Pearl Global Industries Limited

Investor Presentation

August 2025

PEARL GLOBAL

Exceeding Expectations...Always

Diversifying Horizons. Strengthening Foundations.

Safe Harbour

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Q1FY26 Business Highlights

Management Commentary

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

Commenting on the Results, Mr. Pulkit Seth, Vice-Chairman & Non-Executive Director, said:

"We are pleased to report another quarter of resilient performance in Q1FY26, ***with revenue rising 16.6% YoY to Rs. 1,228 crore,*** *despite the challenges in global macro environment.* ***This marks our fifth consecutive quarter delivering above Rs. 1,000 crore****, a milestone that underscores consistency, executional discipline, and market responsiveness. This growth was led by enhanced contributions from Vietnam and Indonesia fueled by strong order book and healthy sales volumes despite amid ongoing tariff-related uncertainties. These markets demonstrated robust momentum—highlighting the power of our diversified geographic presence. This is a testament of our multi geographical presence.*

On the expansion front, we are carefully tracking market developments across all operating geographies. Any future investments will be undertaken in a measured manner, driven by sustained growth and stability in each target region. With a strong start to FY26, we are energized by the continued support of our customers and the depth of our global reach. Confident in our strategy and execution capabilities, we are well-positioned to accelerate progress toward our FY28 goals and beyond—driving transformative growth with clarity, purpose, and ambition."

Management Commentary

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Mr. Pallab Banerjee
Managing Director

Commenting on the Results, Mr. Pallab Banerjee, Managing Director said:

"We are delighted to share that Pearl Global has once again delivered strong quarterly revenue. On profitability front, our adjusted EBITDA (excluding ESOPs) stood at Rs. 114 crore at 9.3%. EBITDA margin grew by 13.4% Y-o-Y despite the external challenges, notably due to US reciprocal tariffs. Our ***adjusted EBITDA margin stands at ~10.7%,*** *excluding the impact of operational losses at newly established facilities in Guatemala and Bihar, and tariff-related costs.*

Looking ahead, the global landscape remains uncertain, with geopolitical tensions and evolving US tariff policies at play. We are seeing healthy growth in Indonesia and Vietnam, following the early resolution of tariff structures in these markets. Now that US has declared final reciprocal tariffs on all major garment manufacturing countries which are at 19%-20%. We are seeing positive momentum from US customers for our Vietnam, Indonesia, Bangladesh and Guatemala (which is net 10% baseline and NO MFN tariff).

With tariff imposed on India 50% (25%+25%), Pearl Global is therefore recalibrating its business strategy to adapt to these evolving trade dynamics. While production for the US market will be reassigned to more favourable hubs, India will continue to grow by tapping into new and advantageous partnerships—like the UK FTA—and will focus on other existing FTA markets of Japan and Australia until the US tariff issue is resolved. This approach reflects the company's agility and long-term commitment to global value creation.

It is pertinent to note that US revenue from Indian entity in FY24-25 stands at 16%-18% of group revenue and profit from the same business is between 4%-5% of the group's profit. We believe such re-calibrations should help in retaining the customer wallet share and maintaining the profitability.

Our non-US business stands at ~50% of our topline is also witnessing steady growth, further underscoring the robustness of our diversified market.

We remain confident in our growth strategy and will continue with our capital expenditure plan in Bangladesh reinforcing our long-term commitment to operational excellence."

Sustained Momentum: 5 Consecutive Quarters of Rs. 1,000+ Crore in Revenue

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Consolidated Performance

Revenue	Rs. 1,228 Crore	16.6% Y-o-Y
Adjusted EBITDA	Rs. 114 Crore	13.4% Y-o-Y

- **Revenue** reached at **Rs. 1,228 crore**, reflecting a growth of **16.6% YoY**, marking a **fifth consecutive quarter of Rs. 1,000+ crore performance**
- Strong performance was driven by **robust performance from Vietnam and Indonesia**, despite prevailing uncertainties
- **Adj. EBITDA** came in at Rs. 114 crore, **up by 13.4% YoY** with margin at 9.3%. **Adj. EBITDA margin excluding the impact of operational losses at new facilities (Guatemala & Bihar) and tariff costs, stands at ~10.7% in Q1FY26**, continuing the trend of double-digit margin for the second consecutive quarter

Standalone Performance

Adjusted EBITDA	Rs. 20 Crore	47.2% Y-o-Y
Adjusted EBITDA margins	7.3% Margin	250 Bps

