



Ref: SECT: STOC: 10-24

30th January, 2024

To
The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

To
The Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, C-1, G Block, Bandra-Kurla
Complex, Bandra (East), Mumbai - 400 051

Scrip Code: 519552

Scrip Code: HERITGFOOD

Dear Sir/Madam,

Sub: Investor Presentation - reg

Pursuant to Regulation 30 and other respective regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing the copy of Investor Presentation which covers the milestones achieved by the Company during the quarter/nine months ended December 31, 2023, apart from that there are certain other information which is required to be known by our existing shareholders as well as prospective investors of the Company.

The copy of the same also available in the website of the Company i.e. www.heritagefoods.in

Kindly take the same on record and display the same on the website of your exchange.

Thanks & Regards,

For **HERITAGE FOODS LIMITED**

UMAKANTA BARIK
Company Secretary & Compliance Officer
M. No: FCS-6317

Encl: a/a



HERITAGE FOODS LIMITED

CIN : L15209TG1992PLC014332

AN ISO: 22000 CERTIFIED COMPANY



Regd. Off : H.No. 8-2-293/82/A/1286 , Plot No. 1286, Road No. 1 & 65, Jubilee Hills, Hyderabad - 500033, Telangana, INDIA.
Tel. : +91-40-23391221, 23391222, Fax: 23326789, 23318090 Email : hfl@heritagefoods.in, Website : www.heritagefoods.in



Earnings Presentation

Q3 / 9M-FY24



Rich Legacy of 31 Years



Fully Integrated Dairy Business



Wide Presence Across 11 States



Highly Qualified and Experienced Leadership Team and Independent Board



Strong Distribution Network with Omni Channel Presence



Strong Corporate Governance Standards



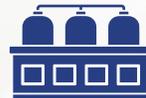
+1.5 Mn Households Served Daily



10 Year CAGR:
Revenue – 6.42%



17 State-of-the-art Milk Processing Plants



300,000 Farmers Benefited through various Development Activities



2.68 MLPD Milk Processing Capacity



3,000+ employees on rolls



INR A+ (LT), A1 (ST) Credit Rating CRISIL



Company Overview

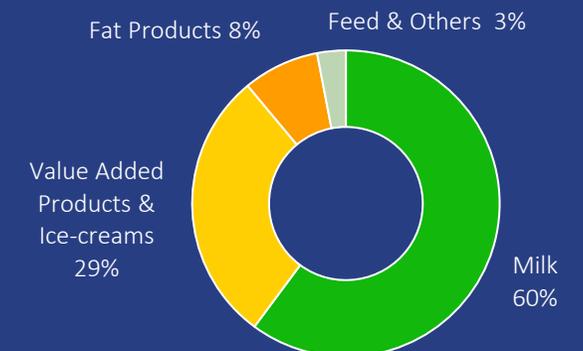


- Founded in 1992 with the objective to serve the farming community in India, Heritage Foods is India's one of the leading integrated Dairy companies.
- Over the span of 3 decades, Heritage Foods has not only stayed true to its values and mission but also created a diversified product portfolio, which includes milk and many milk based value added products.
- The company has a highly qualified and experienced leadership team with decades of experience spanning across business functions and is guided by a strong and eminent independent board of directors.
- Over the years, the company has created strong long-lasting relationships with 300,000+ dairy farmers for milk procurement across 9 states in India.
- The company has 17 State-of-the-art milk processing facilities with a total processing capacity of 2.68 Mn litres per day (MLPD), and 197 Chilling Units with 2.28 MLPD milk chilling capacity.
- Heritage Foods has created deeply entrenched distribution network with products sold across 11 States in India which includes over a thousand own stores: 200+ Happiness Points and 850+ Parlours; 150,000+ General Trade Outlets and a strong presence across all national modern trade and E-Commerce retail.
- Heritage adopts a technology integrated network enabled by 11,000+ Village Level Milk Procurement centres & 2,100+ vehicles on the back of 6,500+ distributors who deliver Heritage products daily at doorsteps.
- 400+ strong QA team that helps deliver highest quality products to the consumers.
- Possesses advanced R&D capability, in terms of lab and simulation equipment and a team of experienced Dairy scientists, who create breakthrough innovations and keep the brand ahead in the industry.

