

Investor Release

Stove Kraft Limited reports strong performance for Q1 FY22

Karnataka, 29th July, 2021 – Stove Kraft Limited, one of the leading brands for home & kitchen appliances in India, one of the dominant players for pressure cookers and amongst the market leaders in the sale of free-standing hobs, cooktops and non stick cookware announced its Unaudited Financial Results for the Quarter ended 30th June 2021.

Revenue from Operations

Rs. 214 crores

 **+133%**

EBITDA

Rs. 20 crores

 **+110%**

Profit after Tax

Rs. 14 crores

 **+734%**

Key Financial Highlights:

Particulars (Rs. Crs.)	Q1 FY22	Q1 FY21	Y-o-Y
Revenues	214.2	92.1	133%
EBITDA	20.2	9.6	110%
EBITDA Margins (%)	9.4%	10.4%	
Profit After Tax	13.5	1.6	734%
PAT Margins (%)	6.3%	1.8%	

New Launches:

PIGEON SENSO TOUCH MIXER GRINDER (1000 W)



BLENDO



SLEEK Glass Cook Top



CAST IRON COOKWARE





Commenting on the Results, Mr. Rajendra Gandhi, Managing Director said,

“Q1 FY22 started on a positive note with the Company delivering strong performance. Revenues grew by 133%, EBITDA by 110% and PAT by 734% YoY. The business would have grown at an even better pace had we not been hampered by the 2nd wave of CoVID – 19 in the month of May. Due to pandemic, the general trade and modern retail (large format stores) are closed in May, thereby adversely impacting sales.

Business resumed to reasonable level only from early June 2021. Post the relaxation in lockdown restrictions, the Company has been doing well. E-commerce continues to remain our strongest channel and contributes over 30% of our revenues.

During the last quarter, the Company introduced 20 SKUs across different segments. We have increased the sales of our high value premium products which has helped increase our Gross Profit margins. The Company plans to launch over 30 SKUs in the coming quarter.

During the quarter, we have increased our spending on branding and marketing. We believe that continuing to develop awareness of our brands, through focused and consistent branding and marketing initiatives is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets and new product categories.

Our focus is on increasing distribution, increasing network in rural areas and bringing more customers onboard through increasing our number of outlets.

With a constant focus on technology upgradation and increase the level of automation, the Company plans to achieve greater efficiencies and cost reductions resulting in operational efficiencies and higher profit margins on a sustainable basis.



About Stove Kraft Limited (SKL)

SKL is a kitchen solutions and an emerging home solutions brand. It is one of the leading brands for home and kitchen appliances in India, and one of the dominant players for pressure cookers and amongst the market leaders in the sale of free-standing hobs, cooktops and non stick cookware. SKL is also engaged in the manufacturing and retail of a wide and diverse suite of home and kitchen solutions under the Pigeon and Gilma brands and propose to commence manufacturing of home and kitchen solutions under the BLACK + DECKER brand, covering the entire range of value, semi-premium and premium home and kitchen solutions, respectively.

The flagship brands, Pigeon and Gilma, have enjoyed a market presence of over 15 years and enjoy a high brand recall amongst customers for quality and value for money. SKL has well-equipped and backward integrated manufacturing facilities at Bengaluru (Karnataka) and Baddi (Himachal Pradesh), which enables the Company to control and monitor the quality and costs.

SKL has a separate distribution network for each of the Pigeon, Gilma and BLACK + DECKER brands. Further, there is a separate distribution network for the Pigeon LED products. The manufacturing facilities in Bengaluru and Baddi are well connected with 9 strategically located C&F agents. Additionally, SKL has 651 distributors in 27 states and five union territories of India and 12 distributors for the products that are exported. The C&F agents and distributors are, in turn, connected with a dealer network comprising of over 45,500 retail outlets, which are driven through a sales force of 566 personnel.

Contact Details

Company	Investor Relations: Orient Capital
Name: Mr. Elangovan S., CS	Name: Mr. Deven Dhruva
Email: elangovan.s@stovekraft.com	Email: deven.dhruva@linkintime.co.in
CIN: U29301KA1999PLC025387	Tel : +91 9833373300
www.stovekraft.com	www.orientcap.com

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