SINGER INDIA LIMITED

INVESTOR PRESENTATION

June 2020

Industry	Distribution of sewing products and home appliances

Shareholder structure[2]
(Listed on BSE since 1982)
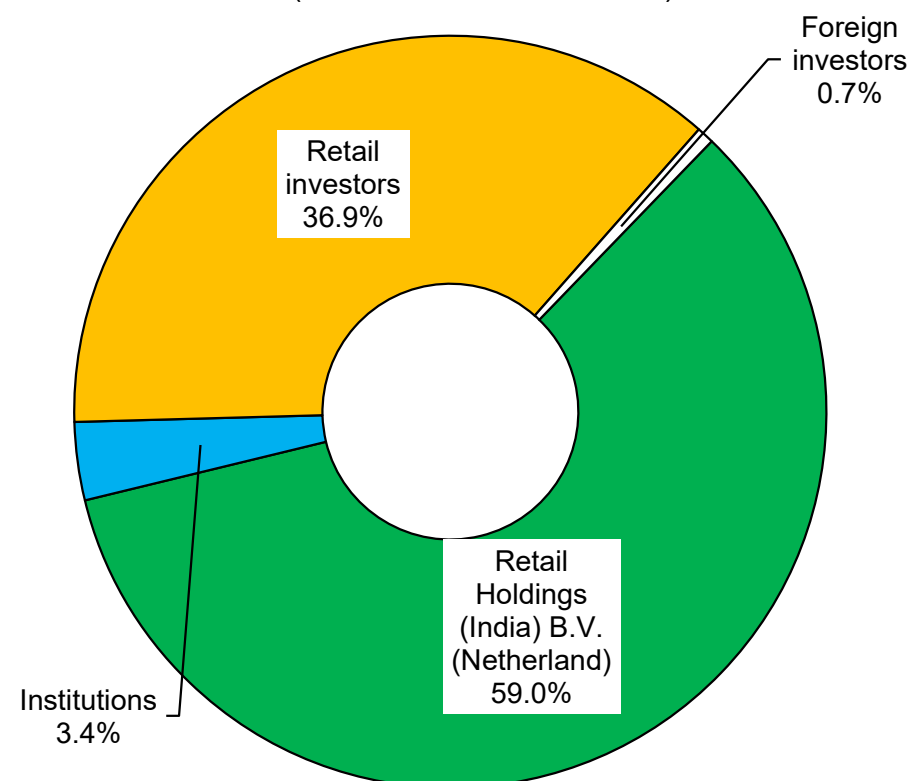
Revenue[1]	US$64m / INR4.5bn

Net income[1]	US$1.1m / INR81m

Distribution points[2]	13700
Number of employees[2]	383
Number of shareholders[2]	15,504

Foreign investors 0.7%

Retail investors 36.9%

Retail Holdings (India) B.V. (Netherland) 59.0%

Institutions 3.4%

Key Growth Drivers

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1. Robust economic fundamentals	• Vast market size • Low product penetration
2. Strong brand	• 150 years in India • Strong brand recognition
3. Focused product portfolio	• Sewing products • Home appliances
4. Extensive distribution	• Over 13700 sales points • Multiple sales channels
5. Pan India service network	• Over 192 home appliance service points

Focused product portfolio – Sewing products

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Sewing Machine Industry in India is a niche industry with limited players present in organized market
Market share of 42% (branded sector) / 24% entire market[2]

Zig-Zag model

Straight stitch models

Artisan model

**Industrial model**

Total number of households in India	250 million
Number of households owning a sewing machine (mostly straight stitch)	100 million[2]

- Low sewing machine penetration
- Upgrade to portable zig zag models
- Large rural market
- Skills development programs
- State Governments Woman empowerment programs
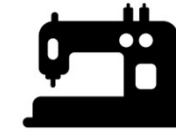
Sewing machine unit sales 648,000 units[1]

