

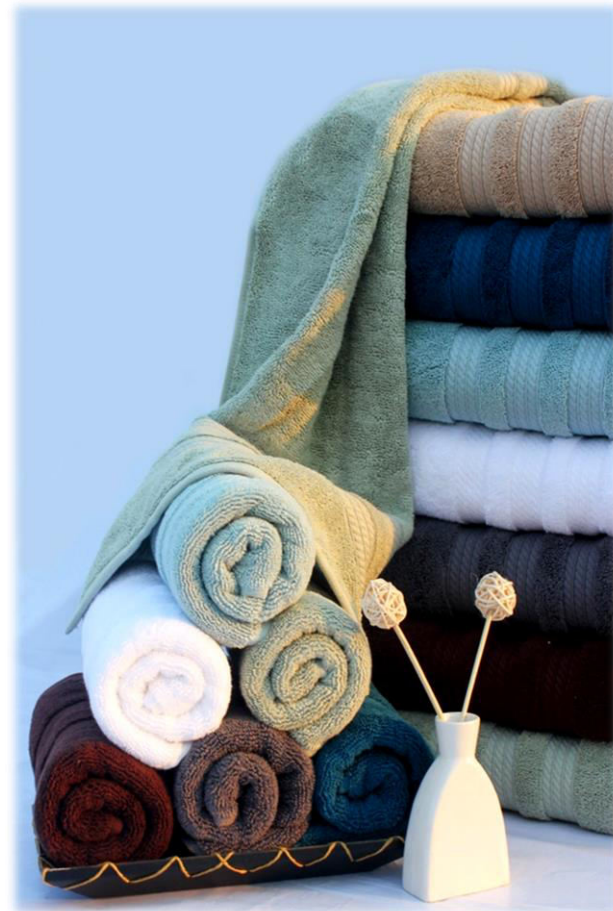


# Trident Limited

Q1 FY17 Performance Review



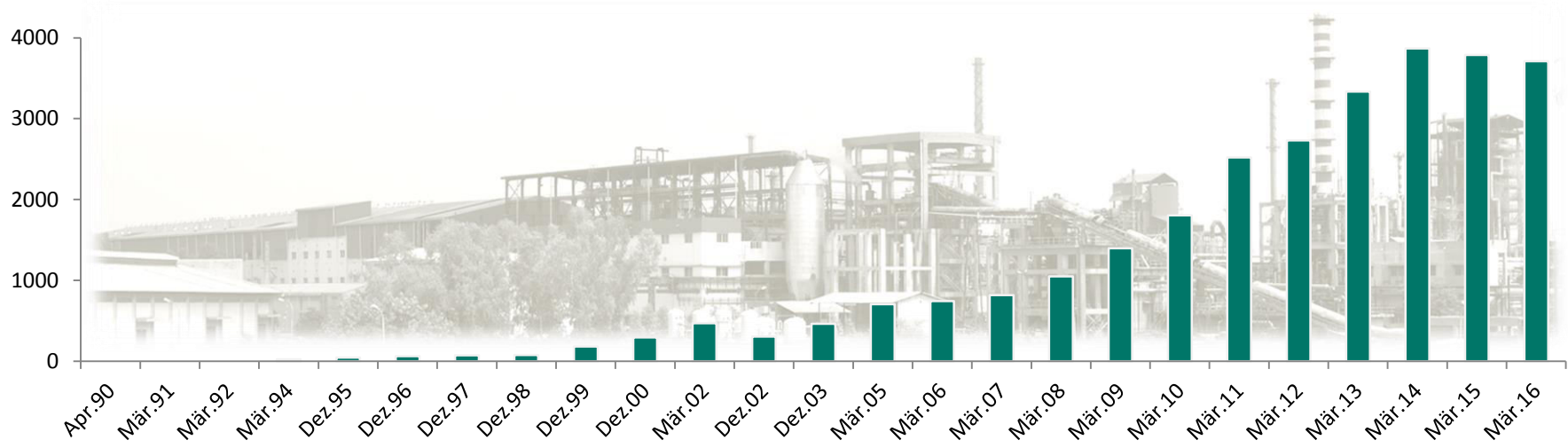
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***Financial Highlights***

# ... Milestones



	1990-1995	1996-2000	2001-2005	2006-2010	2011-2016
<b>Home Textiles</b>	<ul style="list-style-type: none"> <li>• Inception</li> <li>• Spinning Unit-I</li> </ul>	<ul style="list-style-type: none"> <li>• Towel Unit-I</li> <li>• Spinning Unit-II</li> </ul>	<ul style="list-style-type: none"> <li>• Towel Unit-II</li> <li>• Spinning Unit-III</li> <li>• Spinning Unit-IV</li> </ul>	<ul style="list-style-type: none"> <li>• Towel Unit-III</li> <li>• Spinning Unit-V</li> <li>• Spinning Unit-VI</li> </ul>	<ul style="list-style-type: none"> <li>• Towel Unit-IV</li> <li>• Spinning Unit - VII, VIII, IX, X</li> <li>• Bed Linen Unit-I</li> </ul>
<b>Paper</b>		<ul style="list-style-type: none"> <li>• Paper Unit-I</li> </ul>		<ul style="list-style-type: none"> <li>• Paper Unit-II</li> </ul>	<ul style="list-style-type: none"> <li>• Copier Paper</li> </ul>

