



Global | Collaborative | Digital | Ethical

PDSL/SE/2022-23/126

May 16, 2022

<b>Listing Department</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai -400 051 <b>Scrip Symbol: PDSL</b>	<b>Corporate Relationship Department</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 <b>Scrip Code: 538730</b>
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**Re: ISIN - INE111Q01013**

**Sub: Investor's Presentation for the announcement of the Financial Results for the Quarter and Year ended March 31, 2022, i.e., Q4 - FY2021-22 Earnings Release**

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Investor's Presentation of PDS Limited for the announcement of the Financial Results for the quarter and year ended March 31, 2022, i.e., FY 2021-22 Earnings Release.

We request you to kindly take the above information on record for the purpose of dissemination to the shareholders.

Thanking you,

Yours faithfully,  
for **PDS Limited**  
(Erstwhile PDS Multinational Fashions Limited)



**Abhishekh Kanoi**  
**Head of Legal & Company Secretary**  
ICSI Membership No.: F-9530

Encl.: a/a

**PDS Limited**

(Erstwhile PDS Multinational Fashions Limited)

**Corporate Office:** Unit No. 971, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri East, Mumbai 400093, Maharashtra, India. ☎ +91 2241441100

**Registered Office:** No. 758 & 759, 2nd Floor, 19th Main, Sector-2, HSR Layout, Bangalore 560102, Karnataka, India. ☎ +91 8067653000

CIN: L18101KA2011PLC094125 🌐 [www.pdsmultinational.com](http://www.pdsmultinational.com) 📧 [info@pdsmultinational.com](mailto:info@pdsmultinational.com)



# Investor Update

Quarter & Full Year Ended March 2022

May 2022

*Strictly Private & Confidential*

# Safe Harbour

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Power Of The PDS Platform



Giving Back To The Society



Key Business Updates



Business & Financial  
Performance Overview



Gearing for a \$2.5bn enterprise  
over the next 4-5 years



Stock Price Performance



Initiatives To Strengthen The  
Platform for this journey



Annexure – Numbers in USD (\$)



## Power of the PDS Platform

# Power of the PDS Platform

This Quarter & Full Year Overview



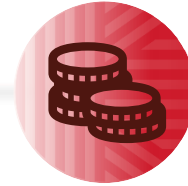
₹2,775cr |  
\$370mn

Q4 Topline



57% Y-o-Y

Q4 Topline Growth



₹86cr |  
\$11mn

Q4 PAT



24% Y-o-Y

Q4 PAT Growth



-ve 3 days  
Net working cap



38% | 31%  
ROCE & ROE



-ve ₹41cr |  
-ve \$5mn  
Net Debt



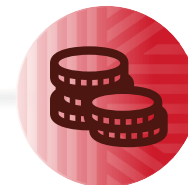
₹8,828cr |  
\$1,185mn

FY Topline



42% Y-o-Y

FY Topline Growth



₹293cr |  
\$39mn

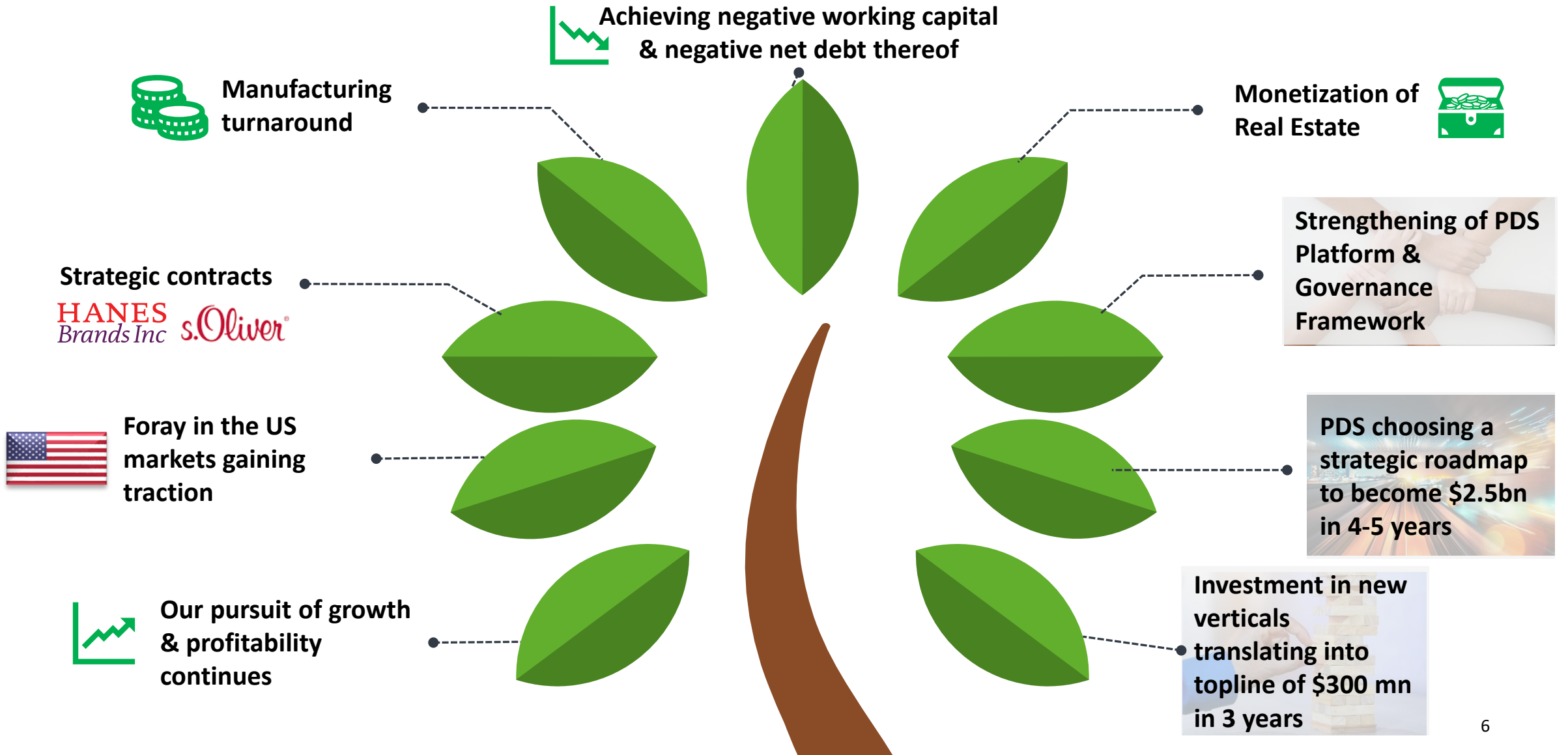
FY PAT



97% Y-o-Y

FY PAT Growth

# Key takeaways for FY2021-22





# Key Business Updates





# Consciously monitoring macro developments (1/2)

## Increase in Input Costs & Freight

Fabric Prices



- ❑ While cotton prices increased ~60% between October 21 and April 22, **yarn prices went up by ~33%**
- ❑ Cotton prices for major markets are **trading at multi-year peaks**
- ❑ Cotton prices saw the largest jump in the later months of 2021
  - ❑ Primarily due **to supply chain bottlenecks** and lagging supply in the market
- ❑ **Festive demand** also contributed to pushing up the prices

Freight Cost

- ❑ **Container freight rates skyrocketed** amid a surge in demand for container shipping and **limited capacity** including container shortages and congestion at ports
- ❑ Additionally, **restrictive measures on airspace**, contractor uncertainty and security concerns are **weighing down on already stretched global supply chains**
- ❑ As per the UNCTAD simulation, consumer prices of **textiles and apparel could rise by as much as 10.2%**

### Container freight rates as per Freightos Baltic Index:

Freight costs	Global	Asia – US (West Coast)	Asia – US (East Coast)	Asia – North Europe	North Europe – US (East Coast)
1 May, 2022	\$8,963	\$15,552	\$17,148	\$10,836	\$6,972
<b>Increase vs Last Year</b>	<b>105%</b>	<b>162%</b>	<b>176%</b>	<b>40%</b>	<b>103%</b>

# Consciously monitoring macro developments (2/2)

Geo-political pressures in some geographies further adding to the complexities



## Russia Ukraine Conflict

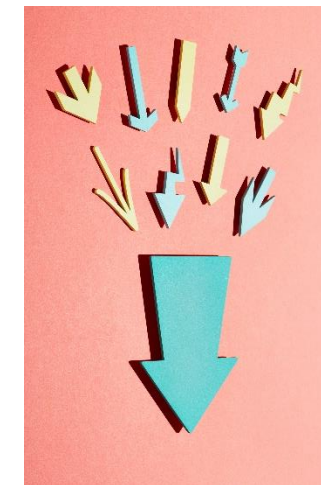
1. There has been limited direct impact on PDS since we do not operate in these geographies
2. However, there is a rub-off effect across the EU region resulting in an increase in fuel, freight, and inflation thereof



## Sri Lanka Turmoil

1. Economic turmoil in Sri Lanka has resulted in high rates of inflation, shortages in commodities, and power outages
2. PDS extended a special relief package to all associates based in Sri Lanka
3. Continuation of the situation is making customers wary of the risks and consider alternatives

**NORLANKA** (Sri Lanka vertical) has an advantage as its financing is from Hong Kong, hence not impacted by Sri Lanka banking crisis. Established factories now want to operate via Norlanka instead of working directly with clients due to working capital support provided by PDS



Various geopolitical factors have led to supply chain disruptions

This has further put pressure on fuel prices, already rising raw material costs, and freight amongst others

The pressure is being felt across the value chain and impacting margins and offtake

**Navigate with cautious optimism, in a sustainable and efficient manner**



# Focus Continues on Expanding Geographic Footprint

Gaining Momentum in the United States | Making inroads Australia



> 2 years ago:

**9%**  
of topline

In FY22:

**16%**  
of topline

Potential:

**>20%**  
of topline



PDS opened its doors to the new  
**Hanes x PDS**  
office in Bangladesh



Expanding the network to  
the Australian region

# Sourcing as a Service Model

Long term strategic collaborations – a testament to our capabilities



- Geography
- Marquee Associations
- Territories
- Potential



**HANES**  
*Brands Inc*

Exclusive: Bangladesh  
Non-Exclusive: India |  
Pakistan | Egypt

**\$400 mn |**  
**₹3,000 cr**



*s.Oliver*<sup>®</sup>

Exclusive:  
India | Sri Lanka

**\$50 mn |**  
**₹375 cr**



**Strong Financials and  
Risk Management  
Capabilities**



**Design Led  
Sustainable and  
Responsible Sourcing**



**Right Product, Right  
Market and Right  
Factory**



**Compliant and  
Transparent Supply  
Chain**

# Entered Binding Agreements with UK-based licensing co. – expanding into high margin categories



## SUNNY UP

- Poetic Brands, PDS's UK-based subsidiary, specializing in adults, kids, and babywear licensed apparel catering to multi-product ranges to Europe's largest retailers
- Entered into a binding agreement\* to acquire a 100% stake in Sunny Up Limited ("Sunny Up")
- UK-based licensing business holds the exclusive European license for Stan Ray and other distribution rights
- With this acquisition, Poetic Brands which currently operates with a ₹260cr (\$35mn) topline will expand its licensed portfolio to include Stan Ray
- Poetic Brands will enter into a new long-term licensing agreement for the exclusive rights of the Stan Ray brand & other distribution rights





# Manufacturing delivered profits

Focus on achieving 5% PBT (over 2 years) by driving efficiencies

## Measures Put in place for driving efficiencies

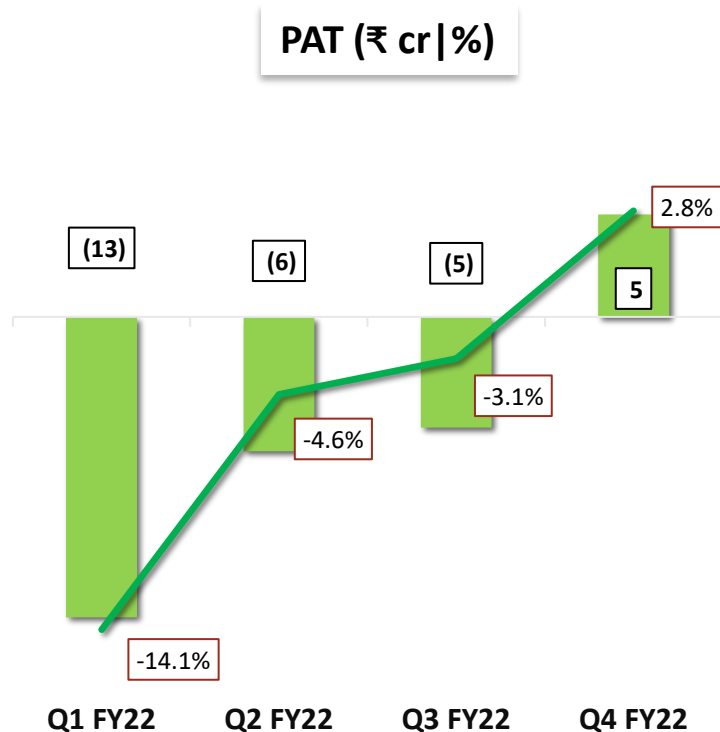
Improved run size mix – Long Run vs Short Run

Improved run product style mix

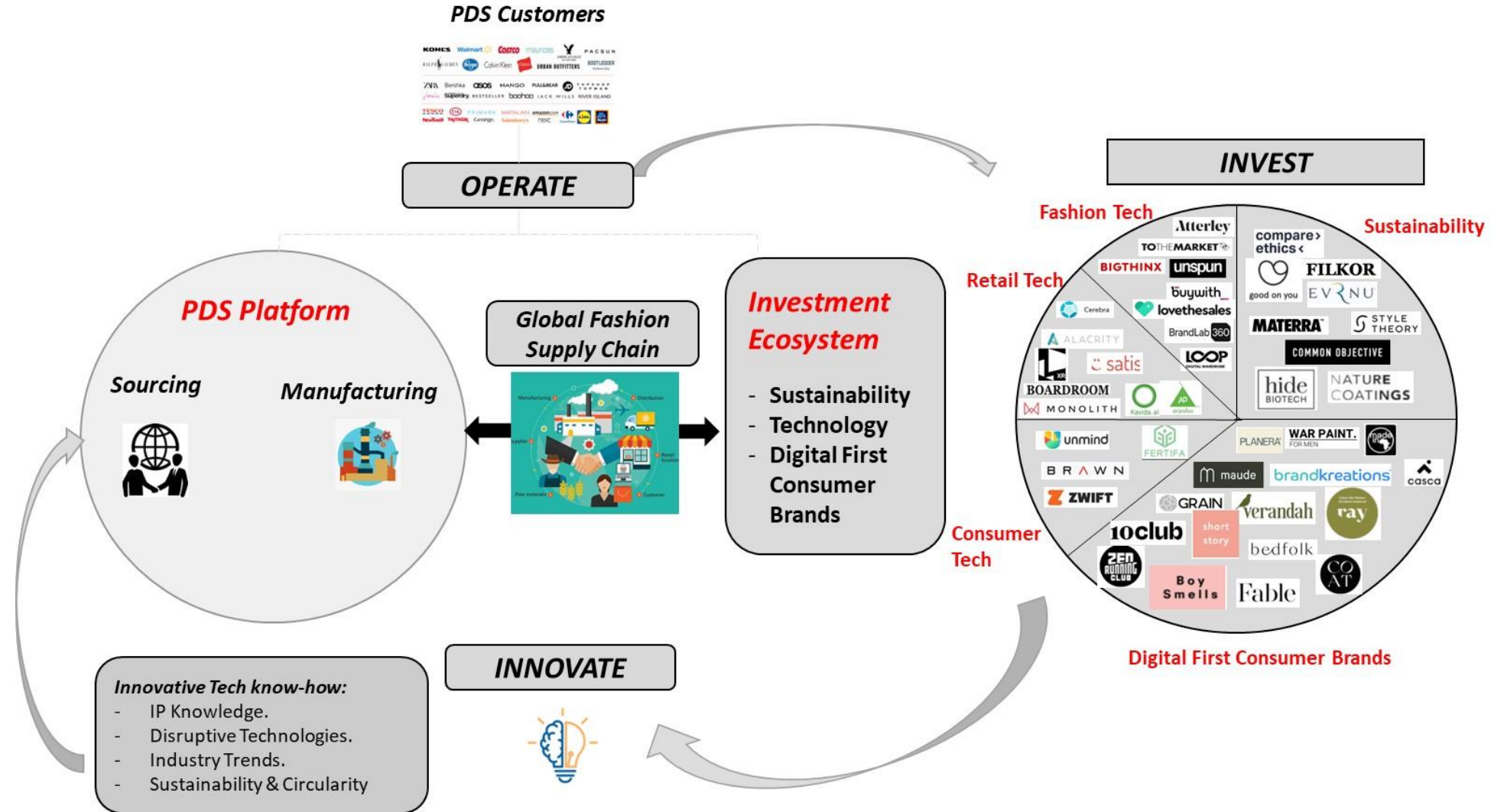
Improved Supply chain & longer lead time

Improved planning through use of Industrial Engineering

Enhanced focus on operational initiatives such as line balancing, training, risk analysis etc.



# Ecosystem Collaborating with Venture Tech Portfolio

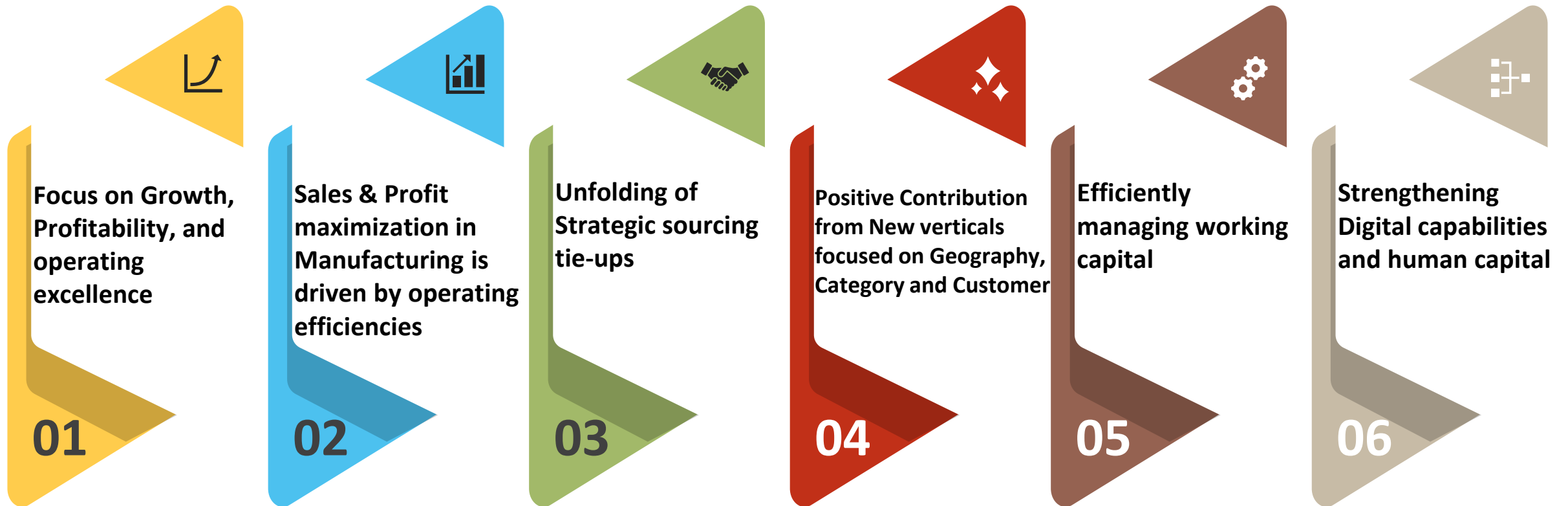




Gearing for a \$2.5bn enterprise over the next 4-5 years



# Building Blocks as PDS aspires to reach \$2.5bn over the next 4-5 years



## Stringent Risk Management Constituents




# Initiatives to Strengthen the Platform for this journey

1. Expanding and Strengthening our Sourcing Capabilities
2. Building a Tech-savvy PDS Platform
3. Partnering with global agencies for best practices
4. Integrating teams