Artisan 19%
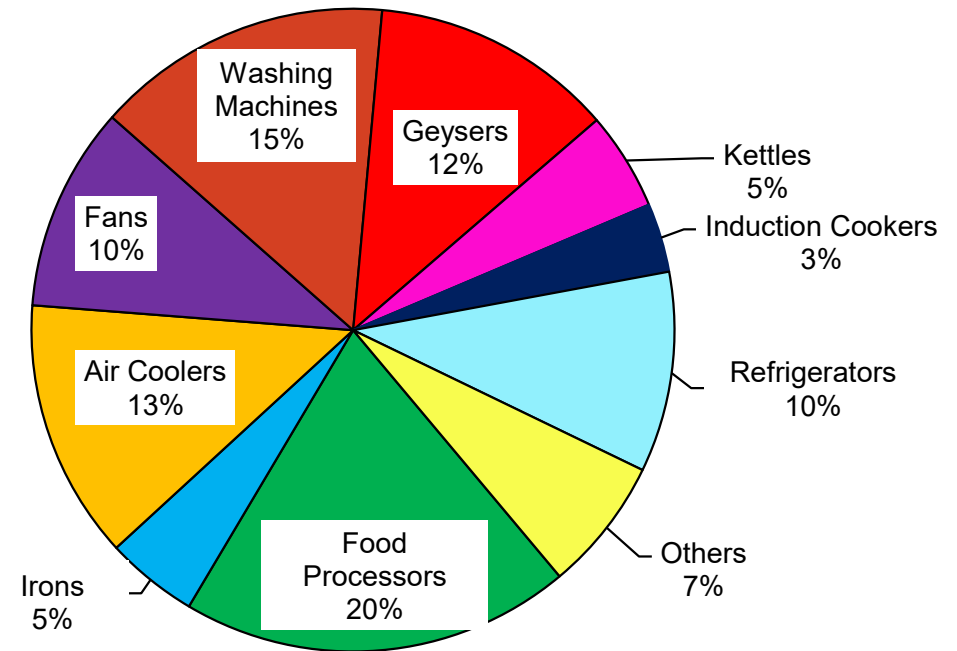
Zig - Zag 15%

Straight Stitch 66%
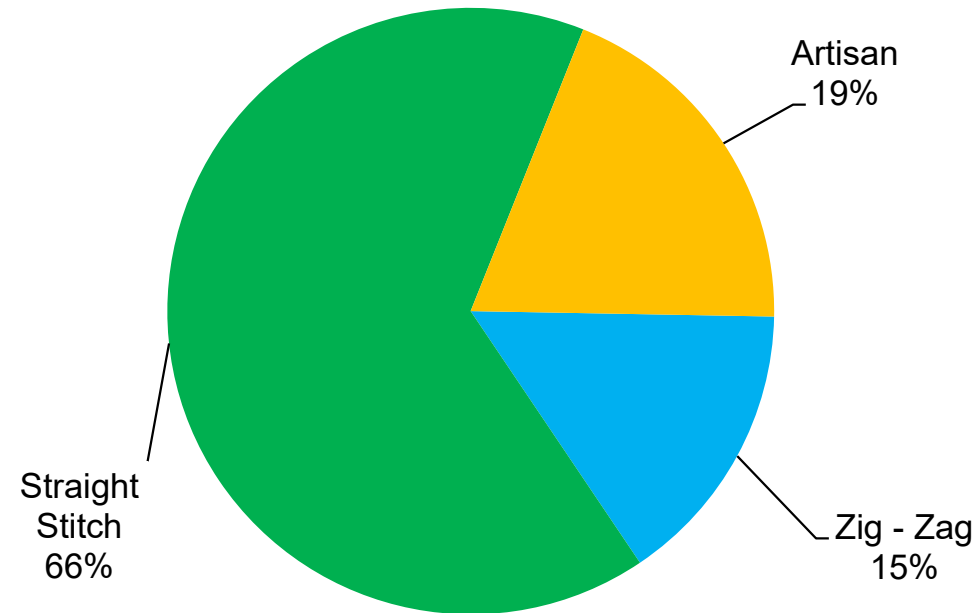
Note:
1. For 12 months ended 31 March 2020
2. Singer India estimates
3. Singer India has an assembly facility that supplements purchases of sewing machines from third parties

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Focused product portfolio – Home appliances

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Vast market potential – Current market share 1% to 2% for each product category[2]

Air coolers

Fans

Geysers

Washing Machines

Refrigerators

Food processors

Kettles

Induction cookers

Irons

Sandwich makers

Home Appliance Sales[1]
Units sales 1,246,800[1]