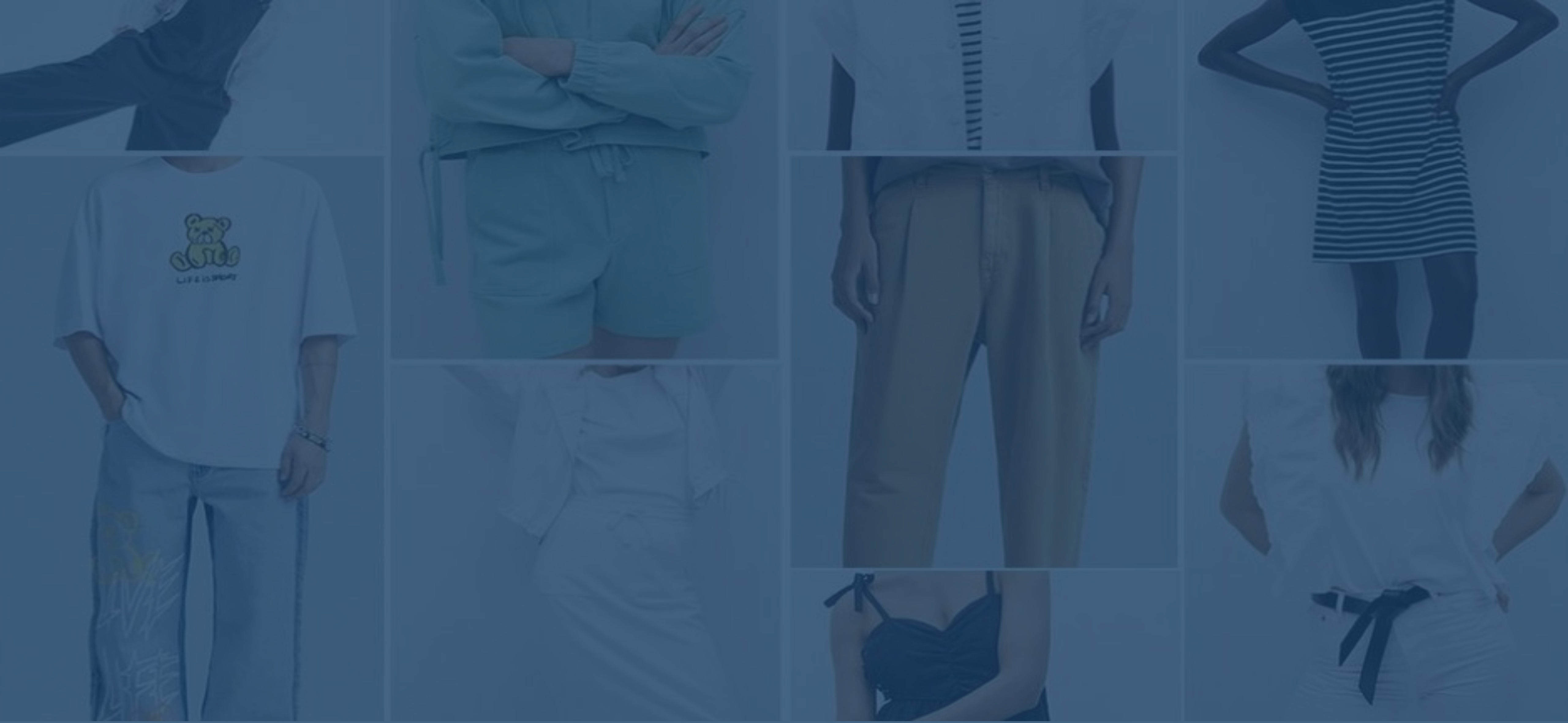
- Adj. EBITDA stood at Rs. 20 crore, **up by 47.2% YoY**
- Adjusted EBITDA margin witnessed a **growth of 250bps YoY to 7.3% in Q1FY26** from 4.8% in Q1FY25 due to change in customer mix and product mix

Dividend

Total Dividend of ~Rs. 18 Crore received from NorpKnit Industries Limited (Bangladesh Subsidiary) and Pearl Global (HK) Limited (Hong Kong Subsidiary)

- PGIL (Holding Company) **received a total dividend of ~Rs. 18 crore** in Q1FY26 from **NorpKnit Industries Limited (Bangladesh Subsidiary) and Pearl Global (HK) Limited (Hong Kong Subsidiary)**, in line with fungibility of cash across group entity
- The Company has been **consistently declaring dividend from subsidiary companies** in Bangladesh & Hong Kong **since FY22**

