



HINDUSTAN FOODS LIMITED

A Vanity Case Group Company

A Government Recognised Star Export House

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Date: November 12, 2024

To, The General Manager Department of Corporate Services BSE Limited Floor 25, P. J. Towers, Dalal Street, Mumbai- 400 001 Tel: (022) 2272 1233 / 34 Company Scrip Code: 519126	To, The Manager, National Stock Exchange of India Limited, Listing Department, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 070 Company Symbol: HNDFDS
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Dear Sir/Madam,

Subject: Press Release

Please find attached the press release titled “**Hindustan Foods Limited posts the highest ever semi-annual consolidated revenues despite headwinds of slowing consumption in FMCG sector**”.

The disclosure is made in compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record.

Thanking you.

Yours faithfully,
For **Hindustan Foods Limited**

Bankim Purohit
Company Secretary and Legal Head
ACS: 21865

Encl. As above





Investor Release

Hindustan Foods Limited posts the highest ever semi-annual consolidated revenues despite headwinds of slowing consumption in FMCG sector

Hindustan Foods Limited (“HFL” or the “Company”), a diversified FMCG contract manufacturer, announced its unaudited financial results, for the quarter and half year ending 30th September 2024.

Key Consolidated Financial Highlights for H1FY25 are as follows:

- **Total Income increased by 35.4%** to Rs 1,756.9 Crores in H1FY25 from Rs 1,297.1 Crores in H1FY24
- **EBITDA increased by 38.6%** to Rs 148.2 Crores in H1FY25 from Rs 106.9 Crores in H1FY24
- **PBT increased by 12.0%** to Rs 68.0 Crores in H1FY25 from Rs 60.7 Crores in H1FY24
- **PAT increased by 4.4%** to Rs 50.2 Crores in H1FY25 from Rs 48.0 Crores in H1FY24

Key Consolidated Financial Highlights for Q2FY25 are as follows:

- **Total Income increased by 30.9%** to Rs 886.0 Crores in Q2FY25 from Rs 677.0 Crores in Q2FY24
- **EBITDA increased by 30.7%** to Rs 72.6 Crores in Q2FY25 from Rs 55.6 Crores in Q2FY24
- **PBT increased by 1.8%** to Rs 31.8 Crores in Q2FY25 from Rs 31.2 Crores in Q2FY24
- **PAT decreased by 7.1%** to Rs 22.9 Crores in Q2FY25 from Rs 24.7 Crores in Q2FY24

Business Updates

- The company has signed up for an additional customer for the Ice-Cream Project at Nashik making the site an anchor-tenant model. This should enable the company to better leverage the factory. The total capex at this site is now estimated to be Rs 185 crores and the commercialization is expected in April '2025
- The expansion of capacity at Ice-Cream plant in Lucknow with a capex of around Rs 20 crores is in progress and is on track
- The Board has sanctioned a greenfield plant in North India to make Ice-cream. This will mark the 3rd factory for Ice-Cream for the company and the beginning of the relationship with a new customer. This will envisage an investment of Rs.225 crores in phases
- The Board has sanctioned a further capex of around 15 crores to expand the capacity at the Beverage plant in Mysuru
- The land acquisition of the color cosmetics facility at Silvassa has been completed with a capex of Rs. 40 crores
- The Board has sanctioned an investment of up to Rs. 35 crores to acquire a company bottling water for an MNC



Commenting on the results, Sameer R. Kothari, Managing Director said, *“The strength of the company’s business model ensured that the company was able to post a satisfactory financial performance even in an environment which saw a continuing slowdown in the FMCG sector.*

We had taken steps to deal with this continuing slowdown and had identified certain sectors that we believe will continue to outgrow the sector. These include Ice-Cream, Beverages and Footwear and I am pleased to see us grow in each of these categories. We have signed up 2 new customers in the ice cream business in the last 6 months which will make us one of the largest contract manufacturers of ice creams in the country. In beverages, after the acquisition of the Mysuru factory, we extended our footprint to Assam and have now agreed to acquire a beverage unit in Orissa. This gives us confidence in being able to grow our footprint further in this segment.

