



PDS

Global | Collaborative | Digital | Ethical

PDSL/SE/2022-23/140

June 8, 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: Intimation pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for Investor's Presentation**

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.

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.: As above

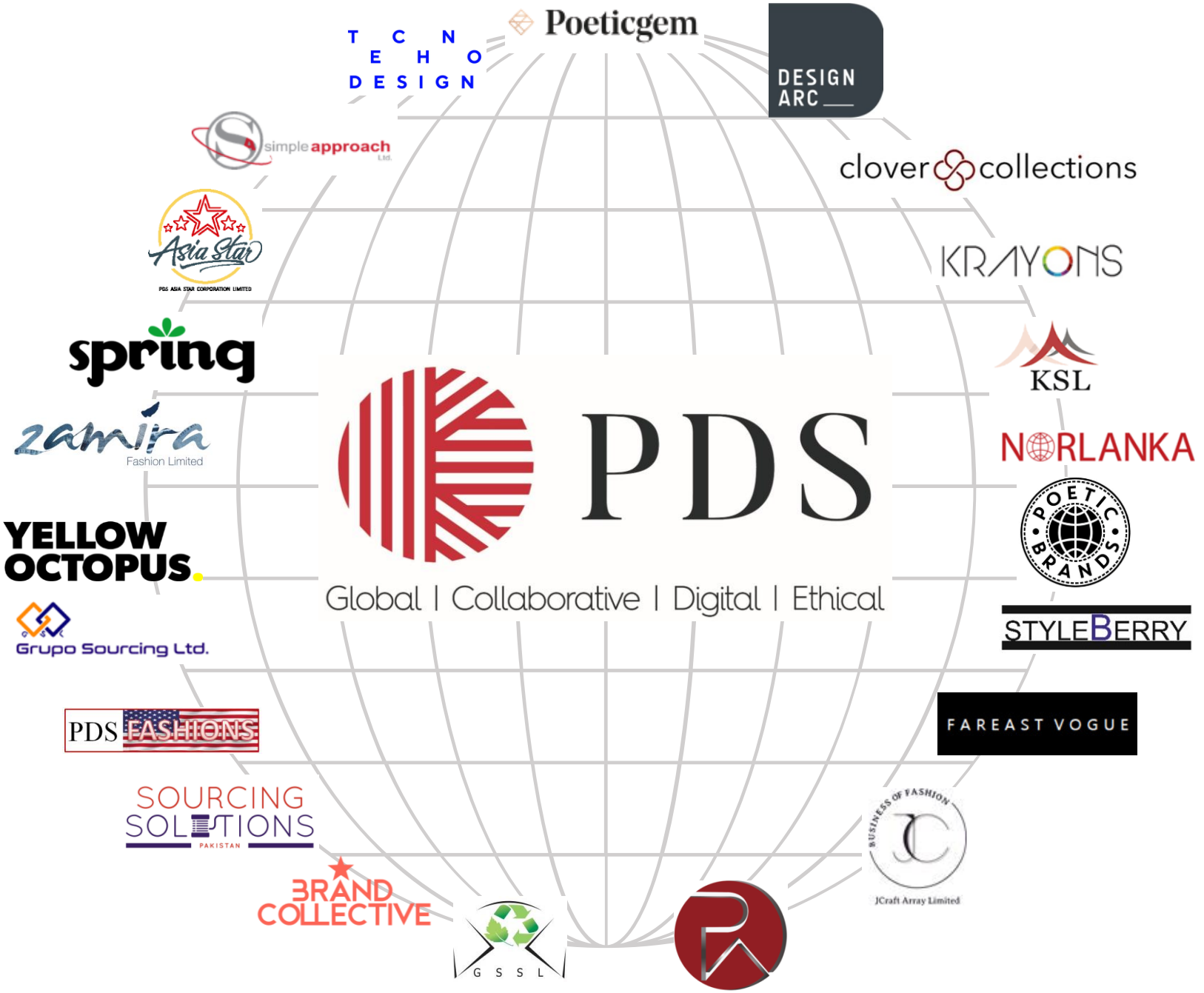
**PDS Limited**

(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)



# Company Presentation

June 2022

*Strictly Private & Confidential*

# Safe Harbour



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PDS – At A Glance



Business & Financial  
Performance Overview



PDS Platform Strengths &  
Capabilities



Stock Price Performance



Key Takeaways for FY22



Way Forward



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



Annexure

# PDS Limited

## At a Glance



**\$ \$1,185 mn**  
(₹8,828cr)  
Topline



**\$45 mn**  
(₹339cr)  
EBIT



**\$39 mn**  
(₹293cr)  
PAT



**38% | 31%**  
ROCE | ROE



**\$0.32**  
Dividend Declared\*  
**1:5**

Stock Split Announced\*



**-ve \$5 mn**  
(-ve ₹41cr)  
Net Debt



**+22**  
Countries



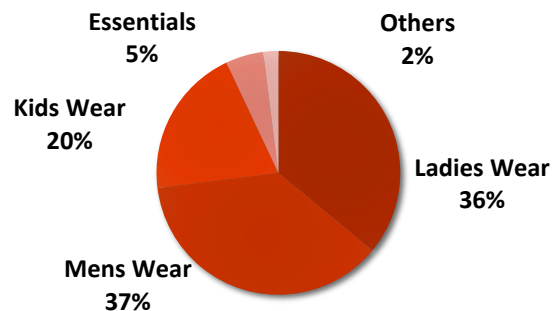
**+50**  
Offices



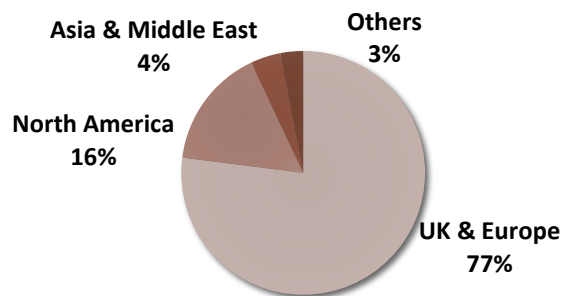
**3,300+**  
Employees

**5,800+**  
Associates &  
Factory staff

**Category Wise# (% Share)**



**Geography Wise # (% Share)**



### Robust Business Model

*Asset Light Model*

*-ve Net Debt Balance Sheet*

*No Single Customer Dependency*

*Insignificant Currency Risk*

*Low Payment Risk*

# Whom do we cater to?

A Well Diversified Base Of Marquee Customers



Catering to both offline & online channels



KOHL'S



Calvin Klein



HANES  
Brands Inc



JCPenney

PAC SUN

maurices  
JOANN



Walmart

MANGO

TJ-maxx



George.