# Financial Highlights- Q1FY17



**Turnover**

31.6% Growth YoY

INR 1166.3

**PAT**

26.1% Growth YoY

INR 78.5Cr.

**ROE**

107 bps Growth YoY

17.5%

**EBIDTA**

24.1% Growth YoY

INR 247.1

**Interest Coverage ratio**

32.5% Growth

5.94

**Net. Debt /Equity**

695bps Decline

1.6

**Cash Accrual**

26.8% Growth YoY

INR 181.9Cr.

**Net. Debt/EBIDTA**

11.2% Decline

2.9

**EPS (Annualised)**

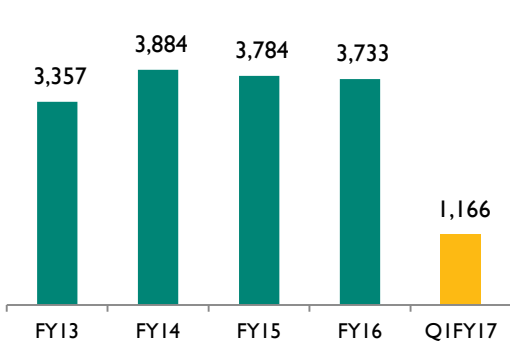
26.1% Growth YoY

INR 6.3

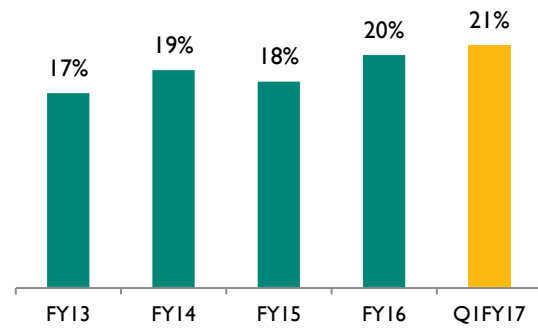
# Key Financial Parameters



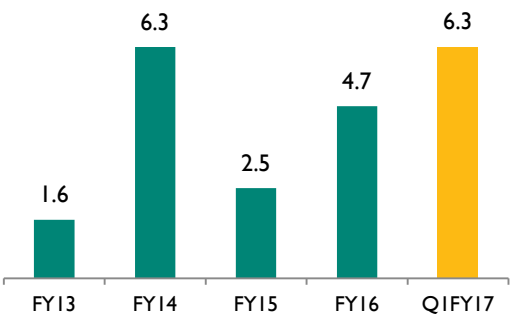
**Turnover (INR crore)**



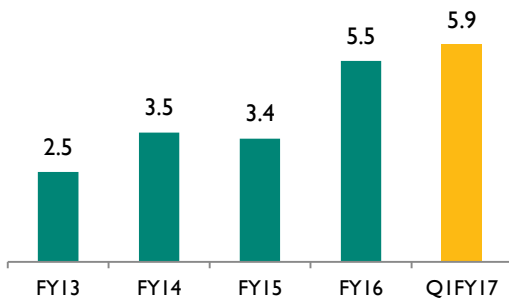
**EBIDTA (%)**



**EPS (INR)**



**Interest Coverage**



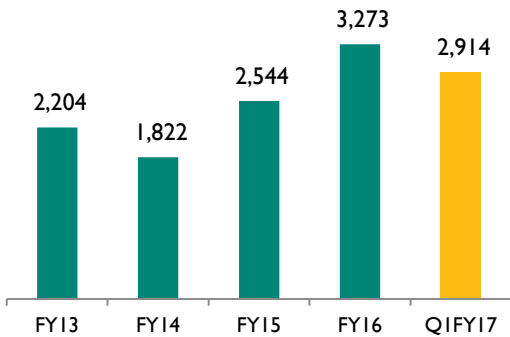
- Turnover** has grown by 31.6% YoY
- EBIDTA** increased by 24.1%
- EPS** stood at INR 6.3 (annualised)
  - YoY Growth more than 25%
- Interest Coverage Ratio** stood at 5.94 compared to 4.48 of Q1FY16
  - Healthy Free Cash Flow Generation lead to Prepayment of high cost debt
  - Better Working Capital Utilization