Consolidated Revenue (INR Mn)



Standalone Product Mix (9M-FY24)



Product Portfolio



Milk



Value Added Products



Fat Products



Animal Nutrition
Heritage Nutrivet – Subsidiary

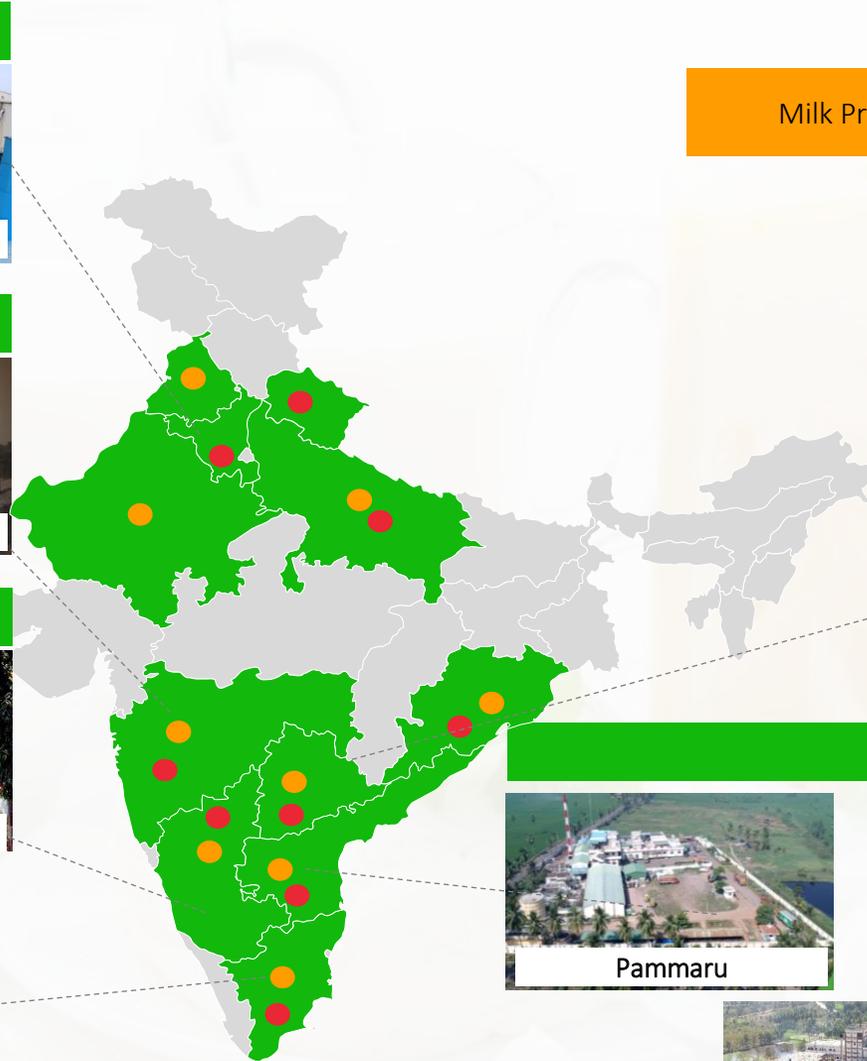


Ice-creams



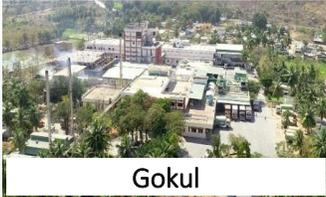
Yogurt - Mamie Yova
Heritage Novandie – Joint Venture

Geographical Footprint



Milk Procurement - 9 States

Milk and Milk Products Sales - 11 States



Future Growth Strategy



Increase Milk Procurement: By investing prudently in village level milk collection infrastructure, bulk coolers, chilling centers.



Aspire to be Nationally recognized brand: For healthy & fresh products while focusing on efficient capital management.



Increase the share of Value Added Products: Based on increasing disposable income, demand for convenient products and growing consumer preference for branded healthier & nutritious alternatives.



Expand product manufacturing capabilities: With state-of-the-art machinery while maintaining stringent quality control and product innovation.



Penetrate New Geographies: By leveraging the strong distribution network for entering in new geographies and strengthen the existing ones through brand building initiatives.



Empowering farmers: Through direct procurement of milk from farmers, assisting and equipping farmers to improve milch animals' yield to increase the income of farmers and enhance the socio-economic status of farmers.



Expand the Product Portfolio: By continuously innovating and expanding the product portfolio and delight customers through agile and flexible supply chain.



Create Value for Stakeholders: By optimizing operations and efficiencies across the value chain.



Q3 / 9M-FY24 Financial Overview



Q3 / 9M-FY24 Consolidated Financial Highlights



Q3-FY24 Performance

INR 9,411 Mn Revenue from Operations	INR 520 Mn EBITDA	5.52% EBITDA Margin
INR 269 Mn PAT	2.86% PAT Margin	INR 2.90/Share Basic/Diluted EPS

9M-FY24 Performance

INR 28,433 Mn Revenue from Operations	INR 1,394 Mn EBITDA	4.90% EBITDA Margin
INR 661 Mn PAT	2.32% PAT Margin	INR 7.12/Share Basic/Diluted EPS