Numbers are rounded off to nearest decimal



Consolidated Financials

Consolidated Group Performance – Q1FY26

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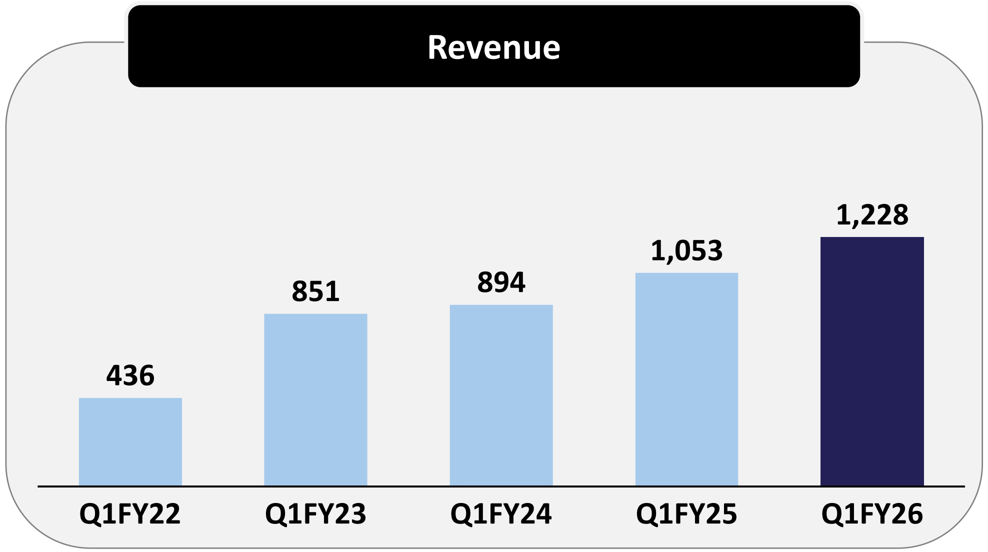
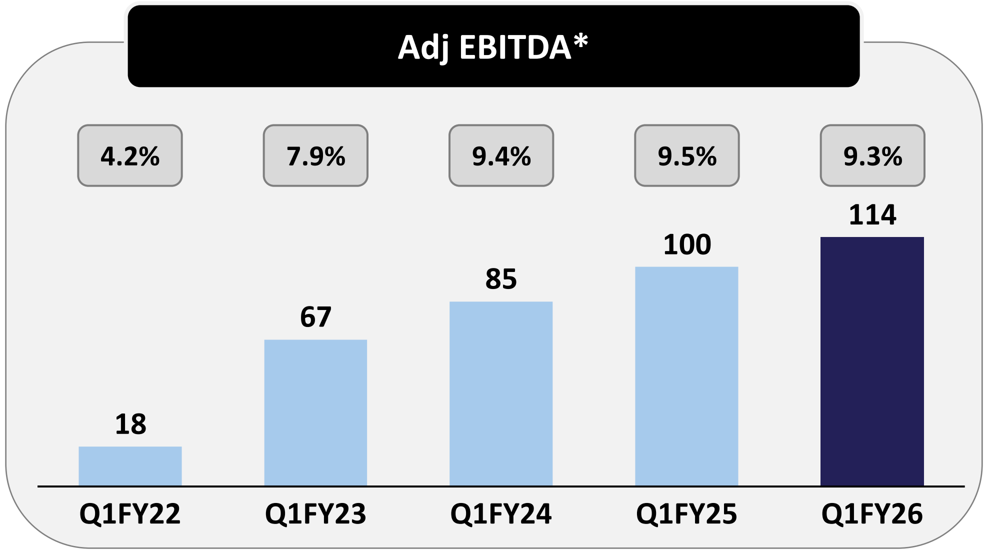
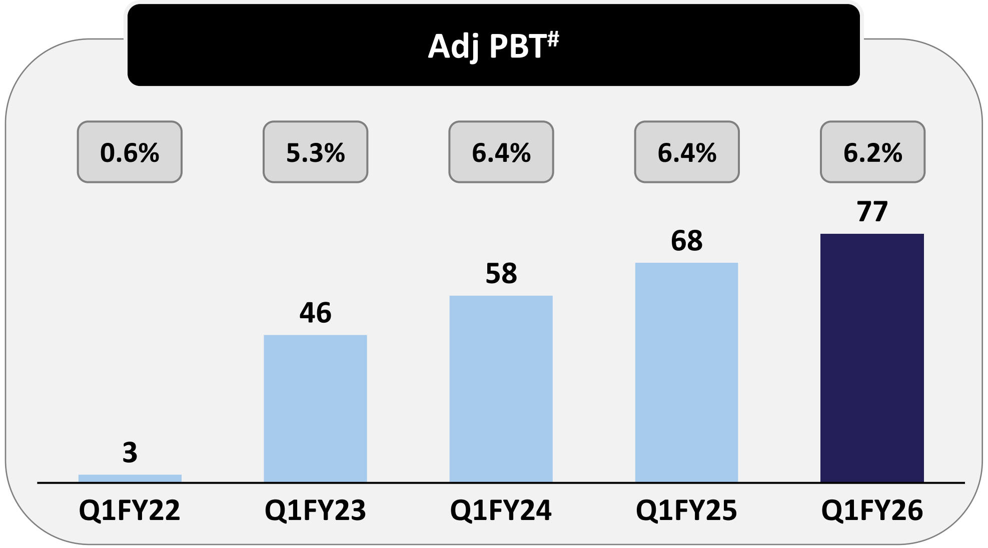
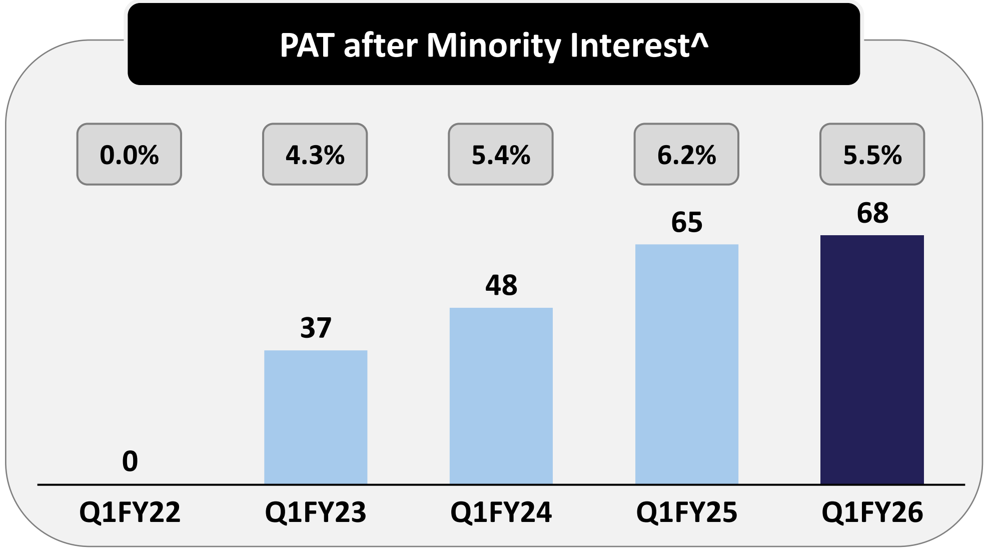
In Rs. Crore