Washing Machines 15%

Geysers 12%

Kettles 5%

Induction Cookers 3%

Refrigerators 10%

Others 7%
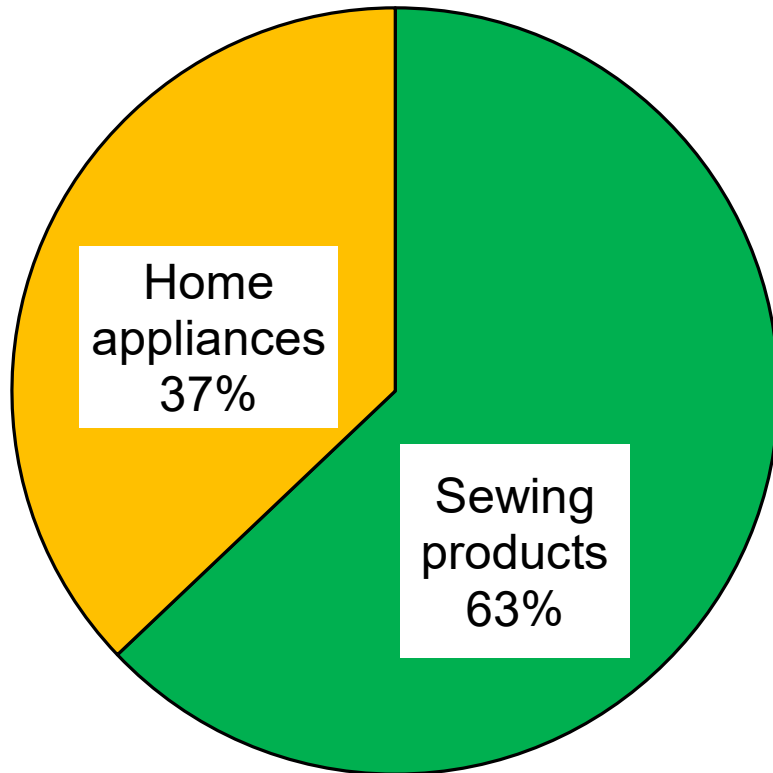
Food Processors 20%

Irons 5%

Air Coolers 13%

Fans 10%

Note:
1. Pie chart is based on sales value for 12 months ended 31 March 2020 Total unit sales is for same 12 month period
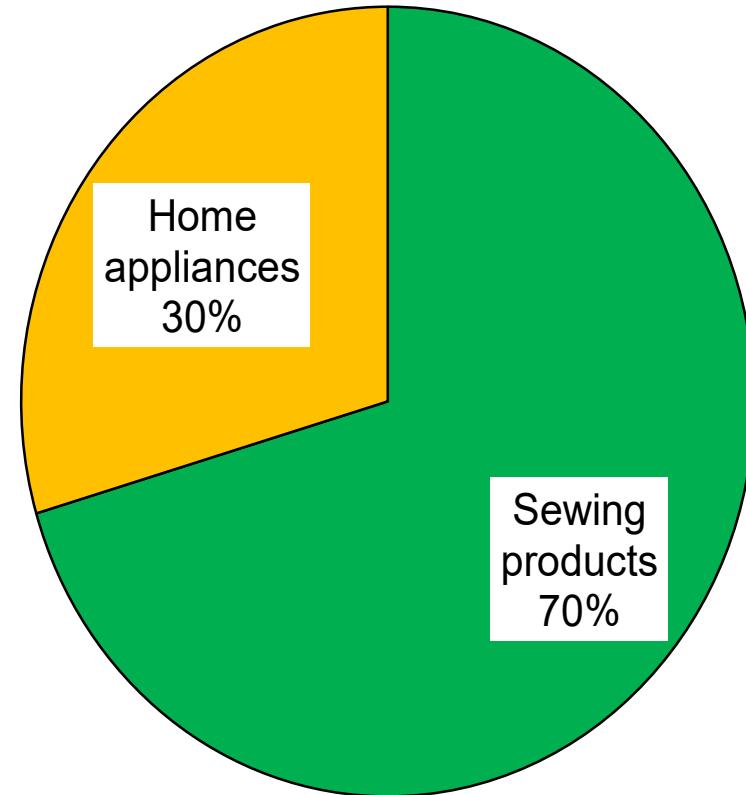2. Singer India estimates

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Sales mix % - Home appliance sales increasing

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2020

Home appliances 37%

Sewing products 63%
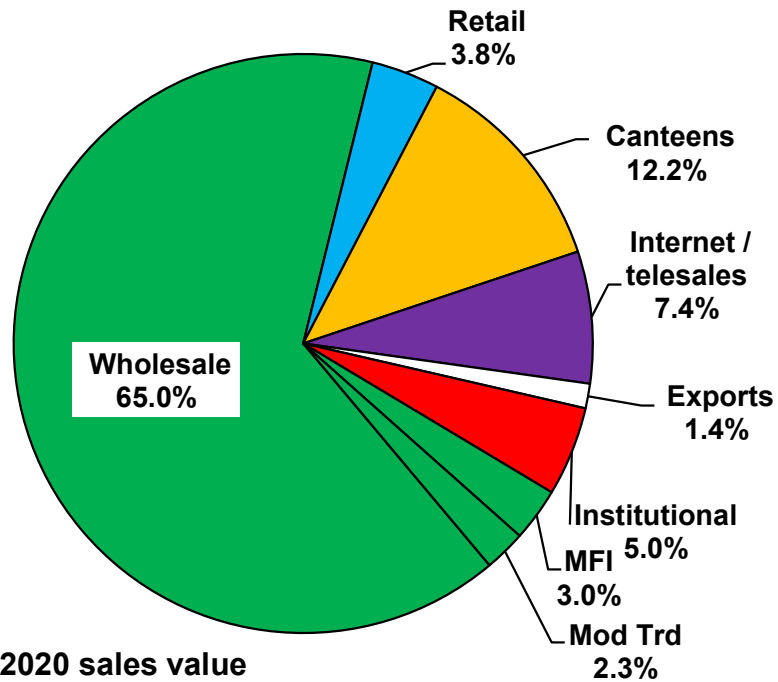
2019

Home appliances 30%

Sewing products 70%

Home appliances expected to comprise 50% of revenue within 3 years

Note:
1. For 12 months ended 31 March

Extensive distribution – Over 13700 sales points

Pie chart: **2020 sales value**
- Wholesale 65.0%
- Retail 3.8%
- Canteens 12.2%
- Internet / telesales 7.4%
- Exports 1.4%
- Institutional 5.0%
- MFI 3.0%
- Mod Trd 2.3%

