

# Earnings presentation – Q2 2024

Huhtamaki India Limited

Dhananjay Salunkhe  
Managing Director

Jagdish Agarwal  
Executive Director & CFO



# Disclaimer

Information presented herein contains, or may be deemed to contain, forward-looking statements. These statements relate to future events or Huhtamaki India Limited's (the Company) future financial performance, including, but not limited to, strategic plans, potential growth, expected capital expenditure, ability to generate cash flows, liquidity and cost savings that involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such risks and uncertainties include, but are not limited to: (1) general economic conditions such as movements in currency rates, volatile raw material and energy prices and political uncertainties; (2) industry conditions such as demand for the Company's products, pricing pressures and competitive situation; and (3) the Company's own operating and other conditions such as the success of manufacturing activities and the achievement of efficiencies therein as well as the success of pending and future acquisitions and restructurings and product innovations. Future results may vary from the results expressed in, or implied by, forward-looking statements, possibly to a material degree. All forward-looking statements made in this presentation are based on information currently available to the management, and the Company assumes no obligation to update or revise any forward-looking statements. Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities or otherwise to engage in any investment activity

# Performance during Q2 2024

- **Market environment and impact** – Improved volume and net sales QoQ and YoY, however margins impacted by supply chain constraints and sales mix. Strategy in place to address competitiveness and focus on long term profitable growth initiatives
- **Financial performance**
- Higher net sales QoQ and YoY
  - Lower EBIT and EPS QoQ and YoY
  - PBT improved YoY, however lower than QoQ
- **Efficiency measures** – Program continue to support the profitability with efficiency improvements
- **Investment in operations and technology** for sustainable solutions



# Financial review

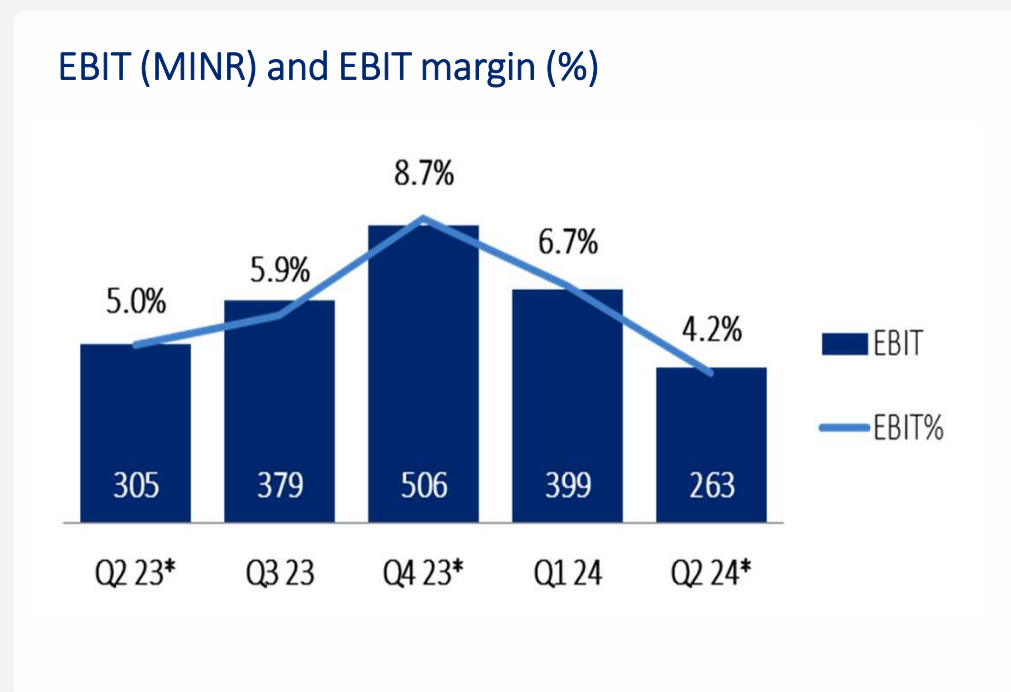
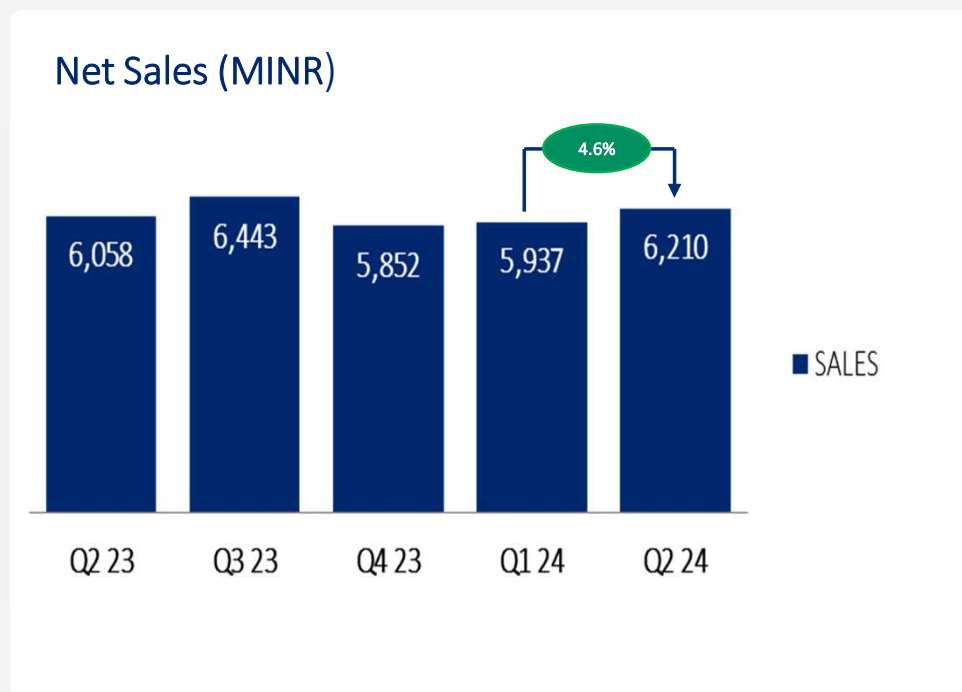
# Improved net sales however challenging market conditions impacting profitability

