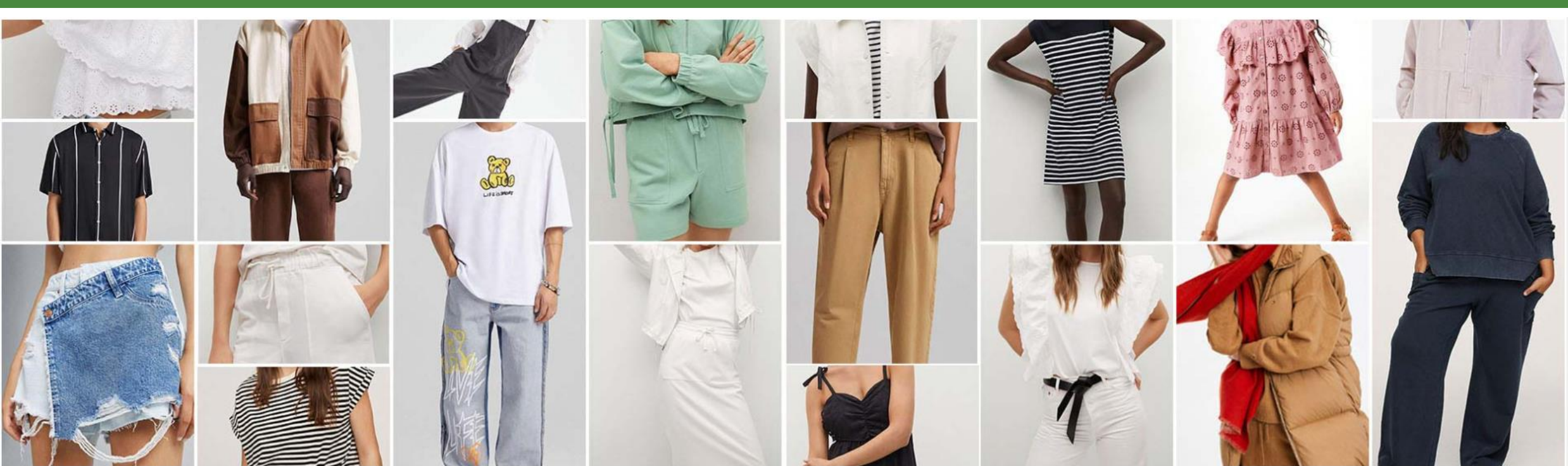


Exceeding Expectations...Always

End-To-End Clothing Vendor & Supplier to Leading fashion brands



TRANSFORMING THE WORLD OF FASHION

Investor Presentation

May 2022

This presentation has been prepared by and is the sole responsibility of **Pearl Global Industries Limited** (the “Company”). By accessing this presentation, you are agreeing to be bound by the trailing restrictions.

This presentation does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer or recommendation to purchase or subscribe for, any securities of the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment thereof. In particular, this presentation is not intended to be a prospectus or offer document under the applicable laws of any jurisdiction, including India. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. There is no obligation to update, modify or amend this communication or to otherwise notify the recipient if the information, opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

Certain statements contained in this presentation that are not statements of historical fact constitute “forward-looking statements.” You can generally identify forward looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “goal”, “plan”, “potential”, “project”, “pursue”, “shall”, “should”, “will”, “would”, or other words or phrases of similar import. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, among others: (a) our ability to successfully implement our strategy, (b) our growth and expansion plans, (c) changes in regulatory norms applicable to the Company, (d) technological changes, (e) investment income, (f) cash flow projections, and (g) other risks.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. The Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such change or changes.



**Designs
that
make
the
headlines!**



Q4 & FY22 Highlights



Commenting on the Results, Mr. Pulkit Seth, Vice-Chairman & Non-Executive Director, said, “We are delighted to report the highest ever annual revenue growth in FY22. It is primarily driven by tailwinds in demand from international markets. Indian textile market is on a cusp of new investments based on demand and opens doors to cater to a plethora of international brands. Our multinational presence enables us to cater to clients across geographies. We expect this demand momentum to continue with normalization of Covid situation and change in consumers’ buying preferences.”



Commenting on the Results, Mr. Pallab Banerjee, Managing Director said, “I am happy to state that the FY22 performance has been in line with our expectations with a growth of 82% in revenues. Improved revenues are majorly due to improvement in capacity utilizations, commencement of commercial production in the Bangladesh factory and partnership facility in India and Vietnam. Going forward, we will continue to work on improving our operational efficiencies to enhance our ROCE trajectory. The favorable government policies coupled with our asset light business model will lead to a robust growth both in terms of topline and bottom-line.”





Revenue
Rs. 2,713.5 CRS. ▲ 82%

- **147% YoY growth** in overseas business
- Increase in revenue from **partnership facility in India & Vietnam**
- **Start of commercial production** in the Bangladesh factory
- **65% YoY increase** in no of pieces shipped



**Partnership
Facility**



Revenues from **partnership facilities** increased in India and Vietnam



Statutory Auditor

Appointed E&Y as statutory auditor for Hong Kong subsidiaries



ROCE
12.4% ▲ +690 bps

ROCE improved by 690 bps to 12.4% in FY22 from 5.5% in FY21 due to:

- **Improved asset turns** on account of the commercialization of the Bangladesh facility
- And **improvement in capacity utilization**

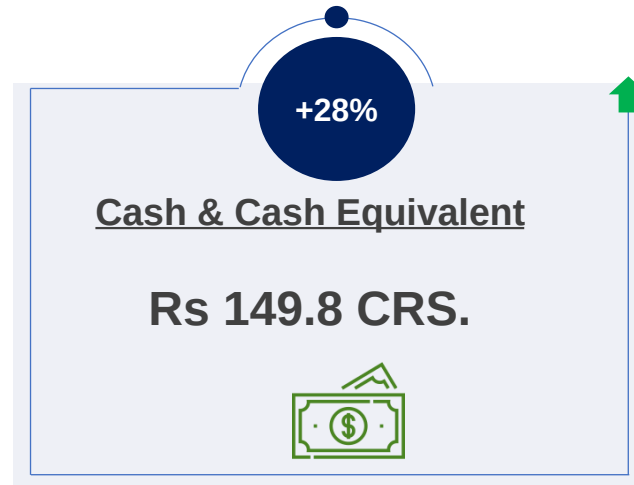
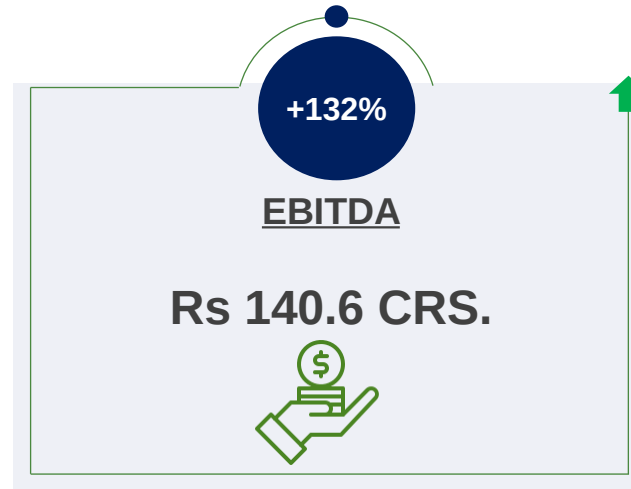
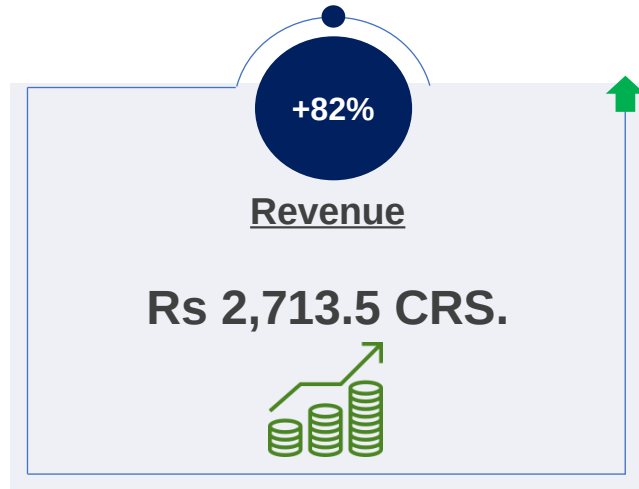


Dividend

- The Board has **recommended a dividend of Rs. 5 per share** for a face value of Rs 10 each



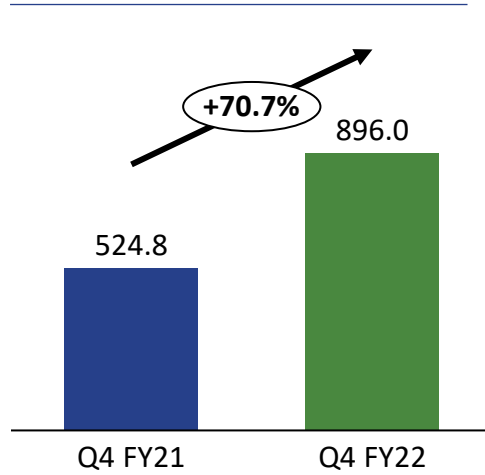
Consolidated Result Highlights FY22



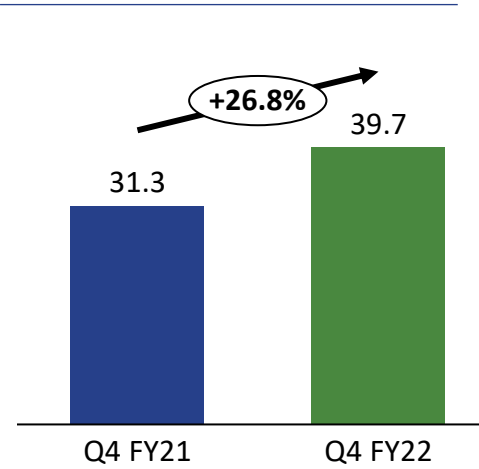
Consolidated Performance Highlights Q4 & FY22

INR CRS.