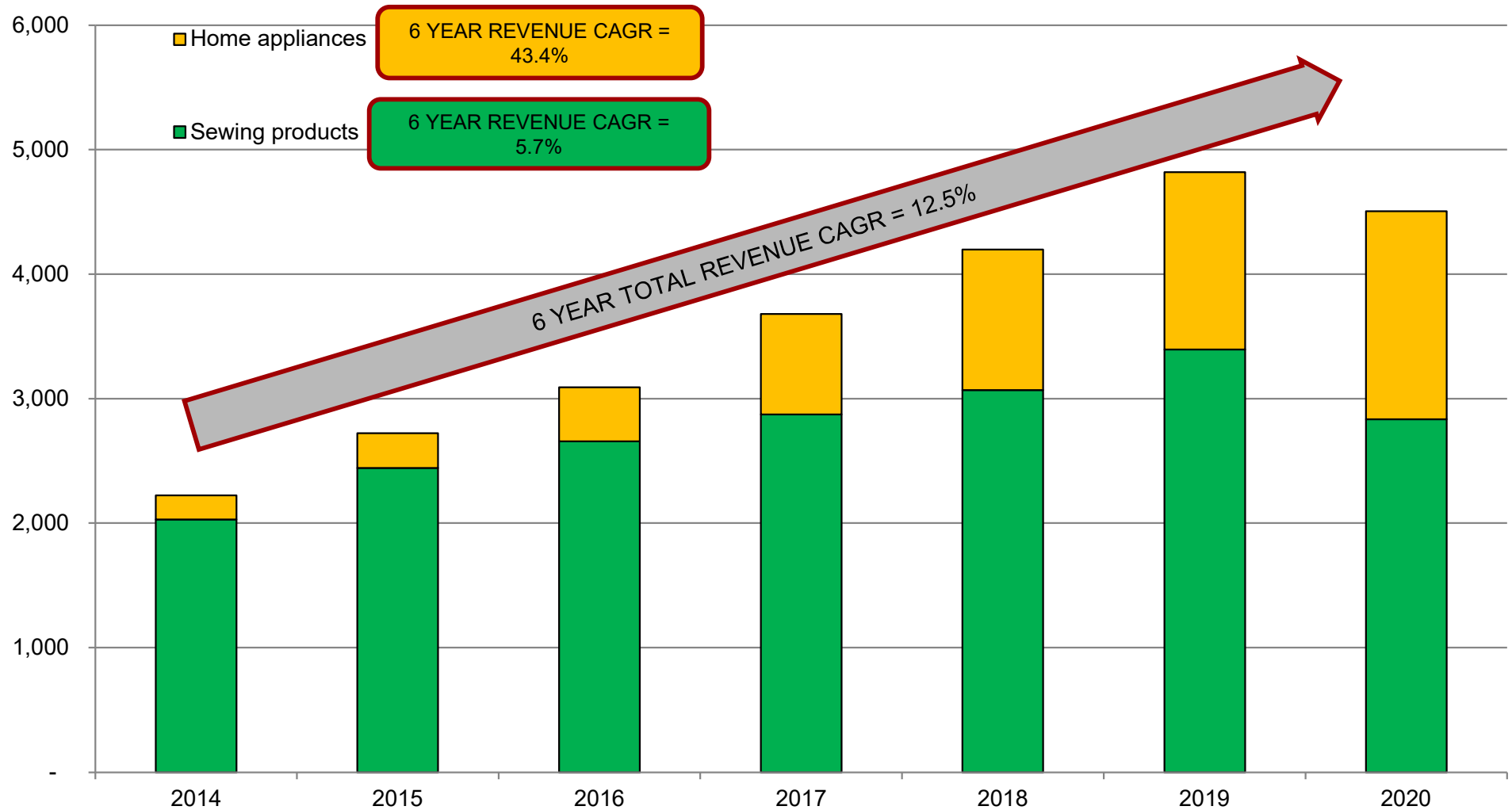| Category	Details
Wholesale sewing	• 3731 dealer sales points • 400+ sewing schools
Wholesale appliances	• 8120 dealer sales points
Retail	• 28 brand shops
E-commerce	• Mostly via 3rd party websites
Canteens (police & military)	• 1736 canteen points
Institutional / MFI	• Micro finance industry • Corporate sales
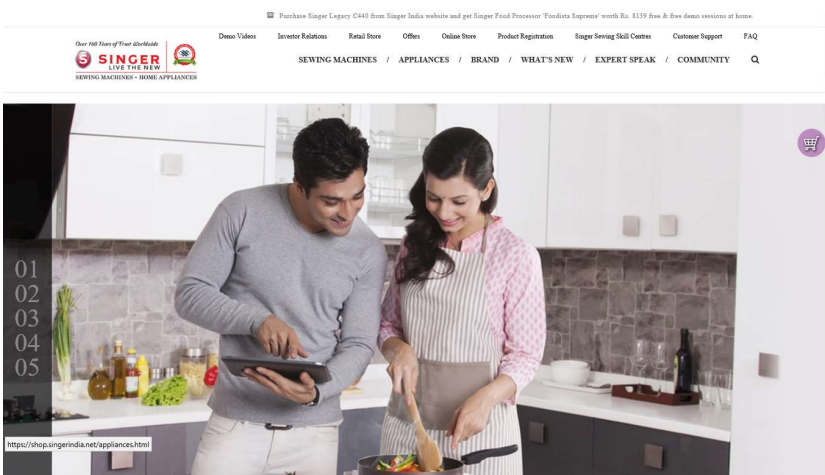
Note:
1. All information as at / or for the 12 months ended 31 March 2020

Significant revenue growth (INR million)

6 YEAR REVENUE CAGR = 43.4%

6 YEAR REVENUE CAGR = 5.7%

6 YEAR TOTAL REVENUE CAGR = 12.5%

□ Home appliances

■ Sewing products

Note:
1. Revenue for 12 months ended 31 March
2. The total revenue in FY 19-20 dropped due to lower sewing business from government institutions and Covid pandemic lockdown in mid- March impacted both the sewing machines and home appliances business especially in the wholesale segment where the business is skewed more towards the last week of the month.

Profitability ratios (INR million)

