

Singer India Limited



Investor Presentation

Quarter ended 30th September 2024



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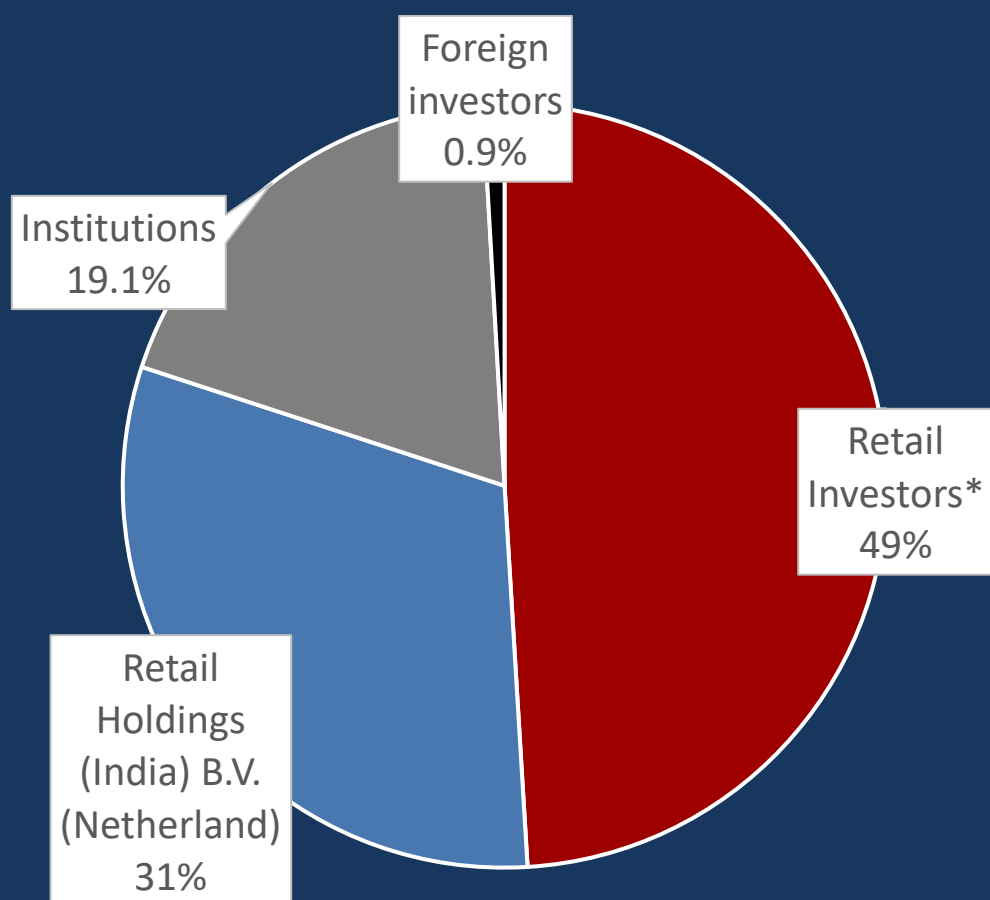
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Company Profile



- 1 Singer Sewing Machine Company' has been a pioneer in manufacturing and selling sewing machines for 170 years
- 2 Singer India Limited (SIL) has two major business segments – Sewing Products and Home appliances
- 3 The brand loyalty and trust customers have shown over the years, has only strengthened the company's products and image
- 4 SIL promises to live up to its legacy of innovating and delivering world class products to all its customers in every part of India