MATALAN

ZARA



TESCO

PRIMARK

SOSANDAR

Carrefour

Sainsbury's

next

JACK WILLS

COSTCO

NEWYORKER

ASOS

Superdry  
極度乾燥(しなさい)

BESTSELLER

TOPSHOP  
TOPMAN

joules

On an average basis, each of the top 10 customers contributes <7% of the topline



# Global Reach and Scale of the Platform

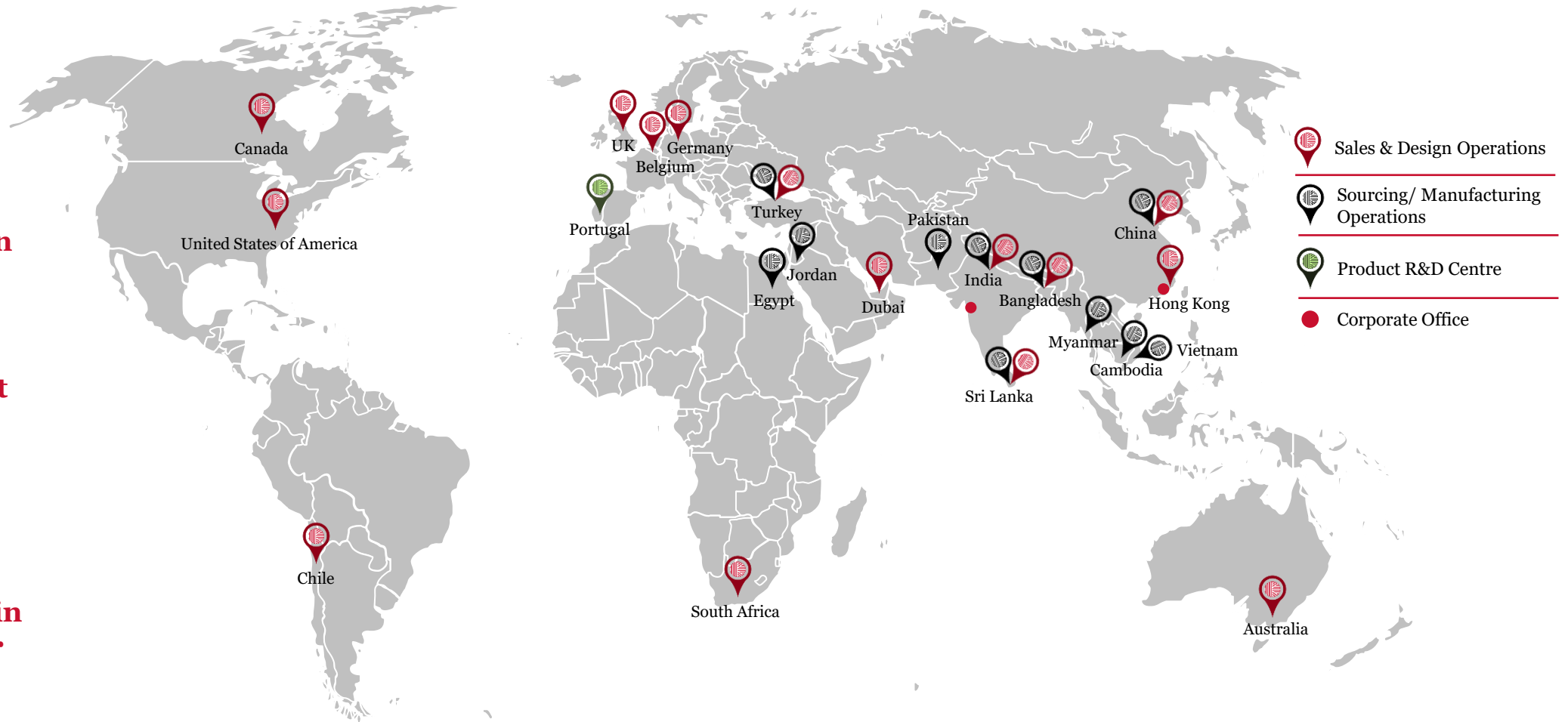
50+ Offices with a presence in over 22 countries



**1 Million  
pcs a day  
production**

**550+  
Compliant  
Partner  
Factories**

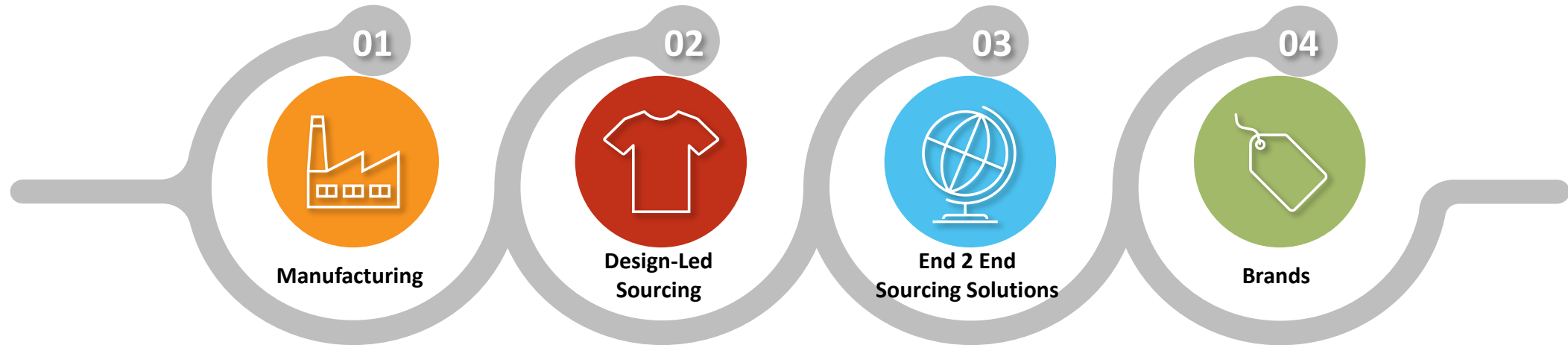
**150+  
Designers in  
Customer  
Location**



**Right Product in the Right Country in the Right Factory**

# Who are we?

Global Fashion Infrastructure Company with customized solutions to retailers & brands



- Owned Manufacturing Facilities
- Dedicated capacities with a Long term commitment
- Facilitates with LEED Gold Certification and HIGG Index Membership

- 550+ Fully Compliant partnered factories
- 150+ Dedicated designers
- In-house product development expertise
- Leveraging Market and Global Trade intelligence for speed

- Managing entire sourcing needs of the Retailers
- Partnership model with full transparency and strong controls
- Setting up exclusive team and infrastructure for customers as Extension of Brand/Retailer

- In – House developed Propriety Brands ~Library of 20 IPs registered
- Collab brands with Retailers – Conceptualise and curate
- Influencer led Brands
- Licensed Brands
- Acquired Brands



Vendor Financing and Flexible payment Terms\*



Strong Raw Material Procurement



PDS Ventures, feeding innovation & Newness



ESG Compliant Capacity

\*Depending on availability of credit insurance



# 01 World Class Manufacturing Facilities



**Progress Apparel,  
Bangladesh**

World Class Manufacturing facility with Accord Compliant (95%)



