



**ACCELERATING GROWTH
ASPIRATIONS**

**AGILE | FLEXIBLE |
INNOVATIVE**

**Q4 & FY22
Financial Result
Presentation**

May 26th, 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)



32 patents filed since inception



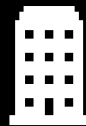
Retail Segment (Focus on Franchise & E-commerce business)



Retail Touch Points 35,000+



Distribution Partners 3,100+



Modern & Retail Outlets 700+



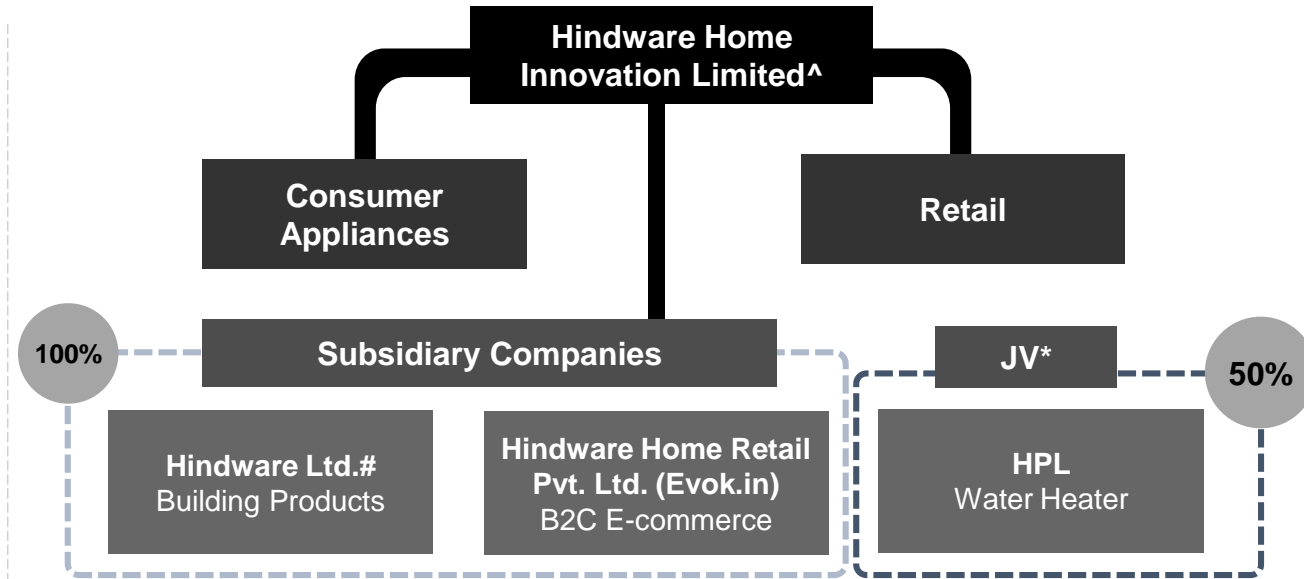
Omni-channel presence

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

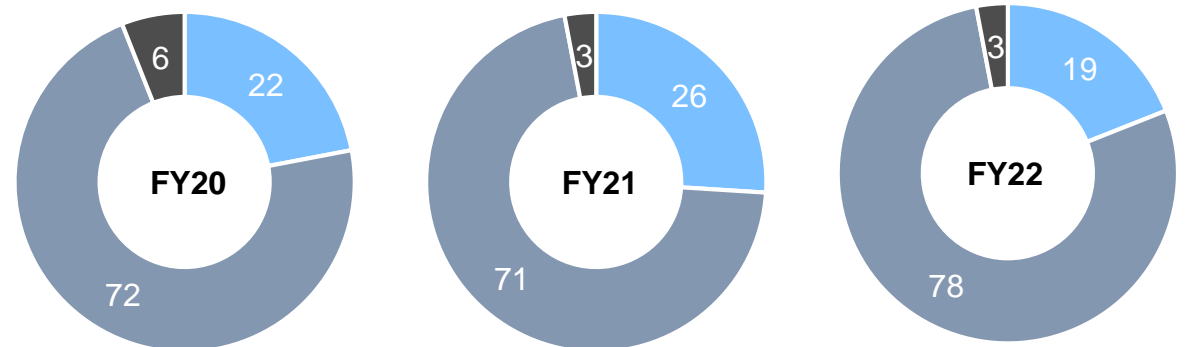
About Us:

The company is renamed 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 (%)



**Note: Wholly-owned subsidiary of Hindware Home Innovation Limited as on 31st March 2021*

[^] Formerly Somany Home Innovation Limited

Formerly Brilloca Limited

Our Approach

- Several successful launches at regular intervals
- 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 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

Acquisition of Building Products Manufacturing Business

- Hindware Limited (formerly Brilloca Limited), the wholly-owned subsidiary of Hindware Home Innovation Limited[^], acquired the building products manufacturing undertaking for a total slump sale consideration of ~ **₹700 Crore**[#]
- The slump sale transaction consummated effective closing business hours of 31st March 2022
- ₹109 Crore has been paid as an advance under slump sale and the balance slump sale consideration is being paid post 31st March 2022
- Rationale behind acquisition:
 - Secure end-to-end control over manufacturing processes, providing greater control and flexibility
 - Hindware Limited is optimally positioned to augment the manufacturing processes and technologies
 - Backward integration adds to synergies in operations, resulting in better efficiency
 - Integration of entire value chain into a single entity minimizes third-party transactions, compliance and administrative costs
 - End to end control of supply chain translates to much improved profit margins



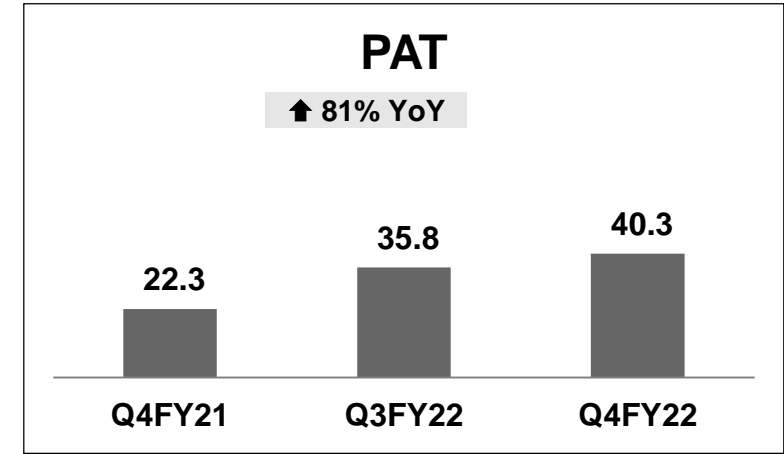
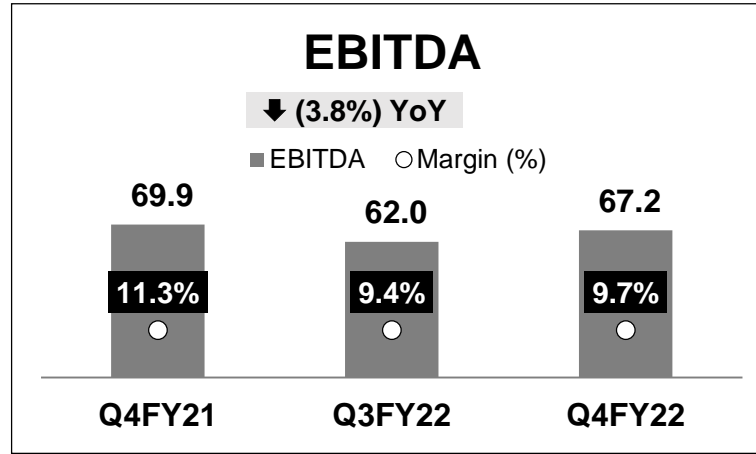
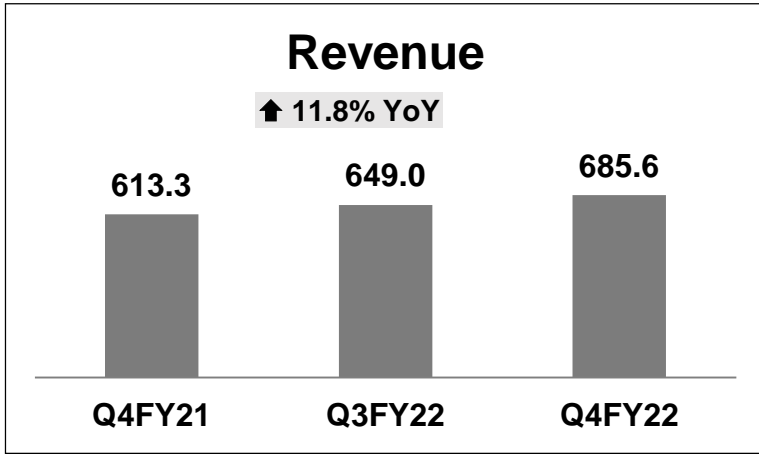
A high-angle photograph of a modern bathroom vanity. The vanity features a white countertop and a white rectangular sink with rounded corners. A chrome waterfall faucet is mounted on the right side of the sink, with water cascading into it. To the left of the sink, a clear glass vase holds several white orchids with green leaves. The background consists of a dark wood-grain wall panel and a dark blue tiled wall. A semi-transparent white rectangular box with rounded corners and a dashed border is overlaid on the image, containing the text 'Q4 & FY22 Financial Performance'.

