hindware

home innovation limited











Q2 & H1 FY24 Financial Result Presentation

"Delivering sustainable growth"

"With customers at the core"



November 08, 2023

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Business Overview

Premium Consumer Appliances and Building Products Company

Owner of Brand Hindware

Building Products Segment

Leader in

Sanitaryware and second largest in the faucets segment

Industry leading growth in Plastic Pipes & Fittings segment

Judicial mix of owned and outsourced manufacturing capabilities

Consumer Appliances Business (CAB)

33 patents filed since inception

Retail Segment
(Focus on Franchise & E- commerce business)

Strong Growth Outlook across product segments and geographies

Retail Touch Points
35,000+

Distribution Partners
3,100+

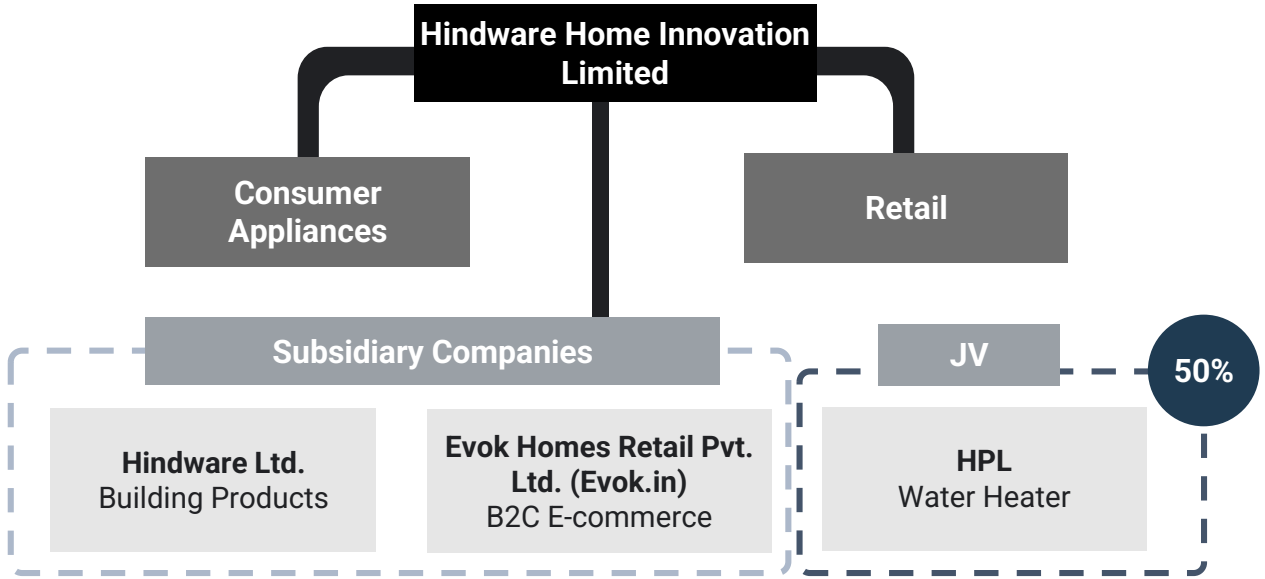
Modern & Retail Outlets
700+

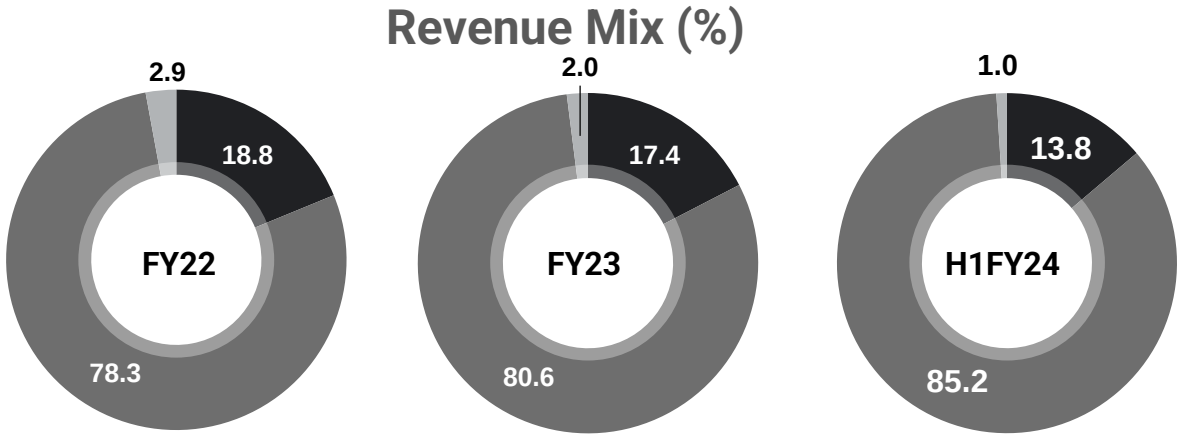
Omni-channel presence

3 Distinct Channels
Sanitaryware & Faucets
Consumer Appliances
Hardware (Pipes)

About Us

- Hindware Home Innovation is a Consumer Appliances and Building Products Company
- Owner of ***Hindware***, a reliable and trusted brand across India
- Leveraging innovation and expansive distribution infrastructure across businesses
    - **Building Products Business** –
        - Well entrenched distribution network supported by strong and efficient manufacturing and sourcing capabilities
            - Leading player in sanitaryware & faucets space
            - Leading growth in plastic pipes and fittings solutions
            - Expanding manufacturing for our plastic pipes business to cater to markets across geographies
    - **Consumer Appliances Business** – innovative offerings across varied product categories
    - **Retail Business** - Specialty home interior products under the brand 'Evok'
- **Hintastica Private Limited (HPL)** is a 50:50 JV with Groupe Atlantic, a leading French Group in heating solutions globally





Our Approach

- Several successful launches at regular intervals to cater to the burgeoning needs of the customers
- Strong R&D capabilities help in introducing an innovative range of products to gain market share

Introduce innovative products across categories

Leverage distribution channels

- Harnessing distinct distribution networks to market newer products and cross-selling
- Expansive distribution reach across all segments, enabling us to service existing markets & reach out to newer markets
- Strong connect with trade partners enables a deeper understanding of customer preferences

- Emphasize on further improving capital return ratios in the long term
- Completely integrated player: High quality, versatile manufacturing and sourcing combined with a robust supply chain ensures efficient delivery of a wide range of quality products

Capital efficient model

Multiple revenue streams

- Differentiated product mix supported by intelligent marketing and branding campaigns
- Scaling up presence in fast growing Plastic pipes and fittings segment

Proficient and Committed Leadership



Mr. Sandip Somany

Chairman and Non-Executive Director

38+ years of experience in the ceramics & glass industry. He is the Chairman Indian Council of Sanitaryware Manufacturers (INCOSAMA) and is the past President of FICCI (2018-19). holds an engineering diploma from the University of California, USA, and a bachelor's degree from Delhi University.



Mr. Sandeep Sikka

Group Chief Financial Officer

28+ years of experience in project finance, business strategy, structured finance etc. He has previously worked with Jindal Stainless as VP and Head - Corporate Finance and with Usha International as Group CFO



Mr. Naveen Malik

Chief Financial Officer, Hindware Home Innovation

28+ years of experience in banking, strategy, project finance & implementation, investor relations. He has previously worked with Godrej & Boyce, GMR Group - DIAL



Mr. Salil Kappoor

Chief Executive Officer, Hindware Home Innovation, (Consumer Appliances and Retail)

30+ years of rich and diverse experience across industries, especially in the consumer durable space. He previously led the Appliances Division at Orient Electric as the Business Unit Head. Also, served in leadership capacities at companies such as LG Electronics, Samsung, Voltas



Mr. Sudhanshu Pokhriyal

Chief Executive Officer, Bath Business

21+ years of experience in FMCG, building products, sales and marketing, etc. He has previously worked with Asian Paints, Coca-Cola, SC Johnson and Raymond



Mr. Rajesh Pajnoo

Chief Executive Officer, Pipes Business

25+ years of experience in plastic and PVC industry. He has earlier worked as COO with Kisan Mouldings

Our Environmental, Social and Governance Commitments



Environment:

Hindware Home Innovation Limited is dedicated to reducing its carbon footprint, adopting energy-efficient technologies, and promoting the use of recycled materials to minimize its environmental impact, in aligning with global sustainability benchmarks.

Social:

The company prioritizes social responsibility by fostering an inclusive workplace, ensuring employee well-being and safety, and promoting diversity, fairness, and development opportunities. It actively engages with stakeholders and upholds ethical standards.

Governance:

The Company values governance based on trust, transparency, and accountability. It integrates ESG factors into its strategy, setting ambitious sustainability goals, and actively seeking partnerships to drive innovation and sustainability, all to ensure long-term success and resilience.

Fulfilling Our Sustainability Initiatives

Energy efficiency is achieved through daylight harvesting, LED lights, efficient motors, and cooling, while electric belling machines and robotics enhance efficiency

Water efficiency includes 'Zero' discharge, rainwater harvesting, low-flow fixtures, meter monitoring, and domestic wastewater recycling

Rooftop solar energy across our plants helps in reducing carbon emissions, lowering energy costs, and enhancing energy independence

Waste management practices involve process mapping, source segregation, wastewater treatment, & vermi-composting for organic waste which helps in minimizing environmental pollution, and efficient resource utilization

Greenhouse gas emissions are reduced through on-site solar PV, green spaces, efficient logistics, and eco-friendly products and processes helps in the mitigation of the climate change





