,144.09	(b) Capital Work in Progress	335.38	229.38
Sub-Total - Shareholders' Funds	1,690.22	1,308.23	(c) Other Financial Assets	82.12	49.64
(a) Long-term borrowings	501.33	795.83	(d) Other non-current assets	14.69	50.16
(b) Long-term provisions	39.82	33.09	Sub-Total - Non-Current Assets	2,352.78	2,114.32
Sub-Total - Non-Current Liabilities	541.15	828.92	(a) Inventories	682.53	593.11
(a) Short-term borrowings	681.3	356.0	(b) Trade receivables	847.07	507.08
(b) Trade payables	915.0	649.5	(c) Cash and cash equivalents	63.73	41.28
(c) Other current liabilities	286.4	329.2	(d) Short-term loans and advances	41.30	69.12
(d) Short-term provisions	14.90	8.67	(e) Other current assets	141.61	155.64
Sub-Total - Current Liabilities	1,897.64	1,343.39	Sub-Total - Current Assets	1,776.23	1,366.22
TOTAL - EQUITY AND LIABILITIES	4,129.01	3,480.54	TOTAL-ASSETS	4,129.01	3,480.54

- Working capital management remains the focus area of the company and turnover ratios are improving gradually
- Balance sheet is further strengthened – Promoters converted Rs 280 mn outstanding loan into Equity

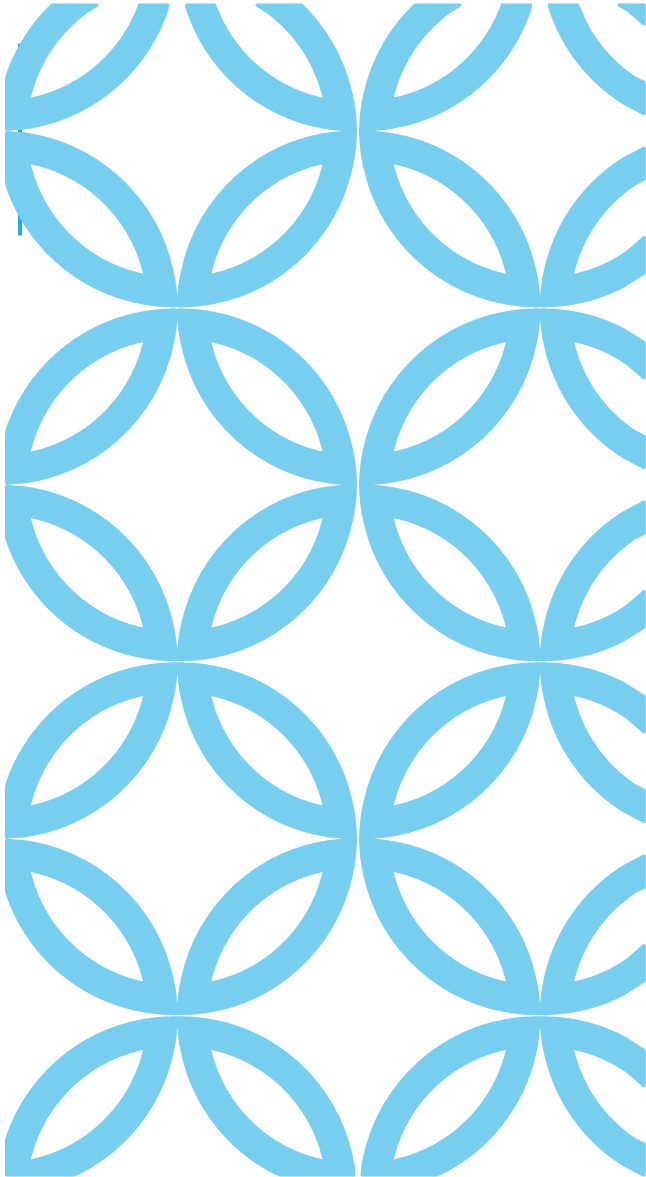
Financial Metrics

Key Ratios	Q4 FY2018	Q3 FY2019	Q4 FY2019	12M FY2018	12M FY2019
EBITDA Margin (%)	5.66%	5.29%	7.67%	7.38%	6.62%
Effective Tax Rate (%)	-46.78%	0.00%	3.26%	0.00%	2.10%
Net Profit Margin (%)	2.40%	-0.31%	3.72%	1.85%	1.94%
ROCE (%)	6.90%	4.00%	5.39%	6.90%	5.39%
DSO (Days)	46	46	59.6	46	59.6

- Improving business mix and operating leverage is leading to operational EBITDA margins improvement. Reported margins impacted by volatile forex and raw material prices, provisions on doubtful interest on ICD and several start up costs of new initiatives.
- Ramp up in the business to drive the profitability and Return ratios further

