

Sportking INDIA LTD.

(Govt. Recognised Four Star Export House)

Regd. & Corporate Office : Vill. Kanech, Near Sahnewal, G.T. Road, Ludhiana-141120 Ph. (0161) 2845456 to 60 Fax : 2845458
Admn. Office : 178, Col. Gurdial Singh Road, Civil Lines, Ludhiana-141001 Ph. (0161) 2770954 to 55 Fax : 2770953
E-mail : sportking@sportking.co.in CIN No. L17122PB1989PLC053162
Website : www.sportking.co.in GST No.: 03AAACS3037Q1ZA

SIL/2023-24/SE

Date: 20.01.2024

| | |
|---|--|
| To BSE Limited Phiroze Jeeheebhoy Towers, Dalal Street, Mumbai-400001 | To National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400051 |
| Script Code: 539221 | Symbol: SPORTKING |

SUBJECT: INVESTOR PRESENTATION

Dear Sir,

Pursuant to Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, please find attached herewith copy of Investor's Presentation with respect to Performance of the Company for the quarter and nine months ended 31st December, 2023.

You are requested to take the above mentioned information on your records.

Yours truly,

For SPORTKING INDIA LIMITED

LOVLESH VERMA
COMPANY SECRETARY
(ACS: 34171)

Sportking



Investor Presentation - January 2024

This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Sportking India Ltd** (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company's future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cashflows, the Company's market preferences and its exposure to market risks, as well as other risks. The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.

All Maps used in the presentation are not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.

A photograph of several spools of thread. In the foreground, there are two large spools of blue thread, one partially visible on the left and one more prominent on the right. In the background, there are several smaller spools of white thread, slightly out of focus. The lighting is bright, highlighting the texture of the thread.

**Q3 & 9M FY24 -
Financial Performance**

Quarterly Highlights
Q3 FY24

Revenue from Operations*

Rs. 599 crores

17%



GROSS PROFIT

Rs. 134 crores

Margin at 22%

EBITDA

Rs. 49 crores

Margin at 8%

EBIT

Rs. 27 crores

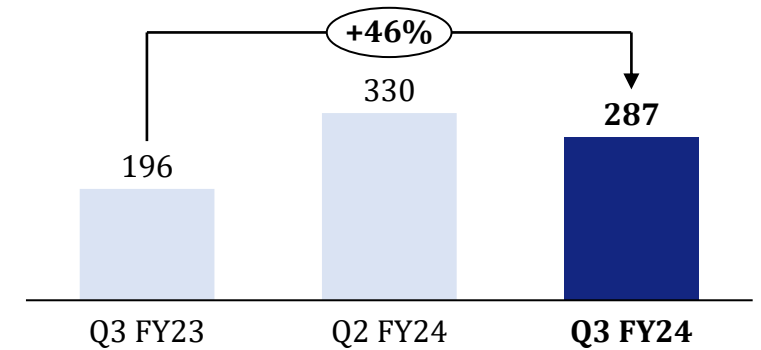
Margin at 4%

Profit Before Tax

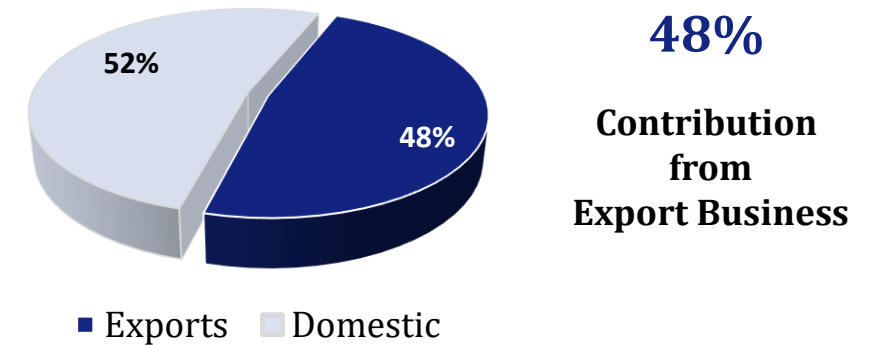
Rs. 19 crores

Margin at 3%

Revenue from Export Businesses
(Rs. in crores)



Q3 FY24 Revenue Contribution



* Change in Revenue from Operations on a yearly basis

9 Month Highlights
9M FY24

Revenue from Operations*

Rs. 1766 crores

6%



GROSS PROFIT

Rs. 371 crores

Margin at 21%

EBITDA

Rs. 138 crores

Margin at 8%

EBIT

Rs. 74 crores

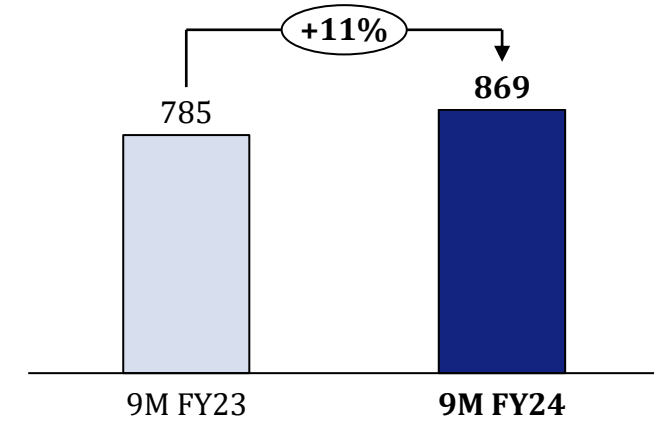
Margin at 4%

Profit Before Tax

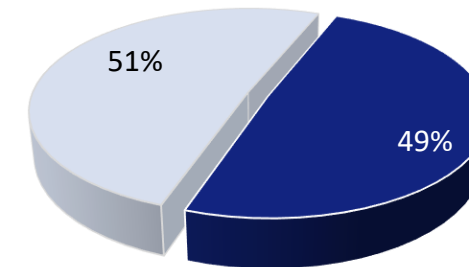
Rs. 64 crores

Margin at 4%

Revenue from Export Businesses
(Rs. in crores)