**Green Smart Shirts,  
Bangladesh**

Formal & Casual shirts / blouses for ladies



**Nor Lanka,  
Sri Lanka**

Specializes in Knits, Kids wear – Body suits and sleep suits

**LEED Gold Certificate “Best in Class” facilities**

## Strengths

*Strategic Locations*

*Responsible operations*

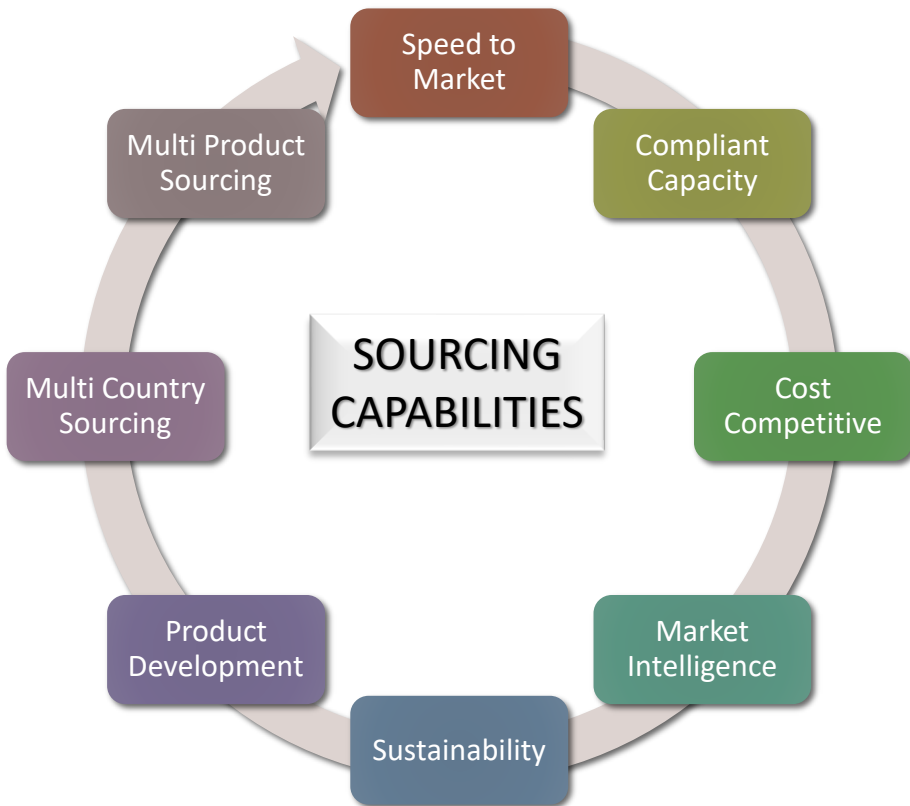
*Speciality focused manufacturing*

*Risk management*


## Our Accreditations



# 02 Design-Led Sourcing



**Strengthened by a global design-led ecosystem:**

 New York   Milwaukee USA	 London England	 Paris France	 Berlin Germany	 Istanbul Turkey
 Hong Kong	 Brussels Belgium	 Shanghai, China	 India	

**Trend Forecasting**  
(Runway, Retail, Social Media & Digital)

**Graphic, Textile Design, Fabric R&D**  
(25+Teams)

**Design Direction**  
(Key Items, Grow/Slow, Category Shifts)

**Circular 3D Design**  
(CLO Design, Virtual Showroom)

# Sourcing as a Service Model

## 03 Long term strategic collaborations – a testament to our capabilities



### Geography



### Marquee Associations

HANES  
Brands Inc

s.Oliver®



Sainsbury's

TJX®

Large UK  
Supermarket

### Territories

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

Exclusive:  
India | Sri Lanka

Non Exclusive:  
Turkey

Exclusive:  
Turkey

Non Exclusive:  
Global

Exclusive:  
Bangladesh |  
India

# 04 In House Brands

**ASOS**  
The Online Fashion Store

**ASDA**  
George.

**TKMAXX**



**REAKT®**

- Lounge and comfort wear brand
- Launched in April 2022
- In collaboration with Next, Tk Maxx, Zalando & Primark



**UNION DENIM**

- Denim workwear brand
- Launched in April 2021
- In collaboration with Sainsburys



*Raw Denim Atelier*  
N.Y.A.

- Sustainable Everyday work wear brand
- Launched in April 2022
- Available through Next & TkMaxx

next brands

**KOHL'S**

**TESCO**

**Sainsbury's**



**-9° PEAK**  
BRANDS • MENTALS • PHYSICAL STRENGTH

- Athleisure outdoor brand
- Launched in May 2022
- In collaboration with Tesco



**JON PARKA**  
LONDON

- Smart Casuals brand
- Launched in April 2022



**KINDRED**

- Sustainable casual/loungewear brand
- Launched in April 2022
- In collaboration with Next & TkMaxx



# 04 Influencer & Acquired Brands

**ASOS**  
The Online Fashion Store



**FW BRIDGE**

- Smart/Casualwear brand
- Launched in May 2022
- Exclusive to Tesco & Next

**ASDA**  
George.

**T.K. MAXX**



**ALESHA DIXON**  
UNISEX KIDSWEAR

- Kids clothing brand
- Launched in April 2021
- Exclusive to ASDA George



**ADAPT** PROFESSOR GREEN

- Sustainable premium menswear brand
- Launched in November 2020
- Exclusive to ASDA George

next brands

**KOHL'S**

**TESCO**

Sainsbury's



**Turtledove London**  
organic collection

- Unisex Kidswear brand
- Launched in 2016
- 'Shop in Shop' at Pepco EU



**Lilly + Sid**

- Kidswear brand
- Launched in 2019
- Collaborating with Pepco EU and Best + Less

# 04 Licensed Brands



FOREVER 21



Silver Cross



F FARAH



Stan Ray



# 04 200+ Licensed Characters

Film & TV



Cars & Motor



Rock & Roll



Food & Drink



Lifestyle & Gaming





## PDS Platform Strengths & Capabilities



# Diverse and global expertise leading the platform



## LEADERSHIP & BOARD OF DIRECTORS



**Mr. Deepak Seth**  
Group Chairman



**Mr. Pallak Seth**  
Vice Chairman



**Mr. Sanjay Jain**  
Group CEO



**Mrs. Payel Seth**  
Non-Executive and  
Non-Independent Director



**Ms. Yael Gairola**  
Independent Director



**Mr. Parth Gandhi**  
Non-Executive and  
Non-Independent Director



**Mr. Mungo Park**  
Independent Director



**Mr. Robert Sinclair**  
Independent Director



**Mr. Nishant Parikh**  
Independent Director

## LEADERSHIP TEAM



**Ashish Gupta**  
Group CFO



**Saurabh Saxena**  
Group CIO



**Reenah Joseph**  
Head of Corporate Finance,  
M&A and Investor Relations



**Abhishek Kanoi**  
Head of Legal & Company Secretary



**Raamann Ahuja**  
Group CHRO

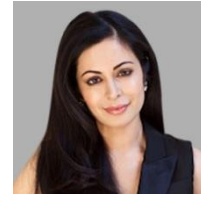


**Sadik Sunasara**  
Head- Strategic Initiatives &  
Special Projects

## ADVISORY BOARD



**Mr. Tarun Khanna**  
PDS Advisory Board



**Mrs. Faiza Seth**  
PDS Advisory Board

## ON SUBSIDIARY BOARD



**Mr. Sunil Srivastav**  
Director, Techno Design HK  
Limited



# Focus on Ethics, Compliance, and Sustainability

## ETHICS AND COMPLIANCE

Industry Experts leading +50 member team to maintain Social, Technical and Ethical Compliance standards across factories