\*Annualised

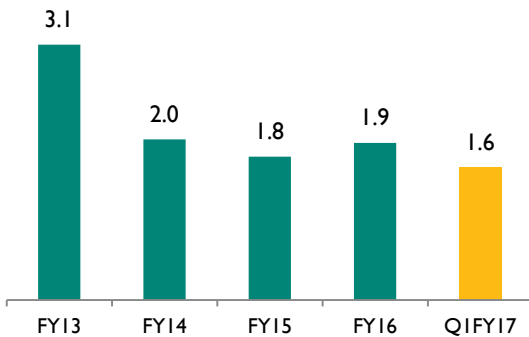
# Key Financial Parameters



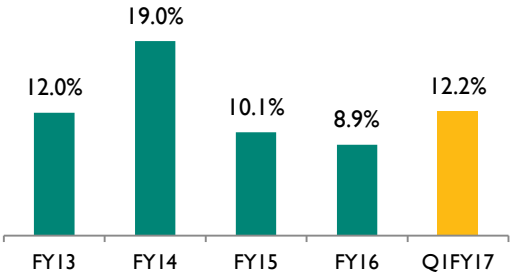
**Net Debt (INR crore)**



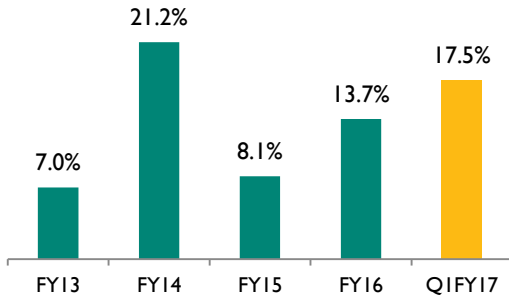
**Net Debt : Equity (x)**



**ROCE (%)**



**ROE (%)**



ROCE= EBIT/(Capital + Reserves + Long Term Debt + Short Term Debt)

\*Annualised

\*Annualised

Debt Repayment of INR 156.1 Crore in Q1FY17

- Includes **Prepayment** of high cost debt of INR 53.6 Crore

Net Debt / Equity Ratio stands at 1.6:1

- Gross and Net Debt stood at INR 3326.8 crore and INR 2913.7 crore respectively.

- More than **70%** of Long Term Loan covered under TUF (low cost debt)

Major CAPEX over – significant free cash flow has been generated and is anticipated to increase throughout the year

# Q1FY17 Financial Highlights



- /// **Net Revenue** at INR 1166.3 Crore in Q1FY17 compared to INR 886.0 crore in Q1FY16
  - High traction in Home Textile segment as a result of sustained focus & efforts on marketing, designing & product innovation
- /// **EBITDA** increased by 24.1% YoY to INR 247.1 Crore during Q1FY17 from INR 199.1 Crore
- /// **Finance Cost** reduced by 6.4% to INR 41.6 crore from INR 44.5 crore
  - Healthy Free Cash Flow Generation lead to Prepayment of high cost debt to the tune of INR 53.6 crore during the quarter
  - Better Working Capital Utilisation and interest equalization scheme benefit reduced overall interest costs
  - Outstanding net debt as on June 30, 2016 stood at INR. 2,913.7 crore
- /// **PAT** higher by 26.1% to INR 78.5 crore vis-à-vis INR 62.2 crore
  - **Diluted EPS (non-annualised)** enhanced to INR 1.58 per share vis a vis INR 1.26 per share
- /// **Cash Profits** at INR 181.9 crore vis-à-vis INR 143.5 crore
  - **Cash EPS (non-annualised)** enhanced to INR 3.67 per share vis a vis INR 2.90 per share



# Profit & Loss Abstract - Standalone



Q1 FY17	Q1 FY16	YoY Growth%	Particulars (INR. crore)	Q1 FY17	Q4 FY16	QoQ Growth%
1166.3	886.0	31.6%	Net Revenues	1166.3	974.4	19.7%
924.5	688.7	34.2%	Total Expenditure	924.5	774.9	19.3%
247.1	199.1	24.1%	EBITDA	247.1	203.3	21.6%
103.5	81.3	27.3%	Depreciation	103.5	93.0	11.2%
143.7	117.9	21.9%	EBIT	143.7	110.3	30.3%
41.6	44.5	-6.4%	Interest	41.6	33.3	25.1%
102.1	73.4	39.0%	PBT	102.1	77.0	32.5%
23.6	11.2	110.4%	Tax	23.6	18.4	28.6%
78.5	62.2	26.1%	PAT	78.5	58.6	33.8%
90.2	68.6	31.5%	PAT (Incl. OCI)	90.2	57.6	56.5%
1.58	1.26	25.4%	EPS (Diluted & non-annualized) (In Rs)	1.58	1.19	32.8%
6%	3%	100.0%	Dividend (%)	6%	3%	100%

