August 16, 2022

The Listing Department,
National Stock Exchange of India Limited,
'Exchange Plaza', C 1, Block G,
Bandra – Kurla Complex, Bandra (E),
Mumbai 400 051

Dear Sir/Madam,

Sub: Investors Presentation - reg

Pursuant to Regulation 30(6) and Regulation 46(2)(o) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby attach an Investment Presentation for the quarter ended 30.06.2022. The same is made available on the Company's website www.precot.com.

No Concall is scheduled for the above. This is for your information and records.

Thanking you.

Yours faithfully,

For Precot Limited

S Kavitha
Company Secretary







Investor Presentation

Q1 FY2023

Precot

Safe Harbour

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Precot

Leading cotton & yarn manufacturers

Established in **1962**

5 state of art facilities with presence in **4 states of South India**

1.65 lakhs spindles

100% Compact Yarn enabled









Private Label Specialist in cotton-based products

Wide range of cotton- based products with **End-to-End capability**

International presence in over **25 countries**

Hydro-entanglement Process in Spunlace

Precot

Fibre | Yarn | Distribution | Retail

Six decades of excellence

1962

Incorporation

First Manufacturing Unit in Kerala with 12,000 spindles

1983

Unit 2 with 29,000 spindles in AP

1992

Unit 3 with 25,000 spindles in Kerala

1995

Unit 4 with 35,000 spindles in TamilNadu

1995

Doubling & Gassing Units, Kerala

2002

Commissioning of 5 MW Windmill

2010

Dyeing Unit with annual capacity of 1800T of Polyster Thread Karnataka

2013

Greenfield Non-woven Project with Spunlace Technology in Karnataka

2022

Commissioning of 10 MW Solar Plants

Precot

Extensive Range of Yarns and Cotton-based Products

YARNS & THREADS
Leading manufacturers of yarns & threads for textile production, knitting and sewing

COTTON PADS
Our unique four-layer spunlace absorbent cotton pads.

COTTON BALLS
Our range of cotton balls are made from 100% pure absorbent cotton.

EXFOLIATING PADS
Patented woven textured 100% Cotton, 100% Biodegradable exfoliating pads

COTTON WOOL ROLLS & PLEATS
Highly absorbent wool rolls. Pleats specially designed for easy tear-off and use

COTTON SPUNLACE
Our cotton spunlace is 4 layered, highly absorbent and has good strength for further processability

ABSORBENT COTTON FIBRE
Our purified cotton contains zero residual chemicals, zero toxins and is Totally Chlorine Free (TCF).

Innovation and Sustainable practices for excellence in quality and delivery in every step of our process right from sourcing to packaging

Certifications & Recognitions



















Winners of consecutive Awards for Operational Performance from Southern India Mills Association (SIMA)

Sustainability and CSR





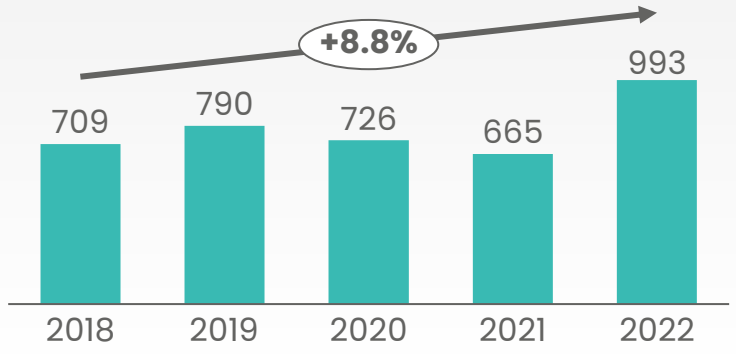
- Investments in Green Energy - 5 MW Wind and 10 MW Solar generations and Gas based power plants
- Promoting Organic & Recycled Products in both Spinning and Technical Textile divisions
- Recycled Water Management
- Active Charitable Trusts with special focus on education and healthcare for the underprivileged

