

PDS/SE/2021-22/33

August 4, 2021

<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: PDSMFL</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 ended June 30, 2021, i.e., Q1-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 Investors' Presentation of PDS Multinational Fashions Limited for the announcement of the Financial Results for the Quarter ended June 30, 2021, i.e., FY 2021-22 Earnings Release.

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

Thanking you,

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



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

*Encl.: As Above*



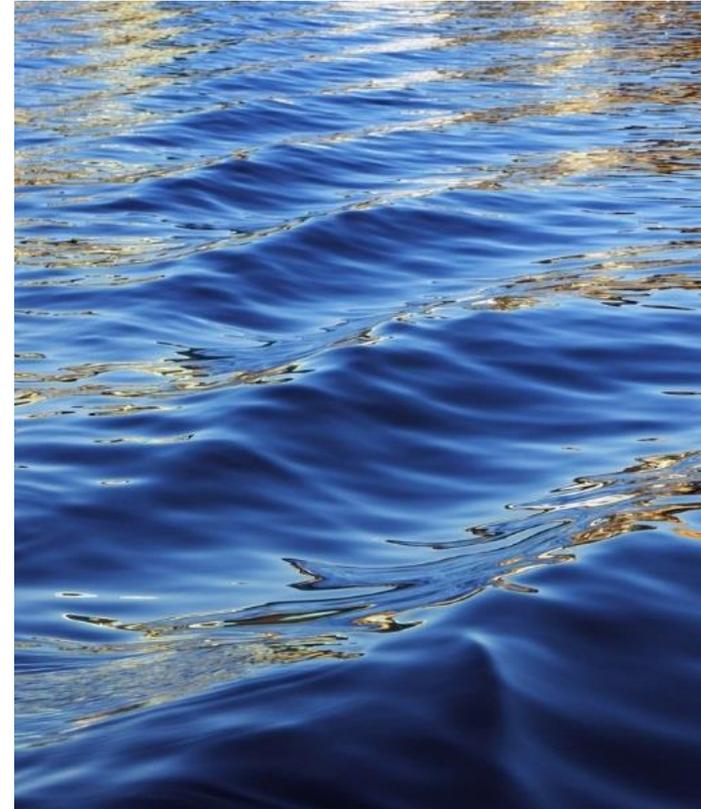
# PDS Multinational Fashions Ltd

INVESTOR UPDATE – Q1 FY22

Global.  
Collaborative.  
Ethical.



Global, Collaborative, Ethical



Building a sustainable future

# Safe Harbour

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# Power of the PDS Platform

With sustainability agenda at its core



## Key Building Blocks for PDS's Global Platform

₹ **1,626cr**  
Q1 FY22 Topline  
(\$221mn)

 **66cr**  
Q1 FY22 EBIT  
(\$9mn)

 **59cr**  
Q1 FY22 PAT  
(\$8mn)

 **68%**  
Y-o-Y  
Topline Growth

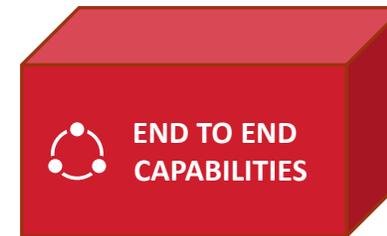
 **3 times**  
Y-o-Y  
EBIT Growth

 **27 times**  
Y-o-Y  
PAT Growth

 **33%**  
Q1 FY22 ROCE

 **29%**  
Q1 FY22 ROE

 **0.15x**  
Net Debt/EBITDA



# Building a Sustainable Future

As per Mckinsey article,

*“Fashion alone accounts for 4 percent of greenhouse gas emissions.”*

*“65 percent of German and UK consumers now say they will buy more high-quality items that last longer, and 64 percent of Chinese consumers will consider more environmentally friendly products”*

1. PDS has created a global footprint and is associated with marquee brands and retailers
2. One critical aspect which is closely evaluated by brands and retailers in their partners is the “sustainability agenda”
3. Sustainability as a concept has moved up as a key consideration for many retail players
4. This trend is further accelerated in the post COVID world especially with consumers wanting to limit the impact of climate change and make a difference
5. This trend is also extending to investors with environmental, social, and corporate governance (ESG) funds which have doubled in last 3 years

# Impact of the Fashion Industry

Waste | Emissions | Living Wages | Microfibres and much more



Source: CO Expo Masterclass Series 2021



**92m tons**

of textile waste is created from the fashion industry



**2%**

of the people who make the clothes on our bodies earn a living wage



If the fashion industry were a country, it would be the world's

**4th largest emitter of CO<sub>2</sub>**



**35%**

of all microplastics in the world's oceans are from synthetic textiles

*International Union for Conservation of Nature*

**Next few slides captures initiatives undertaken by PDS to drive sustainability across the platform**



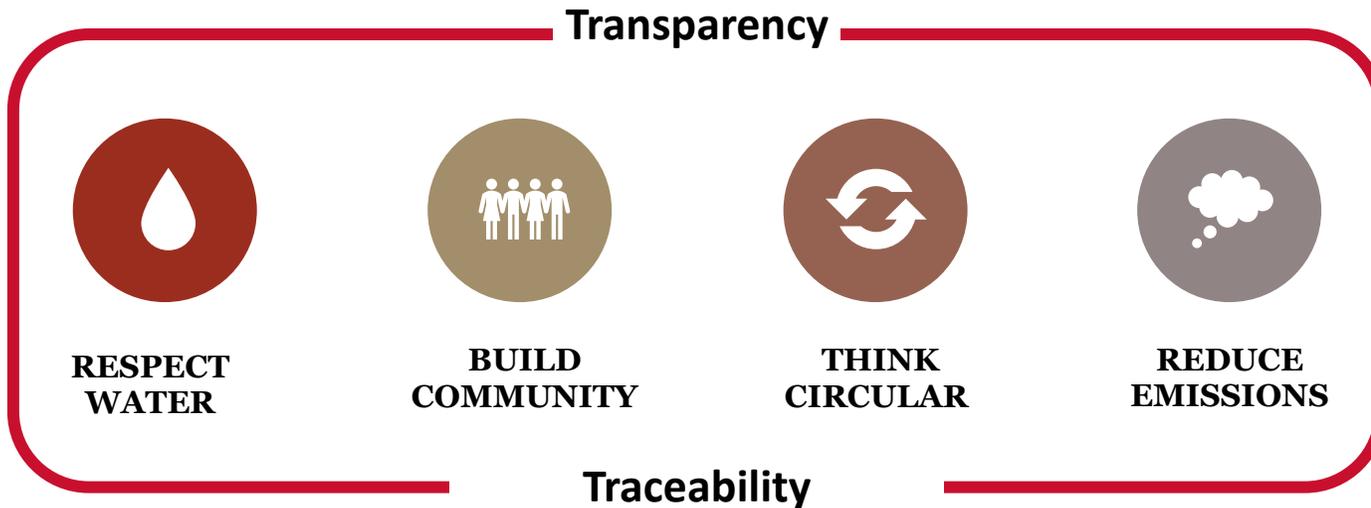
# PDS's Sustainability Goals & Initiatives



# Sustainability Goals of the PDS platform



*Promoting sustainable materials, low impact manufacturing and investing in a sharing circular economy*

