

August 07, 2025

National Stock Exchange "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited 27th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.
Scrip Symbol : TTKPRESTIG	Scrip Code : 517506

Dear Sir,

**Sub: Chairman's Speech**

Please find enclosed a copy of the **Chairman's speech** delivered today at the **69<sup>th</sup> Annual General Meeting** of our company.

This is for your information and records.

Thanking you,

Yours faithfully,  
For TTK Prestige Limited,

Manjula K V  
Company Secretary & Compliance Officer

TTK Prestige Limited  
Chairman's Speech AGM: 7<sup>th</sup> August 2025

Good morning once again

I have great pleasure in welcoming you all to the 69th Annual General Meeting of your Company.

This is the first meeting I am addressing as Chairman of the Board of TTK Prestige Limited having been elected by the Board of Directors to succeed the illustrious Sri T T Jagannathan who held this office till 24<sup>th</sup> March 2025.

On behalf of the Board of Directors and the shareholders of TTK Prestige Limited I extend our heartfelt gratitude to Sri. T. T. Jagannathan for his visionary leadership and unwavering commitment to the Company over the past five decades.

Sri. Jagannathan's stewardship has been instrumental in transforming TTK Prestige into a household name and a market leader in the small appliances industry. His deep technical expertise, strategic foresight, and relentless pursuit of excellence have left an indelible mark on the Company's growth and innovation journey.

As he transitions to the role of Chairman Emeritus, we honour his legacy and look forward to his continued guidance as an Advisor and Mentor

**GENERAL ECONOMIC CLIMATE:**

The global economy in FY 2024–25 demonstrated commendable resilience in the face of multifaceted challenges. These ranged from intensifying geopolitical tensions and persistent supply chain disruptions to inflationary pressures and weakening external demand. While certain sectors exhibited signs of recovery, the overall trajectory remained uneven and vulnerable to external shocks.

Geopolitical conflicts, notably the Russia–Ukraine war and the Israel– Hamas crisis, significantly disrupted global trade and energy flows. Maritime security threats in the Red Sea further compounded these issues, impeding traffic through the Suez Canal—a strategic route responsible for approximately 30% of global container movement. These developments heightened uncertainty, curtailed investment activity, and posed substantial risks to global growth.

In summary, FY 2024–25 underscored the global economy's capacity for resilience, even as it grappled with persistent structural and geopolitical headwinds. The path forward will require coordinated policy responses, enhanced supply chain adaptability, and renewed

efforts to foster inclusive and sustainable growth.

India, amidst this volatile backdrop, continued to be a beacon of steady economic growth. India's economy continued to demonstrate resilience in FY 2024–25, maintaining a stable growth trajectory amid global volatility. With a projected real GDP growth of 6.5%, India remained among the fastest-growing major economies.

Easing retail inflation, a vibrant services sector, and robust tourism recovery added strength to the domestic momentum. However, toward the end of FY 2024–25, the escalation of trade tensions led by the United States, particularly through tariff measures, has raised concerns across global markets. The potential impact on India's trade dynamics and export competitiveness remains uncertain and warrants close monitoring.

I will now briefly cover on the FY 24-25 performance and the way forward.

#### **INDUSTRY OVERVIEW**

The kitchen appliances industry in India is undergoing a dynamic transformation. Increasing digital penetration, the rise of quick commerce, and evolving consumer preferences are shaping the competitive landscape. While this presents opportunities, it also intensifies competition with the entry of regional players and startups, especially via online channels.

Consumer demand in FY 2024–25 was shaped by inflationary pressures and shifting spending patterns. Discretionary spending was impacted by food-price inflation, particularly among middle-income households, leading to stronger traction for entry-level products at the sub-middle income segment and value-added products at the higher-income segment. Rural demand remained stressed due to limited credit flow from microfinance institutions, although areas not reliant on such financing saw improvement thanks to a favourable monsoon and easing inflation. Urban demand faced headwinds from low wage growth and high inflation.

On the export front, India achieved record highs in services exports despite global trade headwinds. However, goods exports remained subdued due to recessionary trends, and geopolitical tensions. The recent escalation of the U.S.-led tariff war introduced new uncertainties in global trade. Although India continues to be viewed as a preferred alternative sourcing destination, the full impact of these developments on the kitchenware segment remains to be seen amid these uncertainties.