Mr. David Goodwin



Mr. Jack Ostrowski



Ms. Julia Rowlands



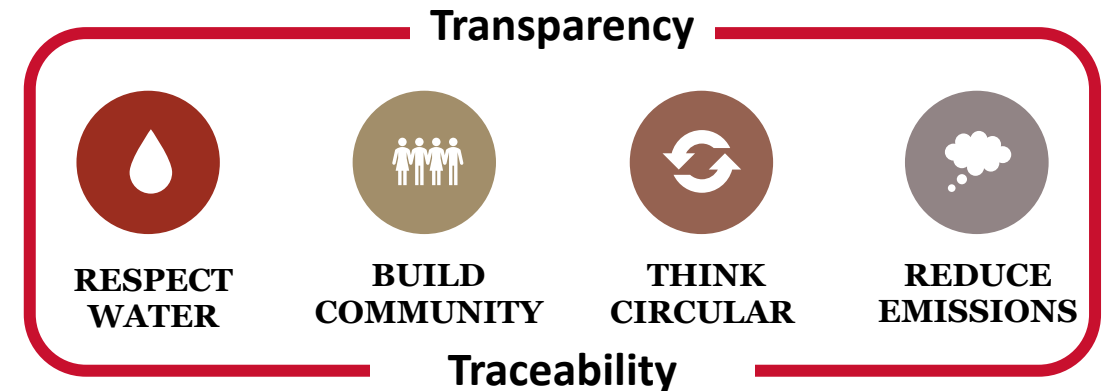
Mr. Rajeev Sharma

- Team **reports directly to PDS board**, independent of Businesses
- **Non-negotiable Policies** for Factories
  - Supplier Code on Conduct
  - Zero Tolerance Policy
- **Risk Management** - Financial Vendor Evaluation is done for all factories
  - 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

# Financial Strength of the Platform

## Key Building Blocks for PDS's Global Platform



### Major contributor for PDS's stability

- Topline CAGR of 12% over the last 5 years and PAT CAGR of 90%
- Focus on financial discipline
- Trade Finance Limits of \$370 Mn with strong leverage ratios due to –ve Net Debt
- Working with Consortium of leading Global Banks – HSBC, BNP, ICICI, CITI, First Abu Dhabi Bank
- Global Auditors led by EY and Grant Thornton
- Rigorous Risk Management Principles of 6Cs – Credit, Compliance, Currency, Compliant Capacity, Customer Dependency and Cost

# Building a Tech-savvy PDS Platform

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



**IBM** IBM Cloud  
**Saurabh Saxena**  
Group CIO



Driving automation and operating efficiencies leveraging Robotic Process Automation/ AI.

Robust ERP implemented across the group driving operating synergies and single system of records.



Centralized Sourcing



3D Design, Sampling & Fit



Digital Supply Chain Management



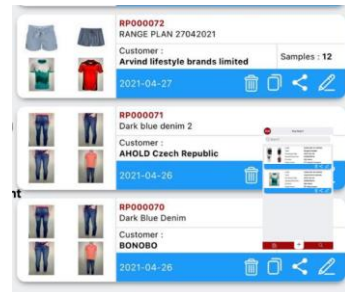
Data Analytics



## 3D Design Model



## PLM – Range Plan



## Digital Fit & Color



## 360 Showroom



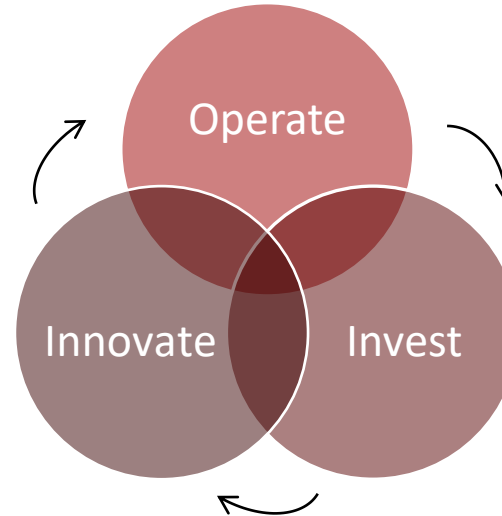
Digitized 18000+ designs (and on-going) helping us deliver “design as a service” while allowing for more efficient product sourcing and planning.

Technology is an enabler but not a replacement in our Industry

# PDS Venture Investments



Providing sourcing & manufacturing solutions for leading brands & retailers  
(PDS Platform)



We learn from our investment startups & implement the knowledge into the PDS system, to remain innovative & dynamic

- Disruptive technologies
- Circularity

We develop new partnerships and invest in businesses that fit the PDS vision, across

**Fashion | Retail | Consumer Tech | Sustainability | Digital First Consumer Brands**

**Fashion Tech**

**Retail Tech**

**Consumer Tech**

**Sustainability**

**Digital First Consumer Brands**





## Key Takeaways for FY22

# Key Takeaways for FY2021-22

Strategic contracts

**HANES**  
Brands Inc *s.Oliver*

Strengthening of PDS Platform & Governance Framework

Foray in the US markets gaining traction



Achieving negative working capital & negative net debt thereof

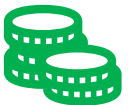
Investment in new verticals translating into topline of \$300 mn in 3 years

Monetization of Real Estate

PDS choosing a strategic roadmap to become \$2.5bn in 4-5 years

Our pursuit of growth & profitability continues

Manufacturing turnaround



# Manufacturing delivered profits

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



## Measures Put in place for driving efficiencies

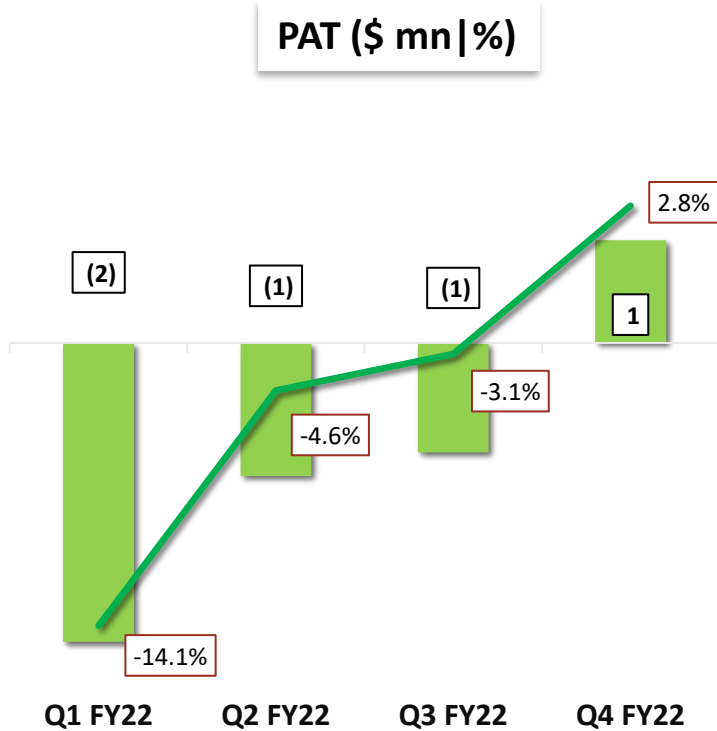
Improved run size mix – Long Run vs Short Run

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.







