

**hindware**  
home innovation limited

**ACCELERATING  
GROWTH  
ASPIRATIONS**

AGILE • FLEXIBLE • INNOVATIVE

**Q3 & 9M FY23 Financial  
Result Presentation**

February 13, 2023



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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



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+



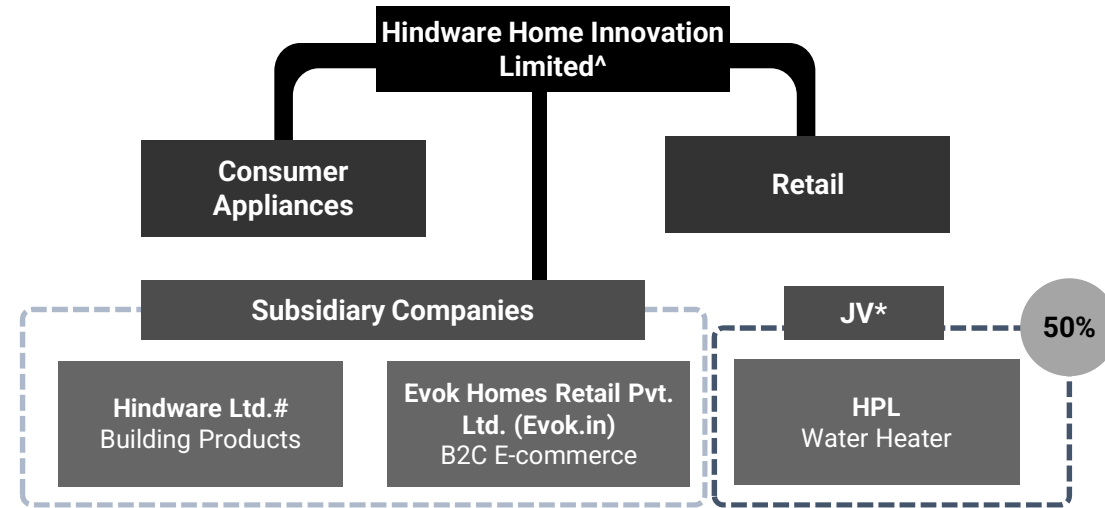
Omni-channel presence

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

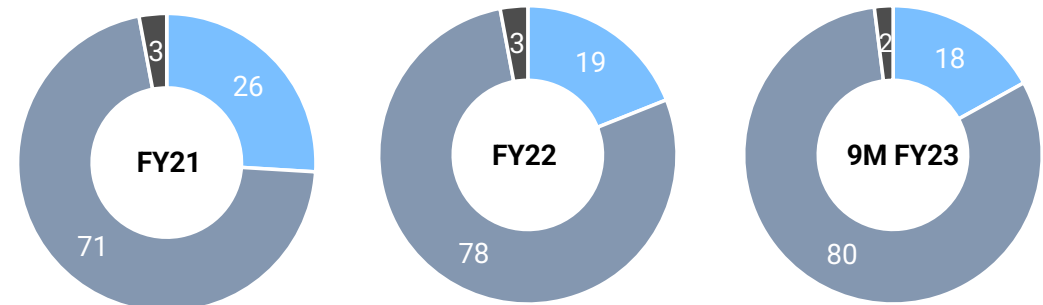
# About Us:

## The company is refreshing its identity to Hindware Home Innovation Limited<sup>^</sup>

- 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



### Revenue Mix (%)



Building
  Consumer
  Retail
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# 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 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

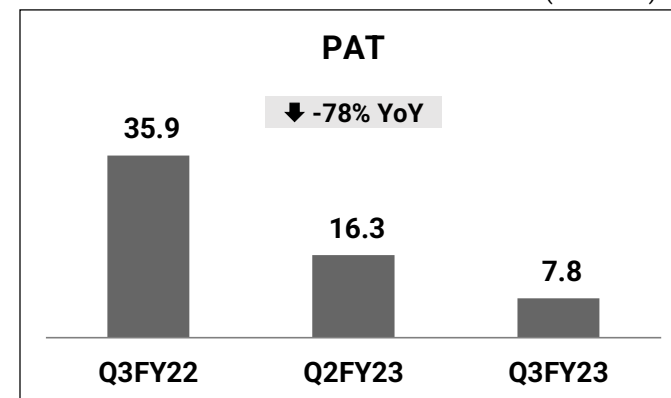
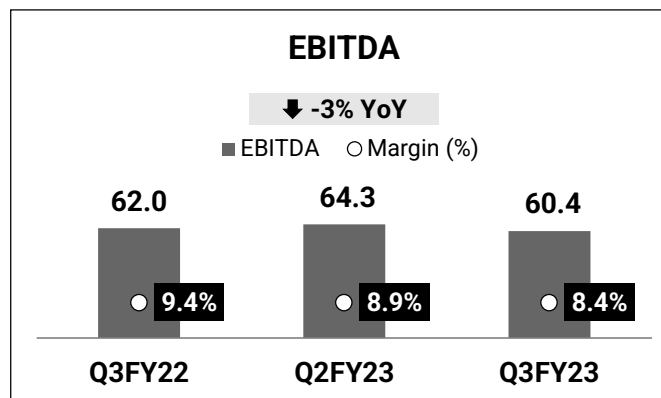
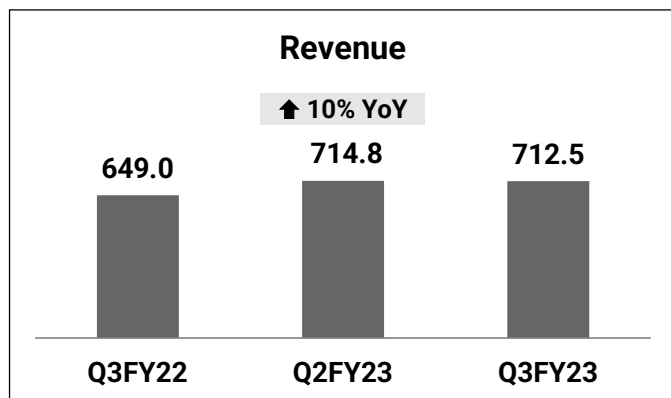
A photograph of a modern bathroom vanity. On the left, a white countertop holds a clear glass vase with white orchids and green leaves. To the right, a white, rounded rectangular sink is set into the countertop. A chrome faucet with a curved spout is mounted on the sink. The background features a dark wood panel and a dark tiled wall. A semi-transparent white box with a dashed border is overlaid on the image, containing the text "Financial Performance".

