

## Steadfastly moving ahead

Delhi (India), May 28, 2022: 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

“All Engines of growth for PG are firing and the investments in building Capacities & Capabilities is now bearing fruit. Over 100% growth in both the Room AC and the Washing machines businesses, along with a robust outlook for future growth makes us believe that the Company is on its way to become the dominant player in its areas of focus.

We continue to invest in product development, R&D, and in enhancing capacities for the product business with the aim to deliver superior growth in the future. All our products and solutions have received great responses from markets in FY2022, making us confident that our products businesses have very bright prospects.” said Mr. Vikas Gupta, Managing Director-Operations of the company

March 31<sup>st</sup>, 2022, as approved by its Board of Directors.

### Key Financial Highlights:

#### Quarter ended Mar. 31, FY2022

- Net Sale for the quarter were Rs 4998 million – a growth of 51.7% YoY.
- Quarterly EBITDA stood at Rs 524.6 million versus Rs 252.8 million in 4QFY2021 – a growth of 107.5%.
- Quarterly Net profit stood at Rs 276.3 million versus Rs 104.4million in 4QFY2021.

#### 12-Month ended Mar. 31, FY2022

- Net Revenues were Rs 10977 million – growth of 56.1% YoY.
- EBITDA for FY2022 stood at Rs 927 million versus Rs 524 million – growth of 77.0%.
- Net profit for FY2022 stood at Rs 374.4 million versus Rs 116.1 million – a growth of 222.0%.

## Other Highlights

FY2022 was a landmark year with several milestones achieved:

- During the year company raised the growth capital of INR76.6 crores from Marquee Investors
- The Product business contributed 53% of the total revenues in 4QFY22 and 44% for FY2022. The Product business grew 177% YoY for the quarter and for FY2022 growth is 146%. The Washing machines business for the quarter grew 187% YoY and for FY2022 growth is 119%, while the AC product Business grew 195% for the quarter and 185% for FY2022. Our order book for product business remains robust and the company is on track to scale the product business significantly in FY2023.
- Developed, validated, and launched successfully new ODM platforms and products for Washing Machines (WM,) Room ACs (RAC) and Air Coolers.
- PGEL doubled its WM capacity and launched its fully automatic platforms for WM. Also, the business was shifted from Noida to Roorkee.
- Through the 100% subsidiary – PG Technoplast Ltd (PGTL), the company applied and got approved for AC components PLI scheme of the Government of India. PGTL has committed fourth largest investment in Room AC PLI.
- PGTL built and commissioned a world class RAC components and RAC Assembly unit in Supa, Maharashtra. The project was completed in a record time of 165 days and is the first greenfield plant to begin operations under the PLI scheme. It has the largest capacity for manufacturing Air Conditioners in Western India. The plant is also one of the most backwards integrated AC manufacturing units in India today, with in-house manufacturing of plastic moulded components, painted and unpainted sheet metal components, heat exchangers for indoor units and outdoor units, integrated copper tubing shop and cross flow fan manufacturing.
- In the very first season of Operations, PGTL has been able to add 7 leading brands in the RAC for its ODM models.
- PGEL re-started the TV assembly business.
- During the quarter, despite low margin TV & Electronics business contributing 9% of the total revenues, operational EBITDA margins improved by 85 bps QoQ due to operational leverage.
- Significant enquiries and commitment for new business are being witnessed across business segments and addition of new client businesses is picking up across all segments.
- Company plans to further invest in significant capacity enhancement in FY2023 in the product business for future sales growth and further backwards integration.

## 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.
- Better capital efficiency resulting from improved cash flows & balance sheet optimization.

## Specific guidance for FY2023

- Sales guidance of INR 1800 crores which is a growth of 64% over FY2022 consolidated sales and operating profit guidance of INR 125 crores which is a growth of 69% over FY2022 operating profit of Rs 74.5 crores.
- The growth in product business i.e., Washing Machines, Room Air conditioners and Coolers is Expected to be ~120% to Rs 1050 crores from INR478 crores in FY2022.
- Capex for FY2023 will also be in the range of 130-140 crores and Company will double washing machines capacity, while also further expand RAC capacity to 200,000 Indoor Units and 100,000 outdoor units, along with further backward integration by adding the set up for RAC controllers.

## About PG Electroplast Ltd.

PG Electroplast [NSE: PGEL] is a trusted partner for Electronic Manufacturing Services and Plastic Moulding 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 in the Electronic Manufacturing Services (EMS).

## *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](http://www.pgel.in)

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