

hindware

home innovation limited

ACCELERATING GROWTH ASPIRATIONS

AGILE • FLEXIBLE • INNOVATIVE

Investor Presentation

August 24, 2022



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Business Overview

Premium Consumer Appliances and Building Products Company

hindware

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



Strong Growth Outlook across product segments and geographies



Consumer Appliances Business (CAB)



33 patents filed since inception



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



Retail Touch Points
35,000+



Distribution Partners
3,100+



Modern & Retail Outlets
700+



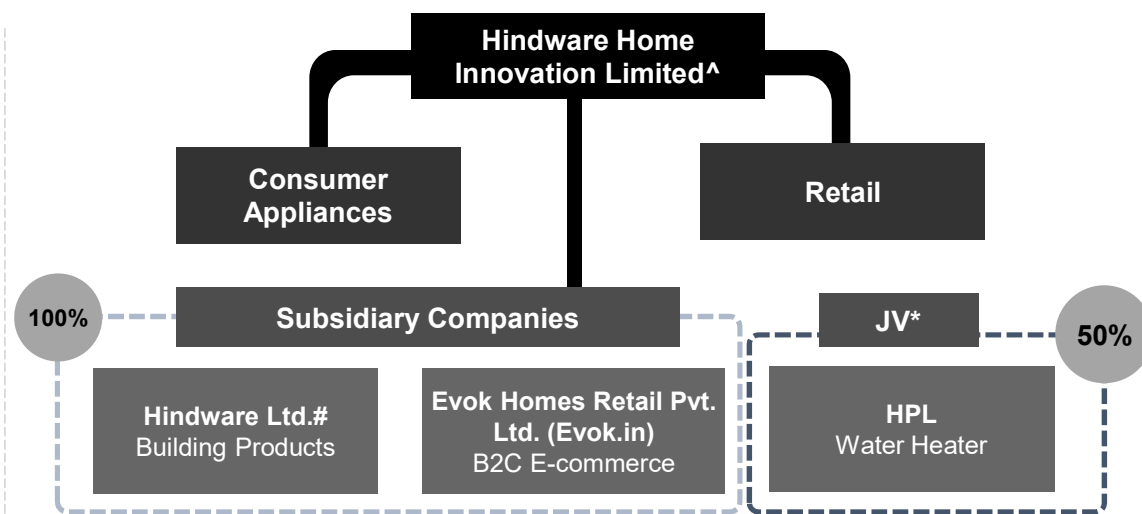
Omni-channel presence

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

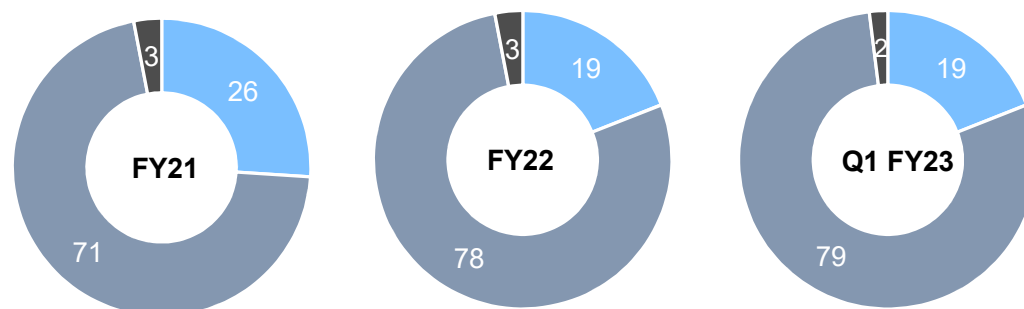
About Us:

The company is refreshing its identity to Hindware Home Innovation Limited[^]

- 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 to cater to markets across geographies for our plastic pipes business
 - **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



Revenue Mix (%)



Building
 Consumer
 Retail
 ▶▶▶▶▶ 4

**Note: Wholly-owned subsidiary of Hindware Home Innovation Limited till 19th August 2021*

[^] Formerly Somany Home Innovation Limited

[#] Formerly Brilloca Limited

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

- Emphasis on further improving capital return ratios in the long term
- Completely integrated player: High quality, versatile manufacturing and sourcing combined with 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