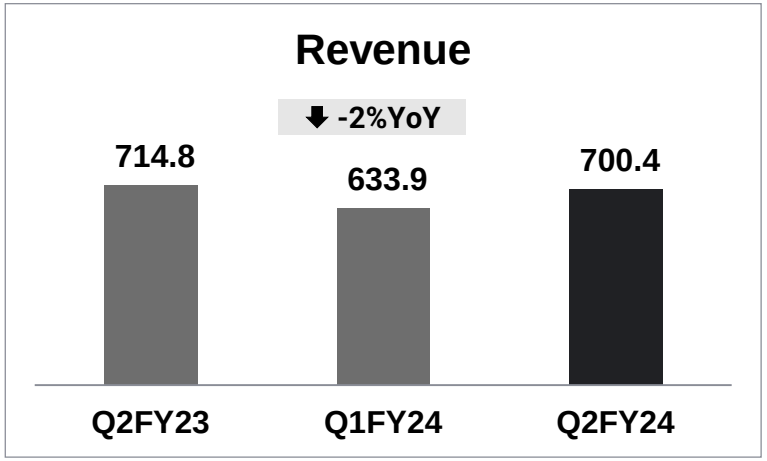


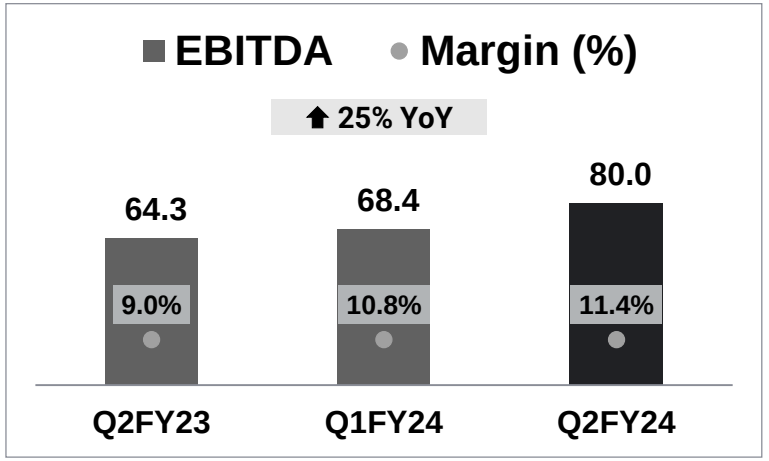
Financial Performance

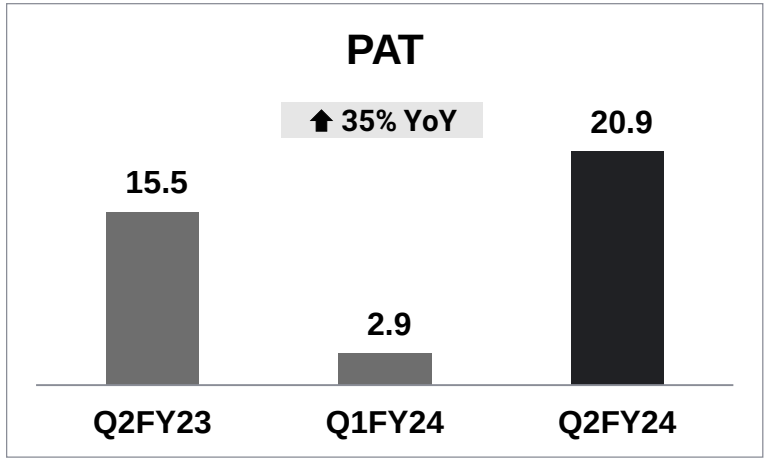
Consolidated Financial Performance

(₹ in crore)

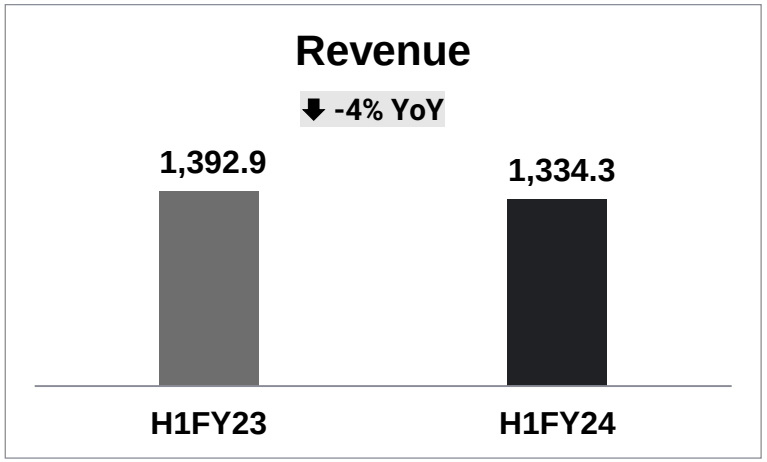
Q2 FY 24

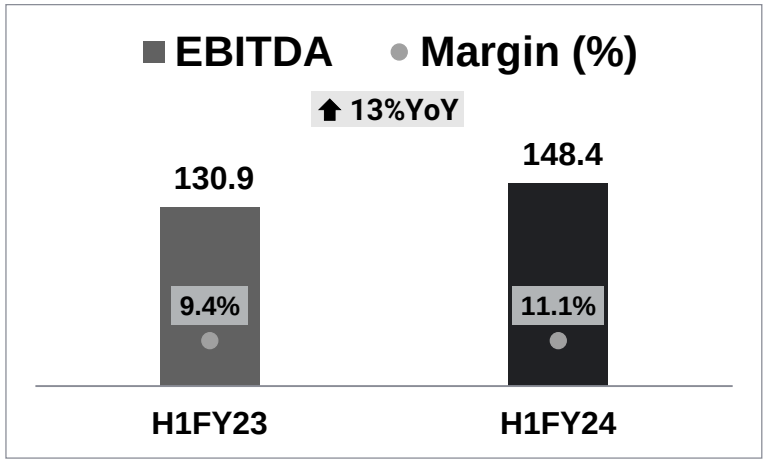


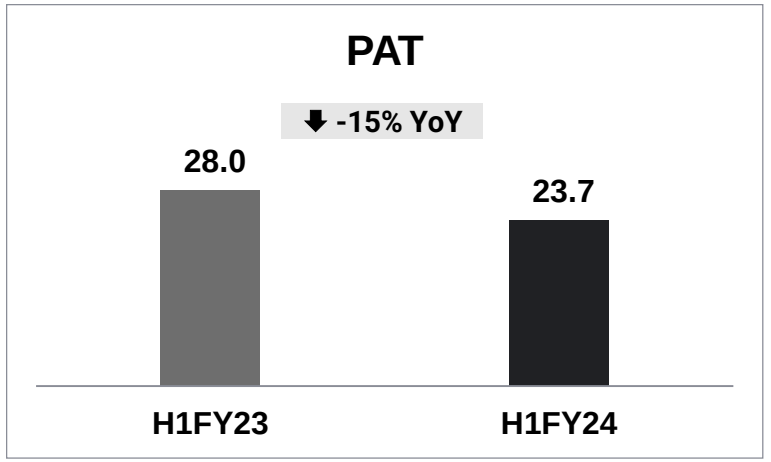




H1 FY 24









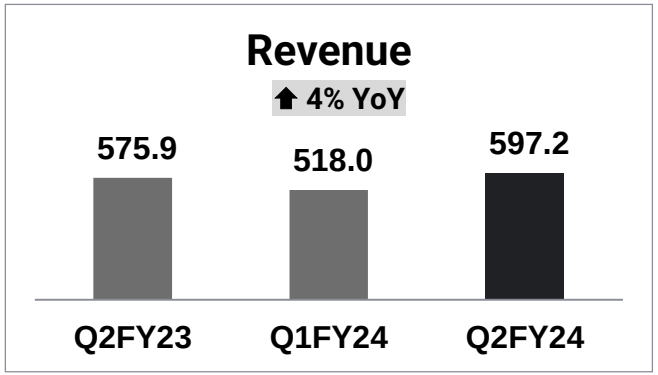
Building Products Segment

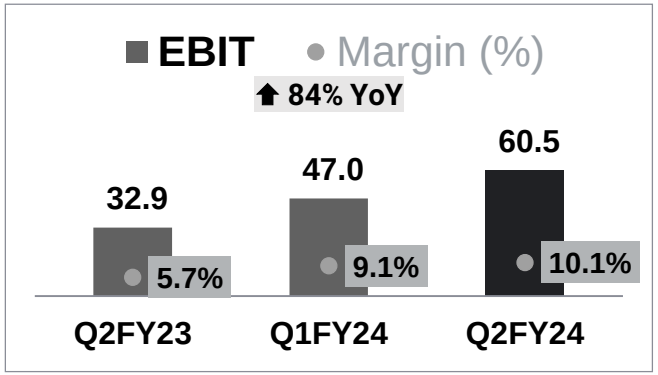
Building Products Business Update

Bathware Business

- Inflation, higher interest rates and liquidity pressures translated to subdued demand for mid and lower-priced products
- Year-over-year, margins increased on the back of operating efficiencies and improved product mix
- An integrated marketing strategy, with a dynamic IPL, Asia Cup and World Cup 2023 campaigns, further enhanced brand visibility and appeal
- Partnered with the Water Management & Plumbing Skill Council (WMPSC) to upskill 5,000 plumbers within the next two years
- Expansion through setting up of brand shops to explore new markets remains a key focus
- Sustained emphasis is on optimizing working capital cycle