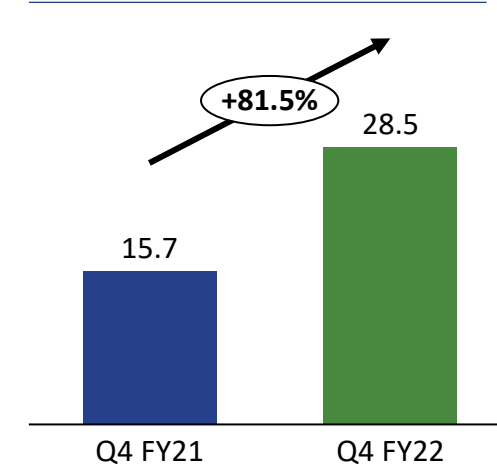
Revenue



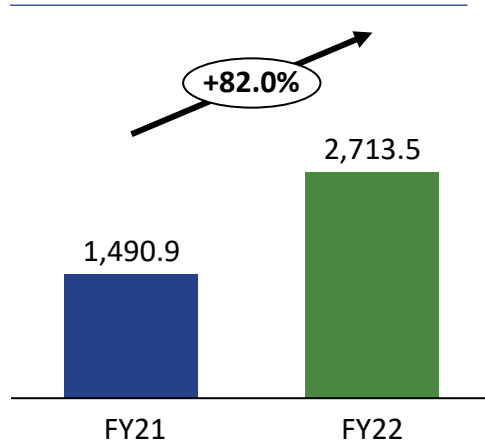
EBITDA



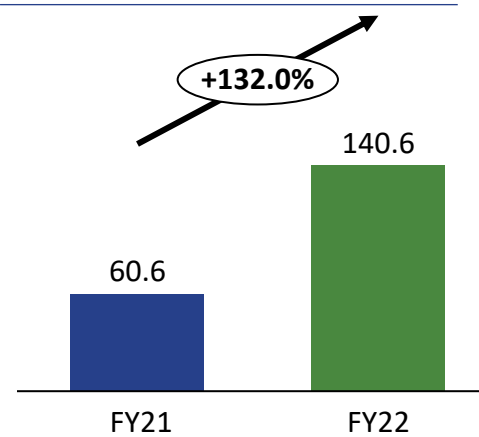
PAT



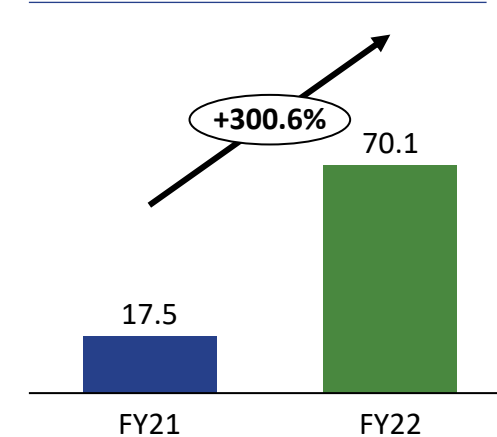
Revenue



EBITDA

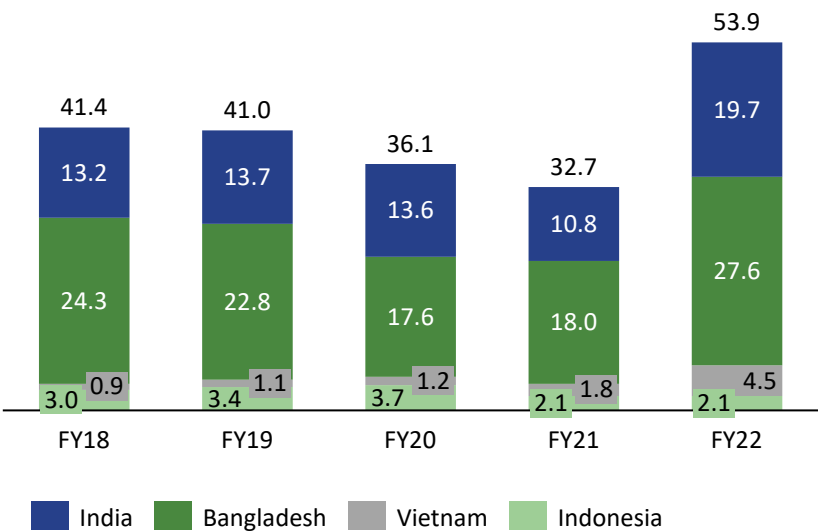


PAT



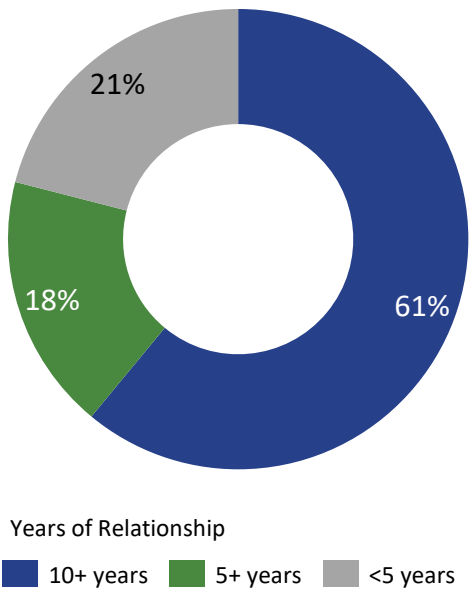
Key Performance Indicators FY22

No. of pieces shipped (in Mn.)



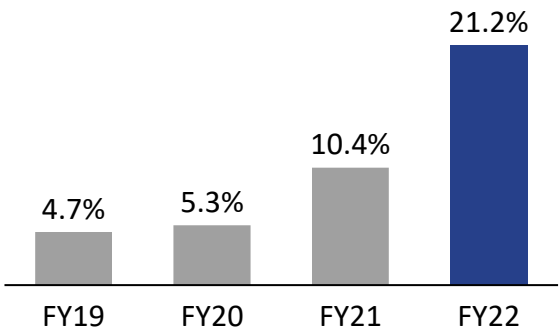
No of pieces shipped in FY22 were the highest ever attributed by improved performances in partnership factories in India and Vietnam and commercialization of Prudent factory in Bangladesh

Revenue Contribution from Key Clients



Revenue contribution from customers less than 5 years increased due to contribution from 'PVH' growing in Vietnam

Revenue Contribution from customers added in last 5 years



Revenue contribution from customers added in last 5 years doubled in FY22 on account of new customers addition



Consolidated Profit and Loss Statement - Q4 FY22

Profit and Loss (INR CRS.)	Q4 FY22	Q4 FY21	Y-o-Y	Q3FY22	Q-o-Q
Revenue from Operations	896.0	524.8	71%	700.0	28%
Cost of Goods Sold	529.3	288.4		383.7	
Gross Profit	366.7	236.4	55%	316.3	16%
Gross Profit Margin	40.9%	45.0%		45.2%	
Employee Cost	126.9	89.6		121.8	
Other Expenses	200.1	115.5		151.8	
EBITDA	39.7	31.3	27%	42.7	-7%
EBITDA Margin	4.4%	6.0%		6.1%	
Depreciation*	12.7	11.3		11.6	
Other Income	17.8	8.5		3.0	
EBIT	44.8	28.5	58%	34.1	31%
EBIT Margin	5.0%	5.4%		4.9%	
Finance Cost	13.1	11.2		12.6	
PBT before exceptional items	31.7	17.2	84%	21.5	47%
Exceptional Item Gain / (Loss)	0.4	-0.3		0.2	
PBT	32.1	17.0	89%	21.3	51%
PBT Margin	3.6%	3.2%		3.0%	
Tax	3.6	1.3		4.5	
PAT	28.5	15.7	82%	16.8	69%
PAT Margin	3.2%	3.0%		2.4%	
EPS	12.5	7.0		7.6	

Revenue increased by 71% YoY:

- Increase in revenue from partnership facility in India and Vietnam
- Start of commercial production in Bangladesh factory

Gross Margin:

- Lower margins due to change in product mix

Other Expenses:

- Outsourcing cost has been clubbed under other expenses



*includes leasehold amortization from FY20 onwards

Consolidated Profit and Loss Statement – FY22

Profit and Loss (INR CRS.)	FY22	FY21	Y-o-Y
Revenue from Operations	2,713.5	1,490.9	82%
Cost of Goods Sold	1,510.6	768.9	
Gross Profit	1,202.9	722.0	67%
Gross Profit Margin	44.3%	48.4%	
Employee Cost	458.6	325.3	
Other Expenses	603.7	336.1	
EBITDA	140.6	60.6	132%
EBITDA Margin	5.2%	4.1%	
Depreciation*	48.3	44.1	
Other Income	33.5	23.5	
EBIT	125.7	40.0	215%
EBIT Margin	4.6%	2.7%	
Finance Cost	46.6	41.3	
PBT before exceptional items	79.1	-1.3	
Exceptional Item Gain / (Loss)	6.7	12.7	
PBT	85.8	11.4	652%
PBT Margin	3.2%	0.8%	
Tax	15.7	-6.1	
PAT	70.1	17.5	300%
PAT Margin	2.6%	1.2%	
EPS	31.5	8.0	



*includes leasehold amortization from FY20 onwards

Revenue increased by 82% YoY:

- 147% YoY growth in overseas business
- Increase in revenue from partnership facility in India and Vietnam
- Start of commercial production in Bangladesh factory
- 65% YoY increase in no of pieces shipped

Gross Margin:

- Lower margins due to change in product mix

Employee Cost:

- Employee cost as % of sales has declined from 22% to 17%

Other Income:

- Rental income INR 7.69 Crs/Foreign exchange gain INR 8.25 Crs /Fair value of investment INR 5.73Crsn other 11.33Cr

Finance Cost:

- Finance cost as % of sales has declined from 2.8% to 1.7%

Tax Rate:

- Stood at 19.86% on PBT excluding exceptional items

Consolidated Balance Sheet as on 31st March, 2022

Assets (INR CRS.)	Mar-22	Mar-21
Non - Current Assets	533.9	533.2
Property Plant & Equipment	258.2	213.8
CWIP	15.2	47.0
Goodwill	18.0	17.6
Intangible assets	0.7	0.5
Right of use asset	111.7	98.0
Investment Properties	59.0	60.5
Investment - Others	49.9	47.4
Loans	1.3	21.7
Other Financial Assets	11.0	12.2
Deferred Tax Assets (Net)	0.9	4.7
Other Non - Current Assets (Net)	2.1	2.1
Other Non Current Tax Assets (net)	6.0	7.7
Current Assets	1,246.7	760.8
Inventories	539.6	278.8
Financial Assets		
(i) Investments	5.3	7.5
(ii) Trade receivables	366.6	242.2
(iii) Cash and cash equivalents	116.9	94.7
(iv) Bank balances	32.9	22.3
(v) Loans	34.6	17.1
Other Financial Assets	5.9	0.9
Other current assets	144.9	97.3
Total Assets	1,780.6	1,294.0