# Financial Performance

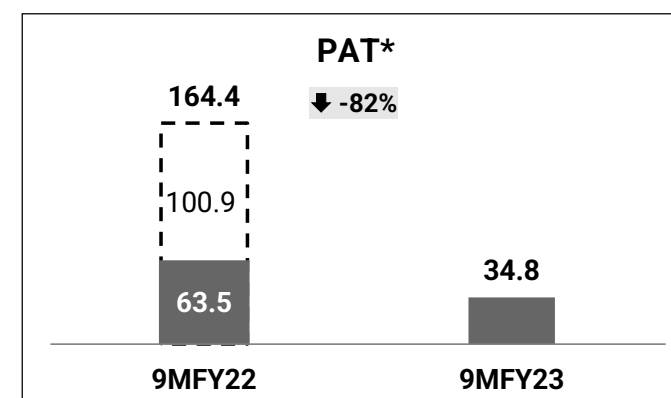
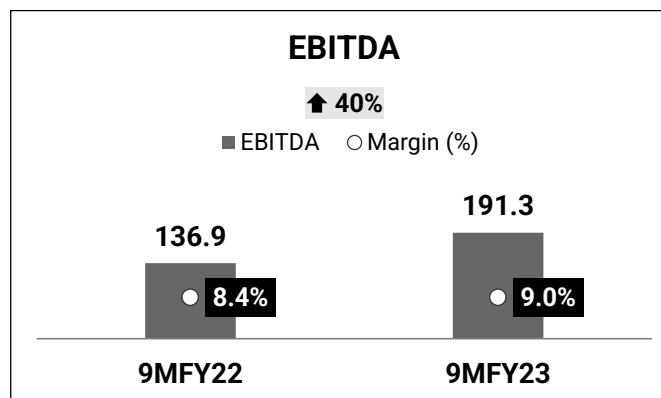
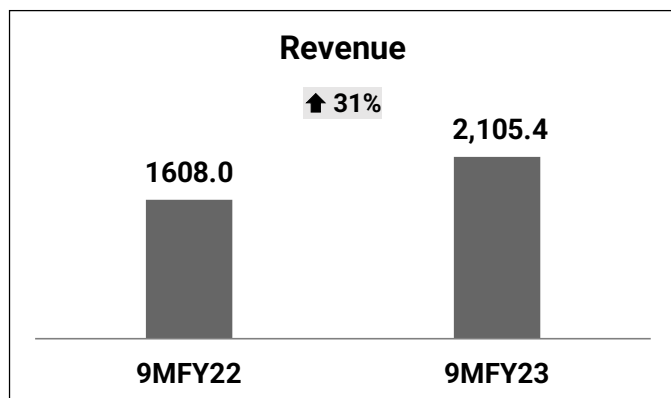
# Consolidated Financial Performance

(₹ in crore)

Q3 FY 23



9M FY 23



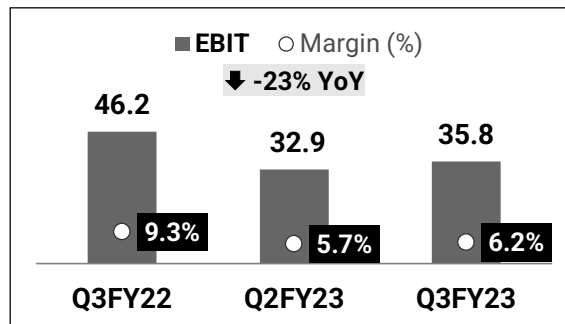
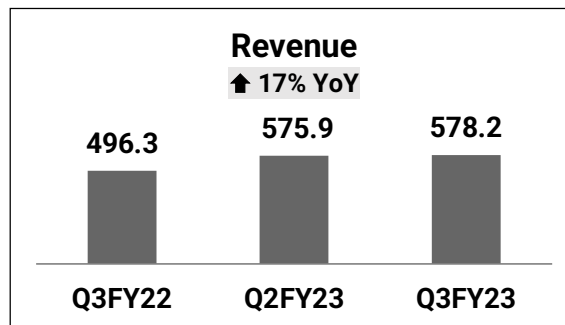
**\*Note:** 9M FY22 PAT of Rs.164.37 crore includes one-time exceptional gain amounting to Rs.100.86 crore. Exceptional items includes recognition of gains of Rs.66.11 crore from the investment in HPL on account of loss of control of subsidiary and gain of Rs.34.75 crore on account of slump sale of water heater business undertaking by the Company to HPL



# Building Products Business Update

- During 9M FY23, Sanitaryware and Faucets continued to deliver industry - leading performance
  - Growth driven by focus on new product launches and improved product mix
  - Continued focus on expansion of distribution network
- Revenue for 9M FY23, stood at ₹ 1,689 vs ₹ 1,245 crore in 9M FY22, higher by 36% - reflective of the business' continuing solid customer preference
  - Growth driven by key initiatives across both the Bathware and Pipes & Fittings business
- EBIT for 9M FY23 stood at ₹111 crore higher by 10% over the corresponding period last year.
  - EBIT related to Pipe business adversely impacted by steep fall in PVC resin price and higher input price for Bath products such as gas price

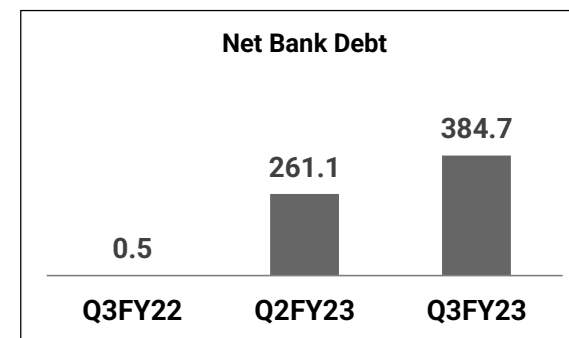
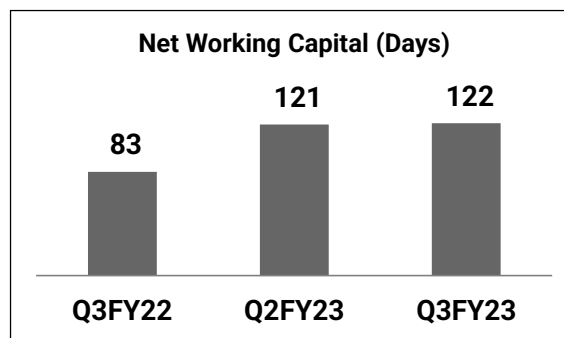
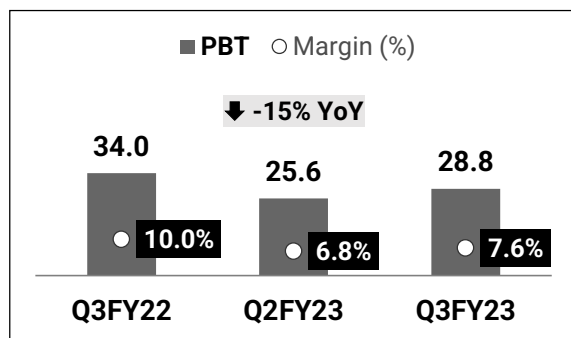
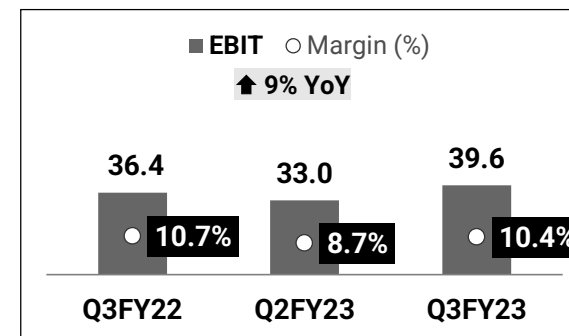
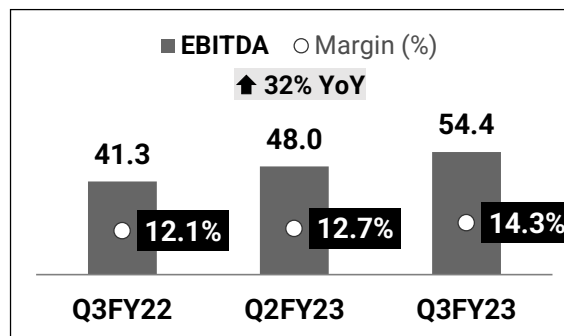
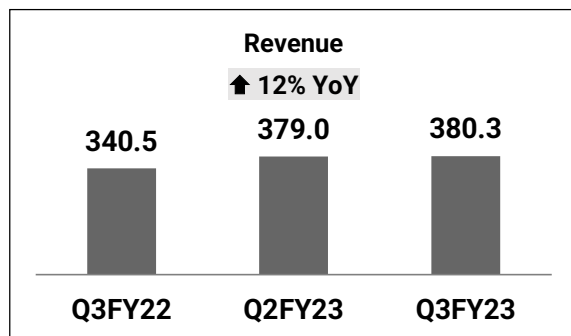
(₹ in crore)