Your Company operates in this competitive ecosystem across a diverse portfolio—pressure

cookers, cookware, gas stoves, and kitchen electrical appliances—and continues to reinforce its leadership position with strong consumer connect, innovative products and brand equity.

**FINANCIAL YEAR 2024-25:**

The Annual Report for FY 2024–25 has been circulated and includes both stand-alone and consolidated financials, covering the operations of the UK subsidiary Horwood Homewares Limited and the Indian subsidiary Ultrafresh Modular Solutions Ltd. The Directors' Report provides a comprehensive review of performance, current positioning, strategic outlook, and future direction.

In the face of macroeconomic challenges, I am pleased to report that the Company has delivered a satisfactory performance in FY 2024–25.

- **Total Revenue** stood at **₹2,530 Crores**, a modest growth of **1.2%** over the previous year.
- **Domestic sales** rose to **₹2,464 Crores**, up by **1.4%**, despite significant challenges in alternate channels viz. microfinance-dependent rural channel, CSD and other institutional segments.
- Our **core traditional channels** grew by **7.8%**, offsetting pressure from the alternate channels.
- Our flagship '**Prestige**' brand and the repositioned '**Judge**' brand continued to deepen market reach, with Judge growing around **43%** year-on-year.
- Your Company introduced **191 new SKUs** during the year, showcasing our commitment to innovation and consumer delight.

However, our **export sales** were impacted by global trade headwinds and stood at ₹66.6 Crores, a slight decline from the previous year.

Against a tough environment, the Company's standalone operating EBITDA margin (before long-term strategic investments and exceptional items), stood at 11.9% (Previous Year: 12.8%) and our **Profit Before Tax** (before long-term strategic investments and exceptional items) at ₹294 Crores (Previous Year ₹ 318 Crores).

Through focused marketing strategies and operational efficiencies, the Company effectively mitigated the impact of slower growth in select channels and successfully maintained healthy profit margins during FY 2024–25.

### **EXCEPTIONAL ITEMS CHARGED TO THE P&L FOR FY 2024-25**

As part of the annual financial review, the Company conducted an impairment assessment of its investment in Horwood Homewares Ltd., UK, a wholly owned subsidiary. In FY 2019–20, a goodwill impairment of ₹11.69 crores was recognized in the consolidated financials due to the impact of the COVID-19 pandemic on the UK market. Horwood showed signs of recovery in subsequent years, and no further impairment was deemed necessary until FY 2024–25.

Given the continued geopolitical tensions, uncertain recovery timelines for the UK and European economies, and the escalation of global trade risks, a provision of ₹32.26 crores was made in the standalone financials as of 31st March 2025 (Previous Year: Nil). Additionally, a goodwill impairment of ₹71.42 crores was recognized in the consolidated financial statements (Previous Year: Nil).

Despite these adjustments, management remains confident in the long-term prospects of Horwood and anticipates a return to growth as macroeconomic conditions stabilize in the UK and Europe.

### **STRATEGIC INVESTMENT FOR LONG-TERM GROWTH**

In alignment with our vision to build future readiness, the Board had approved a **strategic investment of ₹500 Crores** over the next three years. This includes:

- ₹200 Crores in operational excellence—spanning innovation, design, supply chain, digital transformation, and go-to-market capabilities.
- ₹300 Crores as capital expenditure—strengthening our manufacturing, infrastructure, and product development capabilities.

We believe these investments are crucial to ensure long-term competitiveness, sustainable growth, and enhanced stakeholder value. Some of these costs, being of one-time in nature, may impact margins in the near term but are expected to yield significant gains over the medium to long term.

During the year 2024-25 your Company had spent around Rs 29.8 Crores on strategic operational expenses.

### **SUBSIDIARY PERFORMANCE**

Our UK subsidiary, **Horwood Homewares Ltd**, achieved a sale of **GBP 14.2 million** (Previous Year GBP 14.4 million) and posted an EBITDA of **GBP 0.31 million** (Previous Year GBP 0.02 million), reflecting operational efficiency, though sales were marginally down

due to the UK's economic slowdown.

**Ultrafresh Modular Solutions Ltd**, our Indian subsidiary, achieved a turnover of ₹ **32.5 Crores** registering a growth of **4.1%** in turnover over previous year. While the delays in the project orders readiness for installation affected EBITDA, we are optimistic about its potential in the modular kitchen segment, supported by cost optimization measures and expanding studio network.