# Expanding and Strengthening our Sourcing Capabilities

Global apparel consumption will touch \$2.0 trillion

Region	CAGR
EU-28	1%
2019	337
2025	367
 US	2%
2019	235
2025	265
 China	11%
2019	181
2025	340
 India	12%
2019	78
2025	135

Expected to continue on the growth trajectory

Global factors driving the value chain

1. China + 1
2. Benefits of FTA
3. Incentives rolled out by various nations to boost Apparel Manufacturing and Exports
4. Near shoring



Given PDS focus on expanding into categories and geographies, it is imperative to also expand on sourcing & manufacturing footprint

1. Evaluating new locations (Central and South America) for servicing the US markets, offering shorter lead times
2. Evaluate Turkey, Jordan, Egypt are key to meet shorter lead time demand
3. With the Indian government rolling out incentive plans and China+1 playing out, India is gaining traction
4. Established a team in Vietnam – need to drive higher collaboration from existing businesses or identify a new business head to drive customer acquisition

# Building a Tech-savvy PDS Platform

**Digital**, a key pillar of PDS as data & analytics will drive a synchronized function across geographies and verticals

## 1 EY Assessment

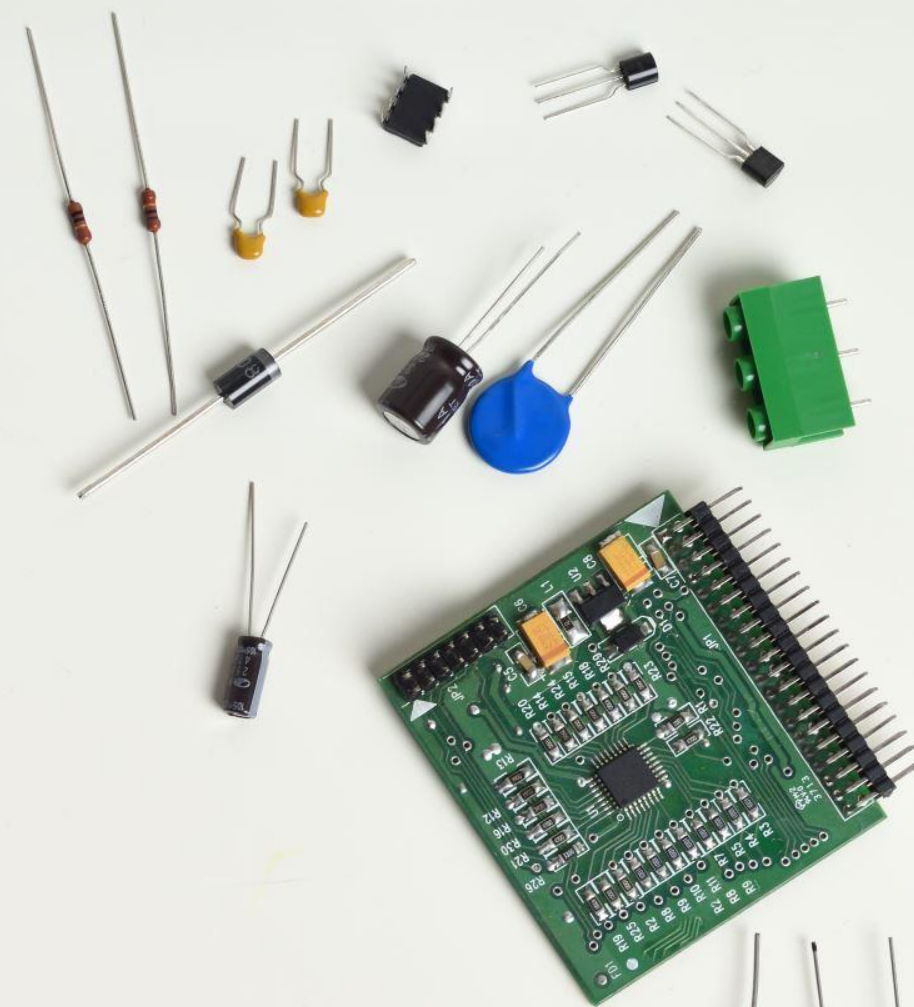
of our digital and IT footprint

EY Recommendation:

1. Standardizing our global IT Systems and Network
2. Preparing ourselves for any disruptions in the business model

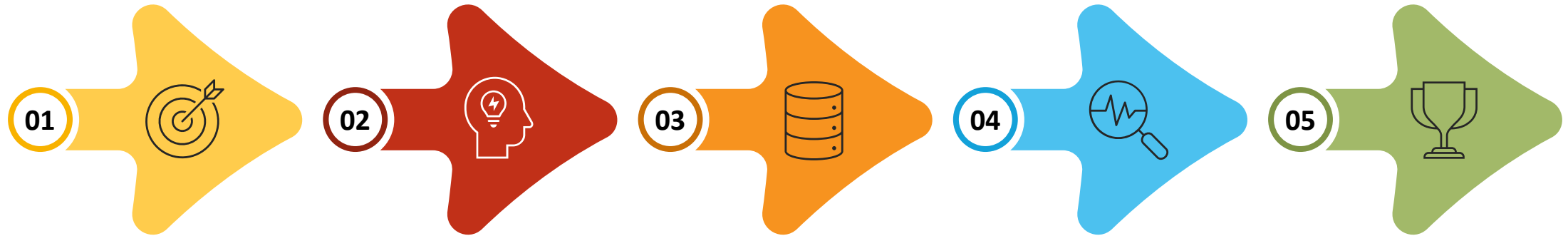
## 2 SAP – Application Maintenance is being outsourced to PriceWaterhouseCoopers

## 3 On-boarded Group CIO from IBM, reinforcing PDS' commitment to the "Digital" pillar and a future-ready PDS Platform.



# Partnering with **Deloitte**. for Best Practices

PDS is committed to assessing and elevating the Group's Ethics Program and Framework



**2020**

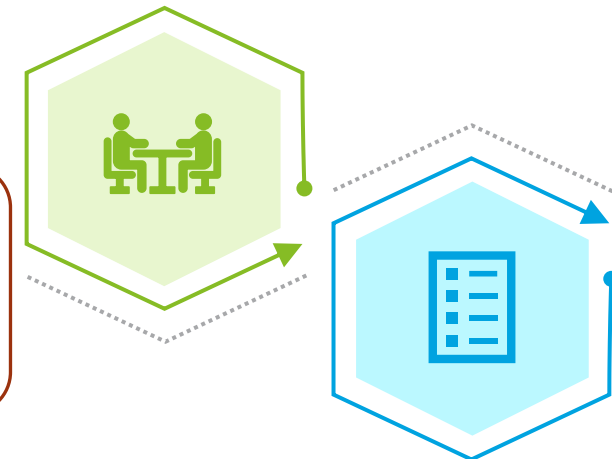
Appointed Deloitte to assist in reviewing its Code of Conduct and Policies

**2021 / 2022**

Compendium of documents was designed as a part of this exercise

Refreshing the Compendium to make the Compendium of documents future-oriented by conducting **Discussions with Key stakeholders** and **benchmarking Global Best Practices**

PDS Group may conduct its next review of the Code of Conduct and Policies in 2024.





# Initiatives to strengthen & integrate teams (1/2)

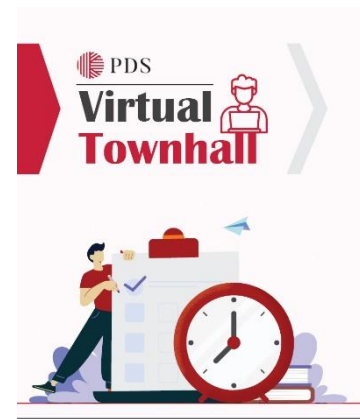
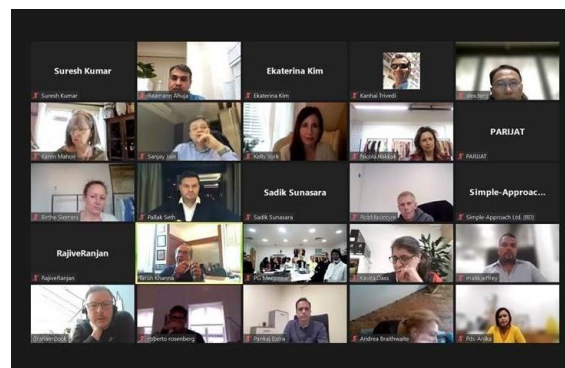


86% Respondents across the world

71 – Trust Index Points  
77 – Overall Score

Higher scores than industry average

Employees strong emotional connect with the Organization



Vaccination Drives & Fair Price Shops in Bangladesh

# Initiatives to strengthen & integrate teams (2/2)



#BreakTheBias



## PDS Giving Back to the Society



# Our Commitment to Continue to Drive the Sustainability Agenda




As well as closing the 16 pending goals / targets from 2021 / 2022. These 20 Business Units have committed to deliver on a further;