# Bathware Business Update – Q3 FY23\*

(₹ in crore)

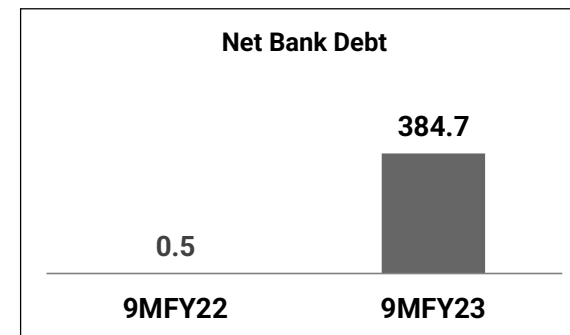
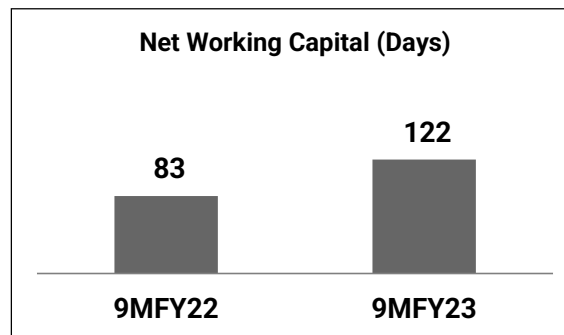
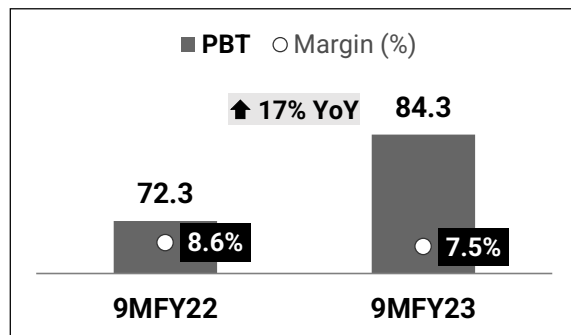
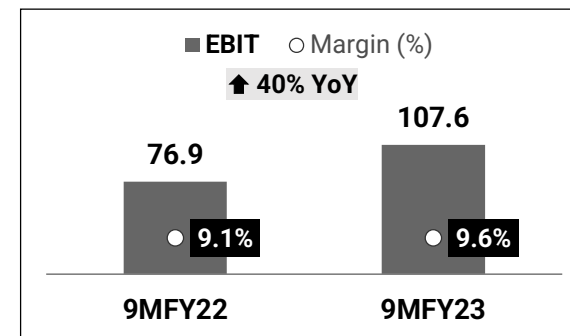
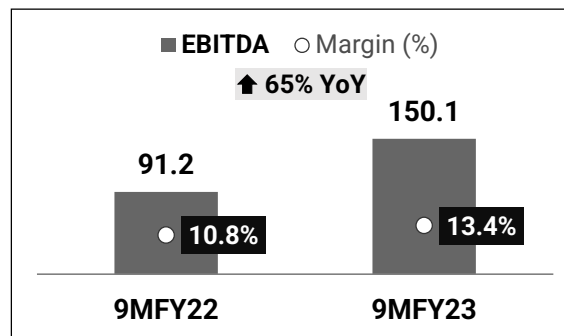
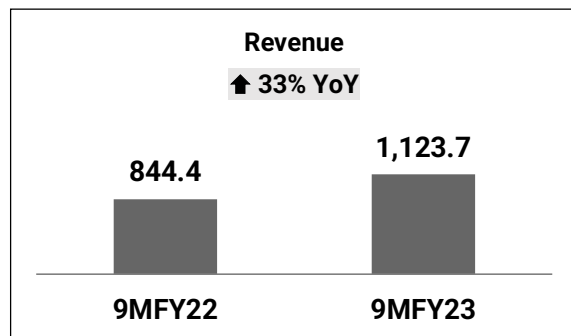


- In Bathware, EBIT remained muted as a result of a sharp rise in the cost of key input prices. Specifically from CY2022, fuel and power costs were higher as compared to the previous year
  - A rising input price environment has limited the benefits derived from having its own manufacturing following the acquisition of AGI Greenpac Limited's Building Products business
- Calibrated price hikes undertaken during 9MFY23 to offset the impact of higher input prices, the result of these hikes is expected to be visible going forward

\* FY23 numbers are 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 31<sup>st</sup> December 2022 are not comparable with Q3FY22. Above stated financials are rounded off and as per management reported figures

# Bathware Business Update – 9M FY23 \*

(₹ in crore)



## Notes:

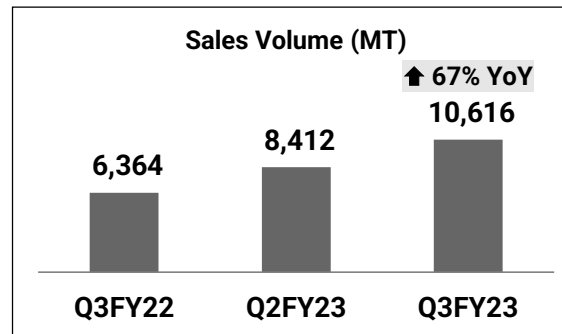
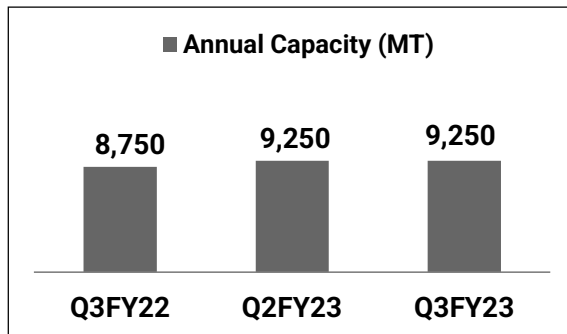
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# Plastic Pipes & Fittings Business Update