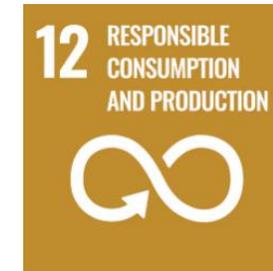


**A Right Product, Right Country, and Right Factory strategy which helps deliver low impact distribution and emissions**

**PDS Venture Tech Investments focused on 3 prime areas derived from UN Sustainability Development Goals**



**Sustainable Communities:** Investing in businesses creating and promoting sustainable communities/platforms.



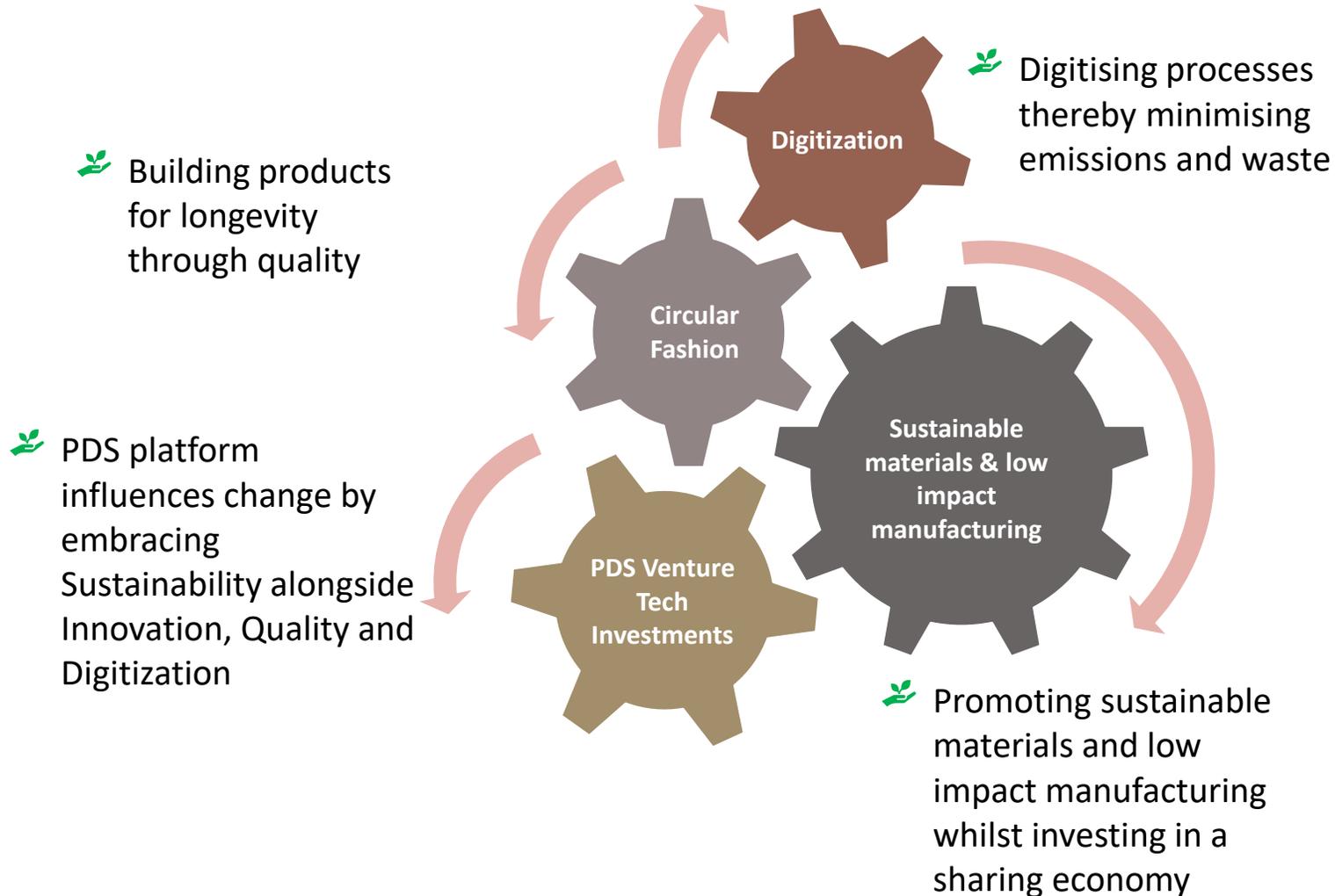
**Materials:** Focusing on sustainable alternatives to raw materials and their production in a sustainable way.



**Circular Economy:** Targeting recycling and reusability to prevent clothes from ending up in a landfill.

# PDS Sustainability Initiatives

Minimize environmental impact, while sustaining business & communities we serve



Supported by Ethical & Technical Task Force of 41 members led by highly experienced industry experts



**David Goodwin**  
*ED-Tech Quality & Sustainability*



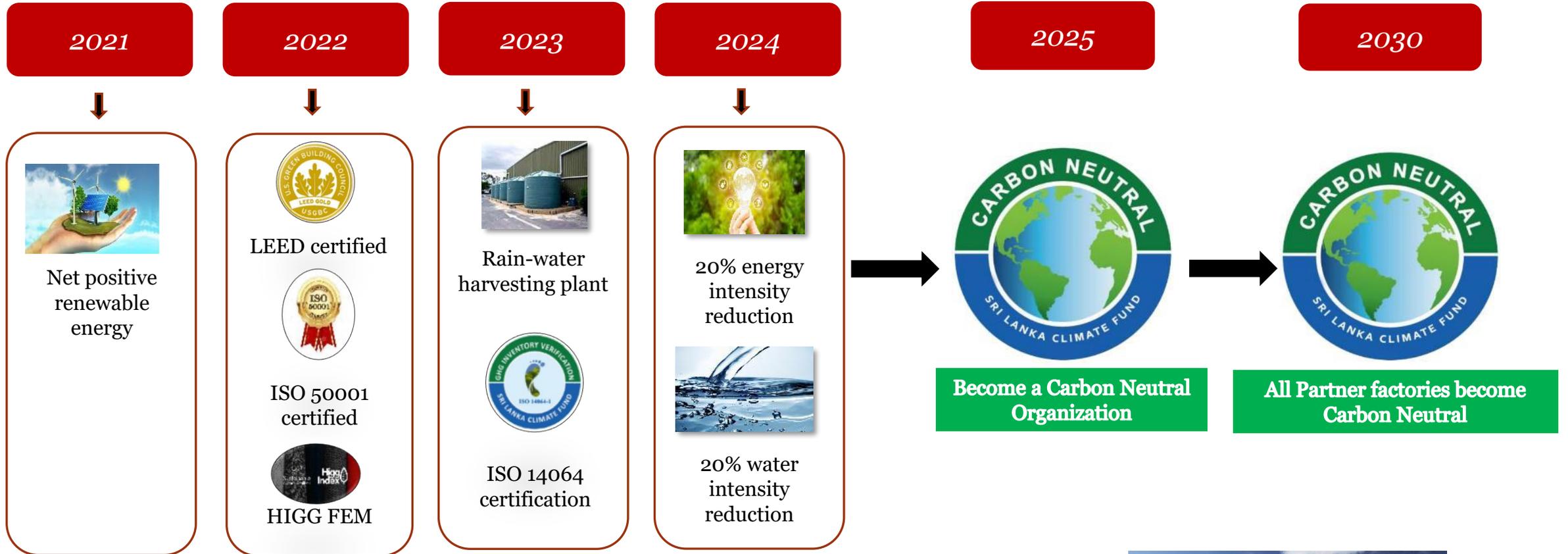
**Julia Rowlands**  
*ED-Global Compliance*



**Rajeev Sharma**  
*ED-Global Compliance*

Teams across geographies Bangladesh, Sri Lanka, India, Pakistan, China, Cambodia

# Piloting Carbon Neutral Footprint @ Sri Lanka manufacturing facilities



### Net Positive Energy Consumption – Norlanka Solar Project 2021

**60,000 kWh**

Average monthly consumption  
Norlanka Trinco

**76,000 kWh**

Average renewable energy generated through  
the solar project





# Sustainable manufacturing @ Bangladesh

Series of sustainability initiatives carried focussing on empowering women workforce, reducing carbon footprint, preserving natural resources, supporting social developments, increasing customers satisfaction



Reduce / Reuse water and rainwater harvesting | Increasing water efficiency

**Green Smart Shirts Ltd.**



Energy efficient lighting and machinery | Solar panel system

**Progress Apparels (Bangladesh) Ltd.**



Reuse and recycle paper | Jhute / Waste recycling project through Reverse Resource platform | RO System | Jhute Boiler



Sewage Treatment Plant to ensure no contamination of environment | Tree plantation program

## Certified



## In process



## Memberships



## Social Sustainability





# Lilly + Sid: Sustainable brand launched in India



Lilly + Sid, the organic award-winning British kids wear brand launched in India with an exclusive tie up with Reliance Retail's fashion marketplace: [Ajio.com](https://www.ajio.com), supplemented by own website [www.lillyandsid.co.in](https://www.lillyandsid.co.in)



## Fabrics

- 95% of our garments made from organic cotton (Global Organic Textile Standard certified)
- Non-cotton fabrics are eco-friendly too. New swimwear is made from recycled fishing nets and at UPV50+ protects little ones and the planet
- Dyes are Azo free, kinder to the environment and kinder to the wearer

## Factories

- Factories are members of the ETI (Ethical Trading Initiative), SA8000 accreditation (Social Accountability Accreditation) or are SEDEX certified
- Teams based in India and Sri Lanka visit the factories regularly and ensure all our standards are met

Brand has won multiple accolades over the last ten years including the **'Top 10 Ethical Brands Worldwide'** by Guardian, UK and the prestigious **'Loved By Parents'** Award in 2017, 2018, 2019, 2020 and 2021.





# Sustainability through product innovation (1/2)

## Biodegradable Jean - "Made to last, built to disappear"



- Offers a premium selection of sustainably sourced fabrics ranging from organic cotton to anti-microbial infused fibres and BCI Cotton is infused into fabrics
- Repreve® Our Ocean™ Jeans: Each pair of jeans in this series has its polyester yarns transformed from upcycled bottles at high risk of entering the ocean into durable Repreve® Our Ocean™ fibres.