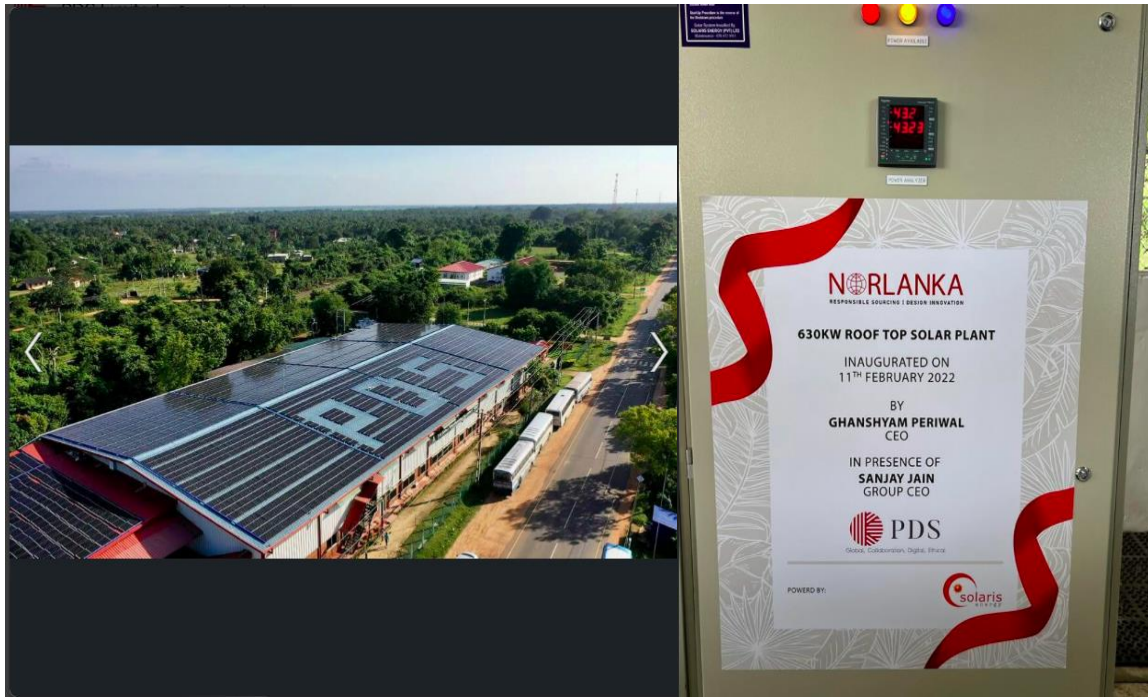
**163**

Sustainability goals / targets for 2022 / 2023!

Logos included: Poeticgem, TECHNO DESIGN, DESIGN ARC, simple approach, zamira Fashion Limited, NORLANKA, spring, KRAYONS, clover collections, KSL, SOURCING SOLUTIONS PAKISTAN, NORWEST, Grupo Sourcing Ltd., PDS FASHIONS, STYLEBERRY, FAREAST VOGUE, PDS Manufacturing, GSSL, NORLANKA MANUFACTURING, BUSINESS OF FASHION, JCraft Array Limited.

- Last year, PDS released its first Sustainability Report for FY21
- From **10** business units covered last year to **20** business units have committed to the sustainability agenda

# Upholding our commitment to the Environment



Renewable Energy Solar project in Trincomalee, Sri Lanka  
Generates 70,000 kWh of sustainable solar energy per month  
more than offsetting the energy consumed



Progress Apparels (Bangladesh) Ltd has 2102 trees planted  
inside the factory premises which is enable to produce  
546,520 Pound Oxygen per year.

# Our Priority- Safety and Welfare of Employees



- ❑ Managed a challenging year with the COVID-19 Pandemic
  - Regular Check-Ins with employees across the network
  - Flexible work pattern
- ❑ Quick turn around on Vaccination Drives across PDS Platform
- ❑ Launched Fair Price Shops in Bangladesh Facilities for easy access to essentials
- ❑ Continue to be vigilant, keeping all safety precautions in place



# Business & Financial Performance Overview

QUARTER AND FULL YEAR ENDED 31<sup>ST</sup> MARCH 2022

# Key Business Highlights – Q4 FY22



Achieved a topline of \$370mn (₹2,775cr) (57% growth compared to Q4 FY21)



1. Gross Margins of 15.1% (with a growth of 29%)
2. EBITDA has touched a \$14mn (₹103cr); with margins of 3.7%
3. PAT increased by 24% to \$11mn (₹86cr) compared to Q4 FY21



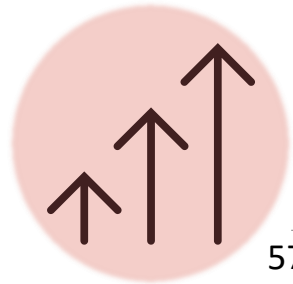
EBITDA includes the operating cost attributable to new businesses, on a net basis, the EBITDA impact is \$2mn (~₹16cr) | EBITDA (excluding new businesses) has increased from a reported 3.7% to an adjusted 4.5%



The manufacturing business has complete turnaround with high growth & bottom-line profitability in Q4 FY22

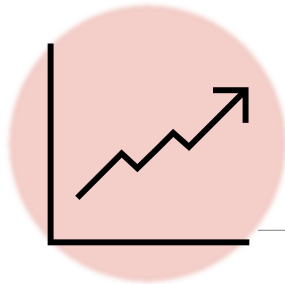
1. Topline of \$22mn (₹165cr) increased by 74% compared to Q4 FY21.
2. EBITDA was \$2mn (₹12cr) with margins of 7.2% vs a 4.3% EBITDA loss in Q4FY21
3. Compared to last year PAT losses of \$1mn (₹8cr) reported positive PAT of \$1mn (₹5cr) with margins of 2.7%
4. On the path to achieving 5% bottom-line target over 2 years

# Key Financial Highlights for this Quarter



**\$370mn**  
(₹2,775cr)

57% consolidated topline growth



**\$11mn**  
(₹86cr)

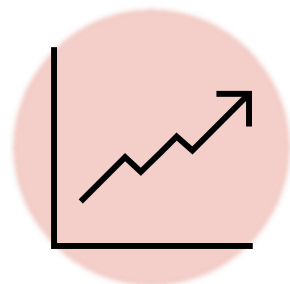
24% increase in PAT



**₹29.62**

vs ₹23.16 in Q4 FY21

Expansion in Basic EPS



**38%**

vs 26% in Q4 FY21

ROCE



**31%**

vs 21% in Q4 FY21

ROE

# Key Business Highlights –FY22



Achieved a topline of \$1,185mn (₹8,828cr) (42% growth compared to FY21)

1. Gross Margins of 16.2% (Gross Profit increased by 39% vs last year)
2. EBITDA of \$43mn (₹323cr; increased 40% compared to last year)
3. PAT increased by 97% to \$39mn (₹293cr) compared to FY21



EBITDA includes the operating cost attributable to new businesses, on net basis, the EBITDA impact is \$6mn (₹44cr) vs \$1mn (₹10cr last year); adjusting for new business EBITDA margin is c.4.3% vs 3.7% as reported



Manufacturing business is well on track to achieve full-year profitability in FY23

1. Topline \$73mn (₹547cr) growth of 92% compared to FY21.
2. Reported EBITDA of \$1mn (₹7cr) in FY22 compared to a loss of \$10mn (₹76cr) in FY21
3. PAT losses significantly declined from \$14mn (₹101cr) last year to \$3mn (₹20cr) (80% decline in losses compared to last year)



Process efficiencies and rigorous monitoring continue to be key focus for driving –ve working capital and manufacturing profitability

# Key Financial Highlights for FY22



**\$1,185mn**

(₹8,828cr)

42% consolidated topline growth



**₹95.38**

vs FY21 Full Year EPS of ₹32.37

Expansion in EPS



**\$39mn**

(₹293cr)

97% increase in PAT



**-ve \$5mn**

-ve (₹41cr)

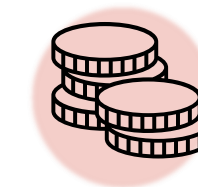
Net Debt declined by \$14mn  
(₹101cr) since FY21