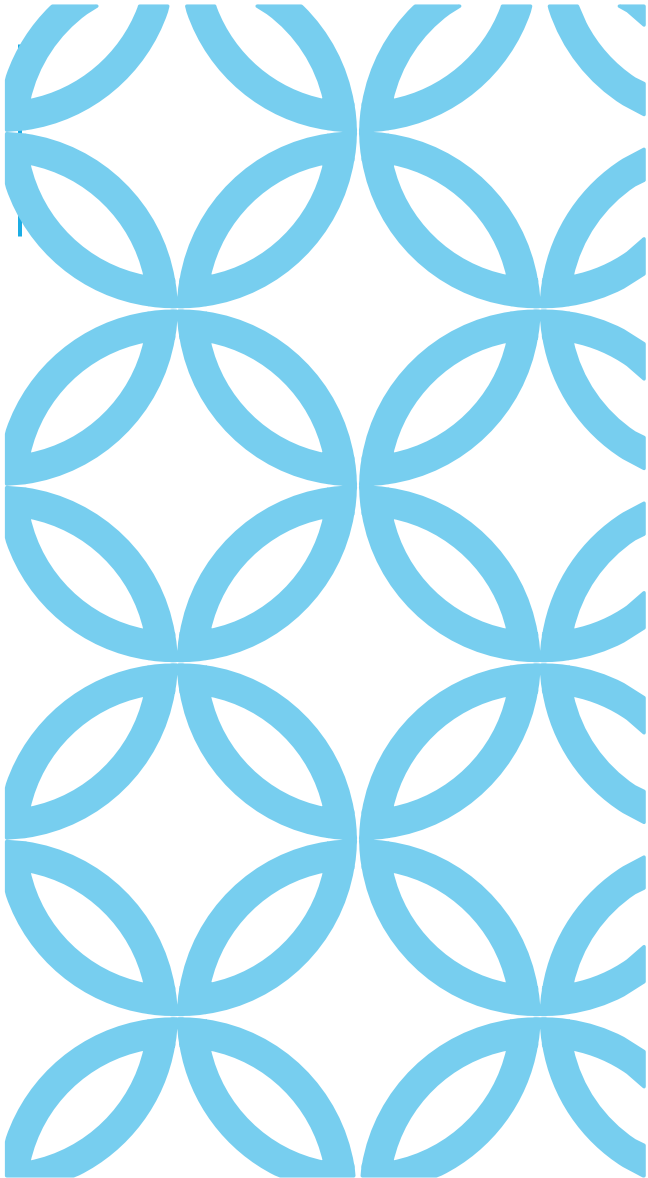
Major Highlights of FY2019

- PGEL's foray into ODM model by launching its own washing machine has panned out well. In management opinion this will be the major strength and growth driver for the company in coming years
- The Tool room for making moulds was ramped up further during the year and is a unique capability of PG Electroplast, which places company at advantage to the competition.
- Company has entered into the IDU segment in the Room AC market and has started assembling the IDU for major OEMs. This will be another growth driver in coming years for the company.
- The late onset of summer and lower temperature in the northern belt led to lower offtake of Coolers and AC parts for the company in the 1H, thus impacting the sales and in 2H NBFC crisis impacted the white good industry and company's sales.
- Also start-up costs of new initiatives volatile forex and raw material markets have impacted the margins in FY19
- Overall FY19 was a strong year despite all odds and company has done well in terms of sales, Profits and balance sheet strengthening.