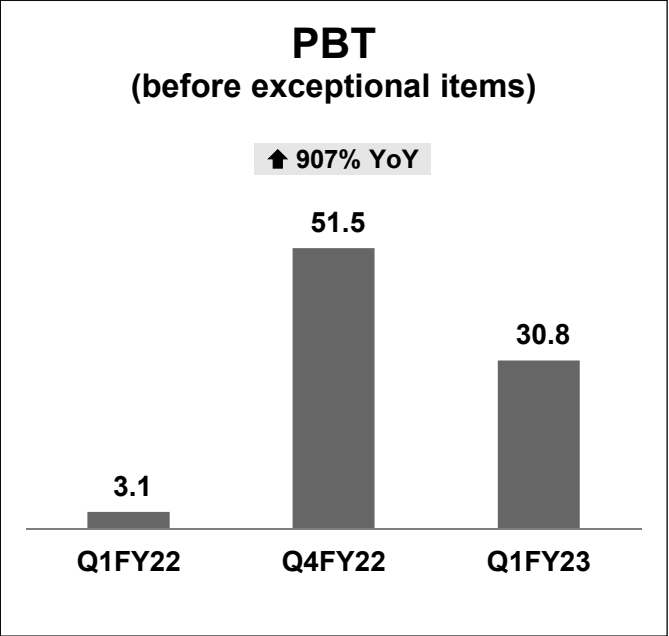
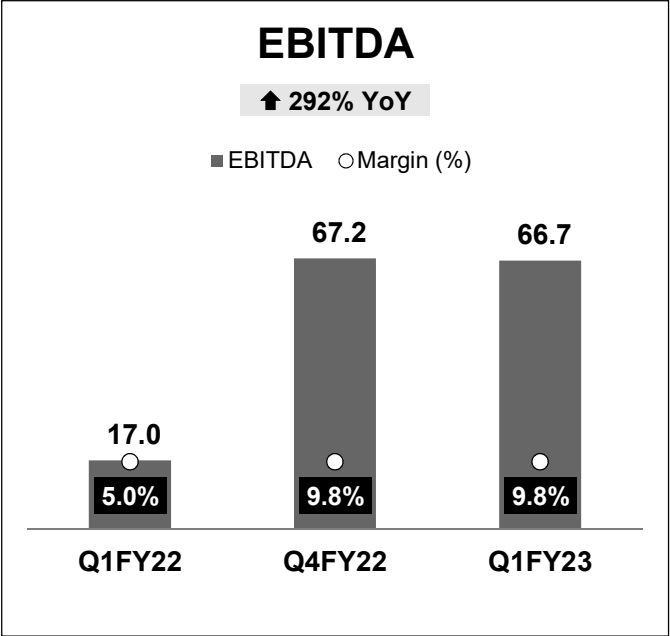
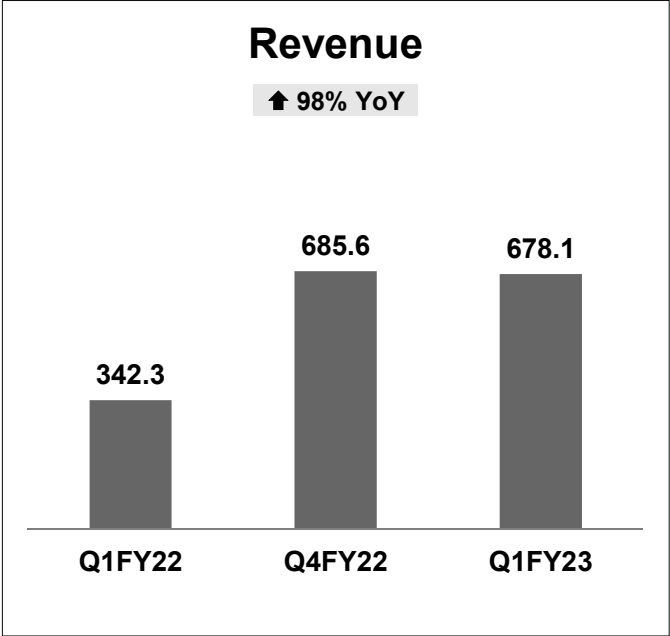
A photograph of a modern bathroom vanity. On the left, a white countertop holds a clear glass vase with a green orchid plant. To the right, a white rectangular sink is set into the countertop, featuring a sleek, curved waterfall faucet. The background consists of a dark wood-grain wall panel and a dark tiled wall. A semi-transparent white box with a dashed border is overlaid on the image, containing the text 'Q1 FY23 Financial Performance'.

Q1 FY23 Financial Performance

Q1 FY23 Performance (Consolidated)

(₹ in crore)

Q1 FY 23

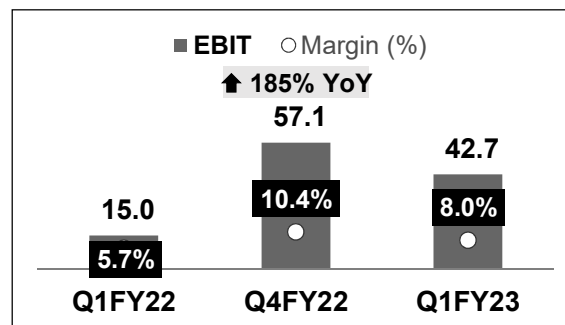
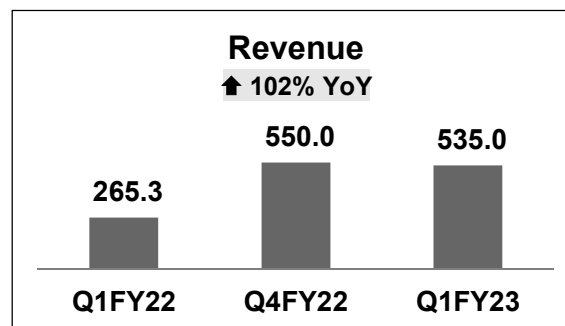


Note: Q1 FY23 is the first quarter post acquisition of the Building Products manufacturing division of AGI Greenpac Limited (formerly HSIL Limited), by wholly owned subsidiary Hindware Limited. Hence, the consolidated results for the quarter ended 30th June 2022 are not comparable with 31st March 2022 and 30th June 2021.