9M FY24 Revenue Contribution



49%

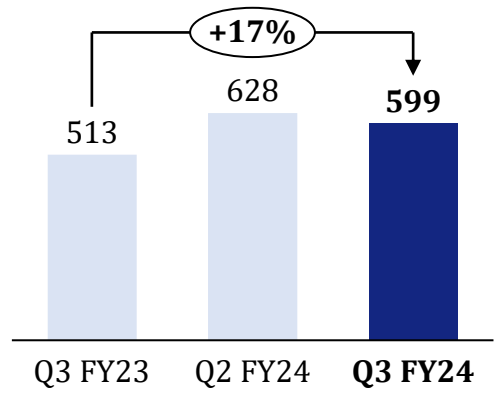
Contribution from Export Business

■ Exports ■ Domestic

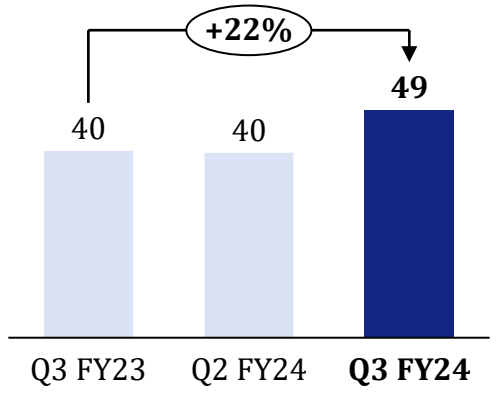
* Change in Revenue from Operations on a yearly basis

Q3 FY24 PERFORMANCE (Y-o-Y & Q-o-Q)

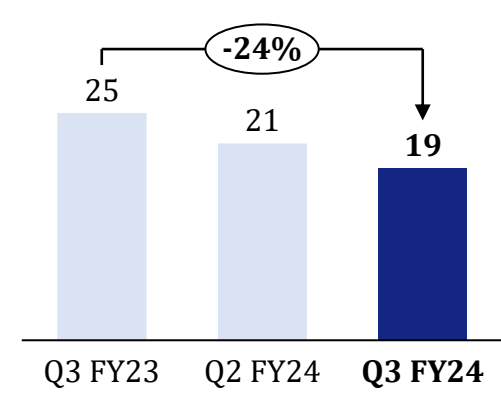
Revenue from Operations (Rs. in Crs)



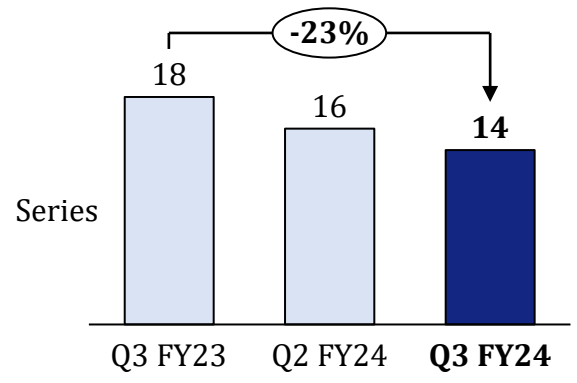
EBIDTA (Rs. in Crs)



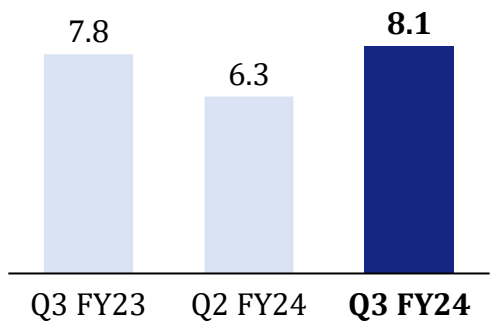
PBT (Rs. in Crs)



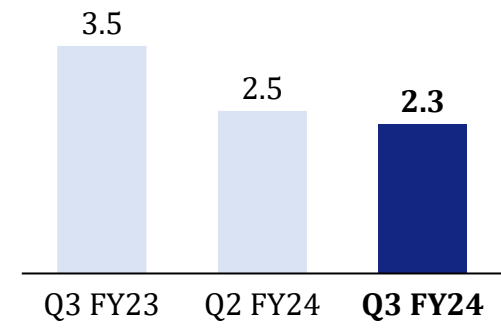
PAT (Rs. in Crs)



EBITDA %



PAT %



Higher Depreciation and Finance Cost persisting for FY24 on account of increasing existing capacity by 35% put to use in March 2023. Sequentially PAT declined on account of lower "other income."