Operational Highlights

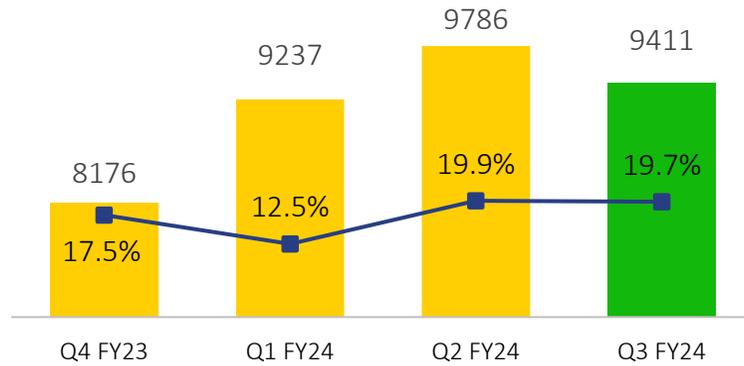
- Average milk procurement was at 1.63 Mn litres per day (MLPD), registering a growth of 14.29% YoY
- Average milk procurement price decreased by INR 0.57/Ltr (1.31%) over Q3-FY23 to INR 43.09/Ltr
- Milk volume sales grew by 2.32% YoY by 0.025 Mn LPD, while average Milk selling prices increased by INR 2.71/Ltr (5.18%) YoY to INR 55/Ltr
- Continued strong momentum of revenue growth from Value added products (VAP) by registering a growth of 23.19% YoY by INR 460.30 Mn, with overall VAP contribution standing at 26.50%
- Growth in Revenues driven by strong volume growth in VAP due to higher consumer acquisition and retention, market expansion and availability improvement
- As part of the strategy to boost milk sales and revenue, we have launched several new milk variants like “Super Gold” which is a new mid-high fat variant, and “Gaadha (गाढा) Doodh” which is a mid-fat variant

Quarterly Performance

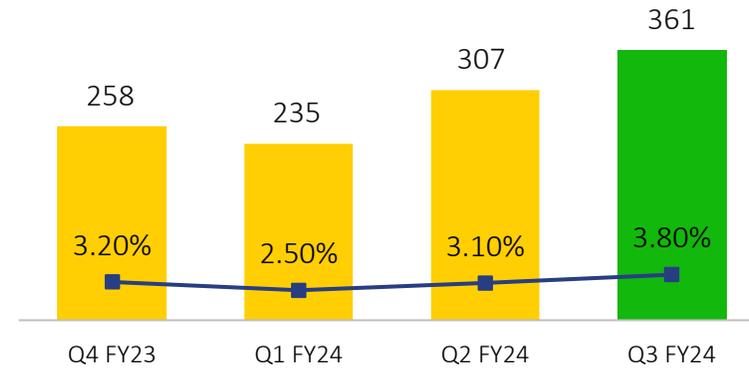


Consistent growth, with both Milk and Value-added products growing faster than industry average. Value-added products growth and Profitability has steadily improved over the last many quarters.

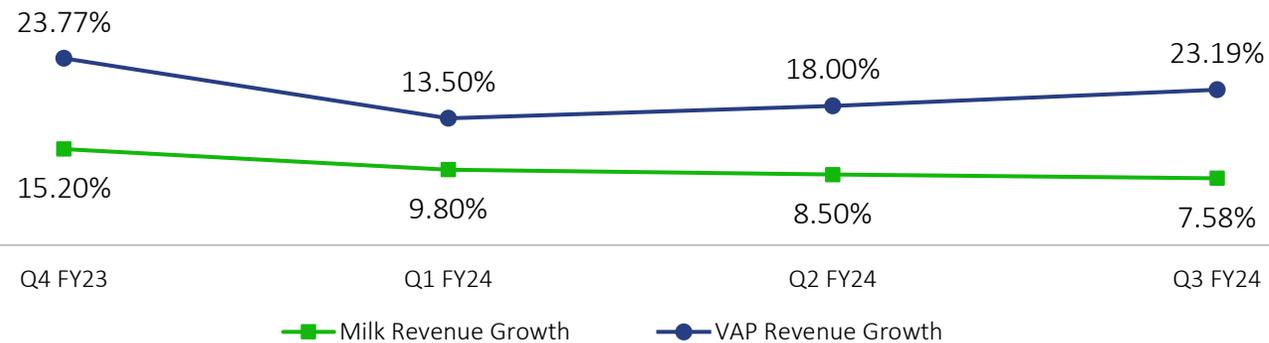
Quarterly Revenues (INR Mn) & Y-o-Y Growth (%)



PBT (INR Mn) & PBT Margins (%)



Milk and VAP Growth (%)



Creating new and unique propositions in Fresh Milk to make the existing portfolio robust and profitable



Bringing pure goodness from the village in the form of “Tastiest and creamiest milk” in the country for Hyderabad Market



Unique Fat mix of 5.5% introduced to create new segment in AP



Unique proposition for Maharashtra market – “creamy taste in every drop”

