



Hindustan Foods Limited

EARNINGS PRESENTATION **May 2023**



This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Hindustan Foods Limited** (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company

This Presentation is not a prospectus, disclosure document, a statement in lieu of a prospectus, an offering circular, an advertisement or an offer document under the Companies Act, 2013, and the rules made thereunder, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, or any other applicable law in India. This Presentation should not be considered as a recommendation that any investor should subscribe for or purchase any securities of the Company or its subsidiary and should not be used as a basis for any investment decision. The information contained in this Presentation is only current as of its date and has not been independently verified. The Company will not update you in the event the information in the Presentation becomes stale. Moreover, both express or implied representation or warranty is made as to, and no reliance should be placed on, the truth, accuracy, fairness, reasonableness or completeness of the information presented or contained in this Presentation and nothing in this Presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.



Uttar Pradesh | Ice Cream Plant



**Gross Block for FY23 includes wholly owned subsidiaries/LLP and includes CWIP

*PAT includes, excess provision of tax to the tune of Rs. 1.8 Crores in FY 22 which was reversed in FY 23 after filing tax returns

Includes other income

1

The Company's beverage unit and the ice cream unit had a decent start to the season though marred by unseasonal rains

2

The QoQ topline was flattish on account of fall in commodity prices.

3

The Board has approved capex investment of Rs 25 crs for setting up a new factory in Guwahati, Assam for a national player to manufacture juices

4

In addition to its existing portfolio of juices and CSD, the company is teaming up with two of the largest beverage players in the country. The commercial production for the same at the Mysore facility will commence by June '23

5

The Company's capex plans for setting up the Soaps & Bars project continued to progress in the quarter and started partial commercial production in May 23



Commenting on the Results, Sameer R. Kothari, Managing Director said, “I am satisfied with the overall performance of the company. Ramp up of the Ice creams and beverages facilities in the last quarter of this year has helped us close the year, with a record turnover and profit for the year though the fall in the commodity prices led to some softening in the top line in the last quarter. The unseasonal rains caused some variations for the demand for the summer products, which led to us closing the year a tad short of the number that we had guided for.

We had mentioned that the beverage segment was a key focus area, and I am pleased to inform that we have enhanced our presence in this segment by teaming up with two of the largest beverage players in the country. Given the market share of these two customers, we are optimistic about the potential of this new relationship and are looking forward to working with these companies to identify new locations for setting up factories and ramping up existing facilities to serve the growing demand of the Indian customer.

We continue to be bullish about the Indian consumption story.”