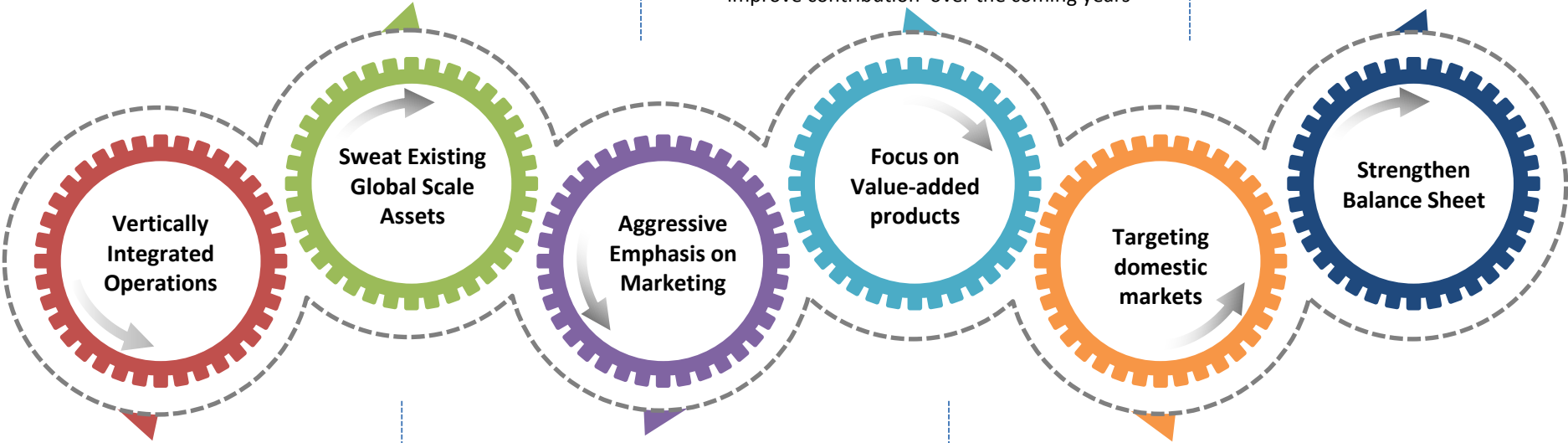


# Way Forward

- Focus on optimally utilizing global scale capacities
- Significant Free Cash flows anticipated with major Capex cycle getting over
- On-track to significantly improve return ratios

- Branding strategy to target premium customer segment in Home Textiles and Copier segments
- Focus on Value-added products to further improve contribution over the coming years

- Robust Free Cash flow generation expected going forward
- To reduce Long-term debt in a phased manner



- Cotton-to-Terry Towel and Cotton-to-Bed Linen: Fully integrated operations to deliver sustainable performance over the years

- Strengthening presence in new markets like UK, Italy, France, Japan, Australia, South Africa and Canada
- Continue to target new markets to diversify customer base geographically
- Leverage existing customer relationships to ramp-up Bed-Linen marketing

- Improve brand presence through multi brand outlets MBOs & Modern Retail across India
- Emphasis on emerging e-commerce platforms to market Home Textile brands – brands available across major e-commerce platforms



## Commenting on the performance, Mr. Rajinder Gupta, Chairman at Trident Group said:

*“We have demonstrated solid financial and operational performance during the quarter and reported around 30% top-line and earnings growth. This was mainly owing to strong volume off-take registered in the Home Textiles segment. Host of strategic initiatives and efforts undertaken in the past like strengthening our marketing team, expanding our global reach and widening our product offerings have started yielding desired results, and I am confident that this momentum would continue throughout the year.*

*Going forward, we remain focused on our marketing efforts and are well on track to optimally utilize our global scale capacities over the next two years. This will enable us to sustain our strong financial performance and help generate significant free cash flows, which we believe will create tremendous value for all our stakeholders.”*

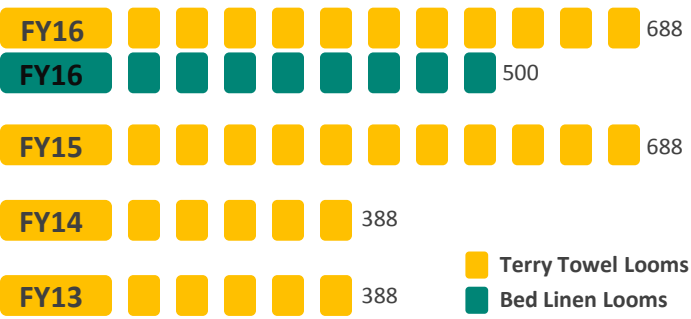


***Trident Home Textiles***  
***Business Highlights***

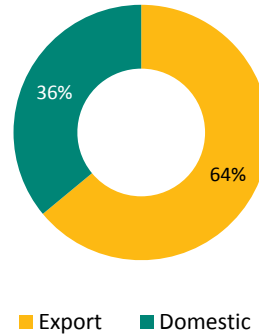
# World's Largest Integrated Home-Textile Manufacturer