## Safe to Wear + Traceability

- 100% our fabrics are certified with Standard 100 by Oeko-Tex®
- Cost neutral Oeko-Tex labelling on volume lines
- Vast majority of products with Oeko-Tex Made In Green

## 'Plant me' Handtag



## Corozo Buttons

- Plant based product that is environmentally friendly and dyes used are non-toxic and biodegradable

# Sustainability through product innovation (2/2)

RE/FORM by Zamira Denim Lab, 100% sustainable, authentic denim garment label, produced with the latest cutting-edge technology



# Building capabilities in the Circular Fashion space

## Resale fashion - The future of fashion



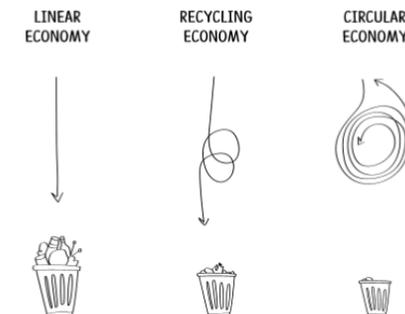
**Resale market is growing 11x faster than traditional retail and expected to be \$77bn by 2025**

- Yellow Octopus Group is a sustainable solutions provider for the fashion industry
- Focussing on building commercially viable solutions to transform the fashion industry from a Linear to a Circular Economy model
- Provide new revenue streams for brands and retailers to help them reduce the environmental impacts of their fashion products, while demonstrating corporate responsibility & strengthening brand's reputation
- Extending the life of clothing by an extra nine months of active use would reduce carbon, waste and water footprints by around 20%-30% each and cut resource costs by 20%
- Diverting clothes from landfill and making new products and materials out of fashion waste - to continually reduce the environmental impact of the industry whilst creating new growth opportunities for retailers

# 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.



- Supports the reselling of no longer wanted products into the second hand (pre-owned) market
- Technology connects brands to the secondhand marketplaces
- Enable shoppers to resale past purchases on the brand's website to earn shopping credits
- The piece is rehomed and given a second life, taking fashion full circle

# Technological tools providing sustainable solutions

## Enabling cost reduction and lower carbon footprint



### 3D Design, Sampling & Fit



#### Reduce costs for

- Raw material generation
- Raw material transportation
- Raw material freight
- Factory stitching
- Garment freight

#### Reducing overall carbon footprint



**DIZBI XR**  
**Virtual Showroom**

#### Reduce costs for

- Air Travels
- Sample freight

#### Reducing overall carbon footprint



# PDS Venture Tech Portfolio (1/2)

## Focussed on Sustainability and Circular Economy



**Evrnu** is a Research and Development Company offering a suite of innovative technologies that transform post-consumer cotton waste into a high-quality fiber source used for textile creation

**USP:** Can eliminate 30% of garment waste headed to landfills, 80% of pollutant emissions, & 98% of the water required for virgin cotton production

**Products:** Cellulosic Fibres, Recycled Fibres



**Materra** is a planet-centric technology company working towards climate resilient cotton agriculture

**USP:** Can farming solution enables higher yields, higher quality fiber and higher resource efficiency in cotton farming

**Products:** Cotton, Natural Fibres



# PDS Venture Tech Portfolio (2/2)

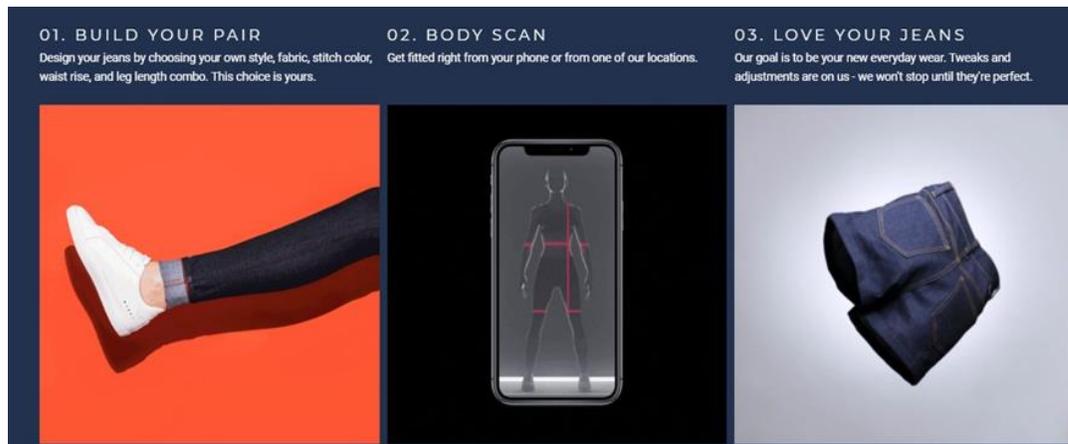
## Focussed on Sustainability and Circular Economy



**Good On You** uses consumer power to create a sustainable future – rating fashion brands for their impact on people, the planet and animals

**USP:** Comprehensive brand ratings system and online discovery platform for fashion

**Services:** Campaigning / Awareness Raising, Industry Support, Marketing, PR, Sustainability Consulting



**Unspun** is a robotics and digital apparel company building custom jeans for each consumer, on demand

**USP:** looks to reduce global carbon emissions by 1% through automated, localized, and intentional manufacturing

**Products:** Womenswear, Menswear, Denim, Couture, Outdoor wear



# PDS Platform

– Business Overview

Sourcing

Manufacturing

PDS Venture Tech  
Investments



# PDS Value Proposition

Global platform for leading apparel brands / retailers across geographies



Offers a distinct range of services that empower the brands/retailers and the manufacturers

## Services offered to brands/retailers

- **Product design services** led by deep insights into latest fashion trends
- **Quality** inspection and testing
- **Assurance** of adherence to high compliance standards
- **Supply chain** and logistics management
- **High scalability**, supported by a carefully chosen supplier network



## Services offered to manufacturers

- **Access** to marquee fashion brands and retail chains
- **Design support** and knowledge sharing
- Provision of **working capital** provision for business growth
- Opportunity to **achieve scale** led by large order volumes
- **Drive profitability** across the vendor network

Connecting link between customers and suppliers

# Design Led Sourcing Capabilities of the Platform

Immense scalability potential through +500 factory partners



Let's have a look the way we actually conduct ourselves

*PDS acts as the connecting link between customers and suppliers while providing value added services such as deep design capabilities, assurance of quality and compliance standards, and supply chain management for global clients.*

Value of Sales (MV)  
handled in Q1 FY22 up by  
65%

High scalability with  
minimal capex

Power of platform can  
result in declining NWC  
days

Particulars (₹cr)	FY21
Merchandise Value (MV)	6,073
Revenue	972
<i>Revenue as % of MV</i>	<i>16.0%</i>
EBITDA	324
<i>EBITDA as % of Revenue</i>	<i>33.3%</i>
Gross Capital Employed	509
ROCE (%)	64%

**Repositioning PDS as a  
new age services  
platform with superior  
financial matrix**



# 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

# Manufacturing capabilities

Performance heading towards profitability (Sales up 85% in Q1, EBIT loss down 38%)



**c.6,000 Machine Capacity with 130 production lines spread across Bangladesh, Sri Lanka and India**  
**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
- **On track to be break even in FY22**
- **Running near full capacity and now focus on increasing 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
- **On track to be profitable in 4 quarters**
- **Running near full capacity and now focus on increasing efficiency**

43% of  
Total  
Capacity

**With the increase in topline due to higher capacity utilization, the business is on trajectory of achieving profitability**

# 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**

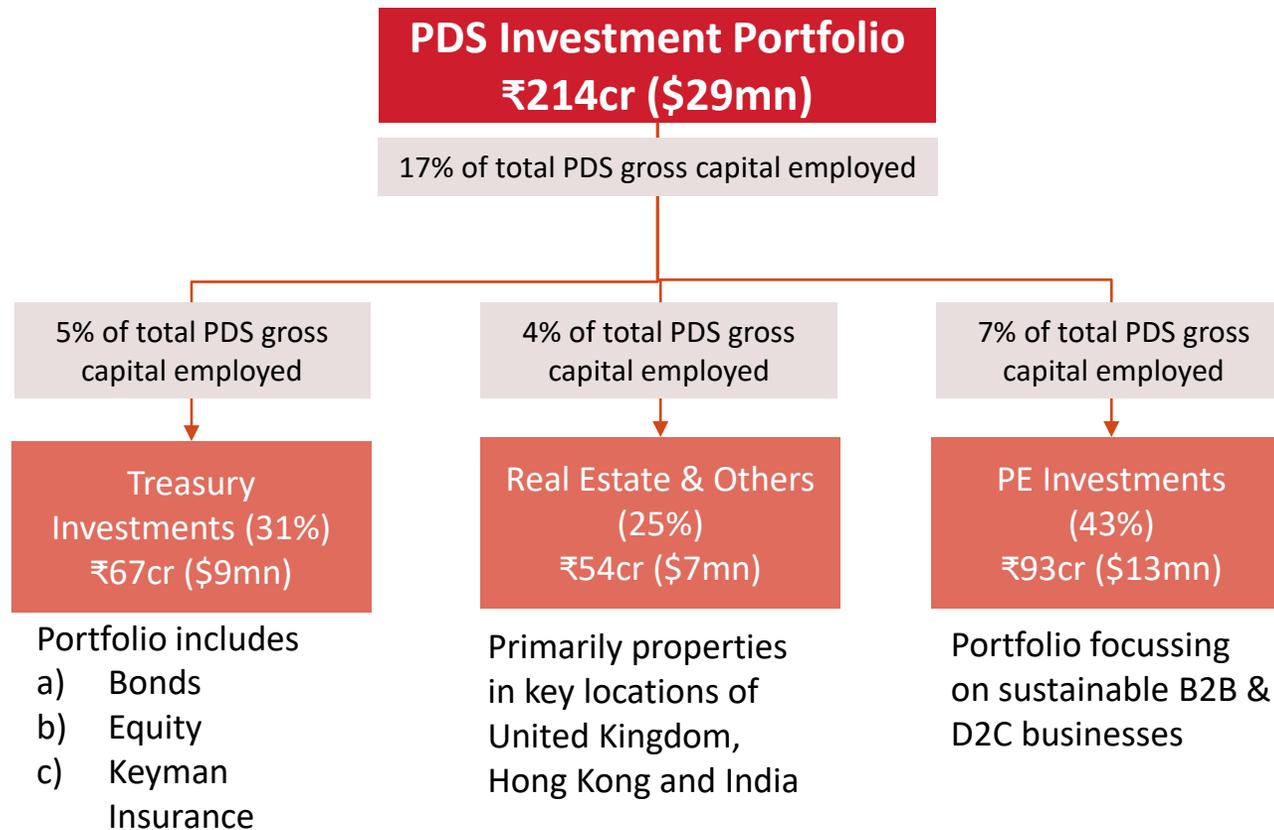
1. Investment opportunities enable PDS to strengthen its focus areas:
  - a. **Sustainability** – Materials, Circular Economy, Sustainable Communities
  - b. **Technology** – Fashion Tech, Consumer Tech & Other Tech
  - c. **Consumer Brands** – B2B, D2C
2. Through these investments PDS enhances its value 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