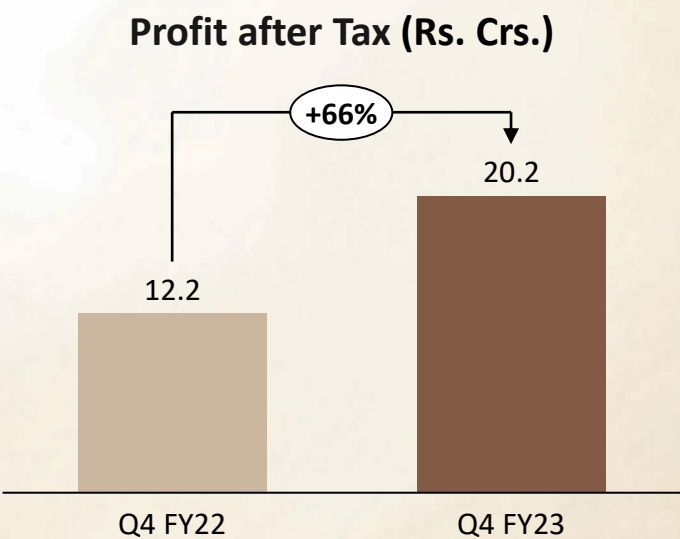
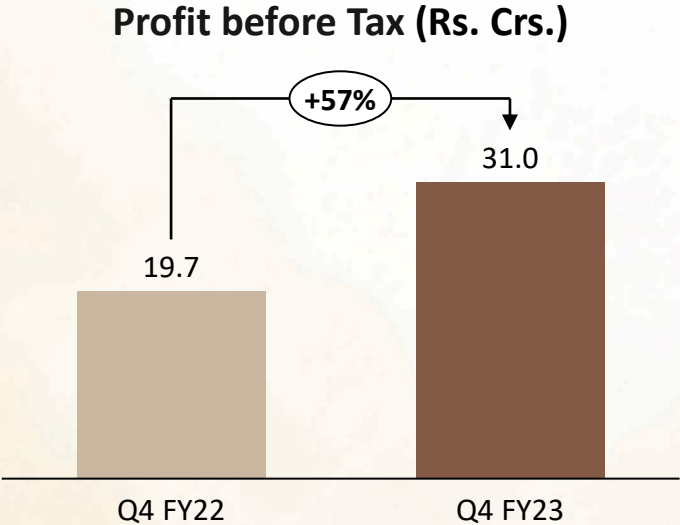
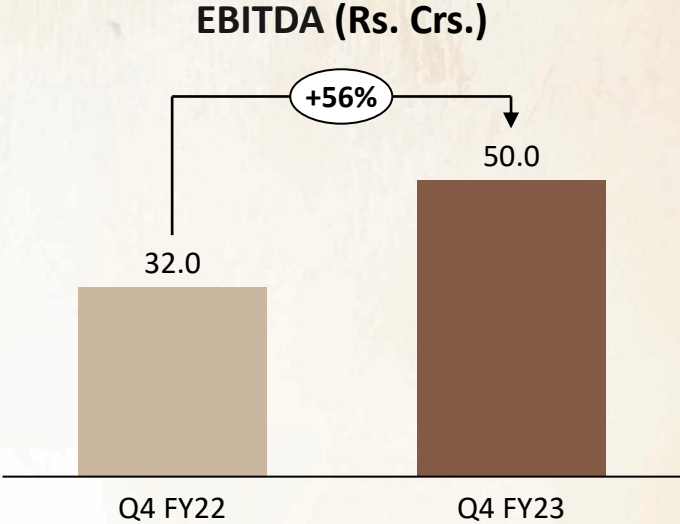
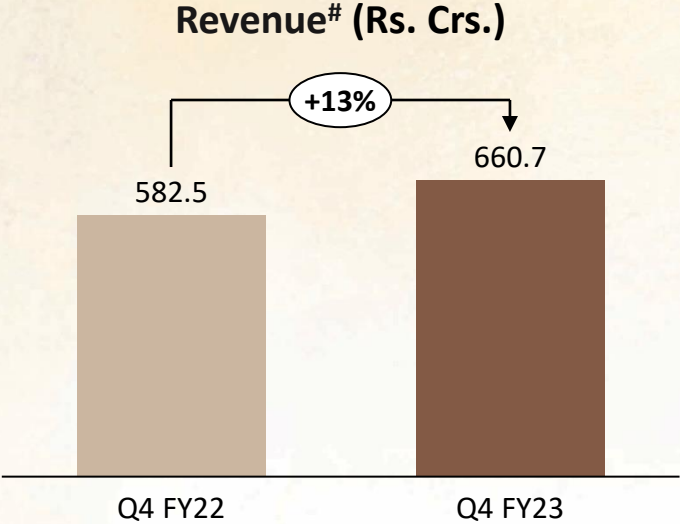


Commenting on the Results, Mayank Samdani, Group CFO said, “Our turnover for the year on a consolidated basis has increased by more than 25% while the PAT has soared by 60%. The QoQ revenue numbers were flattish as fall in the commodity prices led to reduction of our sales. However, our PAT numbers for the quarter were the highest as our margin profile improved due to the ramping up of our ice creams and beverages business.

PBT has crossed the 100-crore mark for the first time for the year FY 23 and our financial performance has improved as some of our under-utilized factories have ramped up. The cash flow from operations improved to nearly Rs. 100 crores, a near 3 times increase over last year. We have invested nearly Rs 200 crores towards capex in this financial year and we expect to invest a similar amount in the current year. We believe this will further propel our growth.

Our Baddi acquisition is progressing well, and we have applied for the various statutory permissions. We are confident that we should be able to consummate the deal by Q2 of this financial year.”