Q1 FY23 – Building Products Business Update

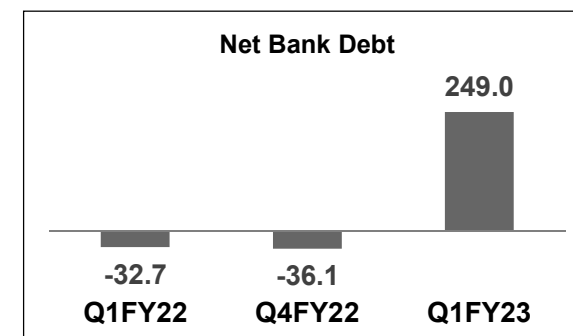
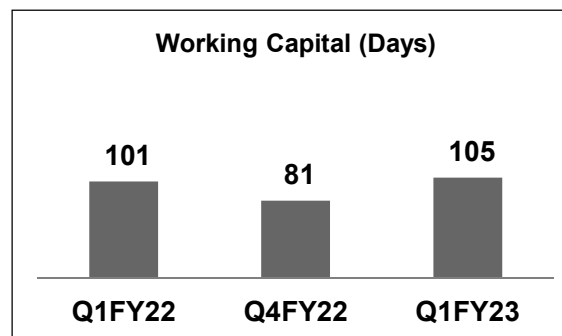
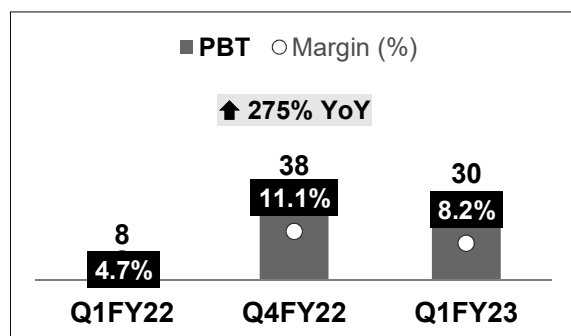
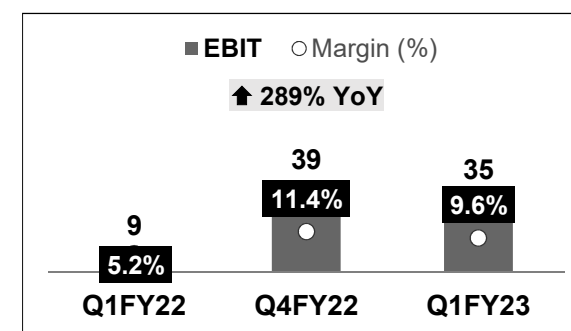
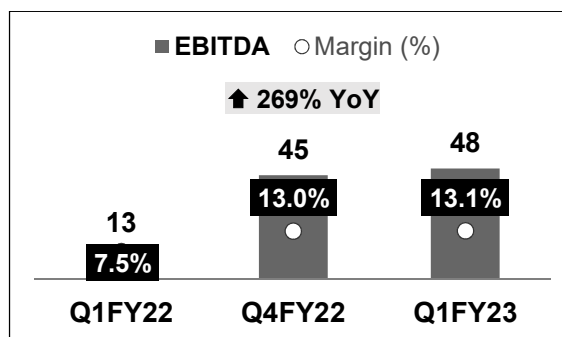
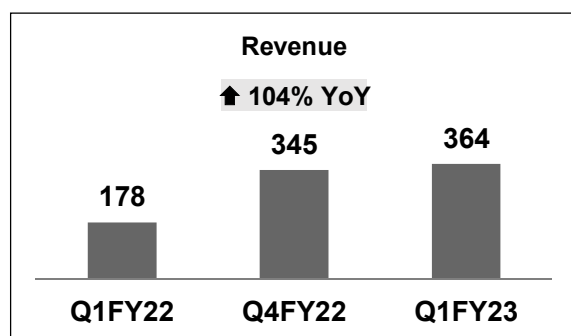
- Sanitaryware and Faucets continued to deliver industry-leading growth performance, led by
 - New product launches including marquee products such as Easy Clean and Ellipse
 - Expanded distribution network, added 75+ new distributors
- Financial performance underscores continued strong customer preference
 - Revenue higher by 102% Y-o-Y to ₹535 crore
 - EBIT increased by 185% Y-o-Y by to ₹ 43 crore
- Decline in Bathware EBIT on a Q-o-Q basis resulted from a steep increase in prices of key inputs, namely Brass ~6%-8%, from Q3FY22 onwards and ~15%-20% in fuel & power in Q1FY23. This increase due to a stressed macro environment erased gains derived from commencement of manufacturing operations post acquisition of the Building Products division of AGI Greenpac Limited
- Undertook calibrated price hikes to offset the impact of higher input prices in coming quarters
- Polymer prices decreased ~14%-16% in Q1 FY23 while Fuel & Power increased by 10%-12% leading to impact on Pipes & Fittings margins