## Portfolio allocation



**UK property has been disposed off at a profit of ₹41cr (US\$6mn) during the quarter (21% of FY21 investment portfolio)**

Valuation of £8.5mn (\$11.9mn) done by Strutt & Parker, London

## Rationale for PDS Venture Tech Investments

- PDS operates in a volatile industry in which customer stickiness needs to be created
- Price based offering is not sustainable for the business as customer will shift if they get cheaper options
- PDS is identifying opportunities that align with our vision and key focus areas
  - Investing in businesses that fit with the future of our industry
  - Investing in IP knowledge and on track with the developments of the future of the industry
- PDS operates an asset light business model, this is pseudo capex – investing in future of the industry which will create long term value for various stakeholders in the ecosystem



# Q1 FY22 Business & Financial Performance Overview

# Key Business Highlights



1. Achieved a topline of ₹1,626cr (68% growth compared to Q1 FY21)
  - a) Surpassed pre-Covid (Q1 FY20) levels and are geared for further growth and profitability during the year
  - b) Topline growth in Q1 is driven by Merchandise Value handled by our Sourcing division
  - c) Gross Margins of 17.3% (increased by 58bps with a growth of 74%) and EBIT of ₹66cr (increased by 3 times) compared to Q1 FY21. We continue to keep a watch on input price and increase in freight cost
  - d) PAT increased by 27x to ₹59cr compared to Q1 FY21
2. Manufacturing business has witnessed a good trajectory in Q1 FY21
  - a) Topline increased by 85% compared to Q1 FY21. Order book position in Q2 FY22 continues to be strong
  - b) Compared to last year PBT losses have significantly declined by 37%. Trend is expected to continue
3. In July 2021, PDS on-boarded team focusing on young fashion print and fast fashion led by Russell Wyeth
  - a) Russell Wyeth is a seasoned professional with 30 years of experience supplying to UK high street & digital retailers
  - b) He set up his company, Collective Apparel Ltd, where the business grew from an idea into sales of \$50mn in 2020
4. The markets are beginning to look 'Stable' to 'Positive'. We should now scale up from here

# Key Financial Highlights Q1 FY22



68% consolidated topline growth

₹**1,626**cr  
(US\$221mn)



Gross Margin of

**17.3%**

vs 16.7% in Q1 FY21



3 times growth in EBIT

₹**66**cr  
(US\$9mn)

FY20

FY21



27 times increase in PAT

₹**59**cr  
(US\$8mn)