Equity & Liabilities (INR CRS.)	Mar-22	Mar-21
Total Equity	614.9	530.2
Share Capital	21.7	21.7
Reserves & Surplus	577.3	495.6
Non Controlling Interest	15.9	12.9
Non-Current Liabilities	254.8	244.5
Financial Liabilities		
(i) Borrowings	123.8	124.6
(ii) Lease Liabilities	71.6	65.3
(iii) Other Financial Liabilities	2.4	1.4
Provisions	24.3	23.1
Other Non Current Liabilities	30.1	30.1
Deferred Tax Liabilities	2.6	0.0
Current Liabilities	911.0	519.3
Financial Liabilities		
(i) Borrowings	440.3	199.9
(ii) Trade Payables	438.7	246.8
(iii) Lease	8.8	8.6
(iv) Other Financial Liabilities	9.0	54.6
Other Current Liabilities	9.5	7.4
Current tax liabilities (net)	2.2	0.9
Provisions	2.4	1.1
Total Equity & Liabilities	1,780.6	1,294.0

Property Plant & Equipment along with CWIP:

- Capitalization of Bangladesh facility
- Land acquisition in Indonesia and construction of building

Working Capital Days declined to 63 days:

- Receivables days declined to 49 days from 59 days
- Inventory days increased to 73 days from 68 days
- Payables days declined to 59 days from 60 days

Increase in Short term Borrowings:

- Rs. 198 CRS increase in overseas business
- Rs. 43 CRS increase in India business
- 82% YoY increase in revenues has led to higher working capital and borrowings



Consolidated Cash Flow

Particulars (INR CRS.)	Mar-22	Mar-21
Net Profit Before Tax	85.8	11.4
Adjustments for: Non Cash Items / Other Investment or Financial Items	76.2	61.3
Operating profit before working capital changes	162.1	72.6
Changes in working capital	-239.2	38.1
Cash generated from/(used in) operations	-77.1	110.8
Direct taxes paid (net of refund)	-7.7	-3.5
Exceptional Items	-6.7	-12.7
Net Cash from Operating Activities	-91.5	94.6
Net Cash from Investing Activities	-39.6	-26.0
Net Cash from Financing Activities	153.3	-61.9
Net Increase/(Decrease) in Cash and Cash equivalents	22.1	6.6
Add: Cash & Cash equivalents at the beginning of the period	94.7	88.1
Cash & Cash equivalents at the end of the period	116.9	94.7

Net Operating Cashflow:

- Despite higher working capital requirements, working capital as a no of days has declined to 68 days
- Higher working capital required due to 147% YoY growth in overseas business

Net cash flow from Financing activities:

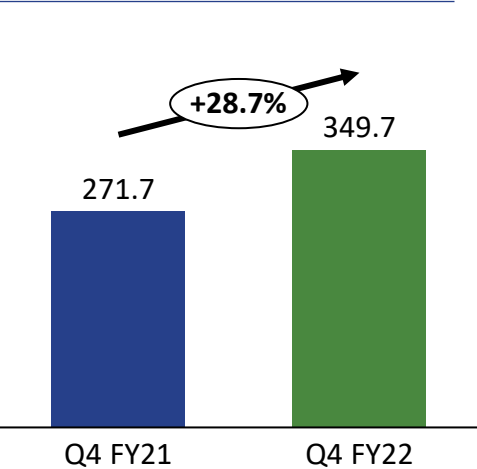
- Increase in short term borrowings to fund higher working capital requirement led to an increase in net cash from financing activities



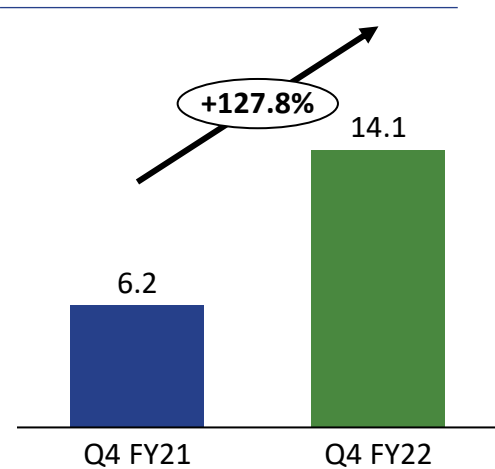
Standalone Performance Highlights Q4 & FY22

INR CRS.

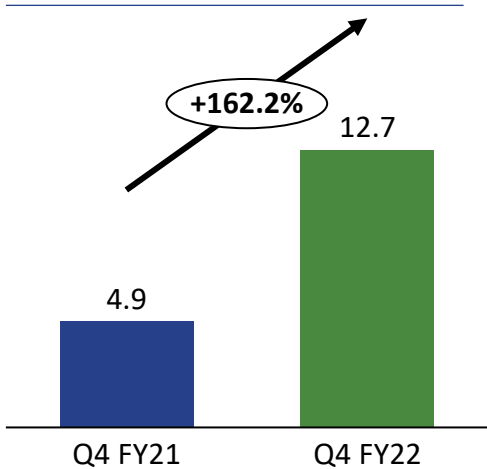
Revenue



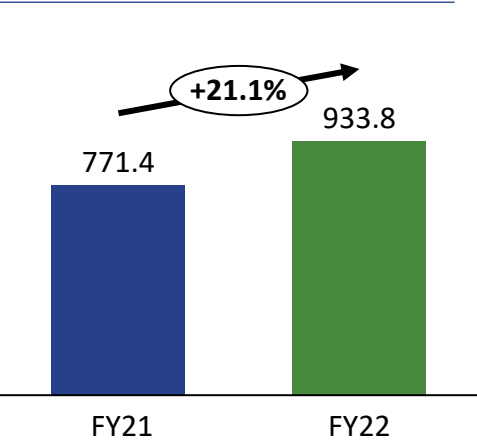
EBITDA



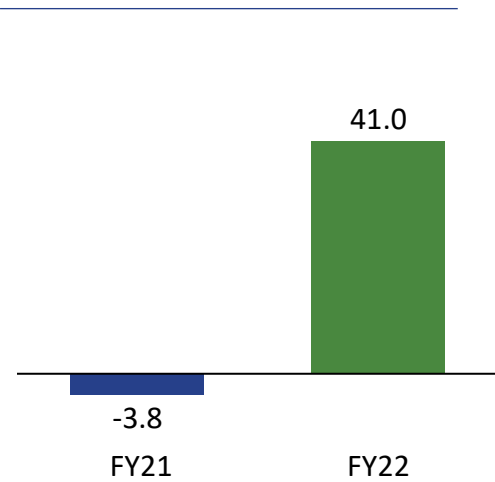
PAT



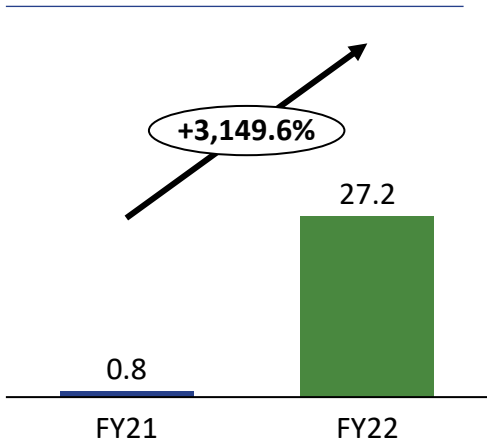
Revenue



EBITDA



PAT



Standalone Profit and Loss Statement – Q4 FY22

Profit and Loss (NR CRS.)	Q4 FY22	Q4 FY21	Y-o-Y	Q3FY22	Q-o-Q
Revenue from Operations	349.7	271.7	29%	197.8	77%
Cost of Goods Sold	179.3	166.0		70.6	
Gross Profit	170.4	105.8	61%	127.2	34%
Gross Profit Margin	48.7%	38.9%		64.3%	
Employee Cost	46.8	33.4		38.6	
Other Expenses	109.5	66.1		79.9	
EBITDA	14.1	6.2	128%	8.7	63%
EBITDA Margin	4.0%	2.3%		4.4%	
Depreciation*	4.3	5.3		4.1	
Other Income	12.9	10.7		6.3	
EBIT	22.7	11.7	95%	10.8	109%
EBIT Margin	6.5%	4.3%		5.5%	
Finance Cost	6.8	6.8		7.3	
PBT before exceptional items	15.9	4.8		3.5	
Exceptional Item Gain / (Loss)	0.2	-0.3		0.0	
PBT	16.1	4.5	256%	3.5	361%
PBT Margin	4.6%	1.7%		1.8%	
Tax	3.4	-0.3		1.1	
PAT	12.7	4.9	162%	2.4	432%
PAT Margin	3.6%	1.8%		1.2%	
EPS	5.9	2.2		1.1	

*includes leasehold amortization from FY20 onwards

Revenue increased by 29% YoY:

- Increase in revenue from partnership facility in India

Increase in Gross & EBITDA Margin:

- Higher contribution from knit business
- Outsourcing manufacturing cost has been clubbed under other expenses.



Standalone Profit and Loss Statement – FY22

Profit and Loss (INR CRS.)	FY22	FY21	Y-o-Y
Revenue from Operations	933.8	771.4	21%
Cost of Goods Sold	428.1	473.1	
Gross Profit	505.7	298.3	70%
Gross Profit Margin	54.2%	38.7%	
Employee Cost	152.2	107.8	
Other Expenses	312.5	194.3	
EBITDA	41.0	-3.8	NA
EBITDA Margin	4.4%	-0.5%	
Depreciation*	17.6	18.1	
Other Income	32.0	24.1	
EBIT	55.4	2.2	25x
EBIT Margin	5.9%	0.3%	
Finance Cost	25.9	24.0	
PBT before exceptional items	29.6	-21.8	
Exceptional Item Gain / (Loss)	6.6	12.7	
PBT	36.1	-9.1	NA
PBT Margin	3.9%	-1.2%	
Tax	8.9	-10.0	
PAT	27.2	0.8	32x
PAT Margin	2.9%	0.1%	
EPS	12.5	0.4	

*includes leasehold amortization from FY20 onwards

Revenue increased by 21% YoY:

- Increase in revenue from partnership facility in India

Increase in Gross & EBITDA

Margin:

- Higher contribution from knit business
- Contract manufacturing cost captured in other expenses

Finance Cost:

- Finance cost as % of sales has declined from 3.1% to 2.8%

Tax Rate:

- Stood at 30.16% on PBT excluding exceptional items



Standalone Balance Sheet as on 31st March, 2022

Assets (INR CRS.)	Mar-22	Mar-21
Non - Current Assets	344.8	360.6
Property Plant & Equipment	124.1	128.5
CWIP	0.0	0.4
Intangible assets	0.7	0.5
Right of use asset	21.7	29.0
Investment Properties	59.0	60.5
Investments	126.4	119.1
Loans	0.1	4.9
Other Financial Assets	6.5	7.5
Deferred Tax Assets (Net)	0.0	3.9
Other Non Current Assets (Net)	0.5	0.5
Other Non Current Tax Assets (net)	5.7	5.6
Current Assets	518.7	416.3
Inventories	221.8	132.7
Financial Assets		
(i) Investments	5.3	7.5
(ii) Trade receivables	115.9	145.2
(iii) Cash and cash equivalents	43.2	46.0
(iv) Bank Balances	21.4	11.1
(v) Loans	0.4	3.2
Other Financial Assets	4.9	2.1
Other Current Assets	105.8	68.4
Total Assets	863.5	777.0

