

V-Guard Industries

Q2 FY26 Earnings Presentation



Disclaimer

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

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Managing Director's Message



Commenting on the performance for Q2 FY26, Mr. Mithun Chittilappilly, Managing Director – V-Guard Industries Limited said, “In Q2FY26, the business delivered modest growth across segments due to headwinds such as higher than average rainfall, weak demand and GST transition. In this backdrop, we have delivered a resilient performance. Consolidated Net Revenue from operations was ₹1,341 crore, growing 3.6% over the same period last year. Consolidated Profit After Tax (PAT) for the quarter was ₹65 crore compared to ₹63 crore in Q2 of the previous year, an increase of 3% YoY.

The Electronics segment led the growth with a 5.3% year-on-year increase in topline, followed by Electricals and Consumer Durables, which grew by 4.7% and 1%, respectively. Sunflame registered growth of 3.4% YoY, ensuring that all segments reported positive growth. From a regional perspective, South markets grew by 4.3% YoY while Non-South markets posted growth of 2.8% YoY.

Gross margin improved further during the quarter, sustaining the gains we have made in recent quarters.

The merger of Sunflame with V-Guard is progressing well and is expected to unlock significant synergies and operational efficiencies.

Reforms introduced as part of GST 2.0 are a welcome step towards simplifying the tax structure and boosting consumption. We expect the improvement in demand to start reflecting in the coming quarters.”

Key Highlights – Q2 FY26



Revenue increased by 3.6% YoY in Q2 FY26

- Q2 FY26 revenue increased by 3.6% YoY to Rs. 1340.92 crore
 - South markets witnessed a YoY growth of 4.3% whereas Non-South markets grew by 2.8% in Q2 FY26
 - Non-South markets contributed to 44.1% of total revenues in Q2 FY26 as compared to 44.5% in Q2 FY25
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EBITDA performance and PAT

- Gross margin expanded by 140 bps YoY, at 37.6% in Q2 FY26 as compared to 36.2% in Q2 FY25
 - Ad/promotional spends, at 2.9% of revenues in Q2 FY26 as compared to 3.0% in Q2 FY25
 - EBITDA at Rs. 109.26 crore in Q2 FY26 declined 0.9% YoY, as compared to Rs. 110.26 crore in Q2 FY25
 - EBITDA margin for Q2 FY26 is 8.1% as compared to 8.5% in Q2 FY25
 - Q2 FY26 PAT increased 3.0% YoY to Rs. 65.29 crore
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Robust cash flow generation and balance sheet

- CFO generation for H1 FY26 at Rs. 195.08 crore compared to Rs. 335.76 crore for H1 FY25
- ROE and ROCE at 13.3% and 16.4%, respectively over the last 12 months
- Net cash as on 30th September 2025 is Rs. 92.78 crore, as against net cash of Rs. 4.26 crore as on 30th September 2024.

P&L Snapshot (including Sunflame)



P&L Statement Particulars	Q2 FY26 (Rs. Cr)	Q2 FY25 (Rs. Cr)	Change %	Q1 FY26 (Rs. Cr)	H1 FY26 (Rs. Cr)	H1 FY25 (Rs. Cr)	Change %
Net Revenue (NR)	1,340.92	1,293.99	3.6%	1,466.08	2,807.00	2,771.09	1.3%
COGS	837.10	824.96	1.5%	925.41	1,762.51	1,759.74	0.2%
Gross Margin	37.6%	36.2%	1.4%	36.9%	37.2%	36.5%	0.7%
EBITDA (excluding other income)	109.26	110.26	-0.9%	123.59	232.85	266.03	-12.5%
as a % to NR	8.1%	8.5%	-0.4%	8.4%	8.3%	9.6%	-1.3%
Other Income (including finance income)	4.91	4.05	21.2%	5.25	10.16	10.96	-7.3%
EBITDA including other income	114.17	114.31	-0.1%	128.84	243.01	276.99	-12.3%
as a % to NR	8.5%	8.8%	-0.3%	8.8%	8.7%	10.0%	-1.3%
PBT	85.08	84.62	0.5%	98.26	183.34	216.98	-15.5%
as a % to NR	6.3%	6.5%	-0.2%	6.7%	6.5%	7.8%	-1.3%
PAT	65.29	63.39	3.0%	73.85	139.14	162.36	-14.3%
as a % to NR	4.9%	4.9%	0.0%	5.0%	5.0%	5.9%	-0.9%