Building Products Business **(₹ in crore)**



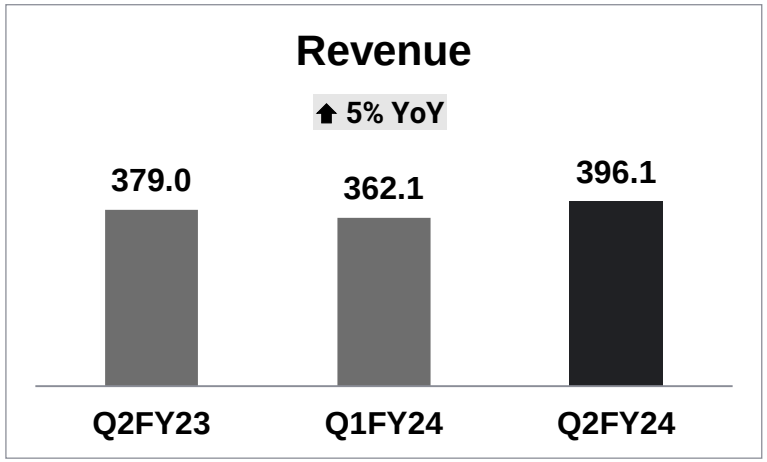


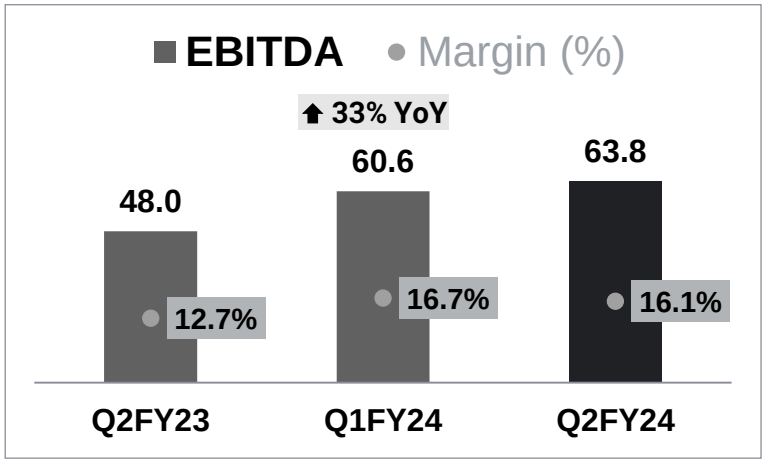


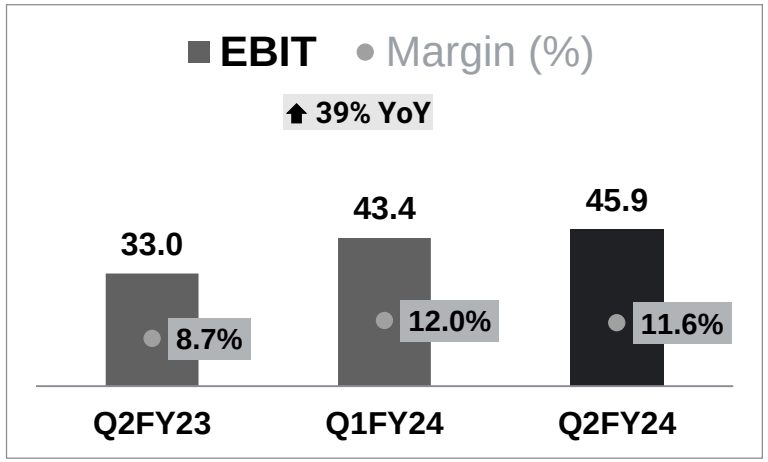
Note: *Revenue and EBIT for BPD include contribution from Bathware and Plastic Pipes & Fittings businesses*

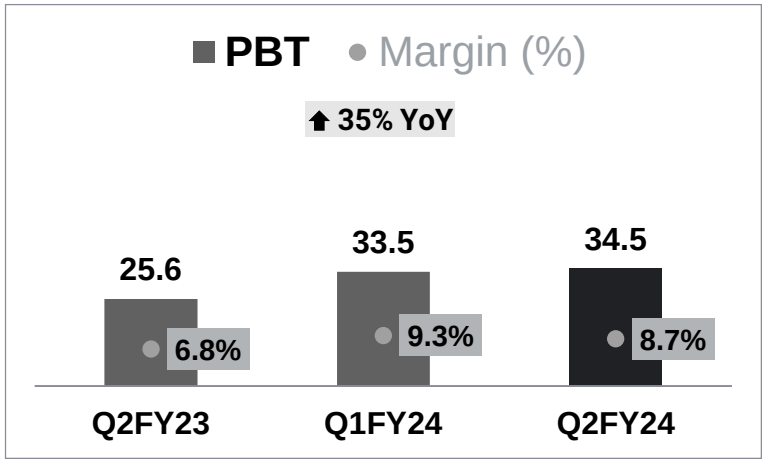
Bathware Business Update – Q2 FY24

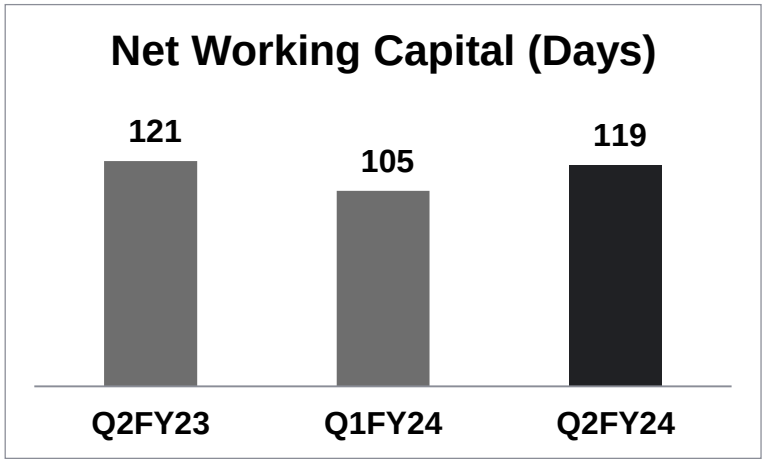
(₹ in crore)

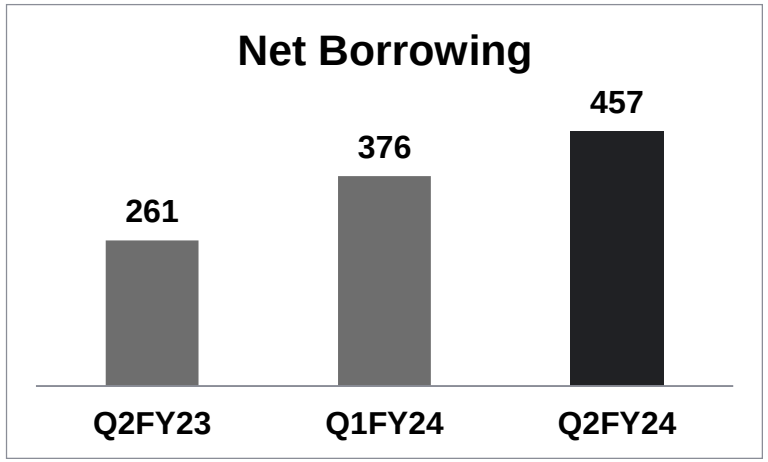












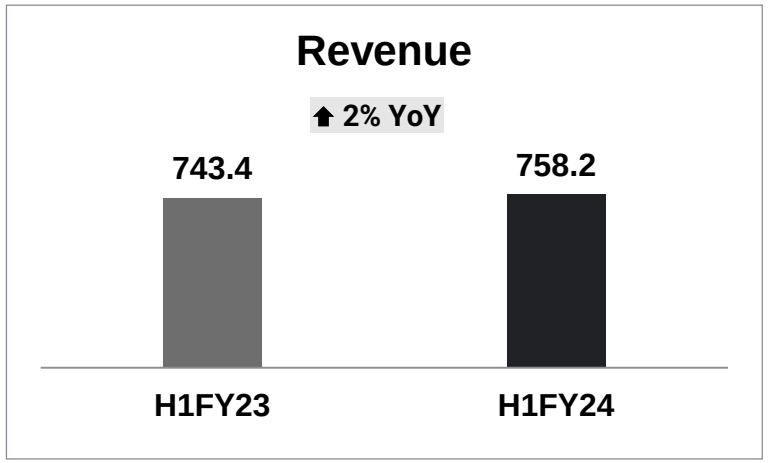
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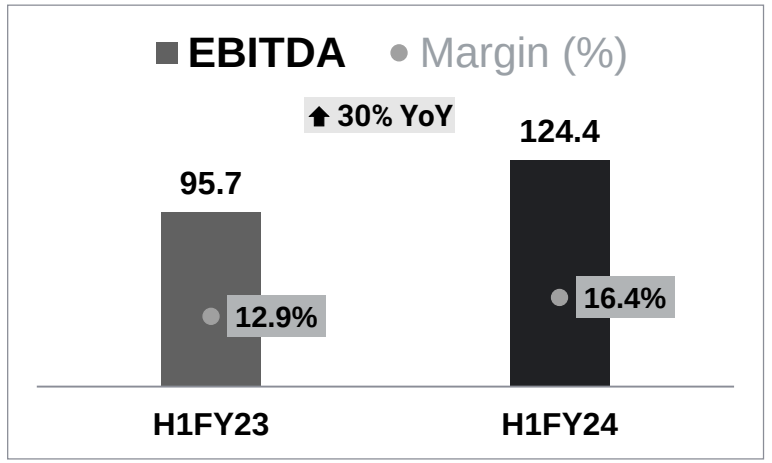
- *Above stated financials are rounded off and as per management reported figures*

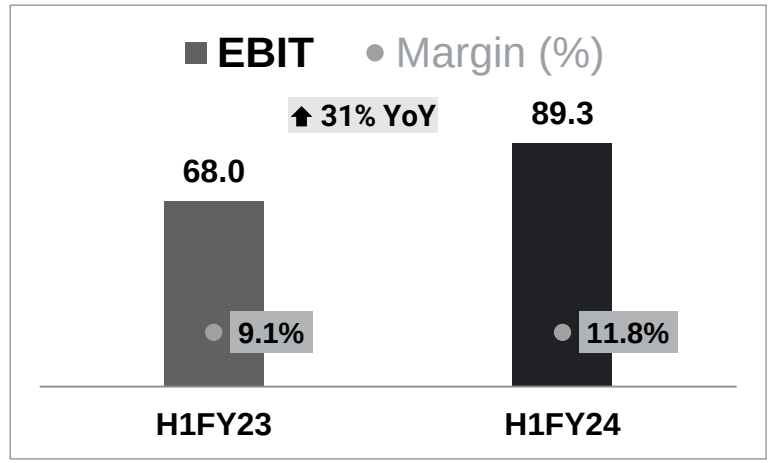
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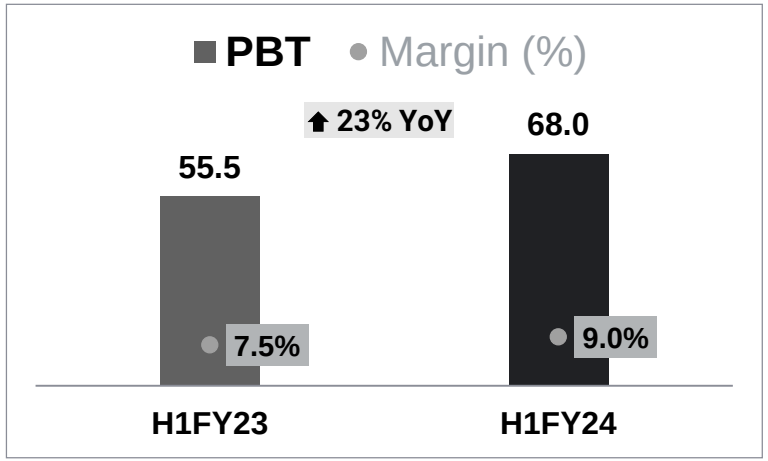
Bathware Business Update – H1 FY24