Equity & Liabilities (INR CRS.)	Mar-22	Mar-21
Total Equity	343.5	313.8
Share Capital	21.7	21.7
Reserves & Surplus	321.8	292.1
Non-Current Liabilities	148.9	151.3
Financial Liabilities		
(i) Borrowings	83.3	82.0
(ii) Lease Liabilities	21.5	28.4
(iii) Other Financial Liabilities	2.4	1.4
Provisions	9.3	9.4
Other Non Current Liabilities	30.1	30.1
Deferred Tax Liabilities	2.3	0.0
Current Liabilities	371.1	311.9
Financial Liabilities		
(i) Borrowings	176.3	133.3
(ii) Trade Payables	178.8	161.7
(iii) Lease	3.9	3.8
(iv) Other Financial Liabilities	2.4	5.3
Other Current Liabilities	8.5	7.1
Current tax liabilities (net)	-	-
Provisions	1.1	0.7
Total Equity & Liabilities	863.5	777.0

Increase in Short term Borrowings:

- In line with growth of the company



Standalone Cash Flow

Particulars (INR CRS.)	Mar-22	Mar-21
Net Profit Before Tax	36.1	-9.2
Adjustments for: Non Cash Items / Other Investment or Financial Items	27.2	42.3
Operating profit before working capital changes	63.3	33.1
Changes in working capital	-76.0	21.8
Cash generated from/(used in) operations	-12.7	54.9
Direct taxes paid (net of refund)	-4.1	-1.0
Exceptional Items	-6.6	-12.6
Net Cash from Operating Activities	-23.3	41.3
Net Cash from Investing Activities	6.9	15.2
Net Cash from Financing Activities	13.6	-31.0
Net Increase/(Decrease) in Cash and Cash equivalents	-2.8	25.4
Add: Cash & Cash equivalents at the beginning of the period	46.0	20.6
Cash & Cash equivalents at the end of the period	43.2	46.0

Cashflow from Operating Activities:

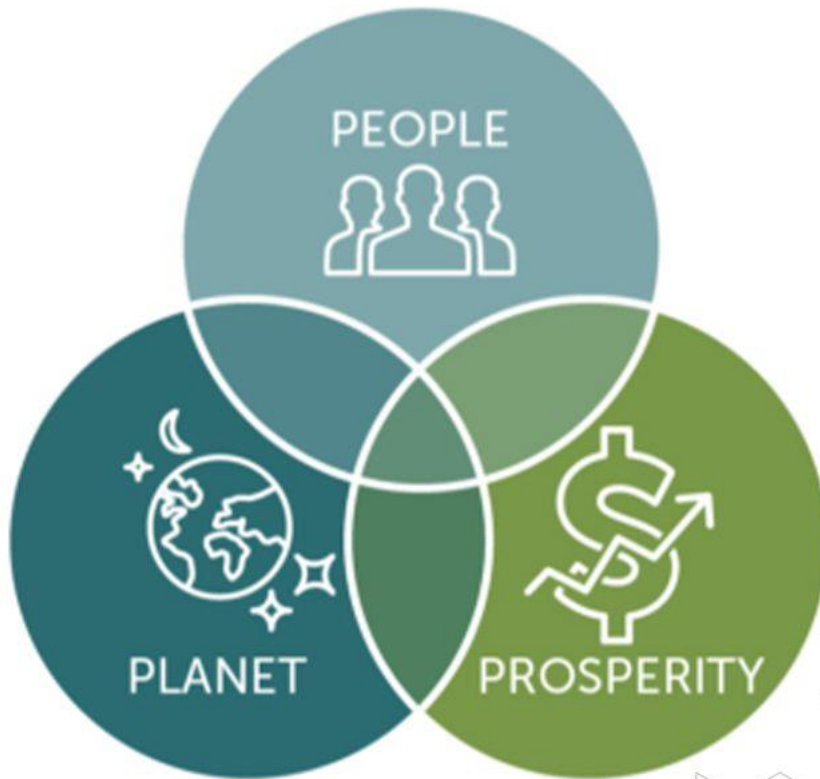
- Higher working capital requirements led to a negative cash flow from operations

Net cash flow from Financing activities:

- Increase in short term borrowings led to an increase in net cash from financing activities



We believe in the **Triple Bottom Line Approach**



Company Overview

Incorporation:

Founded in 1987, Pearl Global is a leading apparel manufacturer offering end-to-end sustainable solutions to the fashion industry

Diversified Product Offering:

Knits, Wovens, Denim, Outerwear, Activewear & Athleisure

Manufacturing Capability:

Well-diversified and de-risked manufacturing base with 22 manufacturing units spread across 8 countries

Total capacity to manufacture around 75 million units per year

Multi-National Presence :

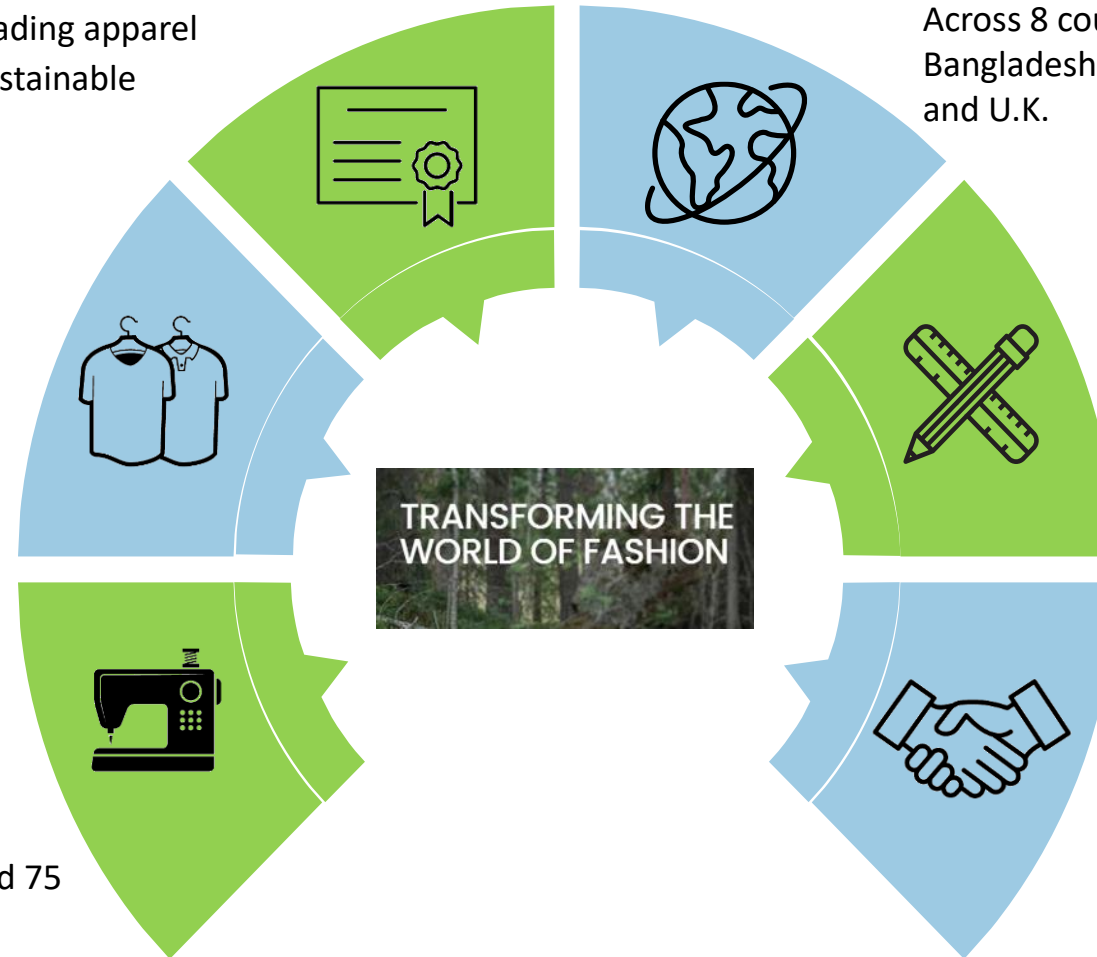
Across 8 countries such as India, Indonesia, Bangladesh, Vietnam, USA, Spain, Hong Kong and U.K.

Robust Design Team:

Our efficient team of 75 Designers across 4 Countries leads the journey from a concept to the finished product

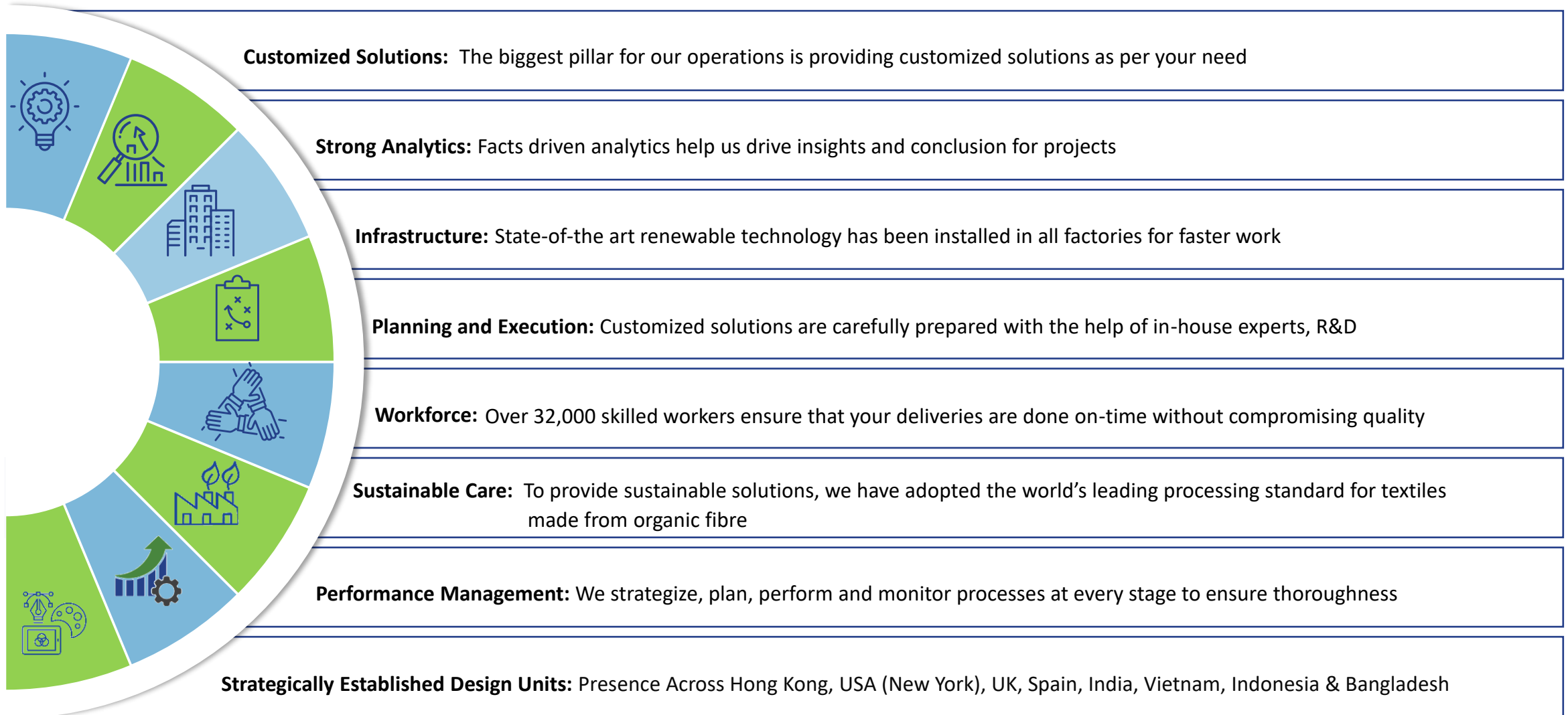
Marquee Clientele:

Kohl's, Macy's, Tommy Hilfiger, Gap, Old Navy, NEXT, Nordstrom among others

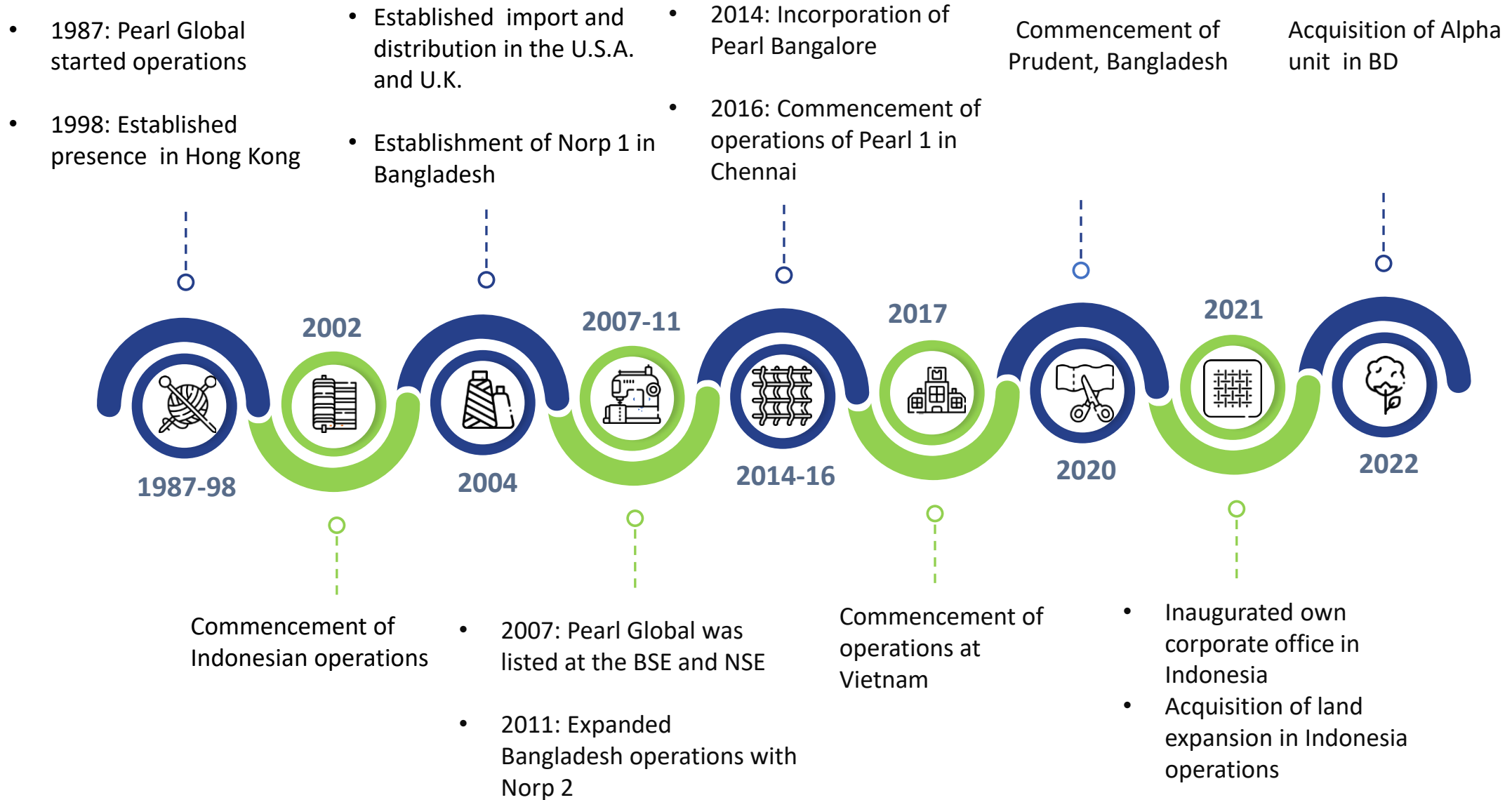


Everything from Fibre to Fashion





Our Journey



Our Vision, Mission & Goal



Vision

To be the Global Leader
providing end-to-end supply
chain solutions to the fashion
industry



Mission

To continuously exceed
customer and shareholder
expectations by strategically
driving sustainability,
technological advancement,
and innovative solutions
delivered with the best talent
in the industry



Goal

To innovate the way Fashion is
created across the Globe



PEARL GLOBAL

Exceeding Expectations...Always

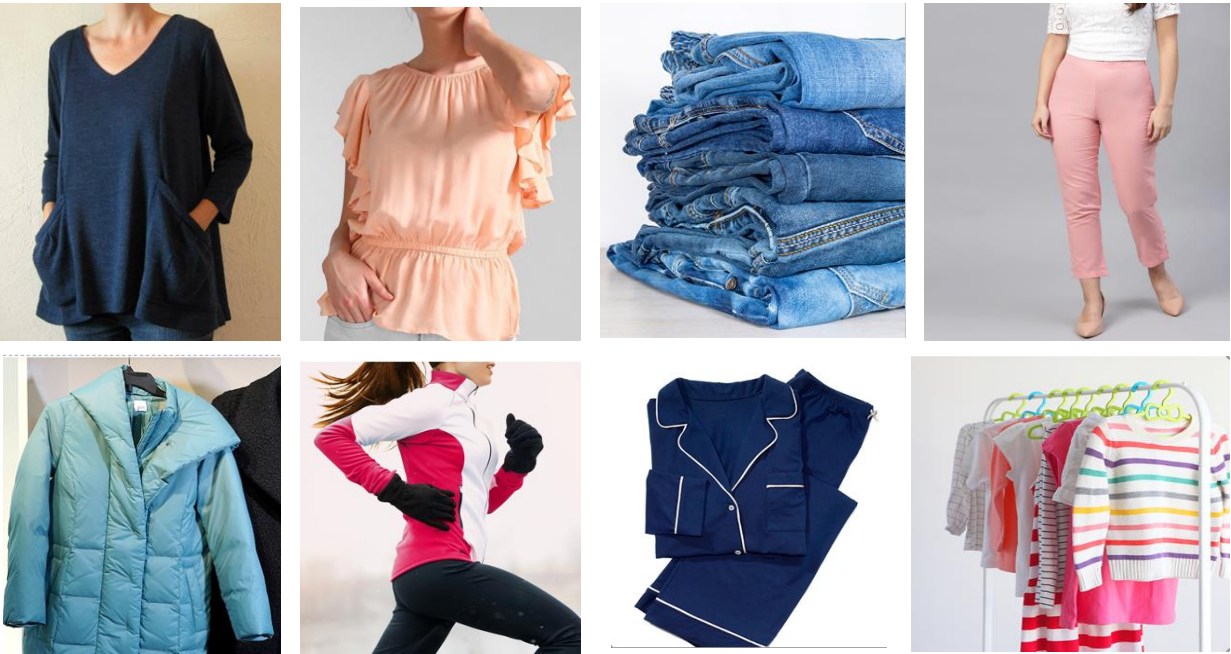
The One-Stop Destination For Your Fashion Line!



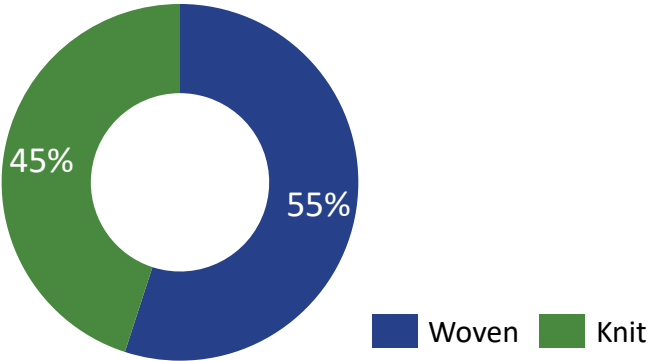
Product Profile

Product Portfolio Across Categories

Gender wise Split	Woven	Knits
Women	Top, Shirt, Long Shirt, Dress Sleepwear, Huddie, legging	Dress, Tops, Skirts, Sweater ,T Shirt, Jogger
Men	Shirt, Sleepwear, Pyjama, Polo Tshirt	T Shirts, Hoodies
Boys	Shirts	T Shirt, 2 Pc Set
Girls	Girls Top, Skirts, Dresses	T Shirts, Skirt, Dress, Romper, Tank Top
Toddlers		Romper



PRODUCT WISE SPLIT (Mn Pieces)*



*As of 31st March FY22





**Getting
bigger &
better with
every
collaboration!**

**Manufacturing
Facilities
&
Key Clientele**

Calvin Klein
TOMMY  HILFIGER

Global Presence Across 8 Countries



Manufacturing Facilities

Location	No of Units	Annual Capacity	Specialization
India	8	28mn pieces p.a.	Woven and Knit products including women's fashion wear, men's wear and kid's wear. South factories make women's tops and dresses
Bangladesh	8	45mn pieces p.a.	Woven and Knitted tops and bottoms for men, women and kids
Vietnam	3	4.5mn pieces p.a.	Multiple products including outerwear and jackets including down jackets, woollen jackets & coats, seam-sealed jackets, puffers, parka's, blazers, anoraks, swim trunks and synthetic bottoms
Indonesia	2	3mn pieces p.a.	Women's professional wear, performance wear, activewear, Woven tops & dresses, sleepwear and loungewear