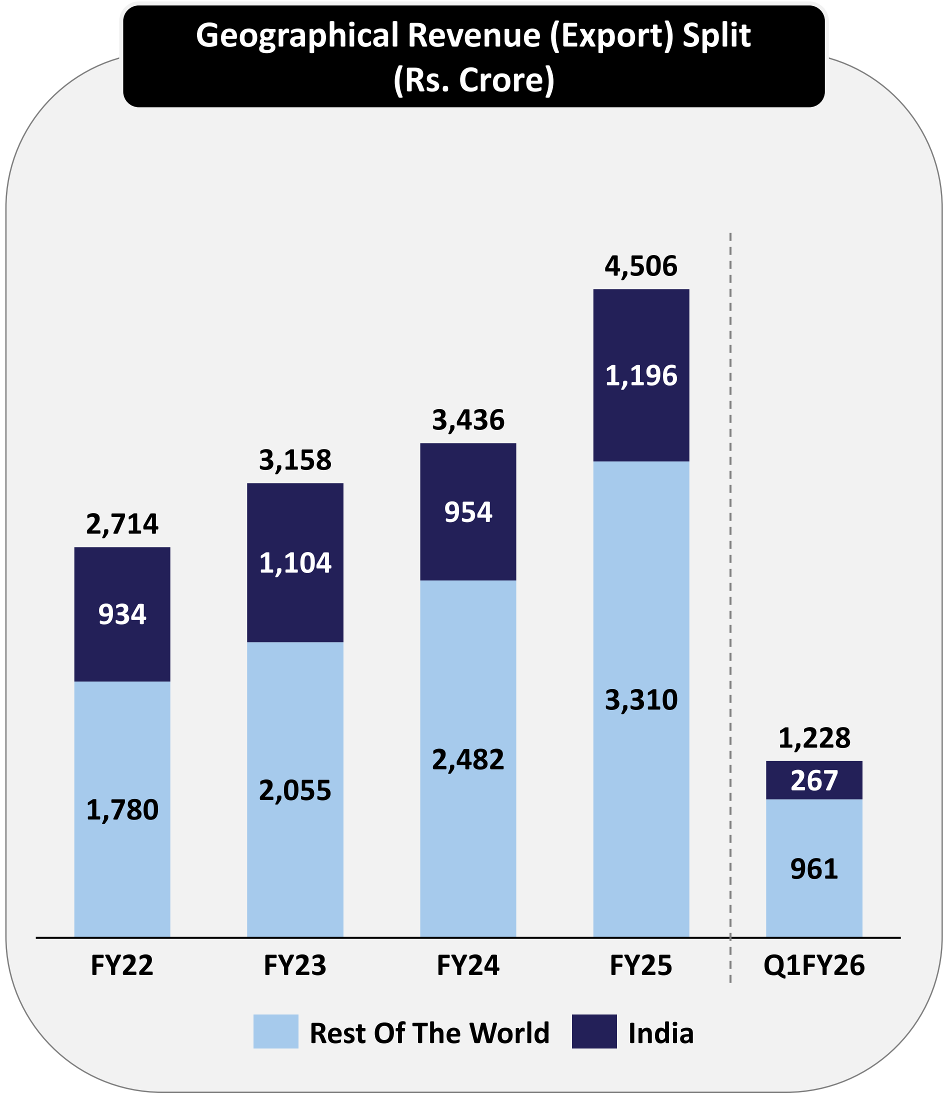


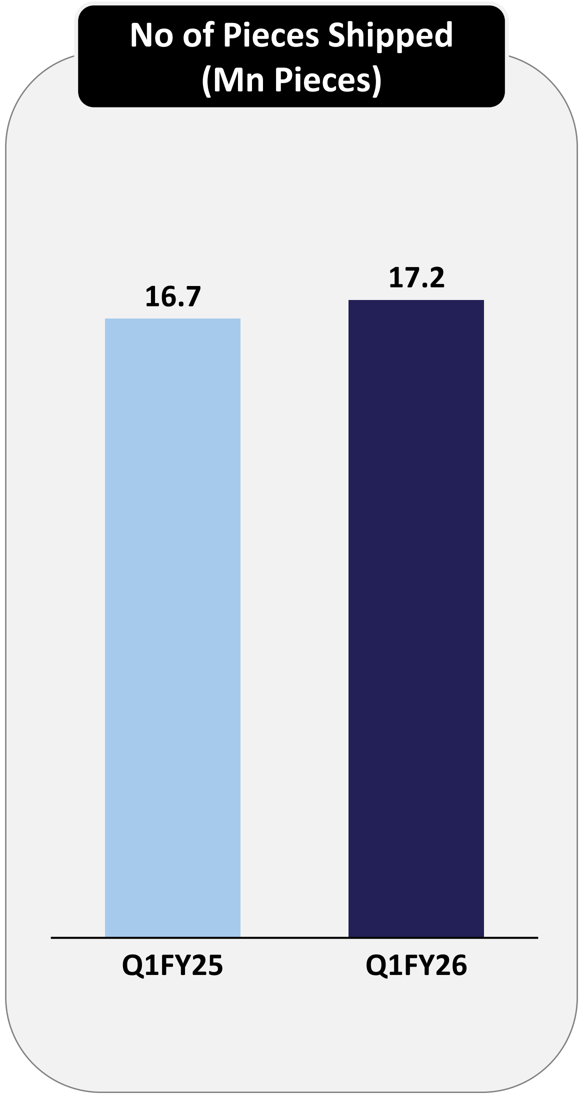
*Adj. EBITDA excludes ESOP expenses
#Adj PBT excludes exceptional items
^PAT after MI includes exceptional gain of Rs. ~6 crore in Q1FY25 and exceptional loss of Rs. ~0.3 crore in Q1FY26