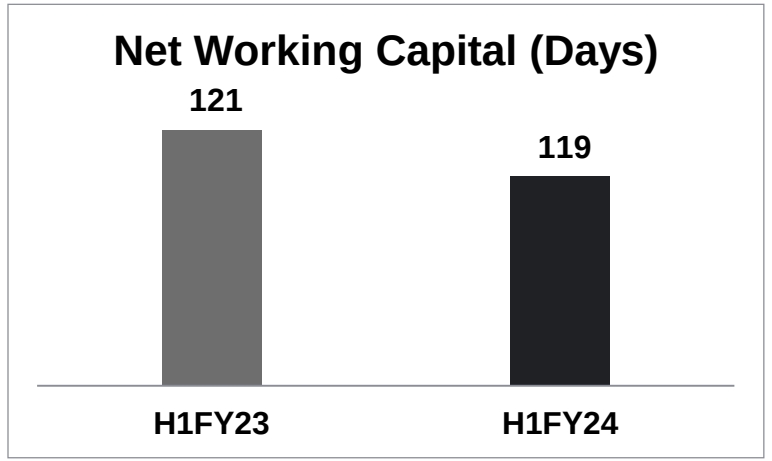
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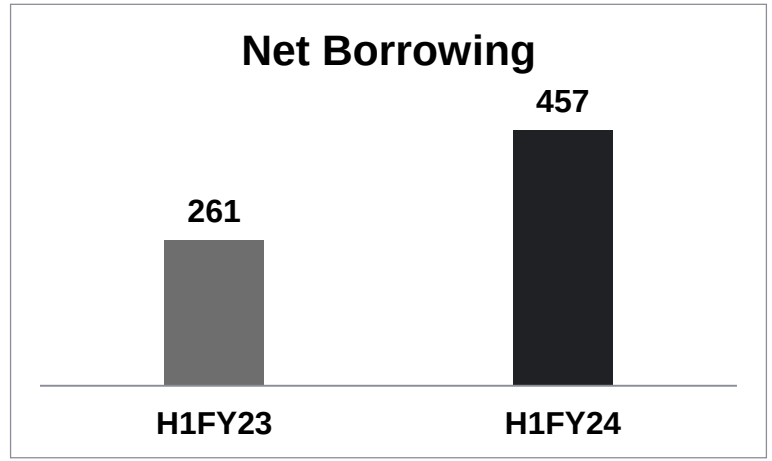












Notes:

- *Above stated financials are rounded off and as per management reported figures*

Building Products Business - Bathware

- Leading player in sanitaryware & faucets segments
  - Brands available across price points

- Control over the entire value chain & a strong network of distribution & service
  - In-house manufacturing and sourcing capabilities of Sanitaryware and Faucets, enchances our control over processes for improved efficiency.
  - 577 Brand Stores for an immersive customer experience
  - 430+ distributors, dealers and modern retail outlets
  - 34,700+ active retail touchpoints
  - Catering to 1,200+ institutional clients
  - A service network of 650+ technicians pan India covering more than 700+ districts, with a TAT of 24 hours in metro markets and 48 hours in upcountry markets

- Building eco-system for accelerated growth
  - Continuing engagement with both intermediaries and end-users
  - Creating a platform for channel partners to manage operations efficiently
  - Positioning Hindware as a contemporary, innovative, design-driven brand to resonate with millennial
  - Enhancing brand visibility in retail through updated product displays and store imagery
  - Expanding distribution channels to establish a nationwide presence
  - Expanded our reach in the Indian tiles market, with plans to expand the network further

- Expanded our reach in the Indian tiles market, with plans to expand the network further

Market Size

₹6,000+ crore

Sanitaryware

₹12,000+ crore

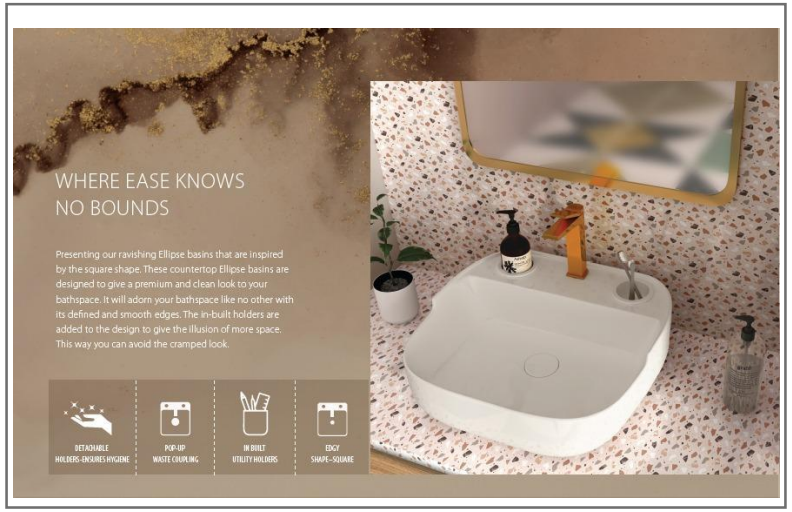
Faucets



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Industry- First Innovative-Design Led Products













Marketing Initiatives

Pre Festive Season – Hindware @AsiaCup



- Coverage – 6 India Matches
- 2 Crore impressions served in 2 Ind-Pak Matches

Hindware @IPL 2023



- Hindware partnered with two IPL teams Royal Challengers Bangalore & Punjab Kings for this IPL season
- Launched “5 star Hotel like Bathroom” campaign featuring players from RCB & Punjab Kings
- 360 degree campaign was launched on TV, OTT, Digital, Radio & BTL activations
- 179M impressions were served during the campaign with a reach of 45M

Hindware - World Cup Presence with Super 4s



- Platforms – Hotstar CTV & Mobile
- Impressions served in 5 Weeks – 5.58 Billion (558 Crore)
- Ind-Pak match ended on a 4 and Viewership was 3.4 Crore







Regional Festive Campaigns

Onam



Boat Race





Queo Gold Scheme
for selected Dealers

Ganesh Chaturthi





Puri Rath Yatra



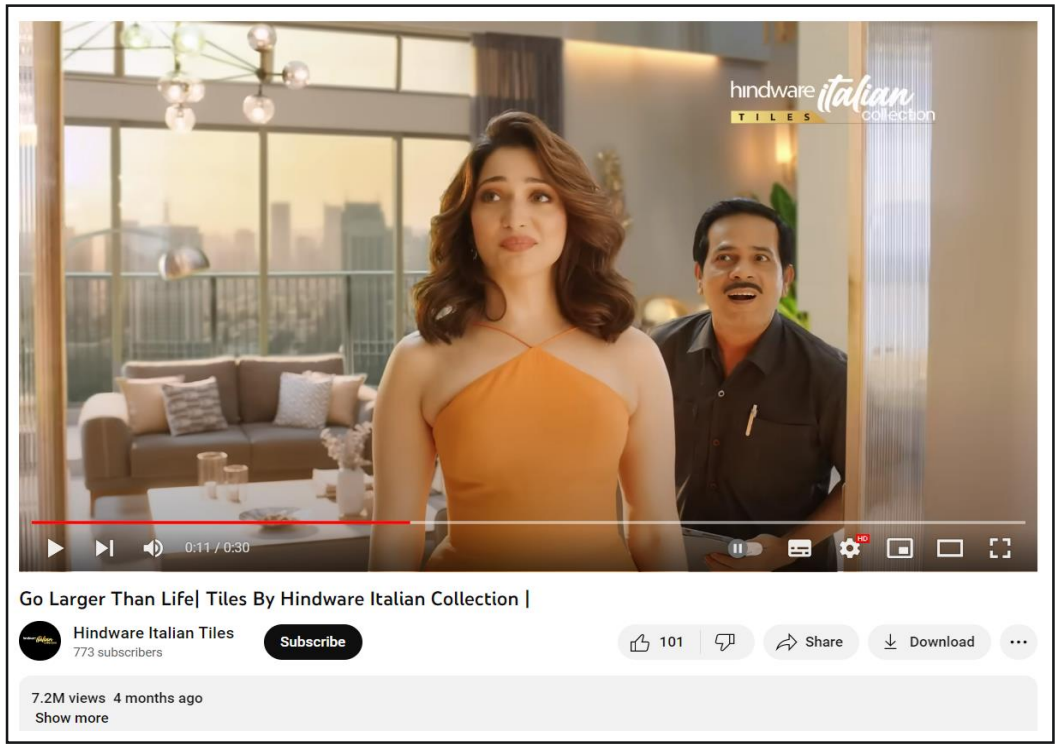


Hindware Stall & water distribution on the way to temple

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Marketing Initiatives

- **Hindware Italian Collection Tiles – Digital Media Campaign**
  - Executed digital media campaign to drive awareness for Hindware Italian Collection Tiles
  - Reached the target audience through the right media mix
  - The campaign delivered 85 Million Ad Impressions; Reaching out to 29 Million audiences at an average frequency of 3



- **New In shop branding developed for Elevated Imagery**
  - New in shop branding focusing on USP's of the product with clear focus, highlighting RTB's to the consumer





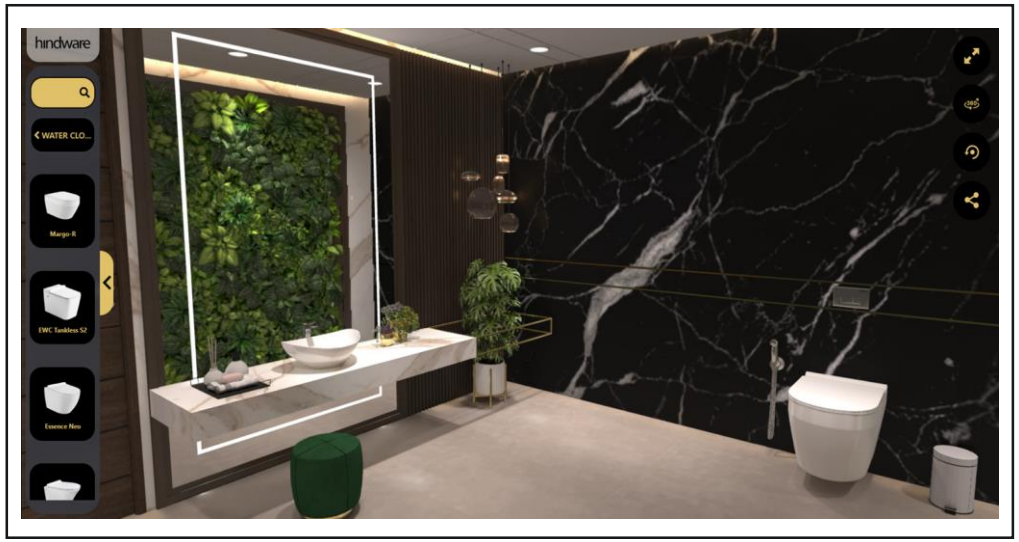


Marketing Initiatives

- **Launched Online Reputation Management Tool – LOCOBUZZ**
  - A platform which enables brands to listen, analyze and engage with audiences and customers across all digital platforms such as Facebook, Twitter, Google+, Instagram, YouTube, News, Blogs Discussion Forums etc., to ensure improved focus on customer experience & grievance redressal
  - The tool will also measure brand insights, customer behavior, competitor insights and performance analytics across all key digital channels to give empowering business insights on a unified platform