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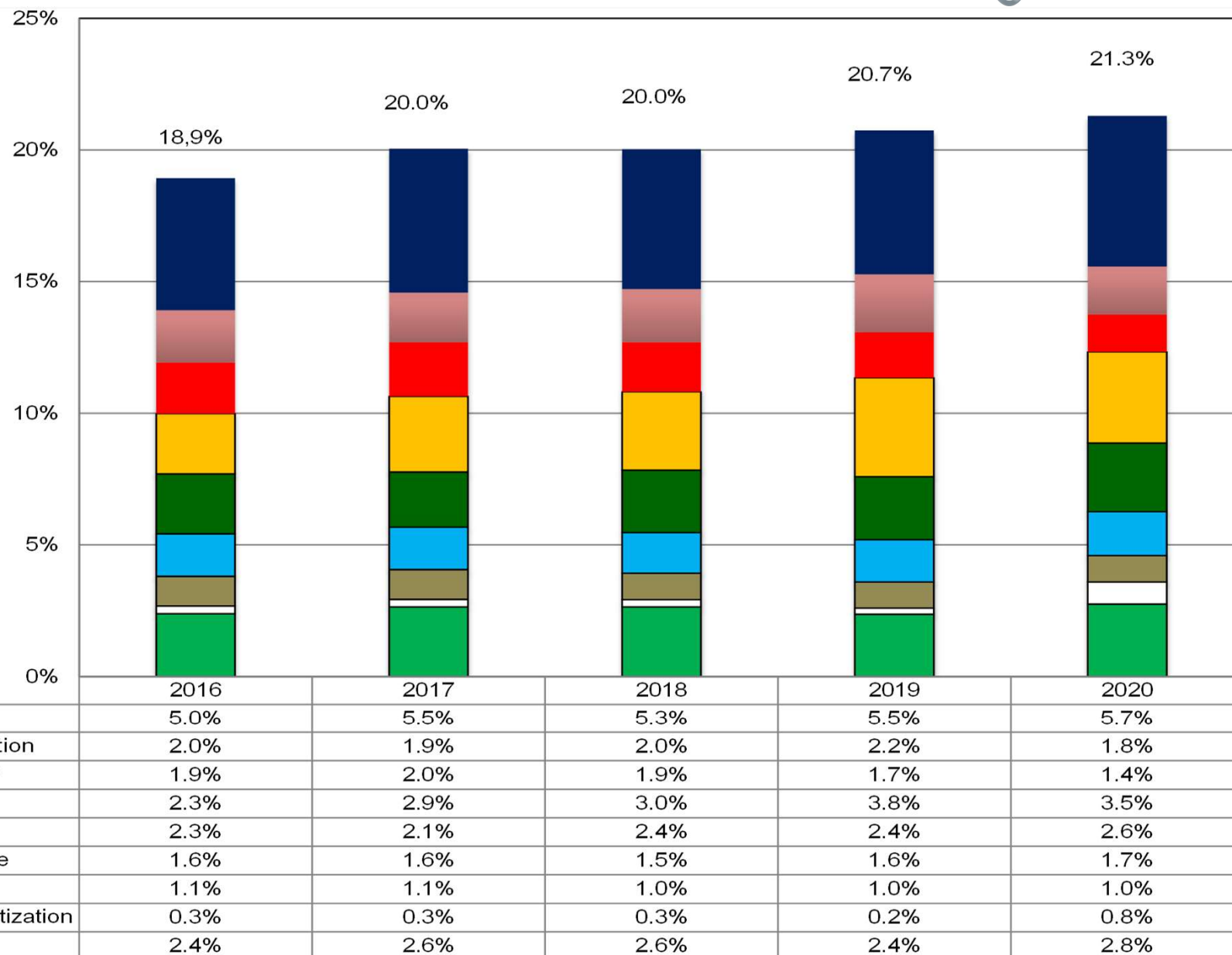
Gross profit