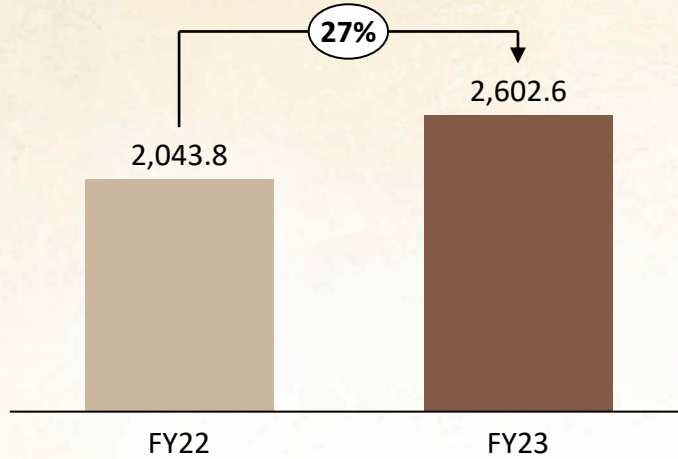
Q4 FY23 Consolidated Result Highlights



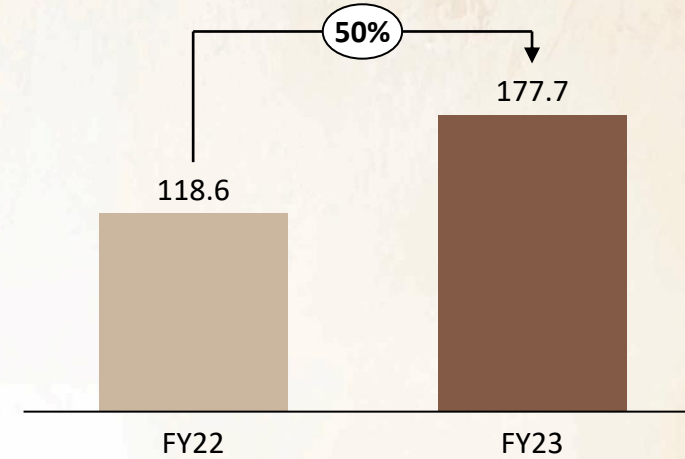
Includes Other Income

FY23 Consolidated Result Highlights

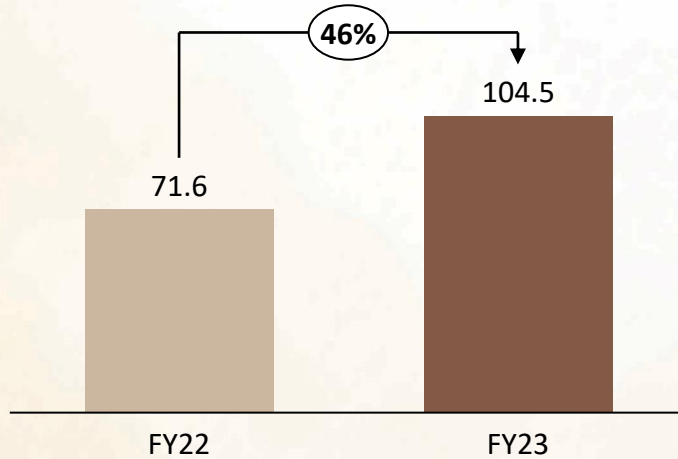
Revenue# (Rs. Crs.)



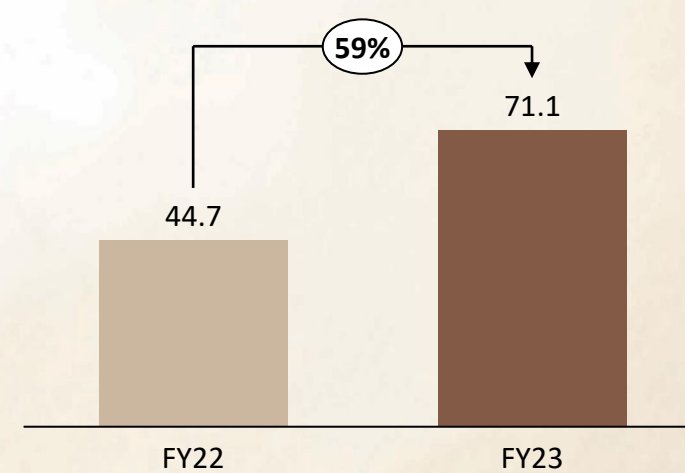
EBITDA (Rs. Crs.)



Profit before Tax (Rs. Crs.)



Profit after Tax* (Rs. Crs.)