(₹ in crore)



Q1 FY23 – Bathware Business Update

(₹ in crore)

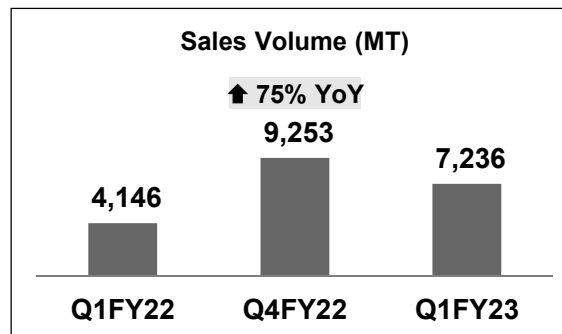
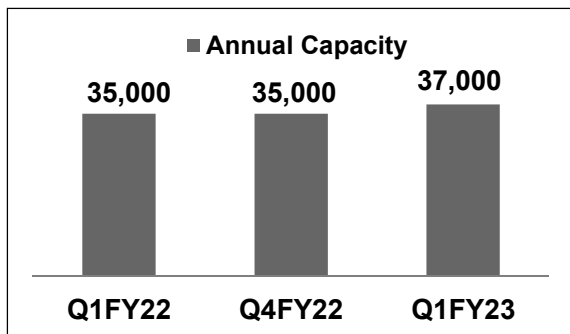


Notes :

1. Q1 FY23 is the first quarter post acquisition of the Building Products manufacturing division of AGI Greenpac Limited (formerly HSIL Limited), by wholly owned subsidiary Hindware Limited. Hence, the consolidated results for the quarter ended 30th June 2022 are not comparable with 31st March 2022 and 30th June 2021
2. Above stated financials are rounded off and as per management reported figures

Q1 FY23 – Plastic Pipes & Fittings Business Update

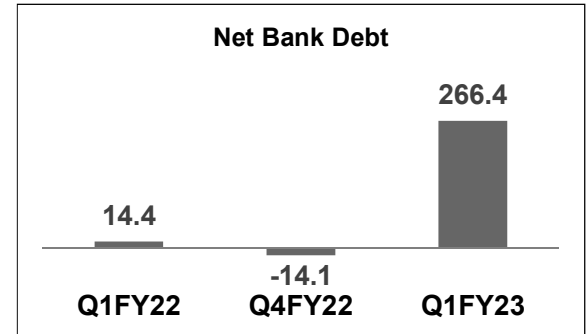
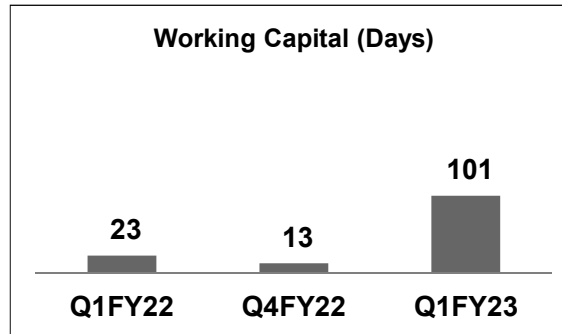
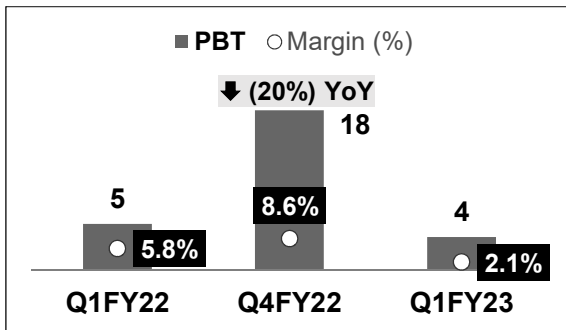
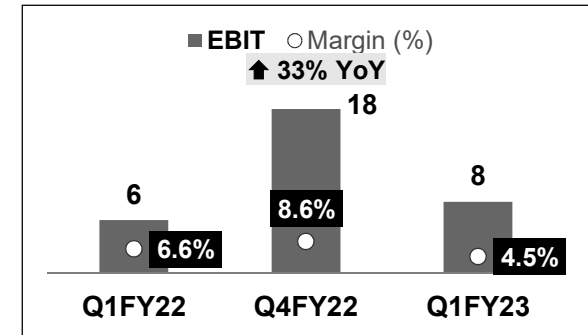
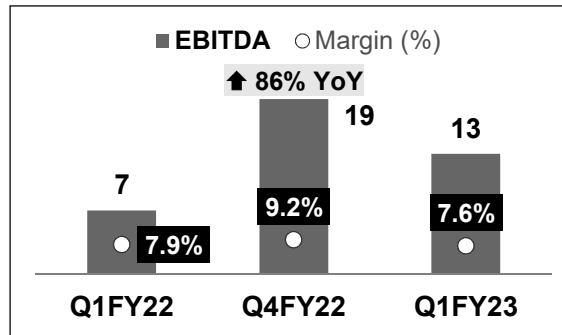
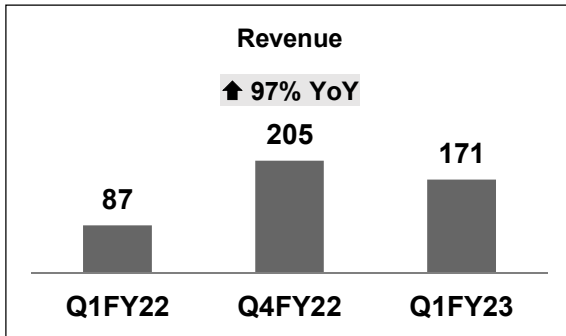
- Delivered encouraging growth of 97% Y-o-Y with revenue at ₹171 crore; Continues to be the fastest growing plastic pipes brand in India
 - Rising brand awareness and superior product quality remain the driving forces behind higher sales, volumes, and market share
 - Enhanced connect with plumbers through training programs
 - Started channel partner incentive programs
 - Additional 200 + SKU's introduced
 - Strong market demand for overhead water storage tanks
- Towards enhancing reach and market access, a new manufacturing facility is being set up in Roorkee, Uttarakhand. Land for the same has been finalized, registration and other documentation is in process
 - Total investment: ~ ₹ 180 crore. Targeted initial production capacity: 12,500 MT annually



