

PDS/SE/2021-22/06

May 27, 2021

Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai -400 051 Scrip Symbol: PDSMFL	Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 538730
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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, 2021, i.e., Q4-FY2020-21 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 Multinational Fashions Limited for the announcement of the Financial Results for the quarter and year ended March 31, 2021, i.e., FY 2020-21 Earnings Release.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,
for **PDS Multinational Fashions Limited**



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



Encl.: As Above



PDS Multinational Fashions Ltd

INVESTOR UPDATE –FY2021

Global.
Collaborative.
Ethical.

Safe Harbour



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Our Values

- *Trust, Integrity & Ethics*
- *Transparency, Collaboration & Teamwork*
- *Customer Centricity*
- *Social Responsibility*
- *People First*
- *Entrepreneurial Spirit*

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PDS - A Global Plug & Play Platform




Power of the PDS Platform



₹ **6,213cr**
FY 21 Topline
(\$837mn)


 **230cr**
FY 21 EBITDA
(\$31mn)

 **148cr**
FY 21 PAT
(\$20mn)

₹ **15.75**
Dividend per share
49% pay-out on EPS

 **22.1%**
FY 21 ROCE*

 **0.26x**
Net Debt/EBITDA

 **+\$340mn**
Banking Limits with net
utilization of <5%

 **+3,000**
Employees
With 5,000+ associates &
factory workers

 **22**
Countries Presence
With 50 Offices



Asset light business
model



Strong Financials and
Risk Management
Capabilities



Design Led
Sustainable and
Responsible Sourcing

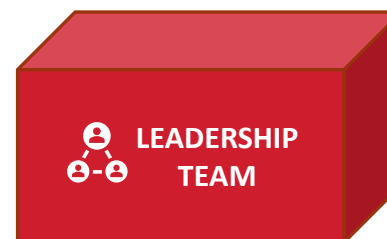
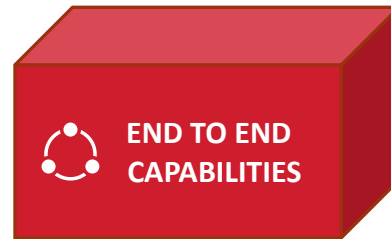


Right Product, Right
Market and Right
Factory



Compliant and
Transparent Supply
Chain

Key Building Blocks for PDS's Global Platform





Key Building Blocks for PDS's Global Platform

End-to-End Capabilities of the Platform



Multi Country Sourcing

India / Bangladesh / China / Pakistan
/ Sri Lanka / Myanmar / Turkey /
Vietnam

Market Intelligence

Creative Inputs based on market
intelligence

Compliant Capacity

Strong network of factories with BSCI
/ WRAP / SEDEX / LEED certification

Speed to Market

Reducing time to market through
digitalization of the value chain

Multi Product Sourcing

All categories of apparel, fashion,
home

Product Development

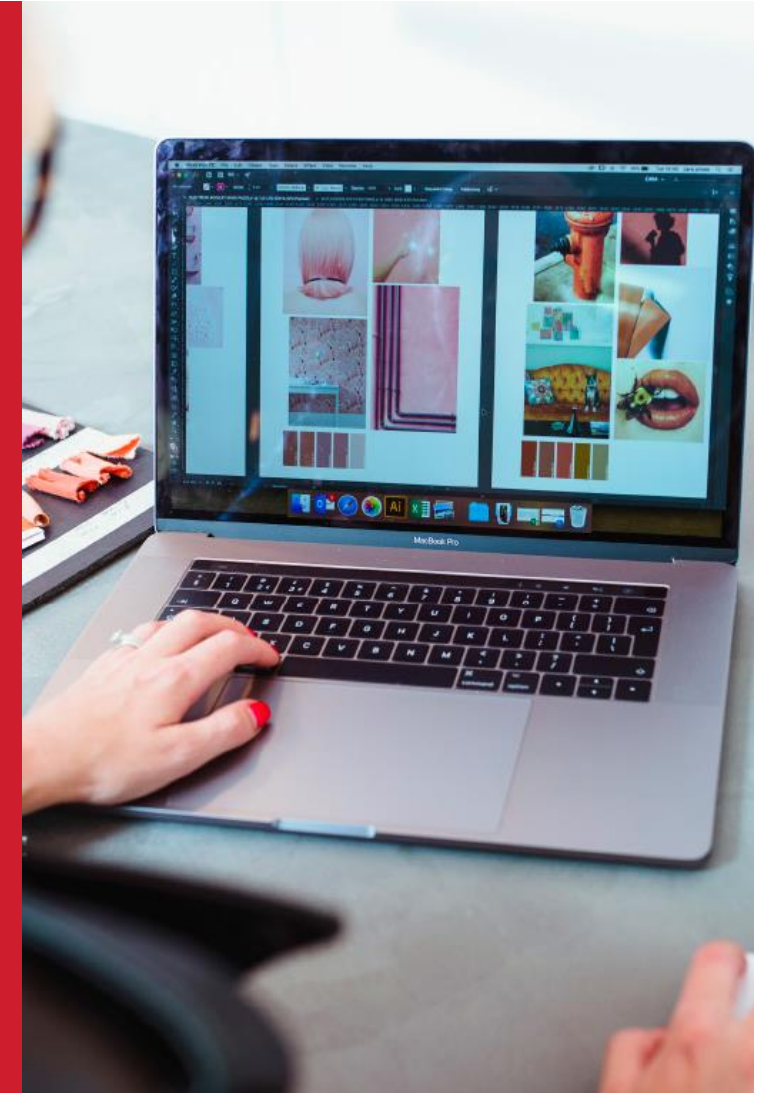
Fabric innovations / trend research /
mood board / graphics / sampling

Sustainability

Support brands and retailers to
increase their sustainability footprint

Cost Effectiveness

Margin improvement through
strategic sourcing / favorable credit
terms for retailers and suppliers





Key Building Blocks for PDS's Global Platform

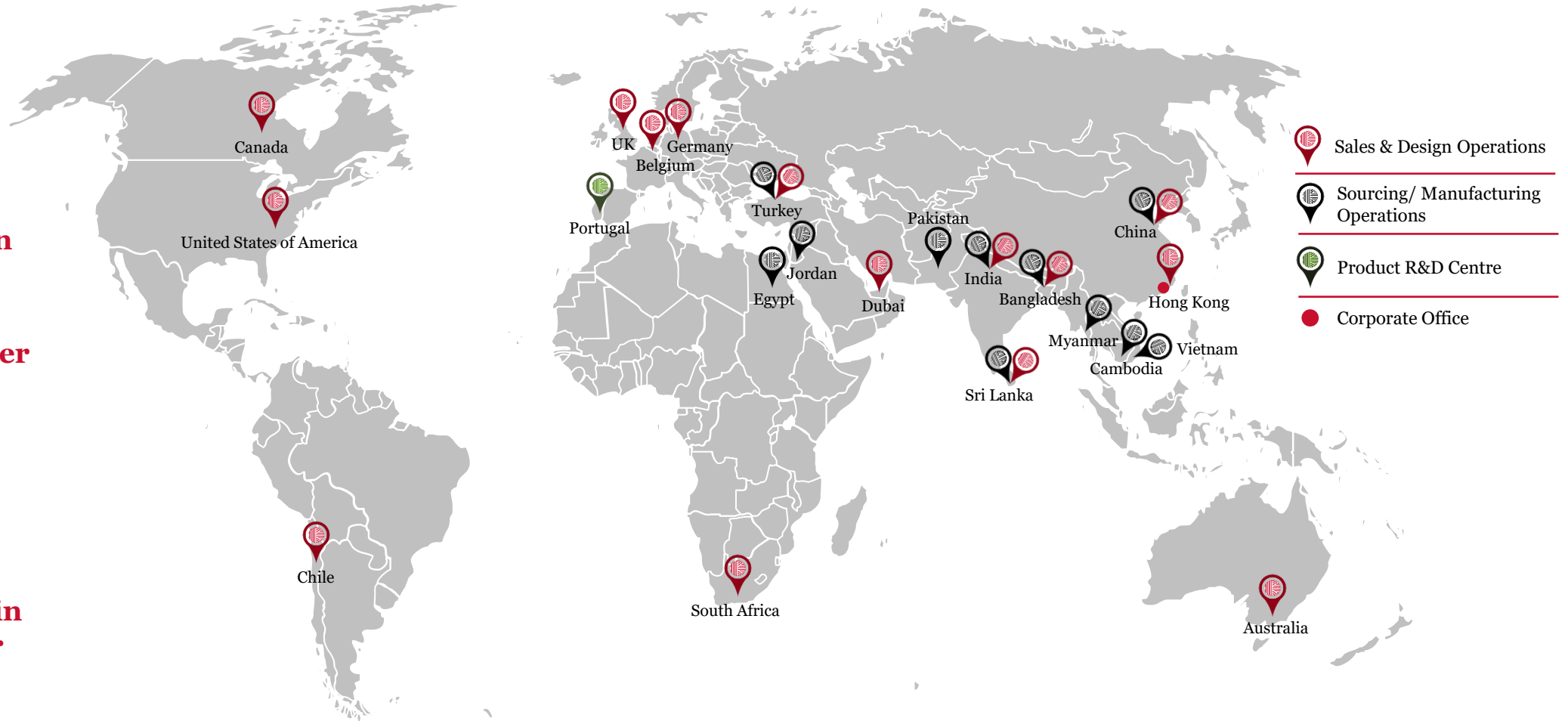
Global Reach and Scale of the Platform



**1 Million
pcs a day
production**

**500+ Partner
Factories**

**150+
Designers in
Customer
Location**



Right Product in the Right Country in the Right Factory



Key Building Blocks for PDS's Global Platform
Investing in the Future



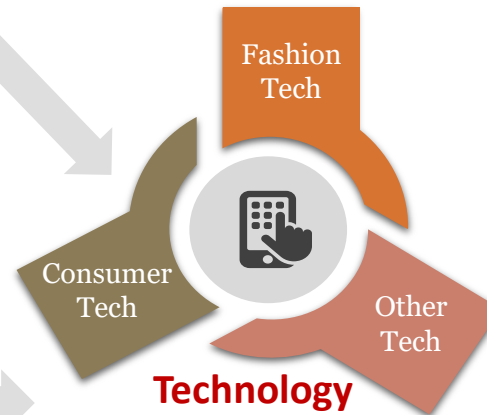
Sustainability

Investments that fall under the UN Development Goals - 11, 12 & 13



Consumer Digital Native Brands

Investments in brands focusing on the consumer markets



Technology

Investments in Tech enablers/ disruptors for traditional businesses

Investments in such core focus areas enhances PDS's value propositions for its stakeholders