**Q4 & FY22 Financial
Performance**

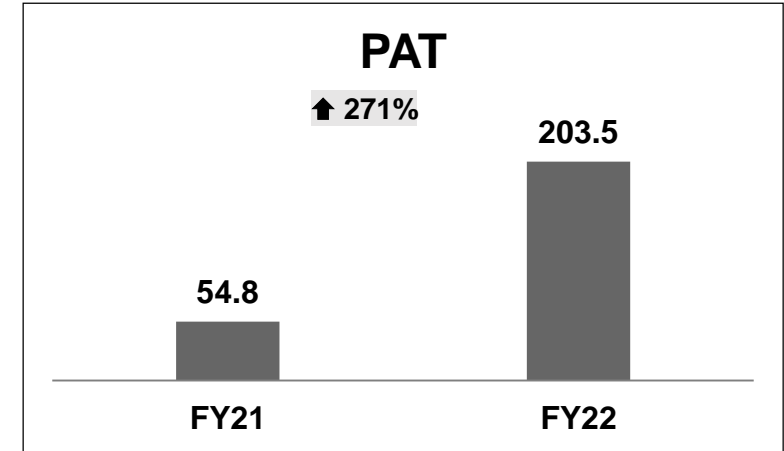
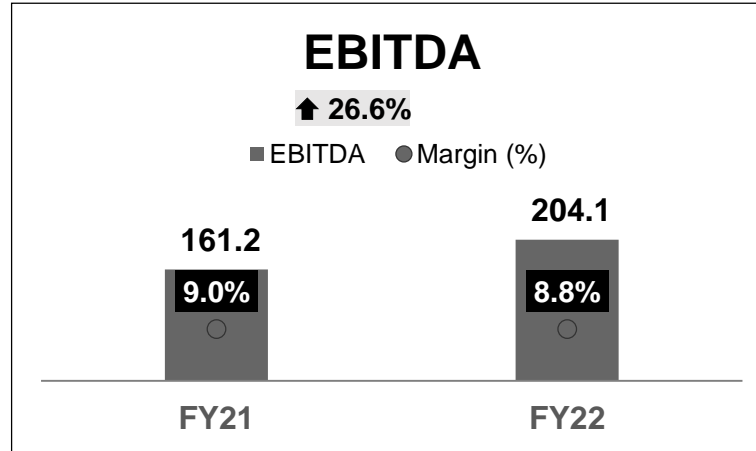
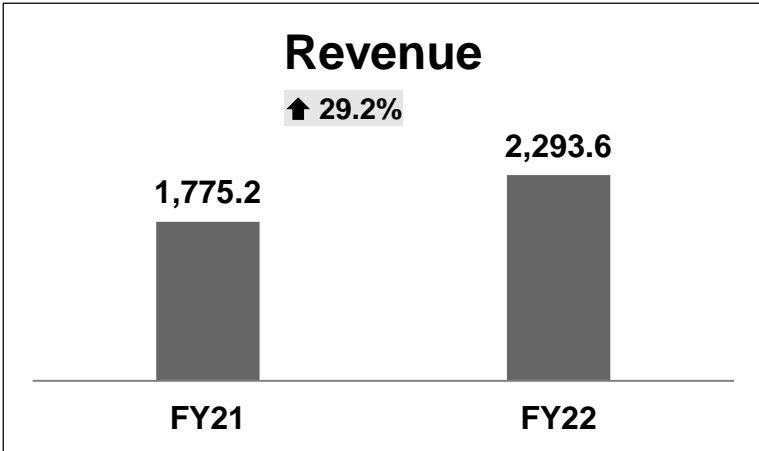
Q4 & FY22 Performance (Consolidated)