Net profit
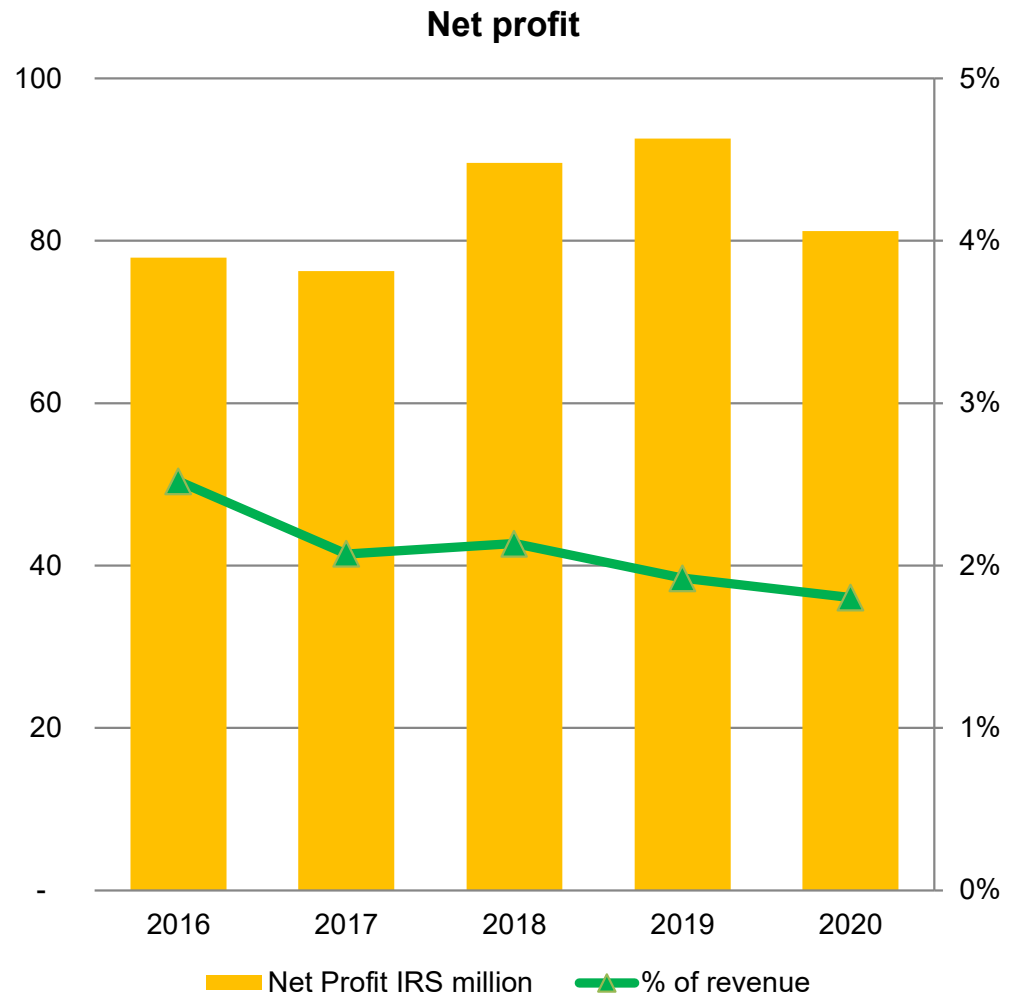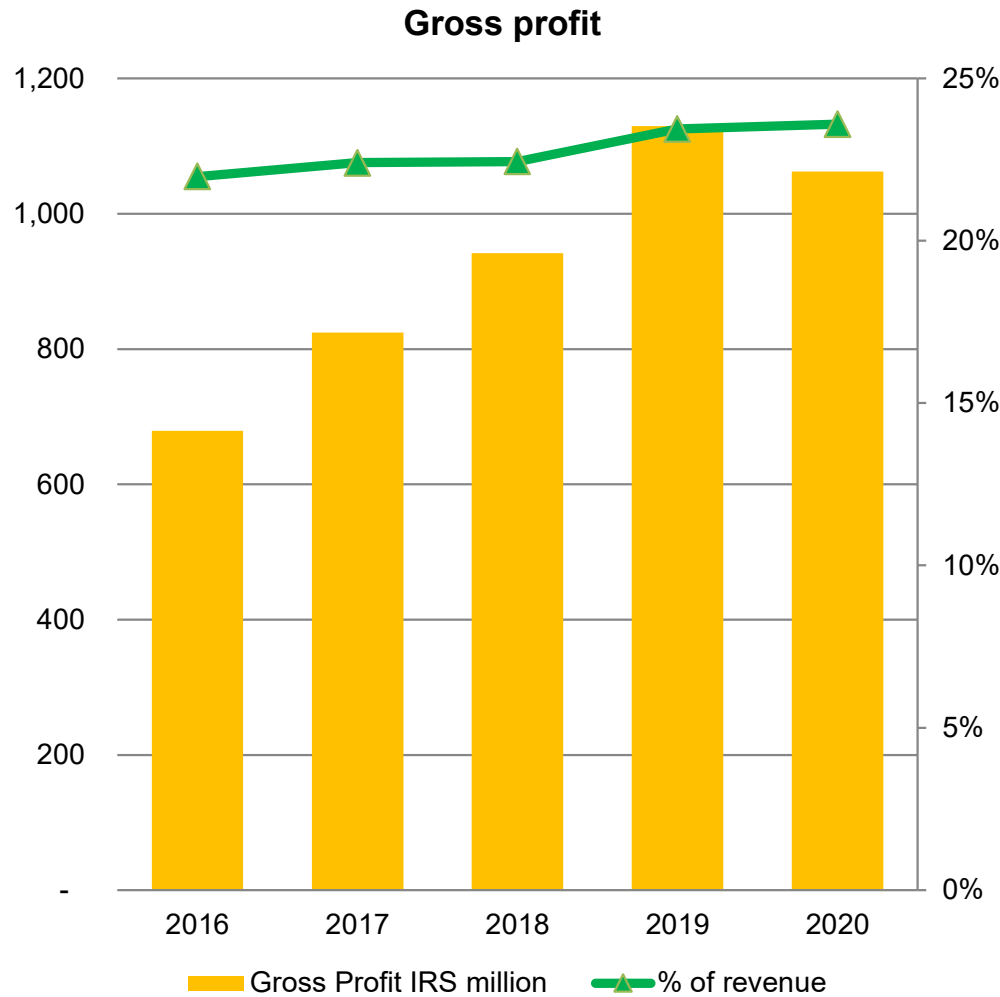
Note:
1. For 12 months ended 31 March
2. The profitability in FY 19-20 was impacted by the Covid pandemic lockdown in mid- March impacted both the sewing machines and home appliances business especially in the wholesale segment where the business is skewed more towards the last week of the month.

Analysis of overheads as a % of revenue

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Increased costs on account of:

- FY 19-20 total overheads in absolute term lower by 4% as compare FY 18-19

- As % to revenue higher due to lower revenue impacted by the Covid pandemic lockdown in mid- March impacted both the sewing machines and home appliances business .

	2016	2017	2018	2019	2020
■ Employee benefits	5.0%	5.5%	5.3%	5.5%	5.7%
■ Advertising & promotion	2.0%	1.9%	2.0%	2.2%	1.8%
■ Rent and occupancy	1.9%	2.0%	1.9%	1.7%	1.4%
■ Freight Outward	2.3%	2.9%	3.0%	3.8%	3.5%
■ Selling Commission	2.3%	2.1%	2.4%	2.4%	2.6%
■ Travel & Conveyance	1.6%	1.6%	1.5%	1.6%	1.7%
■ Royalty	1.1%	1.1%	1.0%	1.0%	1.0%
▢ Depreciation & amortization	0.3%	0.3%	0.3%	0.2%	0.8%
■ Others	2.4%	2.6%	2.6%	2.4%	2.8%

Notes:
1. Expense for 12 months period ended 31 March
2. 'Others' comprises items such as product warranty costs and other sundry expenses