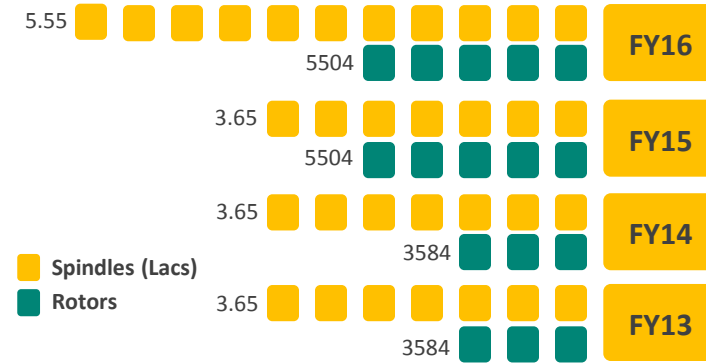
## Bad & Bed Linen Capacities



## Q1 FY17 Export : Domestic Mix



## Spinning Capacities



World's largest terry towel project at a single facility in Budni (M.P.) coupled with manufacturing facility at Barnala (Punjab) has a capacity of **360 mn pieces of towel per annum**

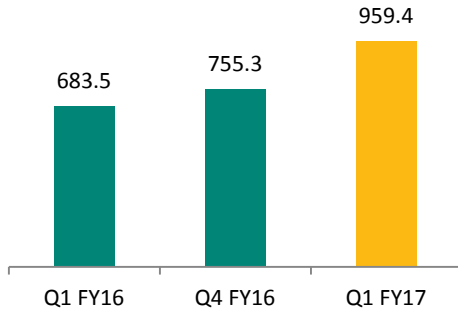
Commenced production at the Bed Linen facility of 500 looms capable of producing **43.2 mn meters per annum**

One of the largest cotton yarn spinning capacity in India with 5.55 lac spindles & 5504 rotors capable of producing **cotton, compact and blended yarn**

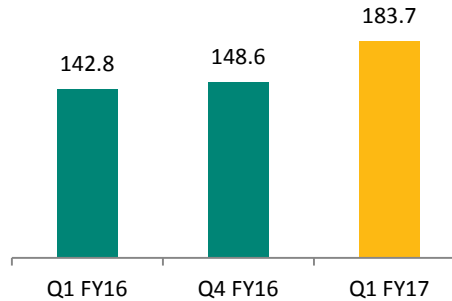
# Q1FY17 Financial Highlights



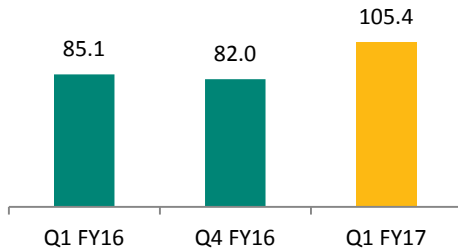
## Revenues (INR crore)



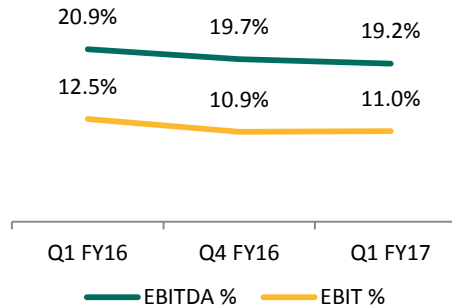
## EBITDA (INR crore)