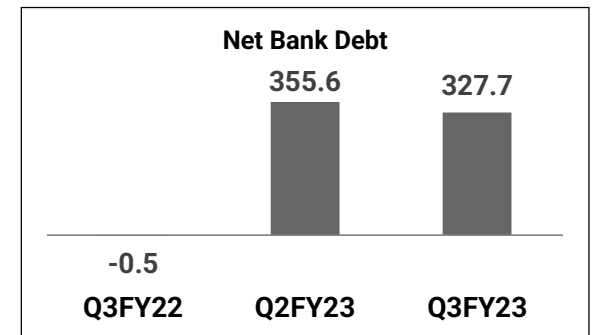
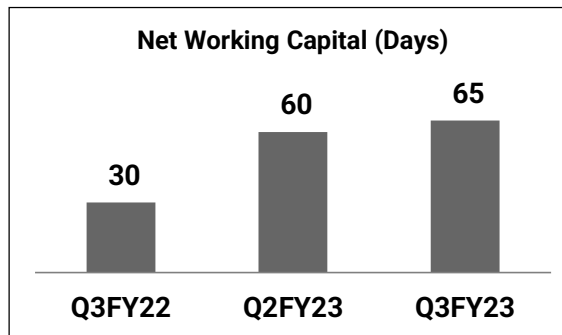
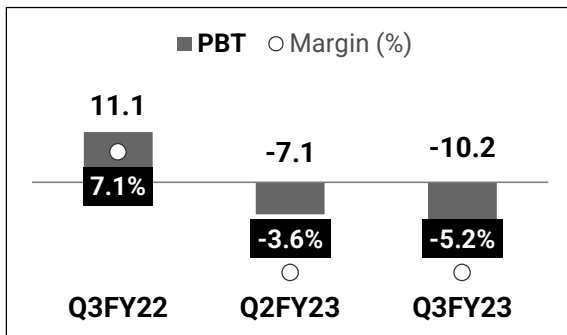
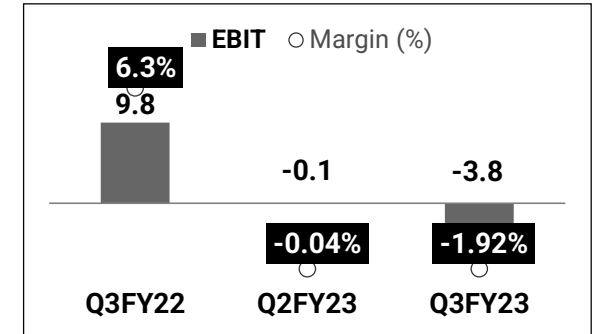
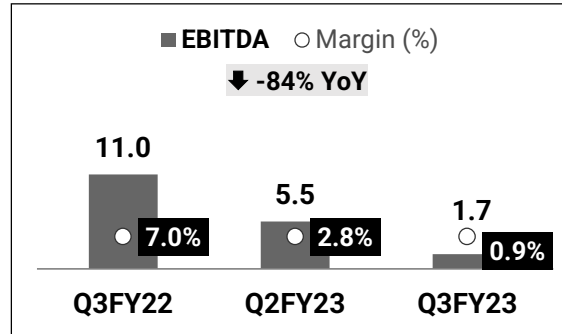
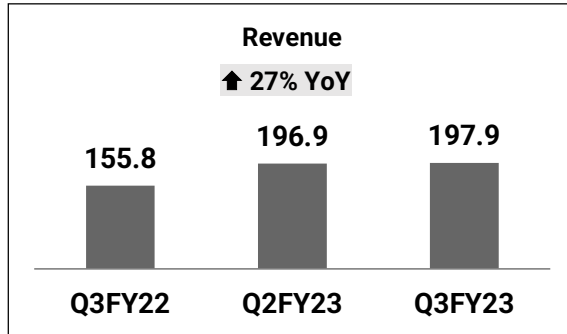
- Truflo continues to be the fastest growing plastic pipes brand in India with revenues of ₹565 crore during 9M FY23 up 41% Y-o-Y
  - Contribution of higher value CPVC pipes continues to increase – presently comprises close to half of total volumes
  - Maintains growth traction through strong brand awareness and high-quality products
  - Currently, Truflo has 290+ active distributors and 25,000 retail network
- Subdued profitability largely on account of inventory losses
- Commercial production of the second manufacturing plant commenced during Q4 FY23. **The annual production capacity is now 48,000 MT**
- Forayed into PTMT Faucets and Accessories to provide customers with a one-stop solution for all their plumbing requirements
- Towards enhancing reach and market access, a new manufacturing facility is being set up in Roorkee, Uttarakhand. Land for the same has been purchased 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

# Plastic Pipes & Fittings Business Update – Q3 FY23 \*

(₹ in crore)