Financials - Summary

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INR million (unless otherwise indicated)

| Income statement for 12 months ended March*	2020	2019	2018	2017	2016
Revenue	4,548	4,847	4,229	3,707	3,116
Revenue growth (%)	*-6.2%*	*14.6%*	*14.1%*	*19.0%*	*13.5%*
Operating profit	111	141	119	95	100
Operating profit growth (%)	*-21.1%*	*18.2%*	*25.3%*	*-5.0%*	*28.2%*
Net profit	81	93	90	76	78
Net profit growth (%)	*-12.3%*	*2.9%*	*18.4%*	*-2.6%*	*11.4%*
Balance sheet as at end March*	**2020**	**2019**	**2018**	**2017**	**2016**
Cash & cash equivalents	73	30	52	53	125
Total trade receivables – net	573	660	479	340	234
Inventory	747	738	662	542	392
Total interest bearing borrowings	173	222	139	33	-
Total trade payables	694	708	616	457	376
Shareholders' equity	644	590	572	528	484
Debt to equity ratio (times)	0.3	0.4	0.2	0.1	0.0

Notes:
1. *Income statement for 12 months period ended 31 March
2. The total revenue in FY 19-20 dropped due to lower sewing business from government institutions and Covid pandemic lockdown in mid- March impacted both the sewing machines and home appliances business especially in the wholesale segment where the business is skewed more towards the last week of the month.
3. 2020 - 2019 - 2018 - 2017 years figures are as per Ind AS and past year figures regrouped wherever necessary to make it comparable with the current period
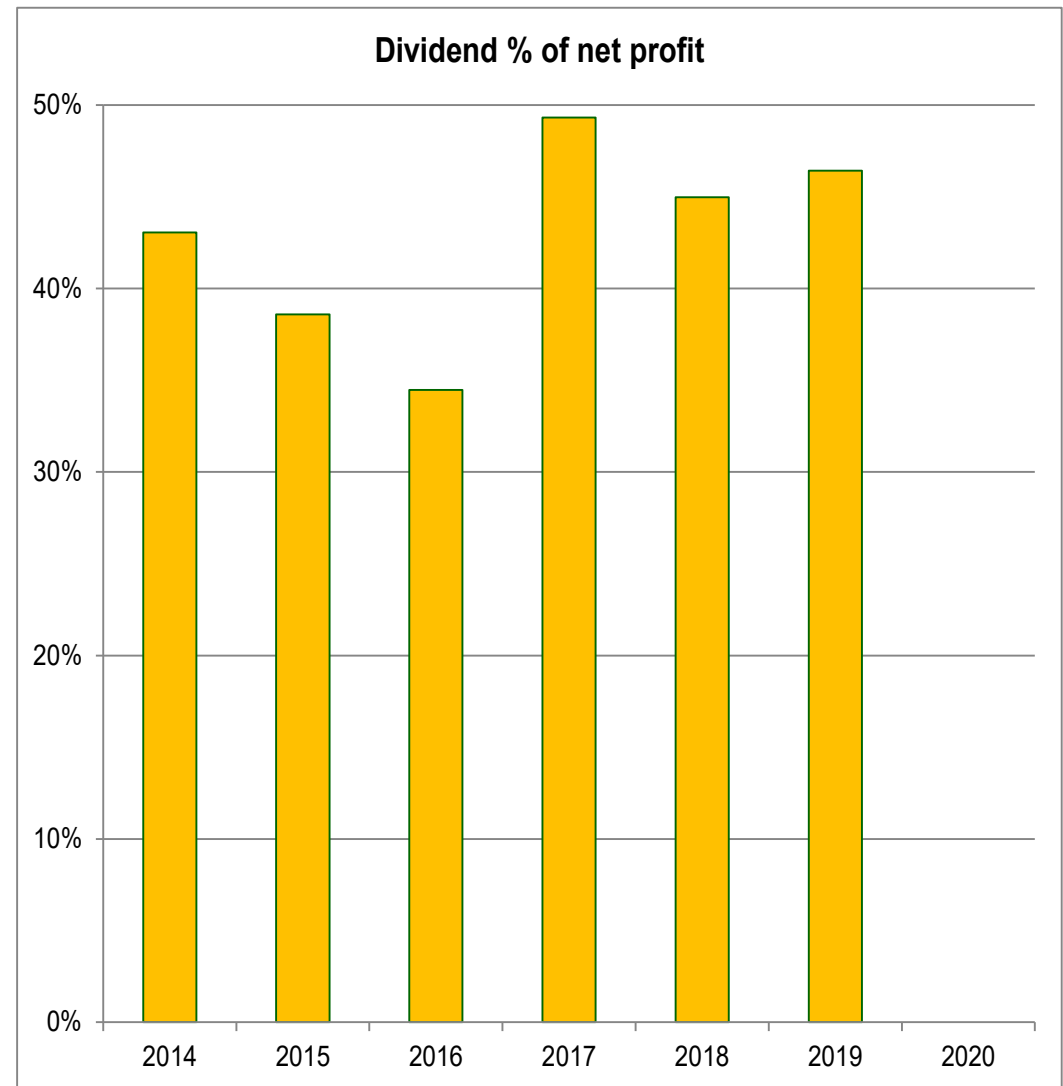
Regular dividend flow

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Dividend yield % and dividend per share note 1