## EBIT (INR crore)



## Margin (%)



📈 Increase in Revenue by 40.4%YoY

📈 High Traction in Home Textiles Sales Volume

📈 EBITDA increased by 28.7% YoY to INR 183.7 crore compared to INR 142.8 crore

📈 EBIT increased by 23.8% YoY to INR 105.4 crore compared to INR 85.1 crore



# Q1FY17 Financial Overview & Outlook



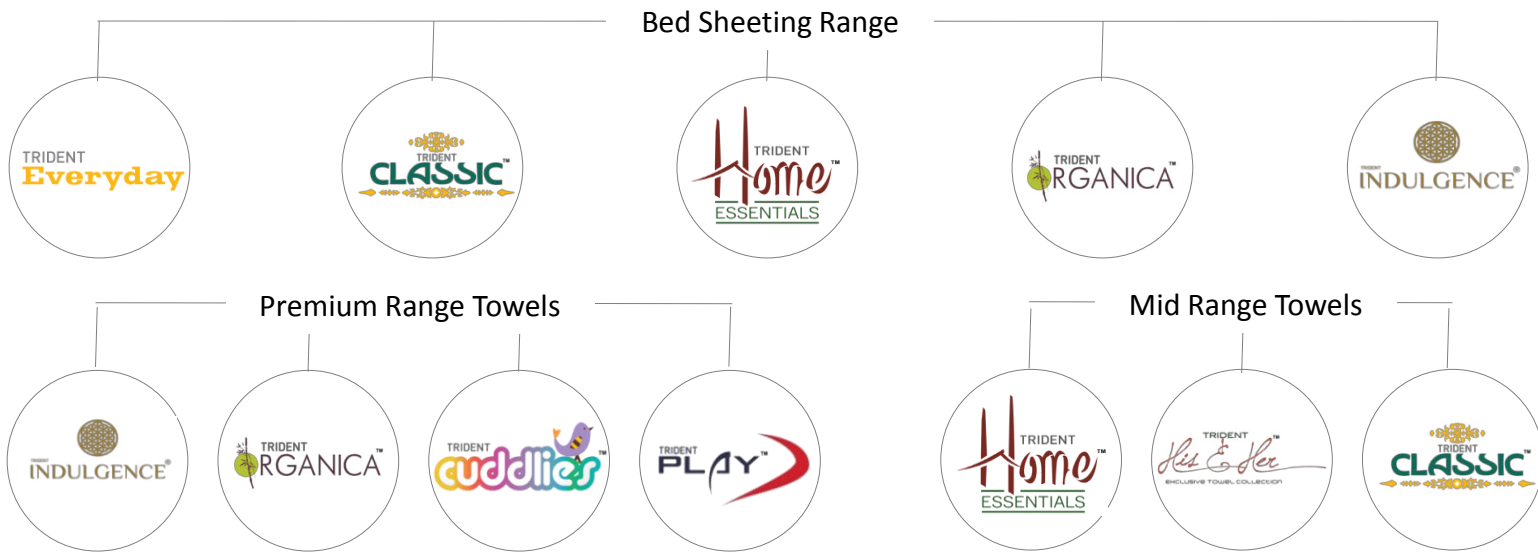
- /// Topline at INR 959.4 crore compared to INR 683.46 crore in the corresponding quarter of last financial year
  - /// Increase in Revenue by 40.4% on YoY basis
  - /// Strategic Initiatives to strengthen our Marketing & Designing team , explore new markets and enhancing our product range resulted in higher Home Textiles volume in both international & domestic markets
  - /// Shifting the product mix from low count yarn to the value added yarn & compact yarn
- /// Expanding Global Presence
  - Strengthened the Marketing team in USA for better Market Reach and service.
  - Opened a subsidiary Company in Europe to cater the growing demand and enhance the Marketing efforts to serve European nations.
- /// Strengthened Indian Marketing teams
  - Strengthened the Marketing and Designing team of both Bath and Bed segments
- /// Sustained focus on expanding customer base
  - Ramped up business volumes within India in General trade, Modern Trade & Institutional segment
  - Brand presence expanded to more than 294 MBOs across India vis a vis 260 MBOs in Q4 FY16
  - Addition of new Key Accounts, Channel partners & Premium Outlets to expand the brand reach
- /// Market research and segmentation drive new product launches in the domestic market
  - Launch of own brands in new categories of Bed & Bath products
  - Product extension of Licensed Brand merchandize to cater to Kids segment
  - Extensive advertising pan India for creating consumer awareness



# Trident Brands - Sheeting



Trident Brands



Trident Innovation

<u>Fibre and Yarns</u>							
<u>Design/ Construction</u>							
<u>Finish / Treatment</u>							





***Trident Paper***  
***Business Highlights***

# World's Largest Wheat Straw based Paper Manufacturer



**Eco Green**  
75 GSM  
90% Brightness

**Natural**  
72 GSM  
86% Brightness

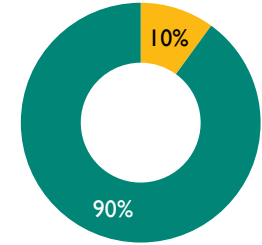
**Royal Touch**  
75 GSM  
90% Brightness