- Brands & Retailers
- Vendor Base
- Shareholders

Developing new partnerships and investing in businesses that fit with PDS's vision



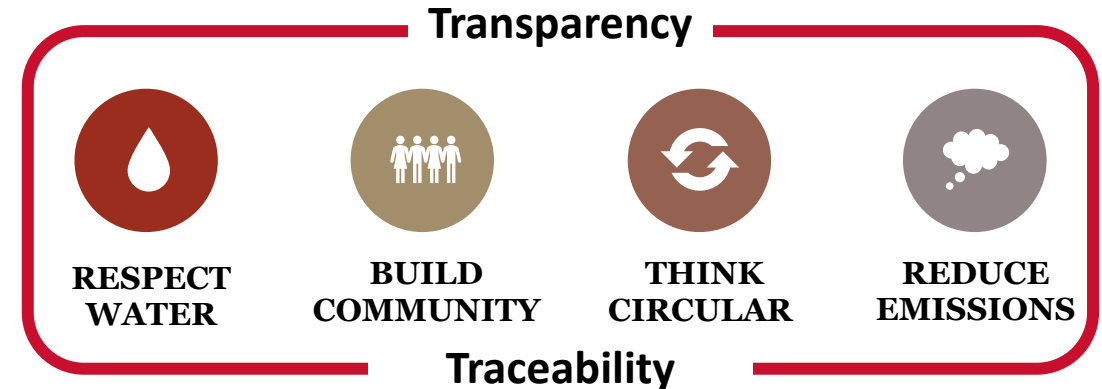
ETHICS AND COMPLIANCE

- Industry Experts leading 40 member team to maintain Social, Technical and Ethical Compliance standards across 200 active factories
- Team **reports directly into PDS board**, independent of Businesses
- Non-negotiable Policies** for Factories
 - Supplier Code on Conduct
 - Zero Tolerance Policy
- Risk Management** - Financial Vendor Evaluation done for all factories on Monthly Basis
 - Wages
 - Payment Delays
 - Delivery Performance
 - Volume of Air freights

SUSTAINABILITY GOALS



Promoting Sustainable Materials, low impact manufacturing and investing in a sharing circular Economy



Together we're building a transparent, compliant & sustainable supply chain



Rigorous Risk Management Principles



CREDIT

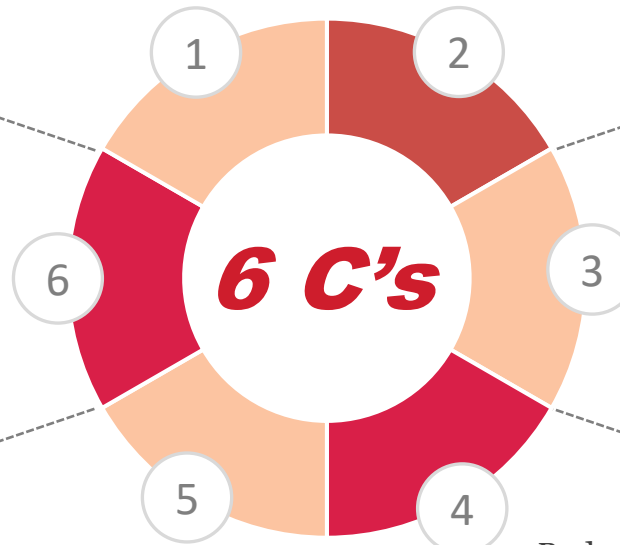
- Secured Credit Payment terms from Customers
- Insurance cover – Euler Hermes, Atradius, ECIC Hkg, ECGC India
- Regular monitoring of receivables and aged debtors

COST

- Adopt global best practices to reduce costs or bring savings
- Review OPEX continuously and micro-managing the costs
- Continuous review - 20+ Financial Controllers (CPA / CA)

CUSTOMER DEPENDENCY

- No Single Customer having more than 15% of Group's revenue
- Top 20 customers contribute to only 70% of the total revenue
- 190 customers (Brands, Hypermarkets, High street retailers)



COMPLIANCE

- Adherence to PDS code of conduct (ZTV policy) and customer compliance requirements
- ZERO tolerance on unauthorised sub-contracting
- In house 40 member team managing compliance

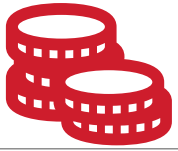
CURRENCY

- Buy & Sell in same currency
- If Buy & Sell in different currency immediate forex cover to be taken
- Periodic review & forward cover for the local currency expenses

COMPLIANT CAPACITY

- Budget turnover only based on compliant capacity & annual review of factory audit status
- 500+ active Vendors globally

Led to success even during these uncertain times



Key Building Blocks for PDS's Global Platform

Financial Strength of the Platform



- Consistent topline growth over last 5 year
- Focus on financial discipline
- Trade Finance Limits of \$340 Mn (net utilization of <5%) with Net Debt / EBITDA Ratio of 0.26x and Net Debt / Equity of 0.08x
- Working with Consortium of leading Global Banks – HSBC, BNP, ICICI, CITI, First Abu Dhabi Bank
- Global Auditors led by EY and Grant Thornton

Major contributor for PDS's stability



Key Building Blocks for PDS's Global Platform

Technology Providing Tools for Agility



Centralized Sourcing



3D Design, Sampling & Fit

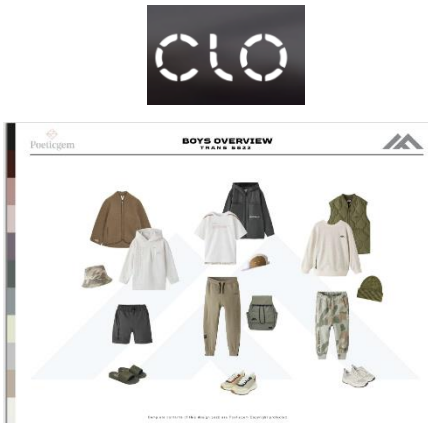


Digital Supply Chain Management

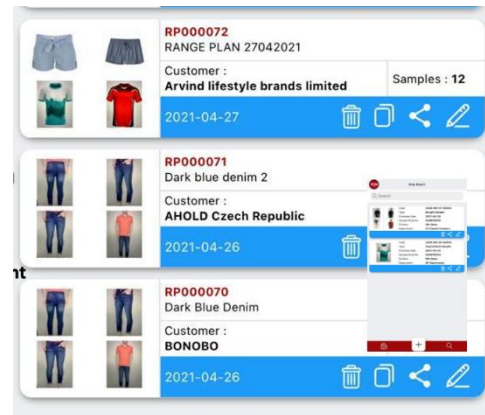


Data Analytics

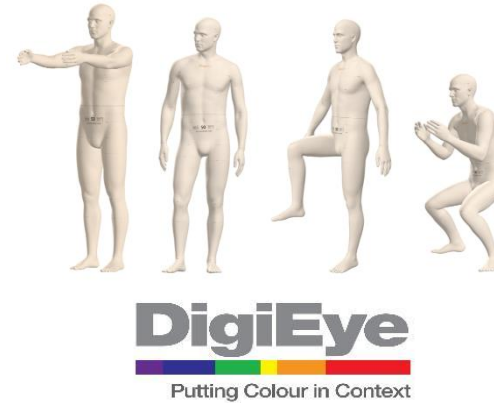
3D Design Model



PLM – Range Plan



Digital Fit & Color

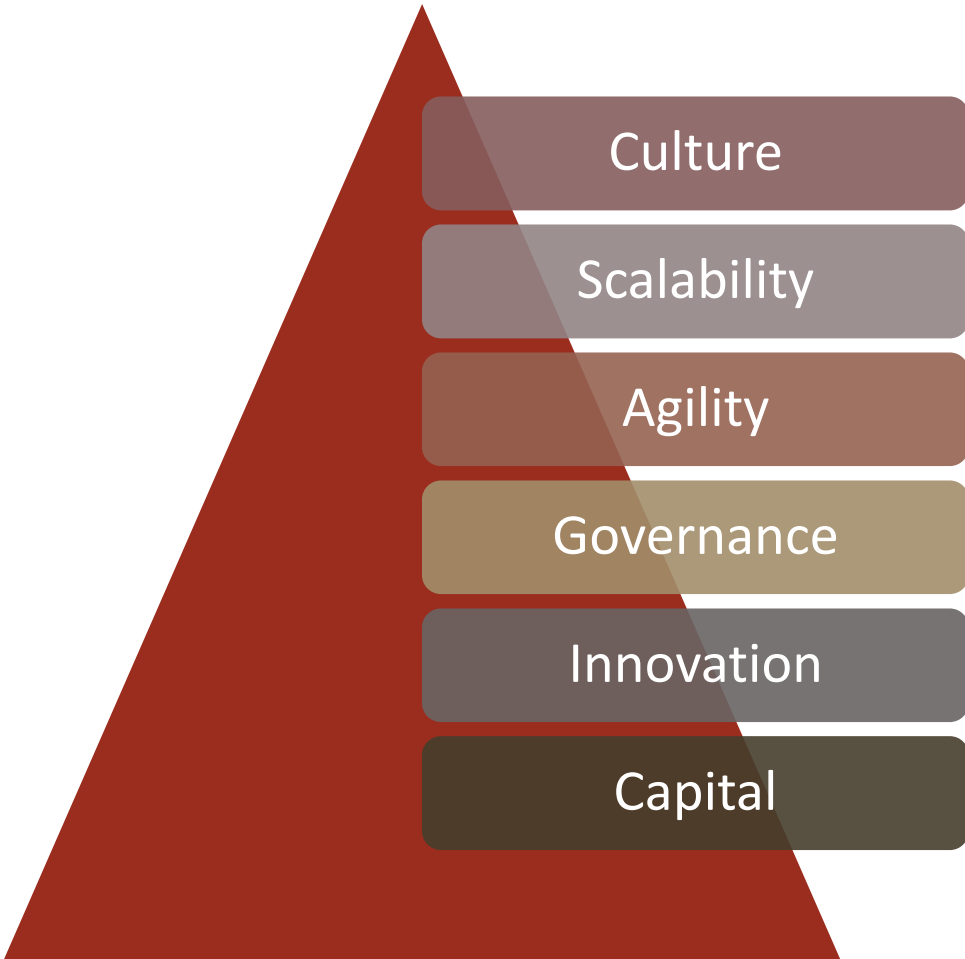


360 Showroom



In house team provides cutting edge technological solutions

How do Partners Benefit from PDS Platform?