Key Marketing Campaigns

Driving awareness, association and consumption through moments marketing and occasion marketing approach

- Multimedia Festival campaign for key festivities – Navratri, Dussehra, Diwali, Christmas
- My heritage, My pride season 2



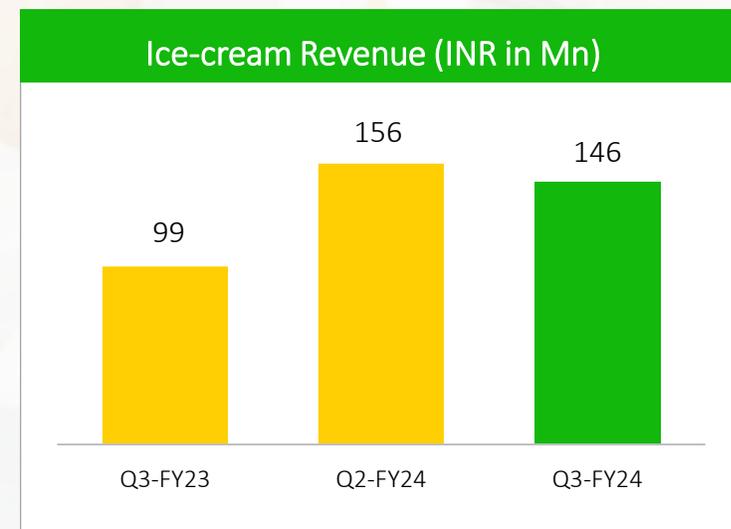
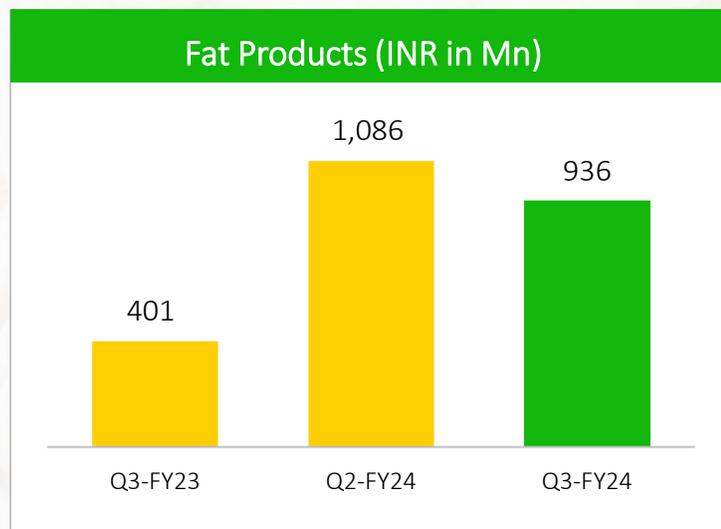
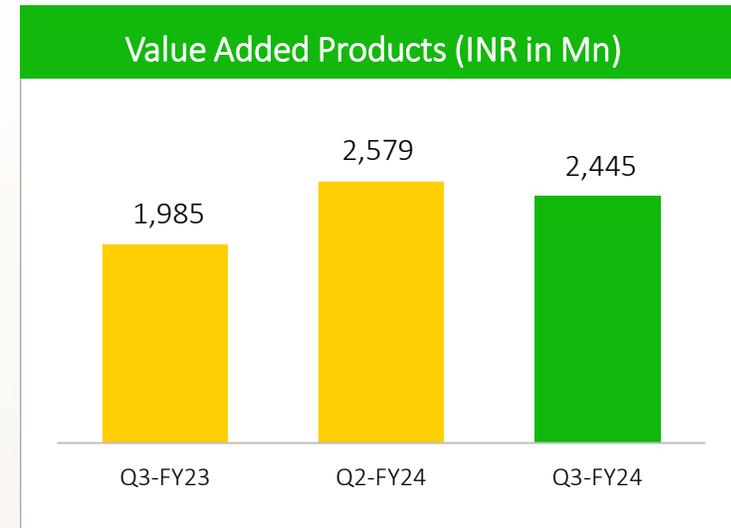
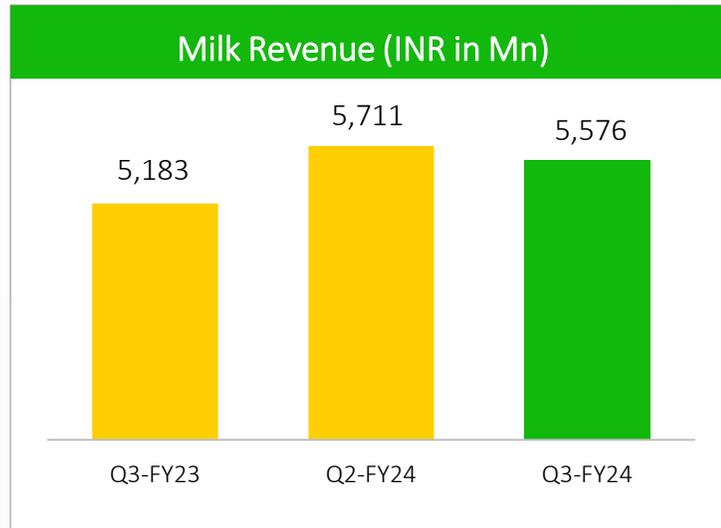
- Associate sponsorship of Big Boss Telugu Season 7
- Top 3 rated program on the channel



