

# hindware

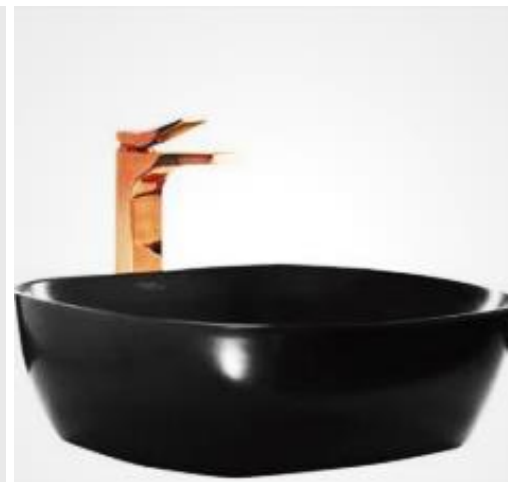
home innovation limited

## ACCELERATING GROWTH ASPIRATIONS

AGILE • FLEXIBLE • INNOVATIVE

## Q1 FY24 Financial Result Presentation

August 10, 2023



# Disclaimer

This presentation has been prepared by Hindware Home Innovation Limited (formerly Somany Home Innovation Limited) (the “Company”) solely for your information and may not be distributed, reproduced, or redistributed or passed on directly or indirectly to any other person, whether within or outside your organization or firm, or published in whole or in part, for any purpose by recipients directly or indirectly to any other person. By accessing this presentation, you agree to be bound by the following restrictions and to maintain absolute confidentiality regarding the information disclosed in these materials. The Company may alter, modify or otherwise change in any manner the contents of this presentation, without obligation to notify any persons of such change or changes. This presentation and its contents are confidential and may not be copied, published, reproduced or disseminated in any manner. This presentation may contain certain forward looking statements based on the currently held beliefs and assumptions of the management of the Company which are expressed in good faith and in their opinion, reasonable. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in such forward-looking statements as a result of various factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. Many factors could cause the actual results, performances, or achievements of the Company to be materially different from any future results, performances, or achievements. Significant factors that could make a difference to the Company’s operations include, but are not reasonable to, domestic and international economic conditions, changes in government regulations, tax regime and other statutes. The Company does not undertake to revise any forward-looking statement that may be made from time to time by or on behalf of the Company. This presentation contains certain supplemental measures of performance and liquidity that are not required by or presented in accordance with Indian GAAP, and should not be considered an alternative to profit, operating revenue or any other performance measures derived in accordance with Indian GAAP or an alternative to cash flow from operations as a measure of liquidity of the Company. In no event shall the Company be responsible to any person or entity for any loss or damage, whether direct, indirect, incidental, consequential or otherwise, arising out of access or use or dissemination of information contained in this presentation, including, but not limited to, loss of profits. No representation, warranty, guarantee or undertaking (express or implied) is made as to, and no reliance should be placed on, the accuracy, completeness or correctness of any information, including any estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein and, accordingly, none of the Company, its advisors and representative and any of its or their affiliates, officers, directors, employees or agents, and anyone acting on behalf of such persons accepts any responsibility or liability whatsoever, in negligence or otherwise, arising directly or indirectly from this presentation or its contents or otherwise arising in connection therewith. You must make your own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and must make such independent analysis as you may consider necessary or appropriate for such purpose. Any opinions expressed in this presentation are subject to change without notice and past performance is not indicative of future results. By attending this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company’s business. This presentation and its contents are not and should not be construed as a prospectus or an offer document, including as defined under the Companies Act, 2013, to the extent notified and in force) or an offer document under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. This presentation is not for publication or distribution or release in any country where such distribution may lead to a breach of any law or regulatory requirement. The information contained herein does not constitute or form part of an offer, or solicitation of an offer to purchase or subscribe, for securities for sale. The distribution of this presentation in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions. None of the Company’s securities may be offered or sold in the United States without registration under the U.S. Securities Act of 1933, as amended, except pursuant to an exemption from registration there from. By accessing this presentation, you accept that this disclaimer and any claims arising out of the use of the information from this presentation shall be governed by the laws of India and only the courts in Delhi, and no other courts, shall have jurisdiction over the same.