	Q2 24	Q2 23	Change vs. Q2 23	H1 24	H1 23	Change vs. H1 23
MINR						
Sale of products and services	6,209.8	6,058.2	2.5 %	12,146.3	12,518.4	-3.0 %
EBITDA	382.8	420.9	-9.1 %	876	996.5	-12.0 %
EBITDA %	6.2%	6.9%		7.22%	7.96%	
EBIT	263.3	305.4	-13.8 %	661.8	725.1	-8.7 %
EBIT %	4.2%	5.0%		5.4%	5.8%	
Finance Cost	-49.9	-99.5	49.8 %	-97.6	-167.6	41.8 %
Profit/(Loss) before Tax*	213.4	205.9	3.6 %	564.2	557.5	1.2 %
Profit/(Loss) before Tax	508.2	184.7	175.1 %	859.0	536.3	60.2 %
Profit/(Loss) for the period	385.4	144.6	166.5 %	645.7	499.5	29.3 %
Earnings in Rs. Per share*	2.10	2.19	-4.0 %	5.54	6.89	-19.6 %
Earnings in Rs. Per share	5.10	1.91	166.5 %	8.55	6.61	29.3 %

- Q2 24 Sales growth driven by slightly higher volumes
- EBIT impacted by sales mix
- Financing cost decreased YoY due to lower borrowing however in line with QoQ
- PBT higher than YoY however lower than QoQ
- Executed balance two conveyance deeds against sale of Thane Land. Profit of MINR 278.1 disclosed as "Exceptional item"

\*Excluding exceptional item

# Improved net sales, margins impacted by supply chain constraints and mix



\*Excluding exceptional item

Q1 – Mar quarter, Q2 – June Quarter, Q3 – Sept Quarter and Q4 – Dec Quarter

## Gross debt to EBITDA increased due to lower EBITDA



\*Excluding exceptional item

Q1 – Mar quarter, Q2 – June Quarter, Q3 – Sept Quarter and Q4 – Dec Quarter

- At the end of Q2 24:
  - Net Debt – Nil
  - Cash and cash equivalents MINR 652
  - Investment of MINR 2,545 in bank deposits and liquid mutual funds
  - Unutilized fund-based limits with bank MINR 3,813