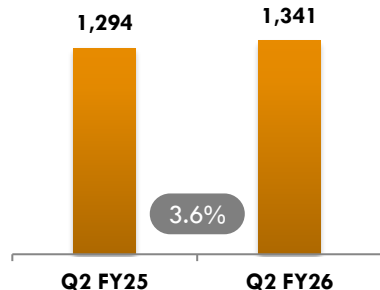
P&L Snapshot (excluding Sunflame)



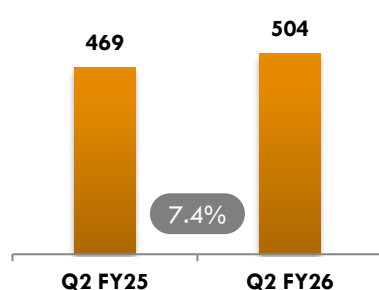
P&L Statement Particulars	Q2 FY26 (Rs. Cr)	Q2 FY25 (Rs. Cr)	Change %	Q1 FY26 (Rs. Cr)	H1 FY26 (Rs. Cr)	H1 FY25 (Rs. Cr)	Change %
Net Revenue (NR)	1,277.78	1,232.94	3.6%	1,410.57	2,688.35	2,651.38	1.4%
COGS	799.90	786.22	1.7%	892.42	1,692.32	1,685.23	0.4%
Gross Margin	37.4%	36.2%	1.2%	36.7%	37.0%	36.4%	0.6%
EBITDA (excluding other income)	105.10	109.36	-3.9%	121.31	226.41	262.50	-13.7%
as a % to NR	8.2%	8.9%	-0.7%	8.6%	8.4%	9.9%	-1.5%
Other Income (including finance income)	4.58	3.76	21.8%	4.91	9.49	10.31	-8.0%
EBITDA including other income	109.68	113.12	-3.0%	126.22	235.90	272.81	-13.5%
as a % to NR	8.6%	9.2%	-0.6%	8.9%	8.8%	10.3%	-1.5%
PBT	82.54	85.24	-3.2%	97.48	180.02	216.37	-16.8%
as a % to NR	6.5%	6.9%	-0.4%	6.9%	6.7%	8.2%	-1.5%
PAT	60.82	63.79	-4.7%	73.29	136.65	161.96	-15.6%
as a % to NR	4.8%	5.2%	-0.4%	5.2%	5.1%	6.1%	-1.0%

Financial Highlights (Q2 FY26 vs. Q2 FY25)

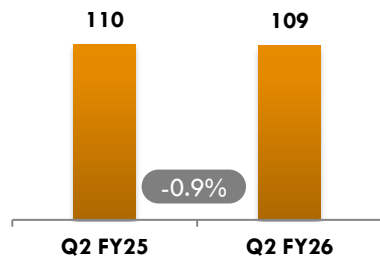
Net Revenue (Rs. crore)



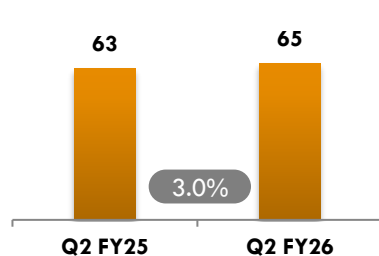
Gross Profit (Rs. crore)



EBITDA (Rs. crore)



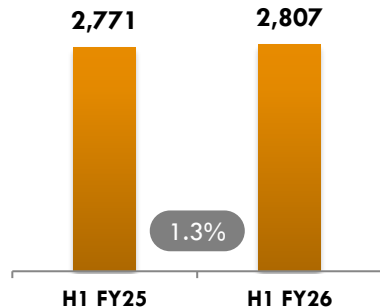
PAT (Rs. crore)