Includes Other Income

*PAT includes, excess provision of tax to the tune of Rs. 1.8 Crores in FY 22 which was reversed in FY 23 after filing tax returns

Consolidated Profit & Loss Statement – Q4 & FY23

Particulars (Rs. Crs.)	Q4 FY23	Q4 FY22	Y-o-Y	Q3 FY23	Q-o-Q	FY23	FY22
Total Revenue[#]	660.7	582.5	13.4%	679.6	-2.8%	2,602.6	2,043.8
Cost of Goods Sold	557.1	510.5		586.5		2,232.2	1,778.1
Manufacturing and Operating Costs	29.7	21.7		25.8		106.0	79.6
Gross Profit	73.9	50.3	46.8%	67.4	9.6%	264.5	186.1
Employee Expenses	15.9	11.0		14.3		55.6	40.8
Other Expenses	7.9	7.3		8.1		31.1	26.7
EBITDA	50.0	32.0	56.2%	45.0	11.1%	177.7	118.6
Depreciation	9.3	6.6		10.0		37.4	24.5
EBIT	40.7	25.4		35.1		140.3	94.1
Finance Cost	9.7	4.9		9.8		35.8	20.2
Share of Loss from JV	0.0	-0.8		0.0		0.0	-2.3
Profit Before Tax	31.0	19.7	56.9%	25.3	22.3%	104.5	71.5
Tax expense for current year	10.7	7.5		8.2		35.2	26.8
Adj. Profit After Tax	20.2	12.2	66.0%	17.1		69.3	44.7
Tax adjustments for previous year	0.0	0.0		0.0		-1.8	0.0
Profit After Tax	20.2	12.2	66.0%	17.1	18.5%	71.1	44.7
EPS [^]	1.79	1.09		1.51		6.31	3.96

Includes Other Income ^ EPS numbers are restated for FY22

Consolidated Balance Sheet as on 31st March 2023

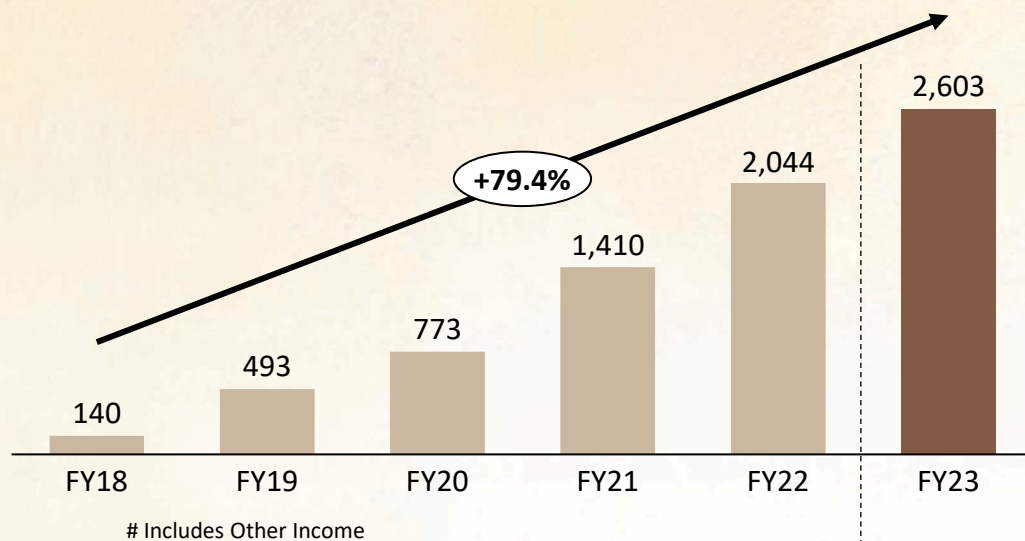
Particulars (Rs. Crs.)	31-Mar-23	31-Mar-22
Non-Current Assets	737.5	544.2
Property, plant and equipment	519.7	394.6
Capital work-in-progress	124.7	87.2
Right of Use assets	31.0	32.3
Goodwill	3.0	0.0
Other Intangible Assets	0.0	0.1
Financial assets		
(i) Other financial assets	19.0	6.7
Deferred tax asset (net)	0.4	-
Non-current tax assets (net)	13.7	15.4
Other non-current assets	25.6	7.9
Current Assets	597.7	440.2
Inventories	333.9	237.8
Financial assets		
(i) Trade receivables	104.5	72.2
(ii) Cash and cash equivalents	39.9	32.6
(iii) Bank balances	10.6	10.8
(iv) Loans	0.0	0.0
(v) Other financial assets	51.3	32.7
Other current assets	57.5	54.2
Total Assets	1,335.2	984.4