# 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+

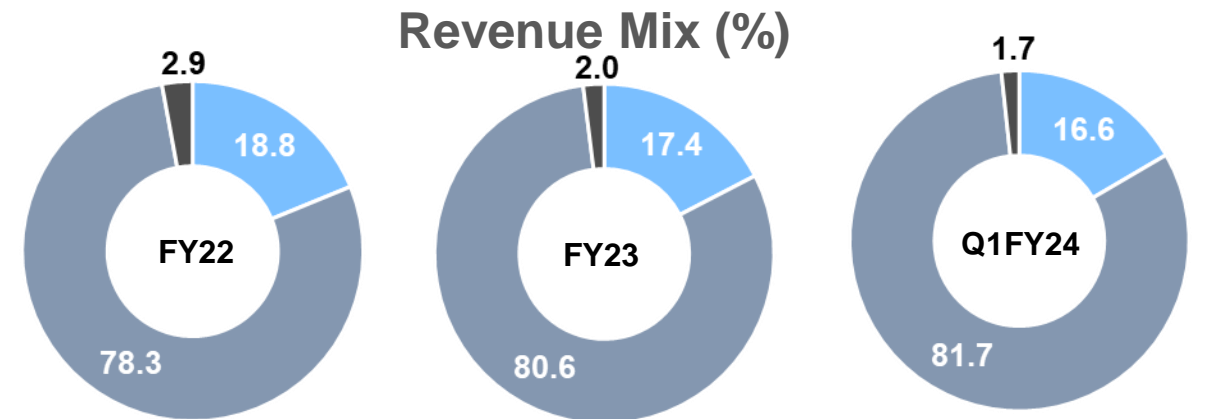
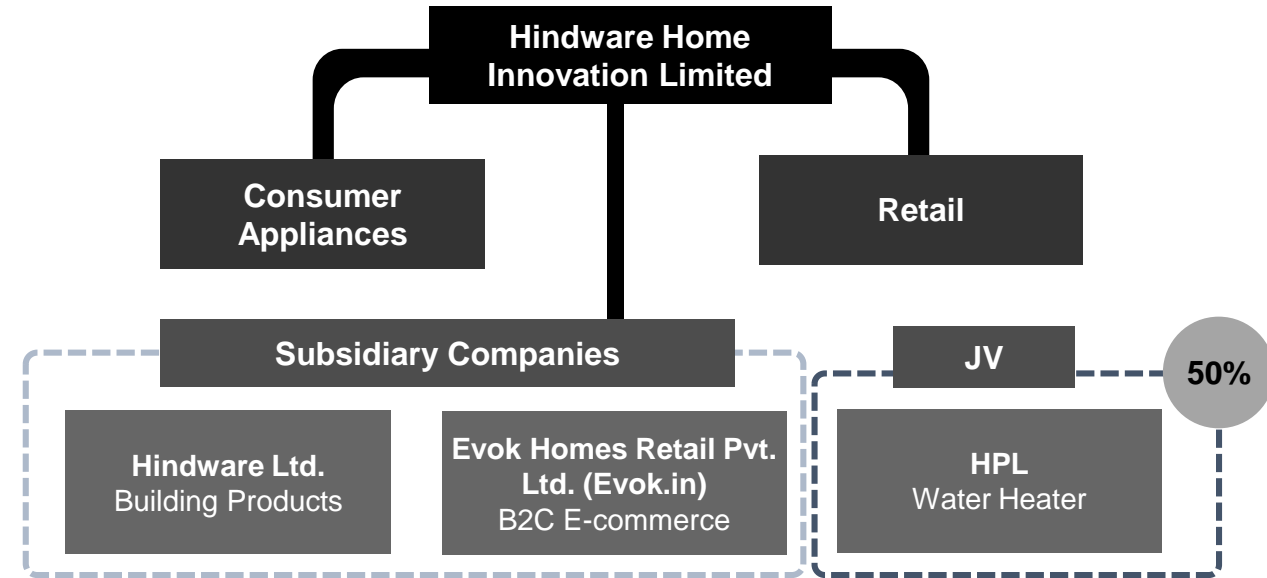


Omni-channel presence

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

# About Us

- 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



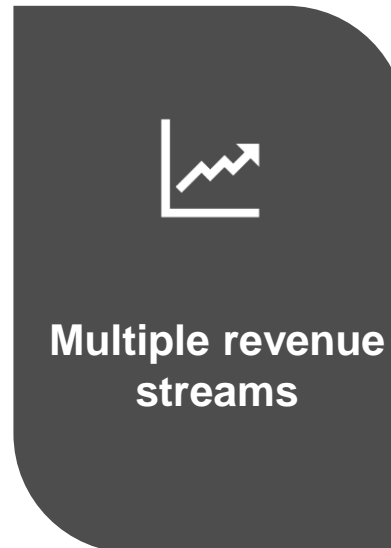
# Our Approach

- 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



- 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 a robust supply chain ensures efficient delivery of a wide range of quality products



- 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 and glass industry. He is the Chairman of Indian Council of Sanitaryware Manufacturers and is the past President of FICCI (2018-19). He holds a graduate degree and a diploma in Ceramic Manufacturing technology from the US.



**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)**

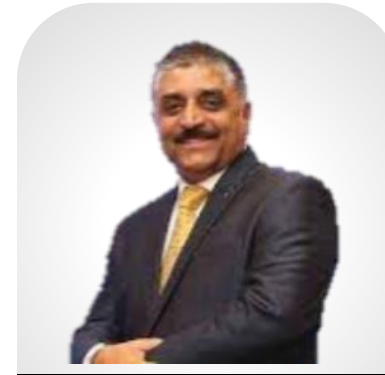
30+ years of rich and diverse experience across industries, especially in the consumer durable space. He previously led the Appliances Division at Orient Electric as the Business Unit Head. Also, served in leadership capacities at companies such as LG Electronics, Samsung, Voltas



**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

A high-angle photograph of a modern bathroom vanity. The vanity features a white countertop and a white cabinet. On the countertop, there is a white rectangular sink with a chrome faucet. To the left of the sink, there is a glass vase containing white orchids and a green plant. The background shows a dark wall with a wooden panel and a blue tiled wall. A semi-transparent white box with a dashed border is overlaid on the image, containing the text "Financial Performance".

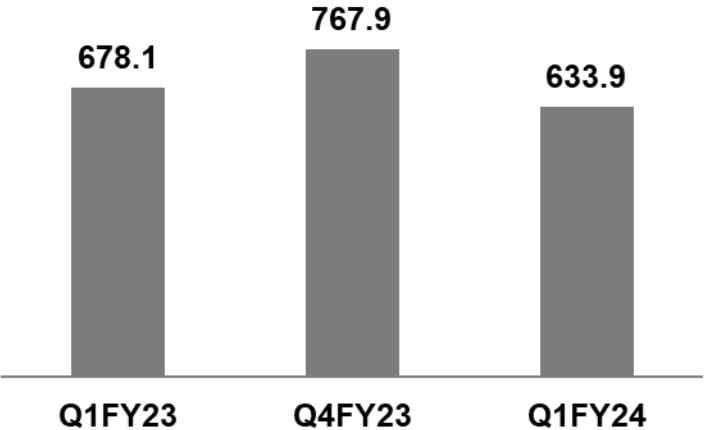
# Financial Performance

# Q1 FY24 Consolidated Financial Performance

(₹ in crore)