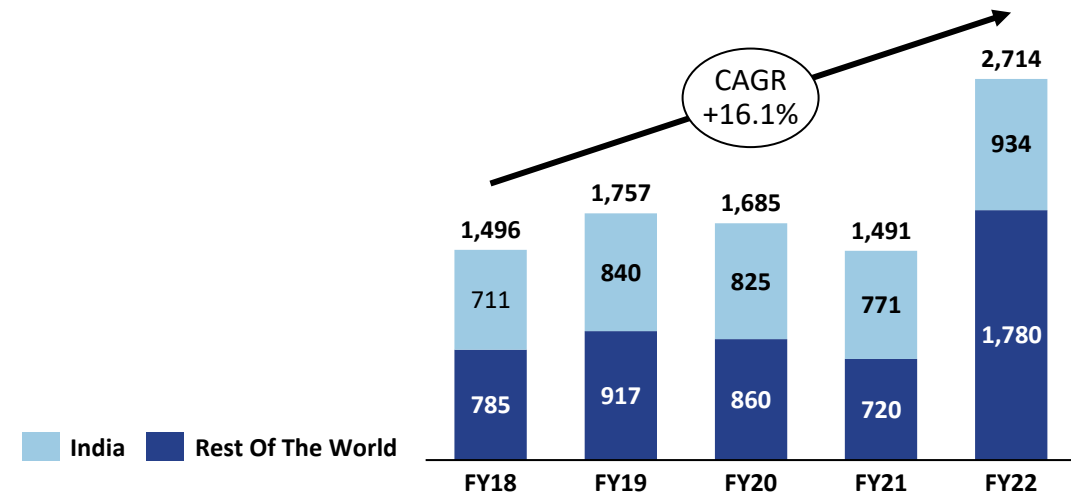
Design and Office Studios Offices

Hong Kong	Design Studio and Sales Office
Spain	Denim jackets, denim bottoms and more
UK	Jerseys, wovens, denims, outerwear, sleepwear, loungewear, beachwear and kidswear
New York	Market intelligence for knits, wovens, denim, outerwear, activewear, sleepwear/ loungewear and childrenwear category



* No of units and Annual capacity includes own manufacturing and partnership

Geographical Revenue Split (INR CRS.)



Key Clientele

Large Format Stores

Walmart 

 **TARGET**

PRIMARK

MUJI
無印良品

Belk


sam's club

KOHL'S

 **macy's**



Kmart

Sainsbury's

High Fashion Speciality Retailers

Bershka

next
NEXT.CO.UK

LANE BRYANT

GAP

TOMMY  HILFIGER


BANANA REPUBLIC

OLD NAVY

AMERICAN EAGLE


RALPH LAUREN

NORDSTROM

Calvin Klein



32,000

people are ensuring
the environment
keeps thriving

Management
Team

Pioneers of Our Vision

Mr. Deepak Seth
(Chairman)



Mr. Pulkit Seth
(Vice-Chairman &
Non-Executive Director)



The Leaders Behind Our Mission



Pallab Banerjee
Managing Director



Ratna Singh
Group CHRO



Sanjay Gandhi
Group CFO



Core Team



Pankaj Bhasin
CEO- Woven India



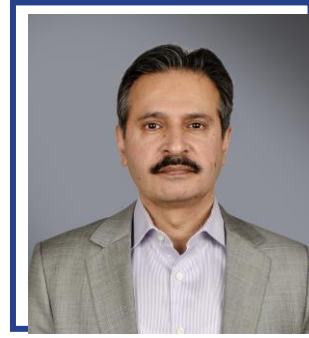
Sundeep Chatrath
CEO-Knits India



Gurusankar Gurumoorthy
CEO-Vietnam



Sanjay Sarkar
Country Director - Bangladesh



Rajesh Ajwani
Commissioner Indonesia



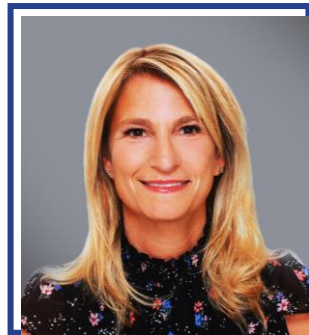
Dr. Mahesh Seth
Vice President – US
Operations



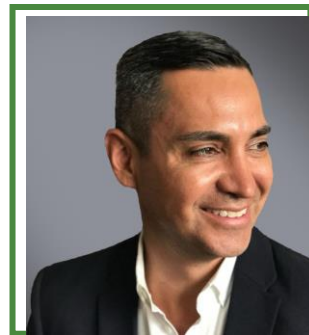
Vikas Mehra
CEO-Bangladesh



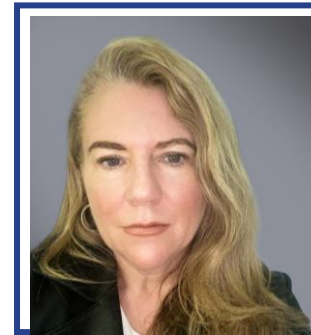
Jeff Kreindel
Executive Vice President - US



Amy Rosenberg
VP Merchandising - US



David Ayala
Global Creative Director - US



Jo Hales
Senior Vice President UK





Key Industry Growth Driver & Way Forward

Trend Forecasting

1

PLI Scheme

- Scheme was approved with a total outlay of Rs 107bn
- Likely to provide incentives, ~3-11% on incremental revenue yoy for 5 years on greenfield as well as brownfield investments

2

MITRA Scheme

- Under the scheme, 7 mega parks will be set up in the country over the upcoming three years with plug and play facilities in a bid to create global champions in exports

3

Extension of RoSCTL scheme

- The extension is likely to benefit exporters of Apparel/Garment and Home Textiles products since the extension till 31st March 2024 ensures a stable and predictable policy regime for three years.

4

Notification of RoDTEP rates

- The announcement is likely to benefit the entire value chain of textiles since exporters can now claim rebate either under RoSCTL or RoDEP theme.

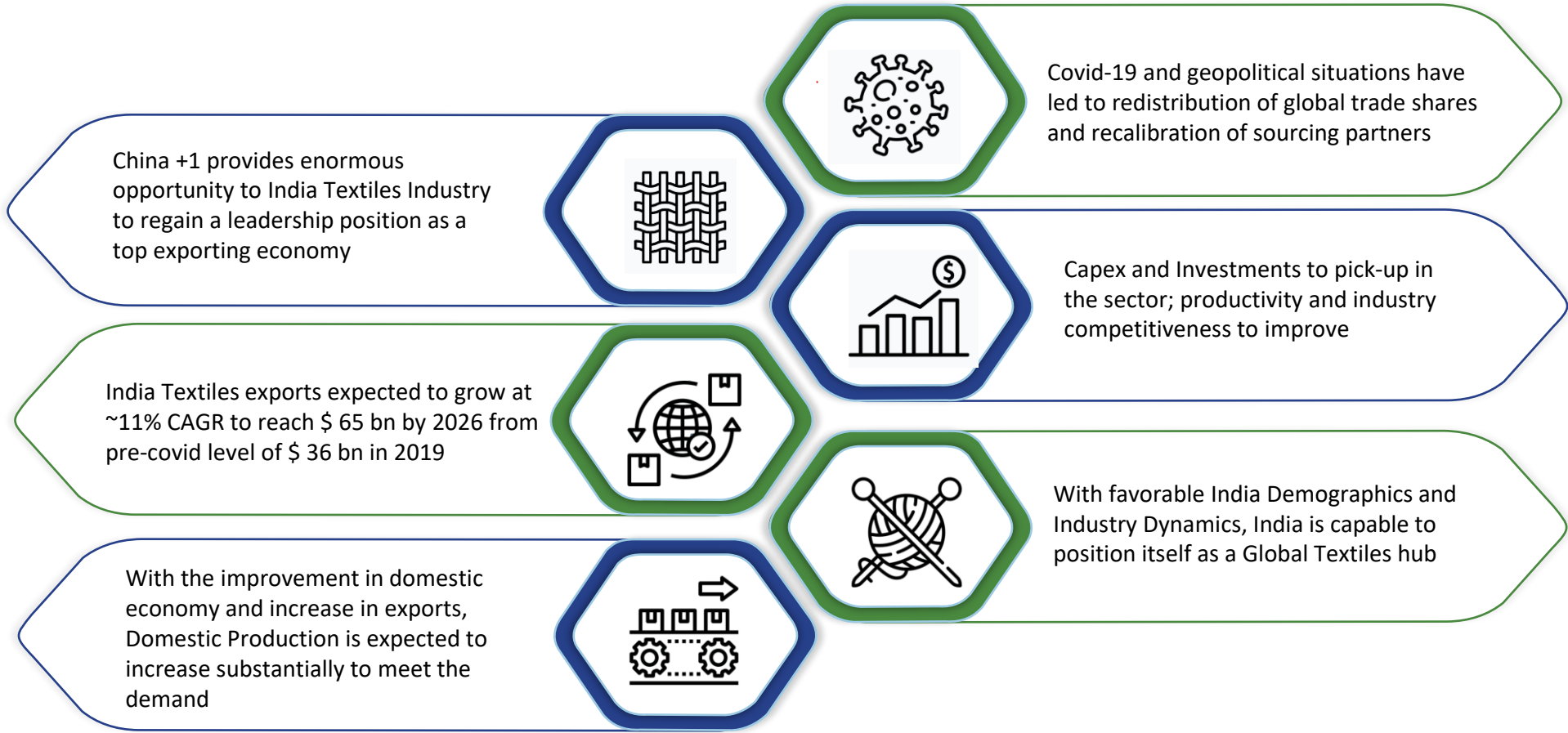
5

Free Trade Agreement

- With the IndAUS ECTA, India's exports of textiles and apparels are expected to go up to US \$ 1100 mn in the next 3 years



China +1 Provides Huge Opportunity For Textiles & Apparel Players



“China+1” Strategy will be beneficial for Global Textile Industry specifically for Indian Textiles



Our Unique Propositions



Multinational Presence

- 21 manufacturing facilities spread across 4 countries.
- Present in 2 out of 4 supply chain areas
- End to End supply chain provider
- Ability to do Concept + Store



Robust Design Team

- Fashion trend analysis by talented design personnel
- Modern unique techniques like 3D CAD rendering, 3D Optitex, CLO and Browzwear used to craft the final product