Company Overview



Number of Shareholders¹ : 25927



Manufacturing Facility in Jammu



365 Employees¹



Dealers¹: 1000+
Retailers¹: 10K+



Exclusive Brand Stores¹: 21

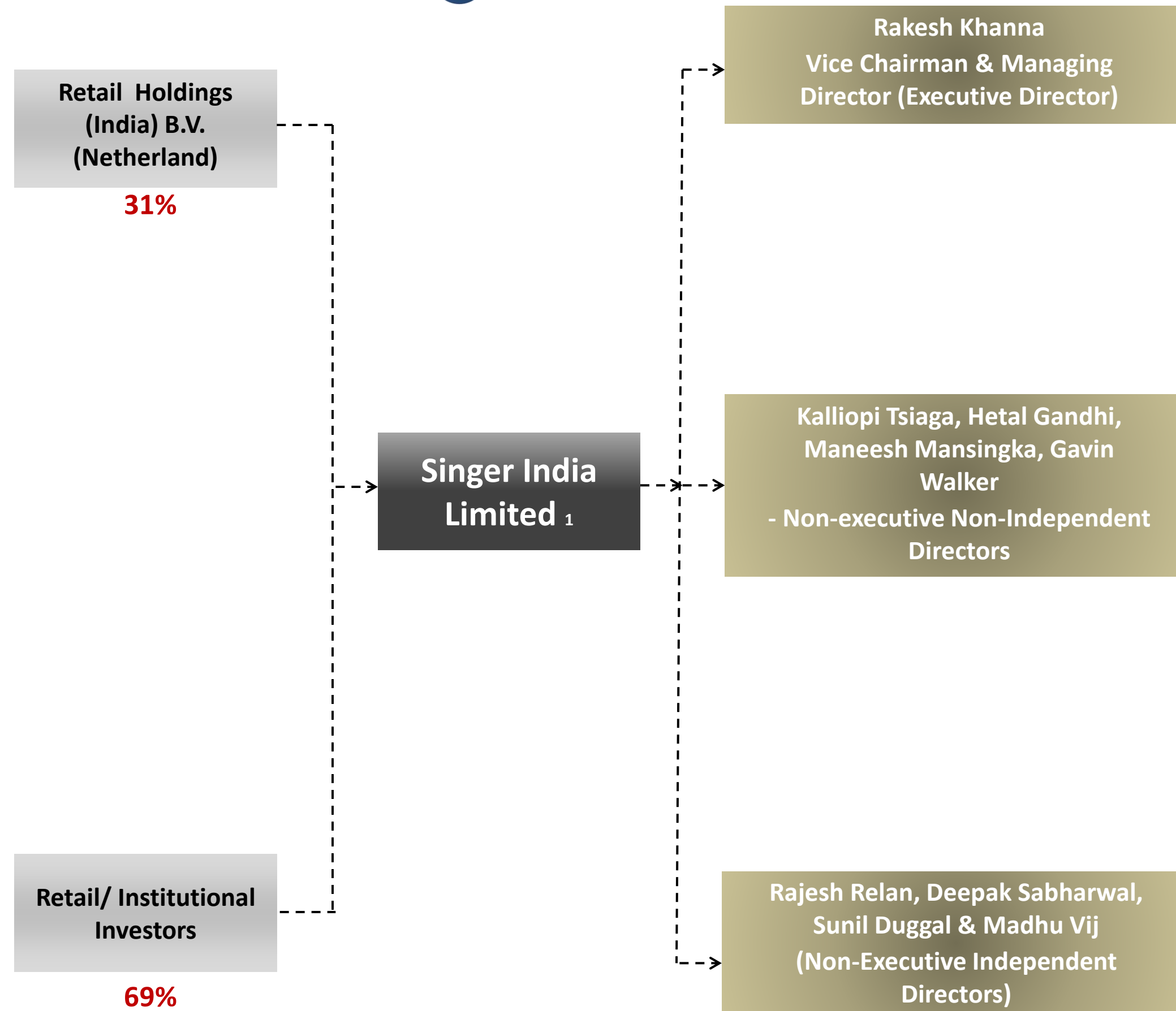


Service Centers¹: 350 Pan India



28K students¹ of 635 Singer affiliated Skill Centers¹

Group & Shareholder Structure ¹



Notes

^{1.} SIL is a widely held company having its equity shares listed and traded on the Bombay Stock Exchange (BSE) since 1982. Market Cap INR 5.26bn as at 30th September 2024

Key Growth Drivers

Robust Economic Fundamental

- Vast Market Size
- Low Product Penetration

Strong Brand

- 150 Years + in India
- Strong Brand Recognition

Growth Opportunities

- New range of models in highest selling sewing machine category
- Upgrade to high end versatile zig-zag models
- Industrial sewing machines range expansion
- Governments Skills development & Woman empowerment programs
- Home Appliances vast market