FY20



Net Working Capital

**2** days

from 5 days in  
March 2021



Gross Debt Reduction

₹**141**cr

from June 2020



ROCE\*

**33%**

vs 20% in Q1 FY21



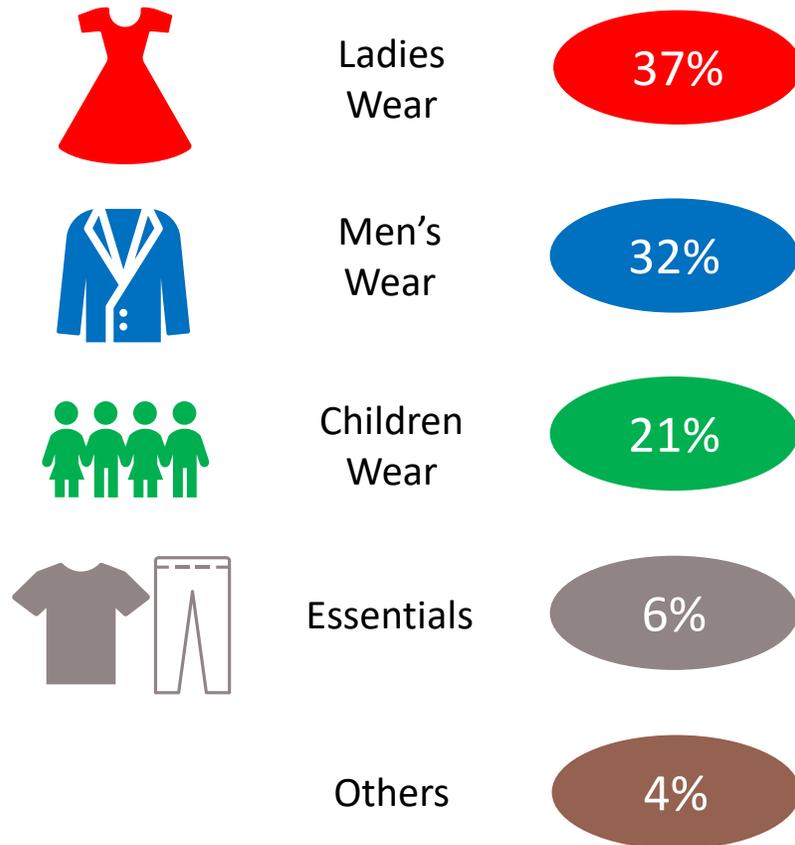
ROE\*

**29%**

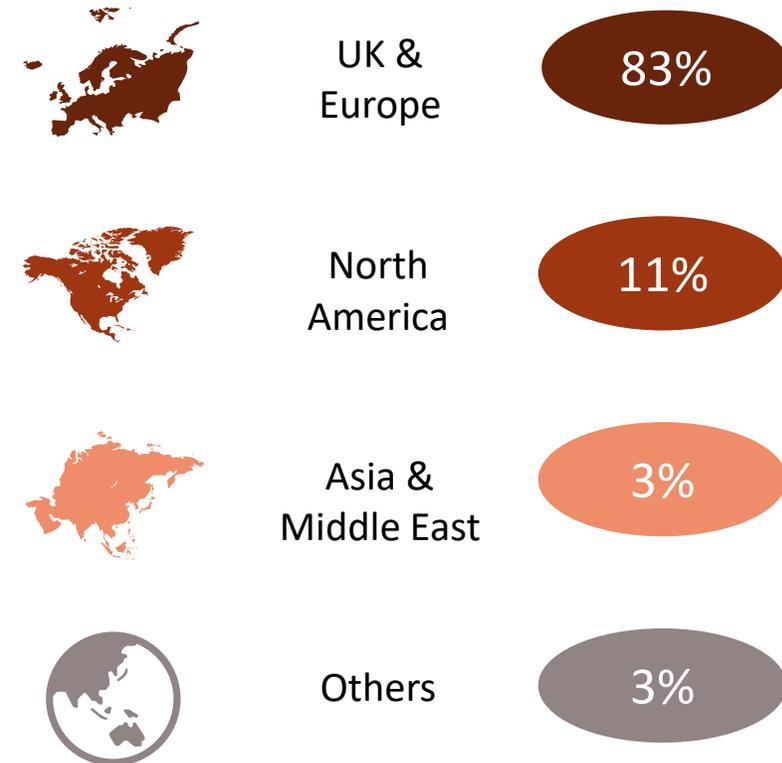
vs 12% in Q1 FY21

# Revenue Break up (Q1 FY22)\*

## Category wise (% share)



## Geography wise (% share)



# Consolidated Profit & Loss Statement



₹ in cr, unless mentioned otherwise

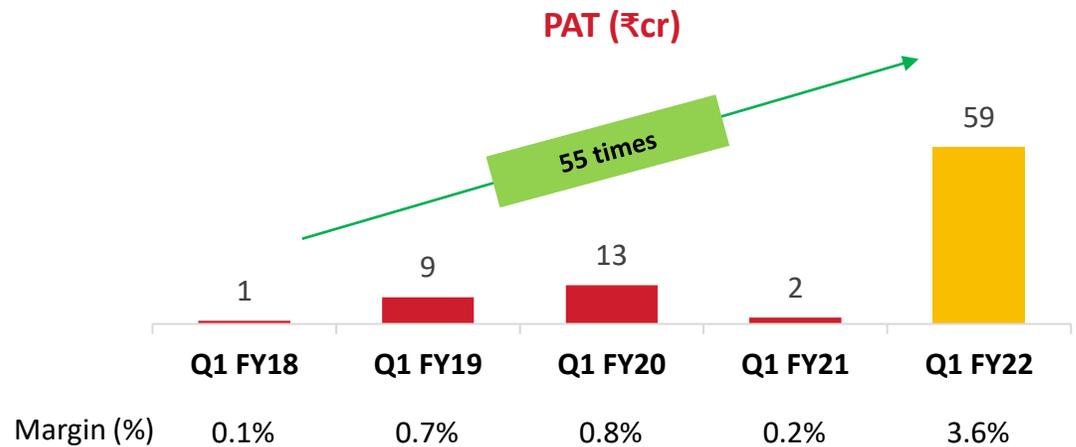
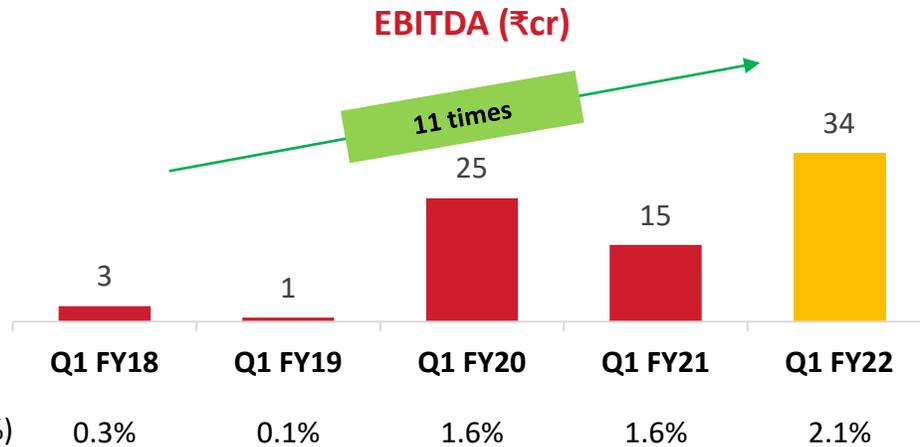
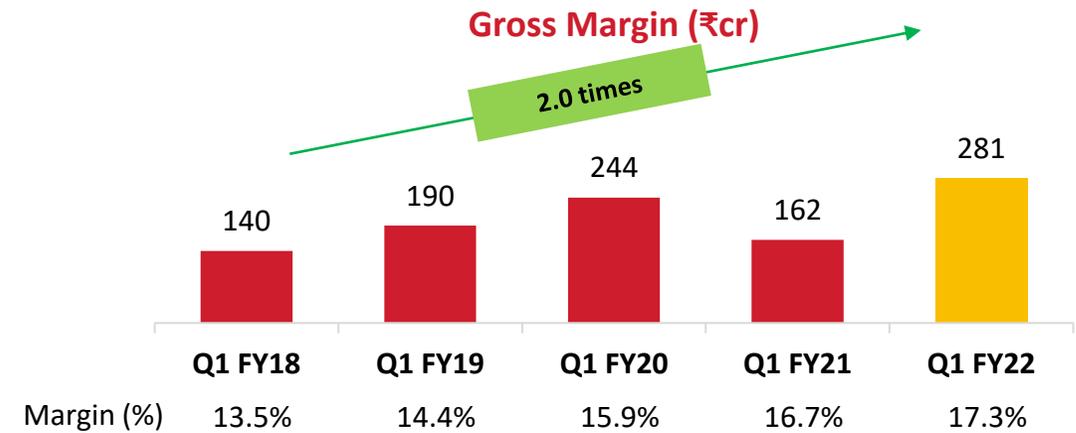
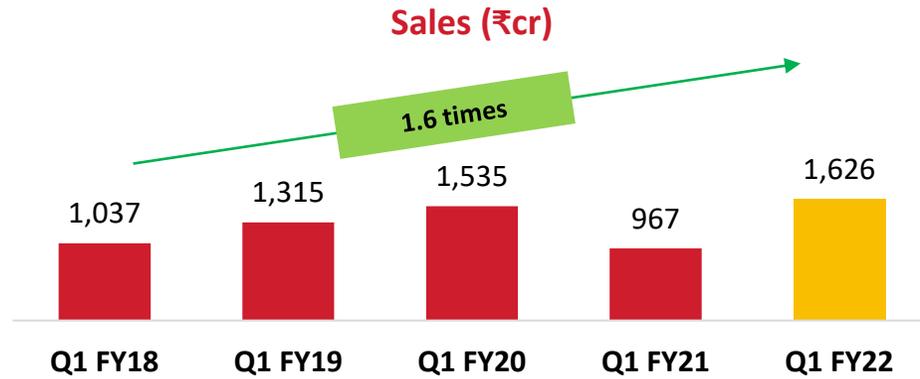
Particulars	Q1		Growth (Y-o-Y)	FY21
	FY22	FY21		
Income from Operations	1,626	967	68%	6,213
COGS	1,345	805	67%	5,185
<b>Gross Profit</b>	<b>281</b>	<b>162</b>	<b>74%</b>	<b>1,028</b>
<b>Gross Margin (%)</b>	<b>17.3%</b>	<b>16.7%</b>	<b>58 bps</b>	<b>16.5%</b>
Employee Expense	135	75	80%	414
% of Income from Operations	8.3%	7.7%	56 bps	6.7%
Other Expenses	112	71	57%	383
% of Income from Operations	6.9%	7.4%	-49 bps	6.2%
<b>EBITDA</b>	<b>34</b>	<b>15</b>	<b>121%</b>	<b>230</b>
<b>EBITDA Margin (%)</b>	<b>2.1%</b>	<b>1.6%</b>	<b>51 bps</b>	<b>3.7%</b>
Depreciation	17	16	11%	68
Other Income	49	17	191%	37
<b>EBIT</b>	<b>66</b>	<b>17</b>	<b>295%</b>	<b>200</b>
<b>EBIT Margin (%)</b>	<b>4.0%</b>	<b>1.7%</b>	<b>232 bps</b>	<b>3.2%</b>
Finance Cost	5	10	-55%	26
Profit before exceptional items and tax	61	6	883%	174
Add: Share of Profit/(Loss) of Associates	1	-2		-4
<b>Profit Before Tax</b>	<b>62</b>	<b>4</b>	<b>1454%</b>	<b>170</b>
Tax Expenses	3	2	44%	22
<b>Profit After Tax</b>	<b>59</b>	<b>2</b>	<b>2699%</b>	<b>148</b>
<b>PAT Margin (%)</b>	<b>3.6%</b>	<b>0.2%</b>	<b>342 bps</b>	<b>2.4%</b>

## Key Highlights of performance during the quarter

1. Income from Operations increased by 68% in Q1 FY22 vs Q1 FY21 coming out of impact of Covid
2. EBITDA increased by 121% compared to Q1 FY21
3. Finance cost declined by 55% compared to Q1 FY21
4. PBT increased by 15x to ₹62cr
5. PAT increased by 27x from ₹2cr in Q1 FY21 to ₹59cr in Q1 FY22
6. PAT margin expanded by 3.4% compared to Q1 FY21

# Performance in Q1 over last 5 years

Consistently delivered growth & profitability and have exceeded pre-Covid levels



# Consolidated Balance Sheet

Net working capital days are now down to 2 days



₹ in cr, unless mentioned otherwise

Particulars	As on		
	30-Jun-21	31-Mar-21	30-Jun-20
<b>Non-Current Assets</b>	<b>565</b>	<b>594</b>	<b>578</b>
<b>Current Assets</b>	<b>1,884</b>	<b>1,752</b>	<b>1,730</b>
Inventories	256	197	215
Trade Receivables	853	910	669
Cash and cash equivalents	324	293	342
Other Bank Balances	141	137	150
Other Current Assets	311	214	354
<b>Total Assets</b>	<b>2,450</b>	<b>2,346</b>	<b>2,307</b>
<b>Total Equity</b>	<b>751</b>	<b>716</b>	<b>604</b>
<b>Non-Current Liabilities</b>	<b>66</b>	<b>66</b>	<b>101</b>
Borrowings	1	2	7
Other Non-Current Liabilities	65	64	94
<b>Current Liabilities</b>	<b>1,633</b>	<b>1,564</b>	<b>1,602</b>
Borrowings	502	488	636
Trade Payables	931	892	667
Other Current Liabilities	199	184	299
<b>Total Equity &amp; Liabilities</b>	<b>2,450</b>	<b>2,346</b>	<b>2,307</b>

Particulars	As on		
	30-Jun-21	31-Mar-21	30-Jun-20
Inventory Days	16	14	16
Debtor Days	45	53	40
Payables Days	59	63	48
<b>NWC Days</b>	<b>2</b>	<b>5</b>	<b>8</b>
<b>Total Debt</b>	<b>503</b>	<b>490</b>	<b>644</b>
<b>Net Debt</b>	<b>38</b>	<b>59</b>	<b>152</b>

### Working Capital & Leverage Ratios:

1. Net Working Capital Days decreased from 5 days to 2 days
2. Total Debt has decreased by ₹141cr since Jun 2020 & Net Debt decrease of ₹114cr, resulting in
  - a) Net Debt/Equity decreased from 0.25x to 0.05x
  - b) Net Debt/EBITDA decreased from 0.86x to 0.15x

### Return to Stakeholders:

1. ROCE\* has increased from 20% in Q1 FY21 to 33% in Q1 FY22
2. ROE\* has increased from 12% in Q1 FY21 to 29% in Q1 FY22