Q3 & 9M FY24 PROFIT & LOSS

| Profit & Loss statement (Rs. in Crs) | Q3 FY24 | Q3 FY23 | Y-o-Y | Q2 FY24 | Q-o-Q | 9M FY24 | 9M FY23 |
|--------------------------------------|--------------|--------------|---------------|--------------|---------------|---------------|---------------|
| Revenue from Operation | 598.7 | 512.9 | 16.7% | 628.3 | -4.7% | 1766.0 | 1671.4 |
| Raw Material Cost | 434.1 | 376.1 | | 441.2 | | 1287.4 | 1177.8 |
| Purchase of Finished goods | 0.0 | 0.1 | | 0.3 | | 0.8 | 0.9 |
| (Increase) / Decrease In Stocks | -9.3 | 0.0 | | 28.4 | | -9.3 | -15.1 |
| Power Cost | 39.4 | 30.3 | | 40.5 | | 116.5 | 87.1 |
| Gross Margin | 134.4 | 106.3 | 26.4% | 117.9 | 14.0% | 370.6 | 420.7 |
| Gross Margin % | 22.4% | 20.7% | | 18.8% | | 21.0% | 25.2% |
| Employee Cost | 36.3 | 31.5 | | 34.2 | | 102.7 | 85.3 |
| Other Expenses | 49.4 | 34.7 | | 44.1 | | 129.9 | 112.3 |
| EBITDA | 48.7 | 40.0 | 21.5% | 39.6 | 22.9% | 138.0 | 223.1 |
| EBITDA % | 8.1% | 7.8% | | 6.3% | | 7.8% | 13.3% |
| Other Income | 7.7 | 5.1 | | 19.8 | | 32.8 | 9.2 |
| Depreciation | 22.1 | 14.2 | | 21.6 | | 64.0 | 34.3 |
| Finance cost | 15.6 | 6.3 | | 16.5 | | 42.5 | 20.8 |
| PBT | 18.6 | 24.6 | -24.1% | 21.3 | -12.5% | 64.3 | 177.3 |
| PBT Margin % | 3.1% | 4.8% | | 3.4% | | 3.6% | 10.6% |
| Exceptional Items | 0.0 | 0.0 | | 0.0 | | 0.0 | 29.7 |
| Tax | 4.8 | 6.5 | | 5.8 | | 16.8 | 46.5 |
| PAT | 13.8 | 18.0 | -23.5% | 15.5 | -11.0% | 47.5 | 101.1 |
| PAT Margin % | 2.3% | 3.5% | | 2.5% | | 2.7% | 6.1% |

**Business
Overview**



Established in **1989**

Owens **3** State of the art
manufacturing facilities

Diversified Product
Range

Manufacturing facilities with
Modern Technology



Presence in **30+** countries

Committed to create **High
Quality** end products

Compliance with
International Quality
recognition standards

Focus on **High
Manufacturing**
efficiencies

Installed 6K+ Spindles for manufacturing of Acrylic Yarn at Ludhiana in 1993



Spinning Capacity increased by greenfield expansion with installation of 12K+ spindles at Ludhiana (2nd unit) for manufacture of synthetic yarn. Capacity expanded from time to time for manufacturing of Synthetic/ Polyester Cotton Blended. Present installed capacity- 65K+ spindles

Setting up of a Dye House for dyeing/ processing of textile yarn fibers

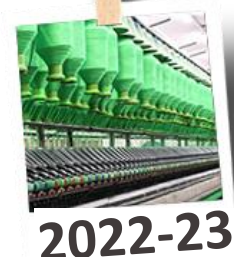


Spinning Capacity increased further with Greenfield expansion with installation of 57K+ Spindles at Bathinda for manufacturing of Cotton Compact Yarn. Capacity expanded from time to time for manufacturing of Polyester Cotton Blended/ Cotton Compact yarn and capacity increase to 1,38,720 Spindles upto November 2013.

Successful expansion at Bathinda Unit adding 68K+ spindles with state-of-the-art plant for manufacturing of cotton compact yarn achieving a total overall spinning capacity 274K+ spindles.



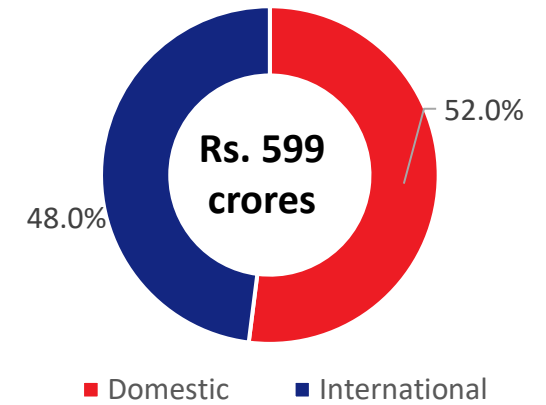
Successful commissioning of 10MW Rooftop Solar Power Project for in house consumption. Capex undertaken for additional 15MW 1st Phase & 2nd Phase capacity addition Of 40,800 & 63,072 Spindles respectively completed for manufacturing of Polyester Cotton yarn and cotton yarn (compact)



PRESENCE ACROSS THE GLOBE



Geography Wise Revenue Break-up Q3 FY24



We are representing India on a world stage with average exports worth more than US \$ 125-175 million.

MANUFACTURING FACILITIES & CAPACITIES



| Units | Manufacturing | Installed Capacities |
|--------------------------|---|----------------------|
| Unit I - Spinning Unit | Acrylic/Blended Acrylic Polyester Yarn/ Blended Polyester Cotton yarn | 65,904 Spindles |
| Unit II - Dye House | Support to Unit No. I & III for their synthetic fibre/ yarn dyeing processing | 15-20 MTPD |
| Unit III - Spinning Unit | compact/contamination free cotton / Polyester cotton blended yarn | 3,12,672 Spindles |

Capacity utilisation of all units more than 90%

TECHNOLOGICAL EDGE

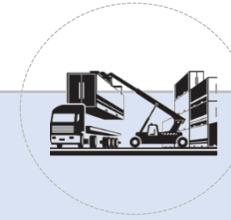
- Technologically advanced machineries to support our manufacturing infrastructure
- Robust control practices in place to ensure consistent quality of our products
- Use of modern testing instruments such as:
 - HVI
 - AFIS
 - Uster Classimat
 - Uster Tensest
 - Uster Hairiness tester



STRATEGIC ADVANTAGES



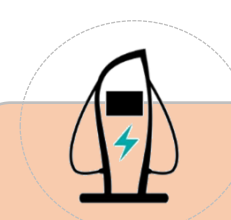
Rail & Roads : Helps in better connectivity with other parts of India.