Shift Towards Asset Light Model

- Partnership model to drive next leg of growth
- No lead time
- Improved return ratios going ahead



Strong Customer Relationship

- Long term relationship with well known large retail format stores (Kohl's, Macy's, Target Australia and others) and specialised retail format stores (Bershka, Gap, Old Navy and others)

Key Strengths

Outcome

Increasing wallet share from existing customers

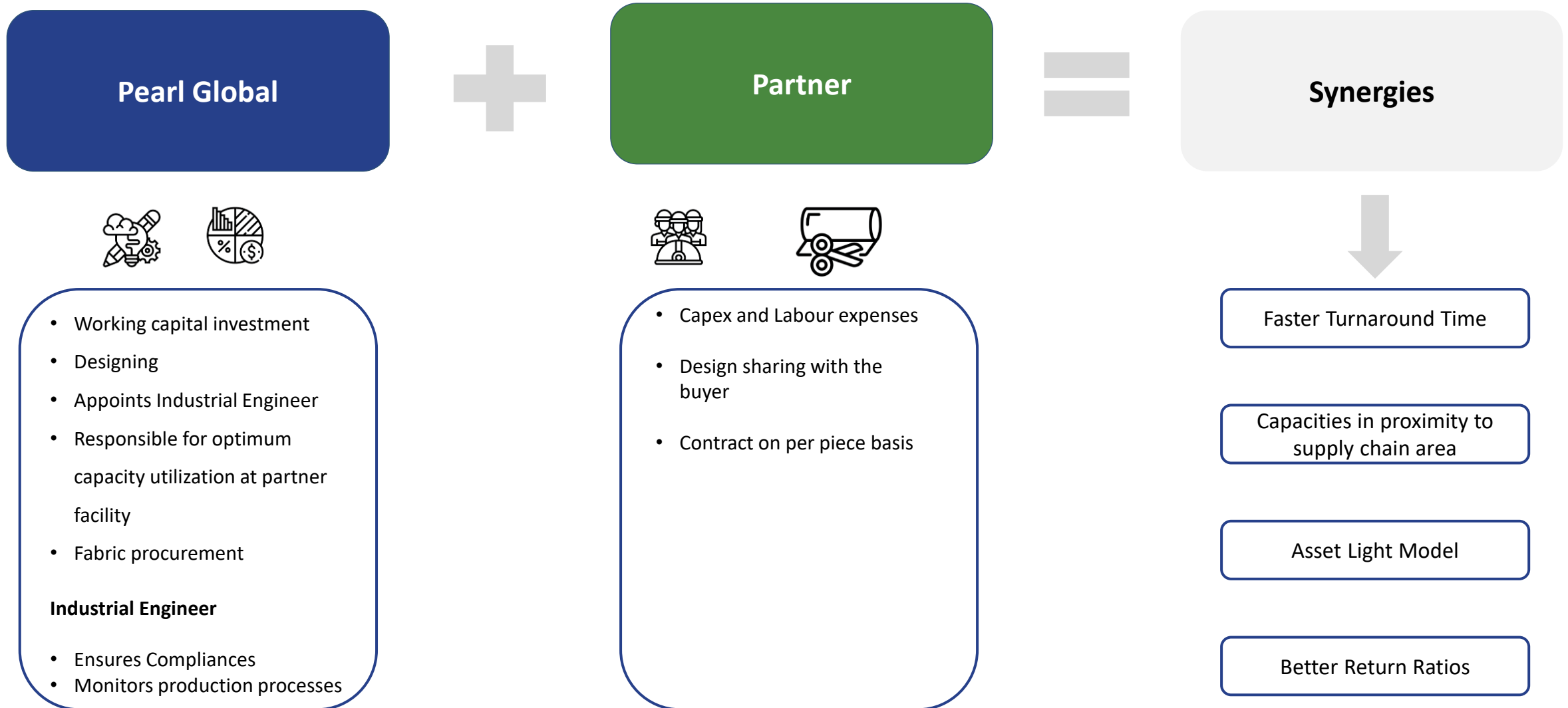
Acquiring new customers

Expanding to new geographies

Providing new product categories



Synergies From Partnership Model



Robust Risk Mitigation Practices



Customer

Retention & Growth

- Direct Relationship with all customers
- Continuous monitoring of the customer's market

Payment Security

- Credit Assessment before onboarding a new customer
- Preshipment & post shipment coverage



Product

Quality

- Quality systems & practices aligned closely with customer's expectations
- Constant touch with customer representatives to facilitate process improvements
- Customers certified Pearl associates to certify the products on their behalf



Raw Material

Prices and Supply Chain

- Early projection and booking of raw materials
- Strategic and transparent relationship with key supplier

Inventory

- All production is against confirmed sale orders
- Periodic review or physical count & utilization of stock



Currency

Fluctuation

- Natural hedge in all overseas operations
- India-export- forward cover
- Import-only minimal procurement-no big impact



Social & Ethical Compliance

Non-Compliance

- Robust internal control and compliance system
- Regular monitoring and implementing immediate corrections
- Onboarding of customers only after ensuring complete compliance standards



Cashflow

Debt Repayment & servicing

- Revised strategy – asset light model- partner with factory rather own set up
- Limit capex and fund through internal resources
- Ensure collection on time



Way Forward and Strategy For Growth



New Customer Acquisition



Optimum Utilization Of Existing Facilities



Geographical Expansion



Growth Through Partnership Facilities



Automation Of Facilities



PLI Scheme To Act As A Growth Engine



Conscious steps towards a Sustainable future



Financial Highlights

Consolidated Profit And Loss Statement

Profit and Loss (INR CRS.)	FY22	FY21	FY20	FY19	FY18
Revenue from Operations	2,713.5	1,490.9	1,685.1	1,757.5	1,496.0
Cost of Goods Sold	1,510.6	768.9	998.2	1,079.9	1,016.5
Gross Profit	1,202.9	722.0	686.9	677.6	479.5
Gross Profit Margin	44.3%	48.4%	40.8%	38.6%	32.1%
Employee Cost	458.6	325.3	393.3	360.0	237.3
Other Expenses	603.7	336.1	211.6	217.4	196.1
EBITDA	140.6	60.6	82.1	100.2	46.2
EBITDA Margin	5.2%	4.1%	4.9%	5.7%	3.1%
Depreciation*	48.3	44.1	42.0	25.9	22.6
Other Income	33.5	23.5	43.7	51.2	46.8
EBIT	125.7	40.0	83.8	125.5	70.3
EBIT Margin	4.6%	2.7%	5.0%	7.1%	4.7%
Finance Cost	46.6	41.3	52.5	42.5	37.9
PBT before exceptional items	79.1	-1.3	31.2	82.9	32.4
Exceptional Item Gain / (Loss)	6.7	12.7	-0.7	17.2	8.2
PBT	85.8	11.4	30.6	100.2	40.6
PBT Margin	3.2%	0.8%	1.9%	4.7%	2.2%
Tax	15.7	-6.1	9.5	15.8	9.3
PAT	70.1	17.5	21.1	84.3	31.3
PAT Margin	2.6%	1.2%	1.2%	4.8%	2.1%
EPS	31.5	8.0	9.95	31.06	11.12

*includes leasehold amortization from FY20 onwards



Consolidated Balance Sheet

Assets (INR CRS.)	Mar-22	Mar-21	Mar-20	Mar-19	Mar-18
Non - Current Assets	533.9	533.2	543.1	434.6	387.2
Property Plant & Equipment	258.2	213.8	221.9	243.6	179.0
CWIP	15.2	47.0	36.1	7.8	8.4
Goodwill	18.0	17.6	17.9	19.0	18.2
Intangible assets	0.7	0.5	0.8	1.1	1.3
Right of use asset	111.7	98.0	107.3	-	
Investment Properties	59.0	60.5	73.9	74.3	75.1
Investment - Others	49.9	47.4	30.8	32.8	31.1
Loans	1.3	21.7	24.5	22.9	21.0
Other Financial Assets	11.0	12.2	13.6	14.0	21.9
Deferred Tax Assets (Net)	0.9	4.7	0.9	1.0	3.2
Other Non - Current Assets (Net)	2.1	2.1	7.7	13.5	2.1
Other Non Current Tax Assets (net)	6.0	7.7	7.6	4.5	25.9
Current Assets	1,246.7	760.8	709.2	666.9	549.5
Inventories	539.6	278.8	263.9	236.3	210.0
Financial Assets					
(i) Investments	5.3	7.5	6.9	0.0	6.3
(ii) Trade receivables	366.6	242.2	220.4	221.8	142.0
(iii) Cash and cash equivalents	116.9	94.7	88.1	94.3	92.3
(iv) Bank balances	32.9	22.3	21.7	17.1	4.4
(v) Loans	34.6	17.1	17.3	16.6	3.3
Other Financial Assets	5.9	0.9	1.1	16.9	20.4
Other current assets	144.9	97.3			
Total Assets	1,780.6	1,294.0	1,252.3	1,101.5	936.7

Equity & Liabilities (INR CRS.)	Mar-22	Mar-21	Mar-20	Mar-19	Mar-18
Total Equity	614.9	530.2	500.6	469.9	395.1
Share Capital	21.7	21.7	21.7	21.7	21.7
Reserves & Surplus	577.3	495.6	478.9	448.2	373.5
Non Controlling Interest	15.9	12.9	13.0	11.5	9.7
Non-Current Liabilities	254.8	244.5	225.4	140.9	105.6
Financial Liabilities					
(i) Borrowings	123.8	124.6	99.8	81.1	49.0
(ii) Lease Liabilities	71.6	65.3	69.9	-	-
(iii) Other Financial Liabilities	2.4	1.4	2.5	2.2	1.6
Provisions	24.3	23.1	20.8	21.1	18.8
Other Non Current Liabilities	30.1	30.1	30.0	33.1	36.2
Deferred Tax Liabilities	2.6	0.0	2.5	3.4	0.0
Current Liabilities	911.0	519.3	513.3	479.2	426.3
Financial Liabilities					
(i) Borrowings	440.3	199.9	257.2	234.9	213.5
(ii) Trade Payables	438.7	246.8	181.1	181.1	109.3
(iii) Lease	8.8	8.6	8.1	0.0	0.0
(iv) Other Financial Liabilities	9.0	54.6	57.2	51.6	80.2
Other Current Liabilities	9.5	7.4	8.6	8.7	6.2
Current tax liabilities (net)	2.2	0.9	0.6	2.2	16.5
Provisions	2.4	1.1	0.7	0.8	0.6
Total Equity & Liabilities	1,780.6	1,294.0	1,252.3	1,101.5	936.7