**-ve 3 days**

Vs +ve 5 days in Mar'21

Net Working Capital Days



**₹23.85**

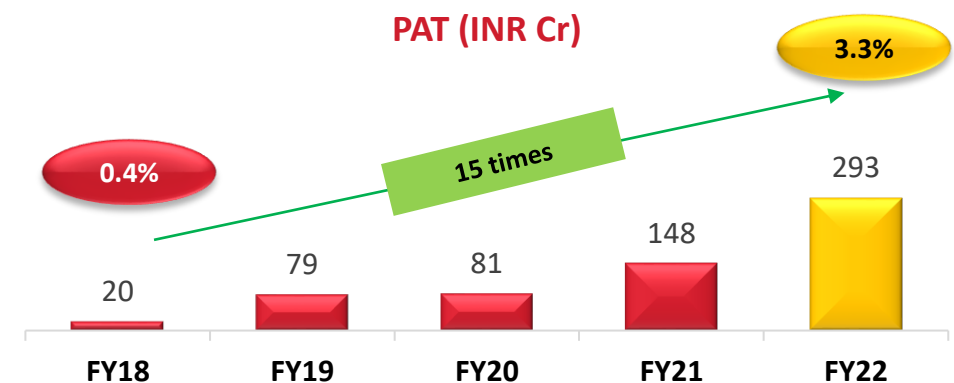
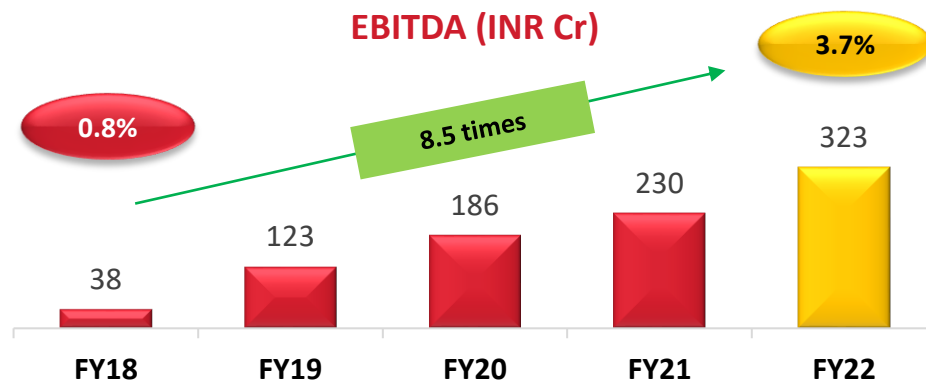
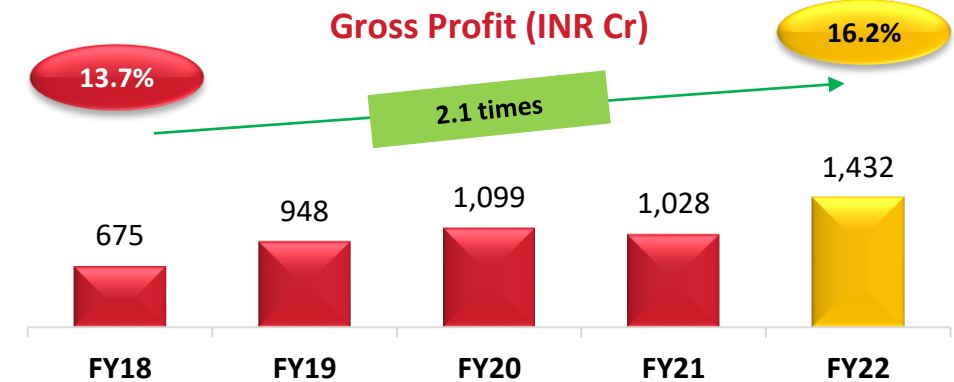
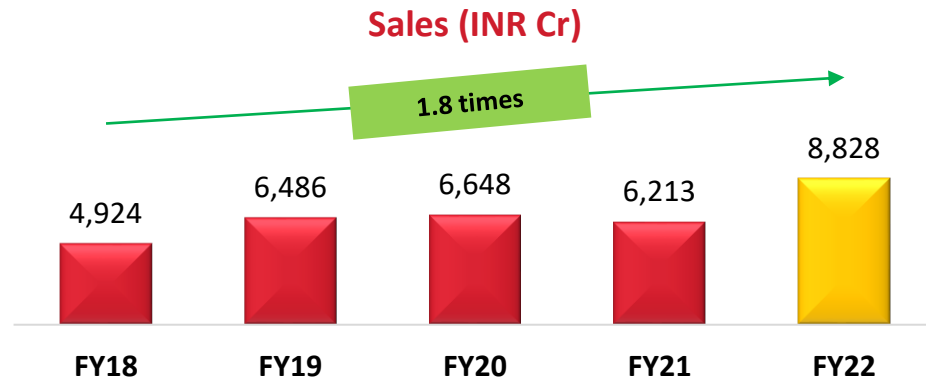
vs ₹15.75 in FY21

Dividend



# Performance over the last 5 years

Consistently delivered growth & profitability and have reported best FY22 performance

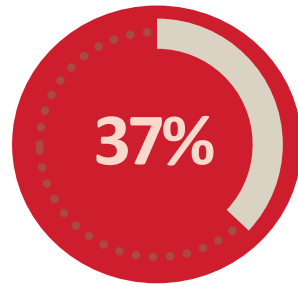


Margin %

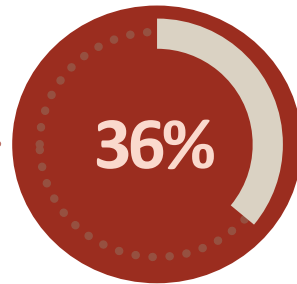
# Revenue Break up (FY22)\*



Category wise  
(% share)



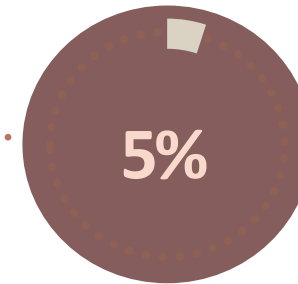
Men's wear



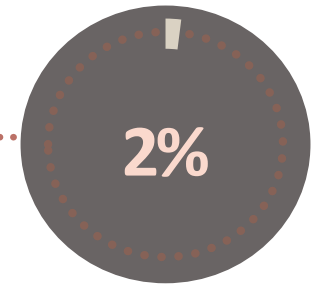
Women's wear



Children's wear



Essentials

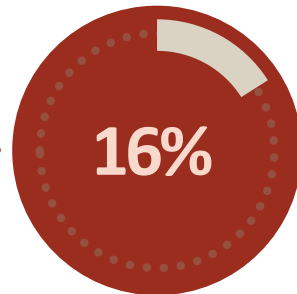


Others

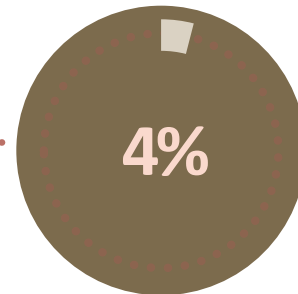
Geography wise  
(% share)



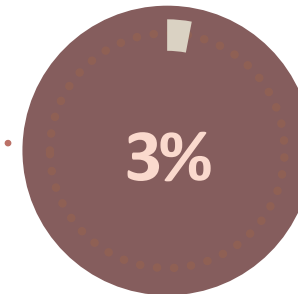
UK & Europe



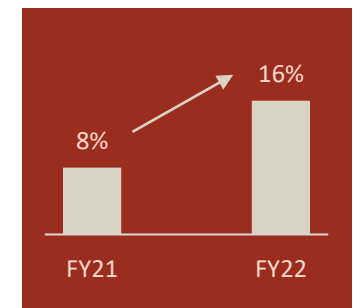
North America



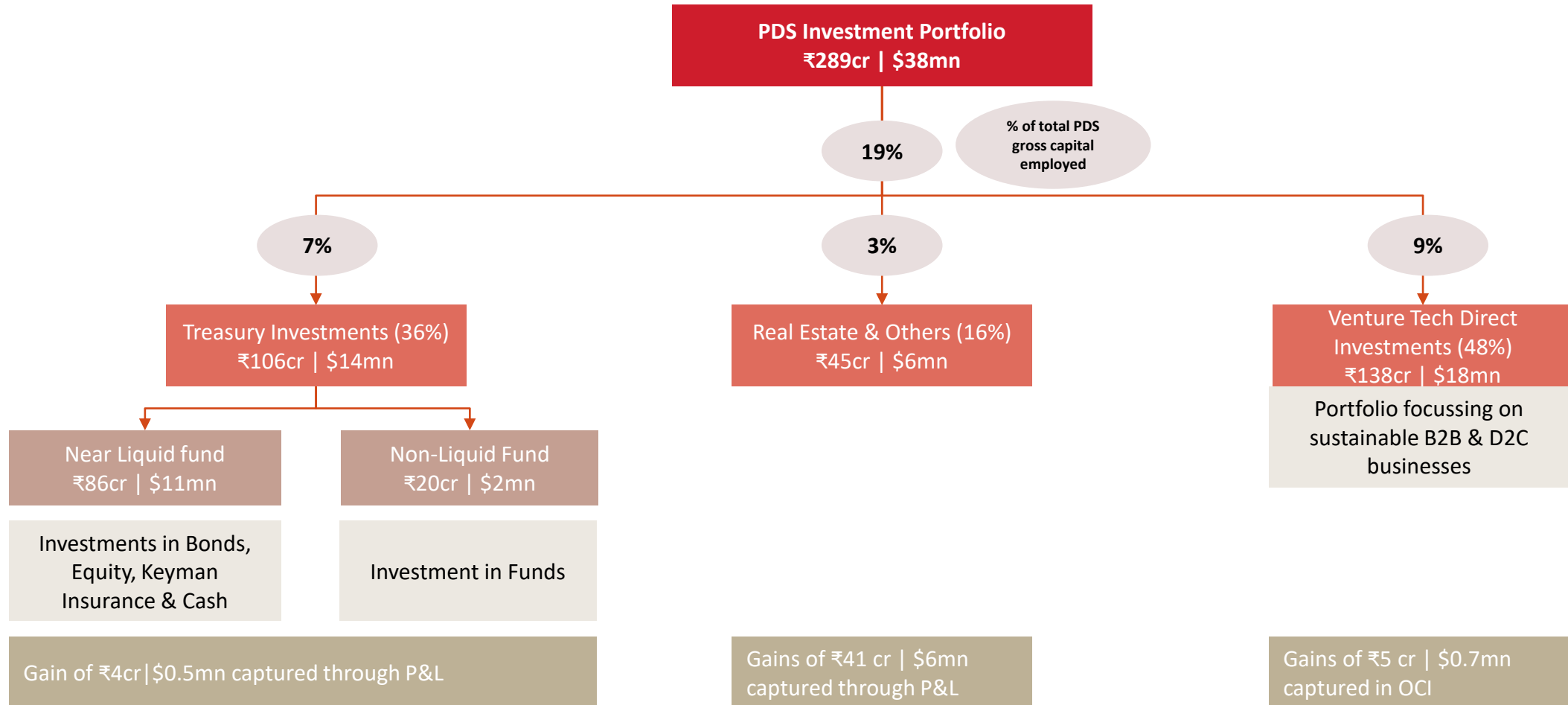
Asia & Middle  
East



Others



# Investment in PDS Ventures, Real Estate & others



# FY22 Performance Across Segments



	Sourcing	Manufacturing	PDS Venture Tech Investments <sup>#</sup>	PDS Consolidated
Revenue	\$1,142mn   ₹8,507cr up 40% vs LY	\$73mn   ₹547cr up 92% vs LY	\$0.3mn   ₹2cr Revenue captured in Other Income	<b>\$1,185mn</b> (₹8,828cr)
EBIT (Including other income)	\$42mn   ₹311cr up 3% vs LY	-\$2mn   -₹15cr down 85% vs LY	\$6mn   ₹43cr Rental, Treasury & Sale of Real Estate	<b>\$45mn</b> (₹339cr)
Gross Capital Employed (% of Total)	\$96mn   ₹731cr (47%)	\$71mn   ₹539cr (35%)	\$38mn   ₹289cr (19%)	<b>\$206mn</b> (₹1,559cr)
Net Capital Employed				<b>\$118mn</b> (₹895cr)
ROCE	43%*	-ve*	15%*	<b>38%</b>