Entrepreneurial Spirit | Value Driven Performance Rewards | Profit Sharing | Knowledge Sharing

Global Presence | Economies of Scale | Collaboration Across Businesses | Cost Optimization via Shared Resources

Integrated Model | Best Practices | Centre of Excellence | Speed to Market | Manufacturing Capabilities

Risk Management | Zero Tolerance Policies | Global Auditors | Compliance Teams | Sustainability

Deriving synergies from PDS Investments – Innovation, Technology | Leverage PDS IT Capabilities

Capital for Incubation | Working Capital Line for Growth

Enabling scalability to individual businesses

Translating into a Resilient Platform



Customer Dependency

<6%

Avg Customer Contribution
to Total sales
(Based on top 10)

Top 10 customers
contributing 56% of
total sales. No single
customer dependency
further supported by
a global base of
vendors

Net Working Capital

5 days

In FY21

A stringent Risk
Management Policy
has enabled reduction
in working capital
days

ROCE*

22.1%

in FY21

An asset light model
enables higher
ROCE's. Sourcing
business is able to
garner ROCE's of
c.60%

Net Debt/EBITDA

0.26x

FY21

Business operates at
negligible long term
debt

Defensible business model due to robust operating & financial metrics

PDS Platform

– Business Overview

Sourcing

Manufacturing

PDS Venture Tech
Investments



Design Led Sourcing Capabilities of the Platform

~42% of Capital Employed



Design Excellence

Managing the entire supply chain execution of end-customers



Market Intelligence

Provides in-house expertise and market know-how in managing global trade



**Expertise in Technical,
Wash and
Sustainability**

In-house product development, design, sampling, and technical teams



**1 Mn pieces a day
500+ Partner
Factories**

100% Pre-sold, No Inventory Risk, Asset Light

Designers based in London, Hong Kong, New York, Barcelona, Dusseldorf, New Delhi, Shanghai, Colombo, Santiago and Brussels

A Well Diversified Base Of Marquee Customers



Catering to both offline & online channels



JACK WILLS

KOHL'S

極度乾燥(しなさい)
Superdry.

PRIMARK®

Sainsbury's

George.

NEWYORKER

BESTSELLER™

TOPSHOP
TOPMAN

MATALAN

ASOS

PULL&BEAR

next

T.K.maxx®

MANGO

RIVER ISLAND

amazon.com



Calvin Klein

next

URBAN
OUTFITTERS

ZARA



Myntra



maurices

boohoo



ASOS

Bershka

PAC SUN

Joules

BOOTLEGGER
The Place for JEANS



COSTCO



Walmart*



On an average basis, each of top 10 customers contribute < 6% of topline

World Class PDS Manufacturing Facilities

42% of Capital Employed



c.6,000 Machine Capacity with 130 production lines spread across Bangladesh, India and Sri Lanka
Annual in-house production of 36 Million pieces

Facilities have turned around and are self sustaining

NOR LANKA, SRI LANKA

- Manufacturing Facility based out of Sri Lanka with 320 Machines
- Specializes in Knits, Kids wear
- ASDA George, Next, Primark
- Based on a job work arrangement

6% of
Total
Capacity

PARC DESIGN, INDIA

- Total Planned capacity of 1,000 machines
- Specializes in Ladies Softs and Girls-wear
- Bestseller and Matalan
- Held through minority stake

17% of
Total
Capacity

Targeting to double topline in FY22, resulting near break-even and self sustaining on cash

GREEN SMART SHIRTS, BANGLADESH

- Manufacturing facility with capacity of 2,000 machines
- Formal & Casual shirts/blouses for Ladies, Men and Kids
- Next, Primark and Bestseller
- **Aiming to be break even in FY22**
- **Targeted to double production and increase efficiency**

34% of
Total
Capacity

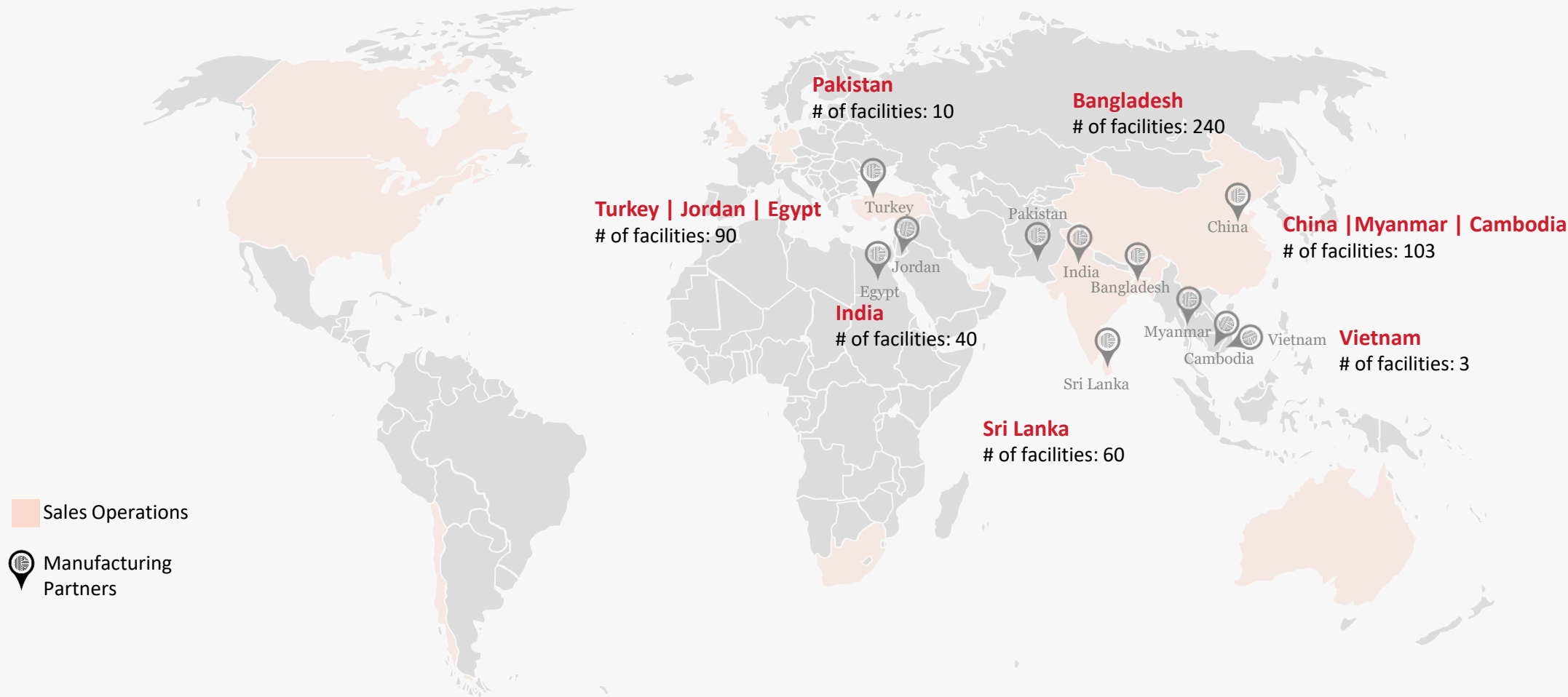
PROGRESS APPAREL, BANGLADESH

- Capacity of 2,500 Machines
- World Class Manufacturing facility with Accord Compliant (95%)
- Primarily focused on bottom wear
- Next, C&A and Express
- **Aiming to be profitable in 4 quarters**
- **Targeted to double production and increase efficiency**

43% of
Total
Capacity

100% Pre-sold, Leed Platinum and Gold certified best in class facilities

Further Linkages With Over 540 Facilities Globally

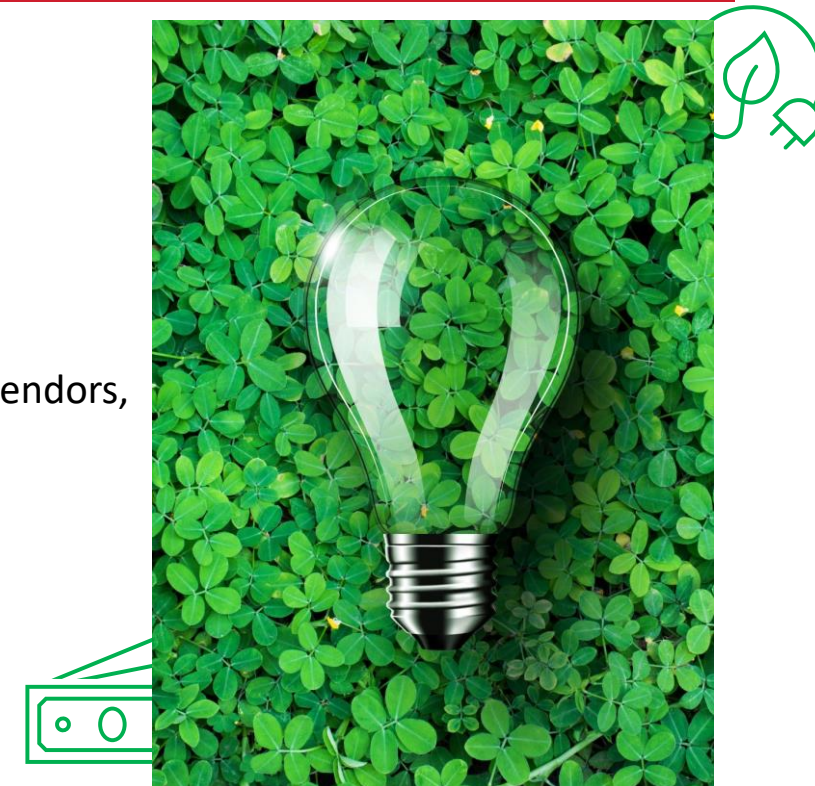


Building an ecosystem of global facilities to reduce time to market

Rationale for PDS Venture Tech Investments

PDS is continually exploring opportunities for developing new partnerships and investing in businesses that fit with PDS's vision

1. Investment opportunities enable PDS to strengthen its focus areas :
 - a. **Sustainability** – Materials, Circular Economy, Sustainable Communities
 - b. **Technology** – Fashion Tech, Consumer Tech & Other Tech
 - c. **Consumer Brands** – B2B, D2C
2. Through these investments PDS enhances its value proposition for its customers, vendors, and stakeholders
3. Further enables PDS create collaboration and synergies with PDS ecosystem
4. PDS is partnering with leading funds for co-investing in select opportunities
 - a. Creating higher levers of control in the investee companies



PDS is investing in reshaping the industry

PDS Venture Tech Investments & Others*

16% of Capital Employed



True.