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

Q1 FY23 – Plastic Pipes & Fittings Business Update

(₹ in crore)



Notes :

1. Q1 FY23 is the first quarter post acquisition of the Building Products manufacturing division of AGI Greenpac Limited (formerly HSIL Limited), by wholly owned subsidiary Hindware Limited. Hence, the consolidated results for the quarter ended 30th June 2022 are not comparable with 31st March 2022 and 30th June 2021
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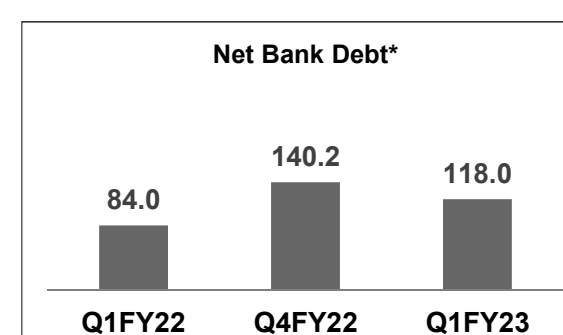
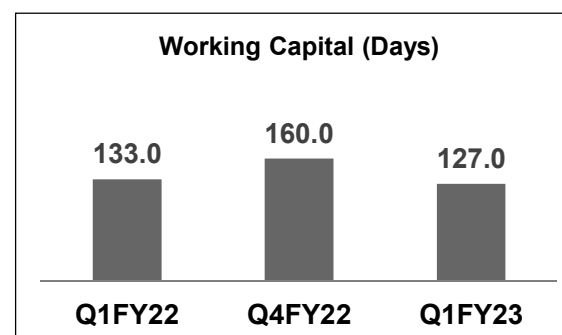
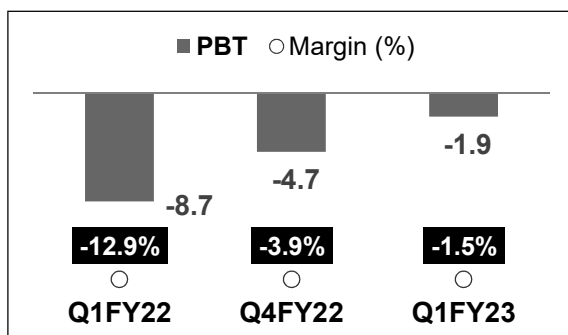
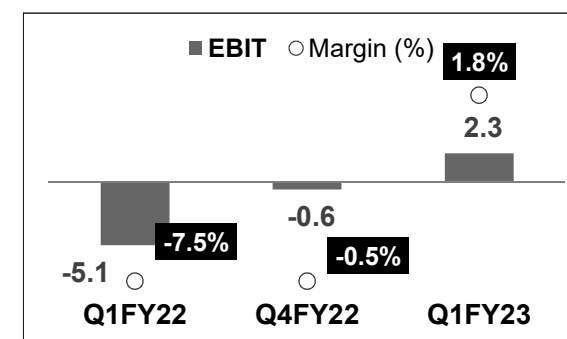
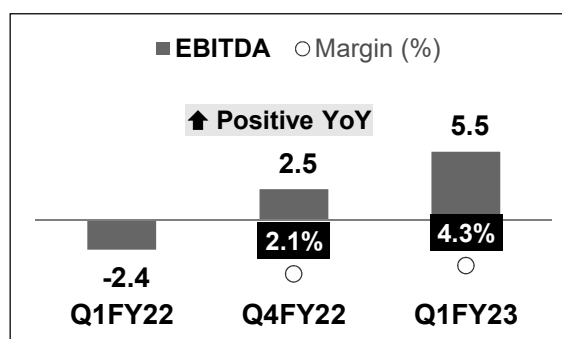
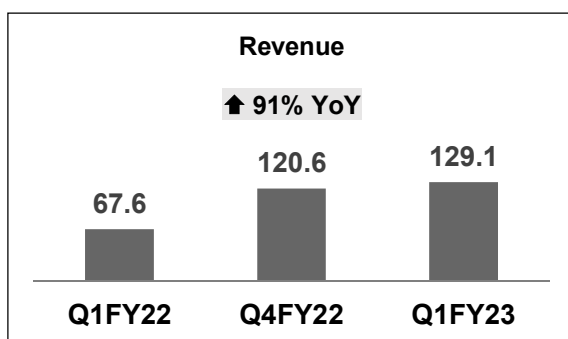
Q1 FY23 – Consumer Appliances Business Update