Precot

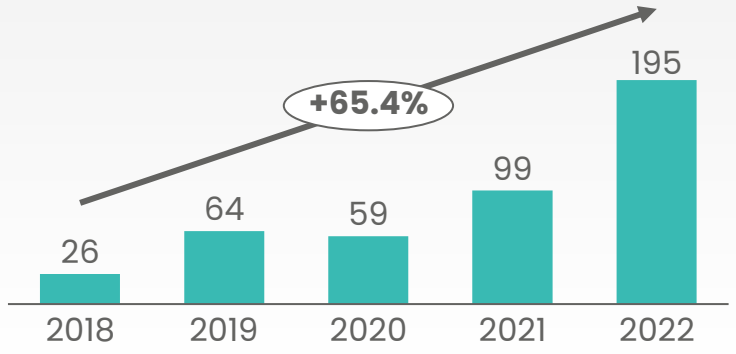
Historical Financials*

Rs. In crs

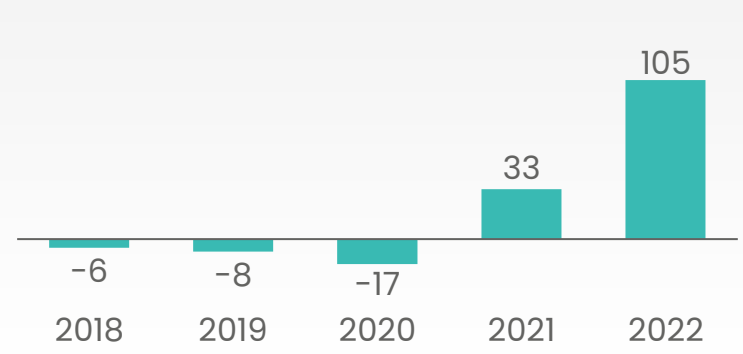
Revenues



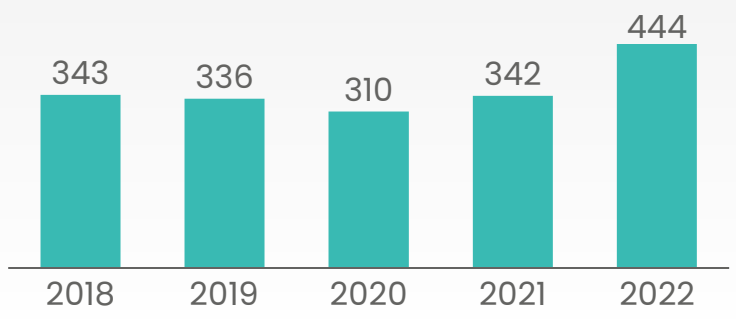
EBITDA



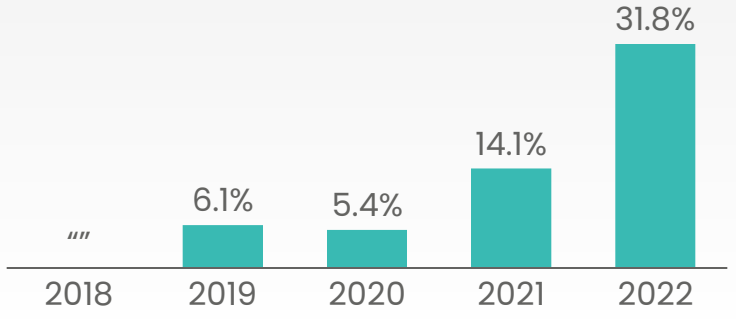
PAT



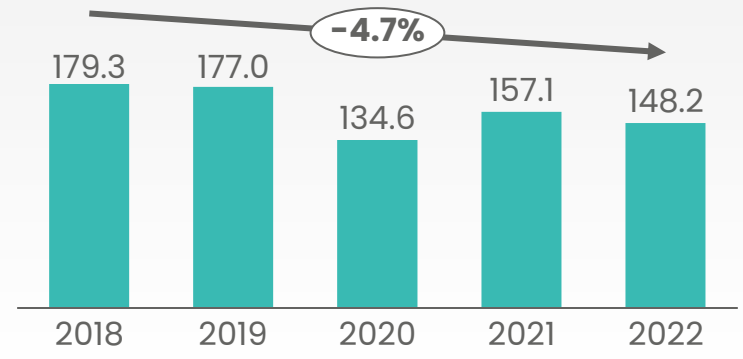
Networth



ROACE



LongTerm Borrowings



*Consolidated Financials
*Revenues = Revenues from Operations
*ROACE = EBIT / Average Capital Employed*100
*Long Term Borrowings in this presentation includes both Non-current and Current portion
*"" – negative margins

Q1FY23 Market Trends

Yarn realisations continued to be weak with soft markets

Muted domestic demand with limited uptake from Manufacturers and Brands

Subdued exports markets due to high inventory levels

Historical rise in cotton prices – over 100% increase from the then prevailing prices

Cotton rates continued to be high with low availability

Robust Demand for Hygiene products in overseas markets

Shift from China strategy lined up further orders for Indian contract manufacturers