(₹ in crore)

Q4 FY 22



FY 22



Note:

- i) Fair value gain (net) of ₹66.11 crore in FY22 of its investment in HPL on account of loss of control of subsidiary (as per Ind AS 110)
- ii) Gain of ₹34.75 crore in FY22 on account of slump sale of Water Heater business undertaking by the Company to HPL (then a wholly owned subsidiary)

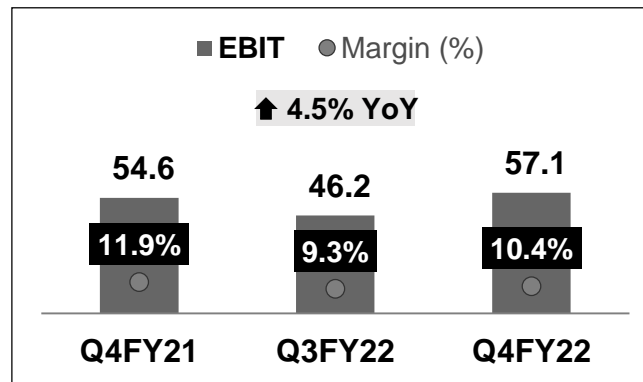
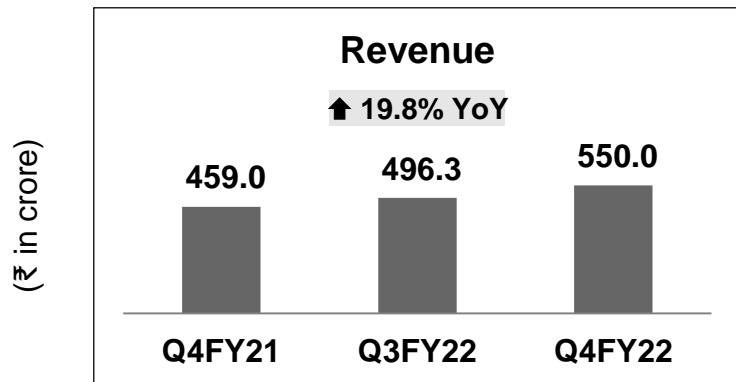


Q4 FY22 – Building Products Business Update

- Continued to outperform the Sanitaryware and Faucets segment
 - Growth driven by new product introductions and strengthening of distribution network in Tier 2 and Tier 3 markets, brand salience, and booming real estate & renovation market demand

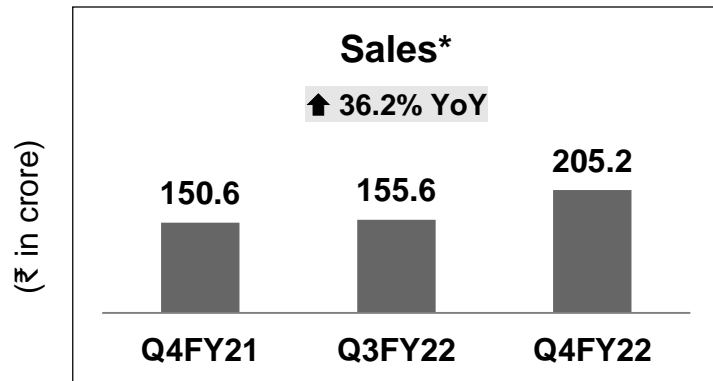
- Financial performance underscores continued strong customer preference
 - Revenue higher by 19.8% Y-o-Y to ₹550 crore
 - EBIT increased by 4.5% Y-o-Y by to ₹57 crore