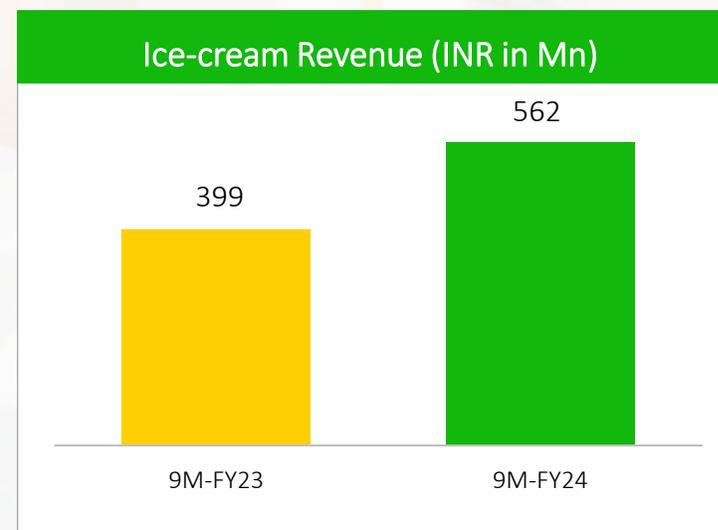
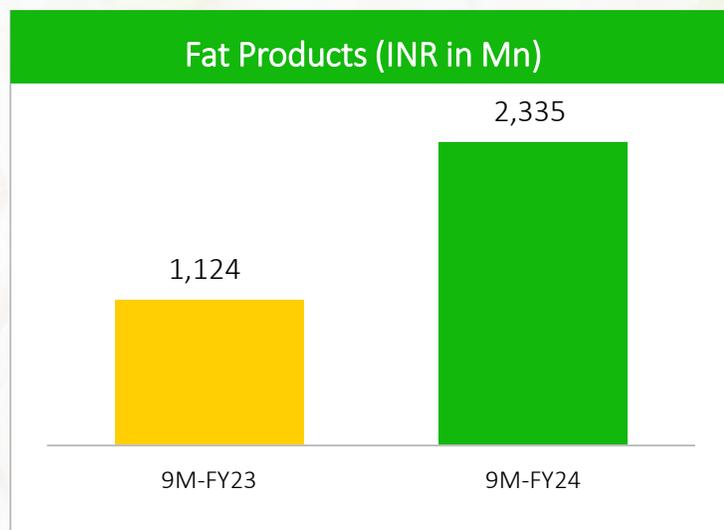
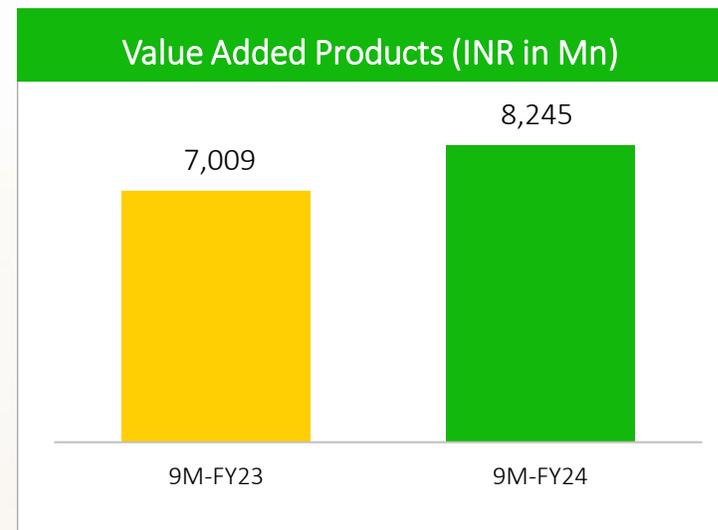
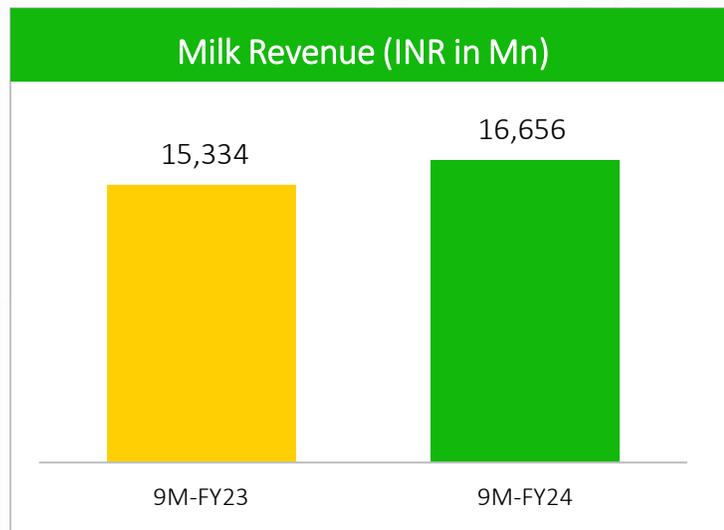
- Tapping into the world cup fever through World Cup digital campaign