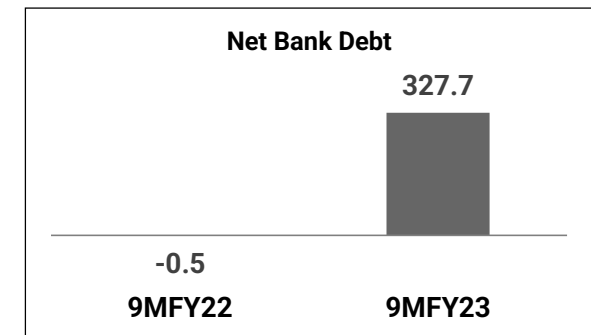
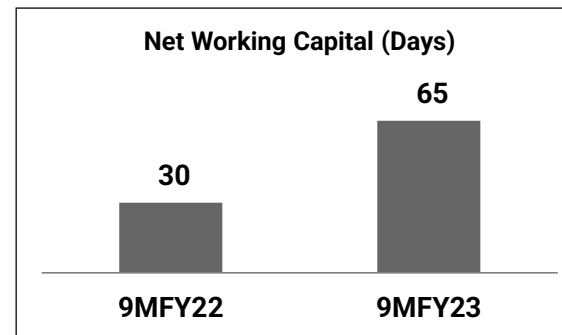
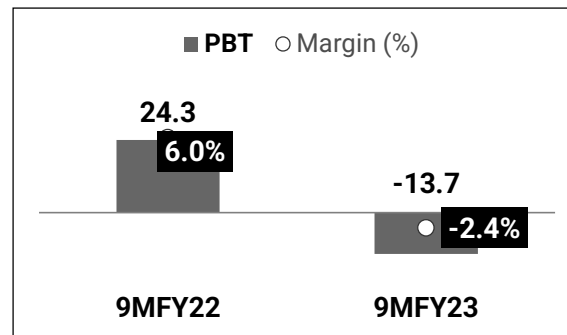
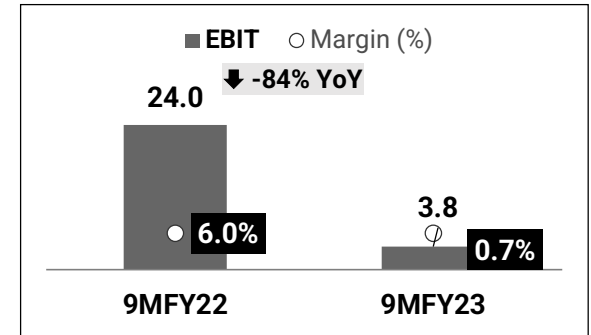
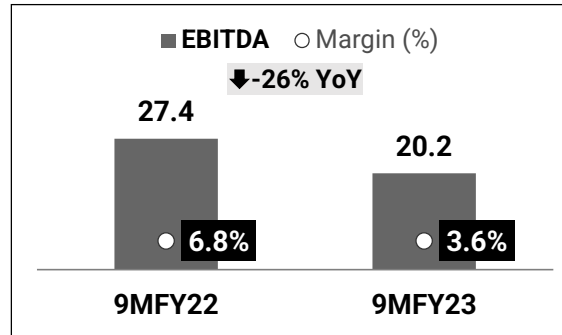
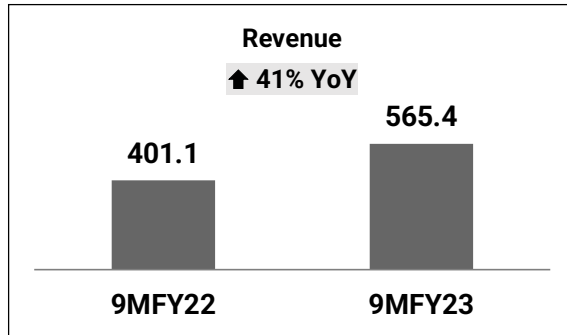
**Notes :**

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# Plastic Pipes & Fittings Business Update – 9M FY23 \*

(₹ in crore)



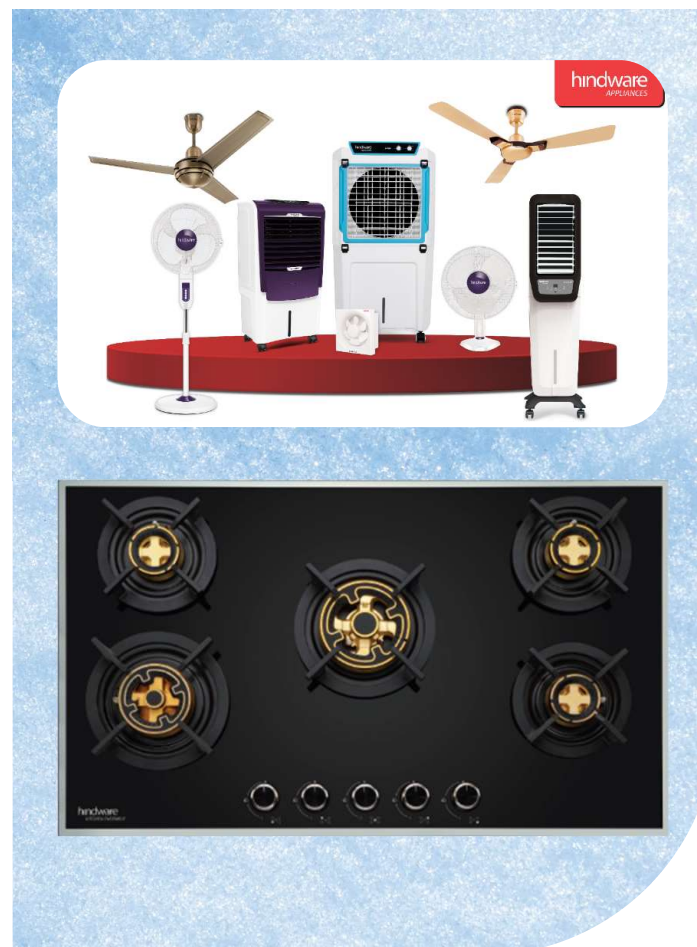
**Notes :**

\* FY23 numbers are the 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 nine months of 31<sup>st</sup> December 2022 are not comparable with 31<sup>st</sup> December 2021

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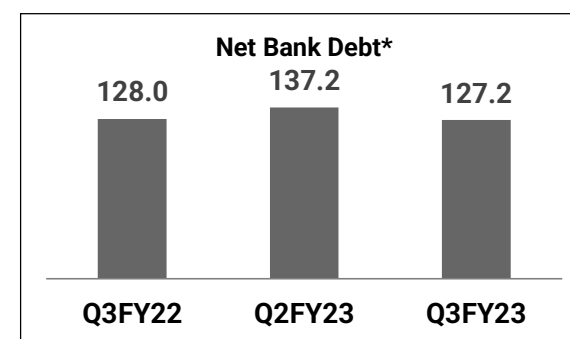
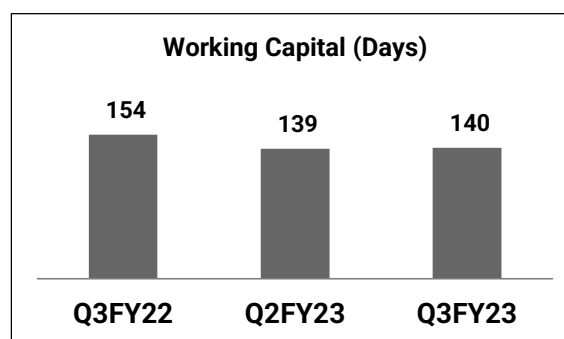
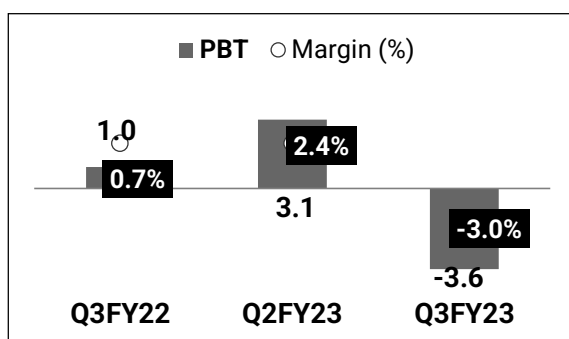
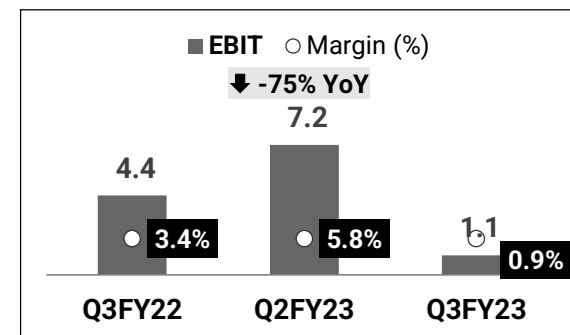
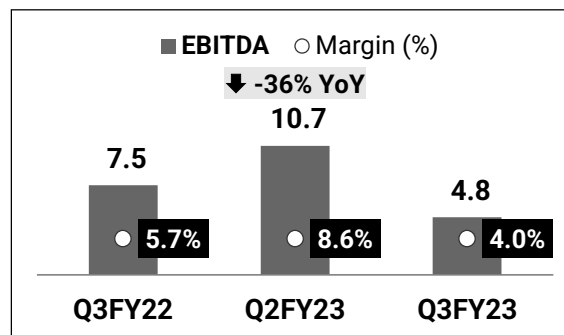
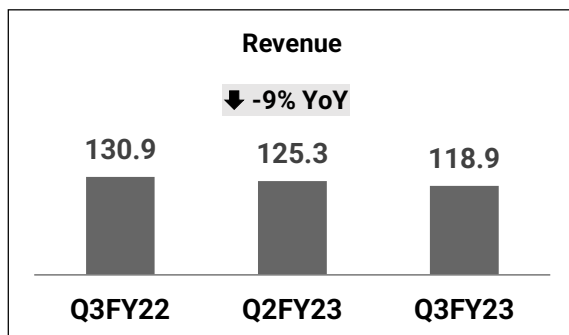
## Consumer Appliances Business Update