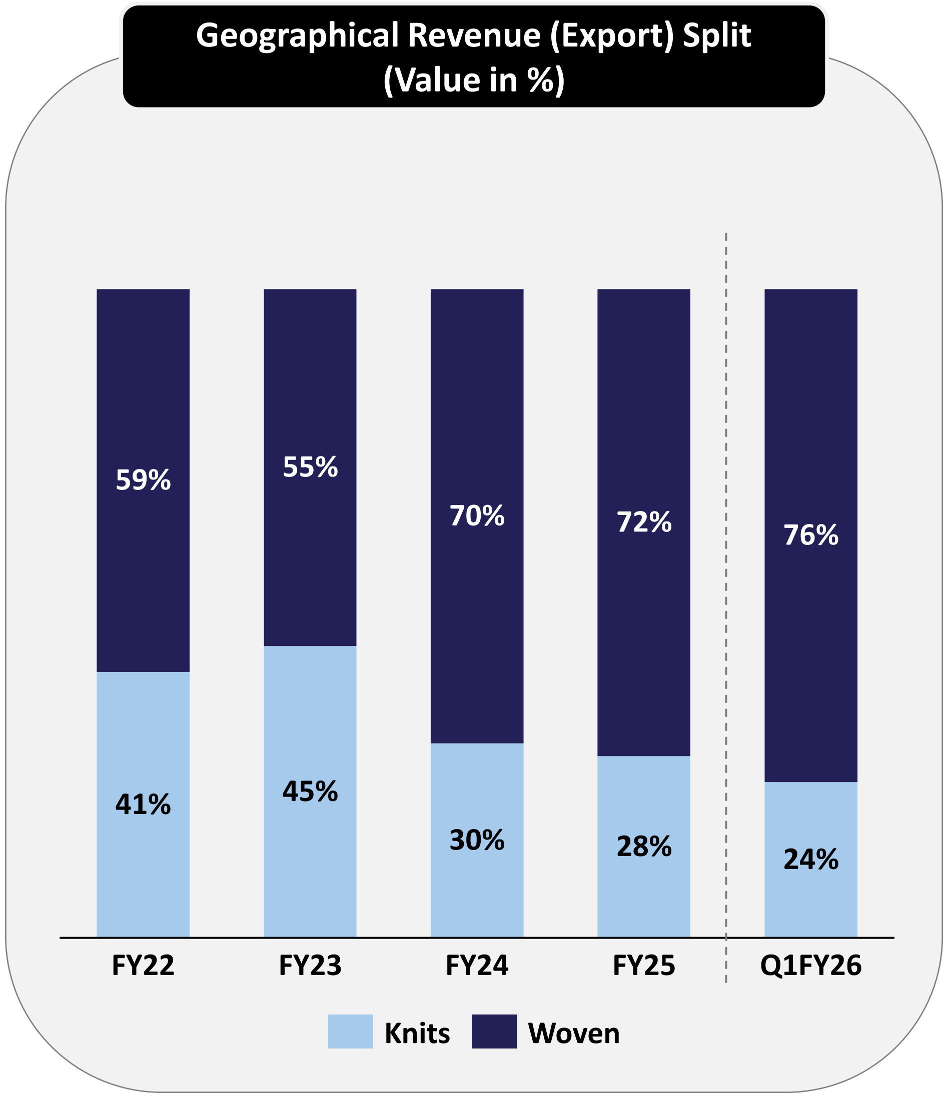
Margin%

Numbers are rounded off to nearest decimal

Consolidated Performance Highlights – Q1FY26







Numbers are rounded off to nearest decimal

Consolidated Profit and Loss Statement

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Particulars (In Rs. Crore)	Q1FY26	Q1FY25	Y-o-Y	Q4FY25	Q-o-Q
Revenue from Operations	**1,228**	**1,053**	**16.6%**	**1,229**	**-0.1%**
Cost of Goods Sold	663	547		649	
Gross Profit	**565**	**505**	**11.9%**	**580**	**-2.6%**
Gross Profit Margin	**46.0%**	**48.0%**		**47.2%**	
Employee Cost	218	191		220	
Other Expenses	233	214		242	
Adj. EBITDA	**114**	**100**	**13.4%**	**119**	**-4.3%**
Adj. EBITDA Margin	**9.3%**	**9.5%**		**9.7%**	
ESOP Expenses	1	2		2	
Depreciation	20	17		21	
Other Income	11	10		5	
EBIT	**104**	**91**	**14.6%**	**102**	**2.1%**
EBIT Margin	**8.5%**	**8.6%**		**8.3%**	
Finance Cost	27	23		27	
Adj Profit before Tax	**77**	**68**	**13.3%**	**75**	**2.7%**
Adj Profit before Tax Margin	**6.2%**	**6.4%**		**6.1%**	
Exceptional Item (Gain) / Loss	0	(6)		(3)	
Profit before Tax	**76**	**73**	**4.2%**	**78**	**-1.9%**
Profit before Tax Margin	**6.2%**	**7.0%**		**6.3%**	
Tax	11	11		13	
Profit After Tax	**66**	**62**	**5.9%**	**65**	**0.9%**
Minority Interest	-2	-3		-3	
PAT After Minority Interest	**68**	**65**	**3.8%**	**68**	**-0.6%**
PAT after Minority Interest Margin	**5.5%**	**6.2%**		**5.6%**	
EPS	14.76	14.99		15.10	

Revenue

Revenue increase by 16.6% led by **sales growth in Vietnam and Indonesia due to strong order book and healthy growth in sales volume.**

Gross Margin / Adj. EBITDA

Gross Profit Margin for Q1FY26 is after **Tariff Cost impact**.
Adj. EBITDA margin at 9.3% however excluding tariff cost / loss at new facilities (Guatemala, Bihar) in Q1FY26 stands at ~10.7%, continuing the trend of double-digit margins for the second consecutive quarter.