Quarterly Segmental Revenue



YTD Segmental Revenue



Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q3-FY24	Q2-FY24	Q-o-Q	Q3-FY23	Y-o-Y
Operating Income	9,411	9,786	(3.8)%	7,860	19.7%
Expenses	8,891	9,315	(4.6)%	7,534	18.0%
EBITDA	520	471	10.4%	326	59.5%
<i>EBITDA Margins (%)</i>	<i>5.52%</i>	<i>4.81%</i>	<i>71 Bps</i>	<i>4.15%</i>	<i>137 Bps</i>
Depreciation	155	150	3.3%	143	8.4%
Finance Cost	18	15	20.0%	5	-
Other Income	30	18	66.7%	32	(6.3)%
Share of Profit/(Loss) of an associate & Joint Venture	(16)	(16)	0.0%	(20)	(20.0)%
Profit Before Tax	361	307	17.6%	190	90.0%
Tax	92	83	10.8%	53	73.6%
Profit After Tax	269	224	20.1%	137	96.4%
<i>PAT Margins (%)</i>	<i>2.86%</i>	<i>2.29%</i>	<i>57 Bps</i>	<i>1.74%</i>	<i>112 Bps</i>
Other Comprehensive Income	(1)	(1)	0.0%	0	-
Total Comprehensive Income	268	223	20.2%	137	95.6%
EPS Diluted (INR)	2.90	2.42	19.8%	1.50	93.3%

YTD Consolidated Financial Performance



Particulars (INR Mn)	9M-FY24	9M-FY23	Y-o-Y
Operating Income	28,433	24,231	17.3%
Expenses	27,039	23,268	16.2%
EBITDA	1,394	963	44.8%
<i>EBITDA Margins (%)</i>	<i>4.90%</i>	<i>3.97%</i>	<i>93 Bps</i>
Depreciation	452	415	8.9%
Finance Cost	64	15	-
Other Income	74	87	(14.9)%
Share of Profit/(Loss) of an associate & Joint Venture	(49)	(61)	19.7%
Profit Before Tax	903	559	61.5%
Tax	242	159	52.5%
Profit After Tax	661	400	65.3%
<i>PAT Margins (%)</i>	<i>2.32%</i>	<i>1.65%</i>	<i>67 Bps</i>
Other Comprehensive Income	(2)	0	-
Total Comprehensive Income	658	400	64.5%
EPS Diluted (INR)	7.12	4.37	62.9%

Historical Financial Overview



Historical Consolidated Income Statement



Particulars (INR Mn)	FY20	FY21	FY22	FY23	9M-FY24
Operating Income	27,259	24,731	26,813	32,407	28,433
Expenses	25,974	22,062	24,905	31,024	27,039
EBIDTA	1,285	2,669	1,908	1,383	1,394
EBIDTA Margins (%)	4.71%	10.79%	7.12%	4.27%	4.90%
Depreciation	501	462	522	562	452
Finance Cost	226	192	40	39	64
Fair Value Loss on FVTPL Securities	5,116	48	-	-	-
Other Income	89	80	112	120	74
Gain due to changes in fair value of derivative liabilities	2,945	-	-	-	-
Share of Profit/(Loss) of an associate & Joint Venture	(9)	(22)	(60)	(85)	(49)
Exceptional Items	-	-	(91)	-	-
PBT from continuing operations	(1,534)	2,025	1,307	817	903
Tax	153	535	342	237	242
PAT from continuing operations	(1,687)	1,490	965	580	661
Profit/(Loss) from discontinued operations	(7)	(7)	(4)	-	-
Profit After Tax	(1,694)	1,483	961	580	661
PAT Margins (%)	(6.21)%	6.00%	3.58%	1.79%	2.32%
Other Comprehensive Income	(1,712)	(21)	(1)	(3)	(2)
Total Comprehensive Income	(3,406)	1,462	960	577	658
EPS Diluted (INR) *	(18.51)	16.21	10.55	6.33	7.12