Extensive Distribution

- Over 10000 Sales Points
- Multiple Sales Channels

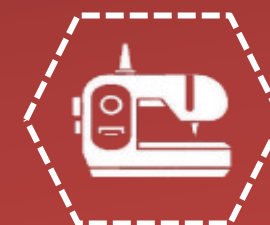
Pan India Service Network

- Over 223 Home Appliances Service Points
- 350 service centers pan India

Our Business Segment

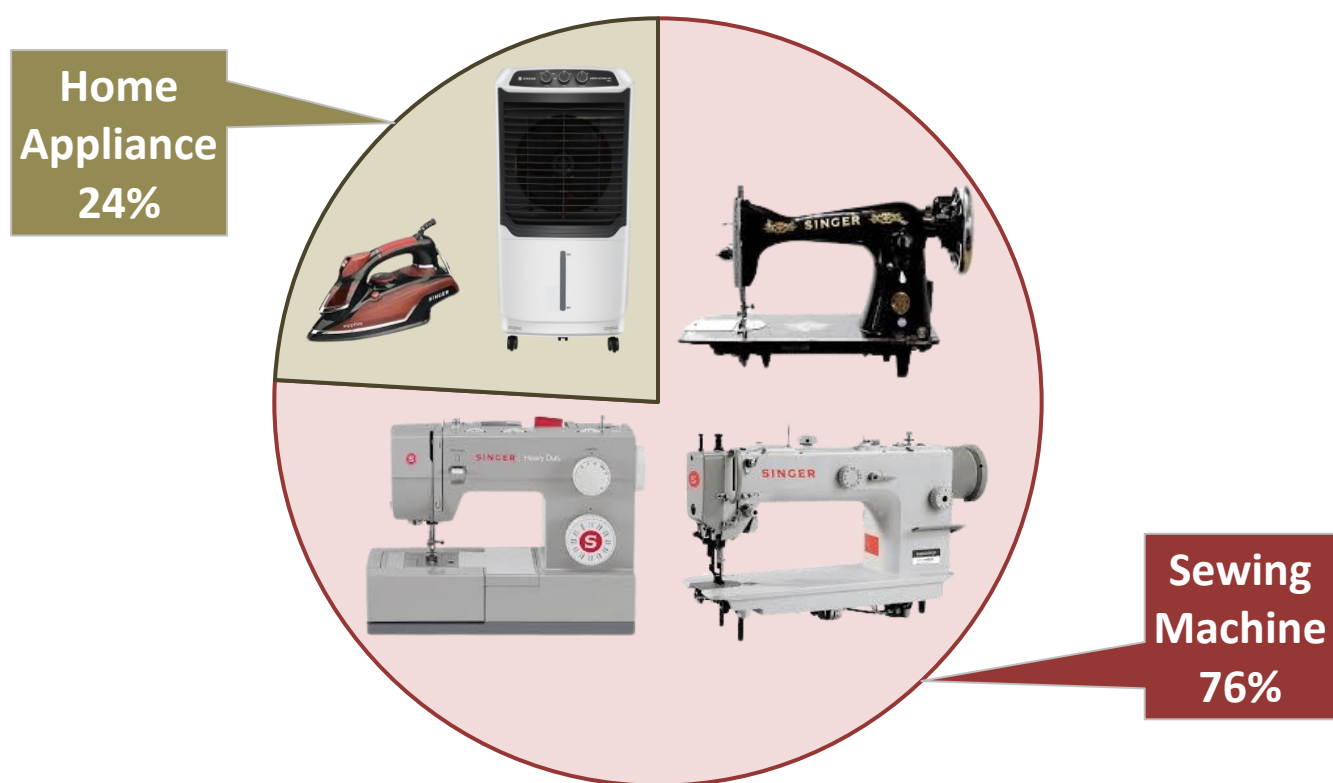


Two major business segments under brand name **Singer** – Sewing Products and Home appliances

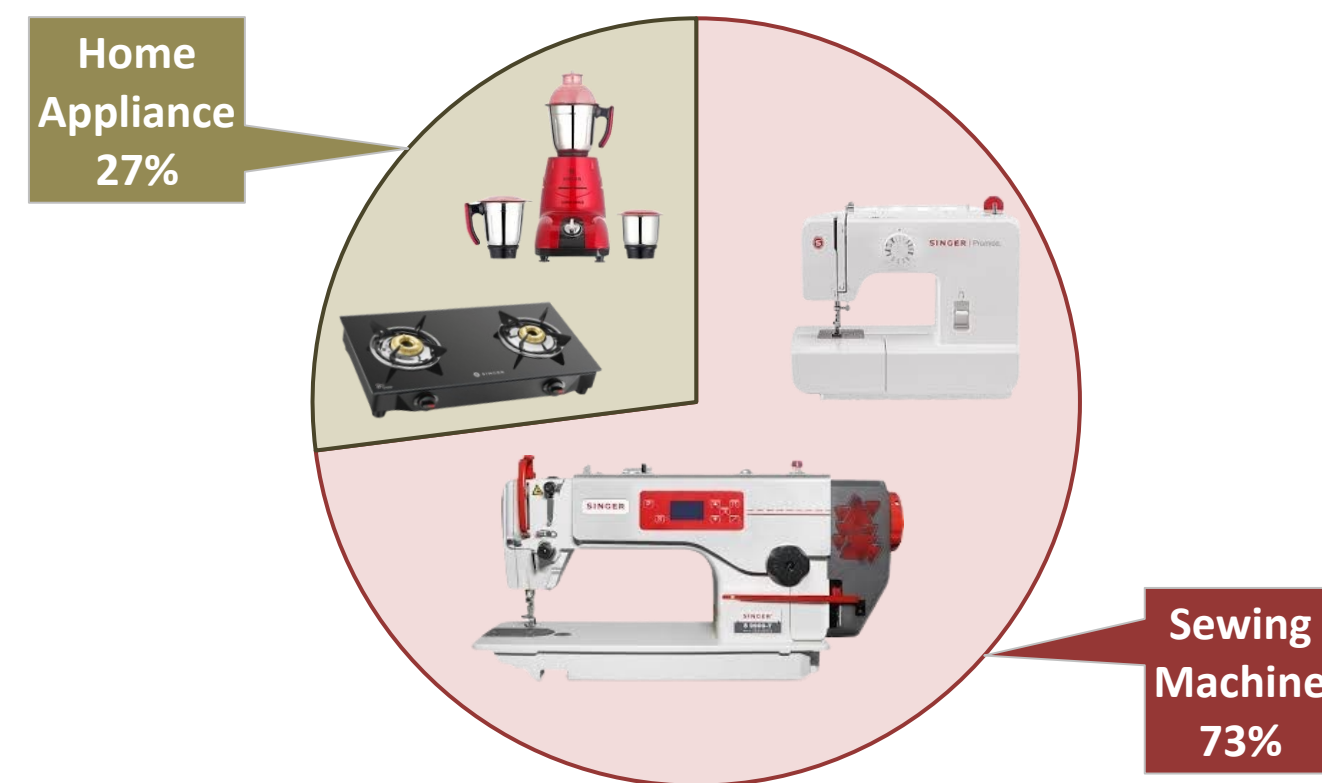


Our range of Sewing products range from household sewing machines, Embroidery machines to industrial machines and home appliances span across small domestic appliances & consumer durables