## Revenue

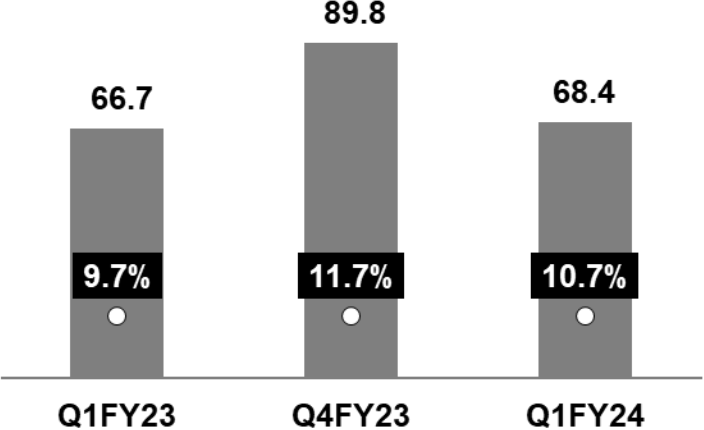
↓ -7% YoY



## EBITDA

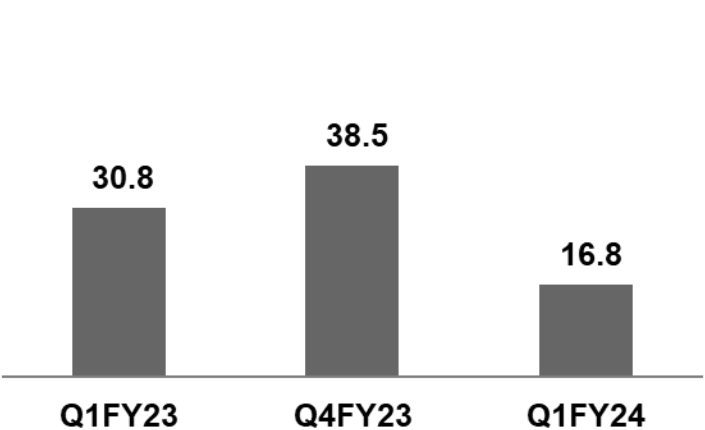
↑ 3% YoY

■ EBITDA ○ Margin (%)



## PBT

↓ -46% YoY



Q1 FY 24







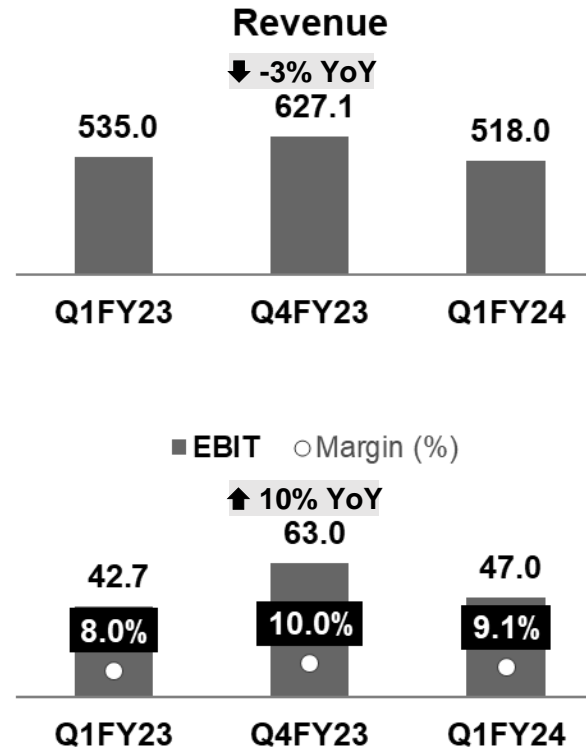
## Building Products Segment

# Building Products Business Update

## Bathware Business

- Inflationary concerns and rising interest rate have slightly impacted the demand for mid and lower priced offerings
- Margins improved on a Y-o-Y basis, owing to operating leverage, better product mix and lower gas prices
- Integrated marketing spearheaded by vibrant IPL campaign further boosted brand recognition and appeal
- Collaborated with Water Management & Plumbing Skill Council (WMPSC) to upskill 5,000 plumbers over the next two years
- Focus on launching brand shops to foray into untapped markets
- Continued to focus on optimising our working capital days

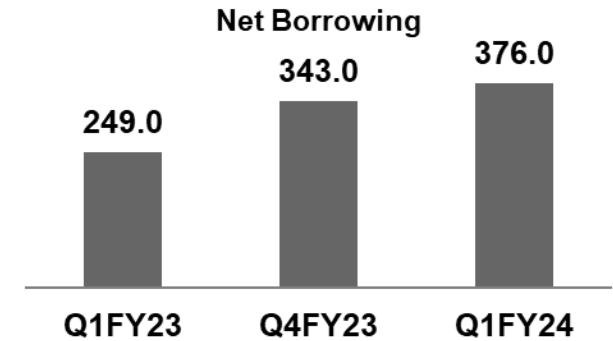
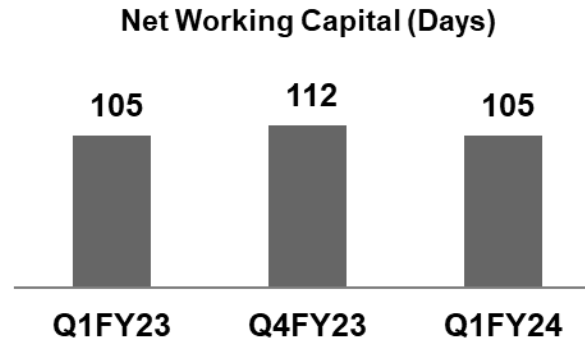
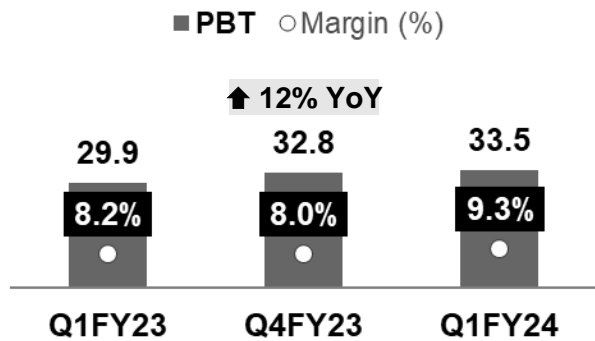
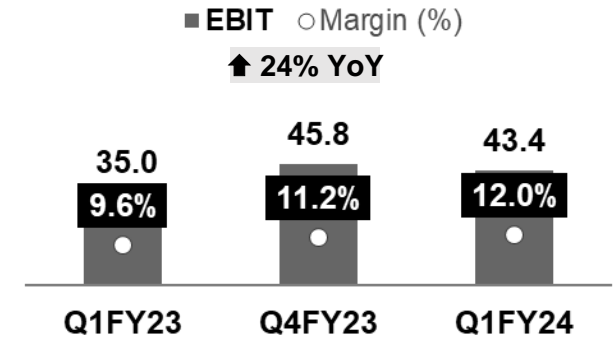
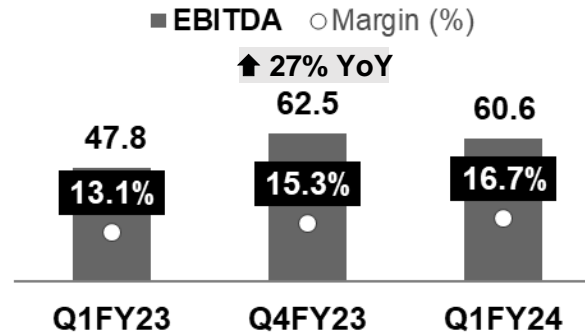
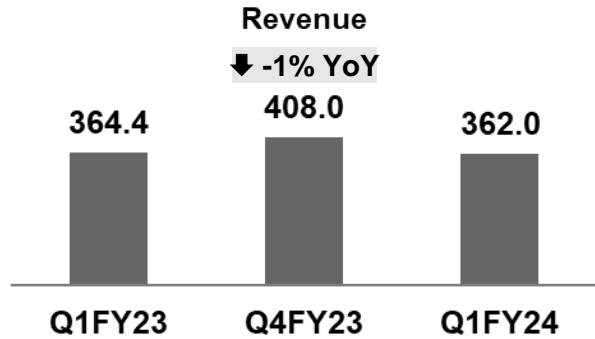
## Building Products Business (₹ in crore)