**DigiPrint**  
100 GSM  
92% Brightness

**My Choice**  
70 GSM  
87% Brightness

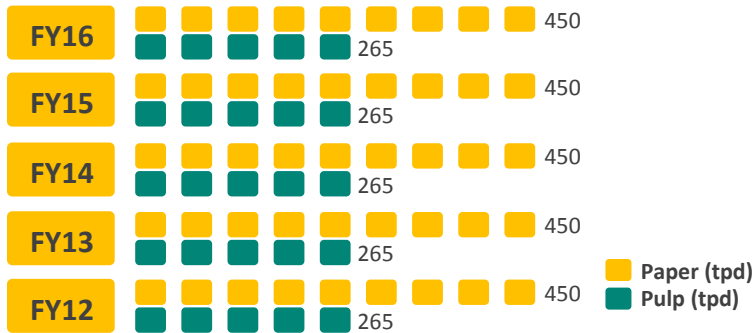
**Spectra**  
75 GSM  
88% Brightness

## Q1 FY17 Export : Domestic Mix



■ Export ■ Domestic

### Paper & Pulp Capacities



Agro-residue (wheat straw) and ECF pulp used to manufacture paper

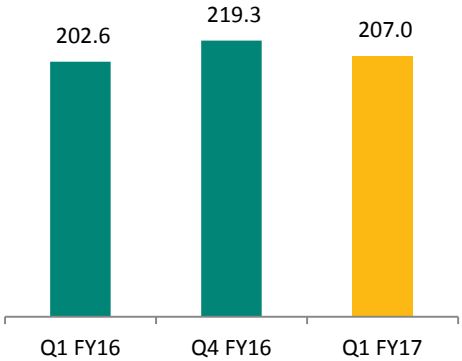
Energy-saving operations initiated to reduce power consumption

Customers across 50 countries including India, Middle East, Africa, US, Latin America and UK, among others

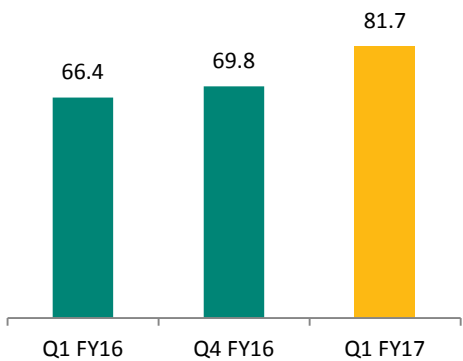
# Q1FY17 Financial Highlights



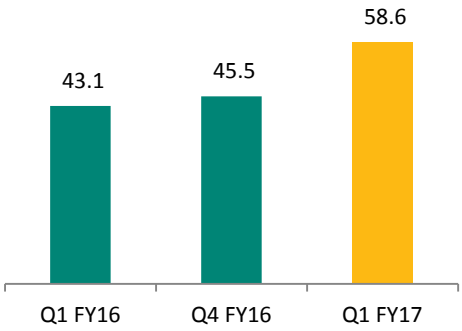
**Revenues (INR crore)**



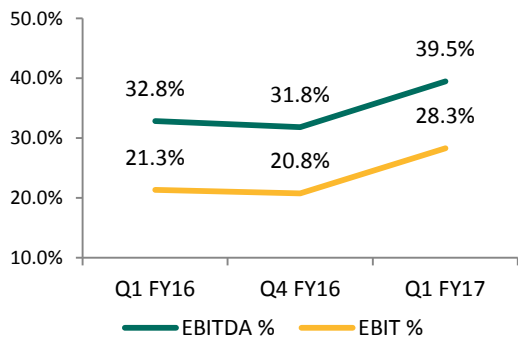
**EBITDA (INR crore)**



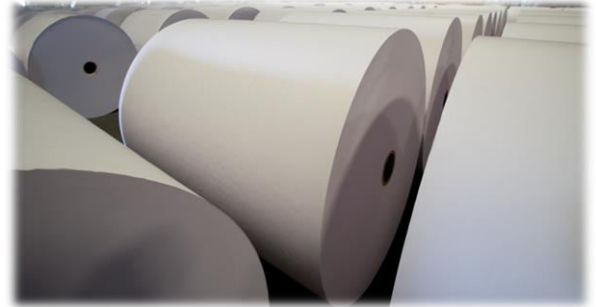
**EBIT (INR crore)**



**Margin (%)**



- EBIT increased** by 35.9%, to INR 58.6 crore compared to INR 43.1 crore of Q1FY16
- EBITDA increased** by 23.0% YoY to INR 81.7 crore from INR 66.5 Crore of Q1FY16
- EBITDA Margin improved** by 667bps to 39.5% during the year from 32.8% of Q1FY16
- Improvement in margins** due to enhanced contribution from valued-added copier paper



**Paper**

# Q1FY17 Financial Overview & Outlook



- ✔ Topline stood at INR 207.0 crore during Q1FY 17 vis-à-vis INR 202.6 crore in the corresponding quarter of last financial year
- ✔ EBITDA margin improved by 667 bps in Q1FY17 to 39.5% as compared to 32.8% – result of focus on enhanced contribution towards value-added copier paper
- ✔ Strengthened presence in premium segment, with launch of Trident Digi Print 100 GSM digital Printing Paper
- ✔ Improvement in operational efficiencies due to better product mix
- ✔ Improvement in service aspect to achieve price premium vis-à-vis competition
- ✔ Focus on Modern Retail across India to improve Brand presence in India. Current presence in more than 133 Modern Retail Outlets pan India.
- ✔ Enhanced Customer Relationships by conducting frequent Retailer Meets Pan India.
- ✔ Development of new channel partners in East to tap that market.