- **Launch of 3D Bathroom Visualizer – Live on Hindware Website**
  - Empowers the customers to experience the actual setting of bath products instantaneously in custom built 3D concept bathrooms

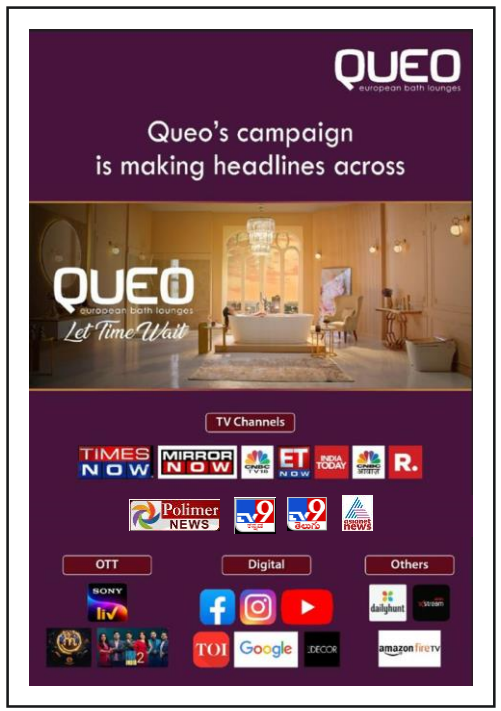


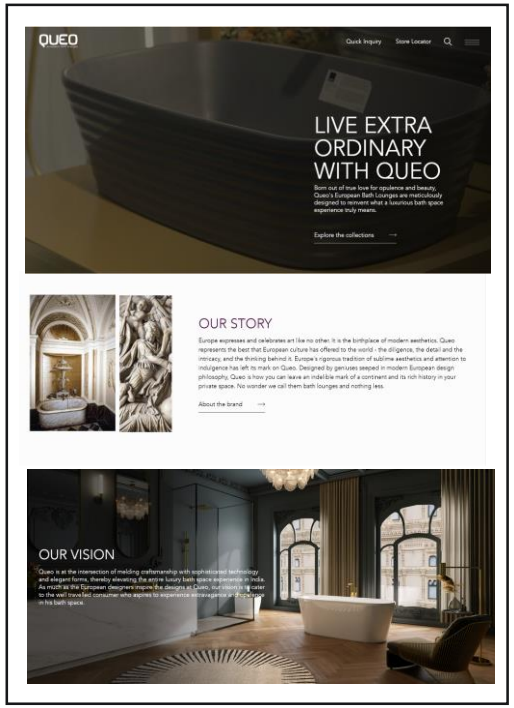
Marketing Initiatives

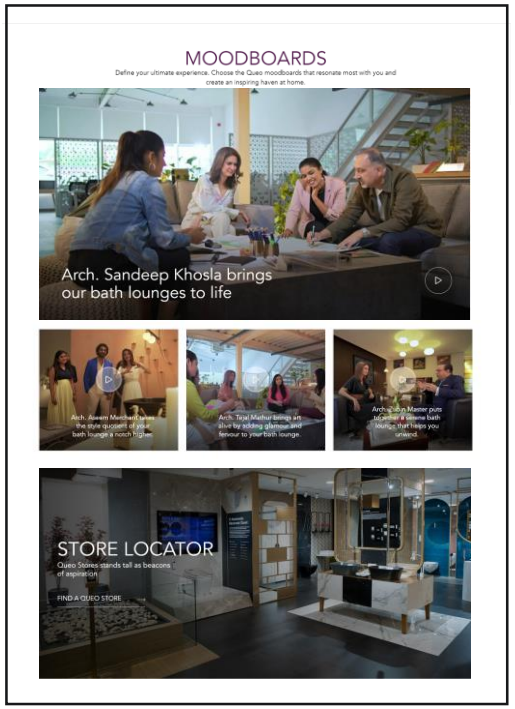
- **Queo New brand film launched with redefined brand identity & positioning-“Let Time Wait”**
  - 105Mn impressions on digital and OTT
  - Extensive PR coverage of 150+ stories with PR value

- **QUEO Refresh Website Launched**
  - QUEO’s brand new website with new brand story “LIVE EXTRAORDINARY WITH QUEO” focusing on accentuation of the brand and its products in the target consumer’s minds









Marquee Clients



Plastic Pipes & Fittings Business Update

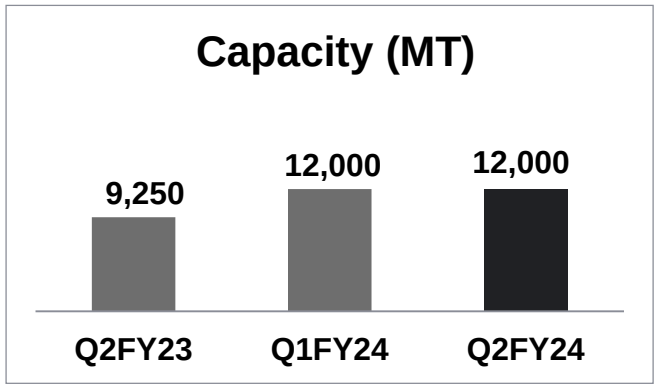
- The Business continue its momentum towards expanding market share and presence across product portfolio despite slight headwinds on account of muted demand in home plumbing segment
  - Endeavour towards maintaining prices in line with superior quality product offering while driving volume growth
  - Sustained thrust on increasing brand awareness to further improve market share

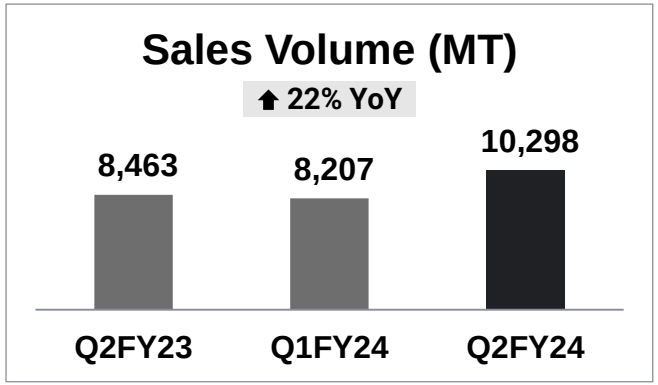
- Diversified into PTMT Faucets and Accessories to offer comprehensive plumbing solutions for customers' needs

- Exclusive collaboration up with RWC Reliance Worldwide Corporation to launch Truflo Sharkbite, a range of innovative multilayer composite pipes and fittings

- Establishing a new manufacturing facility in Roorkee, Uttarakhand, and construction of the facility is underway



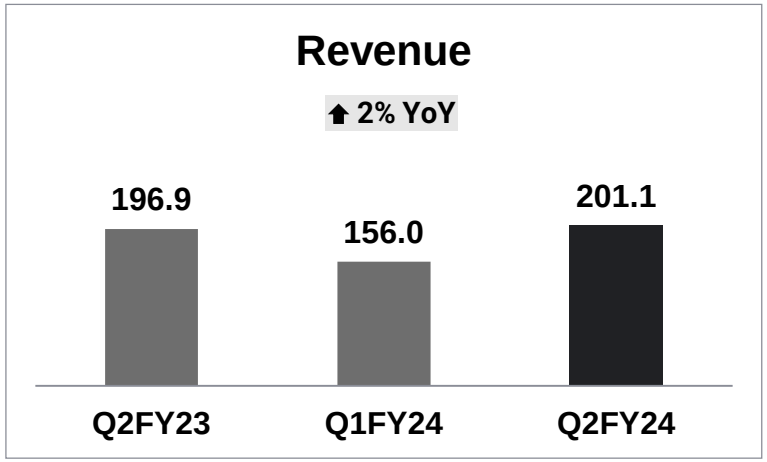


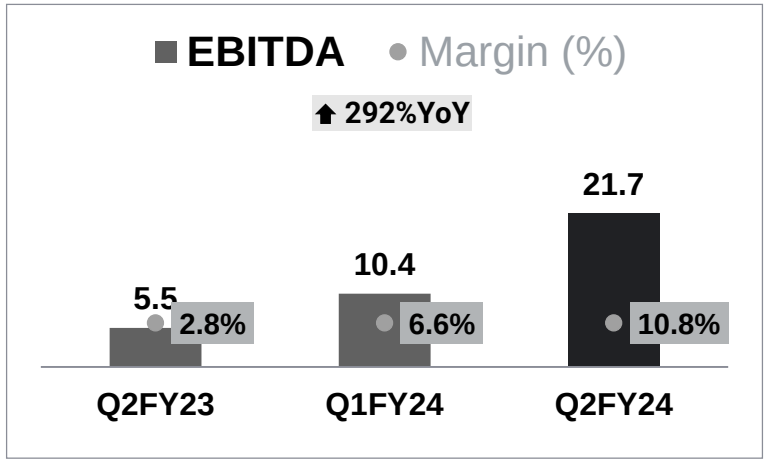


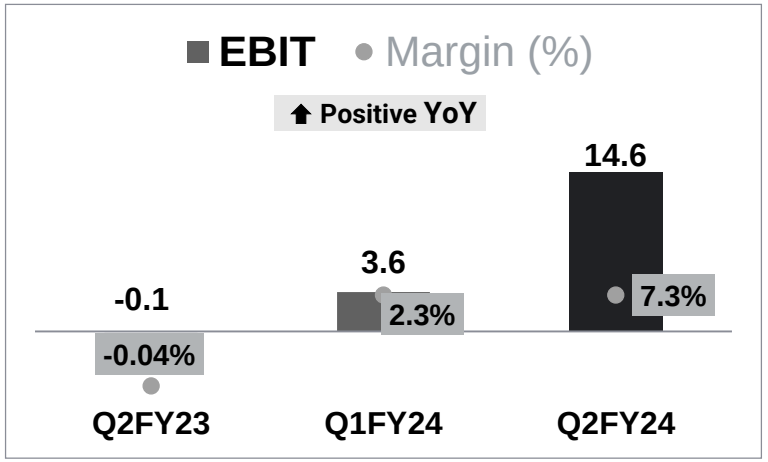
Note : *Above stated financials are rounded off and as per management reported figures*