Container availability and reduced freight costs provided relief to exporters with improved margins

Q1 Financial Highlights

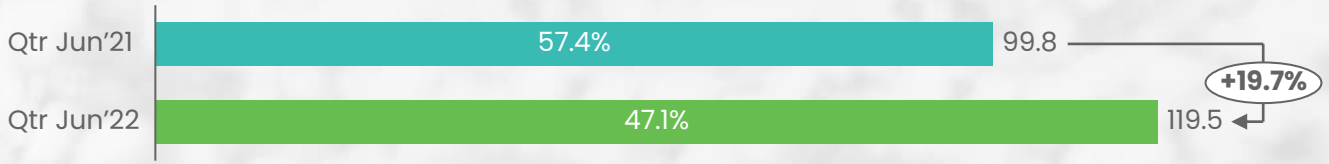
Rs. In crs

Revenues*



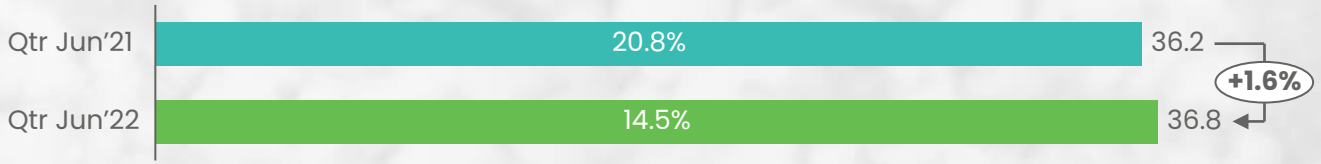
46% revenue growth

Gross Contribution



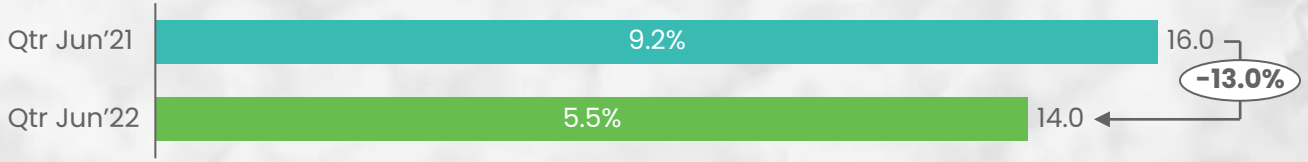
47.1 % Contribution

EBITDA



14.5% EBITDA

PAT



5.5% PAT

Revenues = Total Revenue from Operations (including other operating income)
GC%, EBITDA % & PAT % are to total revenue from operations in respective Quarters

Quarter witnessed Rs. 253 crs of revenues despite challenging market environment

Demand for Polyster cotton and Special count Yarns continued to witness growth

Improved productivity and throughput helped Hygiene division achieve the highest quarterly revenues

Reduced gross margins due to increase in cotton and packaging prices

Continued cotton hedging policy and control on operating costs helped the company to achieve mid-teen margins for the Quarter

Profit & Loss Statement

	Q1FY23	Q1FY22	Change
Total Revenue from Operations[1]	**253.47**	**173.78**	**45.9%**
Material Consumption	194.70	96.99	
Change in inventories	(60.71)	(23.03)	
Gross Contribution[2]	**119.48**	**99.82**	**19.7%**
Gross Contribution %	**47.1%**	**57.4%**	
Employee Expenses	22.43	22.27	0.7%
Other Expenses	61.70	43.34	42.4%
(Other Income)	(1.46)	(2.00)	-27.1%
EBITDA	**36.81**	**36.21**	**1.6%**
EBITDA %	**14.4%**	**20.6%**	
Finance Costs	10.10	8.62	17.2%
Depreciation	8.06	8.21	-1.8%
Profit Before Tax (PBT)	**18.65**	**19.38**	**-3.8%**
Tax	4.70	3.35	
Profit After Tax (PAT)	**13.95**	**16.03**	**-13.0%**
PAT %	**5.5%**	**9.1%**	

Precot

Rs. In crs

1 Total Revenue from Operations = Revenue from Operations + Other Operating Income, 2 Gross Contribution %, EBITDA % and PAT % are to total Revenue from Operations

Committed to be a global leader in manufacture & supply of textile products



Tapping of opportunities in Technical Textiles – geographical expansion of operations



Product Diversification – Introduction of new & Value-added products & less dependency on commodity products



Automation for business process improvements and debottlenecking



Continued efforts on to improve operational efficiencies and control on operating costs

Thank You

Precot

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