True PDS Fund

Major focus on sustainable & tech-oriented fashion retail and consumer related Investments

Apex Black VC Fund

Key Focus Area- Sustainable and deep Tech/ AI - ML backed companies

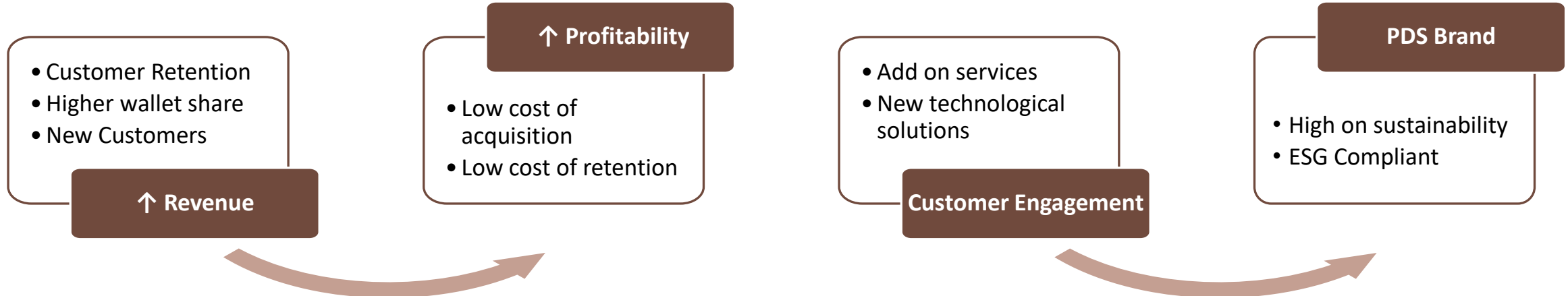
PDS Impact Fund

Focused investments in Circular fashion – sustainability across fashion supply chain

Direct Investments

Focus on Fashion, technology & sustainability sectors for strategic alignment

PDS Impact



PDS Venture Tech Investments & Others

Developing new partnerships and investing in businesses that fit with our vision



MATERIALS



FASHION TECH



CIRCULAR ECONOMY

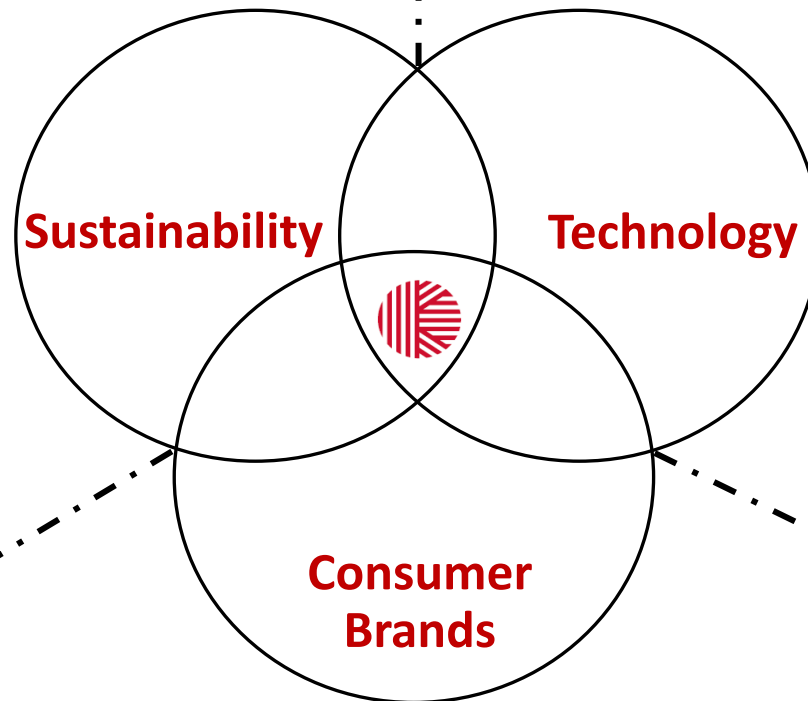


CONSUMER TECH



SUSTAINABLE COMMUNITIES

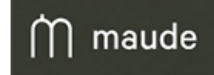
COMMON OBJECTIVE



OTHER TECH



BOARDROOM



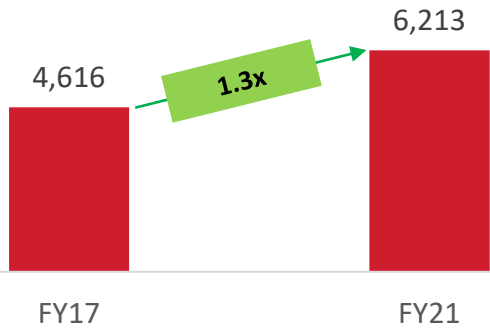
Financial Journey of the PDS Platform



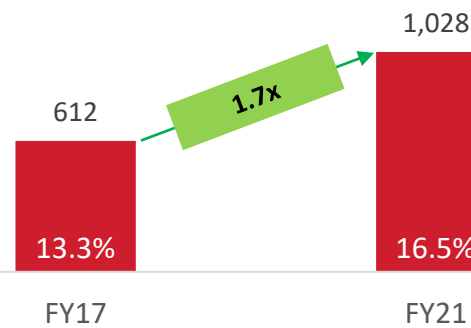
Historical Financial Performance



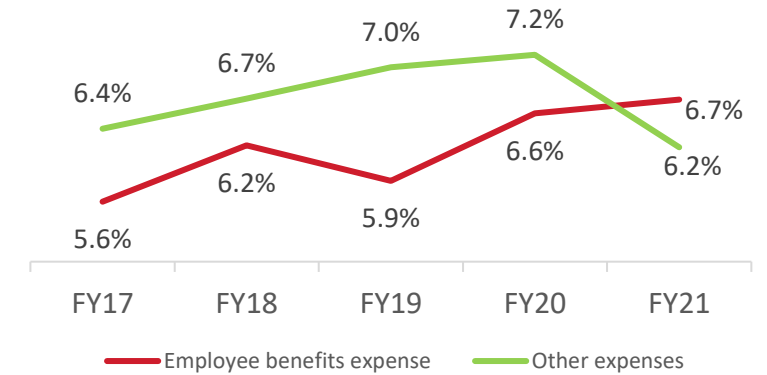
Sales (₹cr)



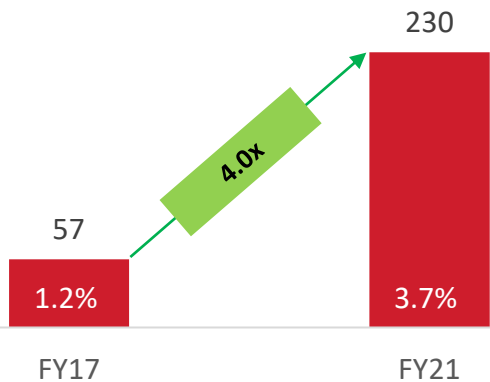
Gross Margin (₹cr)



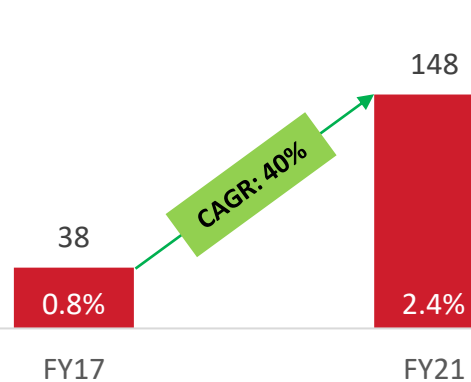
Employee & Other Expenses (% of Sales)



EBITDA (₹cr)

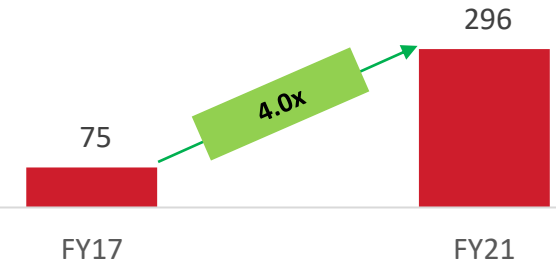


PAT (₹cr)



Free Cash Flow (FCF) (₹cr)

Cumulative FCF for 5 years: ₹502cr (US\$ 68 mn)
 Cumulative PAT for 5 years: ₹356cr (US\$ 50 mn)

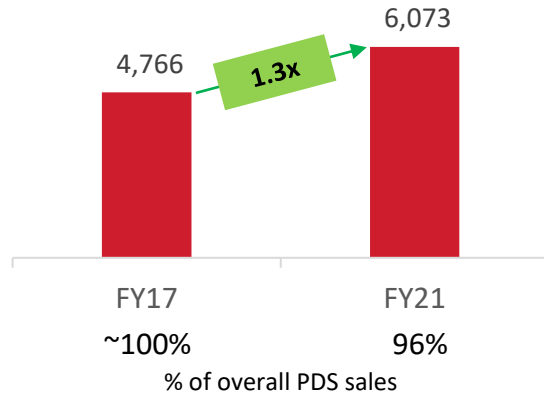


Deep Dive into Sourcing & Manufacturing Business

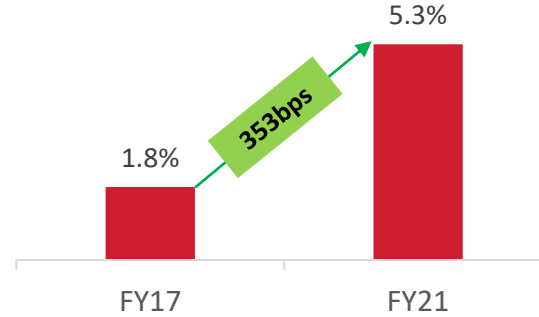


Sourcing

Sales (₹cr)