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

# Growth Opportunities for PDS



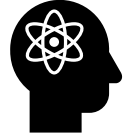
## Opportunities in Sourcing



Retailers looking to work with financially stable suppliers with multi-product & multi-geography capability



Banks are willing to fund growth for businesses with Strong Balance Sheet



Individual entrepreneurs are struggling with cash flows & working capital requirements



Supply Chain's ESG requirements/goal post are constantly evolving



Shift in industry dynamics (China +1), trade agreements and regulation fuelling disruption

## Ways to capitalise Opportunities

1

Invest in motivated and ambitious Entrepreneurs, looking for growth on PDS Platform rather than exit

2

Don't want to pursue just M&A but acquire majority stake by infusing Growth and Strategic capital

3

Provide strategic synergies and growth capital including working capital, global sourcing infrastructure, introduction to PDS customers and internal collaboration opportunities

4

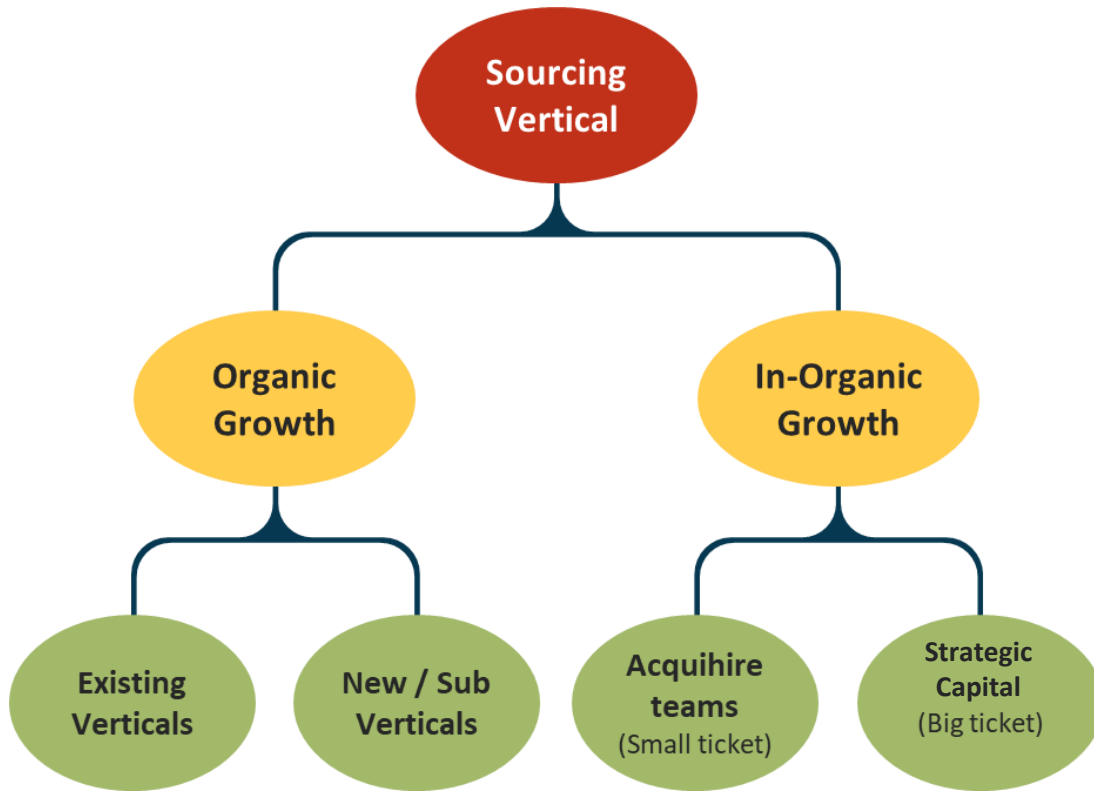
Enabling growth to such Standalone business units struggling to survive or thrive due to reasons mentioned on left

**PDS is not into acquiring businesses however we invest in Growth Opportunities**

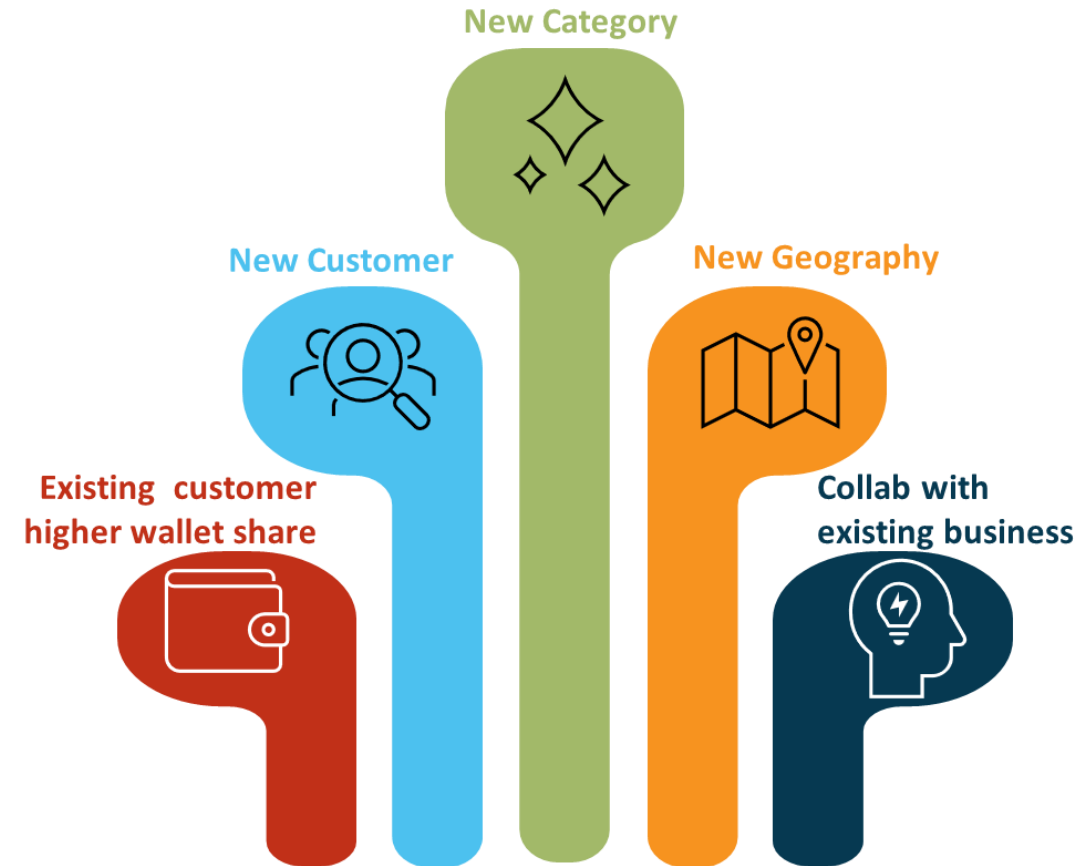
# Growth Road Map and Key Drivers for the PDS Platform