#### **BUYBACK OF SHARES**

Pursuant to the approval of the Board on August 2, 2024, the Company successfully completed the buyback of 16,66,666 equity shares of ₹1 face value each at a price of ₹1,200 per share, aggregating to ₹199.99 crores (excluding buyback tax and transaction costs of approximately ₹48 crores) in September 2024.

#### **CASH FLOW AND LIQUIDITY POSITION:**

The Company continued to generate substantial post-tax operating free cash flows during FY 2024–25. These funds were strategically deployed towards capital expenditure, the buyback of equity shares, strategic investments, and the distribution of dividends. On a standalone basis, the Company remained debt-free and, as of 31st March 2025, held cash and liquid investments exceeding ₹825 crores, reflecting a strong liquidity position and financial prudence.

#### **HUMAN RESOURCES:**

Your Company was Certified as **Great Place to Work®** for the **fourth consecutive year** by Great Place to Work® Institute (India) and “**Top 50 Companies with Great Managers**” in India for 2024 by People Business in partnership with The Economic Times

#### **BRAND SALIENCE & RECOGNITIONS:**

- Your Company's brand Prestige® is recognized as the **Well-Known Trademarks** by Indian Trademark Registry under the Trademarks Rules 2017, rightfully recognising your Company's brand in its 75<sup>th</sup> anniversary in India.
- Prestige brand was recognized as the **Superbrand** in the Kitchen Segment for the 18<sup>th</sup> consecutive year in 2024 by Superbrands India Media Private Limited.
- TRA's Brand Trust Report recognized **Prestige®** as **India's most trusted Pressure Cooker Brand in 2024**.

Various other recognitions for your Company's innovations, its people and stature have been mentioned in the Annual Report. As always, your Company will be investing

significant amounts in brand promotion and attractive campaigns as well as product innovation.

#### **GREEN INITIATIVES / ESG:**

Your Company has been continuously taking steps to conserve energy, water, and natural resources. These are outlined in the annexures to Directors' Report and BRSR report. Your company has engaged the services of CII to evaluate and put in place Green initiatives in manufacturing plants since 2023-24. During the financial year 2023-24 your Company had received the certification for **GreenCo Silver** rating for its plant at Karjan, Gujarat. During the financial year 2024-25 your Company's plant at Hosur received the **GreenCo Silver** rating by CII – Sohrabji Godrej Green Business Centre. Further actions are on to achieve the similar certification for the remaining plants in the coming years.

#### **DIVIDEND**

Your directors have recommended a dividend of ₹ 6/- per share, the pay-out ratio being 51%. (PY ₹ 6 per share and pay-out ratio of 35%).

#### **LOOKING AHEAD**

The outlook for the Indian economy remains promising, supported by strong domestic consumption, infrastructure push, and digital adoption. The kitchen appliances industry is expected to grow in sync with rising incomes and consumer aspirations.

Your Company is well poised to capitalize on these opportunities with its robust brand equity, wide distribution network, financial strength, and consumer-first innovation strategy.

Your Company will continue investing in business excellence initiatives and sustainable cost-saving measures, which may temporarily impact operating EBITDA over the next few quarters, with benefits expected to materialize gradually.

A stronger focus on innovative products is aimed at leveraging emerging growth opportunities.

While external factors may present challenges, your Company remains firmly committed to consistent performance, driving innovation, and creating sustainable long-term value.

#### **ACKNOWLEDGEMENT**

At the close of the Financial Year 24-25, four independent directors – Mr. Arun

TTK Prestige Limited  
Chairman's Speech AGM: 7<sup>th</sup> August 2025

Thiagarajan, Mr. Dileep Krishanswamy, Dr Mrs. Vandana Walvekar and Mr. Murali Neelakandan retired from the board after completing their tenure as Independent Directors. I place on record my sincere appreciation for the valuable contributions made by them over the last several years. I also place on record my sincere appreciations for the immense contributions made by Mr. Chandru Kalro and Mr. K Shankaran who retired from the Board as Managing Director and Whole-time director respectively after serving the company for more than three decades. This year has seen transition at the Board level as well as at the executive management level. I place on record my appreciation for the Board and the Nomination Remuneration Committee and the senior management for the seamless transition and I am confident that as a team we will take the company forward to scale greater heights.

I sincerely acknowledge the strong support received from our shareholders, employees, suppliers, channel partners, and banking partners. Your continued trust and collaboration have been vital to our journey, and we look forward to engaging with you even more closely in the future.

Thank you once again for your presence and unwavering support.

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