* EPS adjusted due to rights issue

Historical Consolidated Balance Sheet

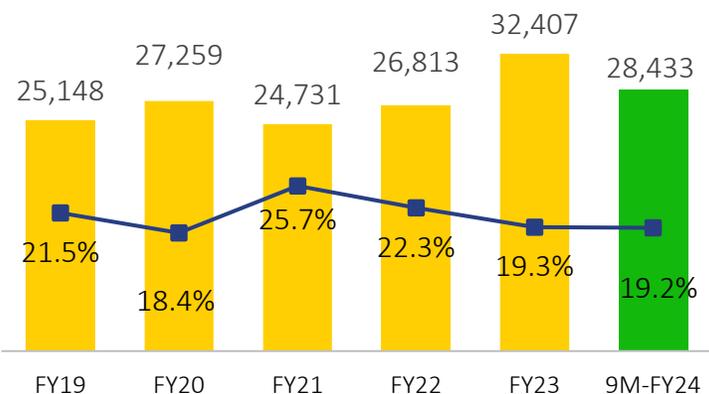


Particulars (INR Mn)	FY22	FY23	H1-FY24
Equity And Liability			
Equity Share Capital	232	464	464
Reserve and Surplus	6,344	6,795	6,953
Shareholders Fund	6,576	7,259	7,417
Minority Interest	0	-	-
Total Equity	6,576	7,259	7,417
Non-Current Liabilities			
Long-term Borrowings	80	45	187
Deferred tax liabilities (net)	239	247	247
Other long term liabilities	305	554	576
Total non-current liabilities	624	846	1,010
Current Liabilities			
Short-term Borrowings	38	1,299	49
Trade payables	519	449	672
Other financial liabilities	1,035	1,031	1,052
Other current liabilities	234	366	419
Total current liabilities	1,826	3,145	2,192
Total Equity and Liability	9,026	11,250	10,619

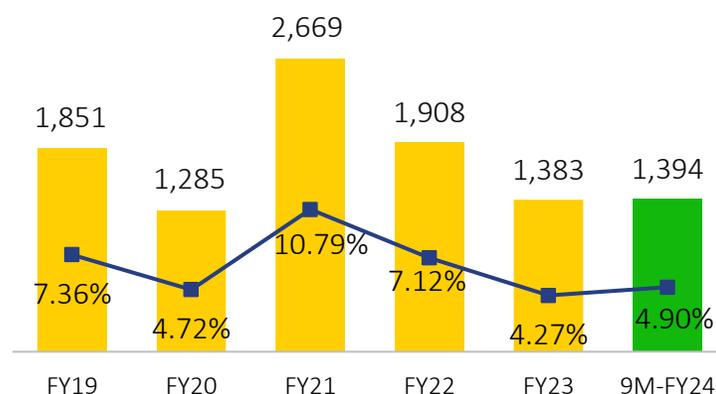
Particulars (INR Mn)	FY22	FY23	H1-FY24
Assets			
Non-Current Assets			
Property, Plant and Equipment	5,705	6,133	6,274
Capital WIP	74	199	154
Investment Property	44	43	43
Other intangible assets	44	40	35
Intangible assets under development	6	1	-
Investment in Associate & Joint Venture	174	144	209
Financial assets	67	107	116
Other non-current assets	4	50	109
Total non-current assets	6,118	6,717	6,940
Current Assets			
Inventories	2,058	3,789	1930
Investments	0	0	703
Trade Receivables	185	280	309
Cash & Bank Balances	356	192	458
Loans	1	0	0
Other Financial Assets	46	56	62
Other Current Assets	262	216	217
Total Current Assets	2,908	4,533	3,679
Total Assets	9,026	11,250	10,619

Historical Consolidated Financial Performance

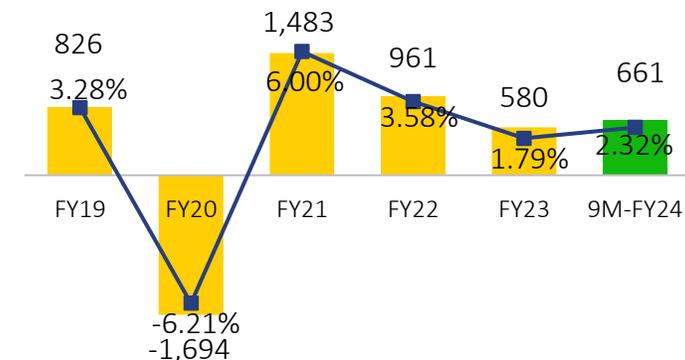
Revenue (INR Mn) & Gross Margins (%)



EBITDA (INR Mn) & Margins (%)