\*based on gross capital employed | Consolidated ROCE based on net capital employed | PDS Consolidated numbers above are post eliminations. Growth rates are based on ₹ figures. # Includes others

# Consolidated Profit & Loss



₹ in cr, unless mentioned otherwise

Particulars	Quarter 4		Growth (Y-o-Y)	Quarter 3 FY22	Full year		Growth (Y-o-Y)
	FY22	FY21			FY22	FY21	
Income from Operations	2,775	1,765	57%	2,232	8,828	6,213	42%
COGS	2,356	1,440	64%	1,861	7,396	5,185	43%
<b>Gross Profit</b>	<b>419</b>	<b>325</b>	<b>29%</b>	<b>371</b>	<b>1,432</b>	<b>1,028</b>	<b>39%</b>
<b>Gross Margin (%)</b>	<b>15.1%</b>	<b>18.4%</b>	<b>-327 bps</b>	<b>16.6%</b>	<b>16.2%</b>	<b>16.5%</b>	<b>-32 bps</b>
Employee Expense	177	146	21%	154	621	414	50%
<i>% of Income from Operations</i>	<i>6.4%</i>	<i>8.3%</i>	<i>-191 bps</i>	<i>6.9%</i>	<i>7.0%</i>	<i>6.7%</i>	<i>37 bps</i>
Other Expenses	140	82	72%	115	489	383	27%
<i>% of Income from Operations</i>	<i>5.0%</i>	<i>4.6%</i>	<i>42 bps</i>	<i>5.2%</i>	<i>5.5%</i>	<i>6.2%</i>	<i>-64 bps</i>
<b>EBITDA</b>	<b>103</b>	<b>97</b>	<b>6%</b>	<b>101</b>	<b>323</b>	<b>230</b>	<b>40%</b>
<b>EBITDA Margin (%)</b>	<b>3.7%</b>	<b>5.5%</b>	<b>-178 bps</b>	<b>4.5%</b>	<b>3.7%</b>	<b>3.7%</b>	<b>-5 bps</b>
Depreciation	19	20	-5%	17	70	68	3%
Other Income	21	10	115%	5	86	37	130%
<b>EBIT</b>	<b>105</b>	<b>87</b>	<b>21%</b>	<b>89</b>	<b>339</b>	<b>200</b>	<b>70%</b>
<b>EBIT Margin (%)</b>	<b>3.8%</b>	<b>4.9%</b>	<b>-112 bps</b>	<b>4.0%</b>	<b>3.8%</b>	<b>3.2%</b>	<b>62 bps</b>
Finance Cost	11	5	112%	5	28.0	25.7	9%
Profit before exceptional items and tax	94	81	15%	85	311	174	79%
Add: Profit/(Loss) of Associates	-1	0		0	-1	-4	
Add: Exceptional items	0	0		0	0	0	
<b>Profit Before Tax</b>	<b>93</b>	<b>81</b>	<b>15%</b>	<b>85</b>	<b>310</b>	<b>170</b>	<b>82%</b>
Tax Expenses	7	11	-43%	4	17	22	-20%
<b>Profit After Tax</b>	<b>86</b>	<b>69</b>	<b>24%</b>	<b>81</b>	<b>293</b>	<b>148</b>	<b>97%</b>
<b>PAT Margin (%)</b>	<b>3.1%</b>	<b>3.9%</b>	<b>-83 bps</b>	<b>3.6%</b>	<b>3.3%</b>	<b>2.4%</b>	<b>93 bps</b>

## Key Highlights of performance:

### Q4 FY22 vs Q4 FY21:

- Income from Operations increased by 57%
- EBITDA Margin were impacted by negligible PPE sales in Q4 FY22, the impact of new business in the gestation phase, ESOP costs, increased freight costs attributable to LDP business
- PBT increased by 15% to ₹93cr
- PAT increased by 24%

### FY22 vs FY21:

- Income from Operations increased by 42%
- EBITDA increased by 40%; adjusting for ESOP costs the increase is 50% (translating into a 3.9% margin). Further, the margins also included the impact of new business, negligible PPE and increased freight costs
- PBT increased 82% to ₹310cr
- PAT increased 97% from ₹148cr to ₹293cr

# Consolidated Balance Sheet



₹ in cr, unless mentioned otherwise

Particulars	As on	
	31-Mar-22	31-Mar-21
<b>Non-Current Assets</b>	<b>787</b>	<b>594</b>
<b>Current Assets</b>	<b>2,611</b>	<b>1,752</b>
Inventories	305	197
Trade Receivables	1,421	910
Cash and cash equivalents	460	293
Other Bank Balances	205	137
Other Current Assets	220	214
<b>Total Assets</b>	<b>3,398</b>	<b>2,346</b>
<b>Total Equity</b>	<b>936</b>	<b>716</b>
<b>Non-Current Liabilities</b>	<b>112</b>	<b>66</b>
Borrowings	0	2
Other Non-Current Liabilities	112	64
<b>Current Liabilities</b>	<b>2,350</b>	<b>1,564</b>
Borrowings	623	488
Trade Payables	1,566	892
Other Current Liabilities	160	184
<b>Total Equity &amp; Liabilities</b>	<b>3,398</b>	<b>2,346</b>

Particulars	As on	
	31-Mar-22	31-Mar-21
<b>Calculated basis 'annualized' P&amp;L items</b>		
Inventory Days	15	14
Debtor Days	59	53
Payables Days	77	63
<b>NWC Days</b>	<b>-3</b>	<b>5</b>
<b>Total Debt</b>	<b>623</b>	<b>490</b>
<b>Net Debt</b>	<b>-41</b>	<b>59</b>

### Working Capital & Leverage Ratios:

1. In FY22, Net Working Capital Days by 8 days compared to FY21
2. Net Debt has decreased by ₹101 cr since FY21
3. With negative Net Debt, PDS operates at comfortable leverage ratios

### Return to Stakeholders:

1. ROCE has increased to 38% vs 26% last year
2. ROE has increased to 31% vs 21% last year

Note: Please see [slide 47](#) for financials in \$ mn

# Consolidated Cash Flow



₹ in cr, unless mentioned otherwise

Particulars	For the Period	
	FY2021-22	FY2020-21
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	310	170
Depreciation and amortization expense	70	68
Finance Costs	28	26
Gain on sale of subsidiary	-41	-4
(Increase)/Decrease in Net Current Assets & Others	35	120
<b>A. Total Cash Flow from Operating Activities</b>	<b>402</b>	<b>379</b>
<b>B. Cash Flow from Investing Activities</b>		
Capex	-44	-27
Proceeds from disposal of real estate	83	0
(Increase) / Decrease in bank deposits	-68	15
Investments in Venture Tech & Treasury	-85	-74
Investment in JVs & Subsidiaries & Others	-115	2
<b>B. Total Cash Flow from Investing Activities</b>	<b>-229</b>	<b>-83</b>
<b>(A+B) Total Cash Flow from Operating and Investing Activities</b>	<b>173</b>	<b>296</b>

Particulars	For the Period	
	FY2021-22	FY2020-21
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from borrowings (net)	127	-252
Interest paid	-27	-26
Payment of dividend to equity shareholders	-41	0
Payment of dividend to non-controlling interests	-55	-47
Payment of principal portion of lease liabilities & Others	-26	-21
<b>C. Total Cash Flow from Financing Activities</b>	<b>-22</b>	<b>-347</b>
<b>(A+B+C) Net increase / (decrease) in Cash and cash equivalent</b>	<b>151</b>	<b>-50</b>
Foreign exchange fluctuation & others	9	-5
Add: Cash and cash equivalent at the beginning	282	337
Add: Bank overdraft	17	11
<b>Cash and cash equivalent at the end</b>	<b>460</b>	<b>293</b>



Proposed Dividend



# Dividend Distribution –FY22



**Dividend distribution policy implemented for PDS stakeholders with an endeavor to pay at least 25% of Profits**

## **Dividend Distribution Philosophy:**

*The Company is committed to driving superior value creation for all its stakeholders. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium term and longer-term value creation. Accordingly, the dividend payout in each year will depend upon business performance, investment requirements of the annual operating plan for the year and any other strategic priorities identified by the Company.*