Product Mix For Q2 2024-25



Product Mix For H1 2024-25





Revenue

INR 105.76 Cr



EBITA

INR 2.32 Cr



PBT

INR 1.67 Cr



PAT

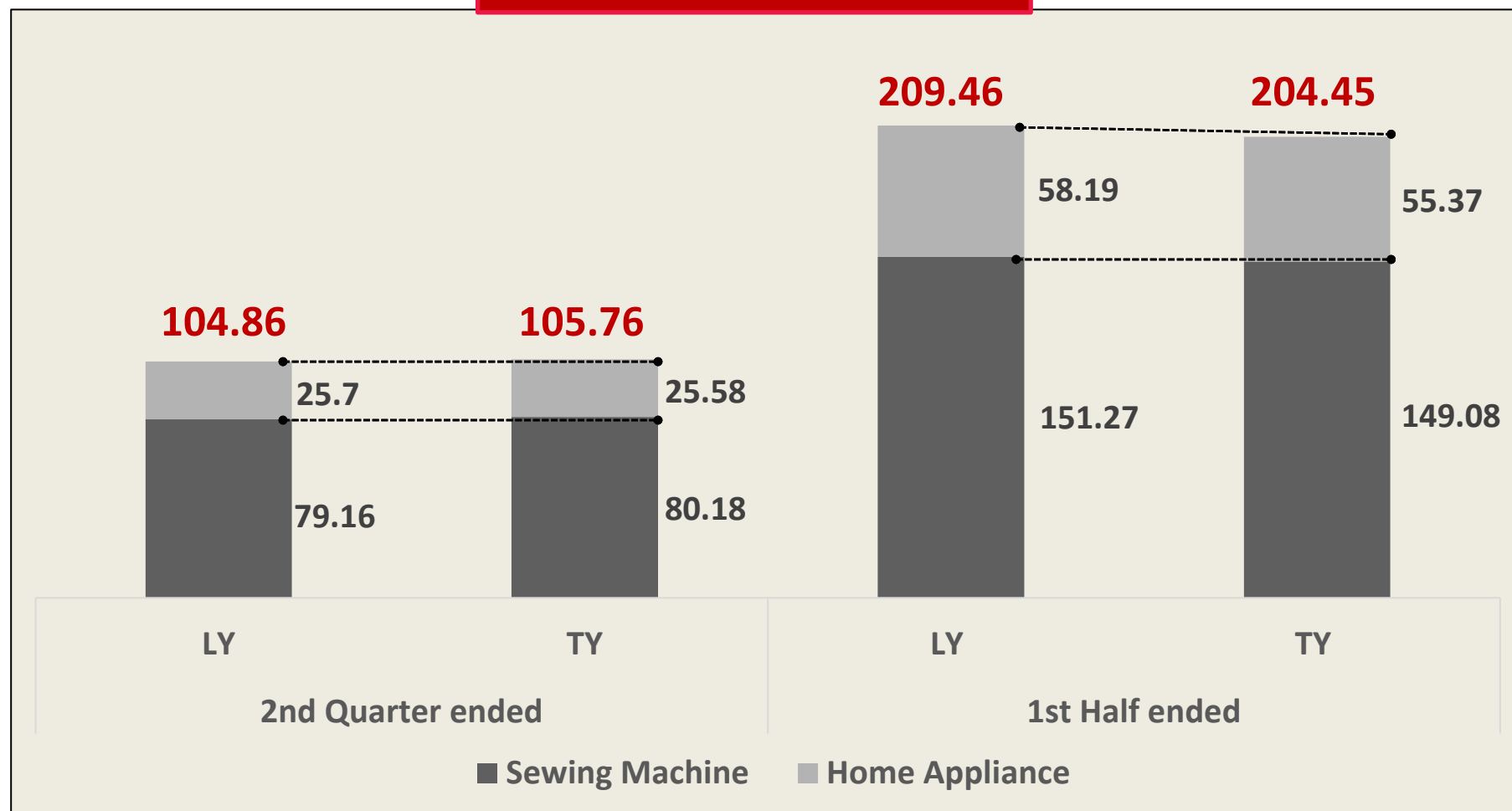
INR 1.27 Cr

Key Indicators FY 24-25 Q2

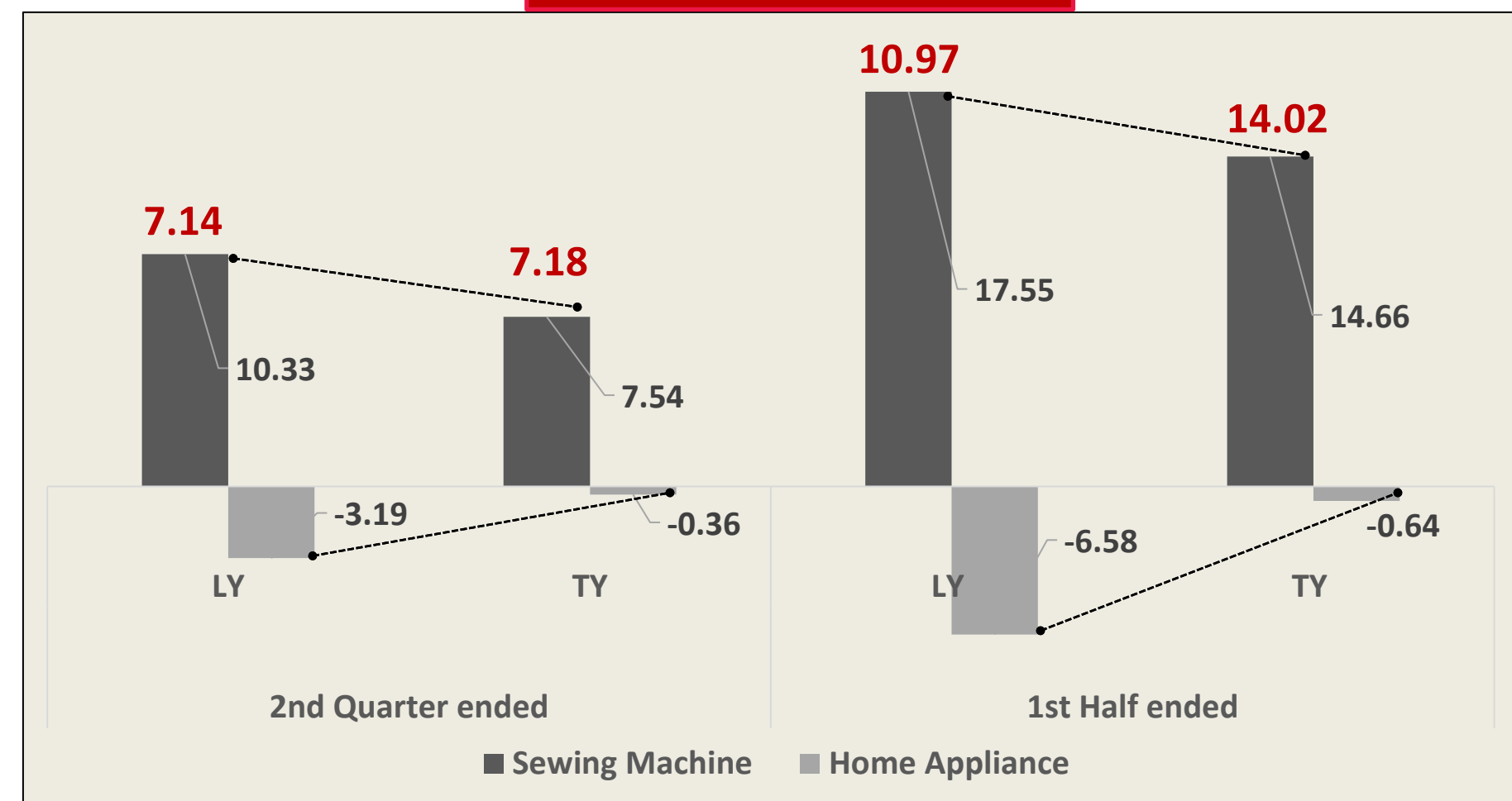