- Strong product and brand salience helps reduce impact of highly inflationary environment that has affected demand sentiment
 - Revenue grew 93% to ₹128 crore, higher growth rate also attributable to low base in Q1 FY22
 - EBIT came in at ₹2.2 crore
- Undertook price hikes to help combat impact of stubborn input prices; EBIT margins for the quarter improved to 2% for the quarter
- Continued focus on new product introductions: 5 new models with over 13 SKUs launched across product categories in Q1 FY23



Q1 FY23 – Consumer Appliances Business Update

(₹ in crore)

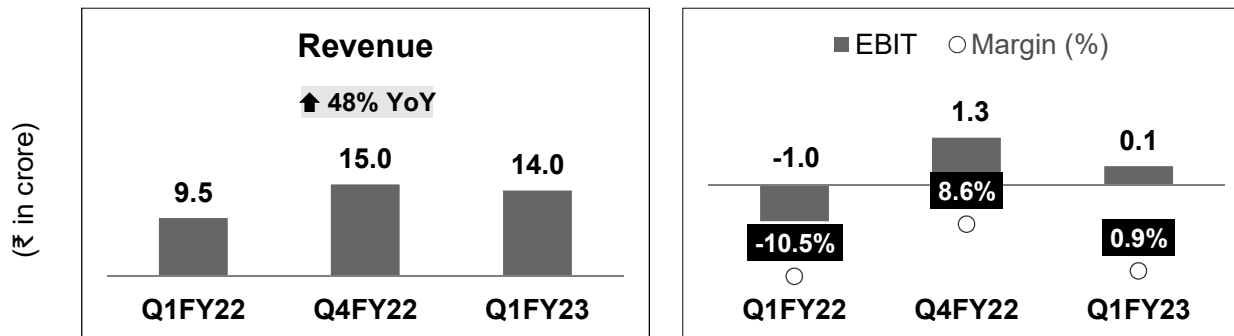


Notes :

- * Net Bank debt figure is for Hindware Home Innovation Limited on standalone basis
- Above stated financials are rounded off and as per management reported figures

Q1 FY23 – Retail Business Update

- Delivered steady performance in the quarter despite margin constraints
 - Revenue stood at ₹14 crore, registering a growth of 48% Y-o-Y
 - EBIT remained flattish and came in at ₹0.12 crore translating into an EBIT margin of 1%
- Improved strategy to highlight franchises & online retail through owned websites like www.evok.in and other e-commerce platforms in order to sustain profitability
- EVOK has improved its omni-channel presence owing to an approach comprising online shopping and EVOK franchise stores nationwide.
- Breakthrough achieved in the Project segment - made one office for a large PSU



The slide features a black background with several diagonal, semi-transparent grey bands crossing from the top-left to the bottom-right. In the center, there is a light grey rounded rectangle with a dashed white border. Inside this rectangle, the text "Business Segments Overview" is displayed in a bold, black, sans-serif font, centered horizontally and vertically.