Legend: Dividend yield % —▲— Dividend per share (INR)
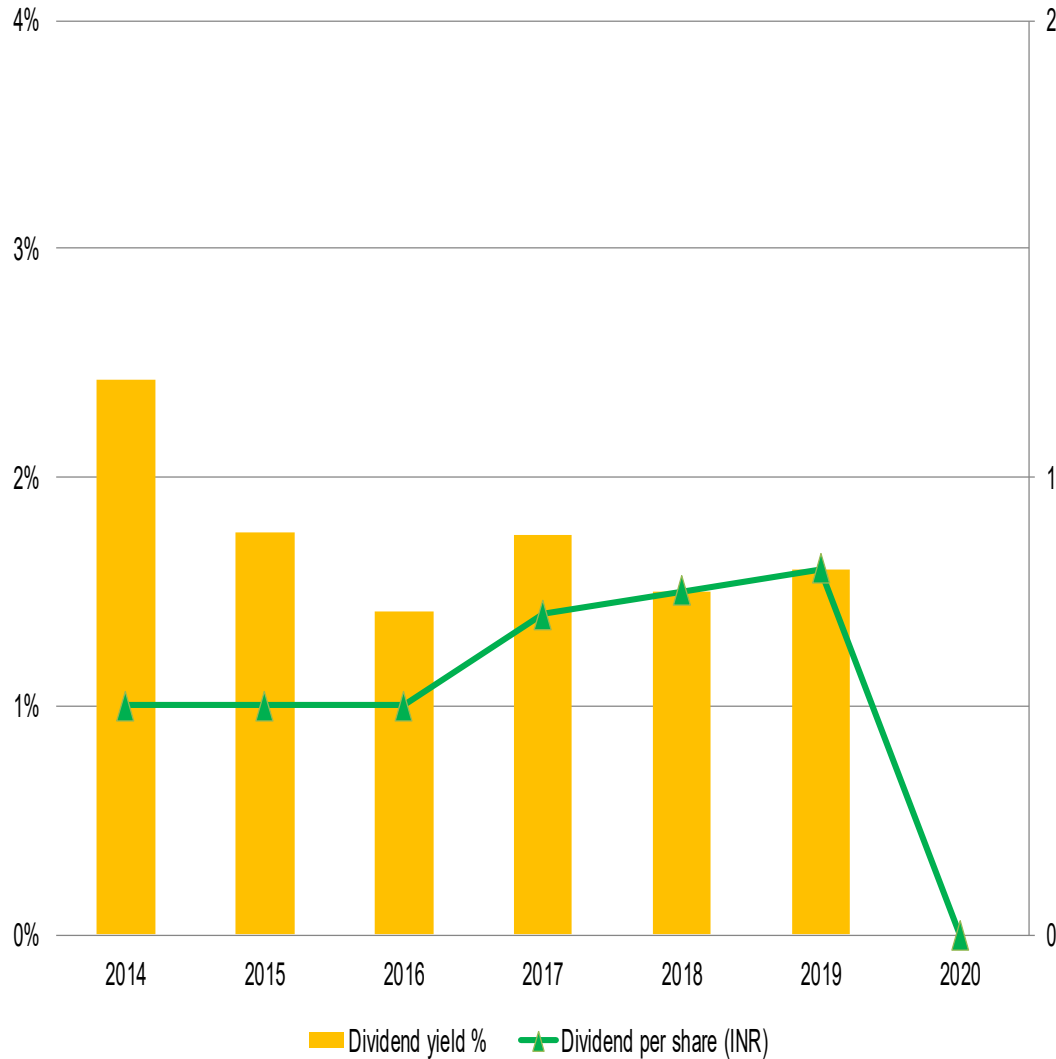
Dividend % of net profit

Notes:
1. Based on the 12 months ended March share price or net profit and the dividend of the following year
2. In view of the uncertainty related to Covid Pandemic, the Board has resolved not to recommend dividend for FY19-20
3. Includes cash dividends only and dividend per share of past years computed on face value of Rs. 2 per share.

Appendix 1 – Group structure

UCL Asia Partners LLP	Retail Holdings NV	Gavin Walker (Sewko CEO)
41.1%	54.1%	4.8%
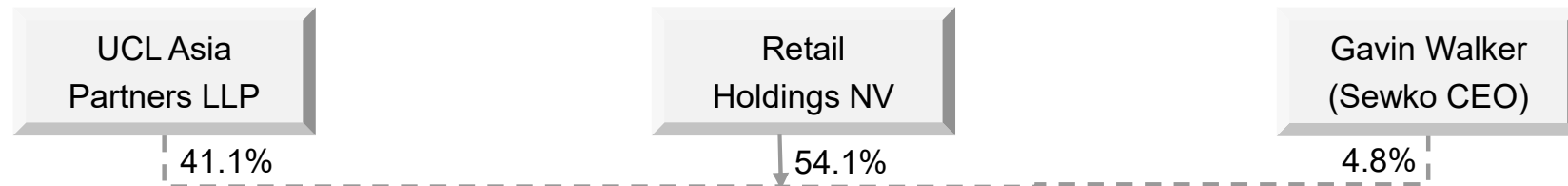
SEWKO Holdings Limited

100%

SINGER ASIA

58.99% [1]

Singer India Limited

Board of Directors

Paresh Nath Sharma Chairman (Independent & Non executive)	Deepak Sabharwal Independent Director	Rajeev Bajaj CEO & Managing Director	Gavin Walker Director	Nandun Wickramasinghe Director	Madhu Vij Independent Director

Note:
1. As at 31 March 2020, Singer Asia Limited shares in Singer India Limited are held via wholly owned intermediate holding companies, with the immediate shareholder being Retail Holding (India) B.V. (Netherland),(Formerly known as Singer India B.V. (Netherland)