- Rising Crude and commodity inflation temper margins. Increasing cost is expected to be passed on in the coming quarters



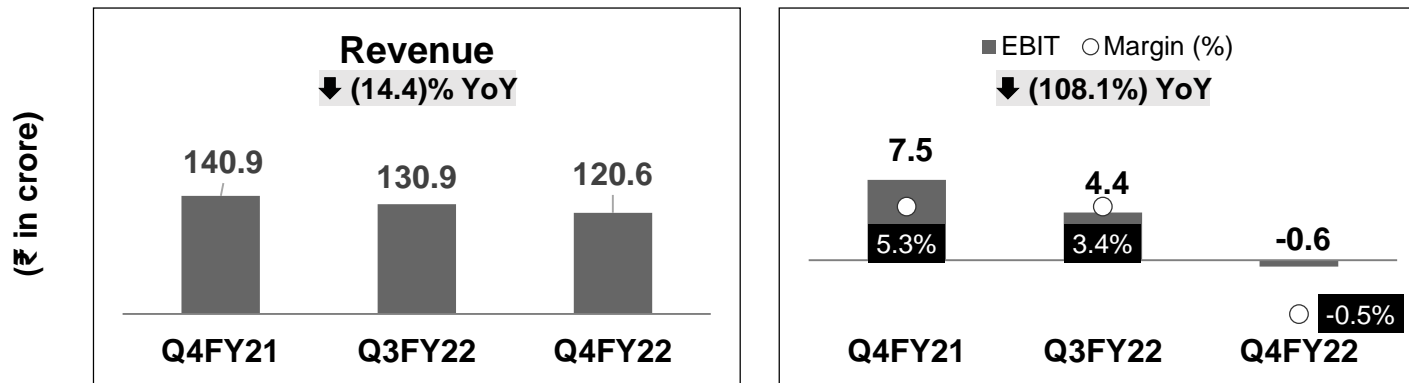
Q4 FY22 – Plastic Pipes & Fittings Business Update

- TRUFLO registered a growth of 36.2% Y-o-Y with revenue at ₹205 crore and remains the fastest growing plastic pipes brand in India
 - Improved sales, volumes and market share on the back of improving brand recognition and superior quality
- Higher volumes, price hikes helped partially offset the impact of rising input prices
- Overhead water storage tanks seeing good traction in markets
- The company is setting up a new plant in Roorkee, Uttarakhand for Plastic Pipes to enable better proximity to market. The total investment is of ~ ₹180 crore and the initial production capacity will be 12,500 MT per annum



Q4 FY22 – Consumer Appliances Business Update

- Inflationary environment coupled with third wave of COVID, subdued demand from e-commerce platforms impacted the quarter performance
 - Revenue for the quarter stood at ₹121 crore
 - EBIT loss came in at ₹0.6 crore
- Continued focus on new product introductions: 12 new models with over 35 SKUs launched across product categories in Q4 FY22
- Calibrated price hikes will be taken to help combat impact of input price increases

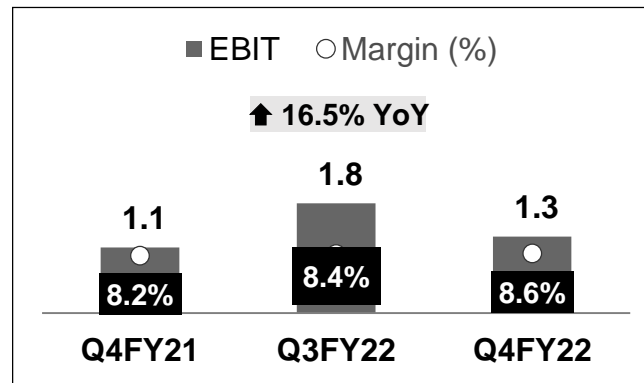
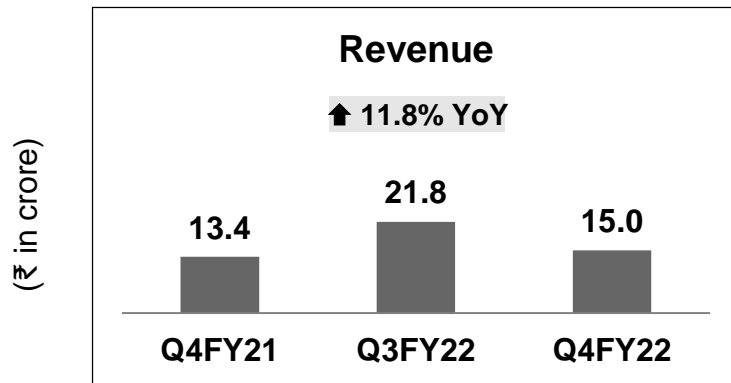