- Strong product profile and brand salience combined with a sharp focus on innovation helped offset the impact of highly inflationary environment
  - In Q3 FY23, revenue stood at ₹119 crore, and EBIT came in at ₹1.1 crore
  - In 9M FY23 revenue stood at ₹373 crore and EBIT came in at ₹11 crore
- Currently, the business has 1,400+ distributors and 13,000+ retailers in India
- Hintastica Private Limited (JV), announced the commencement of the production of its range of heating appliances at its state-of-the-art manufacturing plant in Jadcherla, Telangana



# Consumer Appliances Business Update – Q3 FY23

(₹ in crore)



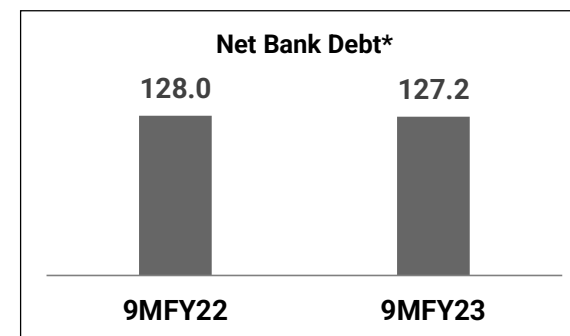
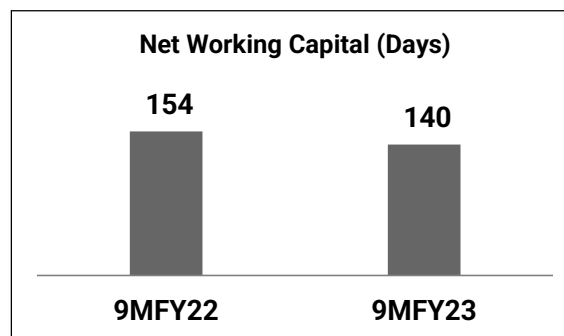
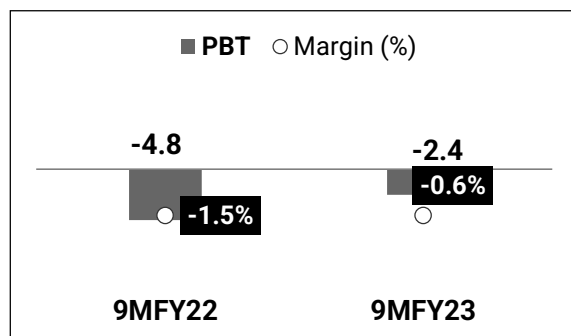
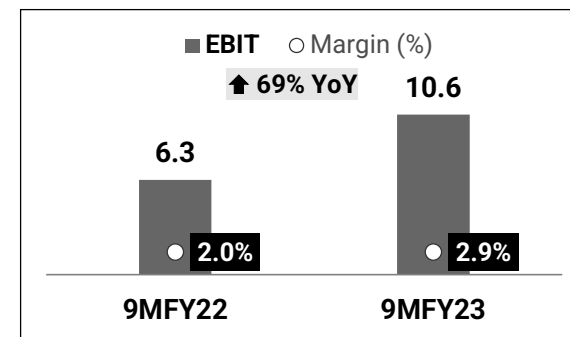
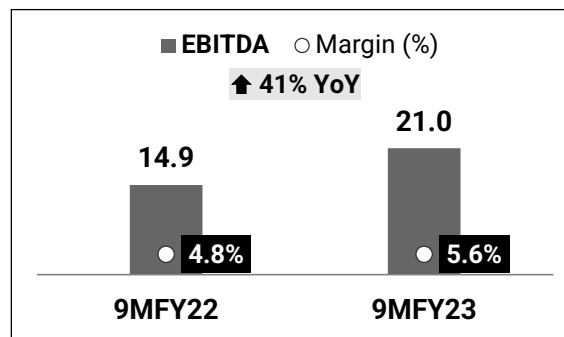
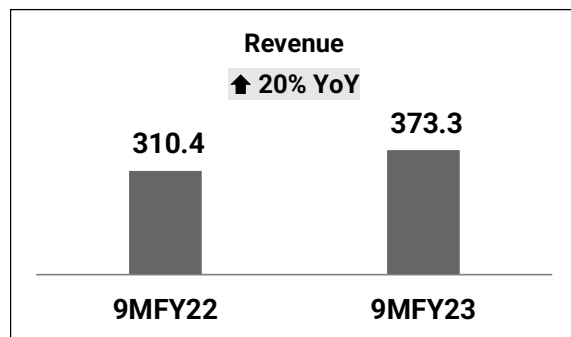
**Notes :**

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# Consumer Appliances Business Update – 9M FY23

(₹ in crore)

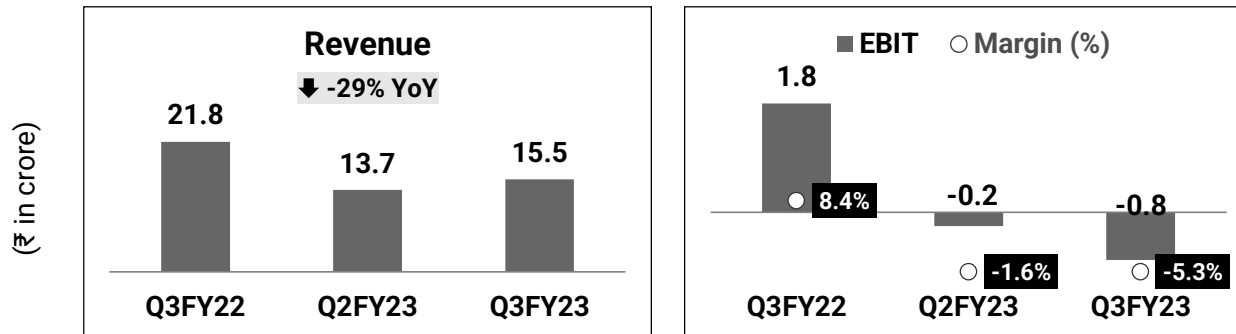


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# Retail Business Update

- In Q3 FY23, revenue stood at ₹15.5 crore and EBIT came in at ₹ -0.8 crore
- In 9M FY23, revenue stood at ₹43.2 crore and EBIT came in at ₹-0.9 crore
- Continued focus on franchise model & strengthening of 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 its approach of e-commerce and EVOK franchise stores nationwide



The image features a dark background with several diagonal, semi-transparent light gray bands. In the center, there is a light gray rounded rectangle with a dashed white border. Inside this rectangle, the text "Business Segments Overview" is written in a bold, black, sans-serif font, centered horizontally and vertically.