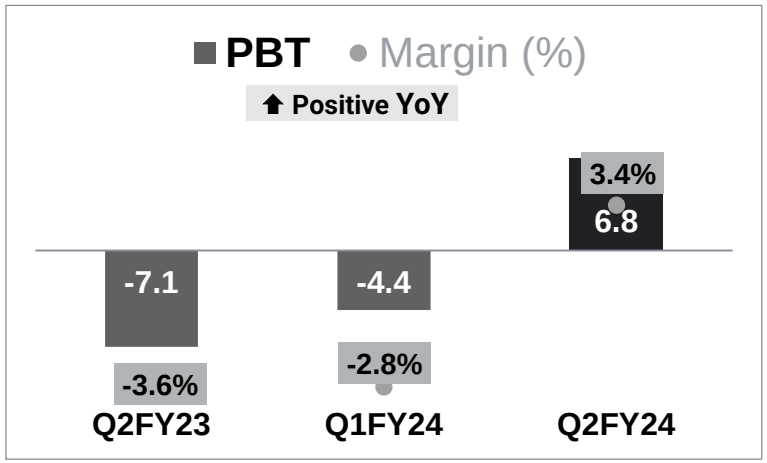
Plastic Pipes & Fittings Business Update – Q2 FY24

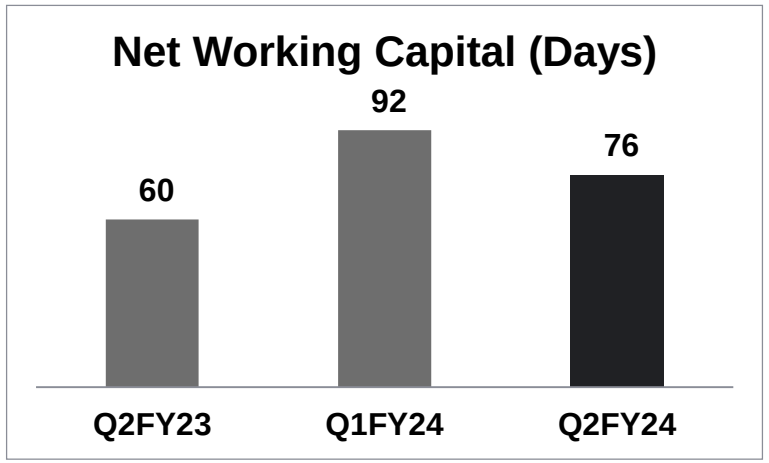
(₹ in crore)

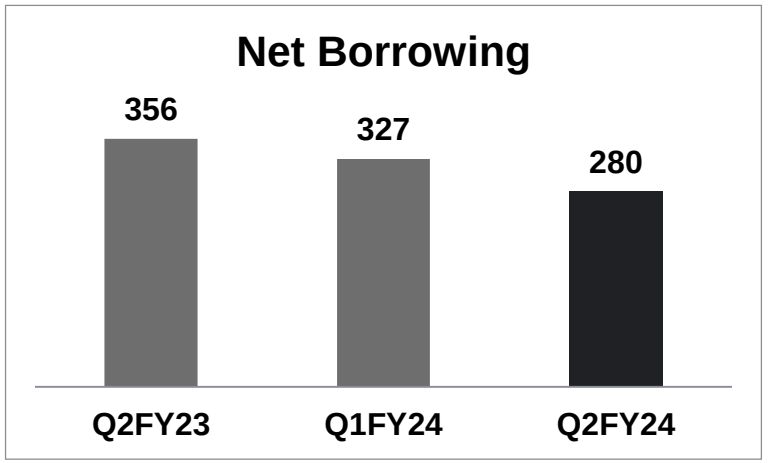












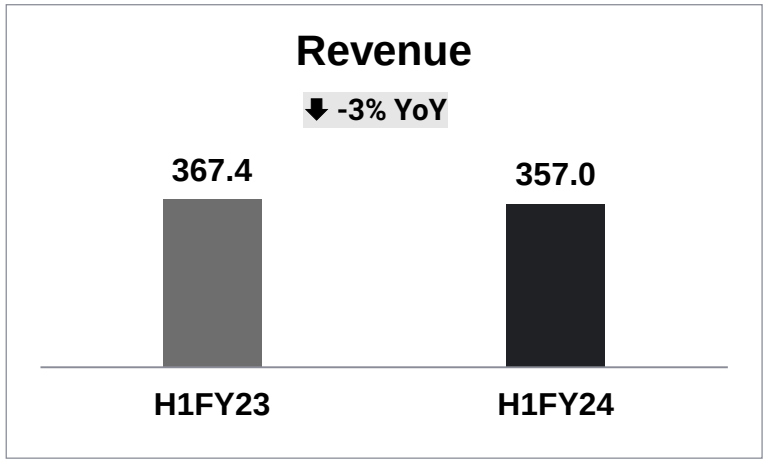
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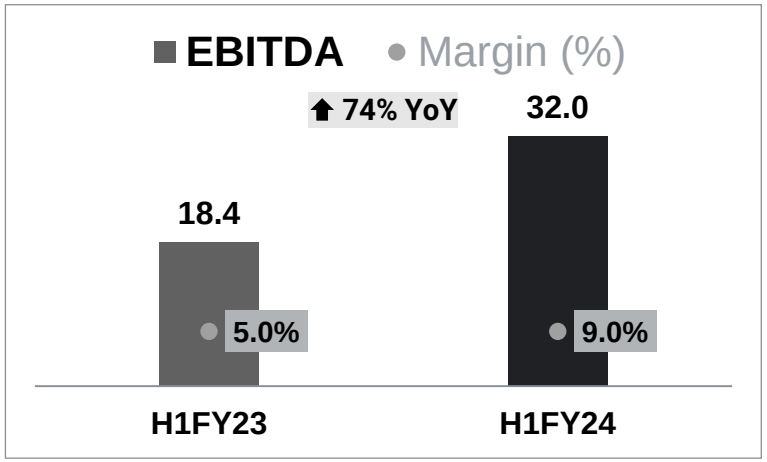
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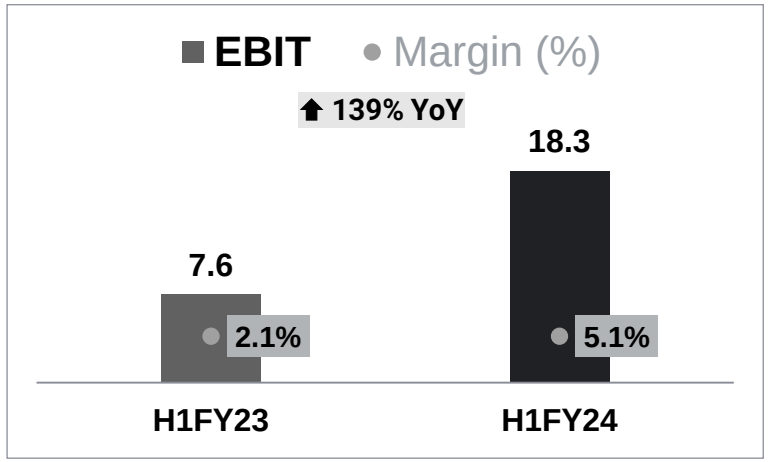
hindware
home innovation limited

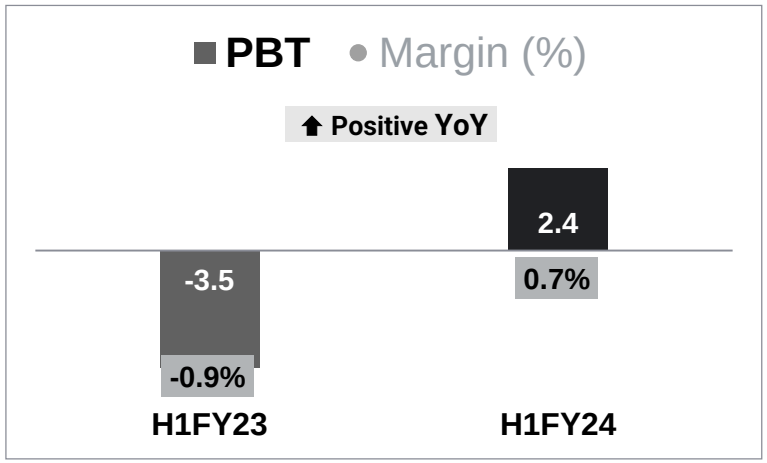
Plastic Pipes & Fittings Business Update – H1FY24

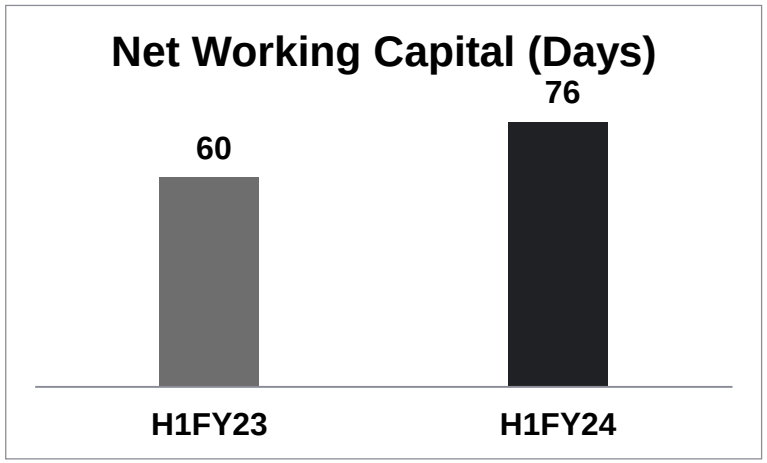
(₹ in crore)

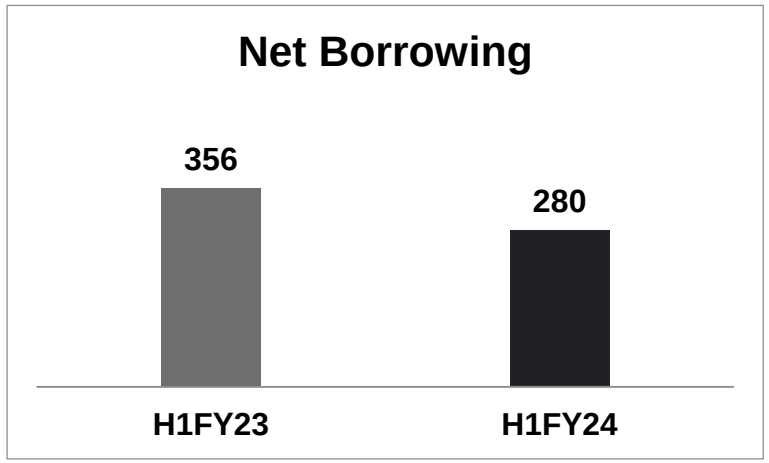












Notes :

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Plastic Pipes & Fittings

- TRUFLO by Hindware, is the fastest growing plastic pipes and fittings brand in India
    - With 2000+ SKUs already being offered and many more being added, TRUFLO aims to be amongst the top 5 CPVC players in 3 years
- In-house manufacturing for better efficiencies & end to end logistics and supply chain control
- The Company offers CPVC pipes for hot and cold-water plumbing applications, along with lead-free UPVC pipes, SWR pipes, PVC pipes for potable water, column pipes and overhead water storage tanks
    - Currently, the business has 300+ active distributors with more than 30,000+ dealers/retail outlets
- Best-in-class, NSF-certified (uses CPVC compound Durastream, supplied by ~US$10 Billon Sekisui Chemical Co. Ltd.)