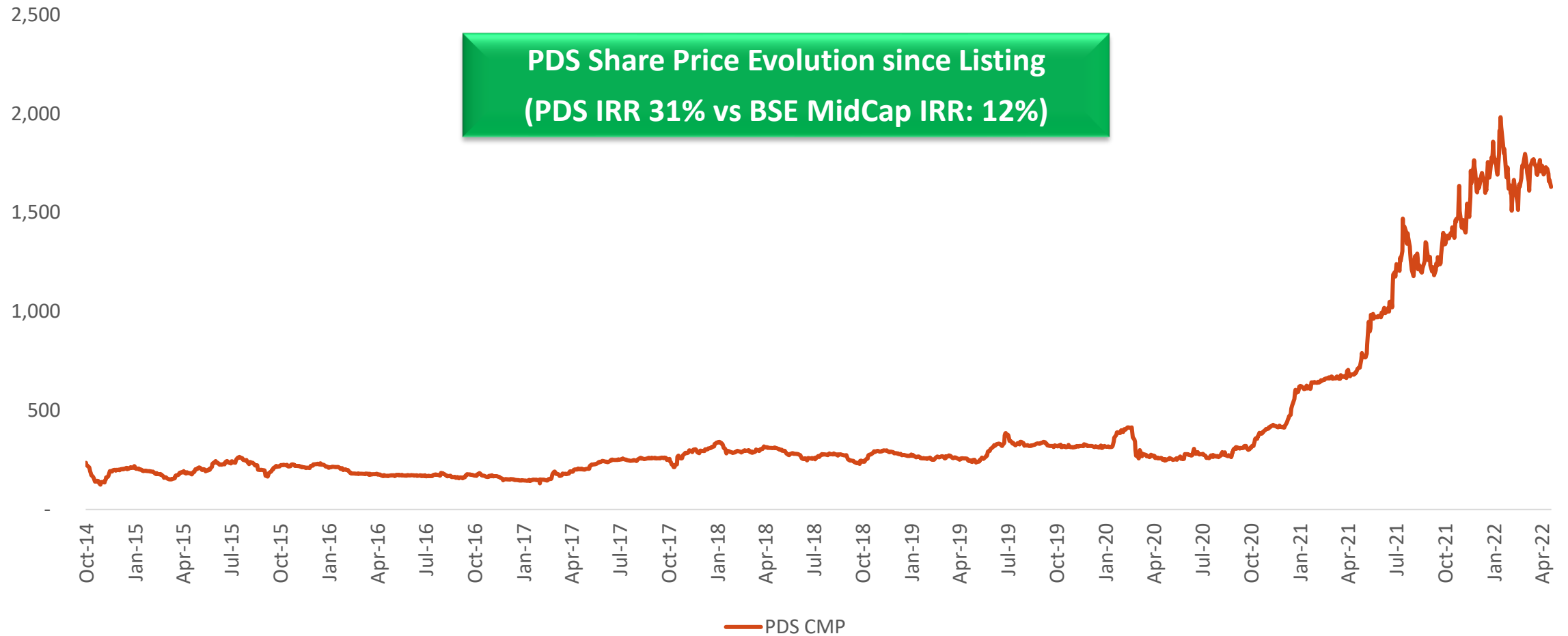
<b>Particulars (₹ cr, unless mentioned otherwise)</b>	<b>FY22</b>	<b>FY21</b>	<b>Growth %</b>
EPS per share (₹)	95.38	32.37	195%
<b>Pay-out Ratio of EPS</b>	25%	49%	
<b>Dividend Per share (₹)</b>	<b>23.85</b>	<b>15.75</b>	<b>51%</b>
Face value per share (₹)	10.00	10.00	
<b>Dividend %</b>	<b>238%</b>	<b>158%</b>	

The background is a blurred image of a stock price chart. A pen is visible in the upper right corner, pointing towards the chart. The chart shows a line graph with some data points and a dotted trend line. Numbers like '2.5' and '2.47' are visible on the chart. The overall image has a dark, blue-tinted overlay.

# PDS Stock Price Performance Since Listing

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# What PDS has achieved since listing?



Note: BSE Sensex and BSE MidCap XIRR calculated from October 2014 till 09 May 2022

Source: BSE



# PDS' Efforts have been recognized by the industry





Annexure



# Manufacturing delivered profits

Focus on achieving 5% PBT (over 2 years) by driving efficiencies

## Measures Put in place for driving efficiencies

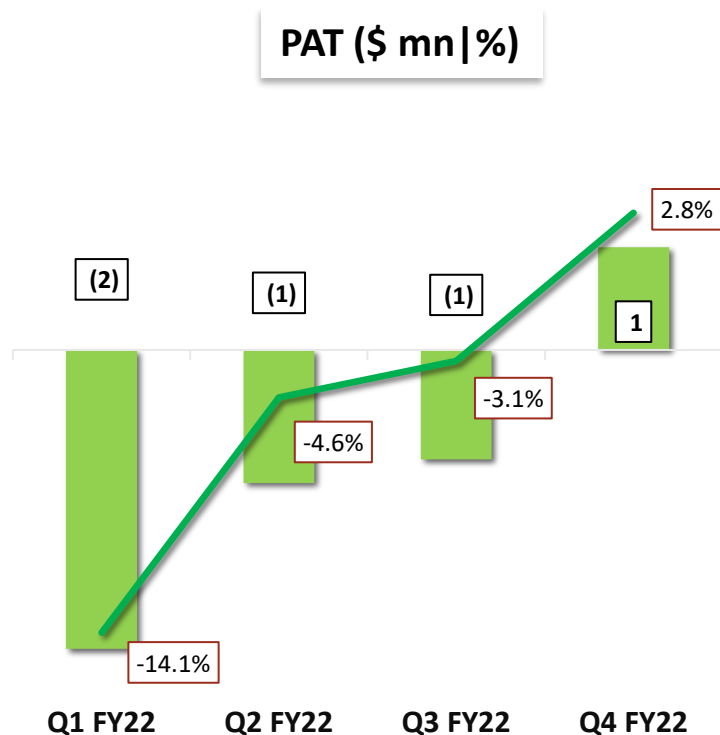
Improved run size mix – Long Run vs Short Run

Improved run product style mix

Improved Supply chain & longer lead time

Improved planning through use of Industrial Engineering

Enhanced focus on operational initiatives such as Line balancing, training, risk analysis etc.



# Consolidated Profit & Loss



US\$ in mn, unless mentioned otherwise

Particulars	Quarter 4		Growth (Y-o-Y)	Quarter 3 FY22	Full year		Growth (Y-o-Y)
	FY22	FY21			FY22	FY21	
Income from Operations	370	241	53%	298	1,185	837	42%
COGS	314	197	59%	248	993	699	42%
<b>Gross Profit</b>	<b>56</b>	<b>44</b>	<b>26%</b>	<b>50</b>	<b>192</b>	<b>138</b>	<b>39%</b>
<b>Gross Margin (%)</b>	<b>15.1%</b>	<b>18.3%</b>	<b>-325 bps</b>	<b>16.6%</b>	<b>16.2%</b>	<b>16.5%</b>	<b>-32 bps</b>
Employee Expense	24	20	18%	21	83	56	49%
% of Income from Operations	6.4%	8.2%	-189 bps	6.9%	7.0%	6.7%	37 bps
Other Expenses	19	11	66%	15	66	52	27%
% of Income from Operations	5.0%	4.7%	38 bps	5.2%	5.5%	6.2%	-64 bps
<b>EBITDA</b>	<b>14</b>	<b>13</b>	<b>4%</b>	<b>14</b>	<b>43</b>	<b>31</b>	<b>40%</b>
<b>EBITDA Margin (%)</b>	<b>3.7%</b>	<b>5.5%</b>	<b>-175 bps</b>	<b>4.5%</b>	<b>3.7%</b>	<b>3.7%</b>	<b>-5 bps</b>
Depreciation	3	3	-7%	2	9	9	3%
Other Income	3	1	108%	1	12	5	129%
<b>EBIT</b>	<b>14</b>	<b>12</b>	<b>19%</b>	<b>12</b>	<b>45</b>	<b>27</b>	<b>69%</b>
<b>EBIT Margin (%)</b>	<b>3.8%</b>	<b>4.9%</b>	<b>-109 bps</b>	<b>4.0%</b>	<b>3.8%</b>	<b>3.2%</b>	<b>62 bps</b>
Finance Cost	1.5	0.7	106%	1	4	3	8%
Profit before exceptional items and tax	13	11	13%	11	42	23	78%
Add: Profit/(Loss) of Associates	0	0		0	0	-1	
Add: Exceptional items	0	0		0	0	0	
<b>Profit Before Tax</b>	<b>12</b>	<b>11</b>	<b>13%</b>	<b>11</b>	<b>42</b>	<b>23</b>	<b>82%</b>
Tax Expenses	1	2	-44%	1	2	3	-20%
<b>Profit After Tax</b>	<b>11</b>	<b>9</b>	<b>22%</b>	<b>11</b>	<b>39</b>	<b>20</b>	<b>97%</b>
<b>PAT Margin (%)</b>	<b>3.1%</b>	<b>3.9%</b>	<b>-80 bps</b>	<b>3.6%</b>	<b>3.3%</b>	<b>2.4%</b>	<b>93 bps</b>

## Key Highlights of performance:

### Q4 FY22 vs Q4 FY21:

1. Income from Operations increased by 53%
2. EBITDA Margin were impacted by negligible PPE sales in Q4 FY22, the impact of new business in the gestation phase, ESOP costs, increased freight costs attributable to LDP business
3. PBT increased by 13% to \$12mn
4. PAT increased by 22%

### FY22 vs FY21:

1. Income from Operations increased by 42%
2. EBITDA increased by 40%; adjusting for ESOP costs the increase is 50% (translating into a 3.9% margin). Further, the margins also included the impact of new business, negligible PPE, and increased freight costs
3. PBT increased 82% to \$42mn
4. PAT increased 97% from \$20mn to \$39mn