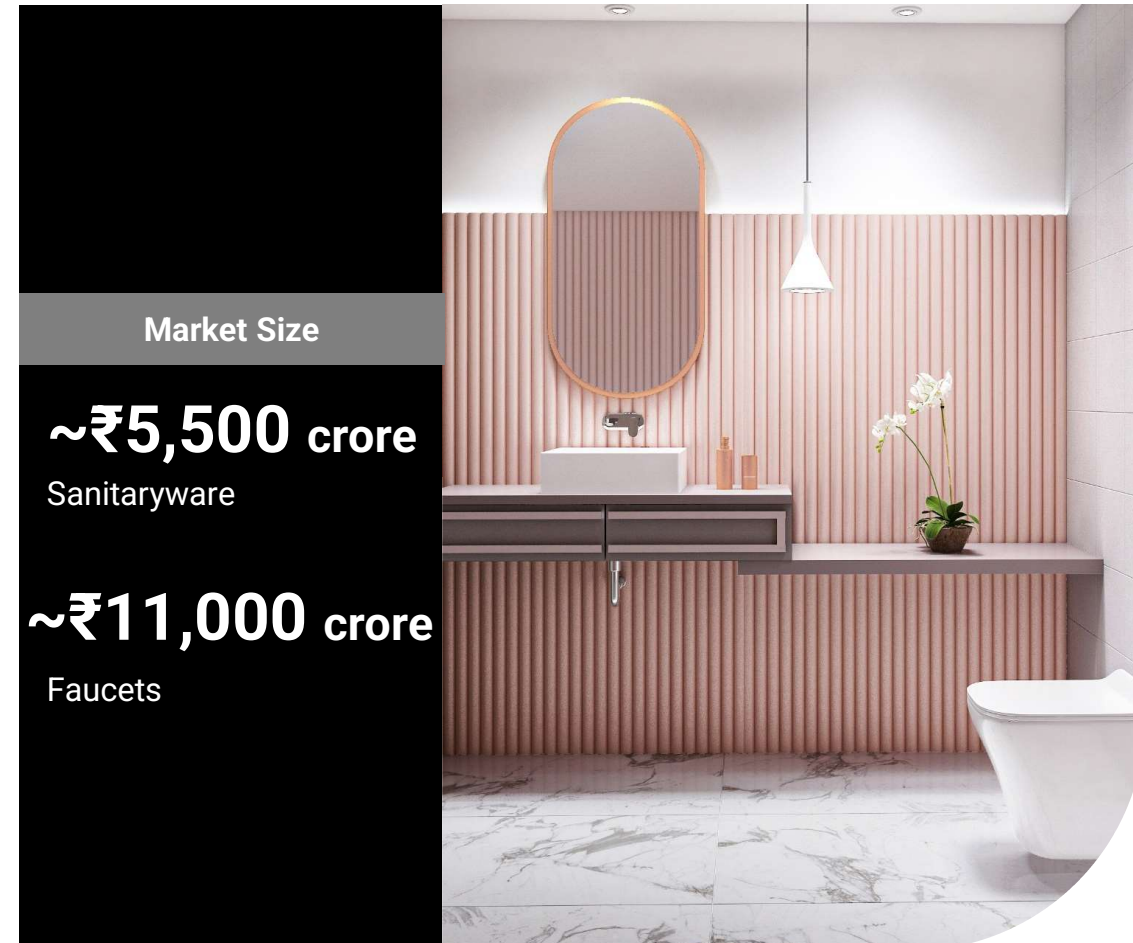
# **Business Segments Overview**



**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 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
  - 350+ Brand Stores for an immersive customer experience
  - 400+ Distributors for a wide network
  - 20000+ active retail touchpoints
  - Catering to 1200+ 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
  - 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.

[/hindware](#)
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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.

TANKLESS  
FUTURE OF BATHROOM

1<sup>ST</sup> TIME IN INDIA

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

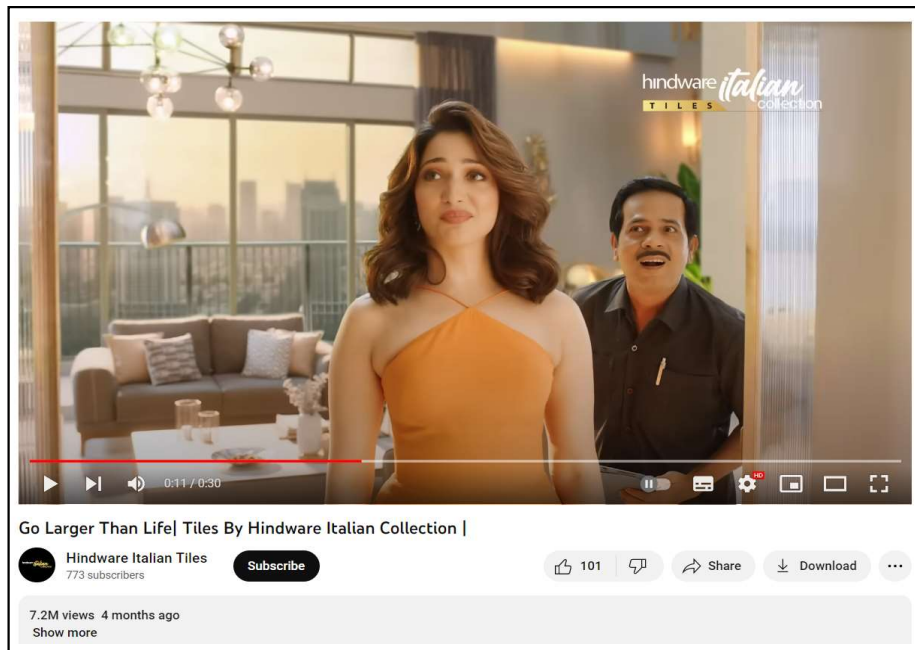
INTELLIGENT CLOSETS

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 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 Impression; Reaching out to 29 Million audience 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