Effective Tax Rate

Effective tax rate is 14.7%.

Profit After Tax

PAT in Q1FY26 **grew to Rs. 66 crore**, a growth of 5.9% YoY basis. **Excluding exceptional items in Q1FY25**, PAT registered a YoY **growth of 13.5%.**

Numbers are rounded off to nearest decimal

Standalone Financials

Standalone Performance – Q1FY26

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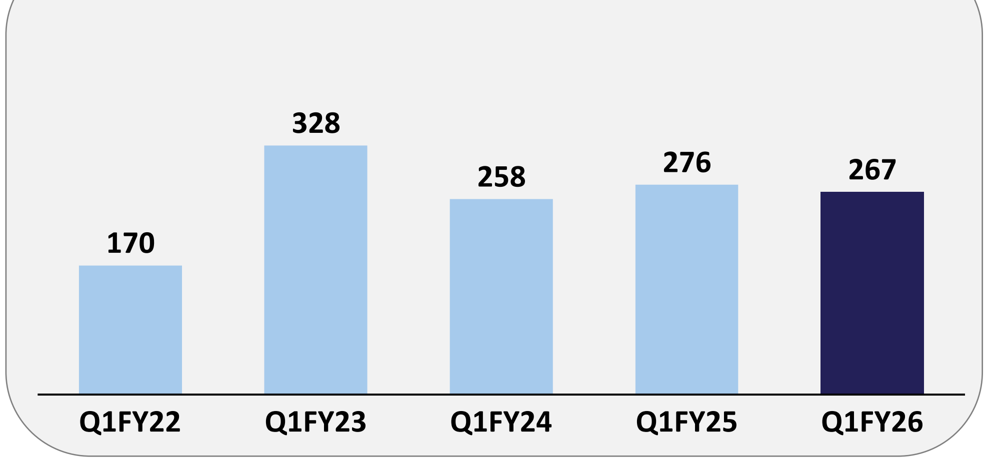
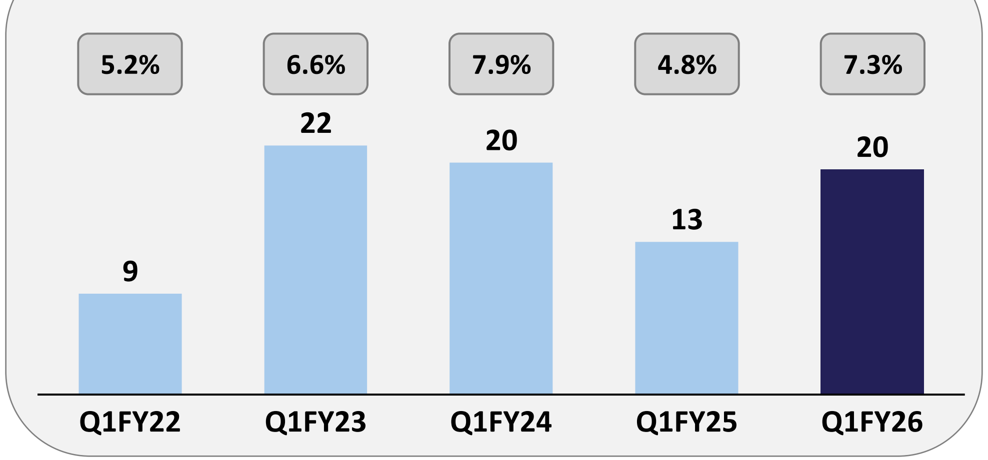
In Rs. Crore