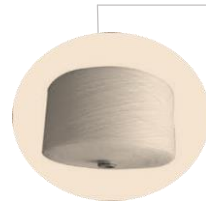
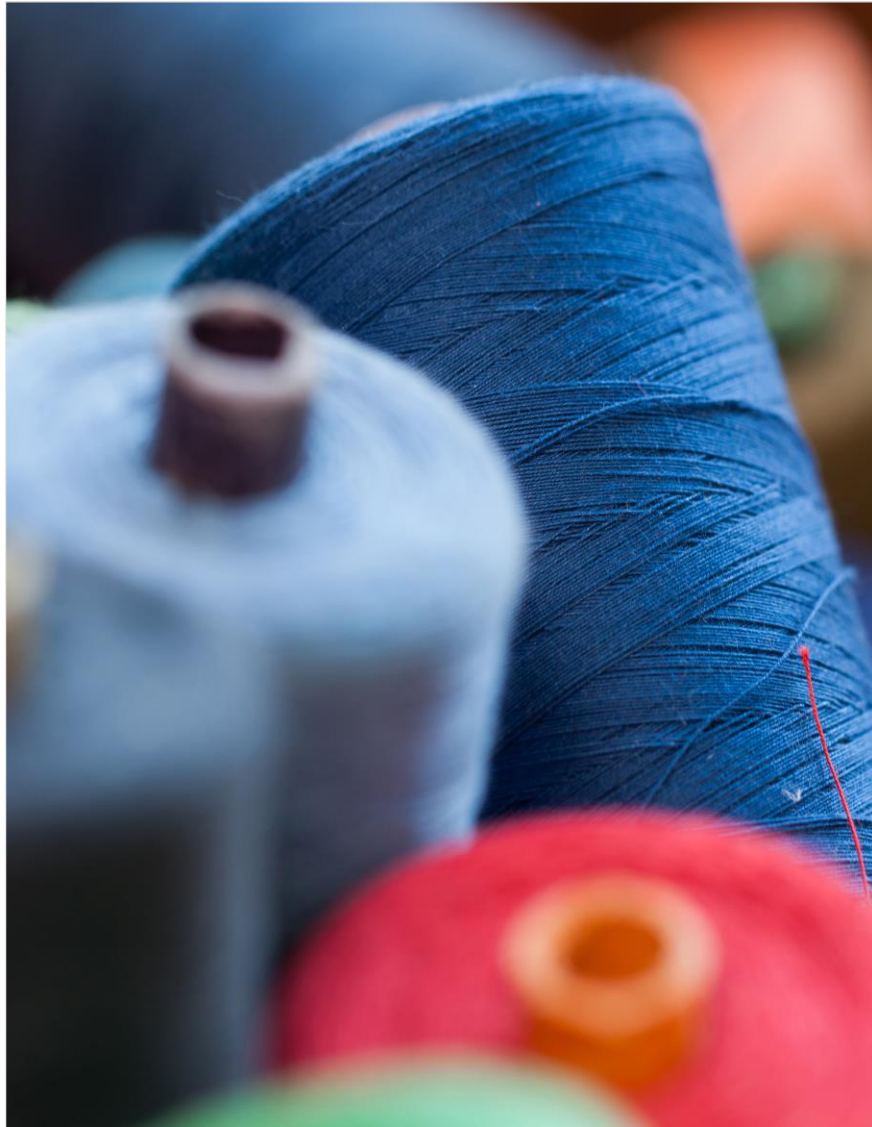
Inland Container Depot(ICD): ICD at Bathinda/Ludhiana for import/export clearances & regular road transport/train service availability between company's unit/ICD and different seaports.



The variable price of electricity will be Rs. 5.00 per Unit for the industry as announced by the Punjab Govt. w.e.f. 1st January 2018.



Electricity Duty and Infrastructure Development Fund of 13.33% of the cost of power (for the existing unit at Bathinda) has been waived by the Government of Punjab



100% Cotton Yarns

- 100% cotton combed compact yarns in normal and sublime quality for knitting and weaving
- 100% cotton combed compact slub
- 100% cotton combed Eli twist



Polyester/Cotton Blended Yarns

- Polyester/cotton combed yarns
- Polyester/ cotton Melange yarns



Fancy Yarns

- Jaspe yarns, Jaspe slub yarns, injection slub yarns and snow yarns.



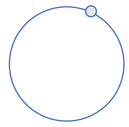
Dyed Yarns

- 100 % cotton and PC blended dyed yarns



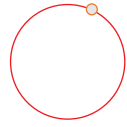
Acrylic & Acrylic/Polyester Blended Yarns

- 100% Acrylic high bulk yarns
- 100% Acrylic Non bulk yarns
- Acrylic/ polyester blended high bulk yarns



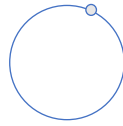
Focus on excellence

Focus on delivering best & premium quality products to most quality conscious brands and customers.



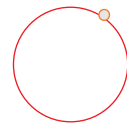
Customer Driven Innovation

As a result of changing trends in both domestic & international markets accompanied with customer centric approach, our innovation initiatives are customer driven.



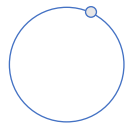
Domestic & international markets

We have established ourselves as a prime producer of premium quality yarns and also as one of the largest exporters of cotton yarns to the most quality conscious garment brands across the globe



Sale of products through dedicated dealer/agents & directly

A strong team of dedicated dealers/agents in domestic as well as international markets



Dedicated marketing team

Located at corporate office ensuring quick responses to customer queries amidst continuously evolving market trends.



BOARD OF DIRECTORS

Munish Avasthi
 Managing Director

- Munish Avasthi aged 49 years is having rich experience in Spinning/Textile Industry from last 28 years.
- The day-to-day operations of the company are looked after by him. He has been also awarded First Generation Entrepreneur Award for Textile Mills by Cotton Association of India in April 2018.