# Consolidated Balance Sheet



US\$ in mn, unless mentioned otherwise

Particulars	As on	
	31-Mar-22	31-Mar-21
<b>Non-Current Assets</b>	<b>104</b>	<b>81</b>
<b>Current Assets</b>	<b>345</b>	<b>240</b>
Inventories	40	27
Trade Receivables	188	124
Cash and cash equivalents	61	40
Other Bank Balances	27	19
Other Current Assets	29	29
<b>Total Assets</b>	<b>448</b>	<b>321</b>
<b>Total Equity</b>	<b>124</b>	<b>98</b>
<b>Non-Current Liabilities</b>	<b>15</b>	<b>9</b>
Borrowings	0	0
Other Non-Current Liabilities	15	9
<b>Current Liabilities</b>	<b>310</b>	<b>214</b>
Borrowings	82	67
Trade Payables	207	122
Other Current Liabilities	21	25
<b>Total Equity &amp; Liabilities</b>	<b>448</b>	<b>321</b>

Particulars	As on	
	31-Mar-22	31-Mar-21
<b>Calculated basis 'annualized' P&amp;L items</b>		
Inventory Days	15	14
Debtor Days	59	53
Payables Days	77	63
<b>NWC Days</b>	<b>-3</b>	<b>5</b>
<b>Total Debt</b>	<b>82</b>	<b>67</b>
<b>Net Debt</b>	<b>-5</b>	<b>8</b>

### Working Capital & Leverage Ratios:

1. In FY22, Net Working Capital Days declined by 8 days compared to FY21
2. Net Debt has decreased by \$14mn since FY21
3. With negative Net Debt, PDS operates at comfortable leverage ratios

### Return to Stakeholders:

1. ROCE has increased to 38% vs 26% last year
2. ROE has increased to 31% vs 21% last year

**Note:** Please see [slide 37](#) for financials in ₹ cr

Note: ROCE based on Net Capital Employed and EBIT includes other income emanating from capital employed | NWC Days, ROCE and ROE's are based on ₹ figures



# Consolidated Cash Flow



US\$ in mn, unless mentioned otherwise

Particulars	For the Period	
	FY2021-22	FY2020-21
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	41	23
Depreciation and amortization expense	9	9
Finance Costs	4	4
Gain on sale of subsidiary	-5	-1
(Increase)/Decrease in Net Current Assets & Others	5	16
<b>A. Total Cash Flow from Operating Activities</b>	<b>53</b>	<b>52</b>
<b>B. Cash Flow from Investing Activities</b>		
Capex	-6	-4
Proceeds from disposal of real estate	11	0
(Increase) / Decrease in bank deposits	-9	2
Investments in Venture Tech & Treasury	-11	-10
Investment in JVs & Subsidiaries & Others	-15	0
<b>B. Total Cash Flow from Investing Activities</b>	<b>-30</b>	<b>-11</b>
<b>(A+B) Total Cash Flow from Operating and Investing Activities</b>	<b>23</b>	<b>41</b>

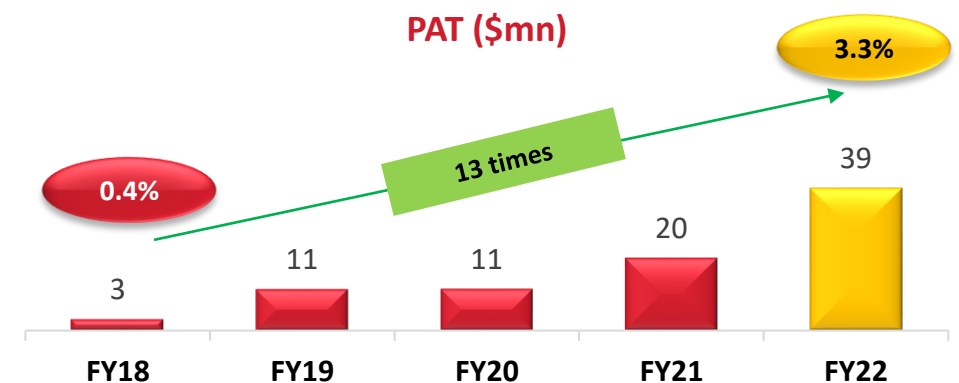
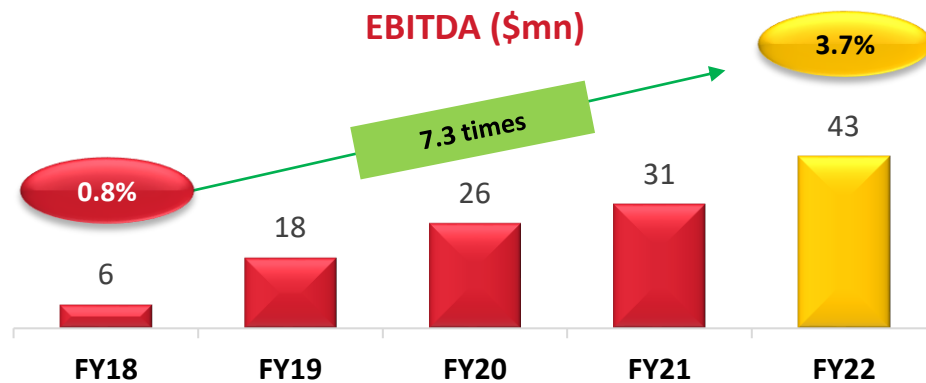
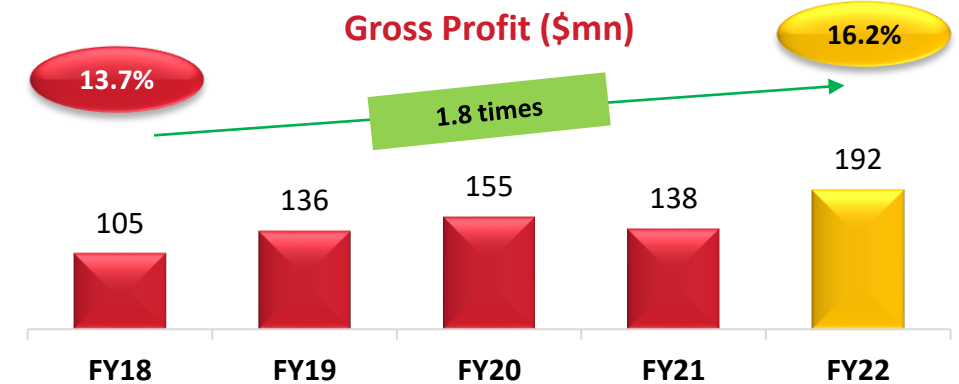
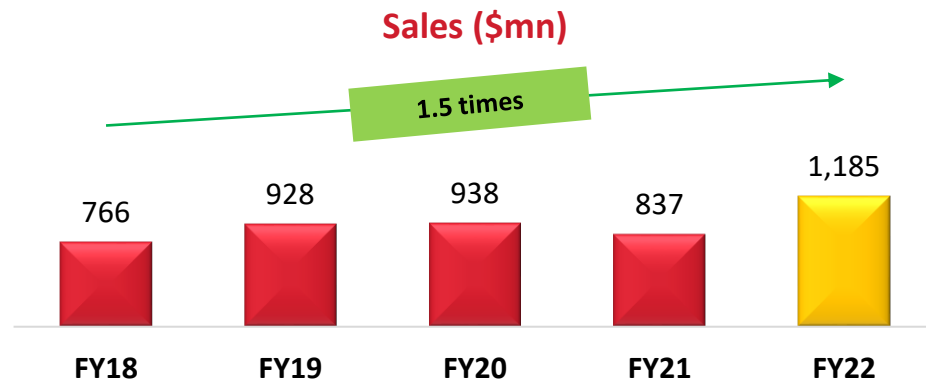
Particulars	For the Period	
	FY2021-22	FY2020-21
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from borrowings (net)	17	-35
Interest paid	-4	-4
Payment of dividend to equity shareholders	-5	0
Payment of dividend to non-controlling interests	-7	-6
Payment of principal portion of lease liabilities & Others	-3	-3
<b>C. Total Cash Flow from Financing Activities</b>	<b>-3</b>	<b>-47</b>
<b>(A+B+C) Net increase / (decrease) in Cash and cash equivalent</b>	<b>20</b>	<b>-7</b>
Foreign exchange fluctuation	1	-1
Add: Cash and cash equivalent at the beginning	37	46
Add: Bank overdraft	2	2
<b>Cash and cash equivalent at the end</b>	<b>61</b>	<b>40</b>

**Note:** Please see [slide 38](#) for financials in ₹ cr

Note: Cash flow conversion based on closing rates. Variation in P&L items is due to exchange rate which is on average rates.

# Performance over the last 5 years

Consistently delivered growth & profitability and have reported best FY22 performance



Margin %

# Dividend Distribution –FY22



**Dividend distribution policy implemented for PDS stakeholders with an endeavor to pay at least 25% of Profits**

## **Dividend Distribution Philosophy:**

*The Company is committed to driving superior value creation for all its stakeholders. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium term and longer-term value creation. Accordingly, the dividend payout in each year will depend upon business performance, investment requirements of the annual operating plan for the year and any other strategic priorities identified by the Company.*

<b>Particulars (\$ mn, unless mentioned otherwise)</b>	<b>FY22</b>	<b>FY21</b>	<b>Growth %</b>
EPS per share (\$)	1.28	0.44	194%
<b>Pay-out Ratio of EPS</b>	25%	49%	
<b>Dividend Per share (\$)</b>	<b>0.32</b>	<b>0.21</b>	<b>51%</b>
Face value per share (\$)	0.13	0.13	
<b>Dividend %</b>	238%	158%	



Together we're building a better,  
more sustainable supply chain

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