Key Indicators FY 24-25 Q2 & H1 vs LY

Values in Cr

Revenue



Segment Result



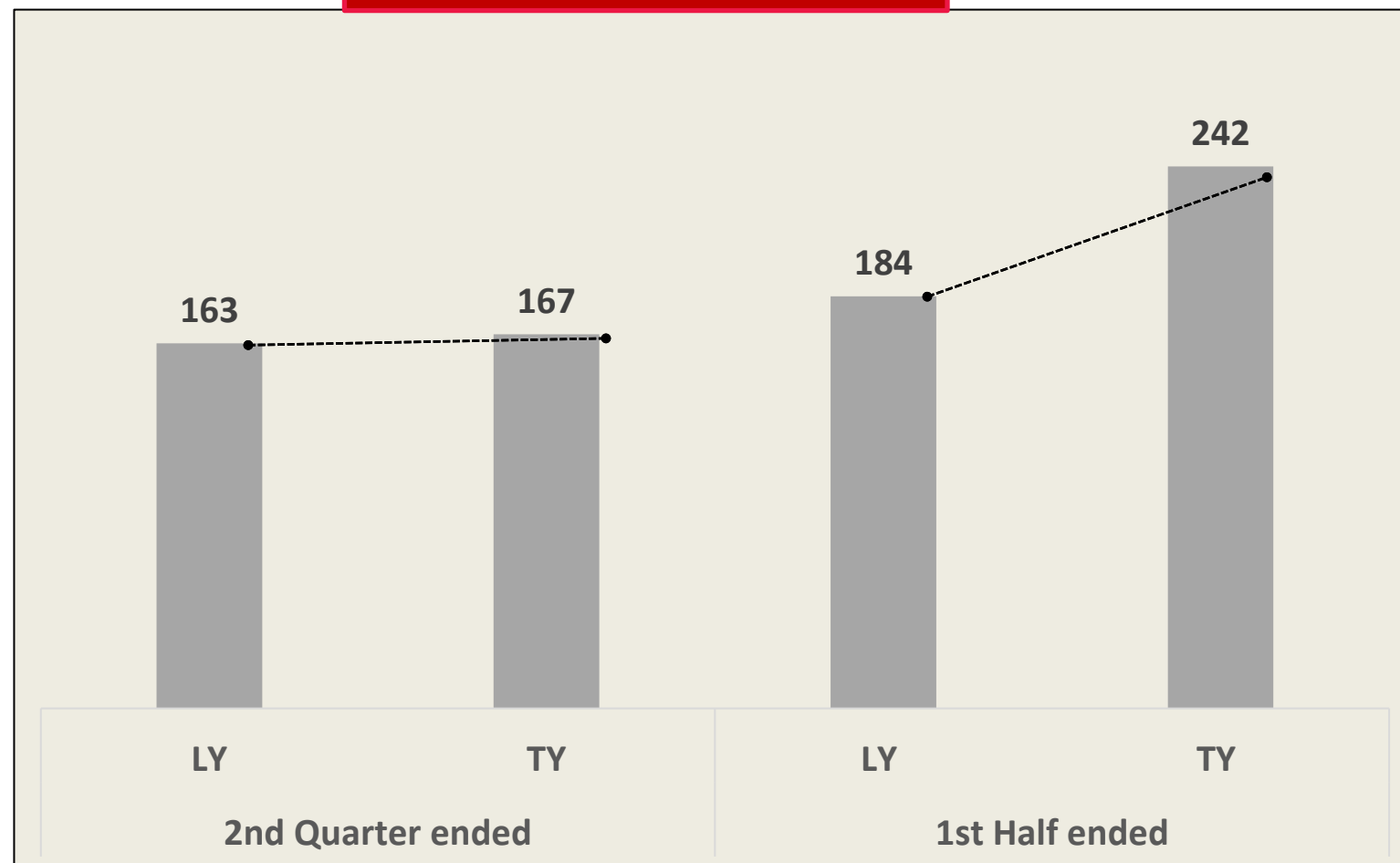
- Overall Q2 TY revenue remains stagnant compared to Q2 LY across categories, with significant gross margin improvement