EBITDA Margin %



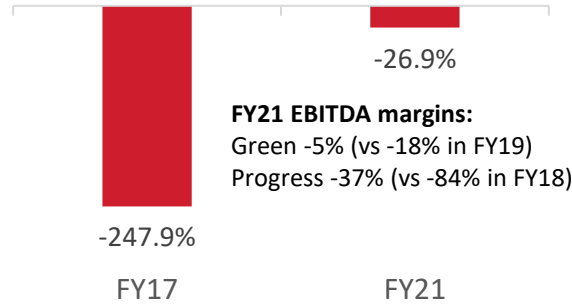
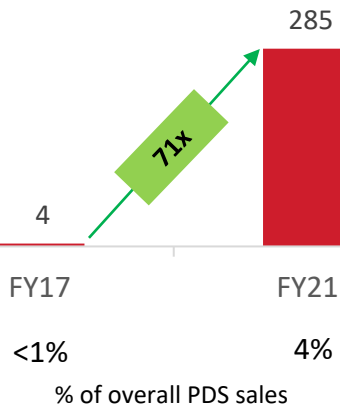
Gross Capital Employed (₹cr)

₹509cr
(US\$ 70 mn)
 42% of Total Capital Employed

ROCE %*

60%

Manufacturing



₹505cr
(US\$ 69 mn)
 42% of Total Capital Employed

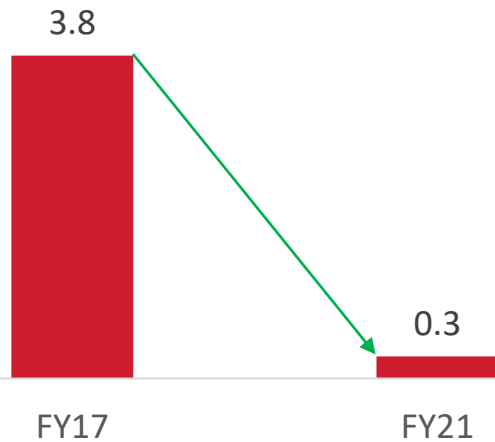
ROCE is -ve due to -ve EBIT

- Manufacturing business started in FY17
- Progress started clocking revenues from FY18
- Green started clocking revenues from FY19

Enhanced Key Leverage and Return Ratios

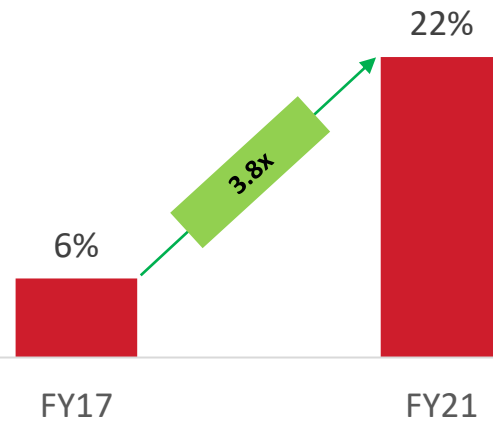


Net Debt/EBITDA(x)



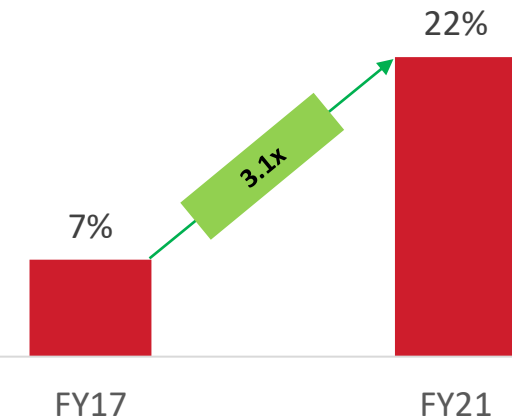
Consistent expansion in EBITDA and reduction in Net Debt translated into significant improvement in leverage ratio

ROCE (Net) %*



Attributable to increase in EBIT with the business model continuing to be asset light

ROE %*



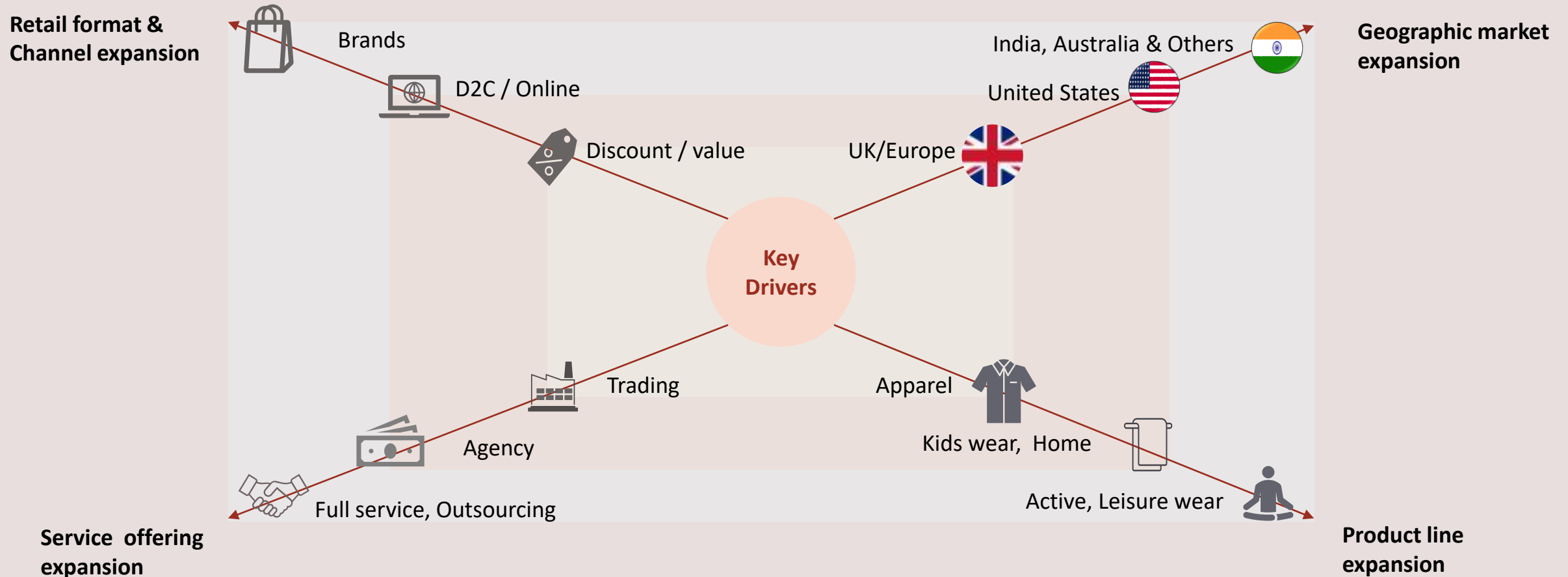
Topline growth, margin expansion and opex optimization has led to increase in PAT driving higher returns for shareholders



Business & Financial Performance Overview

Q4 FY2021 AND FY2021

Focus On Expanding Into More Value Accretive Business Models

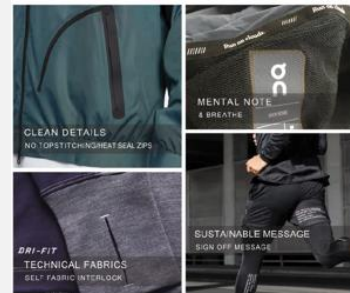
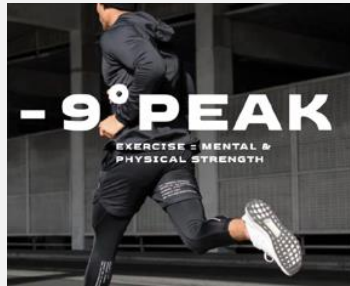


Launched Brands for B2B and B2C Segments

Brands are currently clocking around ₹70cr in sales (c.\$9.5mn)



Men's wear



Scrubs

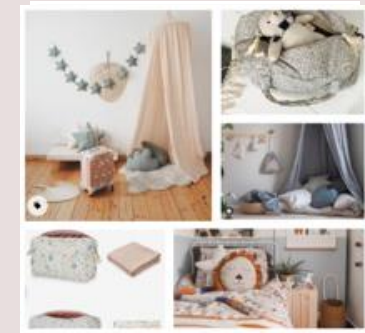


Masks

wise protec.