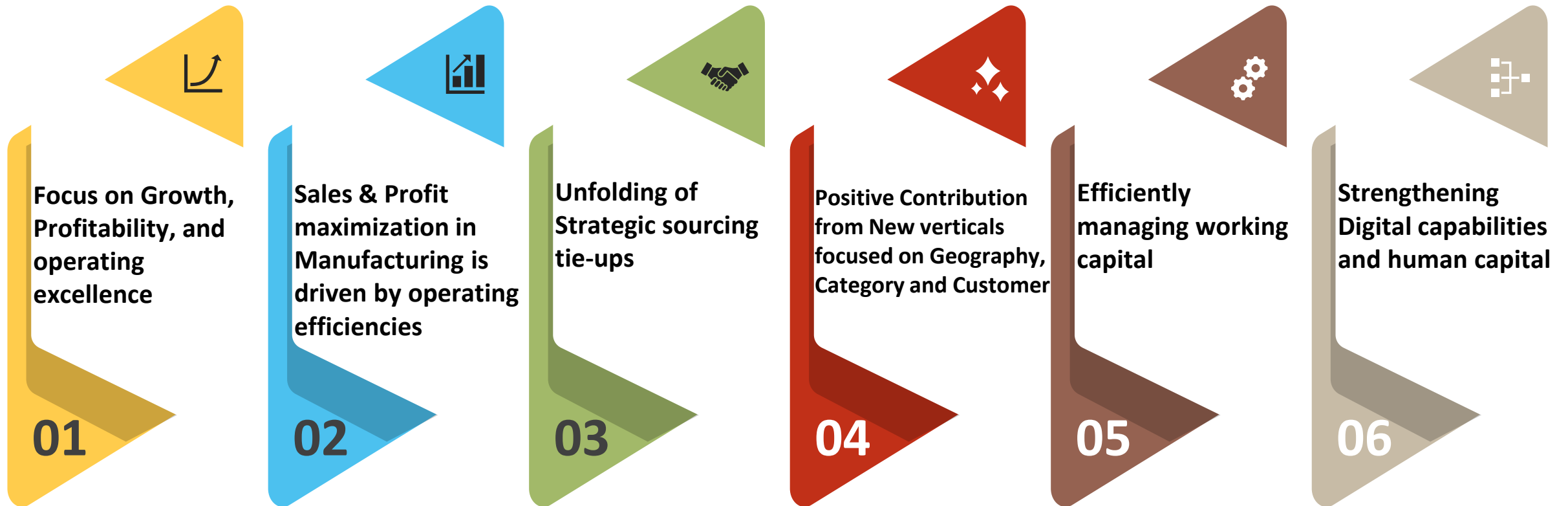
## Growth Avenues



## Growth Drivers



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



## Stringent Risk Management Constituents







# Business & Financial Performance Overview

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

# Key Financial Highlights for FY22



**\$1,185mn**

(₹8,828cr)

42% consolidated topline growth



**\$39mn**

(₹293cr)

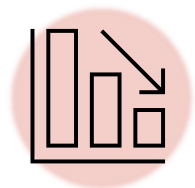
97% increase in PAT



-ve **3** days

Vs +ve 5 days in Mar'21

Net Working Capital Days



-ve **\$5mn**

-ve (₹41cr)

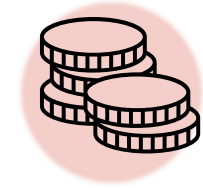
Net Debt declined by \$14mn  
(₹101cr) since FY21



**₹95.38**

vs FY21 Full Year EPS of ₹32.37

Expansion in EPS



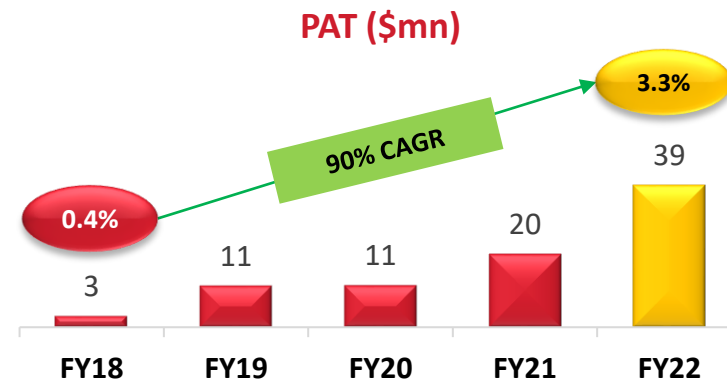
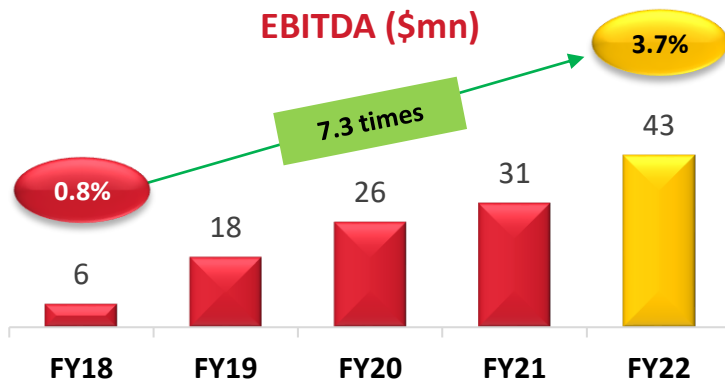
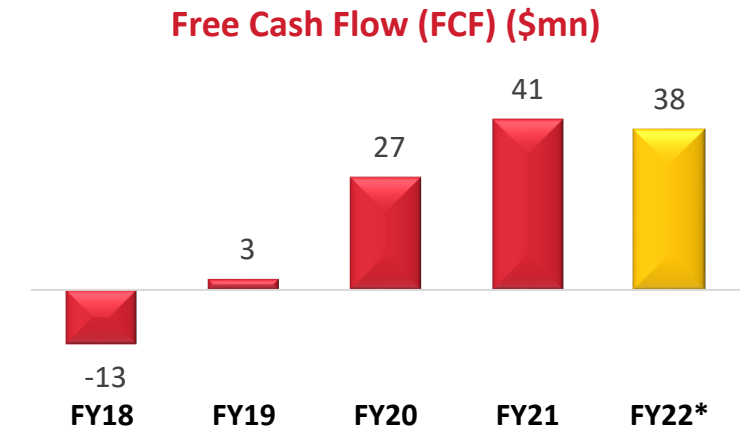
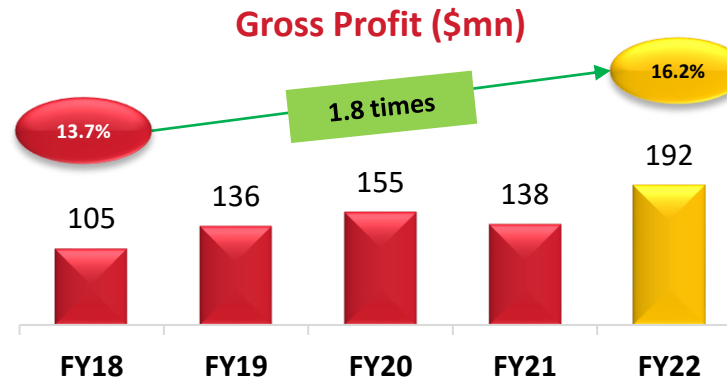
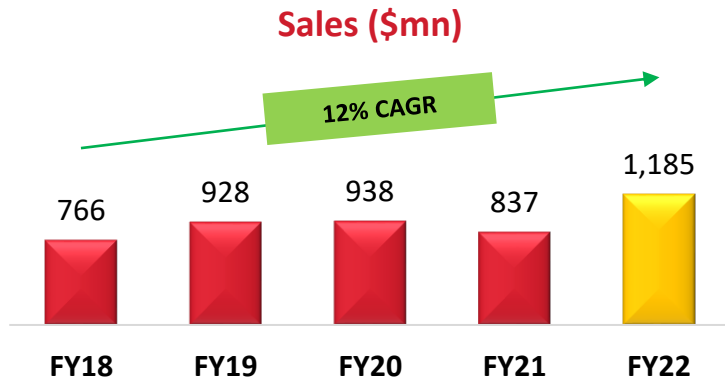
**₹23.85**