Market Size

~₹22,000 crore

TRUFLO by Hindware™, addressable market size

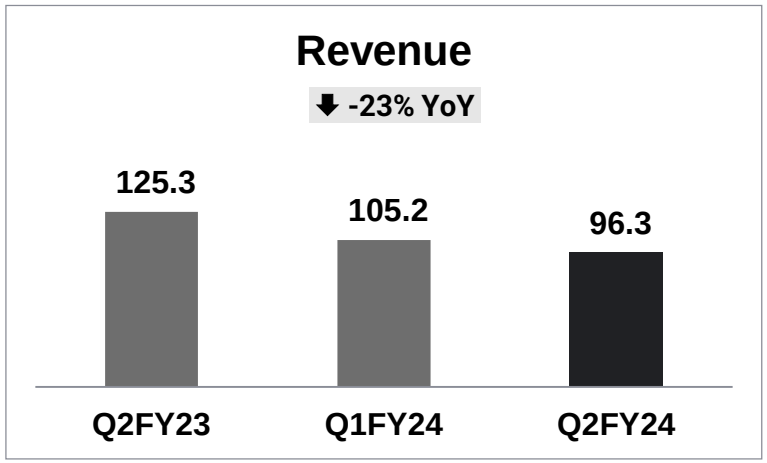


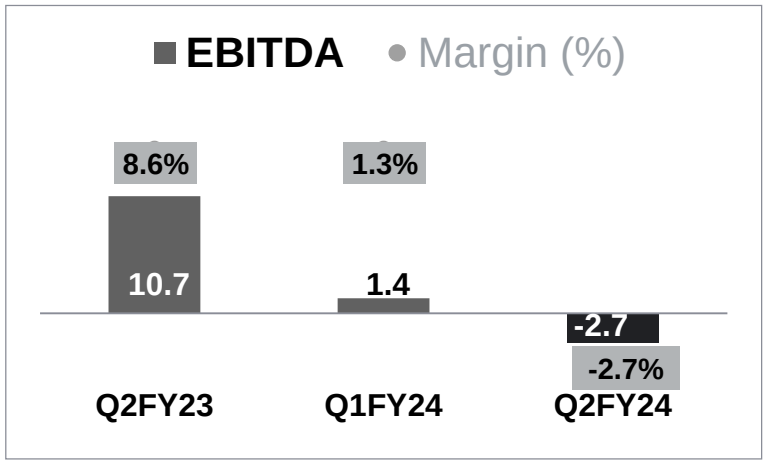


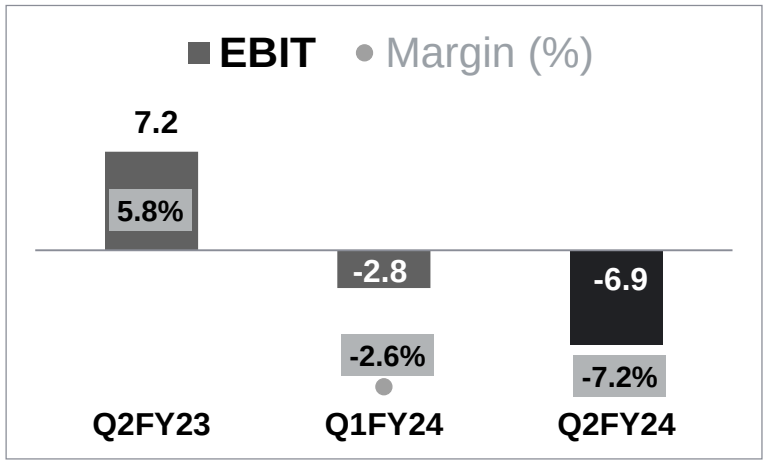
Consumer Appliances Business

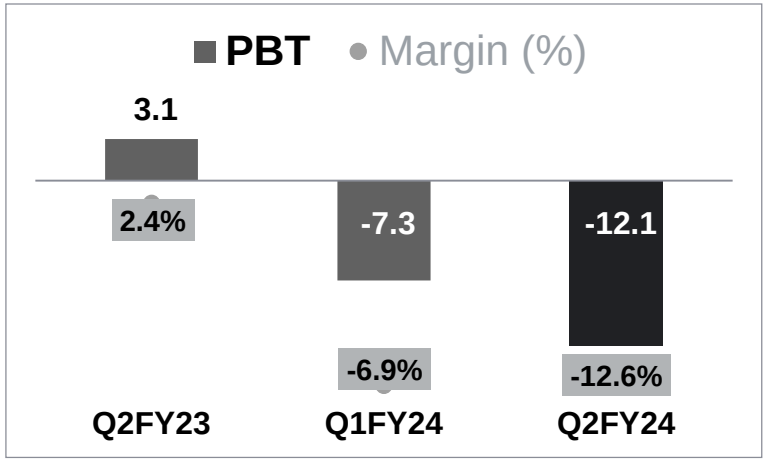
Consumer Appliances Business Update – Q2 FY24

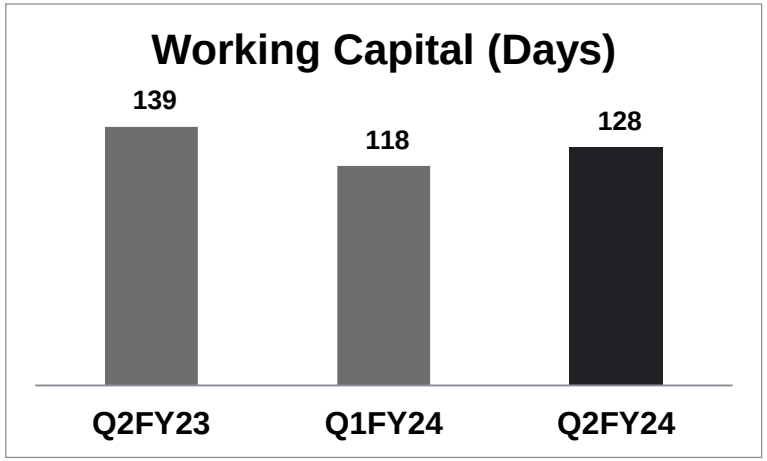
(₹ in crore)

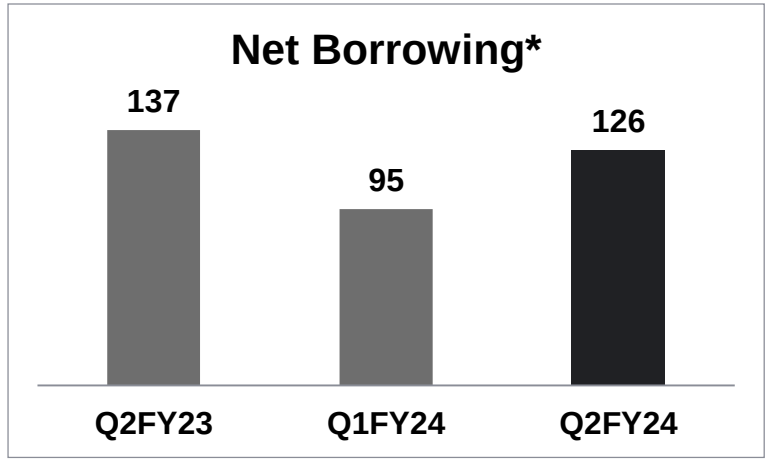












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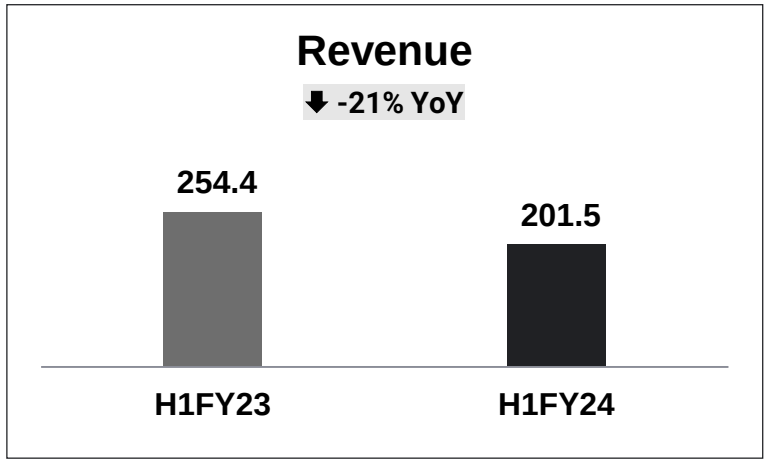
1. *** Net Borrowing figure is for Hindware Home Innovation Limited on a standalone basis*

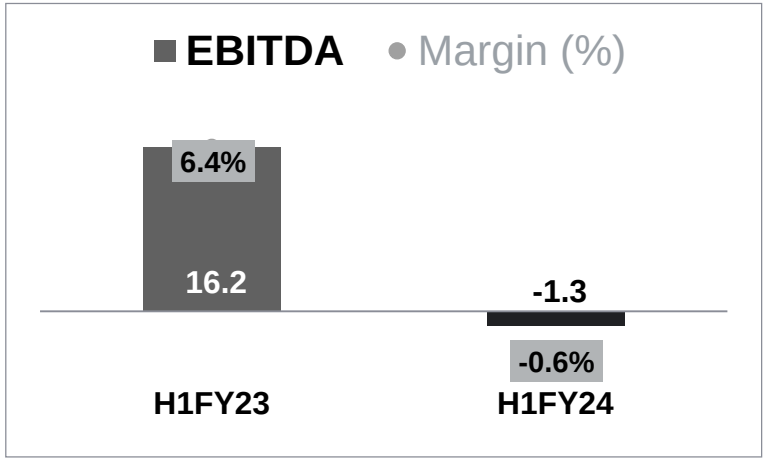
2 . Above stated financials are rounded off and as per management reported figures