Consolidated Cash Flow

Particulars (INR CRS.)	FY22	FY21	FY20	FY19	FY18
Net Profit Before Tax	85.8	11.4	31.2	82.9	32.4
Adjustments for: Non -Cash Items / Other Investment or Financial Items	76.2	61.3	93.2	51.5	42.6
Operating profit before working capital changes	162.1	72.6	124.5	134.5	75
Changes in working capital	-239.2	38.1	-44.4	-13.8	-28
Cash generated from/(used in) operations	-77.1	110.8	80.1	120.7	47
Taxes paid (net of refund)	-7.7	-3.5	-17.1	-28.7	5.2
Exceptional Items	-6.7	-12.7	-0.7	-17.2	-8.2
Net Cash from Operating Activities	-91.5	94.6	62.3	74.8	44.0
Net Cash from Investing Activities	-39.6	-26.0	-84.5	-58.6	-58.5
Net Cash from Financing Activities	153.3	-61.9	14.6	-14.1	30.8
Net Decrease in Cash and Cash equivalents	22.1	6.6	-6.3	2.1	5.9
Add: Cash & Cash equivalents at the beginning of the period	94.7	88.1	94.3	92.3	86.4
Cash & Cash equivalents at the end of the period	116.9	94.7	88.1	94.3	92.3



Standalone Profit and Loss Statement

Profit and Loss (INR CRS.)	FY22	FY21	FY20	FY19	FY18
Revenue from Operations	933.8	771.4	825.3	840.3	710.8
Cost of Goods Sold	428.1	473.1	399.6	417.1	348.6
Gross Profit	505.7	298.3	425.7	423.2	362.1
Gross Profit Margin	54.2%	38.7%	51.6%	50.4%	50.9%
Employee Cost	152.2	107.8	150.2	131.9	119.6
Other Expenses	312.5	192.5	253.6	249.9	244.3
EBITDA	41.0	-2.0	22.0	41.3	-1.7
EBITDA Margin	4.4%	-0.3%	2.7%	4.9%	-0.2%
Depreciation*	17.6	18.1	17.6	12.9	12.7
Other Income	32.0	24.1	34.6	29.1	47.1
EBIT	55.4	16.6	38.9	57.6	32.6
EBIT Margin	5.9%	2.2%	4.7%	6.9%	4.6%
Finance Cost	25.9	25.8	28.0	29.7	25.9
PBT before exceptional items	29.5	-21.8	9.7	29.0	-1.3
Exceptional Item Gain / (Loss)	6.6	12.6	1.2	2.8	8.1
PBT	36.1	-9.2	10.9	31.9	6.8
PBT Margin	3.9%	-1.2%	1.3%	3.8%	1.0%
Tax	8.9	-10.0	5.9	10.4	4.1
PAT	27.2	0.8	5.0	21.5	2.6
PAT Margin	2.9%	0.1%	0.6%	2.6%	0.4%
EPS	12.5	0.4	2.3	9.9	1.2

*includes leasehold amortization from FY20 onwards



Standalone Balance Sheet

Assets (INR CRS.)	Mar-22	Mar-21	Mar-20	Mar-19	Mar-18
Non - Current Assets	344.8	360.6	377.8	347.2	348.5
Property Plant & Equipment	124.1	128.5	131.7	131.5	125.6
CWIP	0.0	0.4	2.3	1.6	0.5
Intangible assets	0.7	0.5	0.8	1.1	1.3
Right of use asset	21.7	29.0	26.1		
Investment Properties	59.0	60.5	73.9	74.3	75.1
Investments	126.4	119.1	118.7	118.6	131.3
Loans	0.1	4.9	5.1	4.7	4.5
Other Financial Assets	6.5	7.5	9.4	8.4	4.4
Deferred Tax Assets (Net)	0.0	3.9	0.0	0.0	1.1
Other Non Current Assets (Net)	0.5	0.5	4.7	3.9	3.2
Other Non Current Tax Assets (net)	5.7	5.6	5.0	3.0	1.3
Current Assets	518.7	416.3	336.2	341.7	304.6
Inventories	221.8	132.7	147.9	135.1	120.0
Financial Assets					
(i) Investments	5.3	7.5	6.9	0.0	6.3
(ii) Trade receivables	115.9	145.2	97.4	111.3	87.5
(iii) Cash and cash equivalents	43.2	46.0	20.6	22.3	20.6
(iv) Bank Balances	21.4	11.1	9.3	14.5	4.3
(v) Loans	0.4	3.2	3.3	3.5	3.3
Other Financial Assets	4.9	2.1	0.9	15.7	20.4
Other Current Assets	105.8	68.4	49.9	39.1	42.2
Total Assets	863.5	777.0	714.0	688.9	653.1

Equity & Liabilities (INR CRS.)	Mar-22	Mar-21	Mar-20	Mar-19	Mar-18
Total Equity	343.5	313.8	305.9	316.2	298.6
Share Capital	21.7	21.7	21.7	21.7	21.7
Reserves & Surplus	321.8	292.1	284.2	294.5	276.9
Non-Current Liabilities	148.9	151.3	125.7	75.3	84.2
Financial Liabilities					
(i) Borrowings	83.3	82.0	84.4	31.9	39.5
(ii) Lease Liabilities	21.5	28.4	-	-	-
(iii) Other Financial Liabilities	2.4	1.4	0.0	2.2	1.6
Provisions	9.3	9.4	8.8	7.1	8.6
Other Non Current Liabilities	30.1	30.1	30.0	30.8	34.6
Deferred Tax Liabilities	2.3	0.0	2.5	3.4	0.0
Current Liabilities	371.1	311.9	282.4	297.3	270.3
Financial Liabilities					
(i) Borrowings	176.3	133.3	152.5	161.8	182.9
(ii) Trade Payables	178.8	161.7	118.8	105.1	71.0
(iii) Lease	3.9	3.8	2.4	0.0	
(iv) Other Financial Liabilities	2.4	5.3	0.0	19.4	10.1
Other Current Liabilities	8.5	7.1	8.2	8.4	5.8
Current tax liabilities (net)	-	-	0.0	1.9	-
Provisions	1.1	0.7	0.6	0.7	0.5
Total Equity & Liabilities	863.5	777.0	714.0	688.9	653.1



Standalone Cash Flow

Particulars (INR CRS.)	FY22	FY21	FY20	FY19	FY18
Net Profit Before Tax	36.1	-9.2	10.9	31.9	6.8
Adjustments for: Non -Cash Items / Other Investment or Financial Items	27.2	42.3	33.7	20.5	27.4
Operating profit before working capital changes	63.3	33.1	44.6	52.4	34.1
Changes in working capital	-76.0	21.8	-22.9	-15.5	-56.7
Cash generated from Operations	-12.7	54.9	21.7	36.9	-22.6
Taxes paid (net of refund)	-4.1	-1.0	-8.7	-7.4	2.4
Exceptional Items	-6.6	-12.6	-0.7	-17.2	-8.2
Net Cash from Operating Activities	-23.3	41.3	12.3	12.3	-28.4
Net Cash from Investing Activities	6.9	15.2	-32.1	22.6	7.2
Net Cash from Financing Activities	13.6	-31.0	18.5	-47.5	23.5
Net Decrease in Cash and Cash equivalents	-2.8	25.4	-1.7	1.8	-2.4
Add: Cash & Cash equivalents at the beginning of the period	46.0	20.6	22.3	20.6	23.0
Cash & Cash equivalents at the end of the period	43.2	46.0	20.6	22.3	20.6



We're environmentally sustainable, for real!



Sustainability

We believe in the Triple bottom approach : People, Planet and Profit

Environmental sustainability forms one of the key pillar of our social responsibility. To attain the highest level of sustainability standards, we have the following measures in place to fulfil our responsibility as a clothing vendor

- ✓ A framework that enables to meet environmental performance expectations, ensure regulatory compliance, minimize environmental risks and establish & implement long term environmental strategies
- ✓ A measuring tool that helps us map. Plan and implement meaningful improvements that protect the well-being of factory workers, local communities and the environment
- ✓ Adopted the world's leading processing standard for textiles made from organic fibers



As a sustainable clothing manufacturer, we are committed to seeking new and innovative ways to reduce our carbon footprints, one such initiative towards this goal is the adoption of renewable energy in our facilities



Ongoing sustainable initiatives



 **Ozone**
Eco Friendly
Reduce Water Consumption

 **Magic Box**
Eco Friendly
Reduce Water, Chemical
& Energy Consumption

 **ETP/WTP/STP**
Recycle & Re-use Water
Treatment Solution

 **C.W.M.U**
Central Water
Monitoring Unit

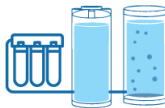
 **Laser**
Eco Friendly Innovative, Robust & Save's
Water, Chemical & Energy

 **PNG BOILER**
PNG run boilers for reduced emissions

 **ECO FRIENDLY**
Recycled Poly Stone, Longer Life Span
Replacement Of Pumic Stone With No Residue

 **Environmental Impact Measurement**
Software to monitor the impact of garment
finishing processes

 **Solar Power Generation**
Implemented in Chennai. Planned for other
facilities

 **Uv Filtration Plant**
Facilitate recycle & re-use of water in laundry,
Toilets Gardening, Fire Pump



We believe in the long-term preservation of our resources

✓ To create a circular economy by eliminating waste & utilizing resources





2006-2008

- 2006-07: Highest Export in woven garments
- 2007-08: Highest Export in woven garments



2008-2010

- 2008-09: Highest Exports by Young Entrepreneur -1st Position to Pulkit Seth
- 2009-10: Highest Exports in Woven Graments-1st Position & Highest Exports By young entrepreneur -1st Position to Mr. Pulkit Seth



2010-2011

- 2010-11: Highest Exports – Woven Garments- Winner



2011-2012

- 2011-12: Highest Exports Woven Garments- Winner



2012-2015

- 2012-13: Highest Exports BY Young Entrepreneur –Winner- Mr. Pulkit Seth, Vice Chairman, Pearl Global
- 2015-16 : Highest Global Exports (Above 100 Cr and upto Rs.500 Cr) 1st Position



2020-2023

- 2022-23: Recognized as one of the best organizations for women.
- 2020-21: Asia One Most Influential Young Leaders – Mr. Pulkit Seth



For further information, please contact

Company :



CIN: L74899DL1989PLC036849
Mr. Sanjay Gandhi - Group CFO
sanjay.gandhi@pearlglobal.com

www.pearlglobal.com

Investor Relations Advisors :



CIN: U74140MH2010PTC204285
Ms. Brinkle Shah Jariwala / Ms. Khushbu Shah
brinkle.shah@sgapl.net / khushbu.shah@sgapl.net
+91 9619385544 / +91 9820601181

www.sgapl.net