- Reduction in Q2 loss in Appliances category by Rs. 2.83 cr through channel correction and margin improvement
- Sewing business profit declined by 27%, despite 13.2% growth in GM over LY Q2, mainly driven by higher A&P spend & other business development

Key Indicators FY 24-25 Q2 & H1 vs LY

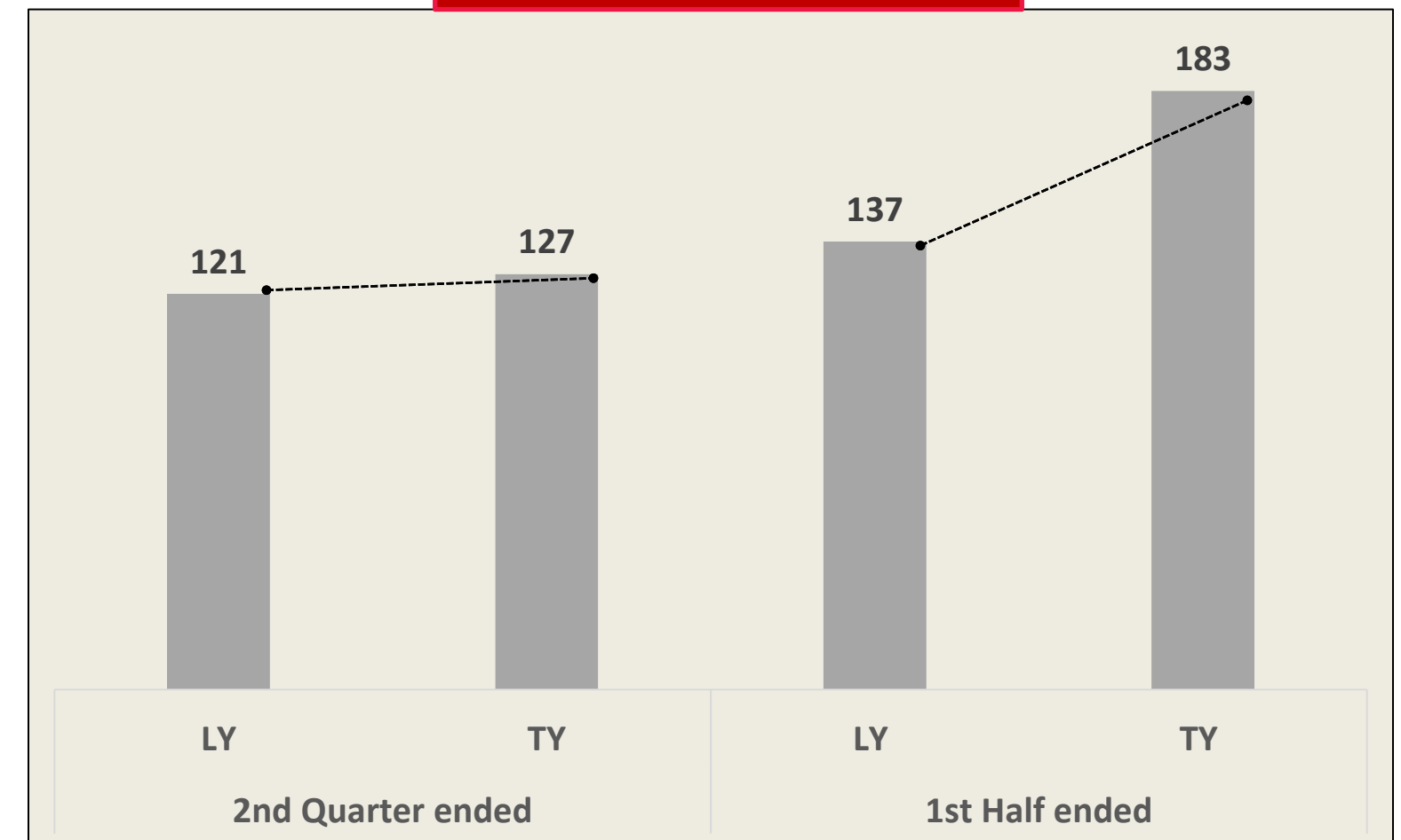
Values in lakh

PBT



- PBT margins increased by 2.4% over LY Q2
- Increased by 31.5% over 1st half LY
- Increase in other cost of Rs. 3.17 cr in Q2 TY mainly due to higher A&P

PAT



- PAT also increased by 5% over LY Q2
- Increased by 33.6% over 1st half LY

Strategic Growth Drivers

| REVENUE GROWTH | GM% EXPANSION | COST OPTIMIZATION |
|--|--|--|
| Expand distribution | Focus on value saving | Improve product cost through negotiation & value engg. |
| Improve retail connect | Remove loss making SKUs, categories, channels | Improve SGA cost productivity |
| Expand profitable product portfolio | | |
| Improve visibility | | |
| Strengthen e-comm, B2B business | | |
| KEY INITIATIVES TAKEN FOR QUARTER 2 | | |
| Launched new range of models in highest selling black machine category | Increase in overall GM by 4.5% in Q2 FY 2024-25 compared to LY Q2 | Continuous efforts for cost optimization has contributed to an overall expansion in GM % |
| Launched multiple schemes for dealers/sub-dealers to strengthen distribution channel. Also, introduced multiple schemes exclusively for new model machines | GM of appliance business increased by 8.7% over LY Q2 by removing low performing channels and categories | |
| Increased product visibility across e-commerce platform by revamping content and strategic promotion | | |
| Launched 1st experience retail store in Delhi, India | | |