# Consolidated Cash Flow Statement

We continue to deliver cash flow from operations



₹ in cr, unless mentioned otherwise

Particulars	Quarter 30-Jun-21	Full Year 31-Mar-21
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	62	170
Depreciation and amortization expense	17	68
Finance Costs	5	26
Gain on sale of subsidiary	-41	0
Others	-2	-4
(Increase)/Decrease in Net Current Assets	20	120
<b>A. Total Cash Flow from Operating Activities</b>	<b>62</b>	<b>379</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of property, plant and equipment & intangible	-14	-27
Purchase of investments	-6	-86
Increase/(decrease) in deposits	-3	15
Change in other financial assets	-23	0
Proceeds from sale of investments	0	12
Others	1	2
<b>B. Total Cash Flow from Investing Activities</b>	<b>-44</b>	<b>-83</b>
<b>(A+B) Total Cash Flow from Operating and Investing Activities</b>	<b>17</b>	<b>296</b>

Particulars	Quarter 30-Jun-21	Full Year 31-Mar-21
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from borrowings (net)	13	-252
Interest paid on borrowings	-3	-19
Payment of dividend to non-controlling interests	-8	-47
Payment of principal portion of lease liabilities	-5	-21
Others	-1	-7
<b>C. Total Cash Flow from Financing Activities</b>	<b>-5</b>	<b>-347</b>
<b>(A+B+C) Net increase / (decrease) in Cash and cash equivalent</b>	<b>13</b>	<b>-50</b>
Foreign exchange fluctuation	9	-5
Add: Cash and cash equivalent at the beginning	282	337
Add: Bank overdraft	20	11
<b>Cash and cash equivalent at the end</b>	<b>324</b>	<b>293</b>

# Q1 Performance Across Segments



₹ in cr, unless mentioned otherwise

	Sourcing	Manufacturing	PDS Venture Tech Investments	PDS Consolidated
Revenue	1,558 up 65% vs Q1 LY	95 up 85% vs Q1 LY	2 Revenue captured in Other Income	1,626
EBIT (Including other income)	38 up 9% vs Q1 LY	-11 down 38% vs Q1 LY	41 Rental, Treasury & Sale of Real Estate	66
Gross Capital Employed (% of Total)	526 (42%)	513 (41%)	214 (17%)	1,254
Net Capital Employed				789
ROCE	63%*	-ve*	20%*	33%

\*based on gross capital employed | Consolidated ROCE based on net capital employed | Consolidated and Sourcing ROCE adjusted for dividend | PDS Consolidated numbers above are post eliminations



**Mr Parth Gandhi**

*Non-Executive Non-Independent Director  
PDS Multinational Fashions Limited*

- Senior investment professional with significant experience in India for over two decades
- Previously, a Senior Partner and Managing Director at Apollo Global Managements India JV between ICICI and AION
- Responsible for establishing the strategic partnership with Apollo and in developing AION Investment strategy
- Serves on the International Advisory Board for Michigan State University, is a charter member of TiE Global (The Indus Entrepreneurs)
- An active member of The Explorers Club and ASSOCHAM
- In his previous roles, Mr. Gandhi was a Managing Director at Navigator Capital Advisors Limited and prior to that was a Consultant with Ernst and Young



**Mr. Sunil Srivastav**

*Director  
Techno Design HK Limited (Techno Group topline of \$71mn in FY21 – c.9% of overall PDS topline)*

- Previous Dy. Managing Director – Corporate Accounts Group in State Bank of India
- Responsible for large corporate credit exposure including project and infrastructure financing for the bank
- Has overseen initiating the Bank's foray into digital delivery of financial products and services including wealth management and initiation of SBI's foray into new lines of businesses including identification and negotiation with global JV partners
- As CGM – Kolkata at SBI, tasked with managing and growing operations of a network of 1,450 offices in Bengal, Sikkim and Andaman & Nicobar
- He was at the time responsible for a workforce of 18,000 employees across different business verticals
- Independent director across various listed entities

The background of the slide is a blurred image of a line graph on a grid. A pen is pointing to a specific data point on the graph. The graph shows a line that fluctuates over time, with a notable peak and trough. The grid lines are faint, and the overall image has a blueish-grey tint.

# Peer Comparison

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# PDS Sourcing Business (94% of Revenue)

Our closest global comparable



Particulars	Comparable 1 Switzerland	Comparable 2 UK	Comparable 3 France
Business Model	Provides testing, inspection and certification services against relevant health, safety and regulatory standards	Provides assurance, testing, inspection and certification services to identify and mitigate risks in operations, supply and distribution chains and QMS	Provides testing, inspection and certification services to ensure products, assets and systems conform to QHSE standards and Regulations
End user Industries	Consumer & Retail, Food, Oil & Gas, Manufacturing, Construction	Softlines & Hardlines, Electricals, Agriculture, Pharma	Consumer Products, Agriculture, Industrials, Building & Infra
Revenue	6,108	3,811	5,475
EBITDA %	24.7%	22.0%	16.0%
EBIT %	16.1%	15.6%	8.9%
ROCE	27.8%	36.4%	14.4%
Revenue Contribution of Consumer Sector	18.8%	61.3%	12.7%
EBIT margin of Consumer Sector	25.0%	20.9%	11.2%
EV / EBITDA	17.5x	15.8x	18.3x

# PDS Multinational Fashions Limited

Our closest domestic comparable platforms



₹ in cr, unless mentioned otherwise

Particulars – Q1 FY22			
	B2B apparel platform	Comparable 1 B2B consumer electronics	Comparable 2 B2B digital marketplace
Revenue	1,627	1,867	182
Revenue (Y-o-Y Growth %)	68.3%	261.2%	18.6%
Gross Profit (% of Revenue)	17.3%	7.4%	na
EBITDA (% of Revenue)	2.0%	2.6%	48.8%
PAT (% of Revenue)	2.9%	1.0%	48.4%
Net Capital Employed	813	812	1,658
Net Debt	38	54	-42
Net Debt/Equity	0.05x	0.07x	nm
Net Debt/EBITDA	0.15x	0.28x	nm
ROCE (net capital employed)	30.6%	16.4%	27.7%
ROE	26.4%	9.6%	20.7%
Net Working Capital Days	2	-	-7
Market Cap	3,270	25,190	21,709
EV / EBITDA	13.4x	131.8x	61.1x
P / E	24.9x	141.9x	71.8x

**Note:** 1. Market Cap is as on 30-Jul-2021; 2. Ratios of Peers are calculated on annualized basis; 3. na - not applicable; 4. nm - not meaningful

**Source:** Stock Exchange Releases & other public information

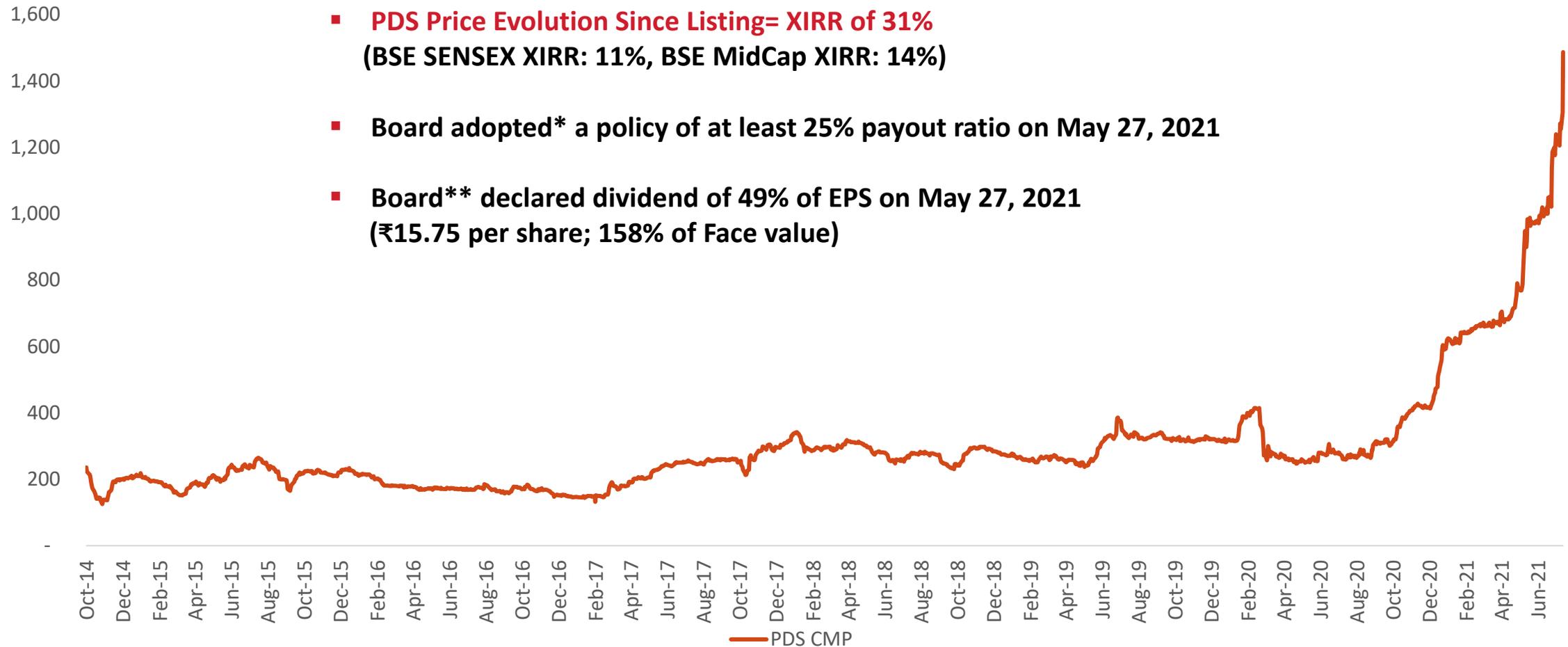
The background features a blurred image of a stock price chart. A pen is positioned at the top right, pointing towards a data point on the chart. The chart shows a line graph with several peaks and troughs. A horizontal dotted line is drawn across the chart at a level corresponding to the value 2.5 on the left and 2.47 on the right. The overall color scheme is dark blue and grey, with a white horizontal line separating the title from the subtitle.