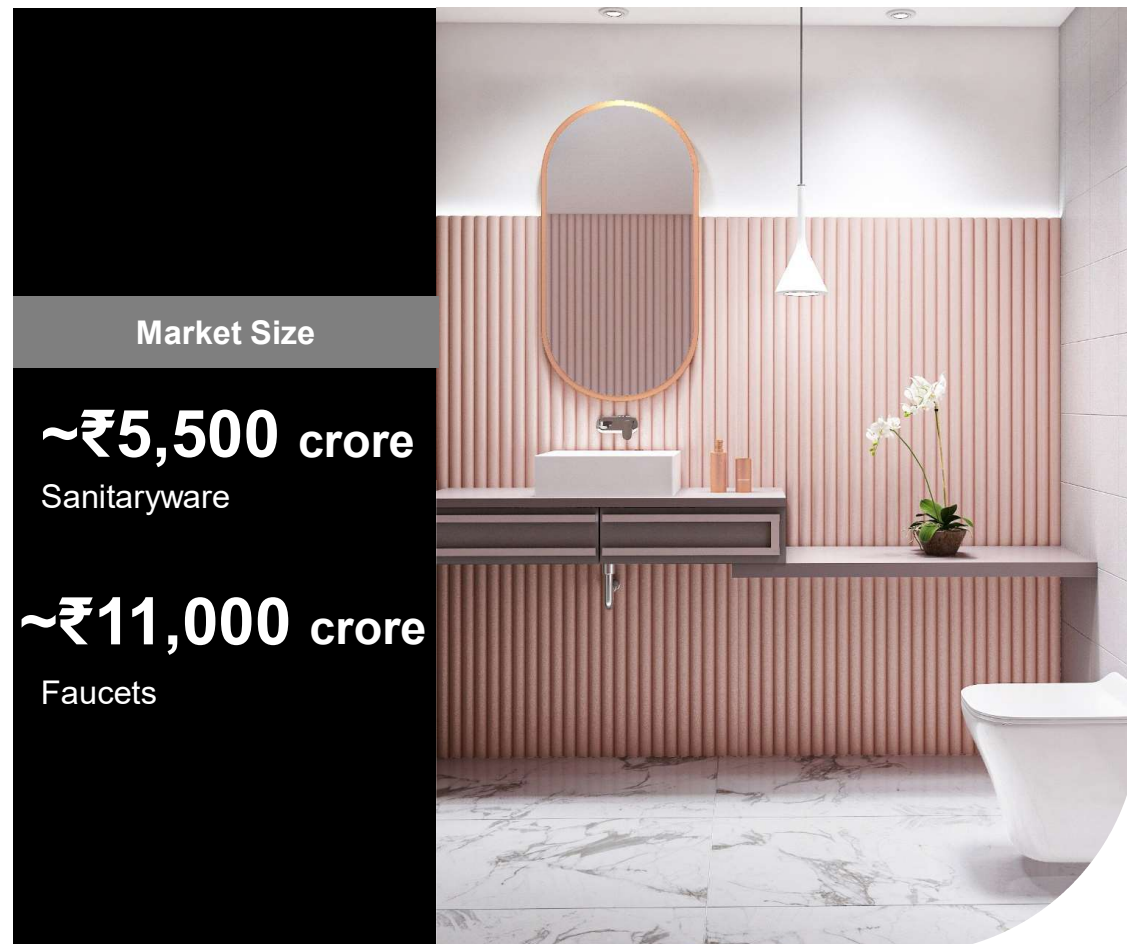
Business Segments Overview



Building Products Segment

Building Products Business: Bathware

- Leading player in sanitaryware & faucets segments
 - Brands available across price points
- Expanded our reach in the Indian tiles market, with plans to expand the network further
- Control over entire value chain and strong network of distribution and service
 - In-house manufacturing and sourcing capabilities of Sanitaryware and Faucets, to have better and efficient control over processes
 - 330+ Brand Stores for an immersive customer experience
 - 400+ Distributors for wide network
 - 15,000+ active retail touchpoints
 - Catering to 1200+ institutional clients
 - A service network of 550+ technicians pan India covering more 700+ districts, with a TAT of 24 hours in metro markets and 48 hours in upcountry markets
- Building eco-system for accelerated growth
 - Constant engagement with intermediaries & end-users
 - Providing platform to all the channel partners to help them keep track of their operations
 - Establish Hindware as a modern, innovative, design-led brand to connect with millennials
 - Increased brand salience at retail (product displays and refreshed in-shop imagery)
 - Expand the distribution reach to establish a truly pan-India presence



Industry- First Innovative-Design Led Products

hindware *italian* collection

Easy clean

SWITCH TO A SMARTER BATHROOM.

Visit www.hindware.com for more such bathroom solutions.

Modern Design, Pop-Up Waste Couplings, Self-Clean Flow Detection Function, Ensures Hygiene, Post-Cleanse Turbidity

#hindware #hindware_homes #hindwarehomes

WHERE EASE KNOWS NO BOUNDS

Presenting our ravishing Ellipse basins that are inspired by the square shape. These countertop Ellipse basins are designed to give a premium and clean look to your bathspace. It will adorn your bathspace like no other with its defined and smooth edges. The in-built holders are added to the design to give the illusion of more space. This way you can avoid the cramped look.

RETAINABLE HOLDERS INSURES HYGIENE, POP-UP WASTE COUPLING, IN-BUILT STYLISH HOLDERS, DUAL SINK-SQUARE

TANKLESS FUTURE OF BATHROOM

1ST TIME IN INDIA

Unique Space Saving Design, Water Saving Efficient 4L Flushing, Handle-Free Installation

TOUCH-FREE TECHNOLOGY

WATER CLOSETS WITH TOUCH-FREE FLUSHING FOR GREATER SAFETY & HYGIENE.

#TouchFeelsCarefree

E Clenz

Intelligent wall mounted water closet at a smart price

AUTOMATE

INTELLIGENT CLOSETS

A range of Hi-tech Toilets that come with a remote control to cater to all your needs at just the press of a button.