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

# Bathware Business Update – Q1 FY24

(₹ in crore)



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

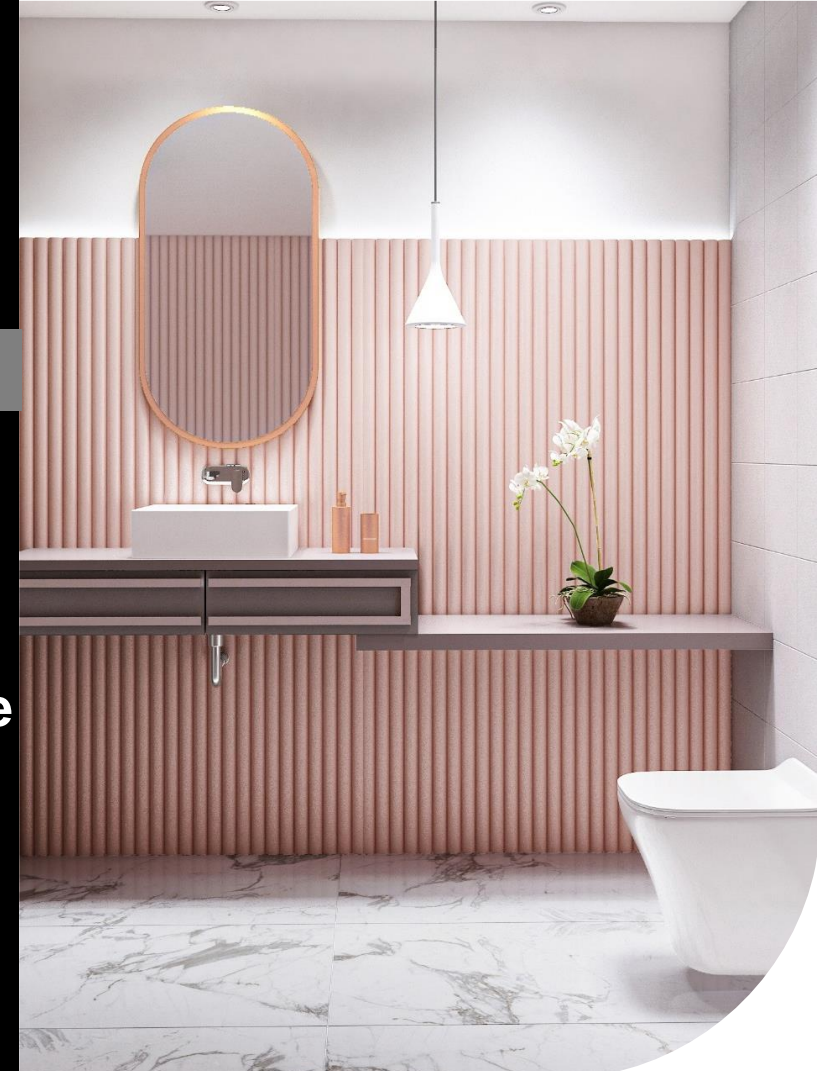
# Building Products Business - Bathware

- Leading player in sanitaryware & faucets segments
  - Brands available across price points
- Expanded our reach in the Indian tiles market, with plans to expand the network further
- Control over the entire value chain and a strong network of distribution and service
  - In-house manufacturing and sourcing capabilities of Sanitaryware and Faucets, to have better and more efficient control over processes
  - 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

## Market Size

**₹6,000+ crore**  
Sanitaryware

**₹12,000+ crore**  
Faucets



# Building Products Business - Bathware

- Leading player in sanitaryware & faucets segments
  - Brands available across price points
- Building eco-system for accelerated growth
  - Constant engagement with intermediaries & end-users
  - Providing a 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](http://www.hindware.com) for more such bathroom solutions.

MODERN DESIGN  
 POP-UP WASTE COUPLING  
 SELF-CLEAN FLOW DETECTOR FUNCTION  
 ENCLOSURES HYGIENE  
 POST-CLEANSE FLUSH

[/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.