Particulars (Rs. Crs.)	31-Mar-23	31-Mar-22
Equity	374.9	304.1
Equity share capital	22.5	22.5
Other equity	352.4	281.6
Non-Current Liabilities	455.3	306.4
Financial liabilities		
(i) Borrowings	382.0	254.3
(ii) Lease liabilities	20.2	22.6
Employees Benefits Obligation	5.4	2.8
Deferred tax liabilities (net)	47.8	26.7
Current liabilities	504.9	373.9
Financial liabilities		
(i) Borrowings	109.4	71.1
(ii) Trade payables	335.3	271.1
(iii) Lease Liabilities	1.0	1.4
(iv) Other financial liabilities	28.2	21.7
Other current liabilities	30.1	7.8
Employees Benefits Obligation	1.0	0.8
Total Equity & Liabilities	1,335.2	984.4

Summary Of Consolidated Cashflows

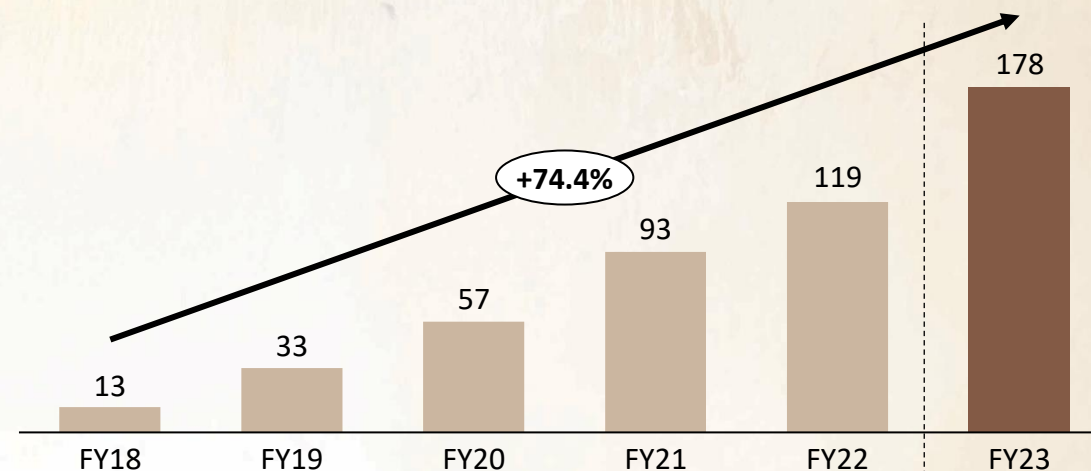
Particulars (Rs. Crs.)	31-Mar-23	31-Mar-22
Operating profit before working capital changes	176.0	118.3
Changes in working capital	-57.2	-53.1
Cash generated from/(used in) operations	118.8	65.1
Direct taxes paid (net of refund)	19.7	28.7
Net Cash from Operating Activities (A)	99.1	36.4
Net Cash from Investing Activities (B)	-246.5	-140.7
Net Cash from Financing Activities (C)	127.9	90.6
Net Change in cash and cash equivalents	-19.5	-13.7
Cash and Cash equivalents at the end of the period	39.9	32.5