Naresh Jain
 Executive/Whole
 Time Director

- Naresh Jain has enormous experience and exposure in managing textile and garment business.
- He is working as an executive/Whole time director of the company since 2009

Prashant Kochhar
 Non-Executive
 Independent Director

- Prashant Kochhar is a renowned Fellow Chartered Accountant and Senior Partner in Khattak Kochhar & Co
- He manages the client base comprising of corporate clients & specializes in the areas of International Consulting and Taxation (Oil & Gas), Service Tax and Corporate Finance

Sandeep Kapur
 Non-Executive
 Independent Director

- Dr. Sandeep Kapur is professor of business management at Punjab Agricultural University, Ludhiana, India (PAU).
- He established Technology Marketing and IPR cell at PAU and designed various IPR related training courses. He has about 35 research papers to his credit in journals of national and international repute

Harpreet Kaur Kang
 Non Executive
 Independent Director

- Mrs. Harpreet Kaur Kang has done Graduation in Advance Business Program in International Business and International Marketing from Harvard University, USA
- From the last 20 years she is working as a faculty member for MBA and BBA students teaching various subjects including International Business, Consumer Behaviour, etc.

Anjali Avasthi
 Non Executive Non
 Independent Director

- Anjali Avasthi has a Bachelor's degree in Arts
- She has experience of managing Garments Business for many years

MANAGEMENT TEAM

Sandeep Sachdeva Chief Financial Officer

- Sandeep Sachdeva is a Qualified Chartered Accountant & Company Secretary with experience of more than 22 years in accounting & finance, trading, banking industries covering, handling of Direct and Indirect taxation and various other matters
- He looks after overall works related to Finance, Finalization of company's Balance sheet, Direct/Indirect taxation, Exports & Imports, key business decisions, etc.

Shiv K. Sharma President- Production

- Shiv K. Sharma is a B.Tech with an experience of over 37 years
- He look after the overall Project Implementation, Production, Development, and Maintenance of the company's Bathinda spinning unit

D. S. Yadav President – Pers. & Admin.

- D. S. Yadav has a Master Degree with specialization in Labour Welfare & Personnel Management & Industrial Relation with an experience of over 33 years
- He is responsible for overall handling & controlling of Personnel, Industrial Relations, HRD, Labour Welfare & General Administration of the company Ludhiana Units

Rashim Jindal President – Raw Material & Marketing

- Rashim Jindal is an MBA (Marketing) with over 28 years of experience
- He looks after overall Marketing with respect to both – Domestic & International markets
- Raw materials is also under his purview

Ravi Parkash Gupta EA to MD

- Mr. RP Gupta is a M.Tech (Textile) with over 35 years of experience
- He looks after the overall Commercial Operations of the company



Global Organic textile Standard



Organic Content Standard

Oeko-Tex



Fairtrade

ISO 9001 2015



Global Recycle Standard

Way Forward



INDIAN TEXTILE SECTOR- READY FOR A TRANSFORMATION

India's textiles sector is at an inflection point

The sector can act fast and grab the huge opportunity opening up due to a change in global textile trade patterns. While the opportunity is huge, the government and the industry need to act in coordination, and fast, as the world will not wait.

Working population

Large working population is an asset for this industry
India has a large working population

Strong belief in India's capability to increase market share in global textiles

The structural story for the sector intact, and the government and industry will be able to address short-term concerns together
4-5 years will be required to see the real benefits of China +1 strategy



Low-cost countries are a natural choice for textiles

Textiles manufacturing is labour and capital intensive, which is why its manufacturing base has shifted organically to developing and low-cost countries.

Developed countries such as the USA, Europe, Australia, and Japan are major importers of textiles, as they find this cheaper than producing them locally.

China's natural advantages are eroding slowly

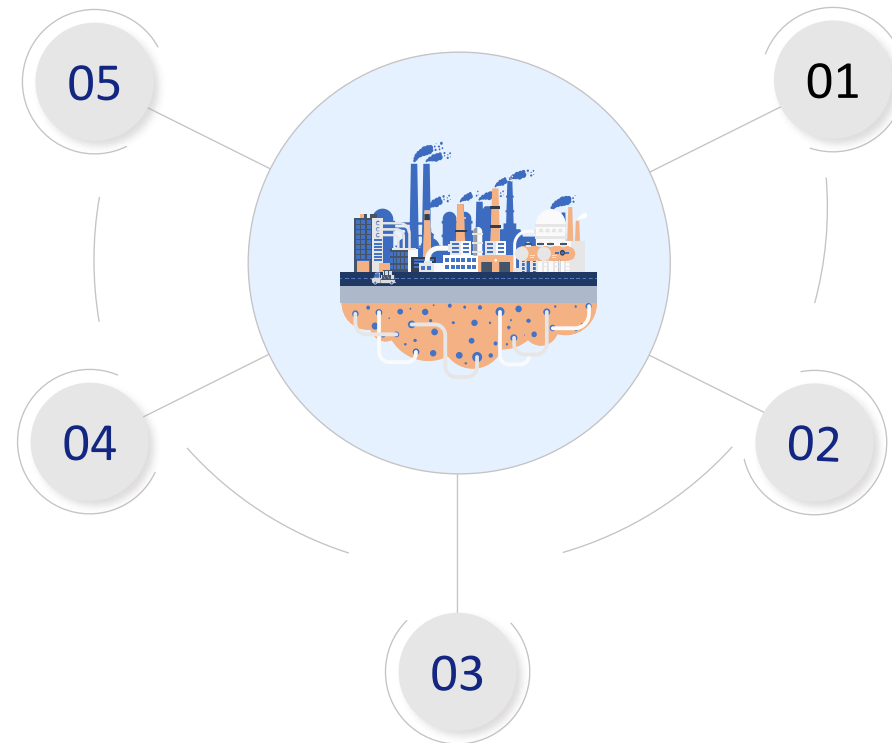
While China's market share is large, its increasing per capita income and labour costs have resulted in its market share steadily declining in global trade since 2015

Textile Cluster Development Scheme (TCDS)

The Indian Textile Ministry is implementing the Textile Cluster Development Scheme (TCDS) from 2021-22 to 2025-26 with a view to create an integrated workspace and linkages-based ecosystem for existing and potential textile units

PLI Schemes

Government is set to come out with second PLI scheme in consultation with industry to focus on segments which are not covered in the earlier scheme like home textile, etc.