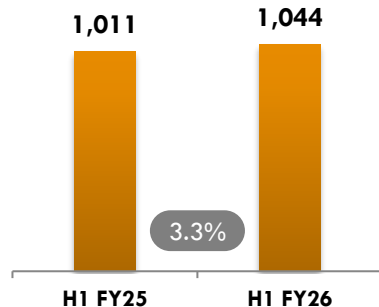
Key ratios (%)	Q2 FY26	Q2 FY25
Gross Margin	37.6%	36.2%
EBITDA Margin (excl. other income)	8.1%	8.5%
Profit after Tax	4.9%	4.9%
Ad & Promotion Exp./ Net Revenue	2.9%	3.0%
Employee Cost/ Net Revenue	10.2%	10.0%
Other Expenditure/ Net Revenue	19.3%	17.7%
Tax rate	23.3%	25.1%
Diluted EPS (Rs.)	1.48	1.44

Financial Highlights (H1 FY26 vs. H1 FY25)

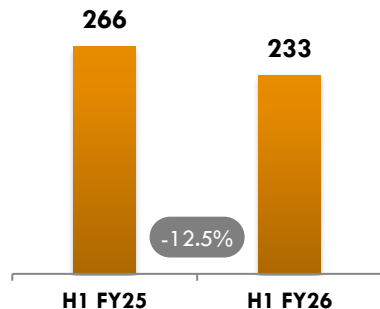
Net Revenue (Rs. crore)



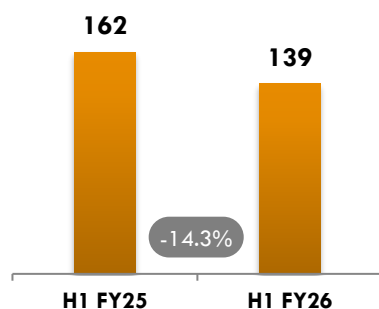
Gross Profit (Rs. crore)



EBITDA (Rs. crore)



PAT (Rs. crore)



Key ratios (%)	H1 FY26	H1 FY25
Gross Margin	37.2%	36.5%
EBITDA Margin (excl. other income)	8.3%	9.6%
Profit after Tax	5.0%	5.9%
Ad & Promotion Exp./ Net Revenue	3.0%	2.9%
Employee Cost/ Net Revenue	9.9%	9.1%
Other Expenditure/ Net Revenue	19.1%	17.8%
Tax rate	24.1%	25.2%
Diluted EPS (Rs.)	3.16	3.70

Financial Highlights – Balance Sheet Perspective



Balance Sheet Snapshot (Rs. Cr)	30 September 2025	30 June 2025	30 September 2024
Net Worth	2,190.12	2,182.20	1,930.94
Gross Debt	7.49	10.59	146.91
Current Investments	45.19	60.26	80.46
Cash & Cash Equivalents (inc. bank balance)	55.08	105.65	70.71
Net Cash Position	92.78	155.32	4.26
Fixed Assets	1,225.12	1,182.56	1,130.47

Balance Sheet Snapshot	30 September 2025	30 June 2025	30 September 2024
Debtor (days)*	28	27	32
Inventory (days)*	102	102	99
Creditor (days)*	62	66	66
Working Capital Turnover (days)*	68	63	65
RoE* (%)	13.3%	13.2%	15.4%
RoCE* (%)	16.4%	16.7%	18.9%

Note: *Calculations are on a **trailing twelve month basis**

Based on Consolidated Financials

Segment-wise Breakup – Q2 FY26 vs. Q2 FY25



Segment Revenue	Q2 FY26 (Rs. Cr)	Contribution (%)	Q2 FY25 (Rs. Cr)	Contribution (%)	YoY growth (%)
Electronics	319.07	23.8%	302.99	23.4%	5.3%
Electricals	562.62	42.0%	537.61	41.6%	4.7%
Consumer Durables	396.09	29.5%	392.34	30.3%	1.0%
Sunflame	63.14	4.7%	61.05	4.7%	3.4%
Grand Total	1,340.92	100.0%	1,293.99	100.0%	3.6%