vs ₹15.75 in FY21

Dividend

# Performance over the last 5 years

Consistently delivered growth & profitability and have reported best FY22 performance



Cumulative Free Cash Flow of \$95mn vs Cumulative PAT of \$85m

Margin %

\*FY22 excludes investments made in acquisition of Yellow Octopus and subsidiaries

# 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%
<i>% of Income from Operations</i>	6.4%	8.2%	-189 bps	6.9%	7.0%	6.7%	37 bps
Other Expenses	19	11	66%	15	66	52	27%
<i>% of Income from Operations</i>	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%
<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

# 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>

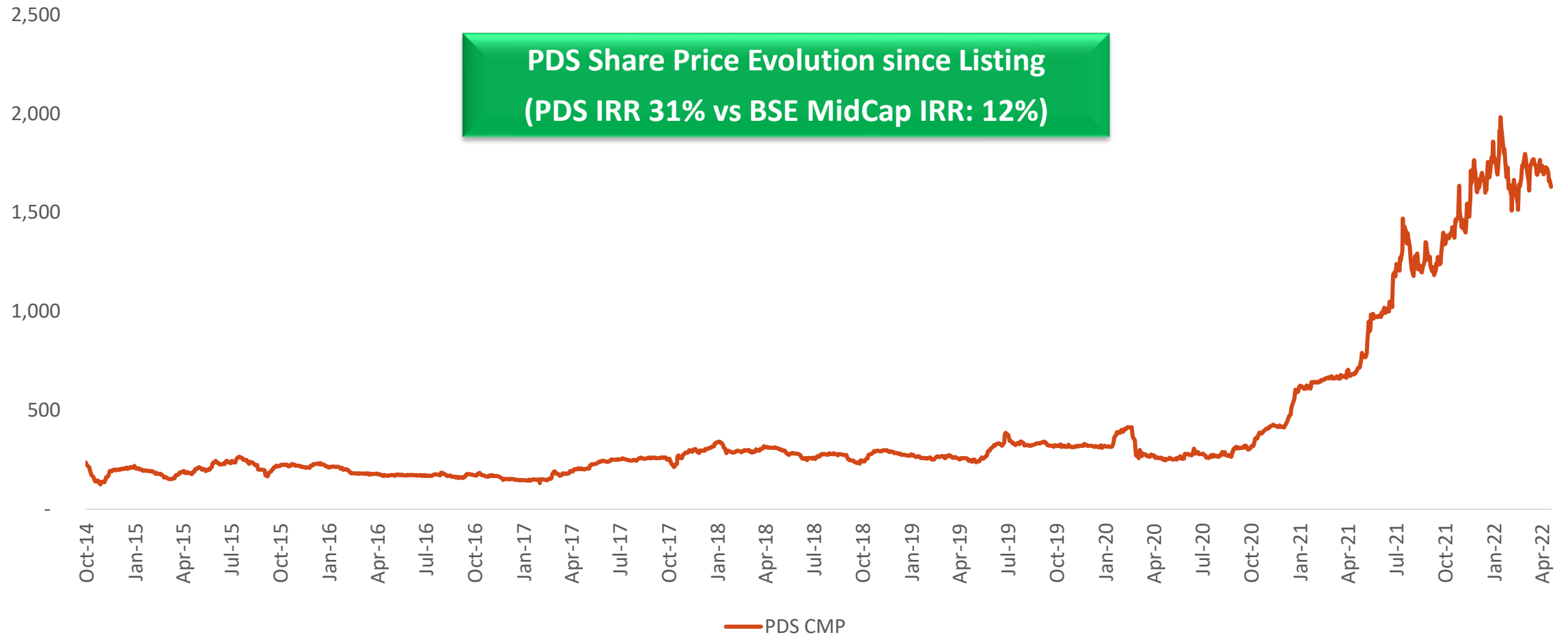
Note: Cash flow conversion based on closing rates. Variation in P&L items is due to exchange rate which is on average rates.

The background of the slide 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. The overall color scheme is dark blue and grey.

# 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

# Way Forward



## Geographic Expansion

US is one of the top 5 apparel markets globally. Significant rise in North America Sales, currently at 16% of top-line. Potential to reach >20% over next few years

Strengthening team in US and leveraging the Group network for servicing customers

Focused on Australia New Zealand & Scandinavian countries

## Margin & ROCE Expansion

Expansion of brands and licensing portfolio to drive margin accretion

Collaborating with retailers for the creation of in-house brands

Focus on increasing efficiency in manufacturing will enable expansion of consolidated margin

Continue to monitor & optimize operating costs

## Category Expansion

Deepening relationships with existing customers by expanding into new categories

Driving long term strategic exclusive partnerships through Sourcing as a Service

Focus on expanding in other categories like home fashion and activewear across geographies

## Balance Sheet Optimization

Continue to operate on an asset-light model

Expansion in margins will enable PDS to generate a higher return on capital employed

Explore opportunities in new age sustainability-focused, a tech-enabled business that will generate higher returns than PDS's cost of capital