# Shareholders Return

PDS STOCK PRICE PERFORMANCE SINCE LISTING

# What PDS has achieved since listing

## PDS Share Price Evolution since Listing



\*subject to T&C; \*\*since approved by shareholders on July 30, 2021

**Note:** BSE Sensex and BSE MidCap XIRR calculated from October 2014 till 03 Aug 2021

Source: BSE

# Annexure

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# Consolidated Profit & Loss



US\$ in mn, unless mentioned otherwise

Particulars	Q1		Growth (Y-o-Y)	FY21
	FY22	FY21		
Income from Operations	220.6	127.4	73%	837.0
COGS	182.4	106.1	72%	698.6
<b>Gross Profit</b>	<b>38.2</b>	<b>21.3</b>	<b>79%</b>	<b>138.4</b>
<b>Gross Margin (%)</b>	<b>17.3%</b>	<b>16.7%</b>	<b>58 bps</b>	<b>16.5%</b>
Employee Expense	18.3	9.9	86%	55.8
<i>% of Income from Operations</i>	<i>8.3%</i>	<i>7.7%</i>	<i>56 bps</i>	<i>6.7%</i>
Other Expenses	15.2	9.4	62%	51.7
<i>% of Income from Operations</i>	<i>6.9%</i>	<i>7.4%</i>	<i>-49 bps</i>	<i>6.2%</i>
<b>EBITDA</b>	<b>4.6</b>	<b>2.0</b>	<b>128%</b>	<b>31.0</b>
<b>EBITDA Margin (%)</b>	<b>2.1%</b>	<b>1.6%</b>	<b>51 bps</b>	<b>3.7%</b>
Depreciation	2.3	2.0	14%	9.1
Other Income	6.6	2.2	200%	5.0
<b>EBIT</b>	<b>8.9</b>	<b>2.2</b>	<b>306%</b>	<b>26.9</b>
<b>EBIT Margin (%)</b>	<b>4.0%</b>	<b>1.7%</b>	<b>232 bps</b>	<b>3.2%</b>
Finance Cost	0.6	1.4	-53%	3.5
Profit before exceptional items and tax	8.3	0.8	912%	23.4
Add: Share of Profit/(Loss) of Associates	0.1	-0.3		-0.5
<b>Profit Before Tax</b>	<b>8.4</b>	<b>0.5</b>	<b>1500%</b>	<b>22.9</b>
Tax Expenses	0.4	0.2	48%	2.9
<b>Profit After Tax</b>	<b>8.0</b>	<b>0.3</b>	<b>2781%</b>	<b>20.0</b>
<b>PAT Margin (%)</b>	<b>3.6%</b>	<b>0.2%</b>	<b>342 bps</b>	<b>2.4%</b>

# Consolidated Balance Sheet



US\$ in mn, unless mentioned otherwise

Particulars	As on		
	30-Jun-21	31-Mar-21	30-Jun-20
<b>Non-Current Assets</b>	<b>76</b>	<b>81</b>	<b>77</b>
<b>Current Assets</b>	<b>254</b>	<b>240</b>	<b>229</b>
Inventories	34	27	28
Trade Receivables	115	124	89
Cash and cash equivalents	44	40	45
Other Bank Balances	19	19	20
Other Current Assets	42	29	47
<b>Total Assets</b>	<b>330</b>	<b>321</b>	<b>306</b>
<b>Total Equity</b>	<b>101</b>	<b>98</b>	<b>80</b>
<b>Non-Current Liabilities</b>	<b>9</b>	<b>9</b>	<b>13</b>
Borrowings	0	0	1
Other Non-Current Liabilities	9	9	12
<b>Current Liabilities</b>	<b>220</b>	<b>214</b>	<b>212</b>
Borrowings	67	67	84
Trade Payables	125	122	88
Other Current Liabilities	27	25	40
<b>Total Equity &amp; Liabilities</b>	<b>330</b>	<b>321</b>	<b>306</b>

Particulars	As on		
	30-Jun-21	31-Mar-21	30-Jun-20
Inventory Days	16	14	16
Debtor Days	45	54	40
Payables Days	59	64	48
<b>NWC Days</b>	<b>2</b>	<b>5</b>	<b>8</b>
<b>Total Debt</b>	<b>68</b>	<b>67</b>	<b>85</b>
<b>Net Debt</b>	<b>5</b>	<b>8</b>	<b>20</b>

# Consolidated Cash Flow



US\$ in mn, unless mentioned otherwise

Particulars	Quarter 30-Jun-21	Full Year 31-Mar-21
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	8.3	23.2
Depreciation and amortization expense	2.3	9.3
Finance Costs	0.6	3.5
Gain on sale of subsidiary	-5.5	0.0
Others	-0.2	-0.5
(Increase)/Decrease in Net Current Assets	2.7	16.4
<b>A. Total Cash Flow from Operating Activities</b>	<b>8.3</b>	<b>51.9</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of property, plant and equipment & intangible	-1.8	-3.6
Purchase of investments	-0.8	-11.7
Increase/(decrease) in deposits	-0.5	2.1
Change in other financial assets	-3.1	0.0
Proceeds from sale of investments	0.0	1.6
Others	0.1	0.3
<b>B. Total Cash Flow from Investing Activities</b>	<b>-6.0</b>	<b>-11.4</b>
<b>(A+B) Total Cash Flow from Operating and Investing Activities</b>	<b>2.3</b>	<b>40.5</b>

Particulars	Quarter 30-Jun-21	Full Year 31-Mar-21
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from borrowings (net)	1.8	-34.5
Interest paid on borrowings	-0.5	-2.6
Payment of dividend to non-controlling interests	-1.1	-6.4
Payment of principal portion of lease liabilities	-0.6	-2.9
Others	-0.2	-0.9
<b>C. Total Cash Flow from Financing Activities</b>	<b>-0.6</b>	<b>-47.4</b>
<b>(A+B+C) Net increase / (decrease) in Cash and cash equivalent</b>	<b>1.7</b>	<b>-6.9</b>
Foreign exchange fluctuation	1.2	-0.6
Add: Cash and cash equivalent at the beginning	38.0	46.2
Add: Bank overdraft	2.7	1.5
<b>Cash and cash equivalent at the end</b>	<b>43.6</b>	<b>40.1</b>

# Financial Journey of the PDS Platform



# Historical Financial Performance



Sales (₹cr)

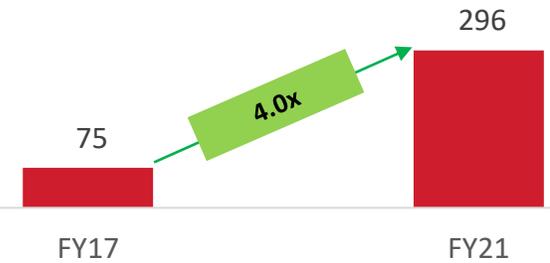


Gross Margin (₹cr)

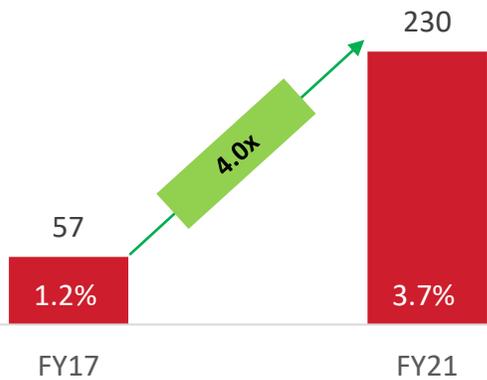


Free Cash Flow (FCF) (₹cr)

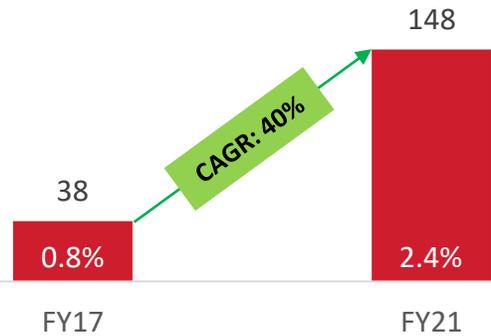
Cumulative FCF for 5 years: ₹502cr (US\$ 68 mn)  
Cumulative PAT for 5 years: ₹356cr (US\$ 50 mn)



EBITDA (₹cr)



PAT (₹cr)