Segment Result	Q2 FY26 (Rs. Cr)	Margin (%)	Q2 FY25 (Rs. Cr)	Margin (%)	YoY growth (%)
Electronics	54.86	17.2%	59.45	19.6%	-7.7%
Electricals	65.01	11.6%	49.12	9.1%	32.3%
Consumer Durables	6.91	1.7%	16.08	4.1%	-57.0%
Sunflame	4.13	6.5%	0.86	1.4%	380.2%
Grand Total	130.91	9.8%	125.51	9.7%	4.3%

Electronics – Stabilizers, UPS, Inverters

Electricals – Wires, Pumps, Switchgears, Modular Switches

Consumer Durables – Fans, Water Heaters, Kitchen Appliances, Air Coolers

Sunflame – Products sold under trademark Sunflame and Superflame

Based on Consolidated Financials

Segment-wise Breakup – H1 FY26 vs. H1 FY25



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Segment Revenue	H1 FY26 (Rs. Cr)	Contribution (%)	H1 FY25 (Rs. Cr)	Contribution (%)	YoY growth (%)
Electronics	855.36	30.5%	816.11	29.5%	4.8%
Electricals	1,087.32	38.7%	1,025.31	37.0%	6.0%
Consumer Durables	745.67	26.6%	809.96	29.2%	-7.9%
Sunflame	118.65	4.2%	119.71	4.3%	-0.9%
Grand Total	2,807.00	100.0%	2,771.09	100.0%	1.3%

Segment Result	H1 FY26 (Rs. Cr)	Margin (%)	H1 FY25 (Rs. Cr)	Margin (%)	YoY growth (%)
Electronics	159.73	18.7%	162.96	20.0%	-2.0%
Electricals	112.38	10.3%	98.29	9.6%	14.3%
Consumer Durables	-0.26	0.0%	37.81	4.7%	-100.7%
Sunflame	6.56	5.5%	3.59	3.0%	82.7%
Grand Total	278.41	9.9%	302.65	10.9%	-8.0%

Electronics – Stabilizers, UPS, Inverters

Electricals – Wires, Pumps, Switchgears, Modular Switches

Consumer Durables – Fans, Water Heaters, Kitchen Appliances, Air Coolers

Sunflame – Products sold under trademark Sunflame and Superflame

Based on Consolidated Financials

Geographical Breakup of Revenues

Region	Q2 FY26 (Rs. Cr)	Contribution (%)	Q2 FY25 (Rs. Cr)	Contribution (%)	YoY growth (%)
South	713.73	55.9%	684.47	55.5%	4.3%
Non-South	564.05	44.1%	548.47	44.5%	2.8%
Total (excl. Sunflame)	1,277.78	100.0%	1,232.94	100.0%	3.6%
Sunflame	63.14		61.05		3.4%
Total Revenue	1,340.92		1,293.99		3.6%

Region	H1 FY26 (Rs. Cr)	Contribution (%)	H1 FY25 (Rs. Cr)	Contribution (%)	YoY growth (%)
South	1,386.76	51.6%	1,375.45	51.9%	0.8%
Non-South	1,301.59	48.4%	1,275.93	48.1%	2.0%
Total (excl. Sunflame)	2,688.35	100.0%	2,651.38	100.0%	1.4%
Sunflame	118.65		119.71		-0.9%
Total Revenue	2,807.00		2,771.09		1.3%



Annexure

Market Overview of V-Guard's Product Portfolio



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Electronics	Product	Total Market Size (Rs. Crs.)	Indicative Org. Market Size (%)	Industry Growth Rate (%)	VG Share in Org. Market (%)	Other Key Players
	Stabilizers	1,600-2,000	65-70%	4-6%	40-45%	Microtek, Everest, Premier
	DUPS & Battery	13,000-16,000	65-70%	13-15%	5-7%	Exide, Luminous, Microtek