Revenue#

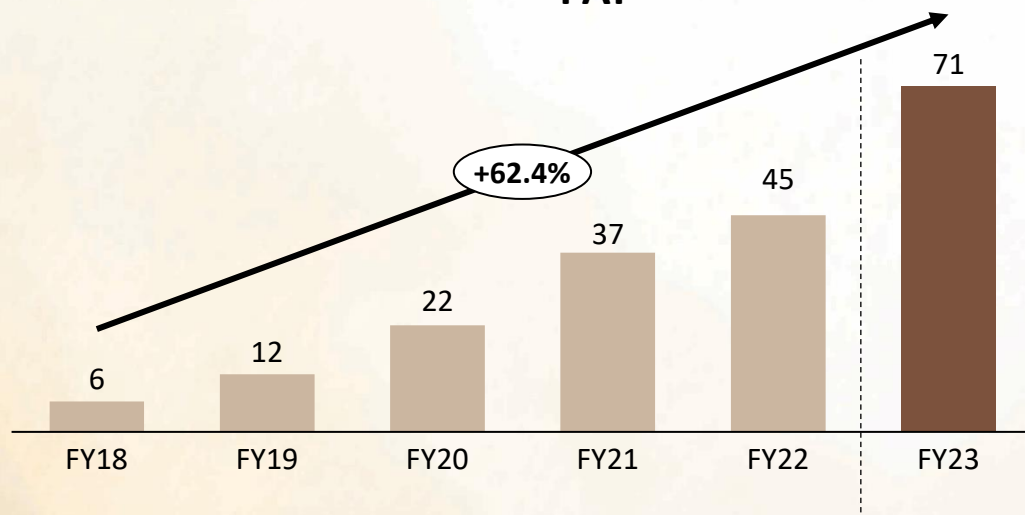


EBITDA

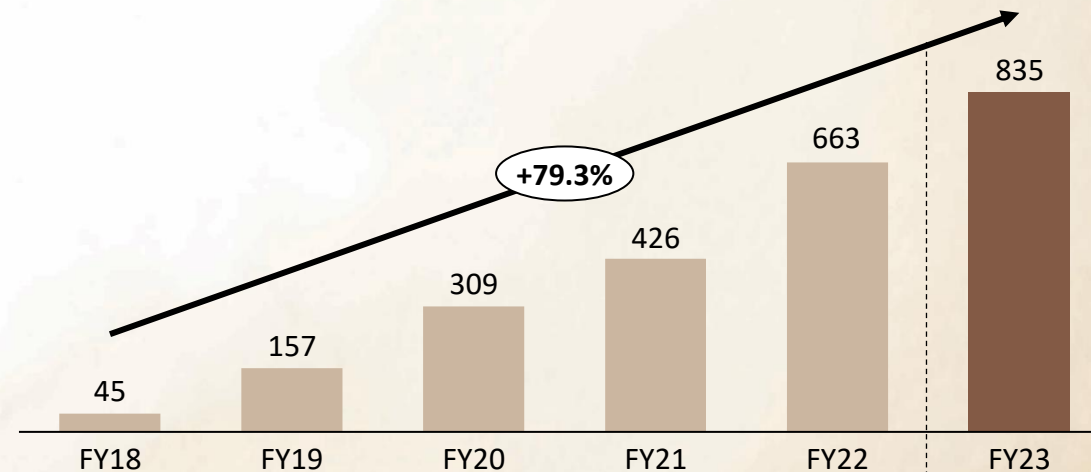
Rs in Cr



PAT



Gross Block^



^includes wholly owned subsidiary, intangibles and CWIP

**

Uttar Pradesh: Ice Cream (Rs. 125 cr + Rs. 75 Cr)

- Phase 2 of the Uttar Pradesh Ice Cream Project has commenced commercial production
- The Rs 75 crore expansion sanctioned by the Board earlier has already been commercialised

Hyderabad: Bath Soaps & Detergent Bars (Rs. 125 cr)

- The Project work is progressing well, and partial production has commenced in May 23

Baddi Acquisition (Rs. 156 Cr)

- Baddi acquisition is progressing well, and we have applied for the various statutory permissions. We are confident that we should be able to consummate the deal by Q2 of this financial year

Guwahati (Rs 25cr)

- Greenfield expansion to set up a juice tetra pack line is expected to commercialize in Q4FY24

- **HFL**, along with BAIF Institute for Sustainable Livelihoods and Development, has identified **Peddaipally, Khethireddypally** and **Balanagar** villages in the Mahbubnagar District, Telangana to pilot a '*village development program*' to enhance education and health. The project will focus on providing basic facilities in government schools like construction of toilets, midday meals shed, kitchen renovation, solar street-lights, computers, printers & projectors, and other primary infrastructure
- The project will also emphasize on health & hygiene awareness.
- The relationship has now also been extended to Sandila (UP) and Silvassa as well

Progress against Deliverables



THANK YOU

Company:



Hindustan Foods Limited

CIN: L15139MH1984PLC316003

Vimal Solanki

vimal.solanki@thevanitycase.com

www.hindustanfoodslimited.com

Investor Relations Advisors:



Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Rahul Agarwal / Brinkle Shah Jariwala

rahul.agarwal@sgapl.net / brinkle.shah@sgapl.net

+91 9821438864 / +91 9619385544

www.sgapl.net