Q4 FY22 – Retail Business Update

- Increased demand for home renovations led to growth in revenue and profitability
 - Revenue stood at ₹15 crore, registering a growth of 11.8% Y-o-Y
 - EBIT remained flattish and came in at ₹1.3 crore
 - EBIT margin for the quarter stood at 8.6%

- Revised strategy to focus on franchise and online retail through owned www.evok.in and other e-commerce platforms to be continuously profitable

- Strategy of online retail and EVOK franchise stores across geographies has helped the brand to strengthen its Omni channel presence





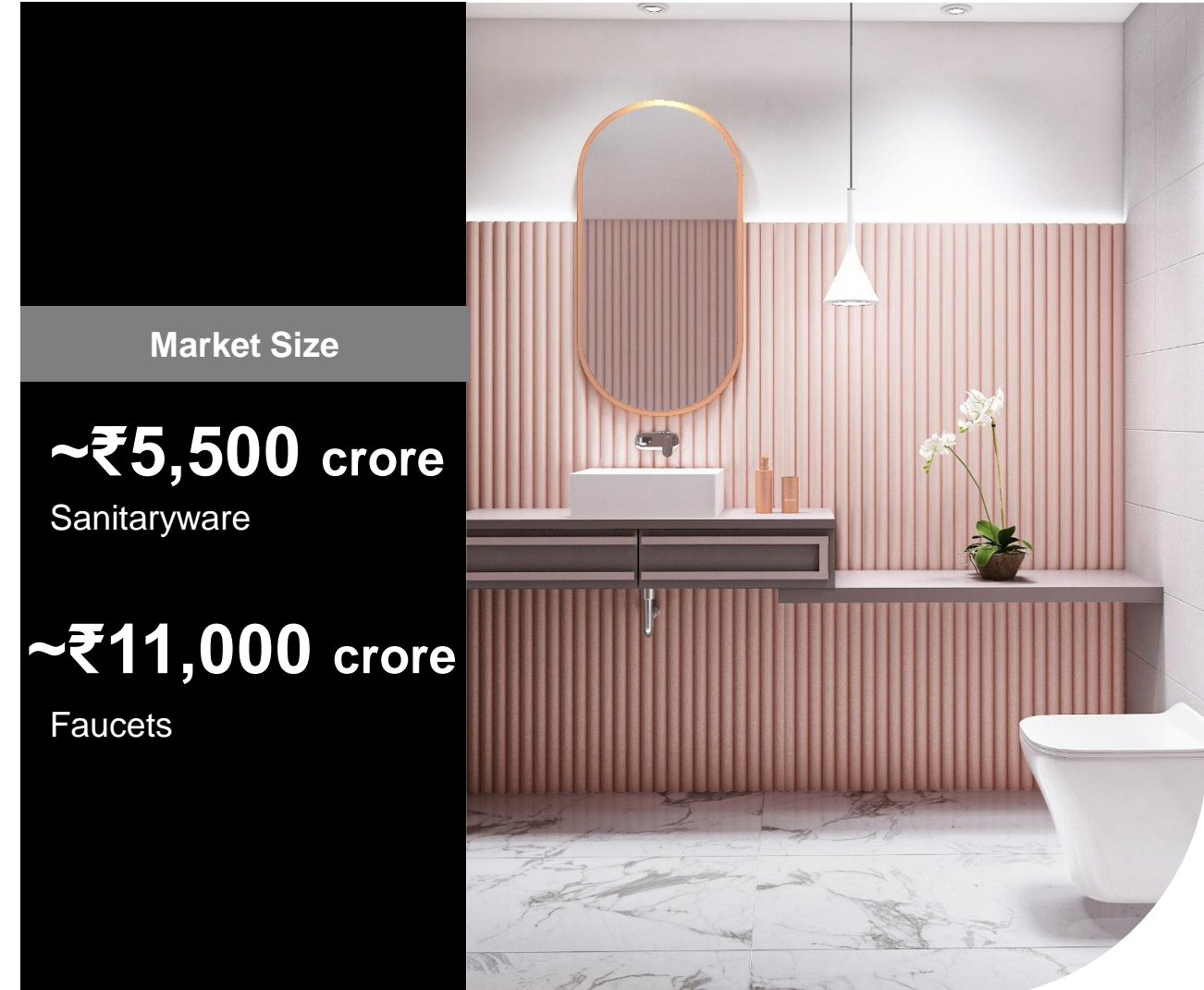
Business Segments Overview



Building Products Segment

Building Products Business

- Leading player in sanitaryware & faucets segments
 - Brands available across price points
- 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
 - 310+ Brand Stores for an immersive customer experience
 - 290+ Distributors for wide network
 - 20,000+ retail touchpoints
 - Catering to 1100+ institutional clients
 - A service network of 400+ technicians pan India covering more than 640 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



TANKLESS
FUTURE OF BATHROOM

1ST
TIME IN INDIA

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



GRABS ATTENTION.
WITHOUT MAKING NOISE.

WATER CLOSETS WITH **AQUASHEET**
TECHNOLOGY FOR QUIETER FLUSHING*

*QUIETER THAN A REGULAR FLUSH



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

#TouchFreeIsCarefree



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.



E Clenz
Intelligent wall mounted
water closet at a smart price



SENSOR
FAUCETS

- INFRA RED SENSOR
- LOW CONTACT
- WORLD CLASS TECH
- LONGER LIFE CYCLE
- SAVE WATER

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 20,000 retail outlets
- Offers best-in-class, NSF-certified (uses CPVC compound Durastream, supplied by ~US\$10 Billion Sekisui Chemical Co. Ltd.).



Market Size

~₹10,000 crore

TRUFLO by Hindware™,