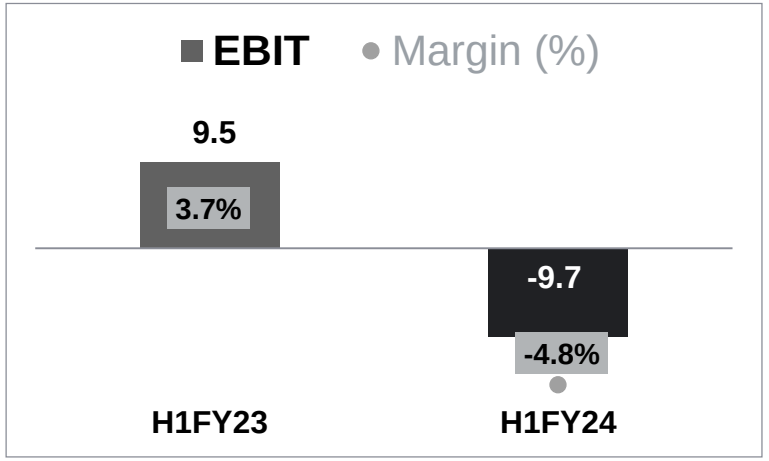
hindware
home innovation limited

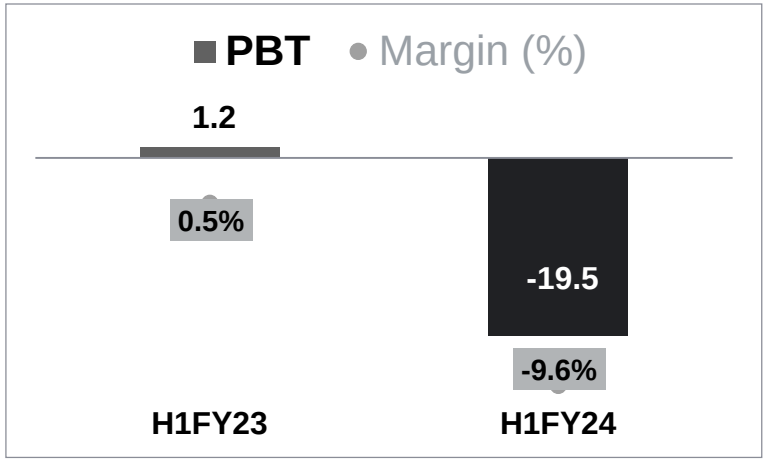
Consumer Appliances Business Update – H1 FY24

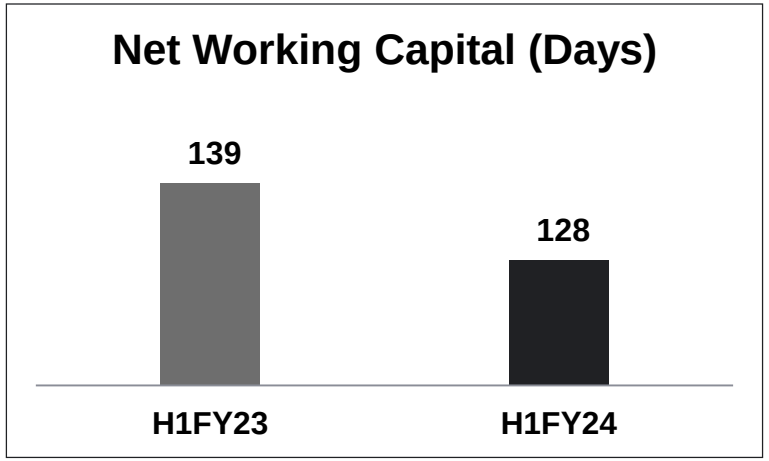
(₹ in crore)

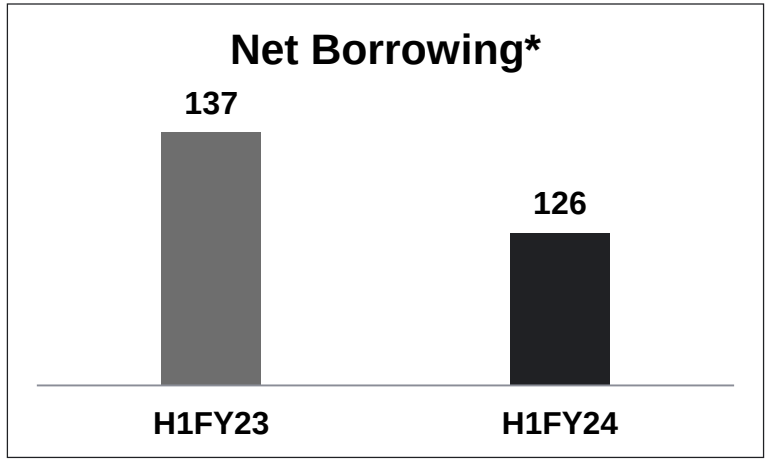












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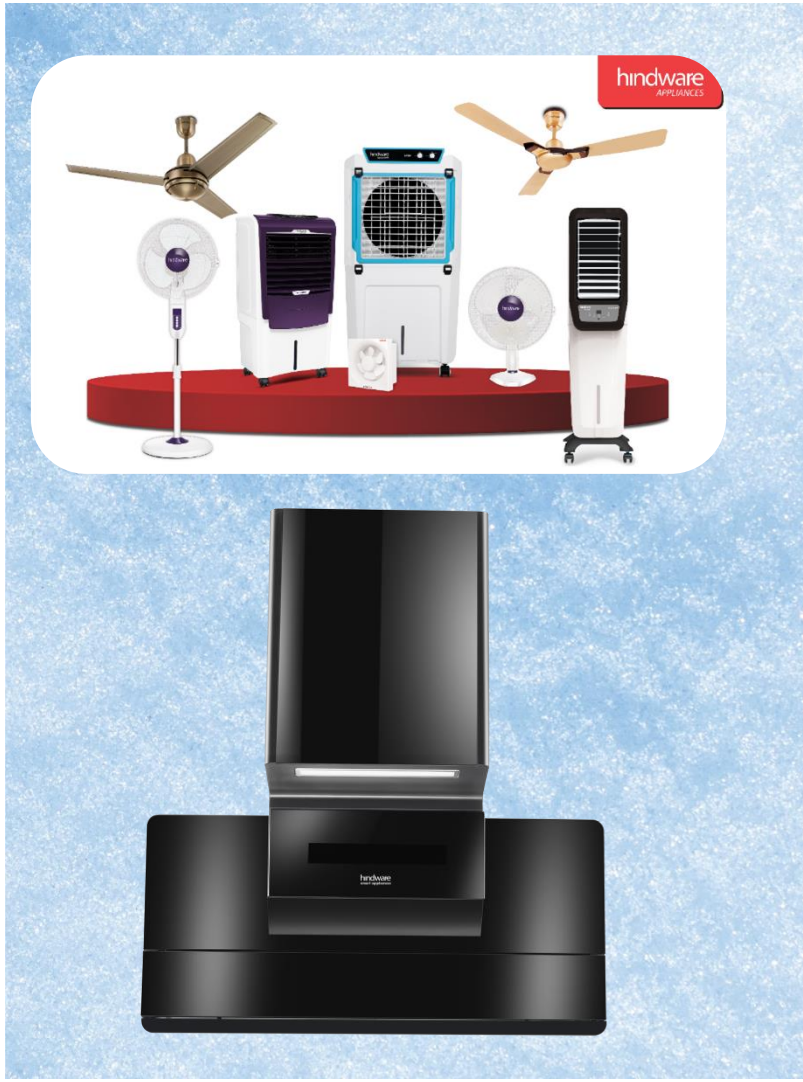
1. *** Net Borrowing figure is for Hindware Home Innovation Limited on standalone basis*

2 . Above stated financials are rounded off and as per management reported figures

hindware
home innovation limited

Consumer Appliances Business Update

- Consumer Business built over last 6 years with a leading position in Kitchen appliances and growing presence in water heating and air coolers segments
- Revenue stood at ₹96 crore in Q2FY24 and ₹202 crore in H1FY24
  - Market sentiment facing challenges on account of liquidity pressure, higher interest rates and shifting of festival season to Quarter 3
  - Market maintains a positive outlook for the upcoming festive season, driven by optimistic market dynamics and consumer preferences
  - Maintained leading position in kitchen appliances segment despite inflation and rising competition
  - Unseasonal rains impacted air coolers demand
- The Company has an extensive network in India with 1400+ distributors and 13,000+ retailers, supported by a versatile commerce strategy effective in both online and offline domains
- With 33 patents filed since inception, providing us a distinct 'Product Differentiation' advantage
- Successful launch of the Hintastica Private Limited (JV) line of heating appliances at its state-of-the-art manufacturing facility in Jadcherla, Telangana, is delivering as per expectations



Diverse and Exciting Products & Brands

hindware
smart appliances



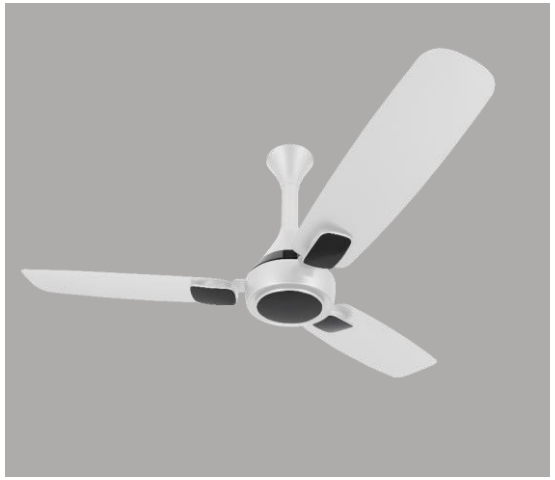
Kitchen Appliances



Air Coolers



Water Purifiers



Fans



Kitchen & Furniture Fittings



Water Heaters
(50:50 JV with Groupe Atlantic)

Thank You



hindware
home innovation limited

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