Launched first Singer Experience Store



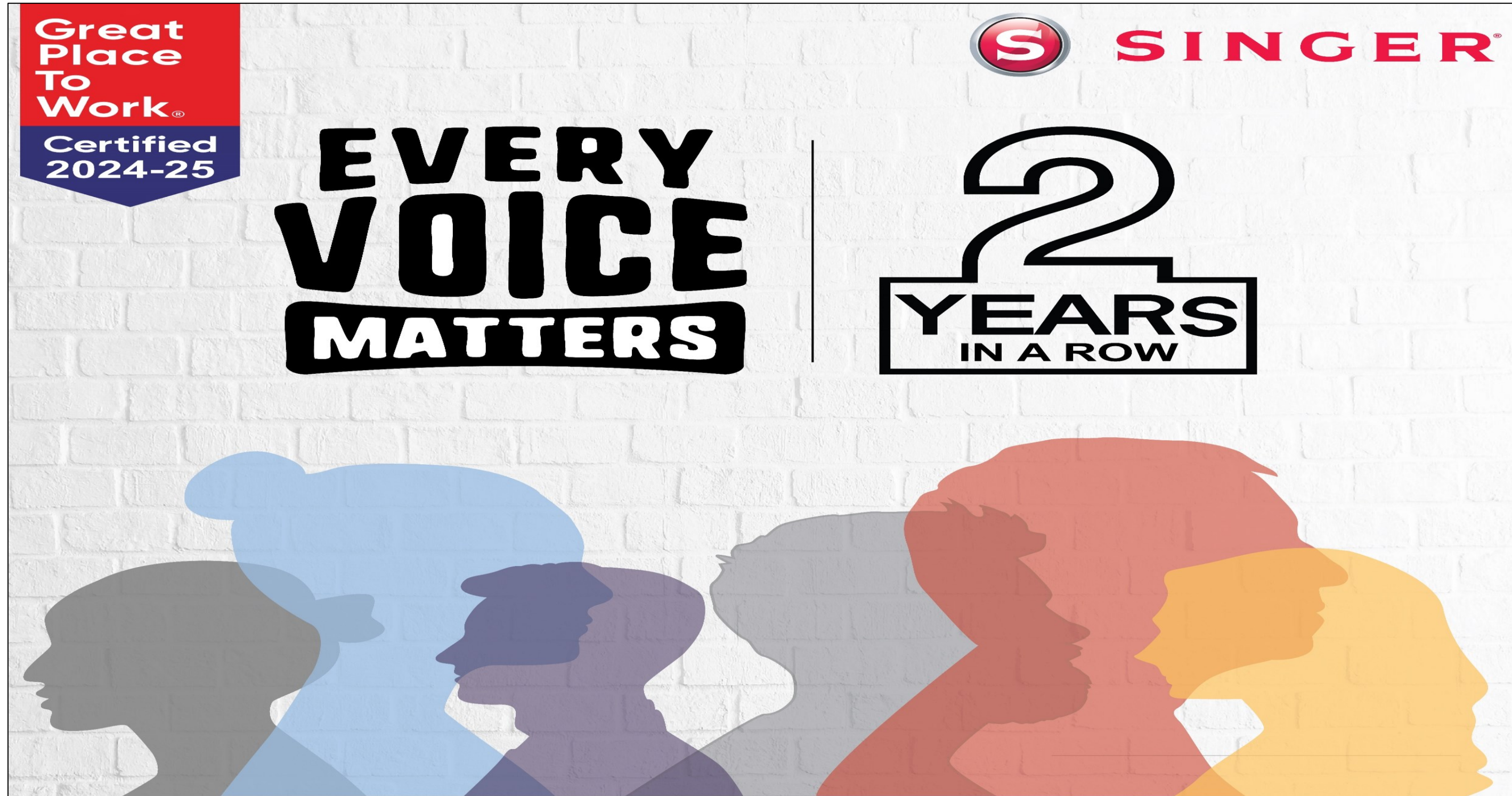
1. A 1532 Sq feet store in Nehru place, a fabric hub in New Delhi.
2. International premium design with hands on experience to create awareness about our new technology and spread sewing & craft as a hobby among young enthusiasts.
3. Visual demonstration of industrial sewing machines.
4. On-line sewing studio and physical sewing classes
5. With learnings from this store, we will upgrade our other stores to new format.

Launching and Stabilizing Production of New DSBB & SLBB Machine



- Launched in August'24, by conducting physical dealer meets in 16 states meeting 1200+ dealers
- Aiming for a consistent 25% contribution of new DSBB & SLBB black machines sales across all dealers in our trade sewing machine business
- Through ongoing training and promotional schemes, we are focused on enhancing our visibility and presence at dealer counters
- The launch of these machines has positioned us at a premium price point strengthening our market standing
- Planning to launch new DSBB black machine at E-commerce platform