addressable market size



Marquee Clients





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
 - Air coolers
 - Ceiling & pedestal fans
 - Water heaters (part of 50:50 JV with Groupe Atlantic)
 - Water purifiers
 - Kitchen & Furniture fittings (brand FGV Powered by Hindware, a strategic tie-up with Italian company Formenti & Giovenzana)
- Strong Distribution reach
 - 12,500+ Retail outlets
 - 1,400+ Distributors, dealers and modern & large retail outlets
 - 140+ 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)



Emphasis on R&D and Innovation

- Recognized in-house R&D, registered with DSIR
 - Registered 4 new patents in FY22, taking the total to 32 patents since inception of the business
- Hindware Konnect, an IoT platform, connects intelligent products to customers through Hindware appliances mobile app for remote operation
 - Works with Alexa and Ok Google
- Hindware, mentioned among the top companies in the Smart Homes domain at Google's IO, a global event

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
- Makes life easy for consumers as it tells them the exact time to replace the RO membrane and filters



Spectra iPro

- Equipped with features such as Geo-fencing and Wi-Fi Direct, and Alexa-controlled features



Ondeo Evo iPro Water Heater

- Operate from anywhere, track monthly power consumption and status of your complaint 24x7



Diverse and Exciting Products & Brands

hindware



Kitchen Appliances

hindware
SNOWCREST



Air Coolers

hindware

moonbow
by hindware



Water Purifiers

hindware
SNOWCREST



Fans

FGV
FORNENTI &
GIOVENZANA
Powered by hindware
Italian Designs - Great Value



Kitchen & Furniture Fittings

hindware
atlantic



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
- Emphasis on minimising overheads; higher profitability – move from Cash burn to Cash earn

30+

Company owned and Franchise Stores





Thank You



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