## Strengths & Strategy



## Vertical Integration

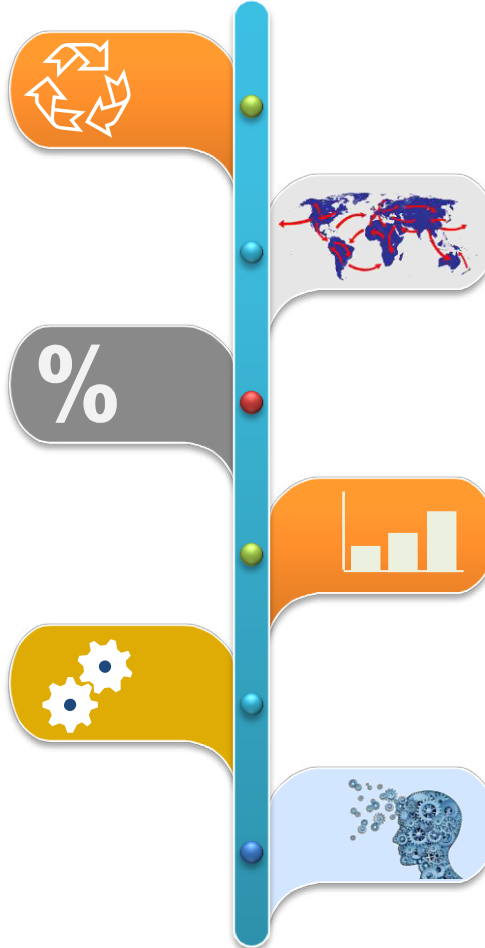
Vertically integrated operations (cotton-to-terry towel and cotton-to-bed linen) - ensure greater sustainability in performance going forward

## Value Addition

Focus on value added, innovative and fashion statement product range for premium customers

## Latest Technology

Latest technology and automation from global best technology partners at all stages of manufacturing



## Enter New Markets

Spreading customers geographically, Entered market like UK, Italy, France, Japan, Australia, South Africa, Canada

## Credit Rating

**CRISIL 'A-'**: Long Term Borrowings  
**CRISIL 'A2+'**: Short Term Borrowings  
**D&B '5A2'**: Business Rating  
**CARE 'A-'**: Long Term Borrowings  
**CARE 'A2+'**: Short Term Borrowings

## Branding Strategy

Aggressive branding strategy to percolate home textile and copier products in premium segment

# Capacities



Business	Operations	
Division	Product	Capacity
Home Textiles	Terry Towels	688 Looms
	Bed Linen	500 Looms
	Yarn	5.55 Lac Spindles
		5,504 Rotors
	Dyed Yarn	6,825 TPA
Paper & Chemicals	Paper	1,75,000 TPA
	Chemicals	100,000 TPA
Energy	Captive Power	50 MW





*About Us &  
Investor Contacts*



# About Us



***Trident Limited*** is the flagship company of Trident Group, a USD 1 billion Indian business conglomerate and a global player. Headquartered in Ludhiana, Punjab, Trident is the largest terry towel and wheat straw based paper manufacturer in the world. With the establishment of the state-of-the-art manufacturing processes and systems coupled with appropriate human capital and credentials, Trident has frequently received accolades from its patrons in recognition for delivering high quality standards and for its customer-centric approach.

The Company operates in two major business segments: Home Textiles Textiles and Paper with its manufacturing facilities located in Punjab and Madhya Pradesh. Trident's customer base spans over more than 100 countries across 6 continents and comprises of global retail brands like Ralph Lauren, JC Penney, IKEA, Target, Wal-Mart, Macy's, Kohl's, Sears, Sam's Club, Burlington, etc. With export turnover accounting for about 55% of total sales of the Company, Trident Group has emerged as one of the world's largest integrated home textile manufacturer.



# Awards & Accolades

- 4 Wal-Mart Supplier of the Year awards
- 4 JCPenney - Best Supplier, Innovation, Quality Awards
- 3 Corporate Governance Awards
- 12 Texprocil Export Performance Awards
- 2 IKEA Quality and Sustainability Awards
- 1 National Energy Conservation Awards (NECA)
- 1 Niryat Shree – FIEO Awards
- 1 Punjab Safety Awards
- 1 D&B – ECGC: Exporter’s Excellence Awards
  - Best Diversified Exporter (Runner-Up)
  - Best Rural Exporter (Runner-Up)





*For more information about us, please visit [www.tridentindia.com](http://www.tridentindia.com)*

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