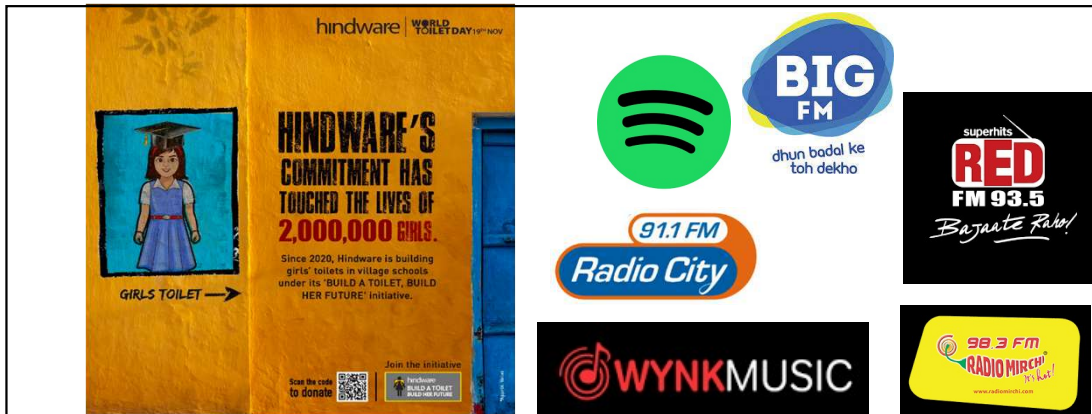


# Marketing Initiatives

- **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, reaching out 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**

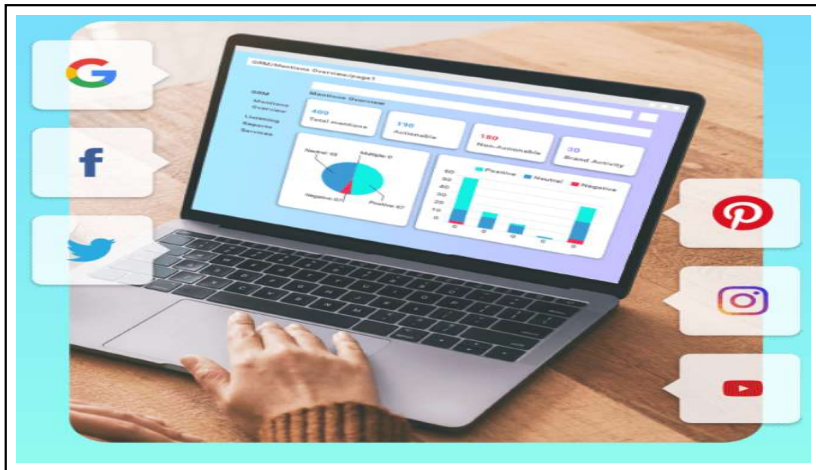
- Larger than life Bath & Tiles mockups
- More than 1200+ architects & dealers visited the Hindware Stall.
- Hindware stall was the winner of the Jury choice award at Acetech Mumbai and Winner of Grand Stand Award at Acetech Delhi



# 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

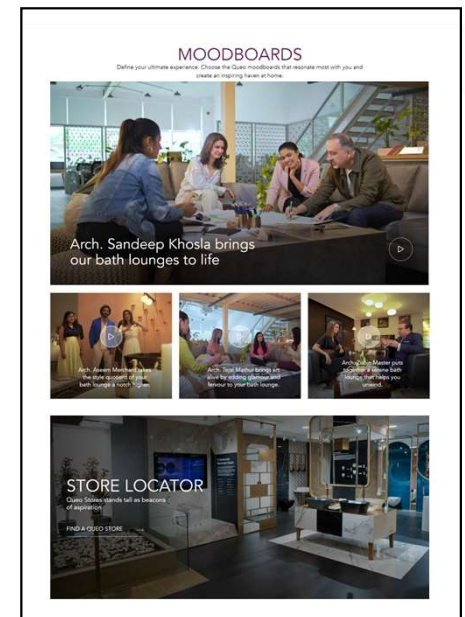
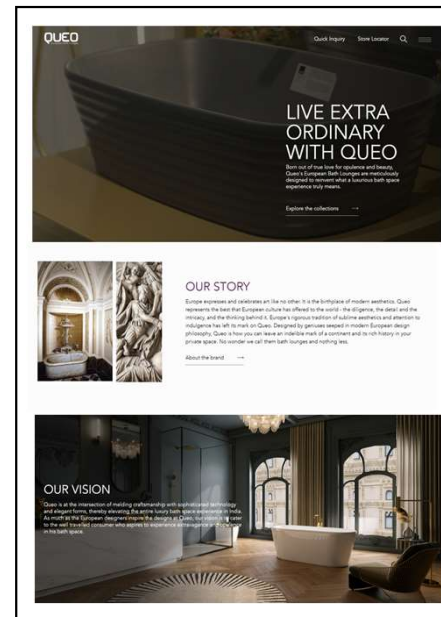


# Marketing Initiatives

- **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

- TRUFLO by Hindware, is the fastest growing plastic pipes and fittings brand in India
  - With 1,500+ 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
  - 160+ 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

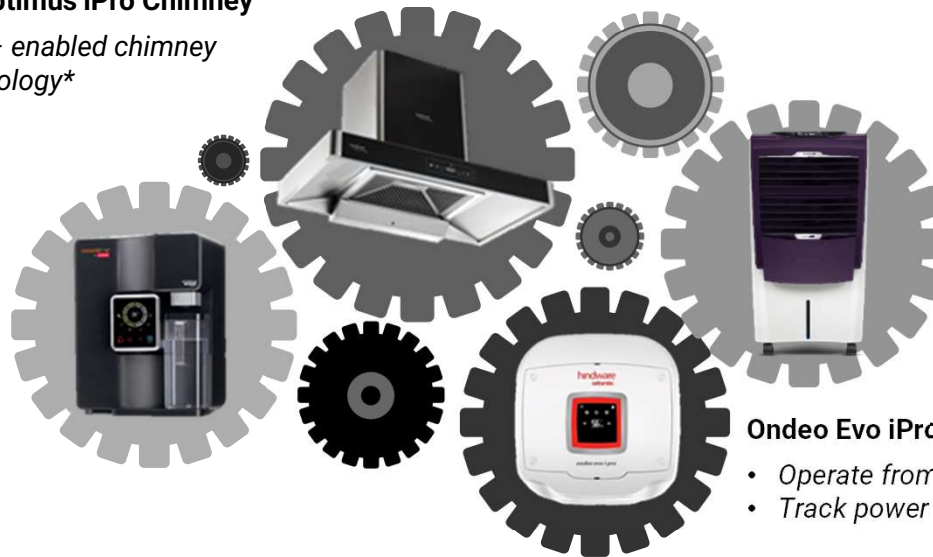
- India's 1st IoT enabled water purifier
- RO Membrane Alert\*
- Real-time Filters life Alert\*
- Auto-fill Jug

#### 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
  - 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

36

Company owned and Franchise Stores





# Thank You



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