Remission of duties & taxes on Exports

Government has approved continuation of RoSCTL with the same rates till 31st March 2024

Free Trade Agreements

- Recent FTAs signed between India and UAE, ECTA signed between India and Australia
- India is currently in process of negotiating FTAs with EU, UK, Canada, Israel and other GCC countries/regions

Mega textile parks

- Approval seven mega textiles and apparel parks under “PM-Mitra” with capital support of Rs 44.4bn over five years from the central and state governments
- Development Capital Support (DCS) of up to Rs 5bn will be given to all greenfield parks and the central government has also announced competitiveness incentive support of Rs 3bn for the early establishment of textiles manufacturing units.

BUSINESS STRENGTHS

01 Product Range


Well diversified range of products suitable for use in manufacture of woven and knitted fabrics for summer and winter wear

02 Focus on Quality

Ensuring supply of high-quality yarns consistently

03 Customer centric Approach

Ensuring full customer satisfaction in terms of quality , prices, timely execution of orders and prompt after sales services



Our
Strengths

04 Competitive Prices

Sportking enjoys price leadership status in all of the market segments due to its ability to supply high quality products regularly and consistently at the most competitive prices

05 Customer Queries resolution

Quick responses to customer queries and willingness to develop new products to meet customer requirement

06 Brand Launching

Crystal - cotton yarn made with imported cotton

Sublime - High end quality yarn made with Indian selected cotton to achieve excellence in yarn parameters

Rooftop Solar Power Projects at Bathinda Unit



Completion of 10 MW Rooftop Solar Power Project at for in house consumption

- Completion Month- June 2022
- Objective to reduce greenhouse gas emissions and power cost

New 15MW Rooftop Solar Power Project for in house consumption

- Additional 10 MW of roof top solar power capacity has come online taking the aggregate capacity to 20 MW
- The remaining 5 MW has been operationalized by in the current quarter.
- Aggregate Capacity now stands at **25 MW**

Completion of Phase 1 & 2 capacity expansion Projects at Bathinda Unit

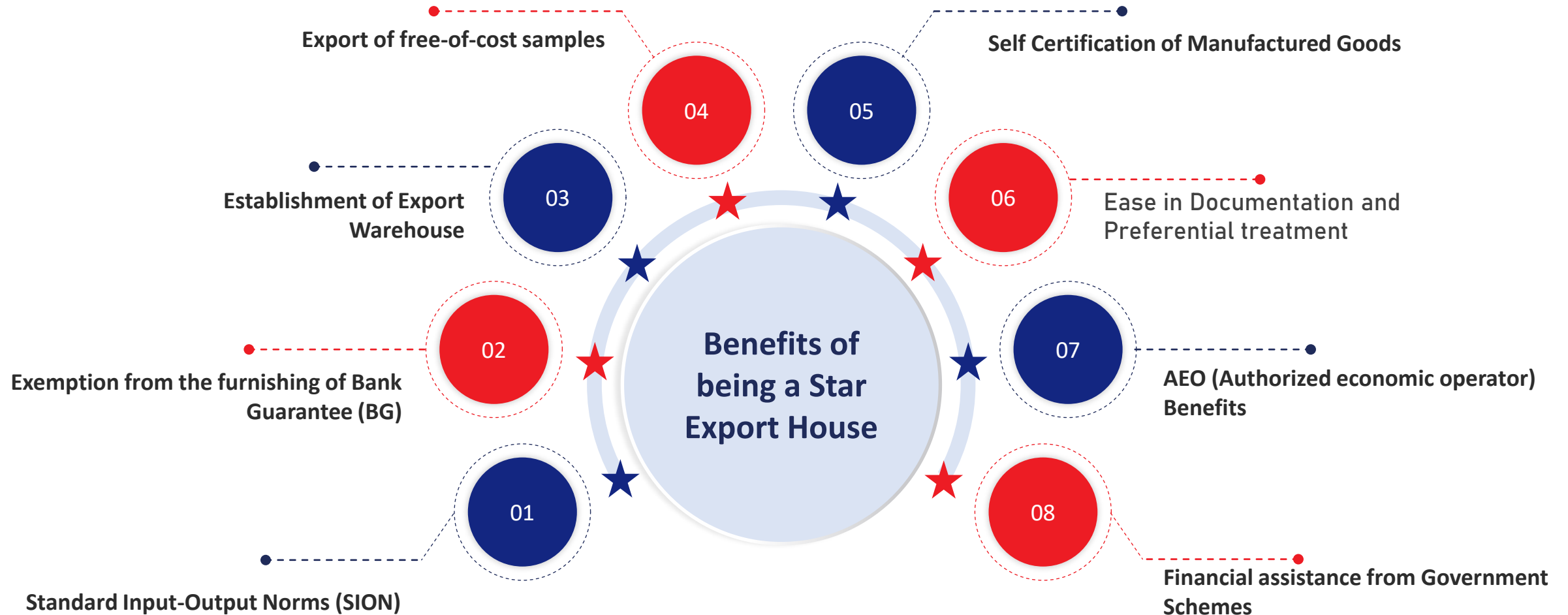


Completion of phase 1 & phase 2 expansion project

- 1st Phase capacity addition – 40,800 Spindles for manufacturing of Polyester Cotton yarn – Completed
- 2nd Phase capacity addition – 63,072 spindles for manufacturing of cotton compact yarn – Completed in Q4 FY23 as planned

BUSINESS UPDATES: RECOGNITION AS A FOUR-STAR EXPORT HOUSE

Based on its export performance, Company's recognition has been upgraded to '**Four Star Export House**' from 'Three Star Export House' by the Ministry of Commerce and Industry, Government of India in accordance with the provisions of the Foreign Trade Policy, 2023.