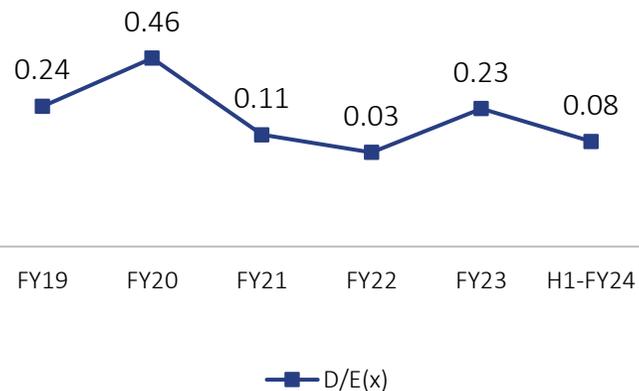


PAT (INR Mn) & Margins (%)

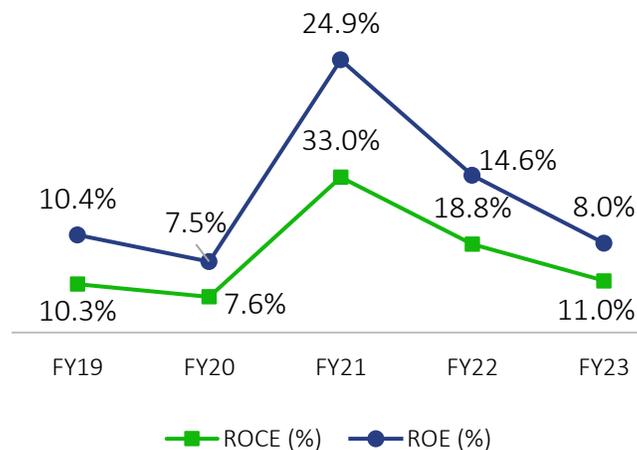


Note: The loss in FY20 was due to the recognition of decrease in the net fair value of equity shares held in Future Retail Ltd. and Praxis Home Retail Ltd by 2171.17 Mn

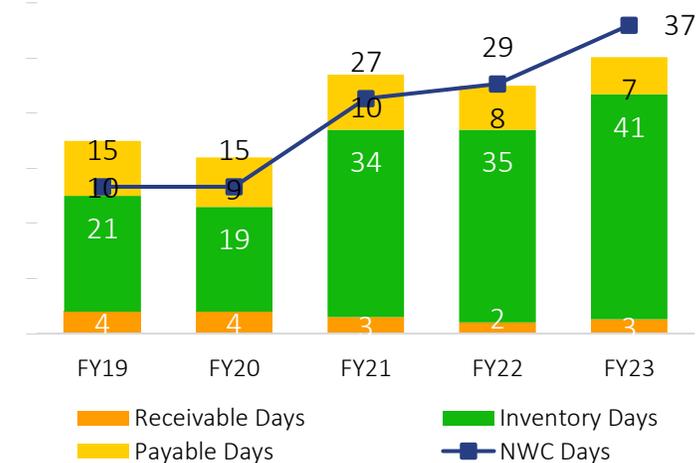
Leverage Ratio (x)



ROE & RoCE (%)



Working Capital Analysis



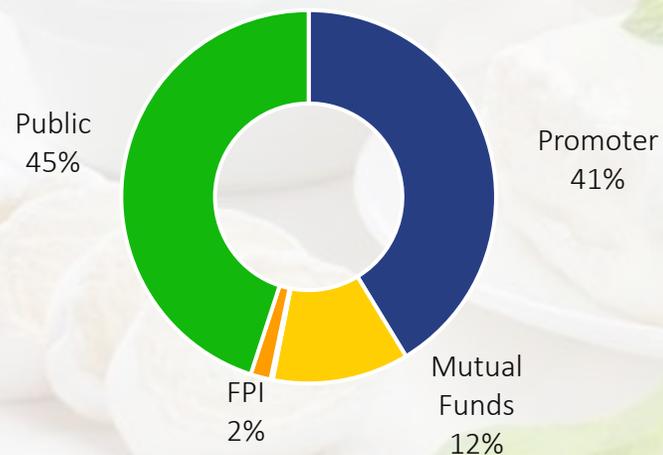
1 Year Stock Performance up to 31st December, 2023



Market Data as on 31st December, 2023

Shareholder	% Shareholding
Face Value	5.0
CMP	303.7
52 Week H/L	303.7 / 137.0
Market Capitalization (Mn)	28,182.1
Shares O/S (Mn)	92.8

Shareholding Pattern as on 31st December, 2023



Top Marquee Shareholders as on 31st December, 2023

Shareholder	% Shareholding
DSP Small Cap Fund	5.24
Kotak Mutual Fund	4.64
Aditya Birla Sun Life Mutual Fund	0.94
Bandhan Small Cap Fund	0.66
Sundaram Mutual Fund	0.25

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For further information please contact our Investor Relations Representative:



Mr. Anuj Sonpal
Valorem Advisors
Tel: +91-22-49039500
Email: heritage@valoremadvisors.com
Investor KitLink: valoremadvisors.com/heritage/



Thank You