Kids wear



Focus on Expanding into New Geographies



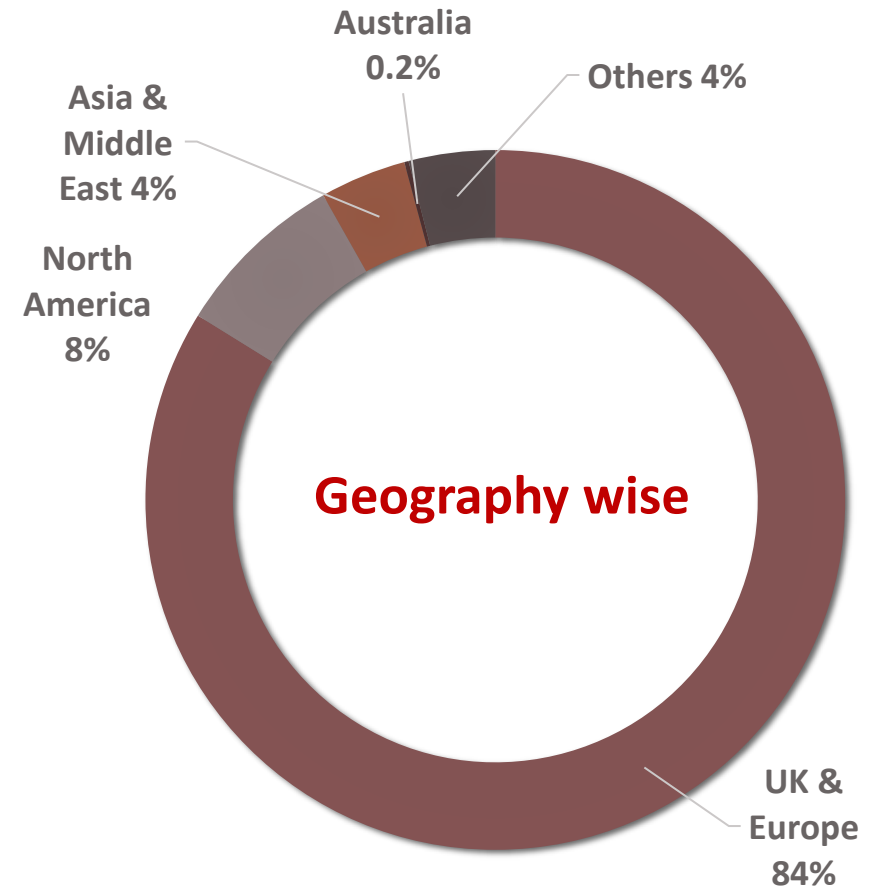
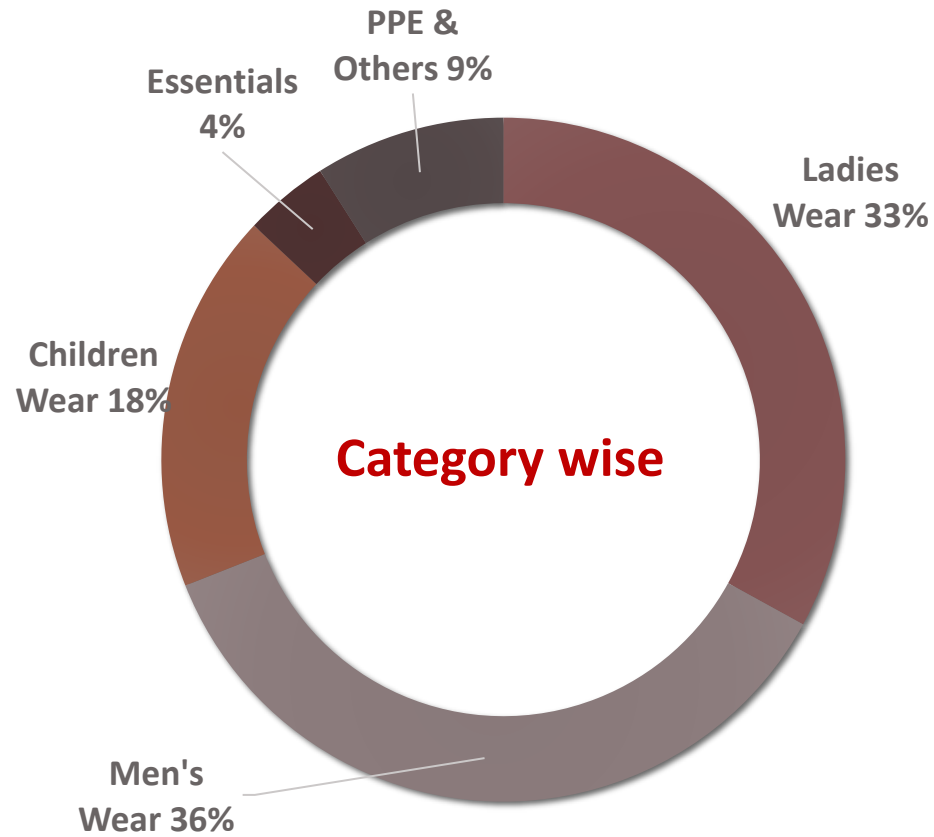
Front end:

1. Increasing share with current customers across Europe
2. Building presence in United States, Australia, Scandinavia, South Africa among others

Back end

1. Building network of manufacturing partners in Egypt and Jordan
 - a) In Egypt ~70% of apparel production is exported to United States
 - b) Jordan caters to ~70% of US sports and leisurewear
 - c) Both these geographies benefit from Trade Agreements

Revenue Break up (FY21)*

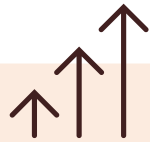


Key Business Highlights



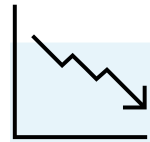
1. COVID significantly disrupted business globally with large part of UK being under lockdown for majority of the year
2. In spite of all the disruptions and what happened to the fashion and apparel industry, the topline witnessed 9% q-o-q growth in Q4 FY21; Order Book in hand is robust
3. Focus has been on maintaining margins and cost reduction
4. This has translated in Net Profit Margins doubling from 1.2% in FY20 to 2.4% in FY21
 - a) EPS increased 83% yoy from ₹17.67 per share to ₹32.37 per share
5. Proposed to declare a dividend of ₹15.75 per share translating into 49% payout based on EPS
6. Business has been cautiously making in-roads into new geographies including US, South Africa, Australia amongst others
 - a) Senior business heads have been on-boarded to drive business in these new geographies, new categories and with new customers
7. With an aim to align employee interest with that of the shareholders, propose to roll-out an ESOP plan covering the wider team of business leaders

Key Financial Highlights FY21



Reported consolidated
FY21 topline

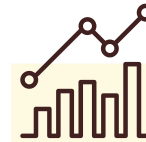
₹6,213cr
(US\$837mn)



Opex Reduction of

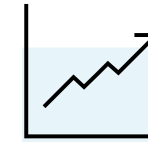
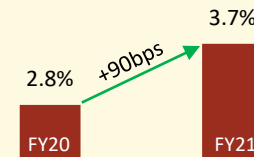
13%

from ₹913cr in FY20 to
₹798cr in FY21



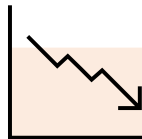
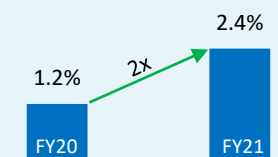
FY21 EBITDA of

₹230cr



FY21 Reported PAT of

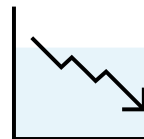
₹148cr



Net Working Capital

5 days

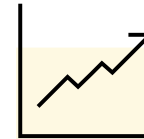
from 10 days in
March 2020



Gross Debt Reduction

₹257cr

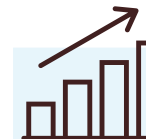
from March 2020



FY21 ROCE* of

22.1%

vs 15.6% in FY20



FY21 ROE* of

22.0%

vs 13.3% in FY20

Consolidated Profit & Loss Statement



₹ in cr, unless mentioned otherwise

Particulars	Q4 FY21	Q3 FY21	Q4 FY20	Growth (Q-o-Q)	FY21	FY20	Growth (Y-o-Y)
Income from Operations	1,765	1,626	2,004	9%	6,213	6,648	-7%
COGS	1,440	1,329	1,669	8%	5,185	5,549	-7%
Gross Profit	325	296	335	9%	1,028	1,099	-6%
Gross Margin (%)	18.4%	18.2%	16.7%	15 bps	16.5%	16.5%	1 bps
Employee Expense	146	92	118	60%	414	436	-5%
<i>% of Income from Operations</i>	<i>8.3%</i>	<i>5.6%</i>	<i>5.9%</i>	<i>264 bps</i>	<i>6.7%</i>	<i>6.6%</i>	<i>11 bps</i>
Other Expenses	82	129	108	-37%	383	477	-20%
<i>% of Income from Operations</i>	<i>4.6%</i>	<i>7.9%</i>	<i>5.4%</i>	<i>-328 bps</i>	<i>6.2%</i>	<i>7.2%</i>	<i>-100 bps</i>
EBITDA	97	76	109	27%	230	186	24%
EBITDA Margin (%)	5.5%	4.7%	5.5%	79 bps	3.7%	2.8%	90 bps
Depreciation	20	16	17	27%	68	52	30%
EBIT	77	61	93	27%	162	134	21%
EBIT Margin (%)	4.3%	3.7%	4.6%	62 bps	2.6%	2.0%	60 bps
Other Income	10	7	-7	51%	37	27	41%
Finance Cost	5	5	26	6%	26	49	-48%
Profit before exceptional items and tax	81	62	59	31%	174	111	57%
Add: Share of Profit/(Loss) of Associates ¹	0	0	-16		-4	-20	-81%
Profit Before Tax	81	62	43	31%	170	91	88%
Tax Expenses	11	3	7	263%	22	9	128%
Profit After Tax	69	59	36	18%	148	81	83%
PAT Margin (%)	3.9%	3.6%	1.8%	33 bps	2.4%	1.2%	117 bps

Q4 FY21

- Income from Operations increased by 9% in Q4 FY21 vs Q3 FY21 coming out of impact of Covid
- EBITDA Margins expanded further by 79bps compared to Q3 FY21
- PBT increased 31% to ₹81cr
- PAT increased by 18% from ₹59 cr in Q3 FY21 to ₹69 cr in Q4 FY21

FY21

- While topline witnessed a dip, EBITDA increased by 24% from ₹186 cr in FY20 to ₹230 cr in FY21
- PAT increased by 83% from ₹81 cr in FY20 to ₹148 cr in FY21
- EPS also witnessed 83% growth from ₹17.67 per share to ₹32.37 per share

Consolidated Balance Sheet



₹ in cr, unless mentioned otherwise

Particulars	As on	
	31-Mar-21	31-Mar-20
Non-Current Assets	594	571
Current Assets	1,752	1,773
Inventories	197	183
Trade Receivables	910	832
Cash and cash equivalents	293	350
Other Bank Balances	137	152
Other Current Assets	214	255
Total Assets	2,346	2,344
Total Equity	716	611
Non-Current Liabilities	66	84
Borrowings	2	5
Other Non-Current Liabilities	64	79
Current Liabilities	1,564	1,649
Borrowings	488	742
Trade Payables	892	729
Other Current Liabilities	184	178
Total Equity & Liabilities	2,346	2,344