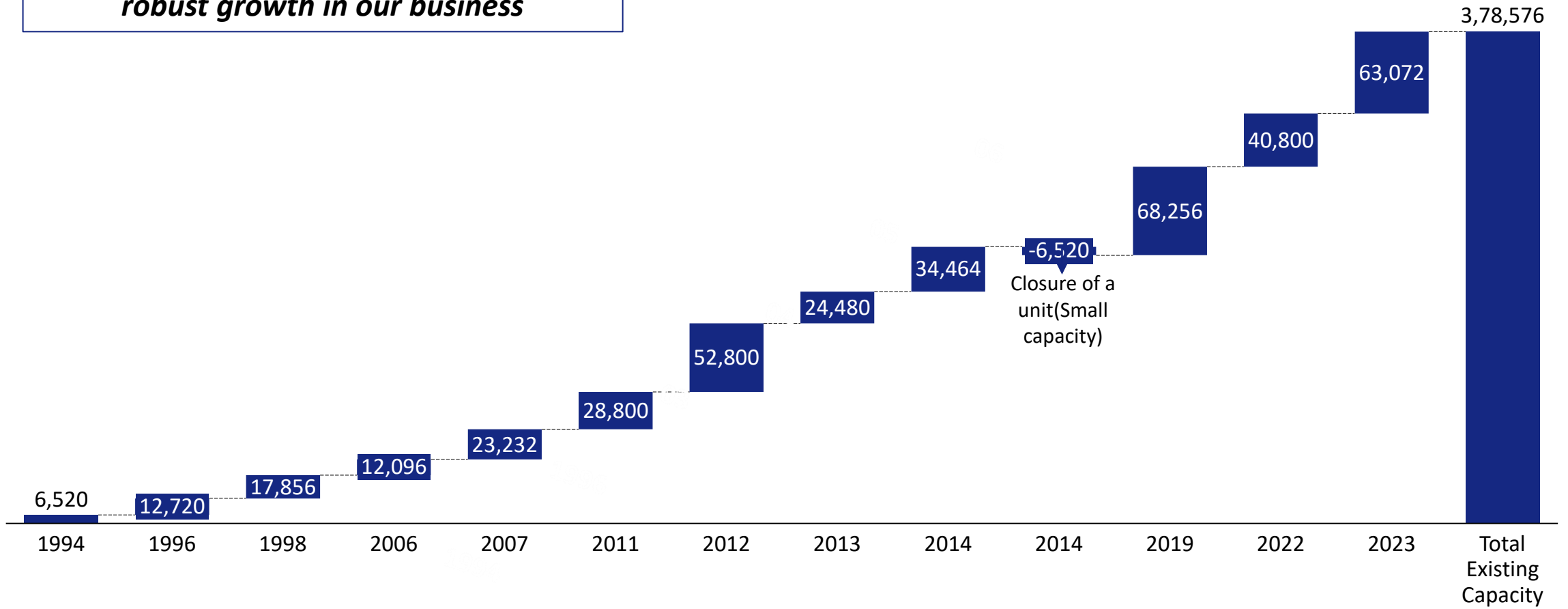


Annexure



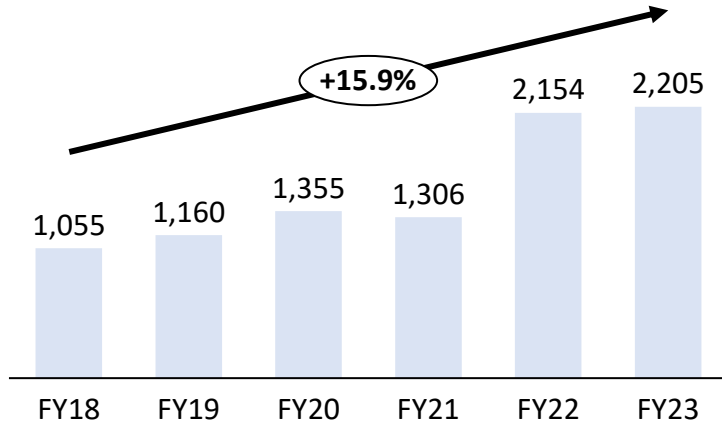
CAPACITY BUILTUP OVER THE YEARS

Continuous capacity addition to support robust growth in our business

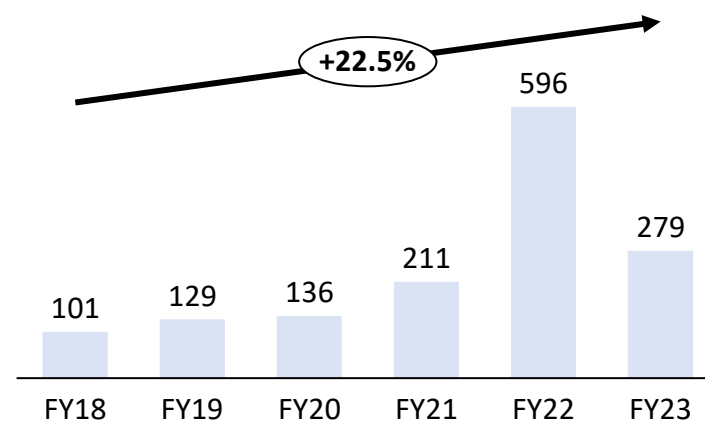


HISTORICAL FINANCIAL CHARTS

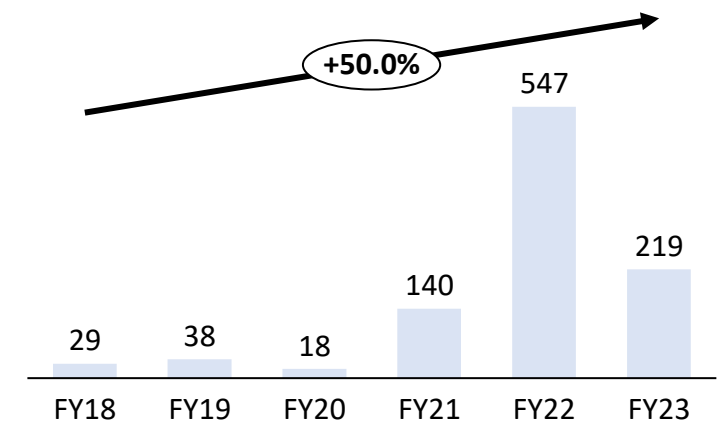
Revenue from Operations (Rs. in Crs)