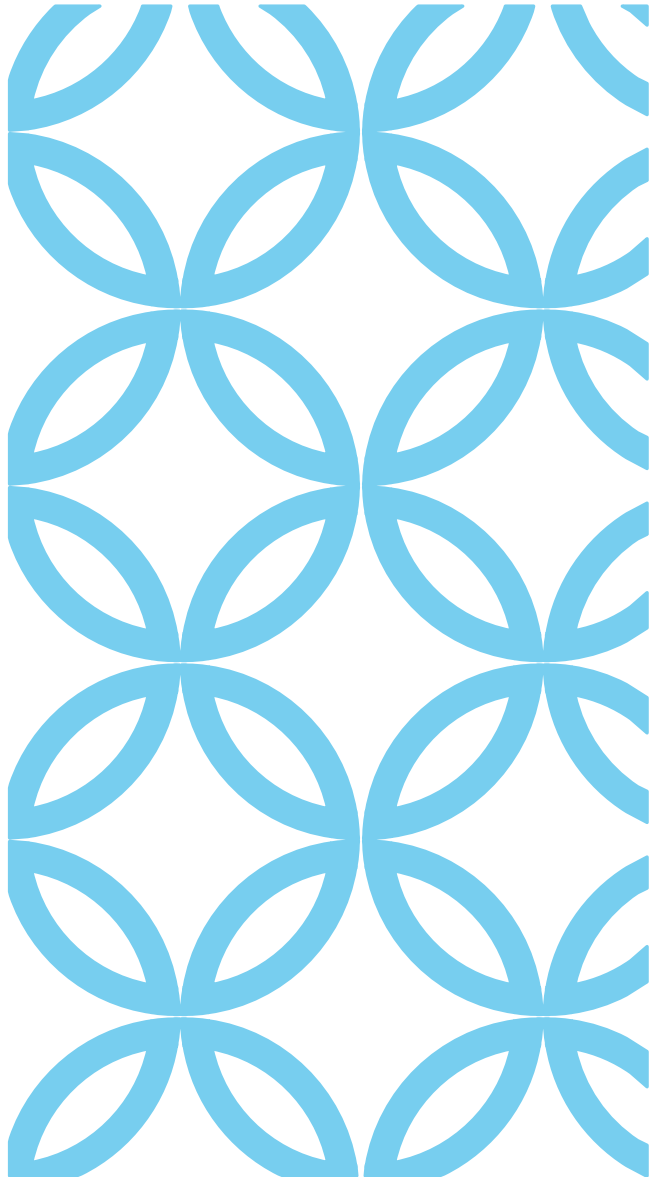


Industry Outlook

- Government reforms such as Digital India, Make in India, Jan Dhan-Aadhar-Mobile Trinity and Power for all are providing fresh impetus to the Consumer appliance and durable Industry
- The Rapid rate of urbanisation, 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 life style 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 the electronic manufacturing and treating the industry as one of the key pillars of the Digital India Programme, opens new and exciting opportunities for the Industry
- **In Managements opinion, overall Industry opportunity remains large and substantial. The management sees high and exciting growth rates for the Industry.**



Opportunities and Challenges

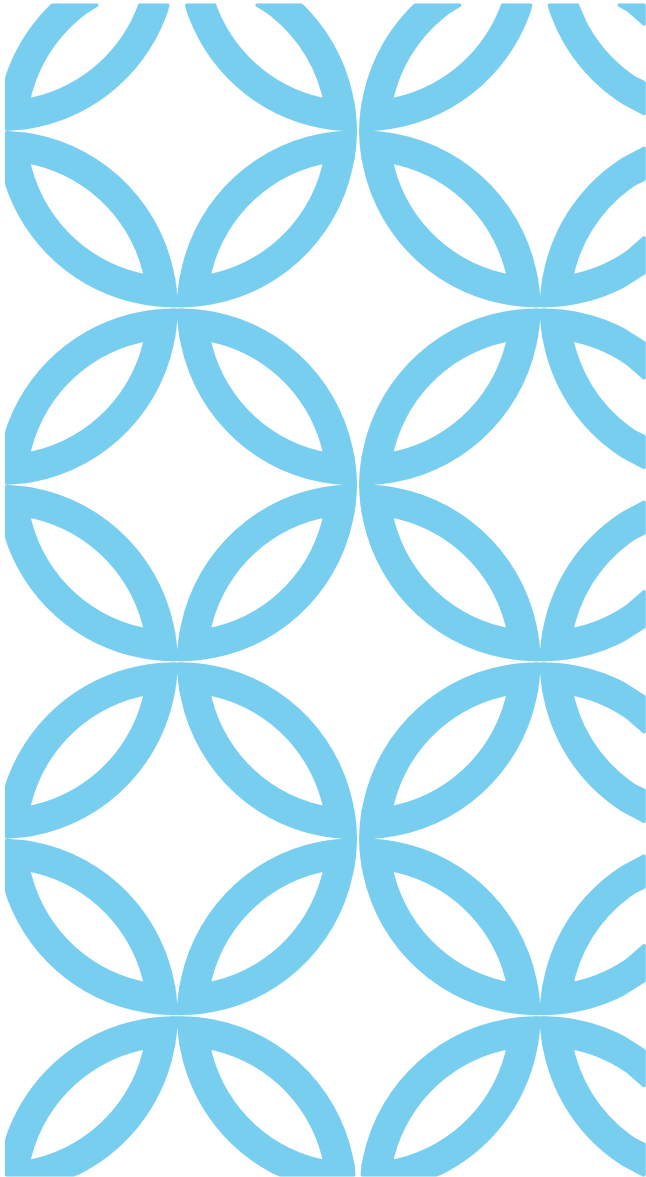


- PG Electronics has been a pioneer in the consumer durables Industry and is seeing large opportunities in plastic moulding in following product categories
 - Washing machines
 - Air conditioner
 - Refrigerators
 - Ceiling Fans
 - Sanitary ware products
- In addition to the above company sees opportunities in ODM space in Air coolers, Washing machines and LED TVs.
- Growing opportunities, improving operational efficiencies coupled with strengthened balance sheet for the company is leading to better profitability and cash flows and consequently company is back in Investment mode and is judiciously and strategically investing in capacities and capabilities to reap the benefits of huge opportunity in coming years.

Future Outlook

Management sees increased opportunities in the existing and new clients and based on the current business environment. With new capacities and newly installed PU paint and tooling capabilities, company is uniquely positioned in the consumer durable & automotive plastics space in India. In coming quarters , company aspires

- To have Industry leading growth in the Revenues
- Gradual improvement in margins due to operational efficiencies and operating leverage
- Better capital efficiency due to improving cash flows and balance sheet optimisation



THANK YOU

For any queries, please contact:
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