DETACHABLE HOLDERS-ENCLOSES HYGIENE  
 POP-UP WASTE COUPLING  
 IN-BUILT UTILITY HOLDERS  
 EDGE SHAPE-SQUARE

TANKLESS  
 FUTURE OF BATHROOM  
**1<sup>ST</sup>** TIME IN INDIA

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

TOUCH-FREE TECHNOLOGY

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

E Clenz  
 Intelligent wall mounted water closet at a smart price

AUTOMATE

Easy Computerized Control Panel  
 Foot Press Flush  
 Minimalist Touch Remote

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.

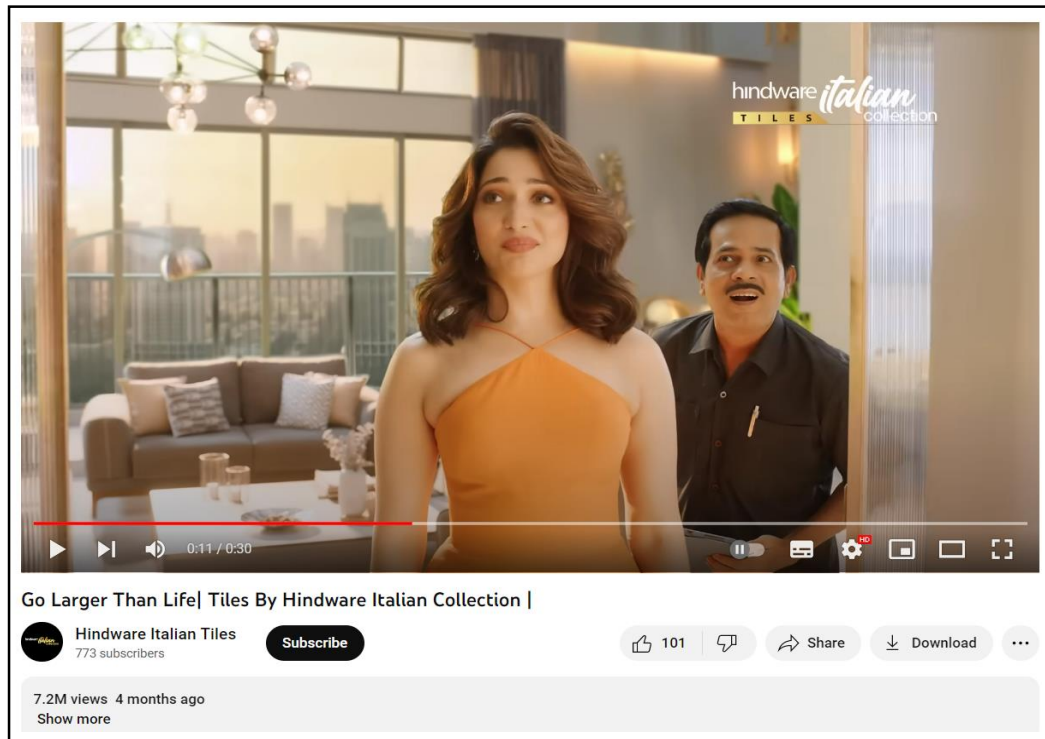
# Marketing Initiatives

- 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
- The website traffic during the IPL season was twice the normal traffic



# 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

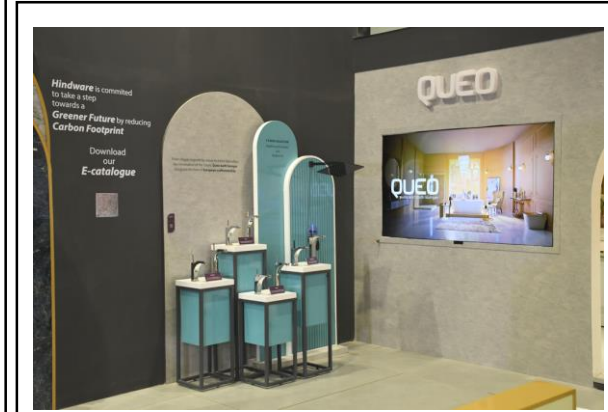




# Marketing Initiatives

- **Brand with a Purpose – Driving conversations on World Toilet Day**
  - Have Built nearly 170 toilets over the last 2 years majorly in and around Haryana and Rajasthan close to our manufacturing plants
  - Campaign was promoted in Agra, Bangalore, Delhi, Gorakhpur, Hyderabad, Indore, Kolkata, Mumbai, Pune, Patna & Jaipur
  - Delivered 32 Million Impressions, with a reach to 14 Million audience
  - This year under the campaign, the brand pledges to build 80 more toilets

- **Upping The Ante With Acetech : Mumbai and Delhi**
  - Larger than life Bath & Tiles mockups
  - More than 1200+ architects & dealers visited the Hindware Stall.
  - Hindware stall was the winner of the Jury choice award at Acetech Mumbai and Winner of Grand Stand Award at Acetech Delhi