Annexure

# Manufacturing delivered profits

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



## Measures Put in place for driving efficiencies

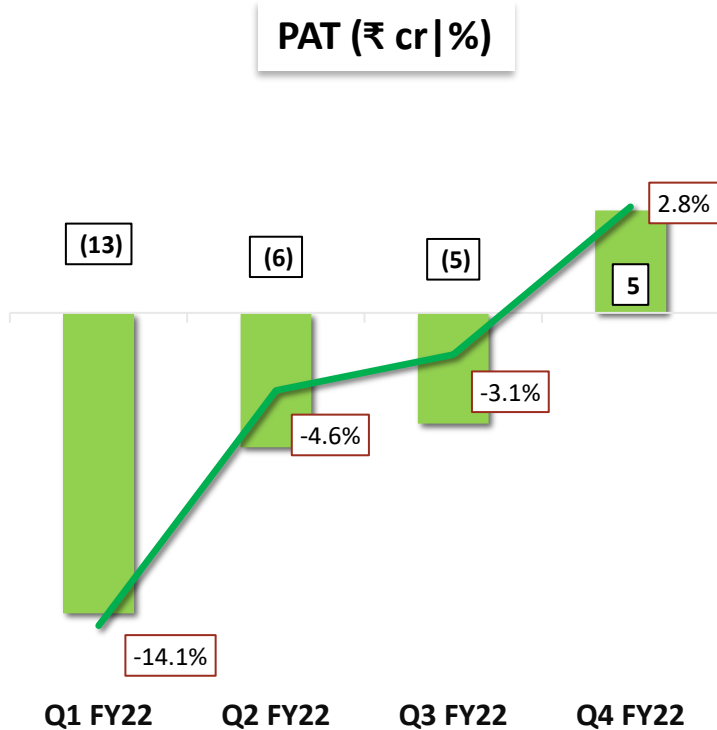
Improved run size mix – Long Run vs Short Run

Improved run product style mix

Improved Supply chain & longer lead time

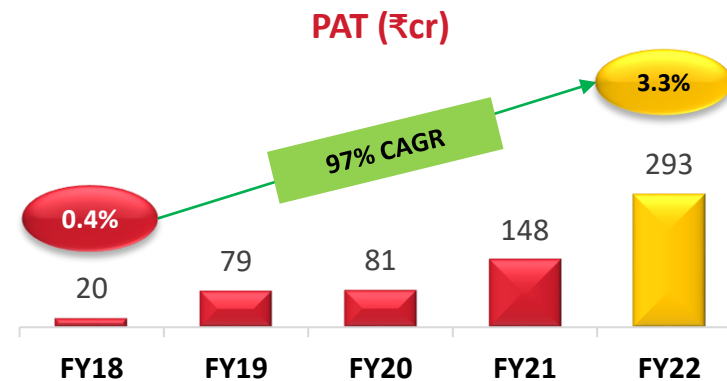
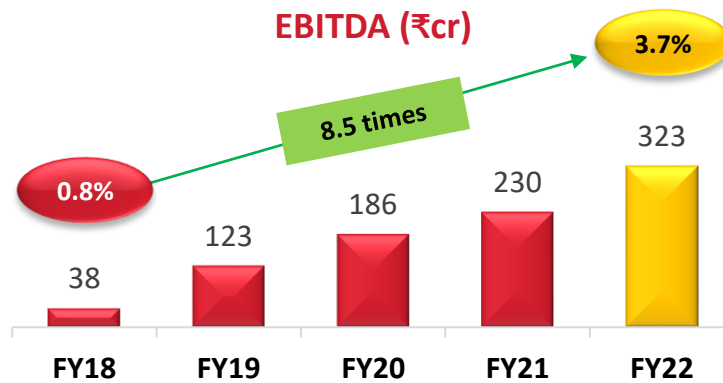
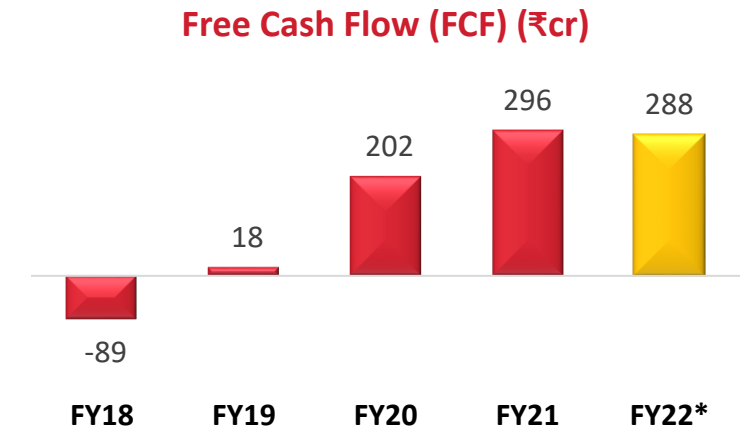
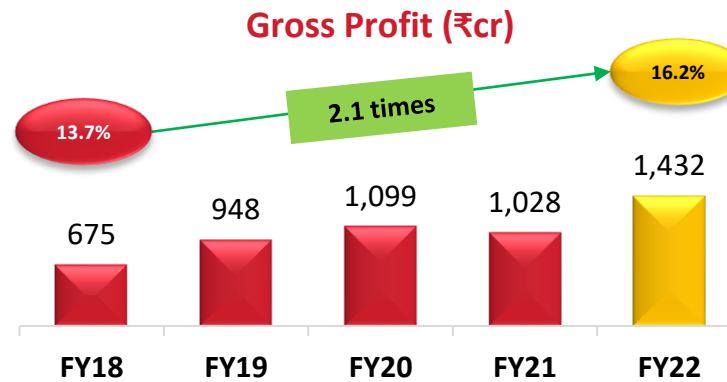
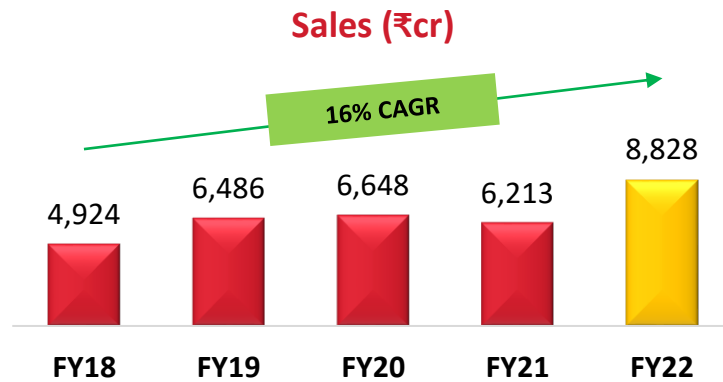
Improved planning through use of Industrial Engineering

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



# Performance over the last 5 years

Consistently delivered growth & profitability and have reported best FY22 performance



Cumulative Free Cash Flow of ₹715cr vs Cumulative PAT of ₹621cr

Margin %

\*FY22 excludes investments made in acquisition of Yellow Octopus and subsidiaries



# 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:

1. Income from Operations increased by 57%
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 15% to ₹93cr
4. PAT increased by 24%

### 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 ₹310cr
4. 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

# 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>



PDS

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