Organization Strengthening



Proud to be certified as a "Great Place to Work" for 2nd consecutive year

Financial Summary – Q2 FY 2024-25

| Profit & Loss account | | | | |
|--|-------------------|-------------------|-------------------------|-------------------------|
| Rs. Crores (unless otherwise indicated) | Q2 FY 2025 | Q2 FY 2024 | 1st Half FY 2025 | 1st Half FY 2024 |
| Revenue from operation | 105.8 | 104.9 | 204.5 | 209.5 |
| <i>Revenue growth over LY (%)</i> | 0.9% | | -2.4% | |
| Gross margin | 30.5 | 25.5 | 58.5 | 50.3 |
| <i>Gross margin growth (%)</i> | 19.7% | | 16.4% | |
| EBITDA | 2.3 | 2.4 | 3.8 | 3.3 |
| <i>EBITDA growth (%)</i> | -4.1% | | 15.0% | |
| PBT | 1.7 | 1.6 | 2.4 | 1.8 |
| <i>PBT growth (%)</i> | 2.5% | | 31.5% | |
| PAT | 1.3 | 1.2 | 1.8 | 1.4 |
| <i>PAT growth (%)</i> | 5.0% | | 33.6% | |

Financial Summary – Last 5 years trend

| Profit & Loss account 5 FY trend | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| Rs. Crores (unless otherwise indicated) | 2024 | 2023 | 2022 | 2021 | 2020 |
| Revenue from operation | 425.4 | 460.3 | 453.0 | 414.5 | 451.2 |
| <i>Revenue growth (%)</i> | -7.6% | 1.6% | 9.3% | -8.1% | -6.6% |
| Gross margin | 106.5 | 102.0 | 101.2 | 97.7 | 107.0 |
| <i>Gross margin growth (%)</i> | 4.5% | 0.8% | 3.6% | -8.7% | -6.2% |
| EBITDA | 9.1 | 6.3 | 12.7 | 20.8 | 18.5 |
| <i>EBITDA growth (%)</i> | 44.1% | -50.3% | -38.9% | 12.8% | 9.3% |
| PBT (before exceptional income) | 6.1 | 3.7 | 9.7 | 16.1 | 12.5 |
| <i>PBT growth (%)</i> | 65.0% | -61.6% | -39.8% | 29.1% | -14.6% |
| Exceptional income ^{Note2} | - | 7.2 | - | - | - |
| PBT (after exceptional income) | 6.1 | 11.0 | 9.7 | 16.1 | 12.5 |
| <i>PBT growth (%) (after exceptional income)</i> | -44.1% | 13.2% | -39.8% | 29.1% | -14.6% |
| PAT (before exceptional income) | 4.5 | 3.0 | 7.7 | 10.6 | 8.1 |
| <i>PAT growth (%)</i> | 50.5% | -61.0% | -27.7% | 30.6% | -12.3% |
| PAT (after exceptional income) | 4.5 | 8.3 | 7.7 | 10.6 | 8.1 |
| <i>PAT growth (%)</i> | -45.9% | 8.4% | -27.7% | 30.6% | -12.3% |
| Memo: | | | | | |
| PAT (before ESOP provision ^{Note1} & exceptional item ^{Note2}) | 7.7 | 3.0 | 7.7 | 10.6 | 8.1 |
| <i>PAT growth (%) (before ESOP provision a non-cash item)</i> | 156.5% | -61.0% | -27.7% | 30.6% | -12.3% |
| <i>Note1: Employee stock option scheme introduced during the current year, accordingly a non-cash item provision of Rs 4.32 crores is created under employee benefits, after tax of Rs 3.17 crores & credited to ESOP reserve under equity as per Ind As 102.</i> | | | | | |
| <i>Note2: Last Year exceptional item include income before tax of Rs 7.24 crores, net of tax of Rs 5.33 crores on sale of surplus ideal land at Jammu.</i> | | | | | |

Financial Summary – Trend

| Balance sheet trend | | | | | | |
|---|--------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Rs. Crores (unless otherwise indicated) | As on 30th September 2024 | 2024 | 2023 | 2022 | 2021 | 2020 |
| Cash & cash equivalents | 75 | 87 | 82 | 24 | 16 | 7 |
| Trade receivables – net | 45 | 35 | 40 | 50 | 48 | 57 |
| Inventory | 85 | 100 | 79 | 73 | 80 | 75 |
| Other current assets | 14 | 13 | 8 | 14 | 12 | 12 |
| Non-current assets | 12 | 10 | 12 | 12 | 14 | 16 |
| Total interest bearing borrowings | - | - | - | - | - | 17 |
| Total trade payables | 59 | 76 | 61 | 65 | 75 | 69 |
| Other current liabilities | 21 | 24 | 22 | 28 | 21 | 15 |
| Non - current liabilities | 1 | 1 | 2 | 3 | 2 | 2 |
| Shareholders' equity | 150 | 145 | 136 | 77 | 72 | 64 |
| <u>Key Financial Ratios*:</u> | | | | | | |
| Current Ratio (in times) | 2.75 | 2.36 | 2.51 | 1.72 | 1.63 | 1.49 |
| Inventory Turnover Ratio (in times) | 3.15 | 3.57 | 4.73 | 4.59 | 4.09 | 4.64 |
| Trade Receivable Turnover Ratio (in times) | 10.15 | 11.34 | 10.26 | 9.26 | 7.88 | 7.31 |
| Trade Payable Turnover Ratio (in times) | 5.92 | 5.92 | 7.43 | 6.11 | 5.29 | 6.10 |
| Net Capital Turnover Ratio (in times) | 2.94 | 3.14 | 3.66 | 6.72 | 6.87 | 9.07 |
| Net Profit Ratio (in %) | 0.90% | 1.06% | 1.81% | 1.69% | 2.54% | 1.79% |
| Return on Capital Employed (in %) | 3.43% | 4.44% | 3.13% | 13.1% | 24.2% | 17.6% |
| Debt to equity ratio (times) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.3 |
| <i>*Key financial ratios for the period ended 30th Sept 2024 are annualised</i> | | | | | | |

Thank You