Electricals	Product	Total Market Size (Rs. Crs.)	Indicative Org. Market Size (%)	Industry Growth Rate (%)	VG Share in Org. Market (%)	Other Key Players
	House Wiring Cables	21,000-25,000	65-70%	9-10%	8-9%	Polycab, Finolex, Havells
	Switchgears*	4,000-4,500	75-80%	8-10%	~ 5%	Legrand, Havells, Anchor
	Modular Switches	7,000-9,000	75-80%	12-14%	**	Anchor, Legrand, Havells
	Pumps*	5,000-6,000	65-70%	7-9%	9-12%	Crompton, Kirloskar, Texmo

*Market estimates of VG active product segments only | ** Recent entry/ Growth plan under activation

Market Overview of V-Guard's Product Portfolio



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Appliances	Product	Total Market Size (Rs. Crs.)	Indicative Org. Market Size (%)	Industry Growth Rate (%)	VG Share in Org. Market (%)	Other Key Players
	Water Heaters	3,000-4,000	80-85%	8-10%	14-16%	Bajaj, Havells, Crompton, Racold
	Electric Fans	12,000-14,000	80-85%	8-10%	5-7%	Crompton, Havells, Orient, Usha, Bajaj
	Solar Water Heaters	800-900	60-65%	5-7%	15-17%	Sudarshan Saur, Supreme Solar, Racold
	Air Coolers	6,500-8,000	35-40%	11-12%	**	Symphony, Bajaj, Voltas
	Kitchen Appliances - Mixer Grinders - Gas Stoves - Water Purifiers - Other Kitchen Appliances#	3,500-5,000 2,500-3,000 6,000-6,500 2,200-2,500	70-75% 60-65% 60-65% 75-80%	9-10% 11-13% 15-18% 10-15%	** 5-7% ** **	Mixer Grinders - Bajaj, Preethi, Butterfly Gas Stoves - Prestige, Butterfly Water Purifiers - Eureka Forbes, Kent RO, HUL Pureit Others - Faber, Bajaj, Havells

Includes Induction Cooktop, Rice Cooker, Sandwich Makers, Toasters, Grills, Kettles, Chimneys, etc.

** Recent entry/ Growth plan under activation

About V-Guard Industries

V-Guard Industries Limited (BSE:532953, NSE: VGUARD) is a Kochi based company, founded in 1977 by Kochoseph Chittilappilly to manufacture and market Voltage stabilizers. The Company has since then established a strong brand name and aggressively diversified to become a multi-product Company catering to the Light Electricals sector manufacturing Voltage stabilizers, Digital UPS systems & Batteries, Pumps, House wiring cables, Switch gears, Modular switches, Electric water heaters, Fans, Solar water heaters, Air coolers and various Kitchen appliances.

V-Guard outsources ~ 35% of its product profile while the rest are manufactured in – house while keeping a strong control in designs and quality. It has manufacturing facilities at Coimbatore (Tamil Nadu), Kashipur, Pantnagar & Haridwar (Uttarakhand), Kala Amb (Himachal Pradesh), Hyderabad (Telangana), Faridabad (Haryana), Sikkim and Vapi (Gujarat).

V-Guard has been a dominant player in the South market, though the last ten years have also seen the Company expanding rapidly in the non-South geographies with their contribution increasing from 5% of total revenues in FY08 to around 48% of total revenues in FY25. Significant investments continue to be made to expand its outlet coverage in the non-South geographies and become a dominant pan-India player.

V-Guard has a diversified client base and an extensive marketing & distribution network. Its client base differs from product to product and includes direct marketing agents, distributors and retailers. The Company today has a strong network of 35 branches which cover ~1,00,000+ channel partners across the country.



For further information, please contact:

Sudarshan Kasturi (CFO)

V-Guard Industries Limited

Tel: +91 484 300 5601

Email: sudarshan.kasturi@vguard.in

Mayank Vaswani / Shruti Joshi

CDR India

Tel: +91 982 094 0953 / +91 750 656 7349

Email: mayank@cdr-india.com / shruti@cdr-india.com



THANK YOU