# Marketing Initiatives

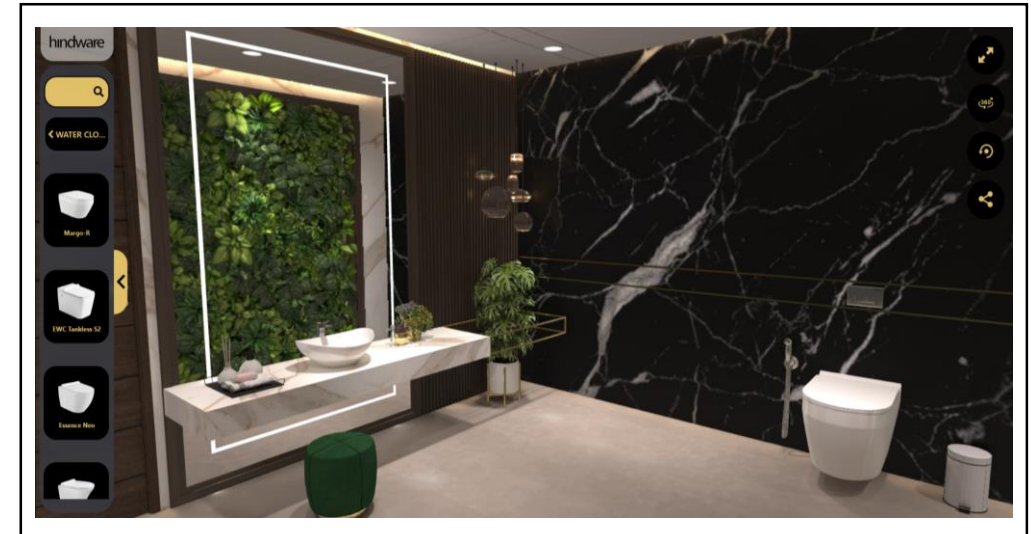
- **Launched Online Reputation Management Tool – LOCOBUZZ**

- 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

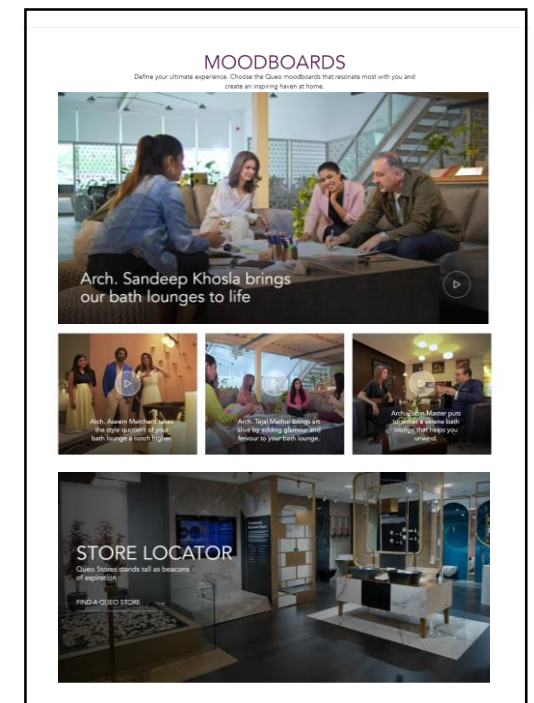
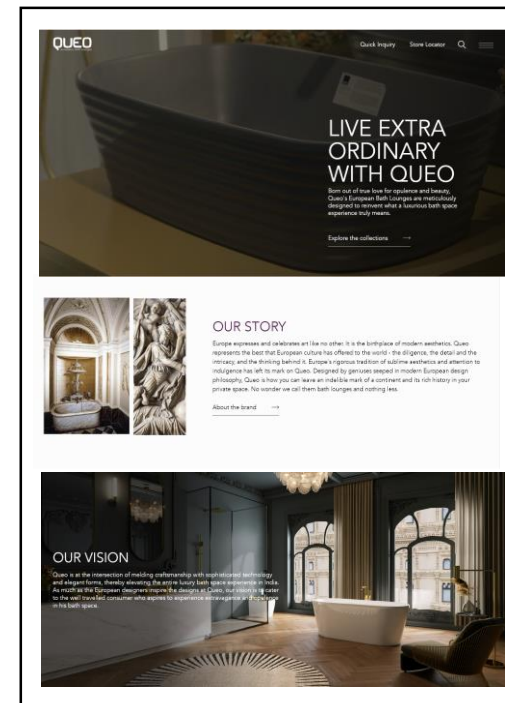


# Marketing Initiatives

- 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

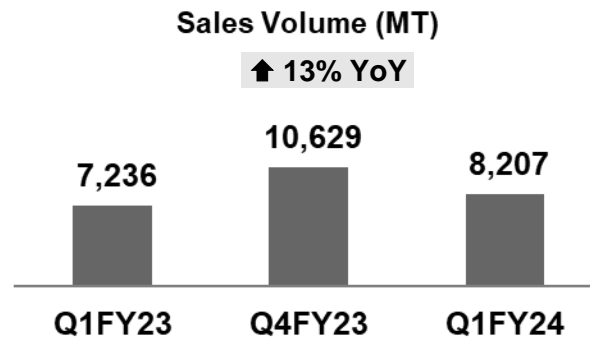
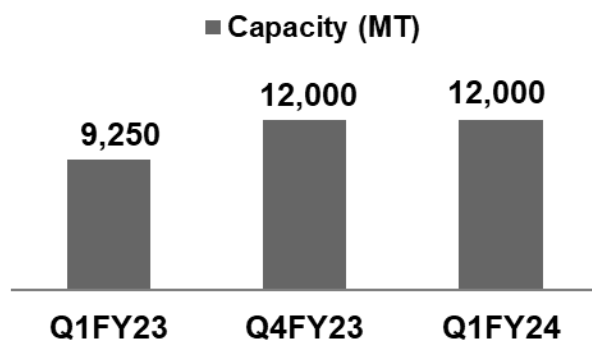


# Marquee Clients



# Plastic Pipes & Fittings Business Update

- We continue our momentum towards achieving higher market share despite slight headwinds in Q1 on account of lower demand and reduced input prices
  - Efforts to secure volume growth through price rationalization and incentives amid a highly competitive environment
  - Continued focus 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