## Financial position continue to remain stable

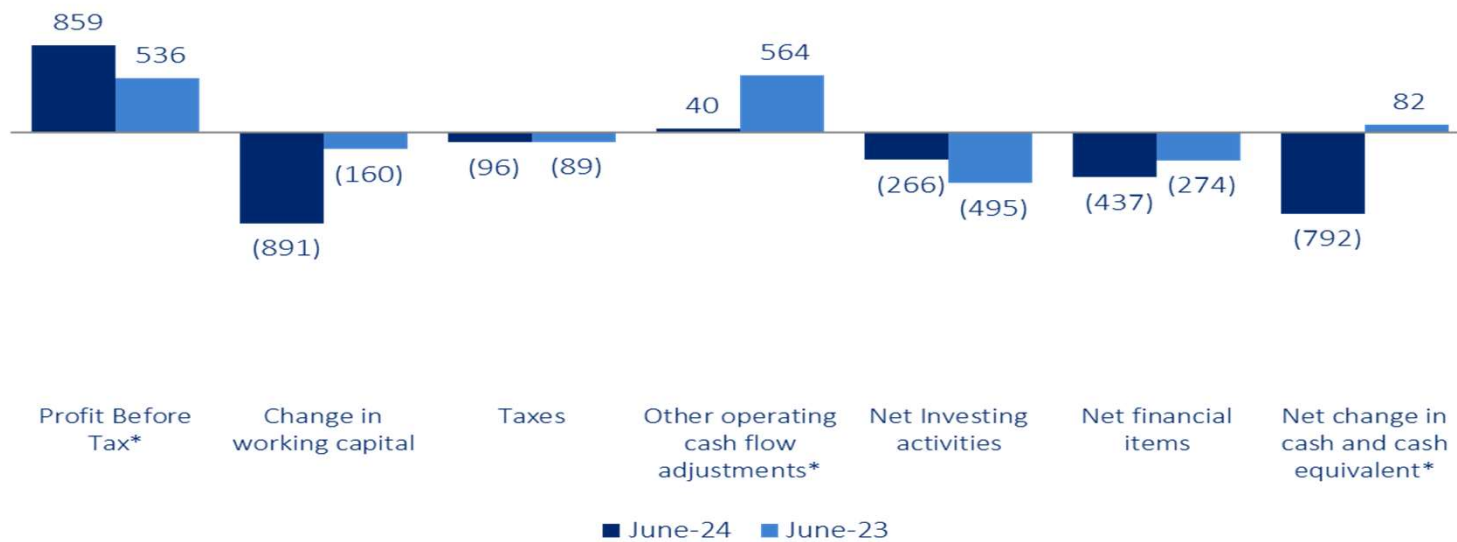
MINR	Jun-24	Dec-23
Total assets	20,357	20,010
Operating working capital	3,999	3,534
Net debt	-	-
Total Equity	11,772	11,505
Debt - Equity Ratio	0.2	0.2
Current Ratio	2.2	2.2

- Operating working capital increased mainly due to higher inventory and trade receivable
- Gross debt in line with December 2023. Net Debt - Nil
- Stable financial position



# Cash and cash equivalents decreased due to change in working capital

Cash flow bridge  
(MINR)



Cash flow driven by:

- Higher profit before tax
- Increase in working capital mainly due to increase in inventory and trade receivable
- Balance proceed received against sale of Thane Land

\*Including exceptional item

# Sustainability

# Continued progress towards our sustainability goals

## Climate Action

Huhtamaki has committed to **Carbon Neutral Production by year 2030**  
Huhtamaki India has achieved improvement in energy consumption intensity through structured project implementation



Energy audits has been initiated for efficiency and decarbonization at Khopoli and Silvassa plants



Solar power sourcing projects are initiated at Rudrapur, Ambernath and Khopoli plants

## Water Consumption

Huhtamaki India has completed the water risk assessment for all its plants, and is currently developing long term risk mitigation plans for each plants



2 of our sites (Taloja and Guwahati) are **Zero Liquid Discharge**

## Solvent Consumption Reduction

A new KPI and subsequent site wise action plans were developed to reduce and optimize the usage of solvents on site. Huhtamaki India has demonstrated improvement in solvent efficiency



## Bio-Diversity

Huhtamaki India has initiated bio-diversity and eco system risk assessments as per the Taskforce on Nature Related Financial Disclosures (TNFD) guidelines  
Pilot assessment for Guwahati plant completed



# Reporting Schedule in 2024

October 22, 2024

Financial result Q3 and  
Q1-Q3 2024

**For further information,  
please contact us:**

[investor.communication@huhtamaki.com](mailto:investor.communication@huhtamaki.com)  
<https://www.huhtamaki.com/en-in/flexible-packaging/investors>

Thank You

in X 

Huhtamaki