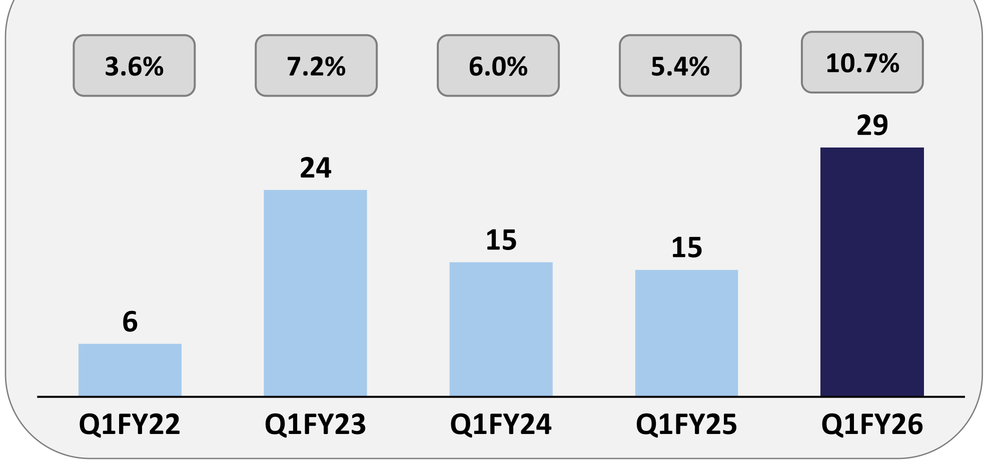
Revenue



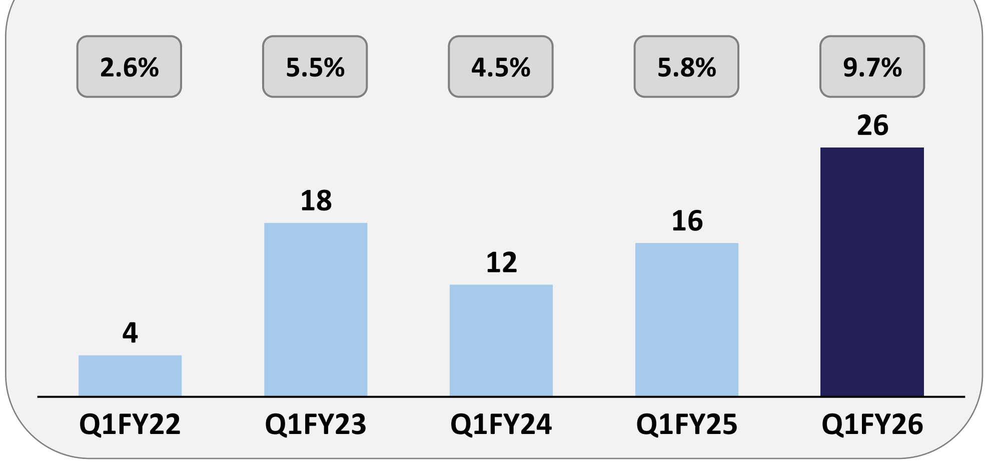
Adj EBITDA*



Adj PBT#



PAT^



*Adj. EBITDA excludes ESOP expenses

#Adj PBT excludes exceptional items

^PAT includes exceptional gain of Rs. ~6 crore in Q1FY25 and exceptional loss of Rs. ~0.3 crore in Q1FY26

Margin%

Numbers are rounded off to nearest decimal

Standalone Profit and Loss Statement

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Profit and Loss (In Rs. Crore)	Q1FY26	Q1FY25	Y-o-Y	Q4FY25	Q-o-Q
Revenue from Operations	**267**	**276**	**-3.4%**	**397**	**-32.9%**
Cost of Goods Solds	114	126		181	
Gross Profit	**152**	**151**	**1.3%**	**216**	**-29.5%**
Gross Profit Margin	**57.2%**	**54.5%**		**54.4%**	
Employee Cost	65	67		73	
Other Expenses	67	71		103	
Adj EBITDA	**20**	**13**	**47.2%**	**40**	**-51.5%**
Adj EBITDA Margin	**7.3%**	**4.8%**		**10.2%**	
ESOP Expenses	1	2		1	
Depreciation	6	6		7	
Other Income	26	16		4	
EBIT	**38**	**21**	**78.9%**	**36**	**6.1%**
EBIT Margin	**14.2%**	**7.7%**		**9.0%**	
Finance Cost	9	7		9	
Adj Profit before Tax	**29**	**14**	**97.2%**	**26**	**8.0%**
Adj Profit before Tax Margin	**10.7%**	**5.2%**		**6.7%**	
Exceptional Item (Gain) / Loss	0	(6)		(3)	
Profit before Tax	**28**	**20**	**41.0%**	**30**	**-5.0%**
Adj Profit before Tax Margin	**10.6%**	**7.2%**		**7.5%**	
Tax	2	4		6	
Profit After Tax	**26**	**16**	**62.6%**	**23**	**11.2%**
Profit After Tax Margin	**9.7%**	**5.8%**		**5.8%**	
EPS	5.63	3.65		5.14	

Revenue

India standalone revenue marginally declined by 3.4% on YoY basis.

Adj. EBITDA

EBITDA margin has **increased from 4.8% to 7.3% YoY**, due to change in customer mix and product mix.

Other Income

Other income **increased mainly** due to dividend income of ~Rs. 18 crore from subsidiary companies, rental income of ~Rs. 1.7 crore and Interest on loans of ~Rs. 1.4 crore.

Effective Tax Rate

Effective tax rate is excluding exempt dividend income is ~24.8%.

Profit After Tax

PAT in Q1FY26 **grew to Rs. 26 crore, a growth of 62.6%** on a YoY basis.

Numbers are rounded off to nearest decimal

Contact Us

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