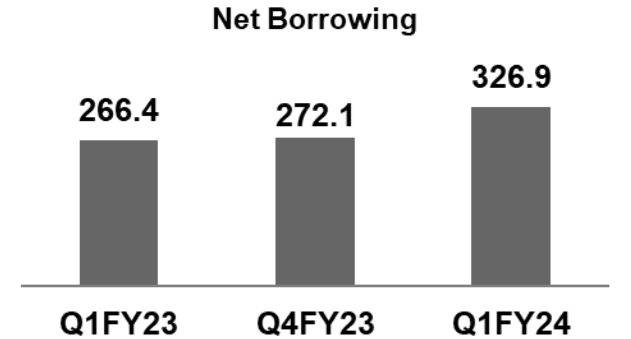
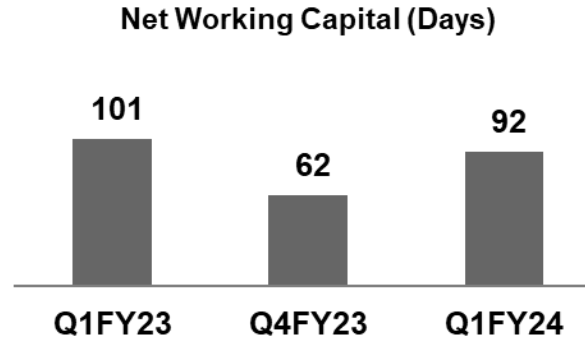
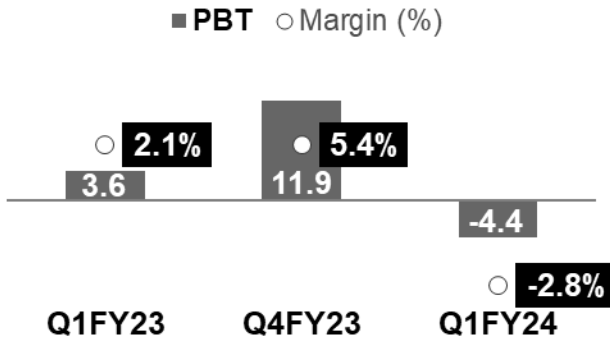
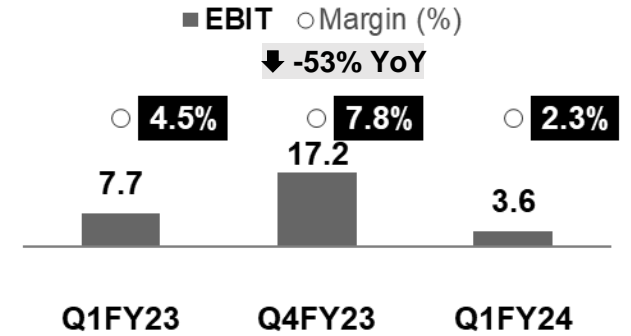
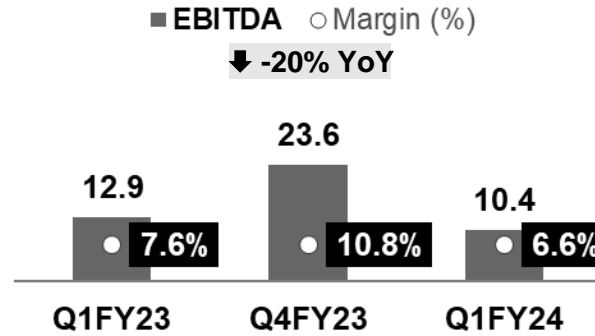
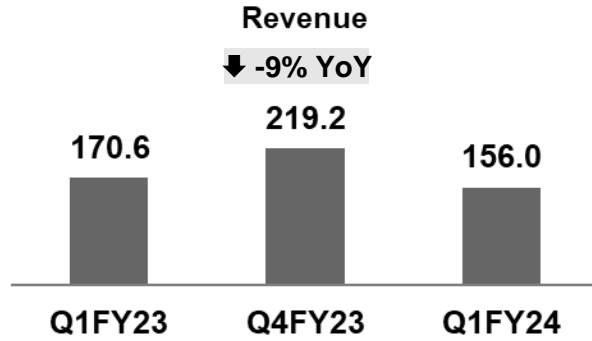


*Note : Above stated financials are rounded off and as per management reported figures*



# Plastic Pipes & Fittings Business Update – Q1 FY24

(₹ in crore)



**Notes :**

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

# 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 280+ 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

~₹22,000 crore

TRUFLO by Hindware™,  
addressable market size



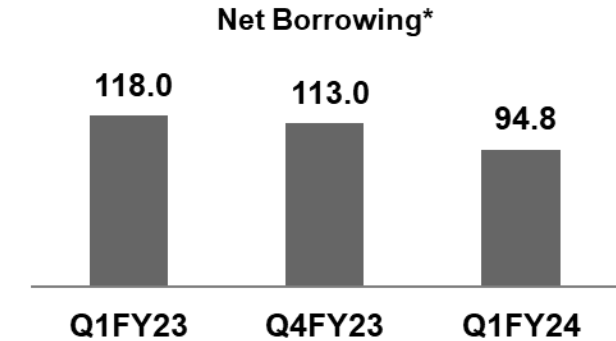
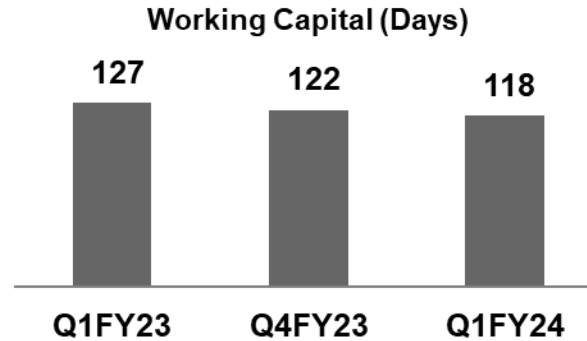
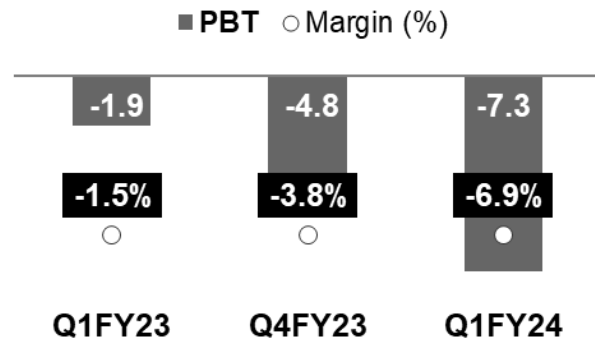
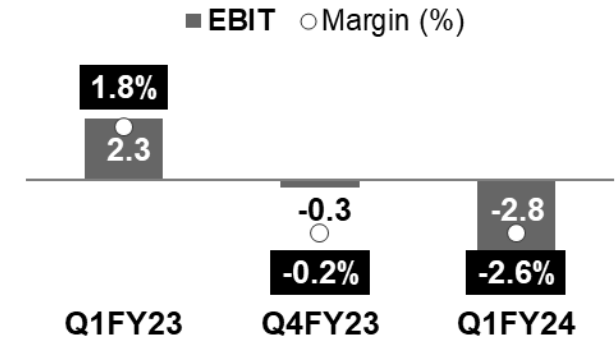
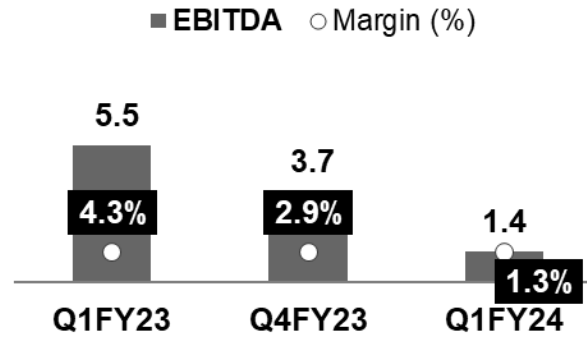
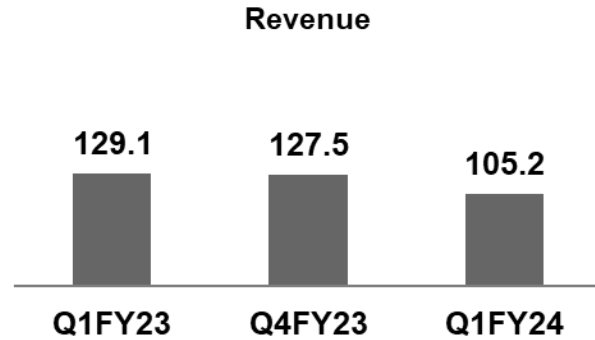