And as far as the shoe business is concerned, we have expanded capacities in South under the leadership of Carsten Braun who joined us as the head of business at the beginning of this quarter and are confident of making KNS Shoetech a premier partner for the leading global shoe brands.

We now have clear visibility of the new capex which shall increase our gross block to more than Rs. 1,800 crores by FY26.”

Commenting on the Financial Performance, Mayank Samdani, Group CFO said, *“The company’s revenues were bolstered by the ramping up of the shoe business and the OTC and Wellness factory at Baddi. We achieved the highest semi-annual turnover on a consolidated basis at Rs. 1,756.9 crores having grown at 35.4% YoY.*

EBITDA for H1FY25 grew by 38.6% YoY to Rs. 148.2 crores. PAT for H1 FY25 increased by 4.4% to Rs 50.2 crores. Our dedicated manufacturing factories continued to contribute to the profitability numbers as per expectations, but the Integration of shoe business resulted in an additional cost which has impacted overall EBITDA and profitability during the period.

As far as Cash flows are concerned, the existing business managed to convert a large proportion of the operating profits to cash which was partially offset by investment in working capital for the shoe business and the Baddi factory. Net operating cash flow for H1FY25 stood at around Rs. 74 crores as compared to ~Rs. 24 crores for the corresponding period of last year.

As the shoe business pivots to profitability and new projects ramp up across the company in the second half of this year, the profitability trajectory will trend upwards.”

Commenting on the outlook for the footwear division, Carsten Braun, Head, Footwear Division said, *“The Indian sports shoe market has experienced impressive growth in recent years, driven by a growing consumer focus on fitness and sports, coupled with rising demand for footwear that combines comfort with style.*

As the market expands and transforms, there are substantial opportunities for both established brands and newcomers to innovate and capture a larger share of the expanding consumer base.

We have been able to stabilize the operations at the various factories and are now delivering production in line with the expectations of our customers. We do expect to turnaround the profitability numbers in the next couple of quarters on the back of increased production efficiency and ramping up of the south factories.”



About Hindustan Foods Limited

HFL was founded in 1984. The Company offers dedicated and shared manufacturing services to FMCG corporates who are looking to minimize cost while maximizing product quality in the post-GST environment. In 2013, Vanity Case India Private Limited (“**Vanity Case Group**”) bought a controlling stake in HFL and since then the Company has diversified across various FMCG categories with manufacturing competencies in food & beverages, home care, fabric care, beauty & personal care, health care & wellness, leather & sports footwear, and household insecticides, amongst others. The Vanity Case Group was founded in the year 2001 and is a large and diversified FMCG contract manufacturers in India. Over the years, HFL has transformed into a scalable, profitable, and a diversified contract manufacturer catering to various marquee customers.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results, accordingly, investor’s discretion is advised with respect hereto. Certain statements in this release contain words or phrases that are forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Actual results may differ materially from those anticipated in the forward-looking statements. HFL assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

This press release is for information purposes only and does not constitute an offer, solicitation or advertisement with respect to the purchase or sale of any security of the Company and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This press release is not a complete description of the Company. Any opinion, estimate or projection herein constitutes a judgment as of the date of this press release, and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection. All information contained in this press release has been prepared solely by the Company. No information contained herein has been independently verified by anyone else. No representation or warranty (express or implied) of any nature is made nor is any responsibility or liability of any kind accepted with respect to the truthfulness, completeness or accuracy of any information, projection, representation or warranty (expressed or implied) or omissions in this press release. Neither the Company nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from any use or reliance on this presentation or its contents or otherwise arising in connection therewith. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this press release comes should inform themselves about, and observe, any such restrictions.

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