# Q1 2024

**1. Financial Performance and Strategy**

- **Narrative:** Management expressed confidence in achieving long-term revenue growth despite a sluggish macroeconomic environment. Specific short-term projections for Q1 2024 are absent; however, long-term targets are mentioned, potentially influencing Q1 actions and resource allocation. There is also discussion of maintaining EBITDA margins from the previous year.

- **Management's Guidance:**

- Long-term revenue target of 15-20% CAGR over the next 3-4 years. Maintaining EBITDA margins at the previous year's level. Discussion of PAT growth expectations (10-15%) for the year, although the specific impact on Q1 isn't explicitly stated.

- **Actual Results:**

**['Q4', '2024']:**

- In Q4 2024, revenue was Rs. 877.4 cr (20.2% YoY increase). Overseas revenue increased by 21% YoY, while India revenue grew by 17% YoY. FY24 revenue was Rs. 3,436.2 Crs (48.8% YoY increase). FY24 Adj. EBITDA was Rs. 316.4 crores (22.5% YoY increase), with a margin of 9.2% (100 bps YoY improvement). Q4FY24 Adj. EBITDA was Rs. 83.9 crores (30.8% YoY increase), with a margin of 9.6% (80 bps YoY improvement). There are conflicting reports on FY24 revenue growth, with some sources indicating an 8.8% YoY increase and others showing a 13.6% YoY decrease. Further investigation is needed to reconcile these discrepancies.

**['Q1', '2024']:**

- Q1 FY24 revenue increased by 5% year-on-year to INR 894 crores. EBITDA margin expanded by 140 bps year-on-year to 9.3%. PAT for the quarter was INR 47.4 crores.

**['Q3', '2024']:**

- In Q3 2024, revenue showed conflicting results. Some sources reported a 1.8% decrease YoY, while others indicated a 20% increase in overseas revenue due to sales growth in Bangladesh and Vietnam. There were also reports of a 5.4% YoY increase in 9M FY24 revenue. The Adjusted EBITDA margin for Q3 FY24 was 9.7%, compared to 10.2% in Q3 FY23. For 9M FY24, the adjusted EBITDA margin was 9.1%, representing a 120 bps YoY improvement. PAT margin for Q3 was 4.8%.

**['Q2', '2024']:**

- H1 FY24 revenue grew 8% year-on-year to Rs. 1,854.8 crores. Q2 FY24 revenue increased by 12% year-on-year to Rs. 960.6 crores. However, standalone revenue for H1 FY24 was down 24% year-on-year, and Q2 FY24 standalone revenue dropped 23% year-on-year. These results reflect a mixed performance, with consolidated revenue exceeding expectations but standalone performance falling short.

- **Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': "While Q1 revenue growth was positive, it's impossible to definitively assess whether it met or exceeded expectations due to the lack of specific short-term revenue guidance for Q1 and the absence of a comparable Q1 PAT target against which to measure actual results."}

**2. Operational Efficiency and Expansion**

- **Narrative:** PGIL highlights a significant capital expenditure plan related to a Guatemalan subsidiary acquisition. The expansion aims to increase production capacity significantly, boosting future revenue. The timeline for capex spending and capacity increase is detailed, directly impacting Q1 2024 and beyond.

- **Management's Guidance:**

- 25% of capex on the Guatemalan facility to be incurred by the end of March 2024. Significant capacity expansion (from 3 to 12 lines) in the Guatemalan subsidiary, projecting a substantial increase in annual revenue ($3.8 million to $20 million). Facility scaling up and completion expected within Q2 or Q3 of the next financial year.

- **Actual Results:**

**['Q4', '2024']:**

- No Q4 2024 actual results related to this theme are provided in the data.

**['Q1', '2024']:**

- No specific Q1 2024 actual results related to capex spending or capacity expansion in Guatemala are provided in the data.

**['Q3', '2024']:**

- In Q3 2024, INR 50 crores of the total INR 90 crores committed capex was spent on capacity enhancement in Bangladesh. An additional INR 10 crores was used for machinery replacement. INR 30 crores was allocated towards automation and modern laundry equipment in Bangladesh. Capacity in Central America remained limited compared to Asia. Bangladesh factory capacity utilization was 44%.

**['Q2', '2024']:**

- No specific Q2 2024 actual results related to capex spending or capacity increase in Guatemala are provided in the data.

- **Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'The provided data lacks information on Q1 2024 capex spending or capacity expansion in Guatemala, preventing an evaluation of whether the company met or exceeded expectations.'}

**3. Customer Relationships and Market Presence**

- **Narrative:** Management comments on the expectation of normalization of the overseas market, implying potential impact on future revenue streams, although not specifically for Q1. There's mention of a stable policy regime benefitting exporters until March 2024.

- **Management's Guidance:**

- Expectation of overseas market normalization during the spring/summer season (impacting future quarters).

- **Actual Results:**

**['Q4', '2024']:**

- No Q4 2024 actual results related to this theme are provided in the data.

**['Q1', '2024']:**

- The provided data does not contain actual results for Q1 2024 related to overseas market normalization. However, there's mention of revenue contributions from long-term clients (c92b2fef8ac4f4dd8754e7f3846c6c8c) and the geographical revenue split (6db66b570232054afbaf073388150b7b). Further details on market performance are found in citations (d59f00c9abaa74203331312de12bd5f4, 9620459c3bb155abb25f3aeb4d0e81cf) but these are broader market trends rather than specific company results.

**['Q3', '2024']:**

- In Q3 2024, overseas revenue increased by 20% due to growth in sales in Bangladesh and Vietnam. However, there's mention of clients buying 30-40% less when facing inventory issues.

**['Q2', '2024']:**

- No specific Q2 2024 actual results related to overseas market normalization are provided in the data.

- **Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': "The Q1 2024 data does not provide information on overseas market normalization, making it impossible to assess performance against management's expectations."}

**4. External Factors and Market Outlook**

- **Narrative:** The impact of macroeconomic conditions and the expectation of export growth are mentioned, but not directly tied to specific Q1 impacts. The long-term outlook of the Indian textile export market is included.

- **Management's Guidance:**

- Indian textile exports are expected to grow at ~11% CAGR to reach $65 billion by 2026.

- **Actual Results:**

**['Q4', '2024']:**

- No Q4 2024 actual results related to this theme are provided in the data.

**['Q1', '2024']:**

- No Q1 2024 actual results are provided that directly address this long-term outlook. However, the data includes information on broader market trends that may be relevant (9620459c3bb155abb25f3aeb4d0e81cf).

**['Q3', '2024']:**

- No specific Q3 2024 results directly related to this theme are available in the provided data.

**['Q2', '2024']:**

- No specific Q2 2024 actual results related to Indian textile export growth are provided in the data.

- **Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'The provided data lacks Q1 2024 results related to the long-term outlook for Indian textile exports, preventing an assessment of performance against expectations.'}