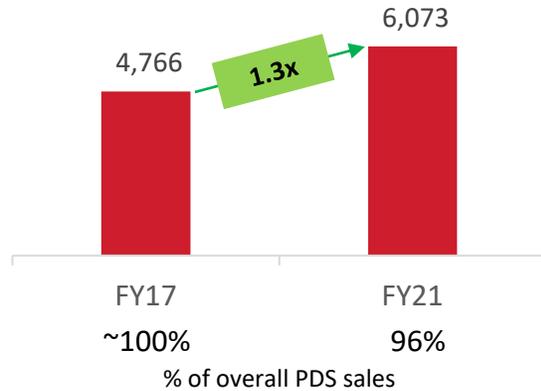


# Deep Dive into Sourcing & Manufacturing Business

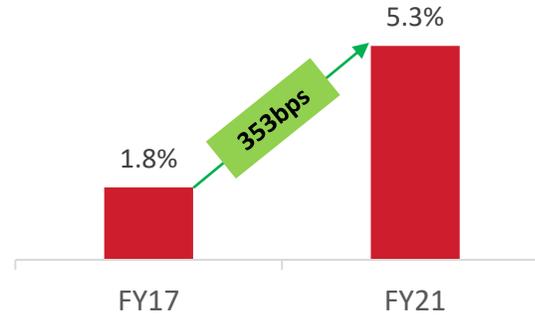


Sourcing

Sales (₹cr)



EBITDA Margin %



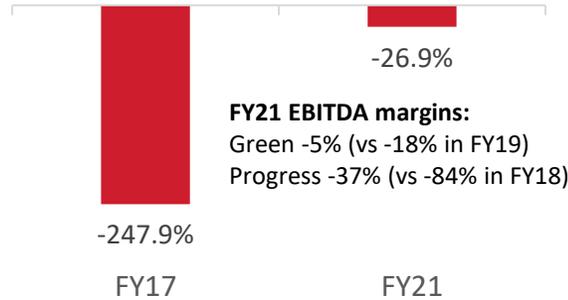
FY21 Gross Capital Employed (₹cr)

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

FY21 ROCE %\*

**64%**

Manufacturing



**FY21 EBITDA margins:**  
 Green -5% (vs -18% in FY19)  
 Progress -37% (vs -84% in FY18)

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

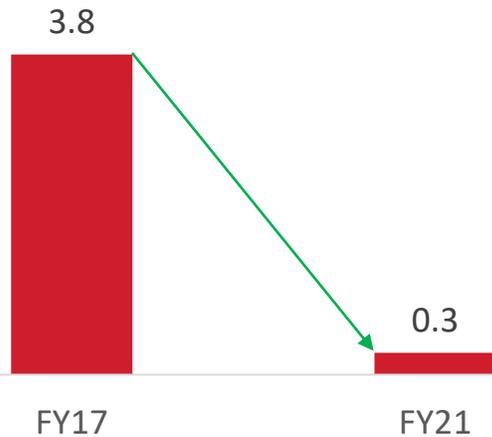
• ROCE is -ve due to -ve EBIT

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

# Enhanced Key Leverage and Return Ratios

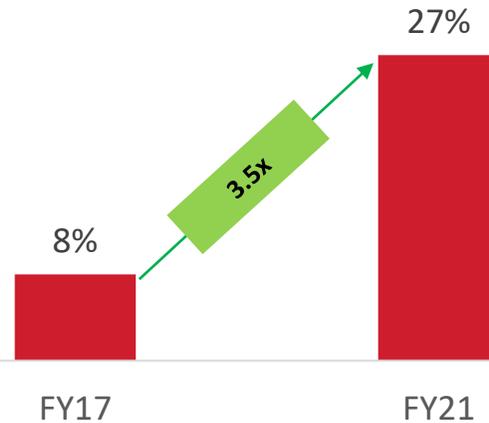


### Net Debt/EBITDA(x)



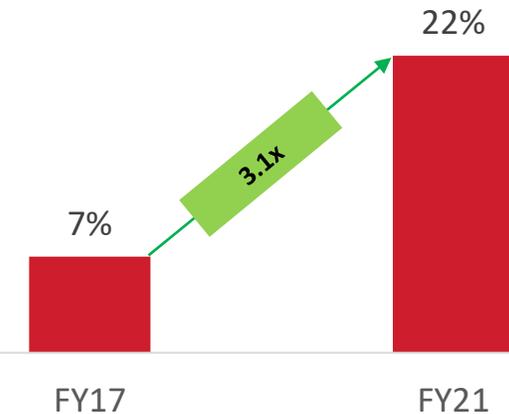
Consistent expansion in EBITDA and reduction in Net Debt translated into significant improvement in leverage ratio

### 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

# Standalone Profit & Loss Statement and Balance Sheet



₹ in cr, unless mentioned otherwise

Particulars	Q1		Growth (Y-o-Y)	FY21
	FY22	FY21		
Income from Operations	13.6	5.4	151%	46.1
COGS	2.9	0.0		15.4
<b>Gross Profit</b>	<b>10.7</b>	<b>5.4</b>	<b>97%</b>	<b>30.7</b>
<b>Gross Margin (%)</b>	<b>78.5%</b>	<b>100.0%</b>	<b>-2,149 bps</b>	<b>66.5%</b>
Employee Expense	7.2	3.1	129%	15.3
% of Income from Operations	52.8%	58.0%	-518 bps	33.2%
Other Expenses	1.6	1.2	30%	7.0
% of Income from Operations	11.4%	22.1%	-1,064 bps	15.2%
<b>EBITDA</b>	<b>1.9</b>	<b>1.1</b>	<b>80%</b>	<b>8.4</b>
<b>EBITDA Margin (%)</b>	<b>14.3%</b>	<b>20.0%</b>	<b>-567 bps</b>	<b>18.2%</b>
Depreciation	0.8	0.6	17%	2.7
Other Income	0.6	0.9	-35%	42.1
<b>EBIT</b>	<b>1.8</b>	<b>1.4</b>	<b>30%</b>	<b>47.8</b>
<b>EBIT Margin (%)</b>	<b>13.3%</b>	<b>25.6%</b>	<b>-1,229 bps</b>	<b>103.5%</b>
Finance Cost	0.3	0.4	-26%	1.6
<b>Profit Before Tax</b>	<b>1.5</b>	<b>1.0</b>	<b>52%</b>	<b>46.2</b>
Tax Expenses	0.4	0.3	39%	1.5
<b>Profit After Tax</b>	<b>1.1</b>	<b>0.7</b>	<b>57%</b>	<b>44.7</b>
<b>PAT Margin (%)</b>	<b>8.4%</b>	<b>13.4%</b>	<b>-500 bps</b>	<b>97.0%</b>

Particulars	As on	
	30-Jun-21	31-Mar-21
<b>Non-Current Assets</b>	<b>144</b>	<b>138</b>
<b>Current Assets</b>	<b>48</b>	<b>55</b>
Trade Receivables	7	5
Cash and cash equivalents	35	45
Other Bank Balances	0	0
Other Current Assets	6	5
<b>Total Assets</b>	<b>192</b>	<b>193</b>
<b>Total Equity</b>	<b>159</b>	<b>156</b>
<b>Non-Current Liabilities</b>	<b>8</b>	<b>8</b>
Borrowings	1	2
Other Non-Current Liabilities	7	6
<b>Current Liabilities</b>	<b>25</b>	<b>30</b>
Borrowings	7	6
Trade Payables	4	5
Other Current Liabilities	14	18
<b>Total Equity &amp; Liabilities</b>	<b>192</b>	<b>193</b>

# Standalone Cash Flow Statement



₹ in cr, unless mentioned otherwise

Particulars	Quarter 30-Jun-21	Full Year 31-Mar-21
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	1.5	46.2
Depreciation and amortization expense	0.8	2.7
Finance Costs	0.3	1.6
Dividend income	-0.5	-40.5
Employee share based payments	1.9	0.0
Other Adjustments	-0.3	-0.8
(Increase)/Decrease in Net Current Assets	-7.1	-0.2
<b>A. Total Cash Flow from Operating Activities</b>	<b>-3.5</b>	<b>8.9</b>
<b>B. Cash Flow from Investing Activities</b>		
Capital Expenditure (including capital advances and investment property)	-6.3	-1.2
Dividend received	0.5	40.5
Interest received	0.1	0.2
<b>B. Total Cash Flow from Investing Activities</b>	<b>-5.7</b>	<b>43.1</b>
<b>(A+B) Total Cash Flow from Operating and Investing Activities</b>	<b>-9.2</b>	<b>52.1</b>

Particulars	Quarter 30-Jun-21	Full Year 31-Mar-21
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from borrowings (net)	-0.1	-7.2
Interest paid on borrowings	-0.1	-1.6
Payment of principal payment of lease liabilities	-0.1	-0.3
Interest paid on lease liabilities	-0.1	-0.1
<b>C. Total Cash Flow from Financing Activities</b>	<b>-0.5</b>	<b>-9.2</b>
<b>(A+B+C) Net increase / (decrease) in Cash and cash equivalent</b>	<b>-9.7</b>	<b>42.9</b>
Add: Cash and cash equivalent at the beginning	45.2	2.3
<b>Cash and cash equivalent at the end</b>	<b>35.5</b>	<b>45.2</b>



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

For Further  
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