Easy Computerized Control Panel, Foot Press Flush, Minimalist Touch Remote



Plastic Pipes & Fittings

- TRUFLO by Hindware, is the fastest growing plastic pipes and fittings brand in India
 - With 1,200+ SKUs already being offered and many more being added, TRUFLO aims to be amongst the top 5 players in 5 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 270+ active distributors with more than 25,000 retail outlets
- Best-in-class, NSF-certified (uses CPVC compound Durastream, supplied by ~US\$10 Billion Sekisui Chemical Co. Ltd.)



Market Size

~₹15,000 crore

TRUFLO by Hindware™,
addressable market size





Consumer Appliances Business

Consumer Appliances Business

- Emphasis on innovation
 - Widest range of connected and smart appliances in the industry
- Forward looking portfolio spanning categories
 - Kitchen appliances & Sinks
 - Water purifiers
 - Air coolers
 - Fans
 - Water heaters (part of 50:50 JV with Groupe Atlantic)
 - Room Heaters
 - Kitchen & Furniture fittings (brand FGV Powered by Hindware, a strategic tie-up with Italian company Formenti & Giovenzana)
- Strong Distribution reach
 - 13,000+ Retail outlets
 - 1,400+ Distributors, dealers and modern & large retail outlets
 - 150+ Exclusive Kitchen galleries

#2

Player in the Kitchen
Chimney Segment

#5

Player in the Air Cooler
Segment*

#6

Player in the Water
Heater Segment*
(50:50 JV with Groupe
Atlantic)

*Source GFK Report, March 2020



Emphasis on R&D and Innovation

- Our in-house R&D is recognised by Department of Scientific and Industrial Research
- With major emphasis on technology and innovation , we have registered 33 Patents (applied for) since inception of our business
- With an aim of attaining leadership position in Smart Appliances, we developed a smart and Intelligent IOT Platform "Hindware Konnect" that has Industry first features such as Single App control, Voice Integration, One Touch SVC Request, Geo Fencing etc.
- Our Key Technology "Maxx Silence" contributed to 19% of our chimney sales and is a benchmark model for the industry

Innovations- Internet of Things

Optimus iPro Chimney

- India's 1st ever IoT – enabled chimney
- MaxX Silence Technology*

Achelous Premium iPro Water Purifier

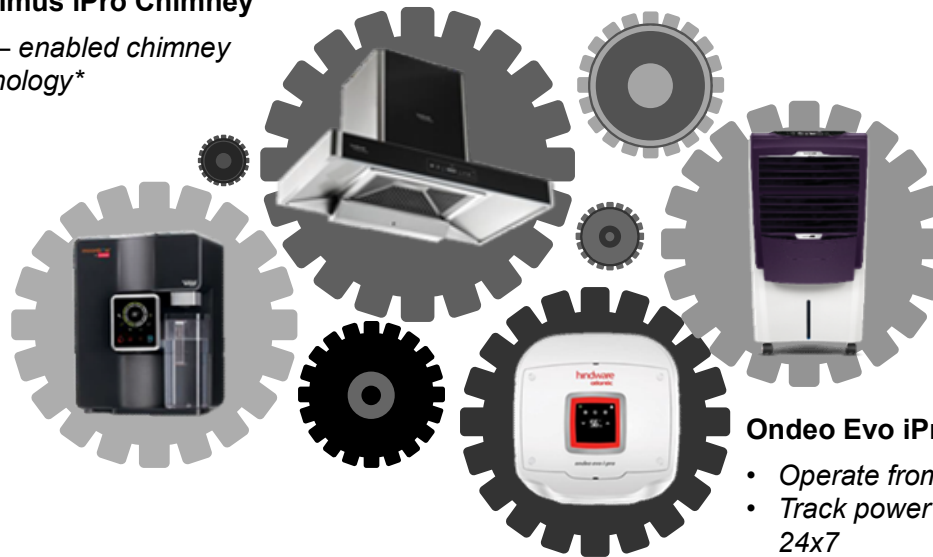
- India's 1st IoT enabled water purifier
- RO Membrane Alert*
- Real-time Filters life Alert*
- Auto-fill Jug

Spectra iPro Air Cooler

- Geo-fencing
- Wi-Fi Direct, Alexa-controlled
- Gesture Control

Ondeo Evo iPro Water Heater

- Operate from anywhere, schedule shower.
- Track power consumption and service status 24x7



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)**



Retail Business

Retail Business

- Specialty home interior products through modern format stores and digital platforms under the brand 'EVOK'
- Offering a range of **5,000+ products** across **17,000+ pin codes**
- Display and Sales centres in Delhi and Faridabad and a growing chain of franchise stores
- Strong e-commerce presence through online portal [EVOK.in](https://www.evok.in) and other e-commerce giants such as Amazon, Flipkart, Pepperfry, etc.
- Priorities of go-to-market approach
 - Increase the number of franchise to establish a Pan India presence, Take it to 45+ Franchise stores by Year end.
 - Focus on on-line retail channels in terms of developing new Products, Build on Hyper Local Initiative
- Emphasis on minimising overheads; higher profitability – move from Cash burn to Cash earn
- Collaboration with Dalmia Group (Hippo Store) as SIS operation, First SIS open in Noida

34+

Company owned and Franchise Stores





Thank You



Naveen Malik



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