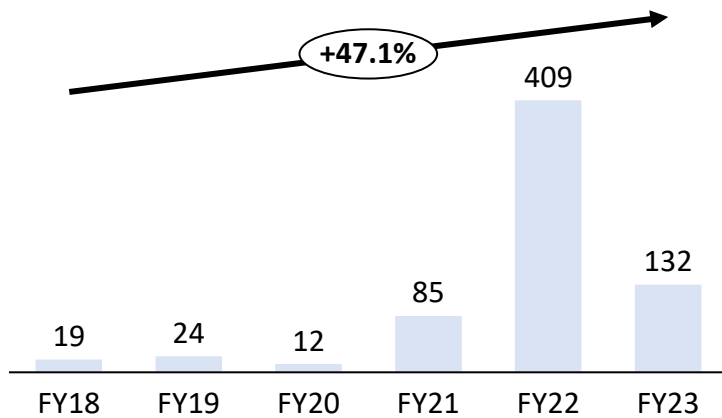
EBITDA (Rs. in Crs)



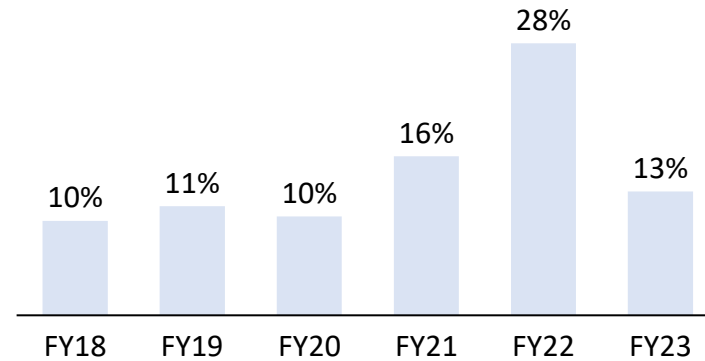
PBT (Rs. in Crs)



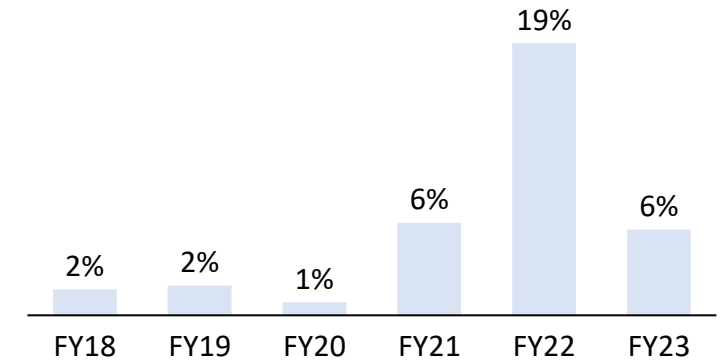
PAT (Rs. in Crs)



EBITDA %



PAT %



HISTORICAL PROFIT & LOSS STATEMENT

| Profit & Loss statement (Rs. in Crs) | Mar'23 | Mar'22 | Mar'21 | Mar'20 | Mar'19 | Mar'18 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Revenue from Operation | 2,205 | 2,154 | 1,306 | 1,355 | 1,161 | 1,055 |
| Raw Material Cost | 1,558 | 1,181 | 785 | 901 | 756 | 682 |
| Purchase of Finished goods | 1 | 0 | 0 | 1 | 1 | 1 |
| (Increase) / Decrease In Stocks | -15 | -14 | 10 | 7 | -2 | 13 |
| Power Cost | 119 | 120 | 112 | 113 | 96 | 95 |
| Gross Margin | 542 | 867 | 399 | 334 | 309 | 175 |
| Gross Margin % | 25% | 40% | 31% | 25% | 27% | 25% |
| Employee Cost | 116 | 105 | 87 | 97 | 83 | 74 |
| Other Expenses | 147 | 166 | 103 | 100 | 97 | 89 |
| EBITDA | 279 | 596 | 209 | 136 | 129 | 101 |
| EBITDA % | 13% | 28% | 16% | 10% | 11% | 10% |
| Depreciation and Amortisation Expense | 48 | 44 | 52 | 63 | 54 | 56 |
| Finance Costs | 23 | 29 | 36 | 58 | 39 | 29 |
| Other Income | 12 | 24 | 19 | 3 | 2 | 13 |
| PBT | 219 | 547 | 140 | 18 | 38 | 29 |
| PBT Margin % | 10% | 25% | 11% | 1% | 3% | 3% |
| Exceptional Items | 30 | - | 22 | - | - | - |
| Tax | 58 | 138 | 33 | 6 | 14 | 10 |
| PAT | 132 | 409 | 85 | 12 | 24 | 19 |
| PAT Margin % | 6% | 19% | 7% | 1% | 2% | 2% |
| Earnings per share (EPS) (Rs.) | 99 | 308 | 63 | 9 | 17 | 4 |

THANK YOU

Sportking



Sportking India Limited

CIN: L17122PB1989PLC053162

Mr. Lovlesh Verma
01612845456
cs@sportking.co.in
www.sportking.co.in



orient capital

Mr. Devansh Dedhia
+91 9930147479
Devansh.dedhia@linkintime.co.in

Mr. Irfan Raeen
+91 9773778669
Irfan.Raeen@linkintime.co.in