Particulars	As on	
	31-Mar-21	31-Mar-20
Inventory Days	14	12
Debtor Days	53	46
Payables Days	63	48
NWC Days	5	10
Total Debt (Rs. Cr.)	490	747
Net Debt (Rs. Cr.)	59	245

Working Capital & Leverage Ratios:

1. Net Working Capital Days decreased from 10 days to 5 days
2. Net Debt has decreased by ₹186cr since Mar 2020 & gross debt decrease of ₹257cr, resulting in
 - a) Net Debt/Equity decreased from 0.40x to 0.08x
 - b) Net Debt/EBITDA decreased from 1.32x to 0.26x

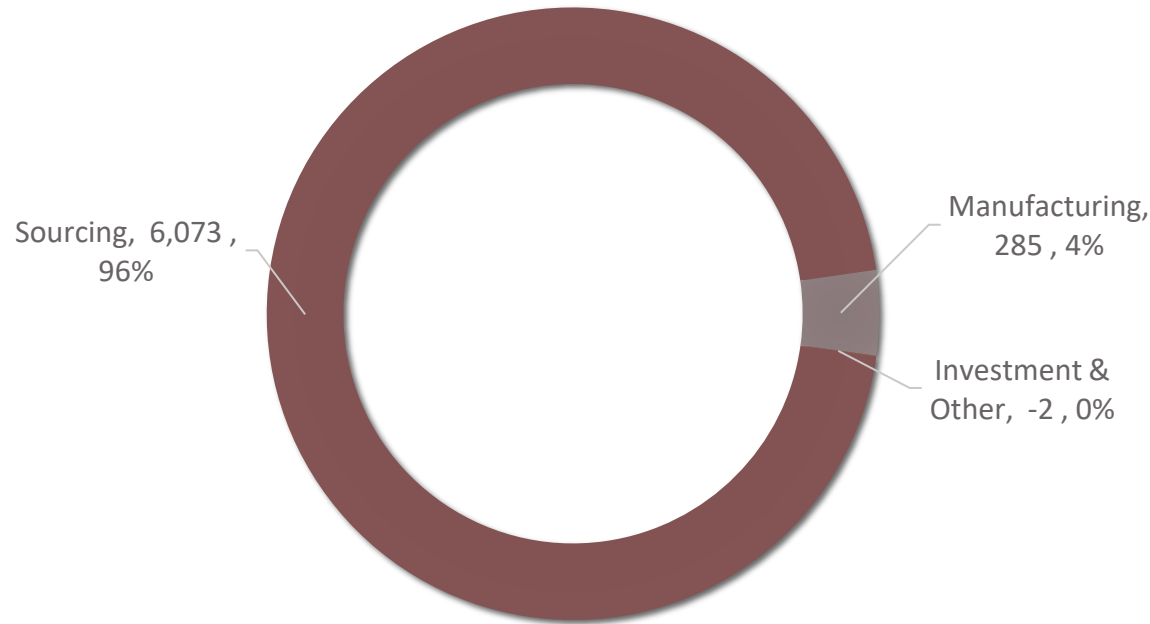
Return to Stakeholders:

1. ROCE* has increased from 15.6% in FY20 to 22.1% in FY21
2. ROE* has increased from 13.3% in FY20 to 22.0% in FY21

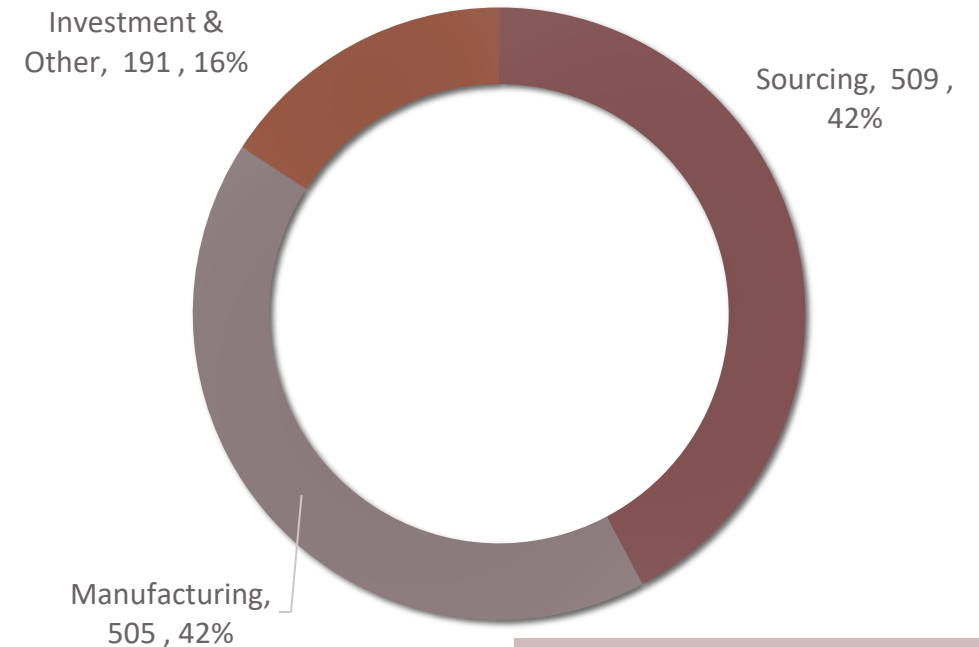
Segment wise Business Performance



Revenue break up (₹cr, % of total)



Capital Employed break up (₹cr, % of total)



Gross Capital Employed: ₹1,205cr
 Net Capital Employed: ₹775cr
 (Excludes cash & bank balance of ₹431cr)

- Sourcing Business contributes 96% of topline with ~42% of capital employed
- However, the Sourcing Business currently contributes 100% of Profit Before Tax
- ~58% of Capital Employed is attributable to Manufacturing, Investment & Other (Real Estate) business
- The manufacturing business is on the cusp of turnaround

Consolidated Cash Flow Statement



₹ in cr, unless mentioned otherwise

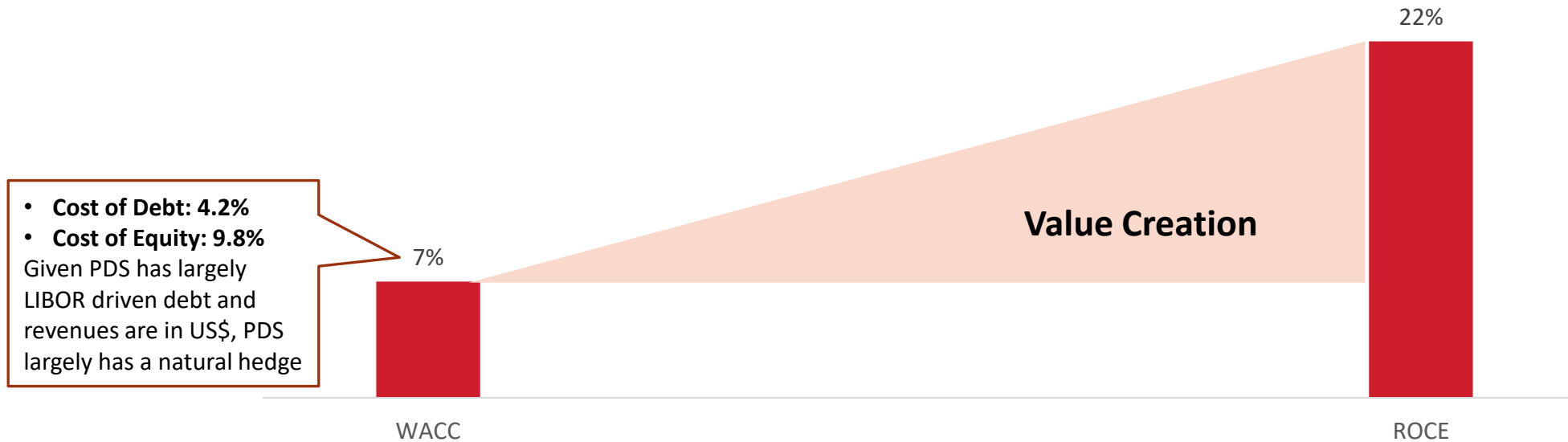
Particulars	For the period ended	
	31-Mar-21	31-Mar-20
A. Cash Flow from Operating Activities		
Profit before tax	170	91
Depreciation and amortization expense	68	52
Finance Costs	26	49
Other Adjustments	-4	8
Increase in Net Current Assets	120	81
A. Total Cash Flow from Operating Activities	379	281
B. Cash Flow from Investing Activities		
Capital Expenditure (including capital advances and investment property)	-25	-51
Purchase of investments	-86	-17
Increase in bank deposits	15	-8
Proceeds from sale of investments	12	0
Others	1	-2
B. Total Cash Flow from Investing Activities	-83	-79
(A+B) Total Cash Flow from Operating and Investing Activities	296	202

Particulars	For the period ended	
	31-Mar-21	31-Mar-20
C. Cash Flow from Financing Activities		
Proceeds from borrowings (net)	-252	-34
Interest paid on borrowings	-19	-49
Payment of dividend to non-controlling interests	-47	-18
Payment of principal payment of lease liabilities	-21	-21
Others	-7	-7
C. Total Cash Flow from Financing Activities	-347	-128
(A+B+C) Net increase / (decrease) in Cash and cash equivalent	-50	74
Foreign exchange fluctuation	-5	23
Add: Cash and cash equivalent at the beginning	337	240
Add: Bank overdraft	11	13
Cash and cash equivalent at the end	293	350

- Increase in profitability led to substantial increase in the operating cash flows
- Strong cash flow from operations helped bring down debt further during FY21

What PDS has achieved?

PDS Generating Return Higher than Cost of Capital



PDS has a Positive Economic Value Added generating returns in excess of the required minimum return (WACC)

ROCE (net)* exceeds the WACC by ~15%

Proposed Employee Incentive Plan



Highlights

Proposal

- ESOP: 0.95mn
(includes 0.1mn via secondary)
- SAR: 0.17mn
(Stock Appreciation Rights)
- Expansion in Equity*: 2.14%
- Coverage: +102 employees

1. PDS Multinational has a unique business model which is driven through entrepreneurship
2. Businesses are led by various Business Heads, Financial Controllers and Business Enabling Team (BET)
3. With an aim to incentivize the key employees and align the interest of individual businesses with the Group, the Company has proposed to launch an Employee Stock Option Scheme
4. Grant and eligibility to exercise will be based on achievement of pre-agreed milestones linked to Performance rating and Value rating
5. The plan aims to cover key members of the Group and enable them the participate in PDS's value creation journey

Acquisition of 50% stake in Yellow Octopus

FURTHER STRENGTHENING PDS
VALUE PROPOSITION

YELLOW OCTOPUS.