## Consumer Appliances Business



# Consumer Appliances Business Update – Q1 FY24

(₹ in crore)

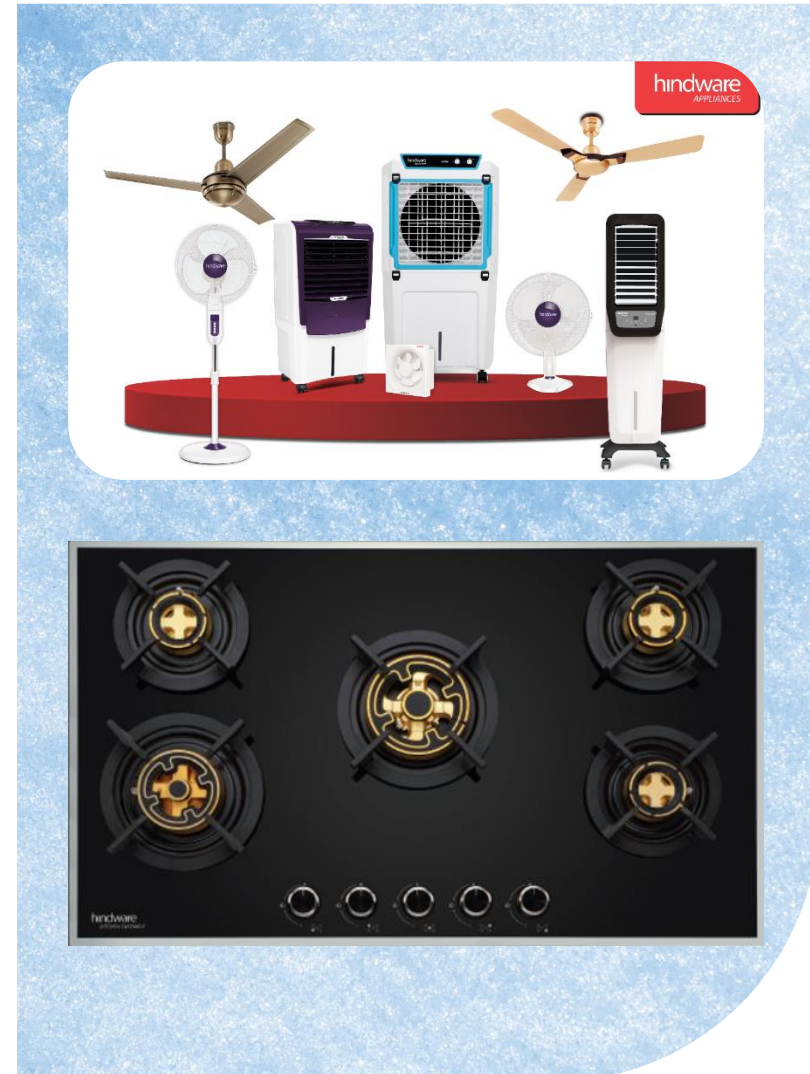


**Notes :**

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

# Consumer Appliances Business Update

- Core 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 ₹105 crore
  - Market sentiment facing challenges initially on account of increased input prices and recently on account of inflationary pressure and increased interest rate.
  - Market expects a positive festive season unlike last year
  - Maintained leading position in kitchen appliances segment despite inflation and rising competition
  - Unseasonal rains impacted air coolers demand
- Currently, the business has 1,400+ distributors and 14,000+ retailers in India
- 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



**Kitchen Appliances**



**Air Coolers**



**Water Purifiers**



**Fans**



**Kitchen & Furniture Fittings**



**Water Heaters**  
(50:50 JV with Groupe Atlantic)



# Thank You



Naveen Malik



Hindware Home Innovation Ltd



+91 124 477 9200



investors@shilgroup.com



Gavin Desa / Jenny Rose  
Kunnappally



CDR India



+91 98206 37649  
+91 8689972124



gavin@cdr-india.com  
jenny@cdr-india.com