Our End Goal Is Transforming Fashion Industry
From Linear To Circular Economy Model

Our end goal is a closed loop system within the fashion industry.
Ambitious? Hell Yeah. Impossible? Watch this space.

LINEAR
ECONOMY



RECYCLING
ECONOMY



CIRCULAR
ECONOMY



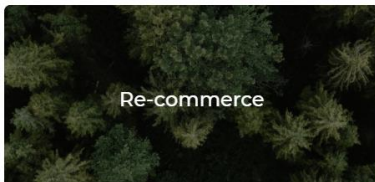
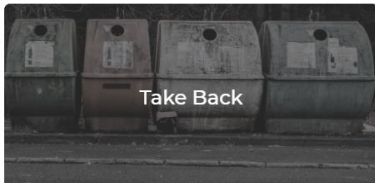
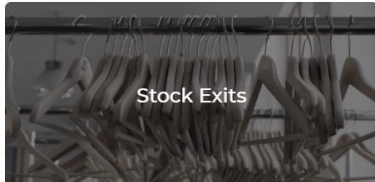
Investing in Yellow Octopus – A Strategic Fit



YELLOW OCTOPUS.

Yellow Octopus is a world leader in providing commercial sustainability solutions in the Fashion Industry. Aims to Transform Fashion Industry From Linear To Circular Economy Model

What we do?



- Yellow Octopus is currently based out of Poland, UK and UAE
- Yellow Octopus works with leading brands to buy the unsold inventory, return products and distributes these products to smaller retailers in Eastern Europe and Africa
- FY21 Topline >\$5mn
- PDS is acquiring 50% stake in Yellow Octopus
- **Enables PDS to enhance its value proposition to its customers (mainly marquee retailers & brands)**
- **Further strengthening PDS's ESG Agenda**

Brand collaborations

PRIMARK®

We've partnered with **Yellow Octopus**, a recycling specialist that diverts around one million garments from landfill every month! Once you place your pre-loved items into one of our blue donation boxes the contents will be taken to our distribution centres where they will be collected by Yellow Octopus and sorted at one of its network of depots. Yellow Octopus aim for as many donations as possible to be worn again with the remainder repurposed into new products such as toy stuffing and insulation.

George. TAKE BACK

In partnership with Yellow Octopus Group, Asda has launched a new 'Take Back' scheme which supports customers to recycle their unwanted clothes and textiles with textile waste, preventing thousands of tonnes of clothing from going to landfill each year, as well as raising vital funds for Asda's Tickled Pink campaign, which supports Breast Cancer Now and Coppafeel.



AMAZON FASHION

BALENCIAGA

MATALAN



PRETTYLITTLETHING

H&M GROUP

Annexure

Standalone Profit & Loss Statement



₹ in cr, unless mentioned otherwise

Particulars	Q4 FY21	Q3 FY21	Q4 FY20	Growth (Q-o-Q)	FY21	FY20	Growth (Y-o-Y)
Income from Operations	14.7	16.2	11.5	-9%	46.1	41.1	12%
COGS	4.0	7.7	0.0	-48%	15.4	0.0	
Gross Profit	10.8	8.5	11.5	27%	30.7	41.1	-25%
Gross Margin (%)	73.1%	52.4%	100.0%		66.5%	100.0%	
Employee Expense	5.9	3.8	5.8	55%	15.3	22.6	-32%
<i>% of Income from Operations</i>	<i>40.0%</i>	<i>23.5%</i>	<i>50.6%</i>		<i>33.2%</i>	<i>54.9%</i>	
Other Expenses	2.4	2.2	3.3	9%	7.0	10.9	-36%
<i>% of Income from Operations</i>	<i>16.2%</i>	<i>13.6%</i>	<i>28.8%</i>		<i>15.2%</i>	<i>26.4%</i>	
EBITDA	2.5	2.5	2.4	1%	8.4	7.7	9%
EBITDA Margin (%)	16.9%	15.2%	20.6%	162 bps	18.2%	18.7%	-59 bps
Depreciation	0.6	0.6	0.6	7%	2.7	2.5	7%
EBIT	1.9	1.9	1.7	-1%	5.7	5.2	10%
EBIT Margin (%)	12.6%	11.6%	15.1%	99 bps	12.3%	12.6%	-29 bps
Other Income	40.5	0.6	-0.1	6845%	42.1	0.8	5502%
Finance Cost	0.3	0.4	0.4	-17%	1.6	1.7	-11%
Profit Before Tax	42.0	2.0	1.2	1951%	46.2	4.2	1007%
Tax Expenses	0.4	0.5	0.4	-20%	1.5	1.5	-1%
Profit After Tax	41.6	1.5	0.8	2616%	44.7	2.7	1572%
PAT Margin (%)	281.8%	9.5%	6.6%		97.0%	6.5%	9,045 bps

Standalone Balance Sheet



₹ in cr, unless mentioned otherwise

Particulars	As on	
	31-Mar-21	31-Mar-20
Non-Current Assets	138	137
Current Assets	55	9
Trade Receivables	5	1
Cash and cash equivalents	45	2
Other Bank Balances	0	0
Other Current Assets	5	6
Total Assets	193	146
Total Equity	156	111
Non-Current Liabilities	8	7
Borrowings	2	4
Other Non-Current Liabilities	6	3
Current Liabilities	30	28
Borrowings	6	7
Trade Payables	5	3
Other Current Liabilities	18	18
Total Equity & Liabilities	193	146

Standalone Cash Flow Statement



₹ in cr, unless mentioned otherwise

Particulars	For the period ended	
	31-Mar-21	31-Mar-20
A. Cash Flow from Operating Activities		
Profit before tax	46	4
Depreciation and amortization expense	3	3
Finance Costs	2	2
Dividend income	-41	0
Other Adjustments	-1	0
Increase in Net Current Assets	0	-4
A. Total Cash Flow from Operating Activities	9	4
B. Cash Flow from Investing Activities		
Capital Expenditure (including capital advances and investment property)	-1	-1
Dividend received	41	0
Proceeds from loan given to others	2	0
Proceeds from sale of property, plant and equipment	2	0
Proceeds from sale of investment in subsidiary	0	1
Net (increase) / decrease in Investments	0	0
Interest received	0	0
B. Total Cash Flow from Investing Activities	43	0
(A+B) Total Cash Flow from Operating and Investing Activities	52	4

Particulars	For the period ended	
	31-Mar-21	31-Mar-20
C. Cash Flow from Financing Activities		
Proceeds from borrowings (net)	-7	-3
Interest paid on borrowings	-2	-2
Payment of principal payment of lease liabilities	0	0
Interest paid on lease liabilities	0	0
C. Total Cash Flow from Financing Activities	-9	-5
(A+B+C) Net increase / (decrease) in Cash and cash equivalent	43	0
Add: Cash and cash equivalent at the beginning	2	2
Cash and cash equivalent at the end	45	2

Consolidated Profit & Loss (US\$m)



US\$ in mn, unless mentioned otherwise

Particulars	Q4 FY21	Q3 FY21	Q4 FY20	Growth (Q-o-Q)	FY21	FY20	Growth (Y-o-Y)
Income from Operations	238	218	283	9%	837	938	-11%
COGS	194	178	235	9%	699	783	-11%
Gross Profit	44	40	47	10%	138	155	-11%
Gross Margin (%)	18.4%	18.2%	16.7%	15 bps	16.5%	16.5%	1 bps
Employee Expense	20	12	17	60%	56	62	-9%
<i>% of Income from Operations</i>	<i>8.3%</i>	<i>5.6%</i>	<i>5.9%</i>	<i>264 bps</i>	<i>6.7%</i>	<i>6.6%</i>	<i>11 bps</i>
Other Expenses	11	17	15	-36%	52	67	-23%
<i>% of Income from Operations</i>	<i>4.6%</i>	<i>7.9%</i>	<i>5.4%</i>	<i>-328 bps</i>	<i>6.2%</i>	<i>7.2%</i>	<i>-100 bps</i>
EBITDA	13	10	15	28%	31	26	18%
EBITDA Margin (%)	5.5%	4.7%	5.5%	79 bps	3.7%	2.8%	90 bps
Depreciation	3	2	2	28%	9	7	24%
EBIT	10	8	13	27%	22	19	16%
EBIT Margin (%)	4.3%	3.7%	4.6%	62 bps	2.6%	2.0%	60 bps
Other Income	1	1	-1	52%	5	4	35%
Finance Cost	1	1	4	6%	3	7	-50%
Profit before exceptional items and tax	11	8	8	32%	23	16	50%
Add: Share of Profit/(Loss) of Associates ¹	0	0	-2		-1	-3	-82%
Profit Before Tax	11	8	6	32%	23	13	79%
Tax Expenses	2	0	1	265%	3	1	117%
Profit After Tax	9	8	5	19%	20	11	75%
PAT Margin (%)	3.9%	3.6%	1.8%	33 bps	2.4%	1.2%	117 bps

Consolidated Balance Sheet (US\$m)



US\$ in mn, unless mentioned otherwise

Particulars	As on	
	31-Mar-21	31-Mar-20
Non-Current Assets	81	76
Current Assets	240	235
Inventories	27	24
Trade Receivables	124	110
Cash and cash equivalents	40	46
Other Bank Balances	19	20
Other Current Assets	29	34
Total Assets	321	311
Total Equity	98	81
Non-Current Liabilities	9	11
Borrowings	0	1
Other Non-Current Liabilities	9	10
Current Liabilities	214	219
Borrowings	67	98
Trade Payables	122	97
Other Current Liabilities	25	24
Total Equity & Liabilities	321	311

Particulars	As on	
	31-Mar-21	31-Mar-20
Inventory Days	14	11
Debtor Days	54	43
Payables Days	64	45
NWC Days	5	9
Total Debt (Rs. Cr.)	67	99
Net Debt (Rs. Cr.)	8	32



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

For Further
Information,
please contact

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